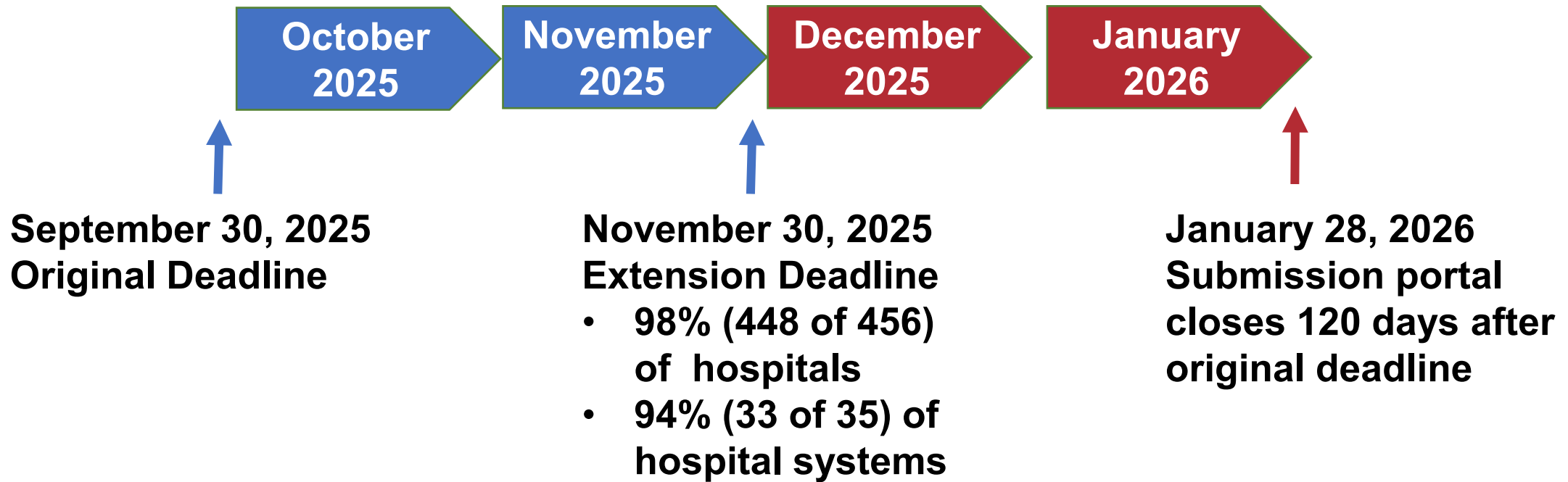


# Item #6: Key Insights from the First Year of the Program Implementation Process and Next Steps

Christopher Krawczyk, PhD, Chief Analytics Officer, HCAI; Shannon Conroy, PhD, MPH, Research Scientist Supervisor II, HCAI; Elizabeth Ballart, JD, Attorney IV, HCAI; Michael Valle, MPA, Chief Data Officer, HCAI (or designees)

# Hospital Extensions and Implications



- Two months for review and communication with hospitals for revisions
- After January 28, 2026, HCAI staff manually input data to support hospital

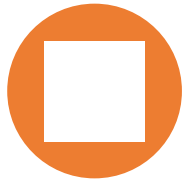
# Communication and TA with Hospitals

## COMMUNICATION EFFORT (phone, email, letter)

Reminders of reporting due dates

Inform and remind report submitters of revision

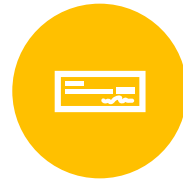
Approval Status



DATA SUBMISSION



SCREENING PHASE



DE-IDENTIFICATION CHECKS



EVALUATE DATA QUALITY



REVISION NOTIFICATIONS



DATA REVISION



REPORT APPROVAL

## TECHNICAL ASSISTANCE (TA; phone, email, virtual meetings)

Measure Submission Guide (MSG), Data De-identification Guidelines (DDG), rate ratio calculations

Resolve report completeness

DDG and data quality revisions

# Thank You to our Hospital Partners

- First cycle of a brand new reporting process for hospitals.
- Grateful for hospitals' commitment and dedication to HEM reporting.
- HEM reports required significant time, coordination, and resources from hospitals.
- Appreciate hospitals' willingness to engage, ask questions, and work through revisions with HCAI staff to make the program stronger.

# Hospital Appreciation of TA with Subject Matter Expert

"Your collaboration was a valuable learning experience for future reporting"

"Thank you for your valuable feedback and expert advice."

"I appreciate your partnership."

"Can we please set up a meeting? I heard you helped another hospital. I need help with this. Thank you! "

# HCAI Operations Capacity

- Staff dependency for DDG review and TA overwhelmed HEM staff capacity
- Required allocation of additional HCAI staff to support review for DDG and data quality
  - 4 Analysts
  - 4 Research Scientists/Research Data Specialists
- 70 percent of hospitals needing revisions
- Manual review was required of these reports to tailor communications for corrections
- Additional manual review was required for second and third rounds of hospital revisions

# Hospital Reporting Experience: Year One

- Review and understanding of key reporting resources:
  - Measure Submission Guide (MSG)
  - Methodology for Calculating All Cause, Unplanned, 30-Day Hospital Readmission Rate, California Department of Health Care Access and Information.
  - The California Health and Human Services Agency's 'Data De-Identification Guidelines (DDG),' Version 1.0
- Hospitals advanced through multiple rounds of revisions, requiring timely response:
  - 70% of reports required a revision
  - 40% of reports required a second revision
  - 10% of reports required a third revision
- Proposed regulation amendments address:
  - Technical ambiguities
  - Hospital timely response to revision requests

# Report Approval Based on Three Criteria:

1. Approve reports that comply with DDG requirements and do not present data quality concerns
2. Mask data for hospitals that do not respond or fail to meet DDG standards, and issue notifications accordingly.
3. For hospitals that decline revisions or do not respond, approve reports as submitted, ensuring proper documentation and email notification.

