HCAi Department of Health Care Access and Information

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NOTICE OF PUBLIC MEETING:
HEALTH CARE PAYMENTS DATA PROGRAM ADVISORY COMMITTEE

October 27, 2022
MEETING MINUTES

Members Attending: Charles Bacchi, California Association of Health Plans (CAHP); Steffanie Watkins, Association of California Life and Health Insurance Companies (ACLHIC); Janice Rocco, California Medical Association (CMA); Amber Ott, California Hospital Association; Emma Hoo, Purchaser Business Group on Health (PBGH); Ken Stuart, California Health Care Coalition; Anthony Wright, Health Access California; Joan Allen, Service Employees International Union- United Healthcare Workers West (SEIU-UHW); William Barcellona, America's Physician Groups.

Members not in attendance: John Kabateck, National Federation of Independent Business (NFIB); Cheryl Damberg, RAND Corporation; Dr. Linette Scott, California Department of Health Care Services (DHCS)

HPD Advisory Committee Ex-Officio Members Attending: Isaac Menashe Covered California; Michael Valle, Department of Health Care Access and Information (HCAI).

Presenters: Elizabeth Landsberg, Director, HCAI; Michael Valle, Chief Information Officer and Deputy Director, HCAI; Starla Ledbetter, Chief Data Officer, HCAI; Christopher Krawczyk, Chief Analytics Officer, HCAI; Ty Christensen, Health Program Audit Manager, HCAI; Andy Potter, Research Scientist Supervisor, HCAI; Jill Yegian, HPD Consultant; Wade Iuele, HPD Consultant.

Public Attendance: 75

Agenda Item # 1:   Welcome and Meeting Minutes
Ken Stuart, Chair

Welcome and review of hybrid meeting ground rules and procedures. Review and approval of July 28, 2022, meeting minutes.

The Committee reviewed the July 28, 2022 meeting minutes. The Committee voted and approved the July 28, 2022, meeting minutes. Ken Stuart raised a motion to approve, and Emma Hoo and Charles Bacchi seconded it.

No Public Comments.

Agenda Item # 2:   New Committee Member Swear In
Elizabeth Landsberg, Director, HCAI

Director Landsberg swore in new HPD Advisory Committee member Janice Rocco from the California Medical Association who will represent suppliers.

No Comments from the Committee:

No Public Comments.

Agenda Item # 3:   Department Update
Elizabeth Landsberg, Director, HCAI

Presentation on department and program updates. Director Landsberg discussed the Office of Health Care Affordability's goals and reiterated the department's commitment to discussing long term funding plans for the HPD Program.

No Comments from the Committee:

No Public Comments.

Agenda Item # 4:   Division Update
Michael Valle, Chief Information Officer and Deputy Director, HCAI

Presentation on division policy and program activities of interest.

Questions and Comments from the Committee:

The committee commended HCAI's dedication to building out each portion of the HPD Program, noting in particular HCAI's willingness to incorporate feedback from the committee. The committee also expressed their eagerness to see real and usable data available for public use.

No Public Comments.

Agenda Item # 5:   Implementation and Submitter Updates
Starla Ledbetter, Chief Data Officer, HCAI

Presentation on the progress to date and next steps for HPD

Questions and Comments from the Committee

The committee inquired about any challenges HCAI faced while creating the Master Patient Index (MPI) considering the volume of data in the HPD, and whether the MPI would be applied solely to monthly data or if it would also be applied to the initial historical data files. They also inquired if there have been any challenges in developing the data release regulations.

No Public Comments.

Agenda Item # 6:   Initial Public Reporting Priorities
Jill Yegian, HPD Consultant, HCAI
Christopher Krawczyk, Chief Analytics Officer, HCAI
Andy Potter, Research Scientist Supervisor, HCAI

Jill Yegian, Christopher Krawczyk, and Andy Potter presented on the approach to HPD public reporting, including a review of prior Advisory Committee discussions and a presentation on proposed HPD visualizations planned for release in 2023.

Questions and Comments from the Committee:

Metadata

The committee reiterated California's unique health care landscape and emphasized how aggregate data may be of more use if it can be presented at the plan, system, and facility level. While this more granular level of reporting is recognized as being beneficial, it is also important that HCAI establish credibility, completeness, quality in the data prior to performing entity-level comparisons. The committee also discussed the possibility of releasing counts by specific payer rather than having an aggregated number showing all claims by a payer type, noting that being able to look at data in multiple ways, such as by geography, system, or by plan, is particularly helpful. Additionally, the committee noted that the metadata should also capture gaps in data, so that data users understand data limitations and potential discrepancies between HPD public reporting and information from other sources.

Committee members commented on the importance of data validation to ensure accuracy of public reports. They also suggested creating webinars or other teaching material for various stakeholders to familiarize them with the initial release of metadata which would in turn highlight areas of interest for each stakeholder group.

The committee suggested that HCAI could provide benchmarking information to submitters to manage expectations, assist with accuracy, and ensure timely data submissions.

