

DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION

RULEMAKING FILE

(Health Care Payments Data Program)

Item 09:

FINAL STATEMENT OF REASONS

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CALIFORNIA CODE OF REGULATIONS
TITLE 22, DIVISION 7, CHAPTER 11
HEALTH CARE PAYMENTS DATA PROGRAM

I. BACKGROUND AND MODIFICATION TO INITIAL STATEMENT OF REASONS

On September 12, 2025, the Department of Health Care Access and Information (HCAI) gave notice of the official 45-day public comment period for the proposed updates to the Health Care Payments Data (HPD) Program Data Collection regulations. The public comment period ended on October 30, 2025. This proposed rulemaking seeks to update and clarify specific regulation sections and update documents incorporated by reference to ensure the HPD Data Collection Regulations are maintained and updated regularly so HCAI receives the most accurate and comprehensive data for HPD. In response to feedback received from health plans outside of the initial 45-day comment period, HCAI made modifications to the regulation text which are substantially related to the original proposed text and include updating the implementation date of the All-Payer Claims Database Common Data Layout (APCD-CDL™) Version 4.0.1 to March 31, 2026. HCAI also revised the Health Care Payments Data Program: Data Submission Guide Version 4.0, which is incorporated by reference to update the implementation date to March 31, 2026, and update submission requirements for the Pharmacy Rebate and Capitation File Fields. These revisions were made available during a 15-day public comment period between November 3, 2025, and November 18, 2025. All revisions are outlined below under Section A.

Furthermore, while preparing the final rulemaking package, HCAI noted the following discrepancies with the page numbers in the Table of Contents of the HPD Data Submission Guide Version 4.0 (Amended 15-Day):

1. The original page numbers for Version 3.0 of the Data Submission Guide (DSG) were not correctly depicted in the amended versions of Version 4.0. The final regs text includes the original page numbers with strikethrough. This is a non-substantive typo that does not alter the intent of the DSG, and the Final 15-Day version of the DSG Version 4.0 has the correct page numbers.
2. Page number 14 was inadvertently re-inserted for Section 6.4 File Trailer when it was supposed to be crossed out and replaced with page number 13. This is a non-substantive typo that does not alter the intent of the DSG, and the Final 15-Day version of the DSG Version 4.0 has the correct page number for Section 6.4.

A. THE PURPOSE AND NECESSITY OF REVISIONS TO PROPOSED REGULATIONS

§ 97300 (a). Definitions.

HCAI revised the implementation date of Version 4.0.1 of the Common Data Layout for All-Payer Claims Database (APCD-CDL™) from February 17, 2026, to March 31, 2026, to allow plans additional time for transitioning between Version 3.0.1 and 4.0.1 because the anticipated regulation adoption date was extended due changes made to the proposed rulemaking that required an additional 15-day comment period. As such, HCAI also revised the date that plans would stop using Version 3.0.1 of the APCD-CDL™ from February 16, 2026, to March 30, 2026.

§ 97300 (c). Definitions.

HCAI revised the implementation date of Version 4.0 of the HPD Data Submission Guide (DSG) from February 17, 2026, to March 31, 2026, to coincide with the implementation date of the APCD-CDL™. HCAI also revised the date that plans would stop using version 3.0 of the DSG February 16, 2026, to March 30, 2026.

§ 97300 (m). Definitions.

HCAI revised the last day plans will use the Non-Claims Payment (NCP) Data Layout™ from February 16, 2026, to March 30, 2026. This date coincides with the date that plans would be required to stop using Version 3.0.1 of the APCD-CDL™. As noted in the Initial Statement of Reasons, APCD-CDL™ Version 4.0.1 incorporates the file contents of the NCP Data Layout™. As such, plans will no longer be required to submit data using the NCP Data Layout™ after March 30, 2026.

§ 97341. Data Submission Due Dates.

