



## **Plan Management Advisory Group Meeting**

October 14, 2021

# AGENDA

Time	Topic	Presenter
10:05-10:10	◆ Welcome and Agenda Review	Rob Spector
10:10-10:25	◆ Update: Plan Year 2023 Certification	Meiling Hunter Rachel Harrison
10:25-10:35	◆ Update: 2023 Standard Benefit Design Workgroup	Jan Falzarano
10:35-10:55	◆ Quality Rating System Scores for Plan Year 2022	Whitney Li
10:55-11:40	◆ Overview: Proposed 2023-2025 Attachment 14	Andrea Barandas Margareta Brandt Taylor Priestley
11:40-12pm	◆ Open Forum	Rob Spector

# 2023 QUALIFIED HEALTH PLAN CERTIFICATION

Meiling Hunter, Certification Team Lead  
Rachel Harrison, Certification Specialist  
Plan Management

# CERTIFICATION UPDATES

## **Qualified Health Plan (QHP) New Contract**

All Issuers are considered New Entrants and must complete the entire application. If certified, the new contracts will be from Plan Year 2023 – 2025

## **QHP Application Rewrite**

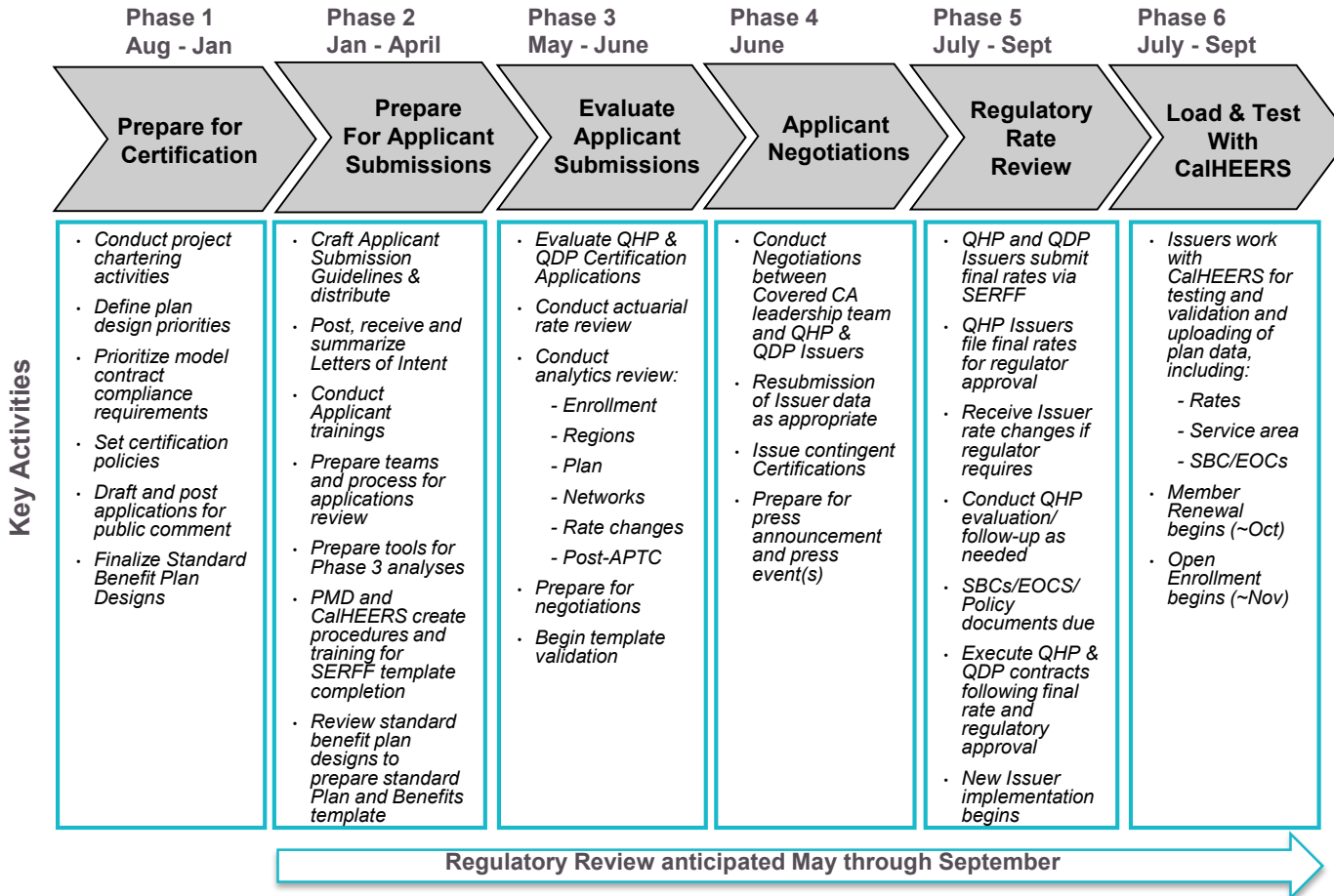
Many questions have been grouped by product type: HMO, PPO, EPO, and Other. Changes mainly consist of moving sections and questions and rewriting for clarity. A change log will be posted along with the draft applications for public comment in early December.

