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**NOTICE OF PUBLIC MEETING:
HEALTH CARE PAYMENTS DATA PROGRAM (HPD) ADVISORY COMMITTEE**

**October 26, 2023
Draft MEETING MINUTES**

Members Attending: Ken Stuart, California Health Care Coalition; Steffanie Watkins, Association of California Life and Health Insurance Companies; Janice Rocco, California Medical Association; Amber Ott, California Hospital Association; Emma Hoo, Purchaser Business Group on Health; Anthony Wright, Health Access California; Joan Allen, Service Employees International Union- United Healthcare Workers West; William Barcellona, America's Physician Groups; Cheryl Damberg, RAND Corporation; John Kabateck, National Federation of Independent Business

Members not in attendance: Charles Bacchi, California Association of Health Plans

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

Presenters: Elizabeth Landsberg, Director, HCAI; Michael Valle, Chief Information Officer and Deputy Director, HCAI; Christopher Krawczyk, Chief Analytics Officer, HCAI; Dionne Evans-Dean, Assistant Branch Chief, HCAI; Alim Beveridge, Research Scientist Supervisor, HCAI; Alyssa Borders, Research Scientist, HCAI; Jill Yegian, HPD Consultant, HCAI; Wade Luele, HPD Consultant, HCAI

Public Attendance: 61

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

Welcome and review of meeting ground rules and procedures. Review and approval of July 27, 2023, meeting minutes.

The committee voted and approved the July 27, 2023, meeting minutes. Cheryl Damberg raised a motion to approve. The minutes were approved, 10-0.

No Public Comments.

Agenda Item # 2: Department Updates

Elizabeth Landsberg, Director, HCAI

Presentation on department and program updates including committee member reappointment announcement.

No Questions and Comments from the Committee:

No Public Comments.

Agenda Item # 3: Deputy Director Update

Michael Valle, Chief Information Officer and Deputy Director, HCAI

Presentation on division policy and program activities of interest.

Questions or Comments from the Committee.

The committee proposed creating a summary document providing an overview of what is currently included in the HPD System and what will be included in upcoming phases.. The committee expressed excitement about the HCAI team's expansion and flagged that while data access is agendized as an April 2024 topic, it may be helpful to also include it as a potential July discussion topic as there may be more information available by July. The committee also inquired about an update on the limited dataset and received acknowledgment from HCAI that it would be covered in the day's update with follow up as needed.

No Public Comments.

Agenda Item # 4: HPD Data Collection, Use, and Release Updates

Chris Krawczyk, Chief Analytics Officer, HCAI

Dionne Evans-Dean, Assistant Branch Chief, HCAI

Progress on upcoming HPD Data Release Committee meetings, brief updates on enclave development, data release regulations, and Medicare fee-for-service data access for users.

Questions and Comments from the Committee:

The committee suggested consulting providers with various payment structures for input on upcoming non-claims based payment regulations. HCAI confirmed engagement with providers and openness to further discussions with individual physicians and provider organizations . The committee stressed the importance of consulting hospital members for comprehensive insights and expressed willingness to facilitate discussions on

potential complexities. The committee inquired about the realistic timeline for non-claims regulation writing, with HCAI explaining it depends on public comment timing and rounds.

The committee praised HCAI for their comprehensive report and offered support for exploring access to Medicare fee-for-service data. The committee recommended collaboration with the Office of Enterprise Data Analytics at the Centers for Medicare & Medicaid Services (CMS), emphasizing the importance of early engagement due to the lengthy approval process. The committee highlighted the need to help funders understand timelines when it comes to release of data and inquired about the nature of public comments received on the data release regulations. In response, HCAI mentioned that public comments focused on privacy concerns in the limited dataset definition, with a potential revision to prioritize privacy and plans to implement a case-by-case review process while adhering to statutory obligations for transparency. The committee emphasized the importance of not overly restricting data use and suggesting learning from CMS' approach to prioritize privacy and focus on minimum necessary release of data elements.

