

Health Care Payments Database (HPD)

California Committee for the Protection of Human Subjects

Board Meeting

April 2025

California Department of Health Care Access and Information

The creation of the HPD database was conducted by State officials.

- HPD was initiated by [AB 1810](#), in July 2018, which:
 - Broadcast the intent of California to build an APCD
 - Convened a public Review Committee of health care system representatives to advise on the building of that APCD
 - Required HCAI to write a report to the Legislature with recommendations on how to implement an APCD in California
- HPD was authorized by [AB 80](#), in July 2020, which:
 - Created the HPD Program within HCAI
 - Required completion of the HPD System by July 1, 2023
 - Required promulgation of HPD regulations
 - Required two additional reports to the Legislature
 - Required HCAI to publish HPD analyses annually
 - Required HCAI to implement an HPD data release program

HPD Legislative intent (excerpt)



- a) The Legislature finds and declares that California has a **substantial public interest** in the **price, cost, utilization, equity, and quality** of health care services...

- b) It is the intent of the Legislature in enacting this chapter to establish a system to collect information regarding health care costs, utilization, quality, and equity. Health care data is reported and collected **through many disparate systems**. Creating a process to **aggregate and use** this data will provide greater transparency regarding health care costs, utilization, quality, and equity, and the information may be used to inform policy decisions regarding the provision of quality health care, **improving public health, reducing disparities**, advancing health coverage, reducing health care costs, oversight of the health care system and health care companies, and providing **public benefit** for Californians and the state, while preserving consumer privacy.

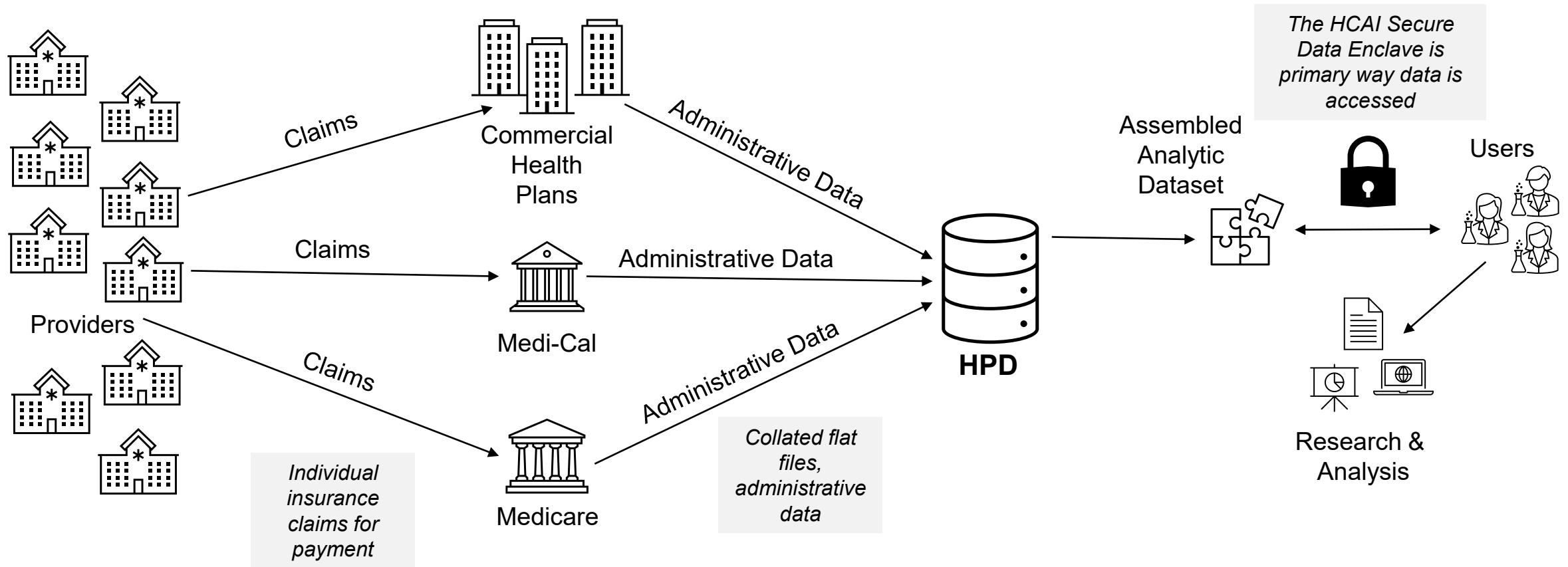
HPD Legislative intent (excerpt)