## **Qualified Dental Plan (QDP) Contract and Application**

The QDP Contract period will be extended by one-year so dental plan issuers contracted in 2017 will continue to be contracted through 2023, if certified.

**Plan Year 2023 Certification Applications will be open to all issuers**

# Qualified Health Plan Certification: 6 Core Phases



# PROPOSED CERTIFICATION MILESTONES

Release Draft 2023 QHP & QDP Certification Applications	December 2021
Draft Application Comment Periods End	December 2021
Plan Management Advisory: Benefit Design & Certification Policy Recommendation	January 2022
January Board Meeting: Discussion of Benefit Design & Certification Policy Recommendation	January 2022
Letters of Intent Accepted	February 2022
Final AV Calculator Released*	February 2022
Applicant Trainings (electronic submission software, SERFF submission and templates*)	February 2022
March Board Meeting: Anticipated approval of 2023 Patient-Centered Benefit Plan Designs & Certification Policy	March 2022
QHP & QDP Applications Open	March 1, 2022
QHP & QDP Application Responses (Individual and CCSB) Due	April 29, 2022
Evaluation of QHP Responses & Negotiation Prep	May - June 2021
QHP Negotiations	June 2022
QHP Preliminary Rates Announcement	July 2022
Regulatory Rate Review Begins (QHP Individual Marketplace)	July 2022
Evaluation of QDP Responses & Negotiation Prep	June – July 2022
QDP Negotiations	July 2022
CCSB QHP Rates Due	July 2022
QDP Rates Announcement (no regulatory rate review)	August 2022
Public Posting of Proposed Rates	July 2022
Public Posting of Final Rates	September – October 2022



\*Final AV Calculator and final SERFF Templates availability dependent on CMS release  
TBD = dependent on CCIIO rate filing timeline requirements

# 2023 PATIENT-CENTERED BENEFIT DESIGNS UPDATE

Jan Falzarano, Deputy Director of Plan Management

# 2023 BENEFIT DESIGN WORKGROUP

- ❑ Tentative meeting dates (Wednesdays, 10 a.m. to 12 noon Pacific):
  - November 3 and 17 / December 1 and 15 / January 5 and 19
  - November 3 (pending availability of Draft 2023 AV Calculator)
  - Diabetes affordability initiative and dental benefit design will be first discussion topics, with benefits modeling to begin once the Draft 2023 AV Calculator is available
  
- ❑ Discussion topics
  - Health Benefits: Diabetes affordability initiative
  - Dental Benefits: 2023 Copay Schedule
    - Update nomenclature on CDT codes (various)
  
- ❑ Please email Wandy Mah at [Wandy.Mah@covered.ca.gov](mailto:Wandy.Mah@covered.ca.gov) to be added to the benefit workgroup and/or suggest additional topics.