HCAI revised the monthly submission dates to match the new implementation date of the APCD-CDL™ Version 4.0.1 from February 17, 2026, to March 31, 2026, under subsection 97341(a). As explained in the Initial Statement of Reasons, HCAI proposes to match the transition with the new version of the APCD-CDL™ because the transition must occur on a particular date rather than on a reporting month since the HPD System can only use one version of the APCD-CDL™ at a time. HCAI is proposing to add this requirement for January 2026 as well as February 2026 reporting periods to ensure all submitters file their monthly data for both months using the new version of the APCD-CDL™ so there is consistency for all January 2026 and February 2026 monthly files. HCAI also revised this subsection to extend the due date of the data file submission for the January 2026 reporting period from March 2, 2026, to April 13, 2026, to allow plans more transition time. Additionally, HCAI revised this subsection to extend the due date for the February 2026 monthly files to give plans more transition time.

§ 97342. Data File Contents.

HCAI revised the end date for using the NCP Data Layout™ from February 16, 2026, to March 30, 2026, under subsections 97342(a) and (b). This is necessary to align with the change described in Section 97300(m).

§ 97344. Data File Technical Requirements.

HCAI revised the end date for using the NCP Data Layout™ from February 16, 2026, to March 30, 2026. This is necessary to align with the change described in Section 97300(m).

Document Incorporated by Reference: HPD Data Submission Guide Version 4.0

Revisions were made to the HPD Data Submission Guide (DSG) Version 4.0 in response to feedback received from health plans during the transition period between reporting requirements for submitting data files using the NCP Data Layout™. Below is a summary of changes made to the DSG and the necessity for each change.

1. Title page and footers. HCAI revised the publication date from August 11, 2025, to October 31, 2025. This change was made to reflect the date of revisions made to the DSG.
2. Table of Contents. HCAI revised the page numbers to the sections due to changes made to the document.
3. Document Change Log. The version was kept the same as 4.0, but the date was changed to October 31, 2025, to reflect the new revision date. The following new changes were added:
 - a. Updated version implementation date to March 31, 2026.
 - b. Added instructions to defer to Data Submission Guide where field requirements differ compared to APCD-CDL™ Version 4.0.1.
 - c. Added instructions to defer to Data Submission Guide instructions for fields CDLPR005 and CDLCF019.
 - d. Updated Pharmacy Rebates File Field CDLPR005 to note difference from APCD-CDL™ Version 4.0.1 instructions and require 11-digit National Drug Code.
 - e. Updated Capitation File Field CDLCF019 to note difference from APCD-CDL™ Version 4.0.1 instructions and to require reporting of unrounded amount.
4. Introduction. HCAI revised the Introduction section to note that plans must submit NCP production files using APCD-CDL™ Version 4.0.1. Adding this language is necessary for clarity purposes and will ensure plans submit NCP production files in the current version of the APCD-CDL™ only. HCAI also added new proposed language that instruct plans to defer to the DSG requirements for fields

CDLPR005 and CDLCF019. This is the first time HCAI has provided guidance in the DSG for specified variables that is different than APCD-CDL™ guidance. This change was highlighted in the introduction to ensure submitters are aware of the change. The implementation date for DSG Version 4.0 was updated from February 17, 2026, to March 31, 2026, to allow plans for additional time for transitioning between versions of the APCD-CDL™.