- c) It is the intent of the Legislature to improve **data transparency** to achieve a sustainable health care system with more **equitable** access to affordable and quality health care **for all**.

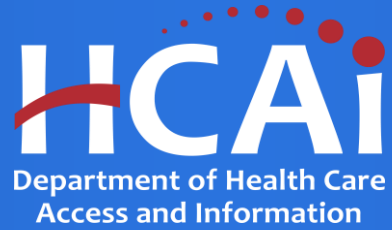
- d) It is the intent of the Legislature in enacting this chapter to **encourage** state agencies, researchers, health care service plans, health insurers, providers, suppliers, and other stakeholders to use this data to develop **innovative approaches**, services, and programs that may have the **potential to deliver** health care that is both cost effective and responsive to the needs of enrollees, including recognizing the diversity of California and the impact of social determinants of health.

HPD's disparate administrative data sources



Administrative data is collected from hundreds of provider organizations by dozens of healthcare plans and government payers. These data are run through a matching algorithm that merges the data so it can be crafted into an analytic dataset suitable for longitudinal analysis of healthcare utilization in California.

HPD research and analysis is used to inform policy decisions regarding the provision of quality health care, improving public health, reducing disparities, advancing health coverage, reducing health care costs, oversight of the health care system and health care companies, and providing public benefit for Californians and the state, while preserving consumer privacy.



**HPD meets the requirements to
waive informed consent for
research involving public benefit
and service programs conducted
by or subject to the approval of
state government.**

HPD is designed to study, improve, or otherwise examine public benefit or service programs.

- The majority of the data in HPD pertain to individuals covered by public service or benefit programs, including Covered California, Medi-Cal, and Medicare.
- HPD has data on about 22 million persons who use these public service/benefit programs, out of a total of about 33 million persons in the database.
- CMS' participation in HPD (by providing data and federal funds) was contingent on HPD benefiting these public service/benefit programs.
 - To receive CMS data, HPD had to demonstrate potential to improve the quality of life for Medicare beneficiaries/Medicaid recipients/Health Insurance Marketplace consumers, or improve the administration of the Medicare or Medicaid programs or Health Insurance Exchanges.
 - CMS noted in its 2022 funding approval letter to HCAI that the HPD will create analyses that will “benefit[...] the entire state, including the Medicaid program.”

HPD could not practicably be carried out without waiver of informed consent.

- The Legislature intended the database to be as comprehensive as possible, demonstrated in [HSC 127671.1\(b\)](#) and [HSC §127673](#) subsections (b), (i) and (j).
- There are about 33 million persons per year represented in HPD, with new persons added each year.
- CMS made the determination that individual informed consent was infeasible before HPD could obtain CMS Medicare data, approving HPD's explanation that the process would be overly burdensome and exorbitantly expensive.

The public was engaged throughout HPD planning, implementation, and use.

- Through their elected representatives, the public was involved in the two bills passed to plan and implement the HPD program.
- HCAI has convened three committees that hold public meetings:
 - HPD Review Committee (April 2019-January 2020)
 - [HPD Advisory Committee](#) (starting October 2020)
 - [HPD Data Release Committee](#) (starting December 2022)
- HCAI completed the public process of promulgating [regulations](#) for HPD data collection and data requests.
- HPD completed the California Department of Technology's (CDT) Project Approval Lifecycle and was listed in [the statewide IT project portfolio](#) during CDT's two-year oversight of the HPD system implementation.

