



# 2026 – 2028 QHP Issuer Model Contract Updates

EQT Team

Presented on November 14, 2024 at Plan Management Advisory Workgroup

# Essential Community Providers

Health Management Associates

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# Covered California Essential Community Providers (ECP) Refresh: Analytics Update

November 14, 2024

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# ECP REFRESH PROJECT PURPOSE

Covered California is refreshing the Essential Community Provider (ECP) standards to:

1. Improve access to primary care and behavioral health services in low-income communities and Health Professional Shortage Areas
2. Improve continuity of care across Medi-Cal and Covered California
3. Improve ECP capacity to serve low-income and medically underserved populations
4. Improve choice of providers serving the diverse needs of members

Covered California has been evaluating and analyzing policies to achieve these goals through updates the definition of an ECP as well as the required QHP network sufficiency thresholds.

# ECP REFRESH PROJECT STATUS

- » Proposed contract language revising the ECP standards in the 2026-2028 QHP Issuer Model Contract was released for public comment in August 2024
- » Since then, Covered California's internal ECP workgroup, with support from HMA, conducted an analytic evaluation on the potential impact of the proposed changes
- » The results of this evaluation will be presented and discussed today
- » In the coming months, the proposed ECP standards will be revised to incorporate findings from the analytics, including the potential for new sufficiency thresholds, as well as feedback and input received during the public comment period

# OVERVIEW OF THE ANALYTICS PROCESS

- » HMA and Covered California's analytics process encompassed two key phases – construction of a new proposed ECP list and analysis of current ECP utilization, and network and utilization analysis of the new ECP list
- » Phase 1:
  - » HMA and Covered California identified 12 criteria to update the current ECP list. At each step of the process, HMA documented:
    - » The criteria used,
    - » The impact to the ECP list (both additions and removals), and
    - » The overlap with the current/updated ECP list (e.g., providers that were added to the ECP list through more than one category)
  - » Next, Covered California requested data from Merative to understand how many QHP enrollees are using the current ECP list to help measure and identify:
    - » The effectiveness of current standards,
    - » QHP enrollee utilization in historically underserved areas or by historically underserved populations, and
    - » ECPs that had been removed, such as HITECH PCPs, with high utilization that may warrant continued inclusion on ECP list
    - » Note: Due to some data limitations, this analysis will be re-run.

# OVERVIEW OF THE ANALYTICS PROCESS (CONTINUED)

## » Phase 2:

- » Using data provided by Covered California, HMA compared the updated ECP list to the current QHP provider networks to analyze impact
  - » HMA created a summary of QHP networks by updated ECP provider type
- » Next, the EQT Informatics Team conducted a utilization analysis of the new ECP list
  - » EQT Informatics Team evaluated the set of ECP providers that are in-network across multiple utilization paths and the degree of utilization among those providers



# PHASE 1 RESULTS

# FINDINGS – HOSPITALS & CLINICS

## Current ECP List

- » Hospital ECPs – 250
- » Non-Hospital ECPs – 3,005
- » HITECH PCP ECPs – 9,312

Action	Source of Standard?	Impact
<p><b>Add Social Security Act (SSA) §1927 Providers</b></p> <p><b>Add Family Planning sites (included in 2016 Payment Notice)</b></p> <p>– CMS data set also included overlap of current ECP categories which allowed us to identify additional providers to satisfy those categories</p>	Federal Req	<p><b>+ 1,017 ECPs</b></p> <p>+722 Behavioral Health</p> <p>+124 Rural Health Clinics</p> <p>+102 FQHCs</p> <p>+44 Family Planning (117 already current ECPs)</p> <p>+ 2 Critical Access Hospitals (CAH)</p>
<p><b>Add Critical Access Hospitals (CAH)</b></p>	CCA Policy Priority	<p><b>+ 4 ECPs</b></p> <p>89% already current ECPs</p>
<p><b>Add Small Rural Hospital Improvement Program (SHIP) Hospitals</b></p>	CCA Policy Priority	<p><b>+ 5 ECPs</b></p> <p>87% already current ECPs</p>
<p><b>Add Rural Health Clinics (RHC)</b></p> <p>– Added <u>each location</u> to ensure full coverage, instead of only including one parent entity.</p>	CCA Policy Priority	<p><b>+ 175 ECPs</b></p> <p>4% already current ECPs</p> <p>32% added in steps 2/3</p>
<p><b>Add Certain Health Professional Shortage Area (HPSA) Providers</b></p> <p>– Includes FQHCs, Rural Health Clinics, and Indian Health Service</p>	CCA Policy Priority	<p><b>+ 0 ECPs</b></p> <p>100% already current ECPs</p>