# QUALITY RATING SYSTEM SCORES FOR PLAN YEAR 2022

Whitney Li, Senior Evaluation Specialist

# BACKGROUND

- ❑ For each year prior to Plan Year 2021, the Quality Rating System Star Ratings were calculated based the participating Qualified Health Plan (QHP) results nationwide with no reference to scores from previous years
- ❑ In response to the pandemic's impact, the Centers for Medicare & Medicaid Services (CMS) announced suspension of the Quality Rating System and discontinuation of data submissions for Plan Year 2021
  - No nationwide scoring or benchmarking work was done by CMS
  - Covered California then conducted scoring for Plan Year 2021 applying a “QHP Best of” Measurement Year 2019 or Measurement Year 2018 approach

# PLAN YEAR 2022 QRS RATING FORMULA: KEY COMPONENTS

- ❑ In response to performance variation uncertainties due in part to the COVID-19 impact, the federal QRS scoring approach for Plan Year 2022 was a significant departure from the CMS historical methodology and the Covered California adapted methodology used in past QRS cycles
  - The plan quality ratings and enrollee survey results were calculated by CMS using data provided to CMS by health plans in 2021 for Measurement Year 2020
- ❑ The QHPs' overall global and summary indicator QRS scores are mapped to the 1-5 star rating categories using a “policy-based distribution” that allocates a proportion of QHPs to each of the five rating categories based on an average proportion of QHPs in each rating category during the prior three years
- ❑ A second scoring rule precludes decreasing a QHP's overall global rating or any of the three summary indicator ratings by more than one star
  - This temporary scoring method was in place only due to the COVID-19 impact

# PLAN YEAR 2022 QUALITY RATINGS REPORTING

The Quality Rating System (QRS) is comprised of the following elements:

1. Four ratings are reported: a global quality rating and three summary component ratings
2. The global quality rating is a roll-up of three summary components per the following differential weighting:

Summary Components	Weights
Getting the Right Care (HEDIS)	66.7%
Members' Care Experience (CAHPS)	16.7%
Plan Services for Members (HEDIS and CAHPS)	16.7%

3. 1 to 5-star performance classification based on the distribution of results

The Plan Year 2022 scores are displayed on CoveredCA.com starting in October 2021

# QRS STAR RATINGS DISTRIBUTION OVER TIME

Distribution of Global Quality Ratings by Reportable Products for Individual & CCSB Markets

	# Products with No Global Rating	1 Star ★	2 Star ★★	3 Star ★★★	4 Star ★★★★	5 Star ★★★★★
<b>PY2022 QRS</b>	<b>2*</b>	<b>0</b>	<b>7</b>	<b>4</b>	<b>0</b>	<b>2</b>
<b>PY2021 QRS**</b>	<b>2*</b>	<b>0</b>	<b>4</b>	<b>7</b>	<b>1</b>	<b>1</b>
<b>PY2020 QRS**</b>	<b>4*</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>1</b>	<b>1</b>

\*No global rating if a newer product and not eligible for reporting or insufficient sample sizes to report results for at least 2 of the 3 summary indicator categories. \*\*Based on Covered CA Alternative Methodology & CMS or CC Final Data

The following changes occurred for Covered California QHPs between Plan Year 2021 and Plan Year 2022:

- Two QHP's Global Ratings increased (Sharp and Western Health Advantage)
- One QHP's Getting the Right Care Rating increased (Western Health Advantage)
- One QHP's Members' Care Experiences Rating increased (Sharp)
- One QHP's Plan Services for Members Rating increased (Health Net HMO)
- Four QHP's Getting the Right Care Ratings declined (Health Net PPO, Kaiser Permanente, LA Care, and Valley Health Plan)