# Data De-identification (DDG) Checks

Room for DDG interpretation led to under-masking and over-masking

Masking counts less than 11

Management of complementary cells

Mask structural measures: preferred language spoken and the CMS Social Drivers Of Health

# Proposed Regulations

- As noted earlier, some issues emerged during this first year of reporting.
- HCAI proposed updates to current regulations. Proposed regulations were published in the California Regulatory Notice Register on February 20, 2026.
- HCAI accepted public comments on the proposed regulations from February 20, 2026, until April 7, 2026.
- To view the rulemaking documents, please visit the [HCAI Laws and Regulations page](#).
- This presentation provides a summary of proposed changes to the regulations but is not an exhaustive list of all proposed changes.
- This presentation is not legal advice.

# Proposed Regulations: Hospital System Equity Reports

- HCAI proposes to remove the requirement that hospital systems include the hospital system CEO in their HEM report. (Section 95304(b).)
- HCAI proposes new language to clarify that hospital systems must submit a “single, consolidated report that aggregates data from all of the hospital system’s affiliated hospitals.” HCAI proposes that the system report calculate measures using data aggregated from hospitals with applicable type measures using data aggregated from hospitals with applicable types. (Section 95304(b)(8), renumbered to subsection (b)(7).)

# Proposed Regulations: Website Posting Requirements

- New Section 95308.1 consolidates website posting requirements for hospitals and hospital systems into one section.
  - Subdivision (a) provides that a hospital must post the hospital equity report on its publicly accessible internet website. A hospital system must post the hospital system equity report on its publicly accessible website, if one is available.
  - Subdivision (b) clarifies hospitals and hospital systems must post reports and revisions within **15 business days** following the publication of the report or revision on HCAI's website. HCAI shall provide notice to the primary and secondary contact persons when HCAI posts a report or revision.
  - Subdivision (c) clarifies that report publication by hospitals and hospital systems must comply with statutory requirements under Health and Safety Code Sections 127373(d) and 127374(e) in addition to Section 127373(a)(3). The current regulations in Sections 95303(d)(7) and 95304(d) cite to the statutory publication requirements under Section 127373(a)(3), but the proposed language is intended to more clearly cite to the privacy requirements under Sections 127373(d) and 127374(e).
  - Subsection (c) also clarifies that hospitals and hospital systems are solely responsible to ensure any additional content not submitted to HCAI but included in a report or posted with or about a report complies with the DDG, state and federal privacy laws, and Sections 127373(d) and 127374(e).

# Proposed Regulations: Website Posting Requirements

- Hospitals: Current regulations require hospitals to include the web address where a report “is published on the hospital’s website.” HCAI proposes to change “is” to “will be” and cross-reference the requirements of the new Section 95308.1 to clarify the timing of when hospitals will post their reports.(Section 95303(d)(7).)
- Hospital Systems: Current regulations require hospital systems to post their hospital system equity reports, or revisions thereto, on the hospital system’s website if one is available. HCAI proposes to change “is” to “will be” and cross reference the requirements of new Section 95308.1 to clarify the timing of when the report must be posted. (Section 95304(d).)

# Proposed Regulations: Report Revisions

The proposed regulations provide the following:

- Revisions to a hospital equity report or hospital system equity report must be posted on a hospital or hospital system's website in accordance with the requirements of the new Section 95308.1.(Section 95308(e).)
- HCAI will notify registered contact persons if HCAI determines a report contains errors, omissions, or does not meet the requirements of the Data De-Identification Guidelines or the Measures Submission Guide. Hospitals and hospital systems must correct and resubmit the report within **thirty (30) calendar days** of HCAI's notification, or by a date specified by HCAI. Failure to comply with the requirements of new subsection (f) may result in the hospital or hospital system being listed on a non-compliance list posted on HCAI's website. (Section 95308(f).)
- Revisions submitted within 120 days after the report due date or as required under Section 95308(f) are not subject to a fine under Section 95309. (Section 95308(e).)
- Authorize the submission of revisions under Section 95308(f), notwithstanding the closure of the reporting period. (Section 95308(g), renumbered from subsection (f).)

# Proposed Regulations: Documents Incorporated by Reference

HCAI proposed updates to the following documents incorporated by reference into the regulations:

1. [Measures Submission Guide, Version 1.3, December 22, 2025](#)
2. [Methodology for Calculating All Cause, Unplanned, 30-Day Hospital Readmission Rate, California Department of Health Care Access and Information, Version 1.3, December 22, 2025](#)
3. [Format and File Specifications for Submission of the Hospital Equity Report, Version 1.3, December 22, 2025](#)

# Next steps

## ***Those are some of the internal staff challenges HCAI had working with hospitals***

- Some issues are likely to resolve as HCAI and hospitals get more familiar with the process
- Others HCAI is attempting to address via a regulatory change

## ***What other challenges or limitations do you see in the data and reports?***

- The committee is required to make recommendations to HCAI by Sept. 2027 about the health equity reporting
- At upcoming meetings we will continue to solicit your feedback to improve the program