# FINDINGS – PRIMARY CARE

## Current ECP List

- >> Hospital ECPs – 250
- >> Non-Hospital ECPs – 3,005
- >> HITECH PCP ECPs – 9,312

Action	Source of Standard?	Impact
<b>Remove HITECH PCPs</b>	CCA Policy Priority	<b>- 9,312 ECPs</b>
<b>Add Primary Care Providers in Healthy Places Index (HPI) Quartiles 1 &amp; 2</b> – Used Medi-Cal Managed Care Primary Care providers located in HPI quartiles 1 & 2 (and small population areas without an HPI score). – Filtered providers based on taxonomy codes – For providers with multiple locations, NPI may be included multiple times in updated ECP list (one entry per location zip code per rating region)	CCA Policy Priority	<b>+ 21,627 ECPs</b>
<b>Add Medi-Cal Providers based on Utilization – Primary Care / Behavioral</b> – Intent was to add providers with high volume Medi-Cal patients – Issue – No utilization data currently available.	CCA Policy Priority	<b>N/A</b>
<b>Add HCAI Workforce Grant Recipients – Primary Care</b> – Song-Brown Healthcare Primary Care Residency (PCR) – Intent was to add primary care providers – Issue – Unable to add JUST the primary care providers within the hospital systems that received the grant (e.g. “UCLA Family Medicine Residency Program”). Would have resulted in adding the entire hospital which was too broad and not the intended purpose.	CCA Policy Priority	<b>N/A</b>

# FINDINGS – BEHAVIORAL HEALTH

## Current ECP List

- >> Hospital ECPs – 250
- >> Non-Hospital ECPs – 3,005
- >> HITECH PCP ECPs – 9,312

Action	Source of Standard?	Impact
<p><b>Add HCAI Workforce Grant Recipients – Behavioral Health – by location</b></p> <ul style="list-style-type: none"> <li>– Intent was to add behavioral health care providers</li> <li>– Added <u>each location</u> to ensure full coverage, instead of only including one parent entity that received the grant</li> </ul>	CCA Policy Priority	<b>+ 1,313 ECPs</b>
<p><b>Add Behavioral Health Providers in Health Places Index (HPI) Quartiles 1 &amp; 2</b></p> <ul style="list-style-type: none"> <li>– Used Medi-Cal Managed Care Behavioral Health providers located in HPI quartiles 1 &amp; 2 (and small population areas without an HPI score).</li> <li>– Filtered providers based on taxonomy codes</li> <li>– For providers with multiple locations, NPI may be included multiple times in updated ECP list (one entry per location zip code per rating region)</li> </ul>	CCA Policy Priority	<b>+ 12,967 ECPs</b>
<p><b>Add Medi-Cal Providers based on Utilization – Primary Care / Behavioral</b></p> <ul style="list-style-type: none"> <li>– Intent was to add providers with high volume Medi-Cal patients</li> <li>– Issue – No utilization data available at this time.</li> </ul>	CCA Policy Priority	<b>N/A</b>

# FINDINGS – ORAL HEALTH

## Current ECP List

- >> Hospital ECPs – 250
- >> Non-Hospital ECPs – 3,005
- >> HITECH PCP ECPs – 9,312

Action	Source of Standard?	Impact
<p><b>Add Pediatric Oral Service Providers, Medi-Cal Managed Care &amp; FFS only</b></p> <ul style="list-style-type: none"> <li>– Included providers who see pediatric patients only.</li> <li>– Medi-Cal Managed Care providers did not cover all Covered California rating regions.</li> <li>– Medi-Cal FFS providers did not include data to identify whether General Dentist providers see pediatric patients so only included Pediatric Dentists</li> <li>– For providers with multiple locations, NPI may be included multiple times in updated ECP list (one entry per location zip code per rating region)</li> </ul>	CCA Policy Priority	<b>+ 2,004 ECPs</b>
<p><b>Add Dental Hygienists in Alternative Practice, from Medi-Cal FFS</b></p> <ul style="list-style-type: none"> <li>– Included these providers who have specialized training to provide dental care in non-traditional settings.</li> <li>– Note: Category not included in original analytics plan but was identified during analysis process as fulfilling a CCA policy priority.</li> </ul>	CCA Policy Priority	<b>+ 220 ECPs</b>

