

Voluntary Submission of ERISA Self-Funded Data

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Refresher: ERISA Self-Funded Plans and APCDs

- *Gobeille v. Liberty Mutual*: states cannot require self-funded employers and other purchasers to submit data to a state APCD because ERISA pre-empts state authority
- Applies to approximately 4-5 million Californians:
 - Private employers that self-fund health benefits for employees
 - Taft-Hartley trusts (collectively bargained)
- Plans that cover public employees are exempt from ERISA so ruling does not apply
 - CalPERS
 - State/county/municipal; public school teachers/retirees; state university and colleges

Voluntary submission is key to comprehensive data, and HCAI is authorized to collect voluntary data

Update on Progress

- Meetings held with health plans that report Administrative Services Only enrollment to DMHC and CDI
 - Objective: better understand existing processes and planned approach for HPD
- Second round of meetings held with two purchaser groups:
 - Purchaser Business Group on Health
 - Catalyst for Payment Reform
- Presentation and discussion with California Health Care Coalition

California ASO Plans and Voluntary Submission

ASO plans can submit data on behalf of ERISA self-funded clients, with their authorization. Plans vary in approach to client opt-in to HPD data submission.

Active

Opt-in is incorporated into onboarding of new clients and renewal process

~41% of ASO enrollment reported by DMHC/CDI

Next step: Monitor initial submission of voluntary data to HPD, support plans as needed

Passive

Relies on in-bound request from client to trigger completion of opt-in form

~58% of ASO enrollment reported by DMHC/CDI

Next step: support/encourage shifting to an active opt-in approach

Purchasers can confirm/request of their ASO plan(s) that their data be submitted to HPD

The Case for Voluntary Submission

Value to Submitters

- More robust data than available from data warehouse or health plan
- Achieve company/organization-specific cost, quality, equity goals
- Enable system-wide improvement on cost containment, quality, transparency, equity, affordability (shared goals)
- More accurate and complete data for research and policymaking

Security and Privacy of Data

- Strong data privacy and security protections in place; HCAI has extensive experience managing patient-level data
- All publicly reported data will be reported in accordance with the CalHHS Data De-Identification Guidelines
- The HPD Data Release Committee will make recommendations on any release of non – publicly accessible data.

Key issues for ERISA self-funded employers and other purchasers are the value proposition and the security and privacy of the data.

California Purchaser Perspectives on High-Value Use Cases

- Data to identify **price variation** to inform network, benefit design
- Data on excess provision of **low-value care**
- **Benchmarking** information for comparative evaluation
- **Total cost of care** for high-volume procedures
- Assigning a cost to **capitated encounters**
- Detailed cost data on **prescription drugs**
- **Site of service** analysis, incorporating quality outcomes
- **Provider-level cost** data, comparisons
- Ability to compare against **Medicare prices** for inpatient claims
- **Quality** of care at the provider level
- **“Value index”** to support provider-level comparisons
- **Data granularity** that supports actionable information, e.g. facility-specific, sub-county geography
- Integrating data on race/ethnicity and language to illuminate disparities, **increase health equity**

Source: Information gathered through surveys, key informant interviews with California purchasers between October 2020 and June 2022

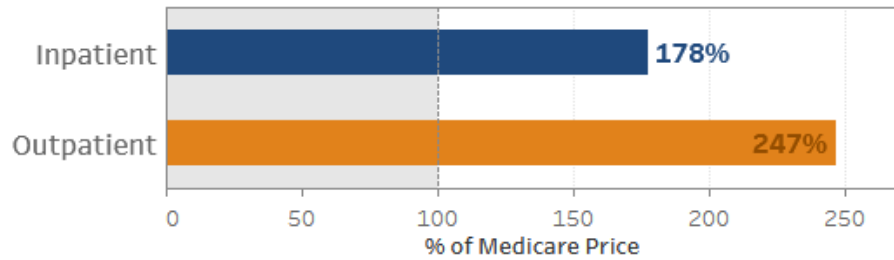
Relative Hospital Prices: Comparison of Medicare and Commercial Prices for Common Hospital Procedures in Oregon, 2019

The dashboard shows prices and spending of common hospital procedures for Medicare and commercial market in 2019. The data is from Oregon All Payer All Claims database, and the methodology is from Oregon Hospital Payment Reports. Note that Medicare Fee For Service 2019 data are preliminary and subject to change.

