



September 18, 2020

Mr. Peter Lee
Executive Director, Covered California
P.O. Box 989725
West Sacramento, CA 95798

Delivered via email to qhp@covered.ca.gov

RE: SUMMARY OF HMA REPORT: NATIONAL ACCREDITATION BODIES AND FIT FOR COVERED CALIFORNIA

Dear Executive Director Lee,

I am writing on behalf of URAC in response to Covered California's consideration of national qualified health plan (QHP) accreditation bodies and their alignment with Covered California.

We commend Covered California's national leadership on quality among its individual market and are supportive of your efforts to hold plans accountable while promoting delivery reform. We also applaud your efforts to evaluate how to best drive efficiency and alignment between accreditation as we believe that accreditation is an important regulatory tool to drive both improved quality and enhanced oversight.

However, we are concerned that Covered California is narrowly framing the evaluation of how accreditors can support your stated goals. We have no major issues with how URAC's accreditation and our standards were framed by the Health Management Associates (HMA) report. We appreciated the multiple opportunities to engage HMA staff while they developed their report and commend them for the rigor of their work. That said, HMA was asked to evaluate current programs designed for and approved by the U.S. Department of Health and Human Services (HHS) to apply to every QHP across the country. This evaluation does not give weight to nor provide any consideration for accreditors like URAC to adapt state specific standards which has been done in the past at the request of regulators.

We also believe that states choosing to limit the availability of accreditors is an unfortunate precedent that took hold in several states that we fear will have detrimental effects on administrative costs and innovation in quality in the years to come. We believe that choice in accreditors is critical to ensure that costs, which are ultimately passed to consumers, remain low in an environment where innovation is incentivized. Our three decades of experience has shown that competition among accreditors breeds not only in quality solutions but in the accreditation process. It is important to note that this consideration of a sole accreditor is in stark contrast to the intent of the Affordable Care Act and the authorizing regulations established nearly a decade ago by HHS. This consideration of a sole accreditor is also in contrast with Congress's decision to open hospital accreditation to competition over a decade ago due to concerns about the impact of having one accreditor.

Corporate Member Organizations

- America's Health Insurance Plans
- Academy of Managed Care Pharmacy
- American Association of Preferred Provider Organizations
- American Health Quality Association
- American Hospital Association
- American Insurance Association
- American Medical Association
- American Nurses Association
- American Psychiatric Association
- Blue Cross Blue Shield Association
- Case Management Society of America
- National Alliance of Healthcare Purchaser Coalitions
- National Association of Insurance Commissioners
- Pharmaceutical Care Management Association
- Harry Feder, MPA**
Board Chairperson
- Shawn Griffin, M.D.**
President and CEO



As indicated and demonstrated in the report, each accreditor has discretion to develop and craft standards and a program to achieve the goal of validating quality in health plan operations. URAC approaches all of our programs by crafting standards that can apply broadly and across jurisdictions. We have a robust process whereby we can craft state specific standards and incorporate state specific elements of our review process when requested or required. We would appreciate the opportunity to discuss this process and potential revisions with you in more detail.

We also believe it important to note that URAC has broad expertise beyond those specifically evaluated by HMA that can be brought to bear in future years. URAC is the nation's leading pharmacy quality organization as we accredit the nation's top pharmacy benefit managers (PBMs) and are the leading accreditor of specialty pharmacy organizations. Our unique role accrediting both PBMs and pharmacies provides us with unique insight into the dynamics of the pharmacy market, in particular issues around quality and access to specialty medications. URAC is also the nation's premier accreditor of digital and telehealth providers including national providers like Teladoc and Amwell. Finally, URAC is the leading accreditor for Mental Health and Substance Use Disorder Parity and we are working closely with regulators as well as advocates to improve the structure of oversight and compliance with parity laws. These are just a few of the areas of expertise that may be of future interest to Covered California that URAC may be able to bring to bear in accreditation standards.

As you consider formal actions in response to the HMA report, we recommend that you consider allowing a grace period for the non-NCQA accredited QHPs to transition should this be required. As accreditation is a three-year process, we recommend any requirement be effective three years from the date of decision so QHPs can complete their current accreditation without having pay for multiple accreditations.

We appreciate your thoughtful consideration of this issue and look forward to our continued work together to ensure all Californians have access to high-quality, affordable care.

Should you have any questions or if there is anything URAC can do to provide assistance, please do not hesitate to contact Aaron Turner-Phifer, Vice President of Government Relations and Policy at aturner-phifer@urac.org or by phone at 202-326-3957.

Sincerely,

Shawn Griffin, M.D.

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President and CEO

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