# PLAN YEAR 2022 GLOBAL & SUMMARY INDICATOR RATINGS

Issuer - Individual	Global Rating	Getting the Right Care	Members' Care Experiences	Plan Services for Members
Anthem EPO	★★	★★	★★	★★
Anthem HMO	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future
Blue Shield HMO	★★★	★★★	★★★	★★★
Blue Shield PPO	★★★	★★★	★★★	★★★
CCHP HMO	★★	★★★	★	★★★★
Health Net HMO	★★★	★★★	★★	★★★
Health Net EPO	No Quality Rating	No Quality Rating	No Quality Rating	No Quality Rating
Health Net PPO	★★	★★	★	★★
Kaiser HMO	★★★★★	★★★★★	★★★	★★★★★
LA Care HMO	★★	★★★	★	★★★
Molina HMO	★★	★★	★	★★
Oscar EPO	★★	★★	★★	★★★★
Sharp HMO	★★★★★	★★★★★	★★★★★	★★★★★
Valley HMO	★★	★★★	★	★★★
WHA HMO	★★★	★★★	★★★	★★★★
Issuer - CCSB	Global Rating	Getting the Right Care	Members' Care Experiences	Plan Services for Members
Blue Shield HMO	★★★	★★★	★★★	★★★
Blue Shield PPO	★★★	★★★	★★★	★★★
Health Net PPO	★★	★★	★	★★
Kaiser HMO	★★★★★	★★★★★	★★★	★★★★★
Sharp HMO	★★★★★	★★★★★	★★★★★	★★★★★

# OVERVIEW: PROPOSED 2023-2025 ATTACHMENT 14

Andrea Barandas, Lead Contract Compliance Specialist  
Margareta Brandt, Quality Improvement Unit Manager  
Taylor Priestley, Health Equity Officer

# APPROACH TO PENALTIES

- ❑ With the implementation of the Quality Transformation Initiative (QTI) in 2023, Covered California is proposing to focus Performance Standards with Penalties (formerly Attachment 14) on the following areas:
  - Health disparities
  - Payment reform
  - Enrollee experience (QRS)
  - HEI data
  - Oral health
  
- ❑ For 2023, Performance Standards with Penalties (formerly Attachment 14), the total amount at risk is decreasing from 10% of the total participation fee paid by the issuer (0.325% of premium) to 0.2% of premium due to the implementation of QTI
  
- ❑ For 2023, Covered California is proposing a total of 1% premium at risk for quality
  - 0.8% of premium would be at risk for QTI performance and 0.2% would be at risk for Performance Standards with Penalties



# QHP 2023 ATTACHMENT 14 PROPOSED APPROACH

- ❑ Attachment 14 will be separated into two Attachments (attachment numbers will be assigned soon):
  - Performance Standards and Expectations (no penalty)
  - Performance Standards with Penalties
- ❑ For Performance Standards and Expectations (no penalty), issuer performance will be posted publicly on Covered California's website
  - Customer Service
  - Operational (except HEI Data)
  - Covered California Customer Service
- ❑ For Performance Standards with Penalties, Covered California is proposing penalties for key performance areas outside of QTI
  - Proposing to remove some 2022 performance standards, add several new standards, and re-distribute the percent at risk
- ❑ Covered California will not be implementing penalties through the CCSB Attachment 14 in 2023

# QHP PROPOSED CHANGES FOR 2023 PERFORMANCE STANDARDS AND EXPECTATIONS (NO PENALTY)

Performance Standards and Expectations	Covered California will create an Annual Report of Performance Standards and Expectations, displaying Contractor's final Plan Year 2022 performance in Performance Standards and Expectations, Standards 1.1 - 1.11, to be posted publicly on Covered California's website. Covered California will continue public reporting of its service level performance metrics.	Proposed Change
1.1 Abandonment Rate	<u>Expectation:</u> No more than 3% of incoming calls abandoned in a calendar month. Divide number of abandoned calls by the number of calls offered to a phone representative.	No change
1.2 Service Level	<u>Expectation:</u> 80% of calls answered in 30 seconds or less.	No change
1.3 Grievance Resolution	<u>Expectation:</u> 95% of Covered California enrollee grievances resolved within 30 days of initial receipt.	No change
1.4. Covered California member Email or Written Inquiries Answered and Completed	<u>Expectation:</u> 90% of Covered California member email or written inquiries not relating to Urgent Access to Care issues answered and completed within 15 business days of the inquiry.	No change
1.5 ID Card Processing Time	<u>Expectation:</u> 99% of ID cards issued within 10 business days of receiving complete and accurate enrollment information and binder payment for a specific consumer(s).	No change
1.6 Implementation of Appeals Decisions	<u>Expectation:</u> 90% of Administrative Law Judge decisions will be implemented within ten (10) days of Contractor's receipt of all necessary data elements from Covered California required to implement the appeals decision.	No change
1.7 834 Processing	<u>Expectation:</u> Covered California will receive a TA1 or 999 file, or both as appropriate within three business days of receipt of the 834 transaction 95% of the time.	No change
1.8 834 Generation – Effectuation and Cancellation Transactions	<u>Expectation:</u> Covered California will successfully receive and process effectuation, and cancellation 834 transactions within 60 days from either the coverage effective date or transaction timestamp, whichever is later 95% of the time.	No change

