Ask the Analyst Webinar Series
January 17, 2023 – Hospital Financials
Q&A Summary

Below is a summary of the questions and answers discussed during the Department of Health Care Access and Information's (HCAI) Ask the Analyst Webinar held on January 17, 2023 on HCAI's hospital financial data visualizations. HCAI looks forward to seeing you at the next event! Subscribe to HCAI's mailing lists to be notified of events and public meetings.

Please send questions or feedback to dataandreports@hcai.ca.gov and include "Ask the Analyst" in the subject line.

Questions

Can you share data limitations and ways to work around it?

The main limitations for developing hospital financial data visualizations were the timeliness of data and the availability of data for comparable facilities only.

The financial data undergoes a comprehensive auditing process to make sure the information collected is as accurate as possible, and it takes time to complete the process for each year. HCAI also publishes a "pre-audited" financial dataset to get data to consumers as timely as possible – which may be the appropriate product to use, depending on the use. The hospital data visualizations use the fully audited dataset. The visualizations will be updated with new information as soon as the data for each respective calendar year has been fully audited.

The dataset only includes comparable facilities. Kaiser facilities currently are excluded from the visualizations as they do not report their financial information at the same level as the other comparable facilities. Per Senate Bill 343 (Chapter 247, Statutes of 2019), Kaiser facilities began submitting annual financial files for the 2022 fiscal year end. It is expected that these data will be added to the visualizations in the updates.

How can this data be used to create a more proactive vs reactive mindset?

There will be a data lag, so it is important to recognize that. Using this data to look at year-over-year changes for a multi-year period will help uncover macro-level trends. It is helpful to review data for regions, systems, and facility characteristics to consider planning future changes to healthcare policy and practice.

How is the data validated? What does the audit process for the data look like?

Data validation starts even before the reports are submitted by hospitals to HCAI. Each of the hospitals in the state of California are required to follow a uniform system of accounting established by HCAI, including a chart of accounts that hospitals use daily. The reports are then submitted to HCAI based on this uniform system and undergo a desk audit performed by an HCAI auditor. Each report is submitted through the HCAI audit system, which runs over 24,000 calculations to validate the data. HCAI works with hospitals to resolve any issues, requesting revisions to the data submitted, and issues corrective action plans as needed to correct the data for future reporting. Once reports are submitted, the audit process can vary; typically, audits are completed within two months.

What is the best way to work with HCAI staff on custom data requests to make the process easier and faster?

HCAI uses the data it collects and manages to create its own analyses and visualizations. HCAI also has a data request line with which users and members of the public can request for HCAI to perform an analysis of facility or prescription drug data for them. Using the Custom Data Analysis Request webpage, users can create an account within the HCAI service portal. Fill out the necessary information for the request, which helps to define the scope of the analysis. HCAI completes these requests on a first-come-first-served basis. The timeline to fulfill a request varies by the complexity of the analysis, the number of years of data that are involved, and the amount of information that the requester can provide about the scope of the analysis.

Can we put together some key metrics like operating margin and net revenue with plug and play access?

HCAI takes a generational approach to data product development. What that means is that each time we release a product, we really want the next version to be user-informed and iterative. HCAI considers questions such as "what would users like to see in terms of data content?" and "what would users like to see in terms of functionality?" We hope to make HCAI's products both more useful and also easier to use. HCAI receives feedback from regular and structured outreach efforts with stakeholders – and the Ask the Analyst Webinar Series is part of a recent expansion to that program. We are working on incorporating the feedback we recently received; stay tuned as we continue to refresh our products with new data, information, and functionality.

Is there an application programming interfaces (API) or other "flat file" download that will allow quarterly updates?

HCAI has adopted technology, through the CalHHS open data portal, that provides a standard API protocol for datasets uploaded to the portal. Many of HCAI's datasets are published as comma separated value (CSV) flat files, which is required to use the API to make data calls. HCAI is continually striving to gain insight and understand the uses for those interfaces, such as driving a mobile app, a dashboard, or to integrate it

with other data sources. Understanding these use cases helps HCAI configure its data infrastructure to best support user needs.

The HCAI analyst team is currently looking into how we can transform the hospital financial dataset into such a flat file format, so that the API technology can be used with it. HCAI welcomes your feedback and ideas for how to use the API technology.

If you would like to see the documentation for how to code against the APIs that are enabled for other datasets, you can visit this link to the open data portal API guide.

How can you use this data to improve health disparities?

Many types of HCAI data can be used to understand health disparities and social drivers of health. For example, the hospital financial data can be used to identify hospitals with higher Medi-Cal and uncompensated care payer mixes and the level of financial resourcing available in hospitals for those populations. The data does not, however, contain patient demographic or outcome information. HCAI continues to add programs and analyses related to such topics. Check out the Social and Community Impact with Data webpage for more information.

It is possible to get a version of the annual financial pivot profile that covers multiple years?

The pivot profile tool has been a widely used, highly valued product for many years, though some users have expressed their limitations with using it, including difficulty navigating the tool and security settings that prohibit them from downloading it from the HCAI website.

HCAI continues to innovate and create new, interactive, and contemporary tools, such as the online reports and visualizations developed with the hospital financial data. HCAI will continue to update the annual pivot profile – and will also evaluate with what format will be best to incorporate multiple years of data for the purposes of performing longitudinal analyses.

How does financial data between Academic Medical Centers and other non-profit facilities differ?

In the hospital financial data visualizations, HCAI included "teaching" as a pull-down menu that allows users to filter teaching hospitals from other types of hospitals. HCAI provides this categorization so that users can use the tool to make their own observations and evaluate variations and trends in the data.

What types of quarterly and annual data does HCAI publish?

The visualizations presented during the webinar are from the annual financial audited data files, although HCAI does also release pre-audited data as well. This is a subset of the full dataset and includes about 250 data elements of the 16,000 that are on the

annual financial data report. Separately, HCAI receives a quarterly financial and utilization report from hospitals. These reports include about 150 data elements, so while it is less detailed than the annual report, it is provided more frequently. To explore the quarter-to-quarter data, use the HCAI Quarterly Profile Characteristics tool.

Will HCAI be releasing actual payment rates negotiated by payers with hospitals rather than charges that we have seen in traditional OSHPD (now HCAI) data?

The standard data specification that applies to HCAI's financial data, the uniform accounting standards and chart of accounts, is established by administrative regulation and includes aggregate net payments to hospitals at the payer level. For example, Medicare managed care as a payer will have a single dollar value for the hospital. HCAI's hospital financial data is public, open data available for anyone to use.

A separate data initiative, the Healthcare Payments Database (HPD), has been in the planning and development stage for several years. This program is California's effort to build an all-payer claims database in the state of California, which will be operational in 2023. This database will include claims and encounter data from across all sectors, including claims-level payment information. Release of the healthcare payments data is governed by the HPD Data Release Committee. This committee and its meetings are open to the public. HCAI is grateful to be guided by a tremendous group of healthcare stakeholders and experts through its public committees and welcomes anyone interested to join the public discussion about the HPD. Visit the HPD program webpage to learn more.

What do you wish the general public knew about how hospitals actually operate?

The HCAI data collection program is limited to financial data and producing public transparency. HCAI does not audit the operations of hospitals and therefore cannot provide evidence-based findings regarding hospitals' operations. HCAI welcomes data users to use and analyze HCAI's data to produce insights about hospital operations. HCAI is pleased that all stakeholders—researchers, advocates, journalists, hospitals, healthcare administrators—were able to join the webinar event and make use of HCAI data in their work.