

# HPD Voluntary Submission of ERISA Self – Funded Data in California

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# For Today

- Background on Voluntary Submission
- Prospects for Federal Action
- Value Proposition for Sharing Data
- HPD Approach to Encourage Submission
- Discussion Questions

# Why Voluntary Submission?

- *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 accept it

# Prospects for Federal Action

- State All Payer Claims Databases Advisory Committee convened by the Department of Labor
- Short timeline: met between May and July, 2021
- Charter/purpose: “Committee will advise Secretary of Labor on the standardized reporting format for the voluntary reporting by group health plans to State APCDs, as well as guidance associated with the format.”
- [Report](#) released 10.19.21, recommendations include:
  - Secretaries of Labor and HHS should clarify and emphasize the public policy and business interests of having self-funded group health plans submit data to State APCDs. (#10)
  - DOL should make it easy for self-insured group health plans to participate in APCD data submission by . . . creating a standard opt-in process. (#11)

## Committee Members

**Maureen Mustard**, New Hampshire Insurance Department – Committee Chair.

**Stefan Gildemeister**, Minnesota State Health Economist  
**Carol DeFrances**, National Center for Health Care Statistics

**Allison Oelschlaeger**, CMS

**Dr. Tricia Lee Rolle**, Office of the National Coordinator for Health Information Technology

**Linda Sanches**, HHS Office for Civil Rights Health Information Privacy Division

**Dr. Herbert Wong**, Agency for Healthcare Research and Quality.

**Emma Hoo**, Purchaser Business Group on Health

**Mike Kapsa**, Solidaritus Health Inc.; America’s Agenda

**Dr. Cheryl Damberg**, RAND Corporation

**Frederick Isasi**, Families USA

**Niall Brennan**, Health Care Cost Institute

**Josephine Porter**, University of New Hampshire; APCD Council

**Susan Queen**, Office of the Assistant Secretary for Planning and Evaluation.

# Value Proposition for Sharing Data with HPD

## Organizations Interviewed

- Purchasers Business Group on Health
- California Health Care Coalition
- Silicon Valley Employers Forum
- Catalyst for Payment Reform
- APCD Council
- Integrated Healthcare Association
- CIVHC (Colorado's APCD)
- Purchasers Healthcare Alliance of Maine
- Several health plans that provide administrative services to self-insured clients

## Select Findings: Employer Perspective

- Comparable data – employers have lots of data on own population, lacking comparative data
- Must be “apples to apples” - only valuable if truly comparable
- Employers don't want data, they want **information and insights**; need to show value of reporting
- **Provider-specific information** is key; geographic areas not sufficiently actionable
- Must understand **how data will supplement existing sources**
- “It's a high bar to get them to do this; data must be usable, actionable, and not obtainable elsewhere.”

# California Purchaser Perspectives on HPD

## How might your organization use HPD data? What use cases are compelling?

- Data to identify price variation could be helpful in selecting lower-priced services
- Data on excess provision of low-value care
- Benchmarking information for comparative evaluation
- Information on high-cost medical procedures
- Ability to compare against Medicare prices for inpatient claims
- Assigning a cost to capitated encounters
- Identify (unnecessary) screening services for asymptomatic patients
- Information on ever-increasing costs for prescription drugs, high cost of ambulatory services

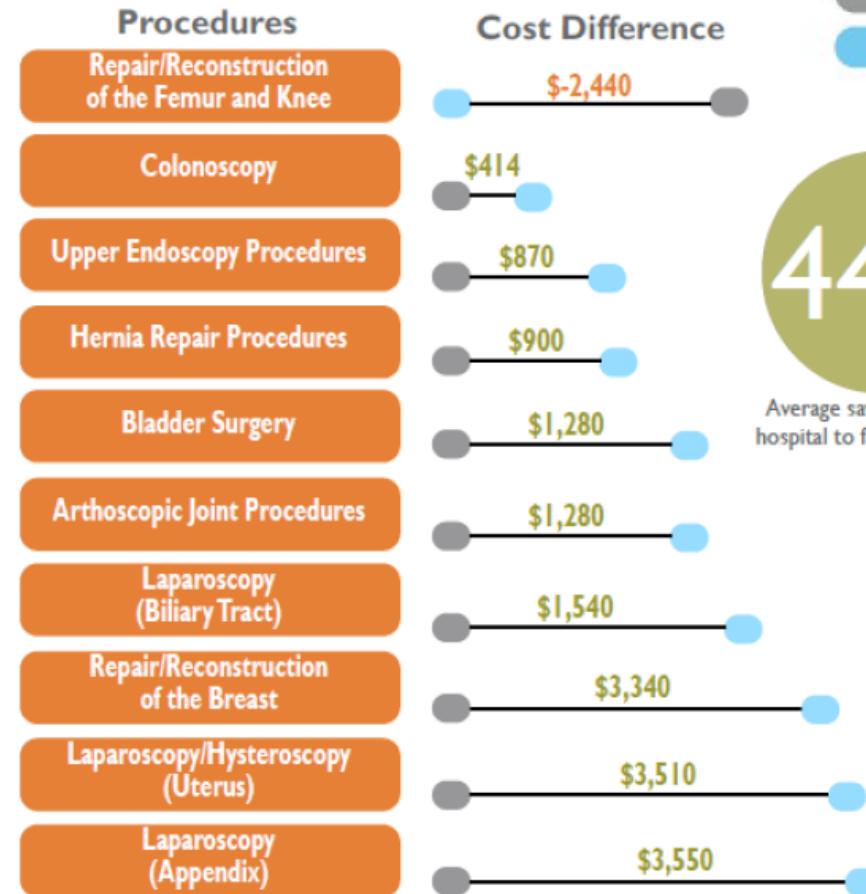
Source: California Health Care Coalition members, October-December 2020

# 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

# How Can HPD Encourage Submission?

## 1. Provide HPD-generated insights for employers and other purchasers that voluntarily submit.

- Deliver relevant data products to voluntary submitters, such as benchmarking reports on the most common procedures.
- Seek input directly from employers and other purchasers about what they would find valuable, e.g., obtain feedback on mock reports.

## 2. Proactively address concerns about release of purchaser-specific data.

- Patient-level data protection is a top priority for HPD.
- Provide assurance regarding company/trust-specific data protection (options include aggregating data, expert determination, company identifiers not released).

## 3. Tailor communication to voluntary submitters.

- Develop a compelling value proposition – including highlighting the value for purchasers of including their data in HPD for benchmarking and public policy purposes.
- Create a separate “Data Submitters” landing page for voluntary submitters and use language that makes clear that labor trusts are included (e.g., “employers and other purchasers”).
- Partner with trusted intermediaries for outreach, such as Purchasers Business Group on Health and Silicon Valley Employers Forum for employers and California Health Care Coalition for trusts.

## 4. Minimize purchaser effort.

- Simplify process – make it easy for employers and trusts to authorize submission of data to HPD on their behalf.
- Partner with / rely on health plans already submitting fully-insured business to HPD .



# Discussion Questions

- How might the DOL's State All Payer Claims Databases Advisory Committee inform HPD's approach to voluntary submission?
- What are your thoughts regarding the value proposition or business case for voluntary submission of data?
- Additional suggestions for how HPD could encourage submission?
- Suggestions for additional employers/trusts/purchaser groups we should reach out to as part of this process?