# QHP PROPOSED CHANGES FOR 2023 PERFORMANCE STANDARDS AND EXPECTATIONS (NO PENALTY)

Performance Standards and Expectations	Covered California will create an Annual Report of Performance Standards and Expectations, displaying Contractor's final Plan Year 2022 performance in Performance Standards and Expectations, Standards 1.1 - 1.11, to be posted publicly on Covered California's website. Covered California will continue public reporting of its service level performance metrics.	Proposed Change
1.9 834 Generation – Termination Transactions	<u>Expectation:</u> Covered California will receive termination 834 transactions within ten days of the grace period expiration 95% of the time.	No change
1.10 Reconciliation Process	<u>Expectation:</u> Covered California shall receive a comparison reconciliation extract in accordance with the file validations and resolution timelines, as mutually agreed upon in the Reconciliation Process Guide (Extranet, Data Home, Contractor's folder) 90% of the time for accuracy and timeliness.	No change
1.11 Provider Directory Data Submission	<u>Expectation:</u> Full and regular submission of provider data according to the standards outlined in the Performance Standard contract specific to contract Section 3.4.4. Submissions occur every month pursuant to the submission schedule (Extranet, Plan Home, Resources, Provider Directory Resources, Covered California Provider Data Submission Schedule_Current Year).	No change
1.12 Essential Community Providers – Article 3, Section 3.3.3	<p><u>Expectation:</u></p> <ol style="list-style-type: none"> <li>Contractor to demonstrate provider agreements with at least 15% of 340B non-hospital providers in each applicable rating region.</li> <li>Contractor to demonstrate provider agreements that reflect a mix of essential community providers (hospital and non-hospital) reasonably distributed to serve the low-income, vulnerable, or medically underserved populations.</li> </ol> <p>Or meet Alternate Standard Contractor requirements. Refer to Article 3, Section 3.3.3.</p>	No change
1.13 Hospital Safety – Attachment 7, Article 10, Section 10.02	<p><del>Contractor shall adopt a payment strategy that places hospital payments in Covered California networks either at risk or subject to a bonus payment for quality performance Contractor may structure this strategy according to its own priorities, with the exception that if the Contractor uses readmissions measure, it shall not be the only measure. Contractor shall report on its strategy and progress on adoption of the payment strategy annually.</del></p> <p><u>Expectation:</u> <del>At least 2% of payments to hospitals in Covered California network(s) are at-risk for quality performance by year end 2021.</del></p>	Removed from Performance Standards and Expectations; remains in Attachment 7, will evaluate for AB 929 public reporting

# SUMMARY OF 2023-2025 PERCENT AT RISK

Performance Area	Performance Standards with Penalties	Percent of At-Risk Amount 2023	Percent of At-Risk Amount 2024	Percent of At-Risk Amount 2025
Health Disparities	1. Reducing Health Disparities: Demographic Data Collection – Enrollee Race and Ethnicity Self-Identification	10%	5%	5%
	2. Reducing Health Disparities: Demographic Data Collection – Enrollee Spoken and Written Language	10% (for reporting)	5%	5%
	3. Reducing Health Disparities: Disparities Reduction Intervention	10%	10%	10%
	4. National Committee for Quality Assurance (NCQA) Health Equity Accreditation	0%	10%	10%
Payment	5. Primary Care Payment	10%	10%	10%
	6. Primary Care Spend	10% (for reporting)	5%	5%
	7. Payment to Support Networks Based on Value	10% (for reporting)	10%	10%
Enrollee Experience	8. Quality Rating System (QRS) QHP Enrollee Experience Summary Indicator Rating	20%	20%	20%
Data	9. Healthcare Evidence Initiative (HEI) Data Submission	20%	20%	20%
Oral Health	10. Dental Quality Alliance (DQA) Pediatric Measure Set	0%	5%	5%