5. Section 2 Registration. Data Submission Guide Version 4.0, Section 2, first sentence, stated there were two registration processes: “one for plans and one for submitters”. This was changed from “one for plans, and one for plans and delegated submitters” in Data Submission Guide Version 3.0 but was not properly documented in this rulemaking (the same mistake was made in the prior rulemaking). To avoid this issue again, HCAI is streamlining the language by deleting “plans and delegated” to more clearly state requirements. This does not make any substantive changes to registration requirements and identifying plans twice just created confusion for the plan registration requirements, as only plans submitting data on their own behalf are required to submit two registrations; one as a plan, and one as a submitter. Plans can also have their contracted entities submit data on their behalf and these entities are called “delegated submitters”. If a plan does not submit on their own behalf, they would register only once as plans alone and their delegated submitters would also register. The specifics about who has to register are stated and are unchanged in sections 2.1 and 2.2 of the Data Submission Guide.
6. Section 6.2 File Intake Specifications. Clarifying language was added to this section instructing submitters to comply with the data definitions in the APCD-CDL™ Version 4.0.1 unless stated otherwise in the DSG because the new version of the DSG, for the first time, has different requirements than the APCD-CDL™. Additionally, a sentence was added to highlight that the DSG has different requirements for data elements CDLPR005 and CDLCF019 than the APCD-CDL™. The DSG now has requirements for CDLPR005 and CDLCF019 that conflicts with requirements in the APCD-CDL™. These statements were added to ensure submitters are aware that the DSG supersedes the APCD-CDL™ for these two data elements, and to make it clear that submitters need to follow the DSG.
7. Section 6.11 Pharmacy Rebate File. HCAI revised the Notes section for field CDLPR005 to require plans to report the 11-digit National Drug Code (NDC) product code contrary to the APCD-CDL™ Version 4.0.1 requirements for field CDLPR005. The instructions for field CDLPR005 in the NCP Data Layout™, which was incorporated into APCD-CDL™ Version 4.0.1, have caused confusion for plans regarding submission of the Pharmacy Rebate File. The original instructions for field CDLPR005 required the submission of the first 8 or 9 digits

of the NDC product code instead of the full 11-digit NDC product code. The 8- or 9-digit code does not map to a specific drug name, which caused difficulties for data submitters during the current Non-Claims Data testing period with identifying the correct drug name. An 11-digit NDC product code will map to a specific drug name and is already required in the Pharmacy Claims File, CDLPC025.

Requiring plans to report the 11-digit NDC product code instead of the first 8- or 9-digit NDC product code provides clarity to submitters when identifying the associated drug name and helps to align data across other APCD-CDL™ files.

8. Section 6.12 Capitation File. HCAI revised the Notes section for field CDLCF019 to require plans to report the unrounded amounts with an implied decimal, contrary to the APCD-CDL™ Version 4.0.1 requirements for field CDLCF019. An example of an implied decimal would be when reporting “\$1,000.00” the data would be entered as “100000”. This is in alignment with how financial fields are reported in currently submitted claims files. The instructions in the NCP Data Layout™, which was incorporated into APCD-CDL™ Version 4.0.1, required submitters to round payments “to the nearest dollar” which caused confusion for plans regarding submission of the Capitation File. Submitters noted that payment amounts could be less than a dollar so any amount less than \$0.50 would show as \$0.00—referred to as “false zeroes”. This would lead to underreporting of the total dollar amounts for payments and would make the data less accurate. For this reason, the DSG eliminates the APCD-CDL™’s rounding requirement for field CDLCF019. This revision is necessary to correct the data quality and usability issues for this file field in APCD-CDL™ Version 4.0.1.

II. LOCAL MANDATE

The proposed regulations do not impose any mandate on local agencies or school districts.

III. SUMMARY AND RESPONSES TO COMMENTS RECEIVED DURING 45-DAY COMMENT PERIOD

The following organization submitted written comments during the 45-day public comment period from September 12, 2025, through October 30, 2025: California Association of Health Plans (CAHP). Comments received on the proposed regulations are summarized below.

1. §97342. Data File Contents: CAHP requested clarification regarding the reporting expectations for the annual NCP report, specifically why “claims-based” payment data is expected to be populated within a report defined as “non-claims payment”. CAHP identified another state APCD program that removed fee-for-service (FFS) claims payment data from their implementation of the same annual

report while also using the NCP Data Layout™. CAHP noted that understanding HCAI's rationale and intent behind the requirement would help ensure consistent and meaningful reporting across states and reduce unnecessary administrative burden.