# FINDINGS – SUMMARY

Type	Category	Current ECPs	Updated ECPs
Facility	Hospital	250	267
	Non-Hospital / Clinic	3,005	5,501
Provider	Primary Care	9,312	21,627
	Behavioral Health	--	12,967
	Oral Health	--	2,224
<b>TOTAL</b>		<b>12,567</b>	<b>42,586</b>

Note: Non-Hospital / Clinics provide a wide range of services that often includes primary care, behavioral health, and sometimes oral health services. These providers only included in the Non-Hospital/Clinic category even though they may also include services that overlap with other ECP categories.

For providers included based on locations in HPI 1&2 quartiles, this also includes providers in location with No HPI score. For statistical reliability and validity of the HPI index, no HPI score is available for census tracts with less than 1,500 people or >50% of residents live in institutional settings (e.g. dorms, nursing homes, prisons).

For providers with multiple locations, Updated ECP list may include NPI multiple times (one entry per location zip code per rating region).

# FINDINGS – SUMMARY

## >> Updated ECPs (by Region)

Category	TOTAL	Northern Counties	North Bay Area	Greater Sacramento	San Francisco County	Contra Costa County	Alameda County	Santa Clara County	San Mateo County	Santa Cruz, San Benito, Monterey Counties	Central Valley	Fresno, Kings, Madera Counties	Central Coast	Eastern Counties	Kern County	Los Angeles County East	Los Angeles County West	Inland Empire	Orange County	San Diego County	Unknown
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	n/a
Hospital	267	38	10	13	9	2	11	6	1	7	18	10	12	6	8	27	34	28	16	11	0
Non-Hospital	5,501	444	189	237	195	66	329	201	34	127	435	330	294	35	120	462	912	371	235	485	0
Primary Care	21,627	1,860	310	1,111	177	183	512	412	105	345	1,491	2,107	242	136	914	2,550	3,283	3,176	1,136	1,577	0
Behavioral Health	12,967	561	240	1,704	145	612	315	52	13	16	2,152	458	57	33	200	1,535	1,255	2,305	209	1104	1
Oral Health	2,224	16	20	47	174	22	91	38	16	9	29	17	70	2	11	209	452	272	191	255	282

For providers with multiple locations, Updated ECP list may include NPI multiple times (one entry per location zip code per rating region).

Unknown region is for providers with location just outside of California in a neighboring state, or for certain providers where a specific location was not available (e.g. Dental Hygienists in Alternative Practice).

# PHASE 2 RESULTS



# PHASE 2 RESULTS – NETWORK ANALYSIS

## » Comparison of Updated ECP List to Current QHP Provider Networks

### » Providers matched by NPI + Region

- » Matching methodology requires the ECP to be in-network in the same region as the provider is on the Updated ECP List. Aligns with sufficiency standards which are based on QHP regions.
- » While methodology used for some Update ECP list categories based on zip codes (e.g. HPI Quartile 1 & 2), requiring QHP network to have the exact same zip code as Updated ECP List resulted in a number of ECPs showing as out of network even though the provider was in QHP network in a neighboring zip code (or other nearby zip code within the same region).
- » Not requiring the exact zip code allows a broader comparison of providers still within the same geographic rating region, but not as localized as HPI Quartile 1 & 2 zip codes.

### » Additional Notes:

- » Hospital and Non-Hospital facility providers are likely under-represented in network comparison since facility participation not easily identified by NPI
- » For some issuers, Dental ECP provider participation is under-represented since their provider network data did not include any dental providers

