

March 30, 2022

The Honorable Richard Pan  
Chair, Senate Health Committee  
1021 O St., Room 3130  
Sacramento, CA 95814

**Re: SB 1033 (Pan): Demographic Data –  
Commercial Coverage - SUPPORT  
As Introduced on February 15, 2021**

Dear Senator Pan,

On behalf of the Purchaser Business Group on Health, we thank you for your leadership and authorship of SB 1033 (Pan). This bill would require commercial health plans and health insurers to assess the cultural, linguistic, and health-related social needs such as lack of housing, nutrition and other community supports, of their enrollees and insured groups. These requirements will further support efforts to identify and then address health disparities, improve health care quality and outcomes, and address overall population health. Additionally, SB 1033 would require the Department of Managed Health Care (DMHC) to establish and enforce standardized categories for demographic data collection and develop a program to provide technical assistance, support, and training to health plans and providers on best practices for the collection of this data at all points of care.

The Purchaser Business Group on Health is a not-for-profit coalition of employers and public agencies with the mission of improving quality and affordability in the healthcare system. For over two decades, PBGH has supported public policies to promote healthy market competition, cost transparency and quality performance accountability. Complete and accurate information about health care beneficiaries and the care they receive is essential to improving the quality and equity of our health care system. For too long, disparities in quality outcomes have been overlooked or hidden due to a lack of demographic data on patients. This bill will address that problem and enable patients, purchasers, health plans and providers to make real progress in improving health equity.

In 2003, California passed SB 853, the Health Care Language Assistance Act. The first of its kind in the country, the law was intended to hold health plans accountable for the provision of language services – requiring health plans and health insurers to provide

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their enrollees with interpreter services, translated materials, and to collect data on race, ethnicity, and language to address health inequities. However, twenty years later, despite SB 853's data requirements, health plan data varies substantially with commercial coverage lagging far behind both Medi-Cal and Medicare.<sup>1</sup>

This variation in data quality and collection of demographic data by commercial plans, has hindered Covered California's ability to measure and hold health plans accountable for improving health outcomes for its diverse members in key areas including hypertension, diabetes, asthma and mental health.<sup>2</sup> Beginning in 2025 and annually thereafter, DMHC will be tasked with holding public and private health plans accountable for meeting health equity and quality goals such as those established by Covered California, necessitating the need for an update to SB 853.

SB 1033 includes important updates to state law, by establishing a requirement on commercial plans to meet national health equity accreditation and to utilize best practice survey methods for the collection and reporting of demographic data and health-related social needs data for smaller populations such as Asian, Native Hawaiian and Pacific Islander, American Indian/Alaska Native, Lesbian, Gay, Bisexual, Transgender (LGBTQ+), and persons with disabilities. The bill establishes clear, enforceable standards for plans and providers as well as incentives to improve their data practices which will lead to more equitable health outcomes. With high-quality data the state and private insurers can better identify, monitor immediate health system problems and address health-related social needs.

For all these reasons, we thank you for your leadership on SB 1033 and respectfully request an "aye" vote.

Sincerely,



William E. Kramer  
Executive Director for Health Policy  
Purchaser Business Group on Health

CC: Senate Health Committee, Members

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<sup>1</sup> "Health Equity and Social Determinants of Health in HEDIS: Data for Measurement," NCQA Issues Brief, June 2021. [https://www.ncqa.org/wp-content/uploads/2021/06/20210622\\_NCQA\\_Health\\_Equity\\_Social\\_Determinants\\_of\\_Health\\_in\\_HEDIS.pdf](https://www.ncqa.org/wp-content/uploads/2021/06/20210622_NCQA_Health_Equity_Social_Determinants_of_Health_in_HEDIS.pdf)

<sup>2</sup> "Covered California Holding Health Plans Accountable for Quality and Delivery System Reform," December 2019. [https://hbex.coveredca.com/data-research/library/CoveredCA\\_Holding\\_Plans\\_Accountable\\_Dec2019.pdf](https://hbex.coveredca.com/data-research/library/CoveredCA_Holding_Plans_Accountable_Dec2019.pdf)