- a. HCAI response: No action taken. When HCAI was evaluating the NCP Data Layout™, FFS payments were kept in the layout for three reasons: 1) to provide a set of control totals HCAI can use as a reasonableness check against the claims totals in the monthly APCD-CDL™ claims files, 2) to help identify anomalous data, including FFS amounts being incorrectly categorized as non-claims, and 3) to make the NCP annual file more useful as a standalone file, such as doing analytic breakouts of FFS versus other payment types.
2. §97351. Historical Data Files: CAHP appreciated the changes HCAI made to this section that acknowledged circumstances where entities may be unable to provide the required historical data. CAHP recommended HCAI add additional language that explicitly states that reasonable exceptions may be granted in cases where historical data system limitations or other technical constraints prevent full compliance, using the following suggested language: "The Department may grant a reasonable exception when an entity demonstrates that historical data system limitations or other technical constraints prevent full submission of the required data."
 - a. HCAI response: No action taken. The current proposed language under Section 97351(b) is sufficient to address the specific circumstance where plans do not have the historical data. HCAI is seeking historical data, described in Section 97351(a), if they have it as required under Health and Safety Code section 127673(h). Plans that do not have the historical data available to submit would send an email to HCAI at least 30 days before the due date explaining what data they do not have, the time period for the data, and why they do not have the data. Additionally, CAHP's recommended language would create administrative burden for HCAI to define the terms "reasonable exception", "historical data system limitations", and "other technical restraints" that would prevent plans from submitting the required data. As written, this could pose an issue for plans to make their own determination of what would qualify as a reasonable exception, historical data system limitation, or other technical restraints.
 3. Contract Number Identification: CAHP submitted a question for clarification regarding contract number identification and asked HCAI to confirm whether using the Tax Identification Number (TIN) for both fields CDLAP005 (Contract Number) and CDLAP009 (Provider TIN) would be acceptable. CAHP added that "Contract Number" may not be assigned by provider within a plan system, and

not every contract is issued with a “Contract Number”. CAHP noted that the unique identifier used between the health plan and the provider would be the TIN in both instances, which aligns with what was indicated as the Contract Number field.

- a. HCAI response: No action taken. In the scenario described, HCAI would expect Contract Number CDLAP005 to be left blank temporarily. The APCD-CDL™ definition of Contract Number is “the unique number identifying a contract between the submitter and the billing provider for the reported payment model.” Plans can have multiple contracts with the same provider, and as a result the TIN would no longer be a unique number as defined. HCAI would only expect to receive the TIN in a separate column under Provider TIN CDLAP009. If a plan does not uniquely number its contracts, submitters can submit a request for a temporary variance as specified in Section 97370, Requesting a Variance.
4. Contract Type Specification: CAHP submitted a question for clarification regarding contract type specification and asked HCAI to clarify whether the behavioral health (BH) field should encompass provider payments under mental health contracts or only those BH services rendered within the scope of medical contract. CAHP noted that regarding the designation of Contract Type (CDLAP006), HCAI has requested that plans indicate either medical or dental, but there are subsequent distinctions requested for payments between Primary (CDLAP018) and BH (CDLAP019) as well.
 - a. HCAI response: No action taken. HCAI has not provided further guidance for (CDLAP018) Primary Care and (CDLAP019) Behavioral Health while guidance is being developed. Standards such as the Primary Care Allocation Methodology developed by the Office of Health Care Affordability within HCAI can be utilized, or plans can develop their own methodology at this time.
 5. Contractually Based Payments: CAHP submitted a question for clarification regarding contractually based payments seeking guidance on whether payments under single case agreements should be excluded, considering the focus on contracted arrangements. CAHP noted that the Annual Payment File’s intention to reflect contractually based payments raises the question about the inclusion criteria.
 - a. HCAI response: No action taken. The Annual Payments File is described as “accommodat[ing] data on contractually based non-claims payments made by a payer to a provider” (APCD-CDL™ Version 4.0.1, page 125). As a result, if a contract exists between a payer and provider, based on the APCD-CDL™’s requirements, HCAI expects to receive data that

contains contractually based non-claims payments made by a payer to a provider.