Additionally, the committee inquired about progress on the research data enclave and emphasized the need for the pricing mechanism to be able to accommodate multiple researchers on the same project simultaneously. HCAI clarified that the enclave's pricing and access structure are project-based, allowing up to three team members access per project. The committee inquired about software compatibility within the enclave to which HCAI noted that the November 7 Data Release Committee (DRC) presentation would cover standard and additional analytic software tools, some incurring an additional cost.

No Public Comments.

Agenda Item # 5: HPD Collection of Non-Claims Payments Data

Dionne Evans-Dean, Assistant Branch Chief, HCAI

Jill Yegian, HPD Consultant, HCAI

Wade Luele, HPD Consultant, HCAI

Progress and overview of proposed expanded framework for HPD collection of non-claims payments data.

Questions and Comments from the Committee:

The committee discussed that the non-claims based payments would be submitted by mandatory submitters, already required to submit data to the HPD. Specifically, these are health plans with 40,000 or more covered lives. HCAI emphasized the focus is on mandatory submitters at the payer level who are submitting data to the HPD and acknowledged the balance of capturing as much information about health care spending while balancing the administrative burdens of data collection.

The committee emphasized the utility of Integrated Healthcare Association's capitated payments spectrum, highlighting distinctions in California's marketplace between per member per month (PMPM) and percentage of premium capitation. While HCAI acknowledged the complexity of tracking these variations, the committee stressed evidence favoring percentage of premium global capitation over PMPM cap.

The committee discussed whether Medi-Cal non-claims based payments would be included, and HCAI clarified the current focus on non-claims payment data collection, excludes Medi-Cal due to complexities, with no plans to incorporate Medi-Cal supplemental payments into HPD at this point. The committee suggested taking shared risk arrangements involving Risk Bearing Organizations (RBOs) and hospitals into consideration for future analysis in California's managed care market.

The committee appreciated aligning data collection with OHCA's needs, raised concerns about accommodating diverse use cases, and inquired about addressing varied payment structures across regions for major plans, suggesting exploration of standardized elements. HCAI acknowledged the complexity and emphasized capturing both commonalities and variations, suggesting the exploration of standardized elements for major plans, and clarified the current non-focus on collecting risk adjustment payment information for HPD.

HCAI clarified for the committee that medical loss ratio (MLR) payments would not be a part of this data collection. HCAI noted that the non-claims based payment framework is looking at the payment arrangements and relationships between payers and providers, other sorts of payment arrangements are not within the scope of the HPD. The committee stressed the need for a comprehensive codebook detailing data inclusions and limitations.

The committee discussed whether requiring health plans to submit summaries of the contractual agreements related to the non-claims based payments is necessary to provide a qualitative description to go along with the payments to prevent potential misinterpretation of the data. The committee agreed that context around the non-claims data would be helpful for understanding cost and coverage relationships and proposed an alternative that plans could share contracts with HCAI emphasizing it as an educational tool for HCAI. The committee did however raise concerns about proprietary nature of the individual contracts and needing to discuss further with the payors.

The committee supported the concept of a test file process, acknowledging its precedent within HPD and recognizing its role in expediting production file flow, even though initial challenges may arise. The committee discussed the significance of testing during new data collections or major changes, noting that for an annual file with a consistent format, testing might be less critical. The discussion delved into potential benefits and challenges, including insights into CMS' efforts to introduce a non-claims file, focusing on compensated payments, with a two-year implementation timeline for Medicaid-side developments beginning in September 2025.

The committee explored the idea of running calculations on the annual non-claims file and obtaining submitter verification for accuracy. The committee stressed the significance of data accuracy and recognized the importance of data integrity since the inception of the review committee. The committee proposed allowing hospitals and others to review data for accuracy and referenced DHCS' reconciliation process in the directed payment program as an example.

No Public Comments.

