

Ask the Analyst Webinar Series August 29, 2024 – Q&A Summary

Below is a summary of the questions and answers discussed during HCAI's Ask the Analyst Webinar Event held on August 29, 2024. HCAI looks forward to seeing you at the next event! <u>Subscribe to HCAI's mailing lists</u> to be notified of events and public meetings.

The Health Care Payments Database (HPD) is California's All Payer Claims Database or APCD. The HPD is a research database comprised of healthcare administrative data, claims and encounters, generated by transactions among payers and providers on behalf of insured individuals. The webinar included an overview of the program and virtual tour of the newest data product release, the <u>HPD Fee-For-Service Drug Costs in the Commercial Market Report</u>.

Any additional questions or feedback may be sent to <u>dataandreports@hcai.ca.gov</u> and putting "Ask the Analyst" in the subject line.

HPD Fee-For-Service Drug Costs in the Commercial Market Report

What is the validity of the data for cost estimates?

All the data HCAI collects undergoes rigorous data quality control procedures, which include field value, trend assessment, and denominator levels checks, among others, to identify and address variances in the data. The HPD has nearly 5,000 such checks that are applied to each data submission. HCAI expects HPD data quality to continue to increase over time. Read the report submitted to the California Legislature in March 2024.

HCAI started with the fee-for-service prescriptions because of the reliability of the cost data for fee-for-service claims, which represent most of the commercial market for pharmacy benefits. HCAI is working on developing methodologies to estimate non-claims payment amounts, such as for encounters under capitated payment arrangements. <u>More information about the public process to create the new rule for non-claims payments</u>.

What is the lag time between data submission and its review and inclusion into the visualization?

This report was constructed using 2021 data, extracted in December 2023. HCAI finds that at least a 3-month run-out is required for analytical purposes, so data from 2022 were not included. These details are also included in <u>the report's Technical Note</u>.

What are the plans to add in more years of data and product types such as Medi-Cal and Medicare and when will those be available?

HCAI is actively working on refreshing the report with 2022 data. When the product is refreshed, HCAI plans to expand the product types to include Medicare and Medi-Cal. The inclusion of additional product types will depend on the quality and completeness of these data as well as any technical considerations. In addition, HCAI plans to include biologic and biosimilar labels to the existing generic and brand filter options.

Was there any thought about how to show COVID vaccines and report other types of prescriptions?

HCAI's approach is "generational," where a product is first released as an introductory view of the data. Then, through direct stakeholder engagement such as these Ask the Analyst events and other outreach efforts, HCAI receives feedback on the initial product to improve it and add functionality. HCAI's goal is to then each year, or each generation, release a refresh of the product. HCAI does not just add new data, but new measures, new filters, and new components to further explain what the data is saying.

With this analysis being conducted for data year 2021, for example, the impact of the COVID-19 pandemic represented a considerable amount of uptake within California for the use of vaccinations. HCAI is considering additional filter types and groupings to help make the data more actionable.

Can you download this information into a CSV or an Excel file?

All the deidentified, underlying data for the reports published is available in a CSV, or Comma Separated Value, file format. HCAI has been a participant of the open data movement for a decade and has a very strong commitment to making data available in accessible formats, machine readable formats, and formats that can be used in applications and other tools. The underlying data that is used to create products and reports can be used to produce a user's own reports and products using their own software tools.

The <u>HPD Fee-For-Service Drug Costs in the Commercial Market data is available on</u> <u>the Open Data Portal in CSV file format</u>, and there is an API software layer that also allows API connectivity to that data set.

General HPD Program

What other topics does HCAI plan to publish in the near future, in particular what cost products are planned?

In 2024, HCAI plans to refresh the other already release visualizations. HCAI just recently refreshed the <u>HPD Snapshot</u> and will refresh the <u>HPD Measures Report</u> this calendar year. HCAI has been developing methodology to enrich race/ethnicity data and is looking at other sources to supplement race/ethnicity to support equity-focused analyses. HCAI has also been evaluating fee-for-service equivalents, as a way to measure cost for non-claims payment encounters. Hospital cost was identified by the HPD Advisory Committee as the second cost product HCAI should target for release, which the department is working on. The public reporting portfolio will be the focus of our October <u>HPD Advisory Committee</u> meeting and HCAI encourages the public to <u>attend and participate</u>.

Will HCAI be making any updates to the timing and level of geographic granularity available?

HCAI plans to continue to provide data as timely as possible. For example, with data refreshes, HCAI expects to begin data with about a nine-month lag from the end of the data reporting year, which will become more feasible as the database matures.

HCAI continues to refine its ability to report at more granular levels of geography, while maintaining its obligations to protect patient privacy. The HPD Measures Report allows for analyses at the county and Covered California region levels. The HPD Advisory Committee has prioritized Los Angeles "Special Planning Areas" as a geography to provide more meaningful data for the Los Angeles area.

When can the California Cancer Registry (CCR) data be linked with the Healthcare Payments Data to study the healthcare spending of cancer patients?

HCAI is in the process of establishing the HPD Data Release Program, including completing the regulations process. This includes requests for HPD data from partner government programs. HCAI anticipates beginning accepting applications as part of the Data Release Program in Q4 of 2024. HCAI will work with requestors to process their requests in a timely manner. Requests that are more complex and/or sensitive in nature may require more time and evaluation, including review by the <u>HPD Data</u> <u>Release Committee</u>.

OHCA Data Reporting

How can we leverage HPD to support the Office of Healthcare Affordability (OHCA) spending target reporting? Will the ability exist to look at payment per unit versus utilization as drivers of overall spending in areas where the aggregate OHCA data see high growth within a category? And, at the payer level, can the data be used to identify variation across health plans in their payment per unit rates? OHCA expects the HPD to be a key data asset that will complement OHCA's collection and reporting of total health care expenditure and other data. OHCA is still early in its data collection and analysis process, but the Office expects to draw upon the HPD where appropriate to paint a more complete picture of the healthcare spending landscape in California in the following ways:

- HPD includes a longer time-series: OHCA's first round of data collection will start with expenditures from 2022 and 2023, while HPD will include data from 2018.
- OHCA's data collection is at a fairly high level of aggregation; for example, OHCA's geographic spending data will for the most part be at the Covered California rating region. OHCA would look to HPD to gain insights into regional variation at more granular levels of geography.
- HPD includes richer enrollee-level demographics, including chronic condition diagnoses, which will yield insights into the distribution of high-cost claimants across health care entities.
- OHCA collects spending data and will not have as much visibility into trends in utilization or prices.