IV. SUMMARY AND RESPONSES TO COMMENTS RECEIVED DURING THE 15-DAY COMMENT PERIOD

The following organization submitted a written comment during the 15-day public comment period from November 3, 2025, through November 18, 2025: Kaiser Permanente. The comment received on the proposed regulations is summarized below.

1. Clarification on Submission of Monthly Capitation Files: Kaiser requested clarification on the date the Capitation Files are to be submitted. Kaiser's understanding of the due date is October 1, 2026, based on presentation materials from HCAI's October 9, 2025, HPD Submitter Group Meeting. Kaiser referenced the modified proposed regulatory text posted during the 15-day comment period, which states that submissions for monthly data files identified in Section 97342 for January 2026 and February 2026 reporting periods shall be submitted no earlier than March 31, 2026, and by April 13, 2026.
 - a. HCAI response: No action taken. The section that is being changed in this proposed rulemaking is Section 97341(a), which is about regular monthly data reporting. Section 97341 is being modified to delay monthly data due dates for January and February 2026 because of the transition to the new version of the APCD-CDL™. Although Section 97341 indirectly references Capitation Files, preexisting regulations at Sections 97351(a)(2) and 97352(b) specifically control when Capitation File submissions begin. Section 97351(a)(2) states that historic Capitation Files from 2017 through July 2026 must be submitted by September 1, 2026, and Section 97352(b) states plans must start submitting regular monthly Capitation Files for the month of August 2026. HCAI clarified this with Kaiser.

V. ALTERNATIVES THAT WOULD LESSEN THE ADVERSE ECONOMIC IMPACT TO SMALL BUSINESSES

HCAI determined there is no adverse economic impact on small businesses, therefore there are no alternatives proposed.

VI. ALTERNATIVES DETERMINATION

No reasonable alternatives have been identified by the Department or have otherwise been identified and brought to its attention that would be more effective in carrying out the purpose for which the action is proposed, that would be as effective and less burdensome to affected private persons than the proposed action, or that would be

most cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

VII. DOCUMENTS INCORPORATED BY REFERENCE

The proposed regulations have the following documents incorporated by reference. These documents were disclosed with the Initial Statement of Reasons and were available for public viewing during the 45-day public comment period and 15-day public comment period.

1. The APCD-CDL™: APCD Common Data Layout, Version 4.0.1, released February 2025, is being incorporated by reference in Section 97300(a). HCAI is seeking to incorporate this document by reference as it would be burdensome and impractical to list the hundreds of data elements with their corresponding descriptions, codes, and sources in regulation text.
2. The Health Care Payments Data Program: Data Submission Guide, Version 4.0 dated October 31, 2025, is being incorporated by reference in Section 97300(c). HCAI is seeking to incorporate this document by reference as it would be burdensome and impractical to list the hundreds of specifications made in the document in regulation text.

VIII. REQUEST FOR EFFECTIVE DATE ON FILING

HCAI requests that this regulatory proposal be made effective upon filing with the Secretary of State. This request is based on the following good cause.

The proposed regulatory text and documents incorporated by reference include updated submission requirements for the collection of HPD data files to align with the newest version of the APCD-CDL™. Because HCAI made revisions to the proposed regulatory text to improve data reporting, an additional 15-day public comment period was needed. In order to provide health plans and insurers with adequate time to register, prepare for and engage with HCAI during the transition period between reporting requirements, and to ensure timely statutorily required reporting, HCAI respectfully requests this proposed rulemaking become effective upon filing with the Secretary of State instead of during the quarterly adoption period to avoid potential delays in implementation of the regulations. Additionally, the proposed regulatory text itself has due dates for when plans must submit data, so having the regulations effective as soon as possible will give plans longer notice to reduce any potential administrative burdens. An effective date upon filing with the Secretary of State does not cause undue harm to health plans and insurers but allows these entities additional time and notice to comply with the regulations, including sufficient time to update their systems for data submission.