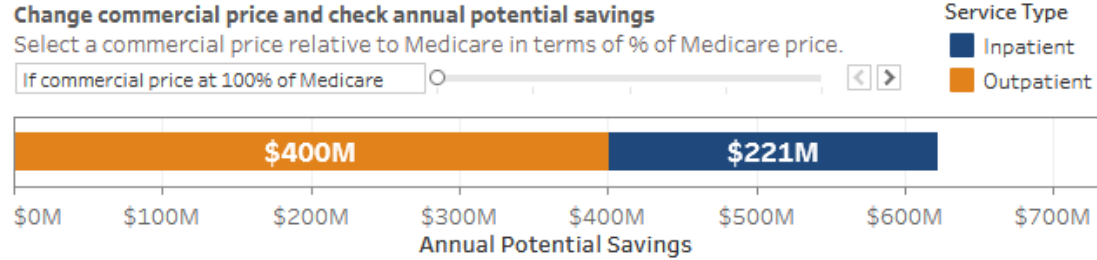


Oregon's APAC: Medicare Reference Pricing for Hospital Services

Commercial Price Relative to Medicare



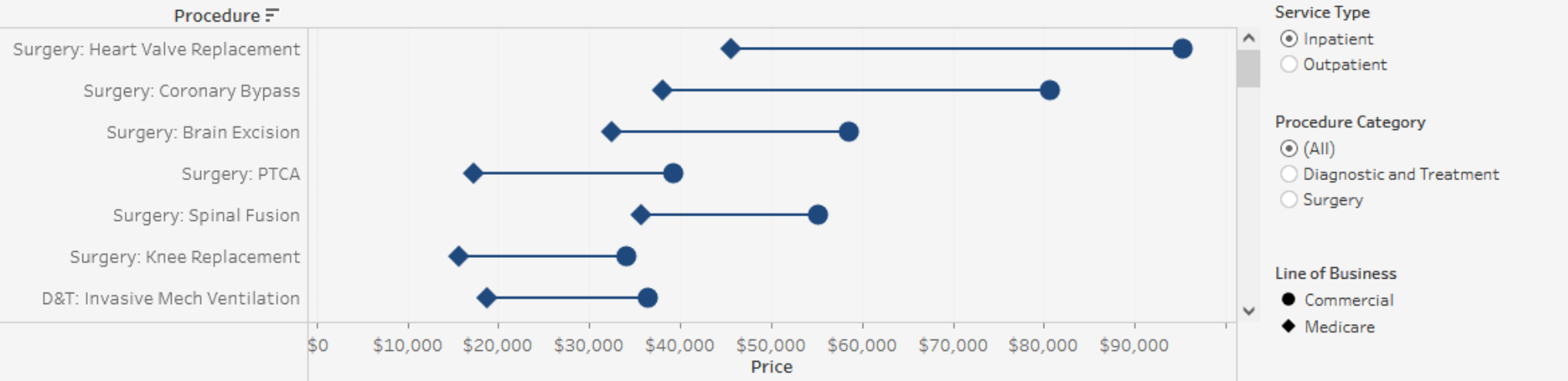
Potential Savings if Commercial Price at Selected % of Medicare Price



Prices and spending vary by procedure. Select one of the metrics below to compare it between Medicare and commercial market.

- Relative Price
- Price Difference**
- Spending Difference
- Potential Savings
- Procedure Description

The plot shows the price difference in dollars between Medicare and commercial. To see the spending difference between Medicare and commercial in 2019, click "Spending Difference".



