

## **Cover Page**

### **Qualified Health Plan (QHP) for Individual Market Attachment 2 – Performance Standards with Penalties Response to Comments**

The following is the Covered California response to comments received in Cycle 2 (November 18, 2021 through December 17, 2021) for:

- 2023-2025 QHP Attachment 2-Performance Standards with Penalties

All documents will be posted to the Plan Management HBEX webpage:  
<https://hbex.coveredca.com/stakeholders/plan-management/>.

**Response to Comments - Cycle 2 (November 18, 2021 - December 17, 2021)**  
**2023-2025 Qualified Health Plan (QHP) for Individual Market, Attachment 2 - Performance Standards with Penalties**

Performance Standard #	Performance Standard Title	Comment	Covered California Response
1	Reducing Health Disparities: Demographic Data Collection – Enrollee Race and Ethnicity Self-Identification	In 11/15 comments we requested: Please provide the "list" referenced in "a. See list..." so we can review and comment. Updated comment 12/6: We appreciate that Covered California is working on the list. We request the list be circulated for review and comment prior to Attachment 2. being finalized.	The list is available on the Extranet.
1	Reducing Health Disparities: Demographic Data Collection – Enrollee Race and Ethnicity Self-Identification	In 11/15 comments we raised concerns about "Decline to State" should be accepted and applied to the 80% standard to honor enrollee choice about self-reporting race and ethnicity data. "Decline to State" does not appear to be submitted by Covered California on 834. This information should be provided to plans since the consumer actively made that selection.  Updated comment 12/6: We continue to be concerned. Covered California's response that "the 80% threshold acknowledges that not all members choose to share this information" does not resolve both that Contractor needs to receive this information at time of application and that this information is an actual affirmative communication by the consumer that should not be counted in both the numerator and denominator. A person that is "null" / "did not provide" we can appropriately attempt to close the gap on since information is blank/missing. Attempts to outreach to consumers that are "decline to state" can create service issues since they already responded.	Covered California remains committed to the collection of race/ethnicity data for members who have not self-identified by race/ethnicity and expects Carriers to partner with us on these efforts. We look forward to continue to find best practices to outreach to members who have not selected a race or ethnicity response in their application. We want to clarify that Covered California has remained consistent in what we determine to be a valid race/ethnicity category and in turn, how to compute the 80% response rate. Members who decline to state either actively or passively remain in the denominator.
1	Reducing Health Disparities: Demographic Data Collection – Enrollee Race and Ethnicity Self-Identification	Based on comments raised by multiple commenters during the initial comment period, we request delays in implementing Race and Ethnicity penalties due to data collection and calculation concerns. There appears to be overwhelming support to request Covered California to capture at time of application, including "decline to state".	At this time Covered California does not intend to delay our implementation timeline. The 80% threshold has been an assessed performance standard based on issuer self-report in prior contract years. We would like to remind Carriers they will have an opportunity to resubmit complete and corrected HEI data before the penalty for this performance standard is assessed.
2	Reducing Health Disparities: Demographic Data Collection – Enrollee Spoken and Written Language	Clarify if spoken and written languages must be reported separately in year 1. What is threshold?	Yes, contractor HEI submission must include distinguishable spoken and written language data. Baseline will be established in 2023 to determine a 2024 threshold.

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2	Reducing Health Disparities: Demographic Data Collection – Enrollee Spoken and Written Language	<p><u>Recommendation</u>: Remove the 2023 measurement for valid spoken and written language attributes for enrollees submitted in the HEI Data Submissions, as it is duplicative to the standards for HEI data submissions (incomplete / non-usable HEI data submissions - 9.HEI Data Submissions performance standard).</p> <p>There should not be two performance standards related to HEI data submissions or the completeness of that data - as QHPs would be penalized 2x for the same lapse.</p> <p>Covered CA also needs to define standards to evaluate if the spoken / written language attributes sent for our enrollees through the HEI data submission was valid.</p> <p>Furthermore, this is data captured in the enrollment &amp; application process. Covered California should ensure this is a mandatory field and passed to carriers.</p>	Performance Standards 9 and 2 are not duplicative. Performance Standard 9. HEI Data Submission is a global standard that applies to overall data completeness and accuracy. This is different from the more specific Performance Standard 2 for Enrollee Spoken and Written Language, which sets a specific threshold for specific demographic data.
2	Reducing Health Disparities: Demographic Data Collection – Enrollee Spoken and Written Language	<p>In 11/15 comments we raised the concern: It appears that HEI data currently only has two fields for language on the Enrollment file, ME033 and ME034. It does not appear to be clear whether those fields are specifically for spoken, written, or both. We are concerned that Covered California may be modifying the HEI data format. Modifications to such reporting will take development effort and we have not received the specification changes to make such a change. Due to complexities with development, we request the specification changes be provided by April 1, 2022 to meet a January 1, 2023 deliverable. If changes to specifications are not received by that time we request a delayed implementation of this penalty.</p> <p>Updated comment 12/6: Based on the response to A1 comments, we look forward to partnering with Covered California to determine if/what changes need to occur in the HEI data file layout by April 1, 2022.</p>	Covered California is open to working with Carriers on solutions to performance standard needs without modifying specifications.
2	Reducing Health Disparities: Demographic Data Collection – Enrollee Spoken and Written Language	Based on comments raised during the initial comment period, we request delays of implementing any penalty related to Spoken and Written language until concerns with data collection can be addressed, resolved, and implemented between CalHEERS and Contractors.	The proposed phased approach to assessment of this performance standard is to establish a baseline in 2023 to determine a 2024 threshold based on readiness and data completeness.

