

# Overview on User Fees for HPD

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# For Today's Meeting

- User fees in the HPD Program: Overview
  - October 2022 AC meeting will feature a broader discussion of HPD funding options
  - Approach to user fees guided by Data Access Objectives, statute
- Learning from other APCDs
- HCAI's planned approach
  - Review initial thinking on user fee structure and key policy provisions
  - Specific amounts to be decided at a future date

# Advisory Committee Topics

## July: User Fees

- Role of user fees in the HPD program
- Learning from the experience of other state APCDs
- Governing provisions related to user fees
- Considerations in setting the user fee schedule for HPD

## October: Funding Options

- Costs, revenues, and sustainability
- Existing funding stream: Medicaid match
- Long-term sustainability: alternative revenue sources
- Considerations and tradeoffs
- Report due to the legislature on or before 3/1/2023

# Public Reporting Topics – Anticipated

A robust public reporting portfolio based on HPD data on a range of policy topics will be available to all Californians at no charge.

## Early Topics

- **Initial Utilization Statistics**
- **Initial Cost Reporting**
- **Chronic Condition Prevalence**
- **Component Utilization and Cost (e.g., ED, Inpatient)**
- **Trends in Utilization**
- **COVID-19 Utilization, Cost**

## Later Topics

- **Cost and Utilization Statistics**
- **Low Value Care**
- **Costs for Episodes of Care**
- **Health Disparities**
- **Chronic Conditions**
- **Prescription Drug Spending**
- **Primary Care Spending**
- **Behavioral Health Utilization**

# Context: non-public data use is anchored in HPD Program Goals

1. Provide public benefit for Californians and the state while protecting individual privacy.
2. Increase transparency about health care costs, utilization, quality, and equity.
3. Inform policy decisions on topics including the provision of quality health care, improving public health, reducing disparities, advancing health coverage, reducing health care costs, and oversight of the health care system and health care companies.
4. Support the development of approaches, services and programs that deliver health care that is cost effective, responsive to the needs of Californians, and recognizes the diversity of California and the impacts of social determinants of health.
5. Support a sustainable health care system and more equitable access to affordable and quality health care for all.

# Data Access Objectives

1. Protect patient privacy
2. Support program goals
3. Ensure appropriate data users, uses, methodologies, and compliance with passthrough requirements associated with data sources
4. Provide timely data access to qualified applicants and conduct the application and decision-making process in a consistent manner
5. Enable and support a diverse group of data users, representing a variety of target audiences and levels of expertise
6. Complement the HPD public reporting program
- 7. Contribute to HPD Program sustainability through a user fee schedule that balances program support and affordability of access**

# Statutory Provisions on User Fees

## **127674.**

(f) (1) The office may impose a data user fee for an eligible user that is in compliance with this chapter, including, but not limited to, provisions related to consumer privacy and data security.

(2) In establishing the user fee schedule and fee waivers, **the office shall work with the advisory committee to make considerations for state agencies, data submitters, and consumer organizations that have been awarded reasonable advocacy and witness fees** in a proceeding or proceedings of the Department of Managed Health Care pursuant to Section 1348.9.

(3) The office shall adopt regulations on the fee waiver consistent with subdivisions (e) and (f) of Section 127673.

# Assets

California-specific data to drive system improvement

Broad, affordable, appropriate use

Robust public reporting

# Costs

Build and maintain database

Safeguard data, protect privacy

Analytic capabilities

HPD is a public asset – and requires resources

## Program Goal #1:

Provide public benefit for Californians and the state while protecting individual privacy.

# Role of User Fees in the HPD Program

How much should user fees contribute to HPD?

- User fees could contribute an **estimated 5-15%** of Program funding on an ongoing basis
- Range in other states is 0-17%; higher end of range requires sales team
- Share in early years will be near zero as data release program ramps up
- User fees are variable, somewhat unpredictable

What factors should be considered in setting user fees?

- **Affordability of access:** user fees should be reasonable, allowing for appropriate use of the data by a broad range of users
- Contribution towards a **sustainable program**
- Ensuring applicants are **invested in the process** (discourage non-serious requests)
- The number of applications that a reasonably-staffed HPD Program can handle in a **timely manner**