Office of Statewide Health Planning and Development

Cost Transparency Data Programs

September 2019



- 60-day advance notice to specified purchasers of items with a wholesale acquisition cost (WAC) increase of more than 16% including the current increase and all cumulative increases that occurred within the previous two calendar years (January 1, 2018)
- 3-day notice followed by 30-day report to OSHPD of new prescription drugs with initial WAC of \$670 or more (January 1, 2019)
- Quarterly retrospective report to OSHPD of all items with a WAC increase of more than 16% including the current increase and all cumulative increases that occurred within the previous two calendar years (April 1, 2019)



- New Drug: Elements of initial 3-day notice to OSHPD
 - National Drug Code (NDC) Number

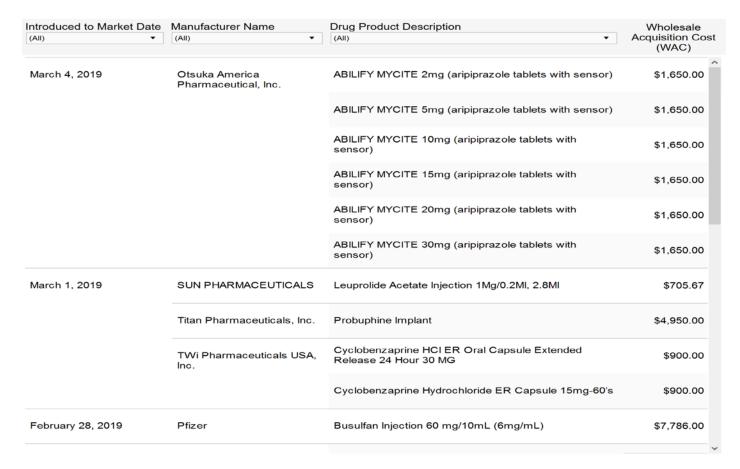
- Product Launch Date
- WAC Amount



- New Drug: Elements of 30-day Item Summary Report to OSHPD
 - NDC Number
 - Marketing/Pricing Plan Description
 - Estimated Patient Volume Units
 - Breakthrough Therapy Indicator
 - Priority Review Indicator
 - Acquisition Date as applicable
 - Acquisition Price as applicable



New Drug Data





- WAC Increase: Data reported for items exceeding threshold
 - WAC Increase Summary
 - 5 Year WAC History
 - Drug Acquisition Information



- WAC Increase Item Summary Report Data Elements
 - NDC Number
 - Item Description
 - WAC Effective Date
 - WAC Amount
 - Description of Specific Financial & Nonfinancial Factors
 - Patent Expiration Date as applicable
 - Drug Source Type
 - Change / Improvement Description as applicable
 - US Sales Volume (Units) Previous Calendar Year



- WAC Increase: Drug Acquisition Data Elements
 - NDC Number
 - Acquisition Date
 - Company From Which Acquired
 - Acquisition Price
 - WAC at Acquisition
 - WAC Year Prior to Acquisition
 - Year of Market Introduction
 - WAC at Market Introduction



- Data and Reports available on a quarterly basis
 - Search the CHHS Open Data Portal for "CTRx"

https://data.chhs.ca.gov/

Or OSHPD for or more information

https://oshpd.ca.gov/ctrx



AB 1810 (2018): Healthcare Payments Data

- AB 1810 provides a one-time \$60 million GF appropriation to OSHPD
- Major provisions:
 - Convene a Review Committee
 - Prepare a Legislative Report by July 2020
 - Implement a cost transparency database by July 2023
- CHHS Agency previously prepared a technical feasibility report (SB 1159, 2016)



AB 1810 (2018): Healthcare Payments Data

Planning process includes data standards and requirements

Data Format

- APCD-CDLTM format was approved by Review Committee for data collection
 - Claims and Encounters (Medical, Pharmacy, and Dental), Eligibility, Provider
- HPD Technical Workgroup is currently reviewing the CDL to assess the feasibility of each of the data elements

Data Tiers (phasing)

- Tier 1 Data includes all the APCD-CDLTM files except dental
 - Claims and Encounters (Medical and Pharmacy), Eligibility, Provider
- Tier 2 data includes:
 - Alternative Payment Model data (including capitation payments and pharmacy rebates)
 - Dental Claims/Enrollment/Providers



AB 1810 (2018): Healthcare Payments Data

Continued...

Data Submitters

- Commercial health care service plans and health insurers
 - Third party administrators of plans (not otherwise preempted by ERISA)
- The California Department of Health Care Services, for Medi-Cal claims and encounters
- The Centers for Medicare & Medicaid Services (CMS) for Medicare Fee-For-Service claims
- Dental plans and insurers

Coordination of Submission

 Mandatory data submitters also facilitate data from appropriate sources including pharmacy benefit management companies, behavioral health organizations, subsidiaries, and other services carved out to a subcontracting organization.



Data Considerations for the Task Force

- Recommended Data Elements (by 11-digit NDC)
 - Separate 11-digit NDC into 3 data elements:
 - 5-digit Labeler Code, 4-digit Product Code, 2-digit Packaging Size Code
 - Separate Product Description into 4 separate data elements:
 - drug name, dosage strength, dosage form, packaging size
 - Total units sold/reimbursed in previous year
 - Total rebate previous year
 - Portion of rebate kept previous year
 - Total amount actually paid to pharmacies in previous year
 - Total amount received/reimbursed by Health Plan



For More Information

Visit <u>www.oshpd.ca.gov</u>