Chronic Conditions

The committee acknowledged the importance of studying mental health and suggested the addition of a measure of depression as well as noting non-Alzheimer's dementia should be included in addition to Alzheimer's. Members also encouraged HCAI to consider more granular breakdowns when displaying this data, including further geographic breakdowns from county to zip code as well as breaking down the data to the system or plan level. The committee inquired about how the availability of claims data versus encounter data will impact the HPD and data release dates.

Members suggested utilization metrics that would be of interest to various stakeholder groups and how HCAI may plan to accommodate the requests as well as assist with introducing users to the platform and wide array of data available.

Committee members confirmed the initial data release will include encounters and fee for service data for both HMO and PPO plans, without pricing information to start.

Pharmacy Costs

Committee members discussed the interactions between the multiple data sources for pharmaceutical drug utilization and costs and noted that the HPD reporting on pharmaceutical costs would augment the existing sources. They also noted that there will be significant interest to be able to say how costs are affecting consumers. Additionally, it was noted that hospitals are oftentimes the "payer" in pharmaceutical purchasing, and it could be helpful to provide transparency around prescription drug costs at the hospital level. The committee inquired about opportunities to identify prescriber source, noting, for example, that prescriptions for mood-altering drugs are often made by non-mental health providers. Lastly it was also noted that from a public policy perspective it would be beneficial to see the use of brand name versus generic drugs in publicly funded programs.

2023 Priorities

The committee identified areas that they felt would be important for HCAI to prioritize, given available time and resource capacity:

- Analyzing benefit design to understand the impact of out-of-pocket spending that limits consumers accessing needed services.
- Identifying where there is overutilization or improper utilization of high-cost drugs.
- Using Medicare benchmark payments as a proxy for data that does not include payment information.
- Tracking the performance around equitable inpatient admissions and readmissions
- Telehealth utilization.

No Public Comments.

Agenda Item # 7:   Funding Options for HPD Long Term Sustainability
Jill Yegian, HPD Consultant, HCAI
Ty Christensen, Health Program Audit Manager, HCAI
Wade Iuele, HPD Consultant, HCAI

Jill Yegian, Ty Christensen, and Wade Iuele led a discussion of HPD operating costs and the potential revenue streams for developing a long-term sustainability plan for the HPD Program.

Questions and Comments from the Committee

Committee members supported the need for annual ongoing funding of the HPD Program to achieve the benefits of the investment in the HPD Program to date and to achieve the goals in the intent of the HPD enabling legislation. Members supported HCAI's estimated annual budget of $22 million, starting in Fiscal Year 2025-26, recognizing that this funding amount was necessary to provide the needed resources to continue the HPD Program and ensure there is funding to support programmatic needs as the HPD Program grows.

Committee members generally supported HCAI's presented distribution of funding – 25% from Medicaid match, 5% from user fees, and 70% from direct funding. Some members expressed concern about the ability to raise 5% in user fees, citing concerns about variability year-to-year demand and revenues and the relatively small share that they currently contribute to the existing HCAI Health Data and Planning Fund.

The committee had a robust discussion regarding tradeoffs between utilizing General Fund and Special Fund options for HPD funding. The committee noted that it is important to assess how closely each approach aligns to and supports the intent of the HPD Program. Committee members noted that the "public benefit" intent of the HPD warrants utilizing a funding source that is broadly based, but also noted that California has a history of funding oversight efforts with industry assessments.

The committee noted that health plans and insurers, as the primary suppliers of HPD data, already invest resources to comply with HPD Program requirements, and any new assessment on them would add to their existing HPD-related costs.

Additionally, when discussing industry assessments, some committee members indicated that industry assessments should not apply to voluntary submitters, to prevent additional barriers for voluntary submitters in submitting their data. Others noted that if industry assessments are used, they should apply broadly and proportionally, and not be borne solely by commercial health plans.

Overall, committee members were split on their preferences of the use of General Fund versus special fund. Members noted that while both state-funding approaches are more stable when compared to data user fees or grants, special funds have some additional benefits that would serve the HPD program, including:

- Special funds are not impacted by state spending limits and guaranteed education spending formulas in the California Constitution (e.g., Gann Limit and Proposition 98).
- Special funds are typically insulated from budget cuts or changes in the priority of the Administration
- Special funds allow surpluses to roll over year-to-year, and
- Special fund amounts can be adjusted year-to-year.

Finally, committee members did not have many suggestions for additional revenue sources beyond Medicaid match, user fees, General Fund, or industry assessments. The ideas discussed are not be expected to provide significant revenues. Suggestions included making Risk Based Organizations mandatory submitters and

collecting assessment fees from them, applying for Center for Medicare and Medicaid Innovation (CMMI) federal grants, and pursuing funds from the No Surprises Act.

No Public Comments.

Agenda Item #8 Public Comment for Items Not on the Agenda

No Comments from the Committee

No Public Comments.

Ken Stuart thanked the Committee Members and HCAI Staff and adjourned the meeting.