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

**July 25, 2024  
DRAFT MEETING MINUTES**

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

**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)

**Members in virtual attendance:** John Kabateck, National Federation of Independent Business; Cheryl Damberg, RAND Corporation

**Members not in attendance:**

**Presenters:** Elizabeth Landsberg, Director, HCAI; Michael Valle, Chief Information Officer and Deputy Director, HCAI; Christopher Krawczyk, Chief Analytics Officer, HCAI; Robyn Strong, Chief Data Programs Officer, HCAI; Dionne Evans-Dean, Cost Transparency Section Director, HCAI; Anna Dito, Cost Transparency Section Manager, HCAI; Ertug Misirli, Research Data Specialist II, HCAI; Jill Yegian, HPD Consultant, HCAI; Wade Luele, HPD Consultant, HCAI

**Public Attendance:** 81

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

Welcome and review of meeting ground rules and procedures. Review and approval of May 13, 2024, meeting minutes.

The committee voted and approved the May 13, 2024, meeting minutes. Bill Barcelona raised a motion to approve, and Joan Allen seconded it, and Amber Ott abstained from voting. The minutes were approved, 7-0.

*No Questions or Comments from the Committee.*

No Public Comments.

**Agenda Item # 2: Department Updates**

*Elizabeth Landsberg, Director, HCAI*

Presentation on department and program updates.

*No Questions or 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.

*No Questions or Comments from the Committee.*

No Public Comments.

**Agenda Item # 4: HPD Data Release Program Updates – Presentation on progress and initiatives including documentation, staffing, and collaboration.**

*Chris Krawczyk, Chief Analytics Officer, HCAI*

Presentation on division policy and program activities of interest.

*Questions and Comments from the Committee:*

The committee inquired about the Office of Administrative Law's (OAL) rejection of the proposed rulemaking and if there was a common theme. HCAI explained that the OAL found the package generally well written but requested clarifications in certain areas. Some revisions were considered substantive due to ambiguities, which triggered the need for public comment.

The committee inquired about the ease of adjusting the price schedule once it is established. HCAI explained that experience will guide adjustments, with the first six months being crucial for making decisions. Upon approval of the revised regulations, HCAI expects there will be regular opportunities to revisit the price schedule without

needing to return to OAL to revise the regulations. The committee noted that flexibility is important, given that funding details are still being finalized and adjustments may be needed over a few years.

The committee inquired if the previously discussed standard costs will remain the same and when others outside the committee will receive notice of these costs to use for their budgeting purposes. HCAI responded that the timing depends on regulation finalization. While official numbers will only be available upon approval, using the proposed base costs already published is a reasonable starting point for budgeting.

The committee asked when applications for data might be submitted, given that the Data Release Committee is still training. HCAI explained that the timeline depends on the OAL approval process. The committee emphasized the importance of knowing the pricing schedule soon for budgeting and grant proposals.

No Public Comments.

#### **Agenda Item # 5: HPD Data Collection Program Updates**

*Robyn Strong, Chief Data Programs Officer, HCAI; Dionne Evans-Dean, Cost Transparency Section Director, HCAI; Anna Dito, Cost Transparency Section Manager, HCAI; Ertug Misirli, Research Data Specialist II, HCAI; Jill Yegian, HPD Consultant, HCAI; Wade Luele, HPD Consultant, HCAI*

This is the annual deep dive scheduled agenda item for the Quarter 3 meeting. Presentation on data collection, including Medical, pharmacy, and dental data collection; Non-claims payment data collection; and voluntary, self-funded data collection.

#### *Questions and Comments from the Committee:*

##### Medical, Pharmacy and Dental Data Collection

The committee inquired if hospital data could be used to identify errors in payer-submitted data, given the overlap between the two data sets. HCAI responded that they have started comparing hospital data with payer data and found that while not exact, the counts align well. There is potential for further validation and improvement in this area as they continue to develop their approach.

The committee inquired about aligning race and ethnicity data with new OMB requirements and the incorporation of the aggregation structure. HCAI explained that the biennial update process is ongoing, and HCAI is involved in discussions on how to approach this in claims data. Although progress has been made with race data, further discussions are needed.

The committee sought clarification on whether HCAI HPD Medicare fee-for-service data would be accessible if permission was granted. HCAI confirmed that they have not yet received confirmation from CMS.

The committee asked if the quality study includes reviewing the values in payment fields, as a \$0 value might indicate data quality issues. HCAI responded that the current focus is on data completeness, but there are plans to assess data usability and quality in the future. The committee encouraged moving forward with evaluating data usability soon. The committee suggested that including cost data could enhance comparisons between California and other states, noting that cost benchmarks might be valuable if not already considered. The committee emphasized the need to understand and verify unusual data values, like \$0 entries, to ensure data quality.

#### Non-Claims Payment Data Collection

The committee asked whether the Non-Claims Payment (NCP) draft regulations were shared with plans before submission to OAL and expressed concern about the tight timeline for adopting regulations and submitting historical data. HCAI clarified that the dates were first provided to plans in early July 2023 and then outlined further in April 2024. While no questions were received at that time, they may arise during public comment.

The committee pointed out a discrepancy between the historical and annual data collection timelines, asking if historical data includes the annual file. HCAI clarified that annual data will be collected through December 2024 and submitted by July 31, 2025, while historical capitation data from June 29, 2017, to December 31, 2024, will be collected and due by September 1, 2025. The committee inquired about other aspects of the NCP data regulations, asking if they are mainly technical or include additional details.