Agenda Item # 6: HPD Public Reporting Update and Priorities

'Alim Beveridge, Research Scientist Supervisor, HCAI

Alyssa Borders, Research Scientist, HCAI

Measures Dashboard walkthrough and 2024 priorities.

Questions and Comments from the Committee:

Related to the Measures Dashboard walkthrough, the committee acknowledged potential disparities that can happen between what comes in on the claims data and medical chart information in counting individuals with specific health conditions, recognizing differences in counting methodologies. The committee emphasized the significance of demographic data, clarifying that percentages are based on population denominators for procedures, and discussed the categorization of individuals with commercial products under Medicare, regardless of dual enrollment.

The committee inquired about the Medicare fee-for-service 2021 data, discussing downloading data from the Open Data Portal, future inclusion of mental health and substance use inpatient data, and the possibility of distinguishing between Medicare Advantage and fee-for-service populations in future versions of the dashboard.

When looking at the upcoming pharmaceutical costs dashboard, the committee expressed interest in comparing the data that will be available in that data visualizations with information reported to the Department of Managed Health Care (DMHC) and the Department of Insurance (DOI) under Senate Bill 17, suggesting it could be a potential future product for 2024. The committee also inquired about the use of Covered California regions and suggested breaking down data by legislative districts, with HCAI considering feedback for future iterations in 2024 and 2025. The committee also highlighted challenges with legislative district analysis, particularly small sample sizes.

When looking at proposed public reports for 2024, the committee expressed optimism that the HPD contains better address data than it does race and ethnicity data, which would lend itself to using place-based tools such as the Healthy Places Index (HPI) for equity analysis due to its incorporation of various social and non-health structure factors. The committee emphasized the importance of exploring HPI to address disparities in the state, leveraging address information for indirect estimates methodology. The committee also noted that as future public reports include more

granular categories such as race and ethnicity the concern about data suppression due to small sizes becomes more prevalent. The committee suggested for HCAI to consider creative approaches such as releasing multiple flat files that break different areas down by race/ ethnicity which would minimize suppression. HCAI did note concerns around complimentary re-identification that would need to be taken into account if multiple files were to be released. It was also noted that the enclave should provide access to all of the unsuppressed data that is available for public reporting.

In discussions about enhancing the prescription drug cost dashboard, the committee highlighted the availability of rebate data in annual reports from DMHC and DOI, accounting for about 10 percent of prescription drug spending. Recommendations included categorizing drugs into therapeutic classes and addressing the impact of manufacturer-driven couponing on patient experiences. Challenges in obtaining couponing data were acknowledged, considering legislative restrictions and varying durations for coupons. The committee discussed concerns about regional variation in hospital payments and cautioned against regional cost comparisons due to differences in payment structures, emphasizing the prevalence of capitation in Southern California. The committee suggested exploring the possibility of obtaining shared risk arrangement data from DMHC for integration into HCAI, recognizing its efficiency in reducing total cost of care and improving measured quality.

The committee stressed the urgency of analyzing hospital payments, advocating for a breakdown between urban and rural areas to address concerns about rural hospital closures. The committee emphasized the need to examine hospital margins based on characteristics like urban/rural designation and profit status, highlighting the distinction between prices and costs for informed policy and purchasing decisions. The committee expressed support for detailed Diagnosis Related Group (DRG) breakouts to pinpoint specific services driving costs and, in the absence of non-claims payment data, suggested using proxy pricing for differentiation between high and low intensity services.

Lastly the committee encouraging prioritization of public reports from the HPD that offer a unique perspective into the healthcare system. The top three topics that were prioritized by the committee included breaking down data for Los Angeles County due to its size, out-of-pocket costs and primary care and behavioral health utilization.

No Public Comments.

Agenda Item #7: Public Comment for Items Not on the Agenda

No Questions and Comments from the Committee:

Ken Stuart thanked the committee and HCAI staff and adjourned the meeting.

No Public Comments.