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5	Primary Care Payment	In 11/15 comments we raised the concern: Please consider modifying this requirement from "contracted" to "assigned as primary care clinicians" throughout this requirement. Or create a different measure where "contracted" has a lower threshold and penalty amount and "assigned as primary care clinicians" is more aligned with current expectations for this measure. Updated comment 12/1: In response to a request for more information, the concern with "contracted" is this applies to the entire network. The request to use "assigned" is that this represents truly who consumers are assigned to by auto assignment or member self selection. We believe it is more appropriate to recognize the type of providers members are assigned to compared to the overall network. In addition, there are complexities with regional variations, etc. for "contracted" especially for PPO/EPO products.	The goal of this requirement is to ensure primary care clinicians across an issuer's network are paid are under HCP LAN APM Category 3 or Category 4. Covered California will not be making the requested change.
5	Primary Care Payment	We continue to be concerned that due to regional differences the PPO/EPO networks by design and providing greater consumer choice may not be able to reach these thresholds. Please take into consideration regional and product differences.	Covered California intends to use the same standards for HMOs and EPO/PPOs in 2023-25. Our goal is for all plans to meet similar standards. We have revised the 2023-25 performance levels from 2022 to account for this.
8	Quality Rating System (QRS) QHP Enrollee Experience Summary Indicator Rating	In 11/15 comments we raised the concern: Since the measures in this section primarily evaluate member experience with their providers, will there be some sort of accommodation for plans operating in areas with limited network options? Updated comment 12/6: There was a request for additional details. While we appreciate wanting all plans to meet similar standards, not all plans operate in same regions with same products. As a result, carriers that are meeting the needs of rural communities may experience a different response from those in urban areas. We request this be taken into consideration.	Covered California intends to use the same standards for HMOs and EPO/PPOs in 2023-25 for the QRS QHP Enrollee Experience Summary Indicator Rating standard as we have in past contracts. Our goal is for all plans to meet similar standards. There is currently no regional adjustment, however, we would be open to discussing options for how this could be taken into consideration in the future.
8	Quality Rating System (QRS) QHP Enrollee Experience Summary Indicator Rating	We are supportive of Covered California's contract revision which separates out penalties for 1 and 2 star plans to the effect that 1 star plans face a 20% penalty and 2 star plans face a 10% penalty.	Thank you.

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9	HEI Data Submission	We request no penalty if Covered California and/or HEI vendor require changes to requirements and/or data submissions due to a technical difficulty of Covered California and/or HEI vendor.	Covered California intends to maintain the performance standard for HEI Data Submissions. If there is evidence that Covered California and/or HEI vendor technical difficulties impact requirements or submissions, we will adjust the scoring accordingly for the affected time period.
9.10	HEI Data Submission	<p>We respectfully request this be limited to "consultation with the Contractor" as comparison to prior period may not take into consideration changes in trends. In addition, comparison to all data suppliers is concerning since that is not Contractor data.</p> <p><b><u>Proposed language for reference:</u></b>                      10. Drug claim submissions with Drug Payment Tier missing or invalid on more than 1% of claims or with not all expected values (i.e., 1 = Generic, 2 = Brand Formulary, 3 = Brand Non-Formulary, 4 = Specialty Drug, and 5 = ACA Preventive Medication) represented at appropriate and accurate proportions and consistent with Contractor's formulary, <i>as determined by comparison to Contractor's prior period data submissions, comparison to data aggregated from all data suppliers, and consultation with the Contractor</i>: 1% penalty                      Contractor's submission meets or exceeds the 99% populated and valid threshold and contains expected values at appropriate and accurate proportions: no penalty</p>	Covered California intends to consult with the Contractor when this performance standard's results fall short of expectations. Such consultation would enable the Contractor to explain and defend results by identifying changes in trends and highlighting any circumstances causing its Drug Payment Tier data profile to differ significantly from what might otherwise be considered appropriate in aggregated Covered California averages.