The Legislature exempted HPD from Article 8 of the Information Practices Act.

- HSC §127673(n): “Article 8 (commencing with Section 1798.30) of Chapter 1 of Title 1.8 of Part 4 of Division 3 of the Civil Code shall not apply to records and personal information collected by the [HPD] system pursuant to this section.”
- Article 8 includes a person’s right to:
 - “...inquire and be notified as to whether the agency maintains a record about himself or herself.”
 - “...inspect all the personal information in any record containing personal information...”
 - “...request in writing an amendment of a record...”

HPD privacy and security policies have been, and continue to be, reviewed and approved by oversight agencies.

- The California Military Department performs independent security assessments on the HPD system.
- CDT provided oversight of the HPD project and HPD system implementation.
- As a condition for obtaining Medicare data, CMS regularly reviews and approves HCAI's Data Management Plan Self-Attestation Questionnaire (DMP SAQ), which documents HPD security and privacy controls.

The law includes many protections and limitations on how the data can be used.

- [HSC §127673.5](#): “The purpose of the system is to learn about and seek to improve public health, population health, social determinants of health, and the health care system, not about individual patients.”
- [HSC §127673.83](#): “...Users shall only have access to the minimum amount of potentially identifiable data necessary for an approved project or access to a dataset designed for an approved purpose.
- [HSC §127673.83](#): “Each person who accesses or obtains nonpublic personal data shall sign a data use agreement. Violation of a data use agreement shall be considered a violation of Section 1798.56 of the Civil Code and, if applicable, Section 1798.57 of the Civil Code.”
- [HSC §127673.83](#): “The department’s policies shall limit release or transmittal of personal information outside the secure environment.”
- [California Code of Regulations §97402 and §97404](#): CPHS and the Data Release Committee must approve any access to research identifiable data.

The law outlines CPHS's role for HPD Data Releases

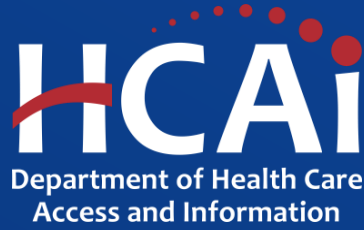
Per law, HPD can only release the following data with CPHS's approval: (1) Research Identifiable Data or (2) Custom Limited Data by direct transmission.

- CPHS's review is per the criteria in the Information Practices Act, Civil Code section 1798.24(t).
- HPD Laws: HSC 127673.83(b)(2)(B) and (c)(2); and Cal. Code of Regs., title 22, sections 97394(b)(4) and 97398(b)(5).

Collaboration between HPD and CPHS

- What feedback or advice do you have about the HPD Data Management Plan? (Submitted with the project documentation)
- How can HCAI assist CPHS to perform reviews of HPD data requests?
- How else can HCAI support CPHS in performing its functions?

Note: HPD statute states that HPD data use is to learn about and seek to improve public health, population health, social determinants of health, and the health care system; not about individual patients.



Thank you!
Happy to take questions.

Michael D. Valle

Deputy Director, Information Services
michael.valle@hcai.ca.gov

Dionne Evans-Dean, MHA

Chief Data Programs Officer (PI)
dionne.evans-dean@hcai.ca.gov

Chris Craig

Chief Risk Management Officer
chris.craig@hcai.ca.gov

Chris Krawczyk, Ph.D.