The committee asked about the timeline for historical data to be available for end users after its collection in Q3 2025. HCAI explained that the department will first need to familiarize itself with the data and determine the release process, considering practices from other states. HCAI estimated that data might be officially released around Q3 2027, factoring in data preparation and annual update cycles, with a more precise timeline to be confirmed later.

The committee inquired if HCAI had tested capitation files yet. HCAI responded that while testing is available, it is not mandatory before the regulations are adopted. The committee expressed concern about the tight timeline for testing and implementation, suggesting that testing before issuing regulations could reveal gaps and data quality issues. HCAI acknowledged this, noting that testing for core data files was conducted, though it led to delays. HCAI plans to work with plans to ensure quality submissions and is open to extending deadlines if necessary.

The committee inquired if there were any data gaps related to the Expanded Framework for alternative payment models (APMs) and how it aligns with existing data. HCAI noted that while HPD and OHCA collaborated on the framework, there might be some ongoing refinement needed for categorizing contracts, with a potential for new subcategories if needed. HCAI clarified that the expanded framework covers all non-claims payments, while only a subset contributes to the APM goal-setting component of OHCA. The committee added that some APMs, like bundled payments, might show zero amounts due to their multi-service nature. HCAI indicated that bonus payments are captured in category C of the expanded framework.

#### Voluntary Self-Funded Data Collection

The committee suggested that health plans may already have relevant data, and that further investigation is needed to see if self-insured or Administrative Services Only (ASO) payer data is being effectively integrated with health plans.

The committee emphasized the importance of building relationships not only with health plans but also with self-insured entities and Taft-Hartley trust funds. The committee noted that while significant progress has been made with individual plans, engaging trust funds could be crucial for increasing transparency in healthcare costs. The committee suggested that once a few trust funds start submitting data, others may follow, benefiting from increased transparency and potentially lowering healthcare costs.

The committee discussed the difficulties plans encounter when trying to collect data from self-insured entities and providers that are reluctant to share information. The committee noted that different entities have various reasons for their reluctance, such as legal concerns or high costs. The committee emphasized the importance of understanding these specific barriers before developing solutions. The committee proposed several strategies to address the issue, including engaging self-insured entities to better understand their reasons for not sharing data. The committee also suggested seeking state legal opinions to resolve any legal issues and using education and financial incentives to encourage participation. The committee also proposed considering statutory changes that could restrict data access for entities that refuse to share their data. The committee concluded by stressing that a thorough understanding of these problems is crucial for effectively addressing them and that the Advisory Committee would benefit from deeper insight into the barriers faced.

The committee discussed the challenges in collecting voluntary ERISA data from health plans, noting barriers such as health plans charging employers for data or refusing to provide certain data due to concerns about data ownership. The committee highlighted concerns entities may have about data security and the impact of data breaches, which contribute to hesitation among self-funded employers. The committee suggested that HCAI could improve data collection by working with cooperative carriers and their account managers to streamline data transmission and security processes and noted

the issue with large corporations operating through out-of-state networks, which complicates data mapping and completeness.

The committee mentioned ongoing national efforts to reverse the *Gobeille v. Liberty Mutual Insurance Company* decision and local court cases aiming to reduce ERISA preemption, which could significantly impact data collection. The committee noted that, despite detailed presentations and efforts, getting health plans to submit data has been challenging. The committee highlighted difficulties in obtaining data sharing agreements and the complexity of dealing with out-of-state coverage and suggested that while perfect data may be unattainable, even partial data could be valuable and recommended approaching the problem from multiple angles. The committee suggested focusing on larger, California-based self-insured entities and third-party administrators to encourage data submission.

The committee inquired about data held by IHA, and HCAI clarified that IHA faces similar challenges to HCAI regarding ERISA-covered data and explained that IHA's data submission issues are related to obtaining authorization from plans, and that IHA's data includes both performance measurement programs and a wider portfolio that may contain self-funded data.

The committee inquired about outreach to other states with APCDs to address data challenges from companies with significant non-California presence. HCAI confirmed the outreach it had undertaken, noting that states like Utah face similar difficulties. HCAI highlighted efforts with NAHDO and other states to standardize data formats, which could reduce the burden on entities and improve data collection across states.

The committee suggested that HCAI could collaborate with self-insured entities already submitting data to create tailored reports. These reports would showcase the unique insights possible only through their data, potentially encouraging other employers to participate by demonstrating the value of submitting data through peer comparison and use cases. The committee highlighted two potential types of tailored reports: one using data to differentiate cost shifts by health plans could provide valuable insights; and a second analyzing HPD data to assess compliance with mental health parity requirements and identify gaps in payment structures could be crucial for employers managing potential liabilities.

The committee appreciated the discussion and the insights shared. The committee noted the lack of awareness about the database among self-funded employers and their benefit consultants. The committee suggested that employers may not initiate data submission on their own and asked for sample language to help employers request data from health plans and benefits consultants and suggested that focusing on use cases to explain cost, rather than just utilization, might be more persuasive.

No Public Comments.

**Agenda Item # 6: Anticipated Next Meeting Topics**  
*Ken Stuart, Chair*

*No Questions or Comments from the Committee.*

No Public Comments.

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

*No Questions or Comments from the Committee.*

The committee may not discuss or act on any matter raised during this public comment section that is not included on this agenda, except to place the matter on a future meeting agenda.

No Public Comments.

**Agenda Item #8: Adjournment**

*No Questions or Comments from the Committee.*

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

No Public Comments.