# QHP PROPOSED CHANGES FOR 2023 PERFORMANCE STANDARDS WITH PENALTIES (1 OF 2)

Performance Standards With Penalties	2022 % at Risk	Proposed 2023 % at Risk	Proposed Change and Rationale
1. Reducing Health Disparities – Demographic Data Collection – Race/Ethnicity	7.5%	10%	Continue 2022 approach of equal emphasis on demographic data collection and disparity reduction
2. Reducing Health Disparities: Demographic Data Collection – Spoken and Written Language	n/a	10% (for reporting)	New for 2024, 2025 to support prioritization of issuer complete and accurate member demographic data
3. Disparities Reduction Intervention	7.5%	10%	Continue 2022 approach of equal emphasis on demographic data collection and disparity reduction
4. National Committee for Quality Assurance (NCQA) Health Equity Accreditation	n/a	10%	Penalty goes into effect in 2024
5. Primary Care Payment	HMO – 10% PPO/EPO – 20%	10%	Continue overall standard; remove product-specific performance levels and proposing to adjust performance levels for 2023-2025
6. Primary Care Spend	n/a	10% (for reporting)	New reporting standard starting in 2023 to report primary care spend; start at pay for reporting in 2023 and move to thresholds of spend in 2024 and 2025

Where applicable, scores are provided per product, and penalties and credits are weighted based on the enrollment in each product.

# QHP PROPOSED CHANGES FOR 2023 PERFORMANCE STANDARDS WITH PENALTIES (2 OF 2)

Performance Standards With Penalties	2022 % at Risk	Proposed 2023 % at Risk	Proposed Change and Rationale
7. Payment to Support Networks Based on Value	0%	10% (for reporting)	New proposed standard for HCP LAN reporting for a QHPs network payment models; start at pay for reporting in 2023 and move to thresholds of payment in 2024 and 2025
8. Quality Rating System – QHP Enrollee Survey Summary Rating	16.5%	20%	Retained due to patient experience measures and affirmation of federal standards; no change to performance level
9. HEI Data Submission	10%	20%	Increase in percent at risk signals importance of HEI data to monitoring quality and equity performance
10. Dental Quality Alliance (DQA) Pediatric Measure Set	0%	0%	2024 and 2025 performance levels to be established using 2023 baseline HEI data
<b>Total</b>	<b>100%</b>	<b>100%</b>	

Where applicable, scores are provided per product, and penalties and credits are weighted based on the enrollment in each product.

# 2022 PERFORMANCE STANDARDS WITH PENALTIES PROPOSED FOR REMOVAL IN 2023

Performance Standards With Penalties	2022 % at Risk	Proposed 2023 % at Risk	Proposed Change and Rationale
Quality Rating System – Clinical Effectiveness Rating	33.5%	n/a	Removed from Performance Standards with Penalties due to implementation of QTI
Health Equity Capacity Building (2% Credit)	0%	n/a	Credit for early achievement replaced with penalty for failure to achieve NCQA Health Equity Accreditation by year-end 2023
Accountable Care Organizations	HMO – 10% PPO/EPO – 0%	n/a	Removed from Performance Standards with Penalties; remains in Attachment 7 with enhanced reporting on ACO structure; will evaluate for AB 929 public reporting
Appropriate Use of C-Sections (maternity payment strategy)	5%	n/a	Removed from Performance Standards with Penalties; remains in Attachment 7 with enhanced requirement for issuers to submit intervention plan to improve low performing network hospitals; will evaluate for AB 929 public reporting

# NEXT STEPS

- ❑ Documents will be released for Public Comment period:
  - 2023-2025 QHP Attachment X Performance Standards and Expectations
  - 2023-2025 QHP Attachment X Performance Standards with Penalties
  - Comment template
- ❑ Tentative dates for Public Comment period:
  - 10/15/21 – 11/5/21