Chief Analytics Officer
chris.krawczyk@hcai.ca.gov

James Yi, JD

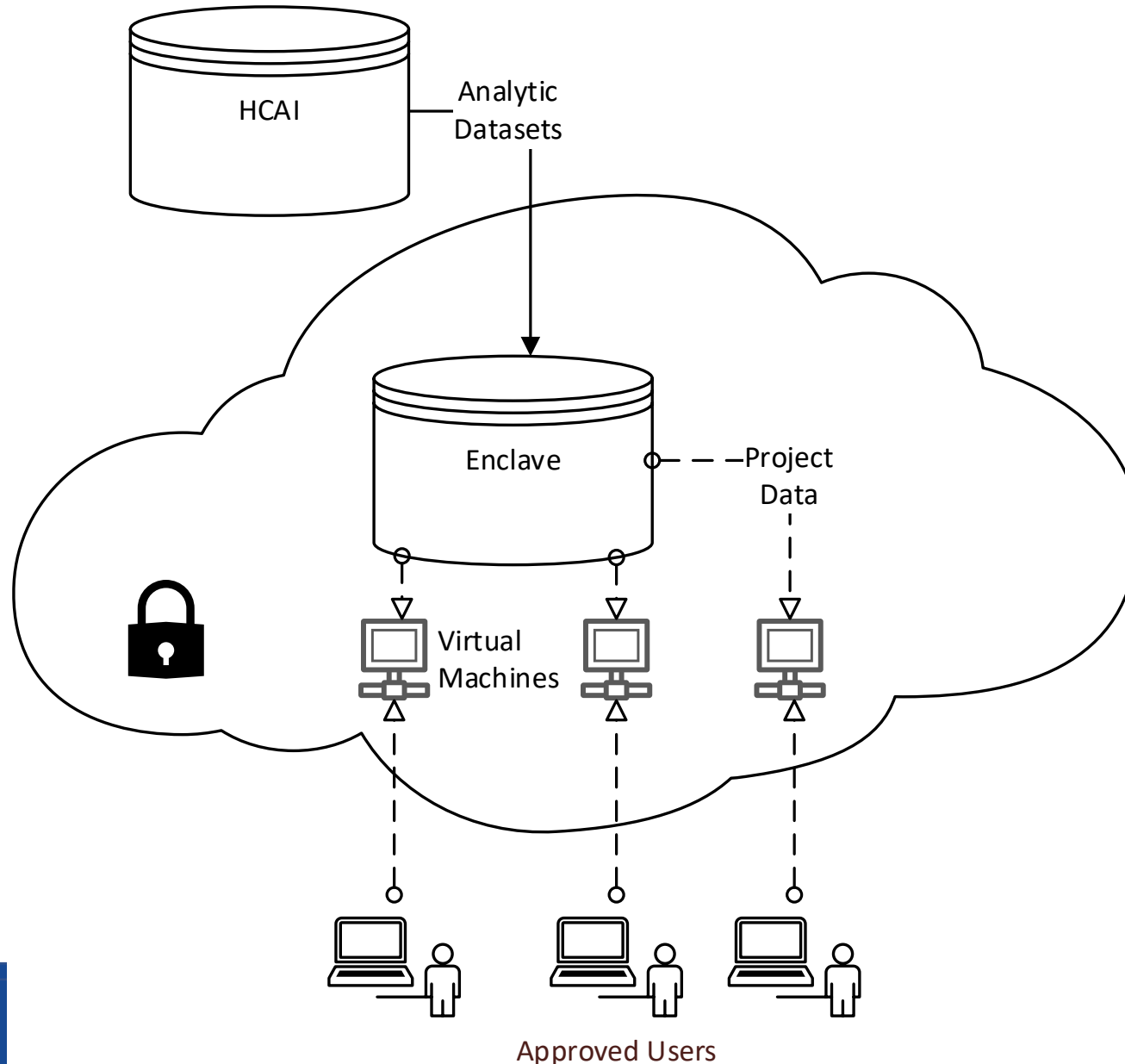
Attorney IV
james.yi@hcai.ca.gov



APPENDIX

HCAI Secure Data Enclave

Referred to in HPD statute as the “secure research environment”



- Data is accessed through secure connections
- Sensitive data remains on HCAI-controlled servers
- HCAI has logging and auditing capability of activity on those servers
- Users only have access to data approved for their specific project
- All data extracts are de-identified and inspected by HCAI staff before removal
- The project space with all data is destroyed at the end of the project