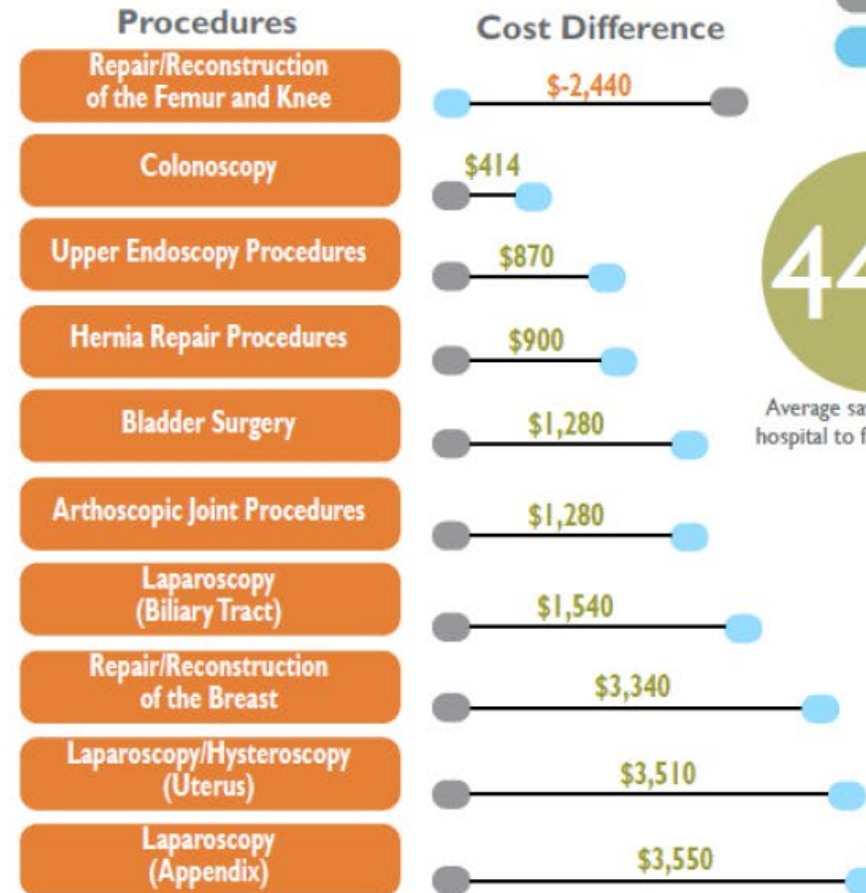
* Procedure was performed less than 30 times in either Medicare or commercial market in 2019.

The Colorado Purchasing Alliance (TCPA) Case Study

Purpose:

- investigate potential cost savings available for outpatient procedures
- compare costs for services performed at hospitals to those performed at independent, free-standing centers not owned by a health system or hospital

Top 10 TCPA Outpatient Surgical Procedure Categories (2018-2019)



Claims Volume by Facility Type

Free-Standing - 49,000

Hospital-Based - 10,000

44%

Average savings moving from hospital to free standing facility

10% Shift in Service Site

\$1.1 Million

Potential 2-Year Cost Savings

50% Shift in Service Site

\$5.7 Million

HPD Efforts to Encourage Voluntary Submission

Online resources specific to voluntary submitters will be available on HCAI's website (development underway)

- FAQ tailored to self-funded ERISA employers and other purchasers
- Assistance available from HPD staff to support any voluntary submitter unclear on how to navigate – request form available online
- Examples of visualizations and related resources available through other state APCDs

Reporting, data products that reflect high-priority use cases for voluntary submitters

- Topics to include low-value care, pharmacy costs, primary care
- Tailored purchaser-specific data products could be developed
- Option to convene a workgroup of ERISA self-funded purchasers to facilitate ongoing engagement and input, if sufficient interest

For Discussion

1. Reactions to progress and findings to date?
2. Suggestions for HCAI on encouraging ERISA self-funded employers and other purchasers to contribute data to HPD?

Healthcare Payments Data Program: Voluntary Submitters

DATA & REPORTS

FEATURED

TOPICS

A-Z CONTENT

DATASETS

REQUEST DATA

SUBMIT DATA

1. Healthcare Payments Data Program (HPD) Overview
2. HPD Program Goals
3. Voluntary Submission to the HPD
 - A. What Can Employers Learn from HPD Data?
4. Voluntary Submission Frequently Asked Questions
5. Resources
6. Contact

<https://hcai.ca.gov/data-and-reports/healthcare-payments-data-program-voluntary-submitters/>