

Office of Statewide Health Planning and Development

Assembly Bill 1810 (2018)
Health Care Cost Transparency Database (or APCD)
Healthcare Payments Data Program

November 2018

The OSHPD Mission

OSHPD advances safe, quality healthcare environments through innovative and responsive services and information that:

- Ensure safe facilities
- Finance emerging needs
- Cultivate a dynamic workforce
- **Support informed decisions**

OSHPD Data Programs

- Patient and facility services utilization
- Healthcare quality
 - Risk-adjusted outcome studies, safety and prevention indicators, readmission rates
- Cost transparency
 - Financial statements, community benefit plans, chargemasters, discount payment policies
- Healthcare workforce and shortage areas
- Building safety and hospital construction

Senate Bill 17

Cost Transparency Rx

- Governor Brown signed SB 17 in 2017.
- Requires prescription drug manufacturers to:
 - Provide advance notice to purchasers on specified prescription drug wholesale acquisition cost increases (beginning in 2018)
 - Submit information on specific prescription drugs to OSHPD (beginning in 2019)
- Conducted use case workshops in spring 2018 with data consumers and data providers to inform OSHPD data program development.
- Next steps:
 - Finalize regulations for January 1, 2019
 - Begin data collection in early 2019
 - Begin data dissemination in mid 2019

Assembly Bill 1810

Healthcare Payments Data

- AB 1810 provides a one-time \$60 million General Fund appropriation to OSHPD.
- Major provisions:
 - Convene a review committee
 - Develop a legislative report by July 2020
- California Health and Human Services Agency (CHHS) previously prepared a technical feasibility report (SB 1159, 2016).

2017 Technical Feasibility Report Key Findings

- States reviewed in the analysis: Colorado, Connecticut, Massachusetts, Minnesota, New York, Pennsylvania, Utah, Washington
- Existing private data systems include: Integrated Healthcare Association, California Healthcare Performance Information System, CalINDEX (Manifest MedEx), San Diego Health Connect
- Defining specific use cases is important because technical requirements, governance structure, and funding sources are interdependent.
- Leveraging an existing system(s) would likely decrease the amount of time needed to meet use case goals.
- Use case evaluation should prioritize (1) benefitting many stakeholders, (2) contributing to funding and sustainability, and (3) leveraging existing resources.
- Funding models can vary from data submitter fees, to federal matching funds, to data consumer fees.
- Some states do, and others do not, provide data outputs to non-government entities.
- California poses unique challenges due to the extent of capitated managed care.
- Cloud computing and minimizing extract-transform-load (ETL) procedures can result in cost savings for implementation.

OSHDP AB 1810

Report to the Legislature

- Purpose of use and use cases to assist in prioritizing data program development
- Types of data and who should be required to report data
- Privacy and security
- Existing and available technology, systems, and data that can be leveraged
- Additional legislation needed
- A plan for long-term, non-General Fund financing
- Governance
- Requirements for data linkage and mapping to other datasets, including public health datasets

OSHPD Data Program Goals

- Healthcare **cost and quality** reporting
 - Patient and facility services utilization
 - Risk-adjusted outcome studies, safety and prevention indicators, readmission rates
 - Financial statements, community benefit plans, chargemasters, discount payment policies
 - Prescription drug cost increases
 - *Healthcare payments data*
 - Other CHHS partner data

THANK YOU

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