# PROPOSED 2023 - 2025 ATTACHMENT 14 CCSB PERFORMANCE STANDARDS

# CCSB 2023-2025 ATTACHMENT 14 PROPOSED APPROACH

- ❑ Attachment 14 separated into two Attachments (attachment numbers will be assigned soon):
  - Performance Standards and Expectations (no penalty)
  - Performance Standards with Penalties
- ❑ For Performance Standards and Expectations (no penalty), Issuers will continue to report on Customer Service and Operational performance
- ❑ For Performance Standards with Penalties, the total amount at risk is decreasing from three percent (3%) of the total participation fee (5.2%) paid by the issuer (approximately 0.156% of premium) to 0.2% of premium to align with the Individual QHP contract
- ❑ For Performance Standards with Penalties, Covered California is proposing penalties for HEI Data Submission and Dental Quality Alliance (DQA) Pediatric Measure Set beginning in 2024
  - Covered California will not be implementing penalties through the CCSB Attachment 14 in 2023

# CCSB PROPOSED CHANGES FOR 2023-2025 PERFORMANCE STANDARDS AND EXPECTATIONS (NO PENALTY)

Performance Standards and Expectations		Proposed Change
1.1 Abandonment Rate	<u>Expectation:</u> No more than 3% of incoming calls abandoned in a calendar month. Divide number of abandoned calls by the number of calls offered to a phone representative.	No change
1.2 Service Level	<u>Expectation:</u> 80% of calls answered in 30 seconds or less.	No change
1.3 Grievance Resolution	<u>Expectation:</u> 95% of Covered California enrollee grievances resolved within 30 days of initial receipt.	No change
1.4. Covered California member Email or Written Inquiries Answered and Completed	<u>Expectation:</u> 90% of Covered California member email or written inquiries answered and completed within 15 business days of the inquiry. Does not include appeals or grievances.	No change
1.5 ID Card Processing Time	<u>Expectation:</u> 99% of ID cards issued within 10 business days of receipt of complete and accurate enrollment information for a specific consumer(s).	No change
1.6 Provider Directory Data Submission	<u>Expectation:</u> Full and regular submission of provider data according to the standards outlined in the Performance Standard contract specific to contract Section 3.4.4. Submissions occur every month pursuant to the submission schedule (Extranet, Plan Home, Resources, Provider Directory Resources, Covered California Provider Data Submission Schedule_Current Year).	Waived for 2023.

# CCSB PROPOSED CHANGES FOR 2023-2025 PERFORMANCE STANDARDS WITH PENALTIES

Performance Standards With Penalties	2023% at Risk	Proposed 2024 % at Risk	Proposed 2025 % at Risk	Proposed Change and Rationale
1. HEI Data Submission	0%	20%	20%	<p>Pilot Period January 1, 2023-December 31, 2023 Penalties will not be assessed in 2023.</p> <p>Increase in percent at risk signals importance of HEI data to monitoring quality and equity performance</p>
2. Dental Quality Alliance (DQA) Pediatric Measure Set	0%	5%	5%	<p>Pilot Period January 1, 2023-December 31, 2023 Penalties will not be assessed in 2023.</p> <p>2024 and 2025 performance levels to be established using 2023 baseline HEI data</p>
Quality, Equity, And Delivery System Transformation Standards				<p>Covered California will continue monitor and assess CCSB performance. As CCSB membership grows, performance standards may be added and penalties may be assessed in future years.</p>
<b>Total</b>	<b>0%</b>	<b>25%</b>	<b>25%</b>	

# NEXT STEPS

- ❑ Documents will be released for Public Comment period:
  - 2023-2025 CCSB Attachment X Performance Standards and Expectations
  - 2023-2025 CCSB Attachment X Performance Standards with Penalties
  - Comment template
- ❑ Tentative dates for Public Comment period:
  - 10/15/21 – 11/5/21

# OPEN FORUM

Rob Spector, Chair of Plan Management Advisory Workgroup