# PHASE 2 RESULTS – NETWORK ANALYSIS

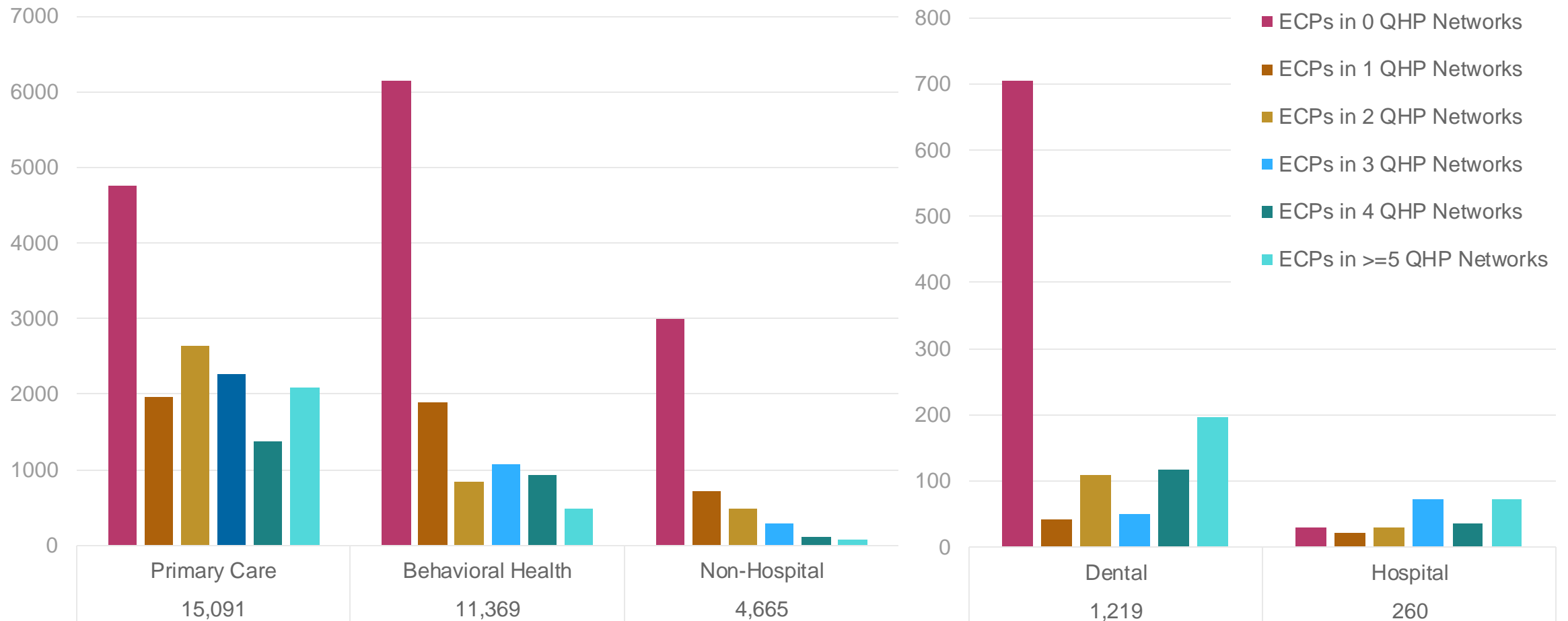
## >> Updated ECPs – Current QHP Network Participation (NPI + Region)

(NPI + Region)	Primary Care		Behavioral Health		Dental		Non-Hospital		Hospital	
Updated ECP List	15,091		11,369		1,219		4,665		260	
ECPs in 0 QHP Networks	4,759	31.5%	6,141	54.0%	705	57.8%	2,989	64.1%	30	11.5%
ECPs in 1 QHP Networks	1,964	13.0%	1,895	16.7%	42	3.4%	716	15.3%	21	8.1%
ECPs in 2 QHP Networks	2,649	17.6%	841	7.4%	109	8.9%	485	10.4%	29	11.2%
ECPs in 3 QHP Networks	2,264	15.0%	1,072	9.4%	50	4.1%	294	6.3%	72	27.7%
ECPs in 4 QHP Networks	1,371	9.1%	938	8.3%	117	9.6%	107	2.3%	36	13.8%
ECPs in >=5 QHP Networks	2,084	13.8%	482	4.2%	196	16.1%	74	1.6%	72	27.7%

Network participation based on matching by NPI and Region only. For providers with multiple locations, NPI may be included multiple times in updated ECP list (one entry per location per rating region). Participation for Non-Hospital and Hospital ECPs is under-represented since facility participation not fully represented by NPI. Some issuers provider network data did not include any dental providers (even though they have dental providers in network). Excludes issuer(s) subject to alternative ECP standards.

# PHASE 2 RESULTS – NETWORK ANALYSIS

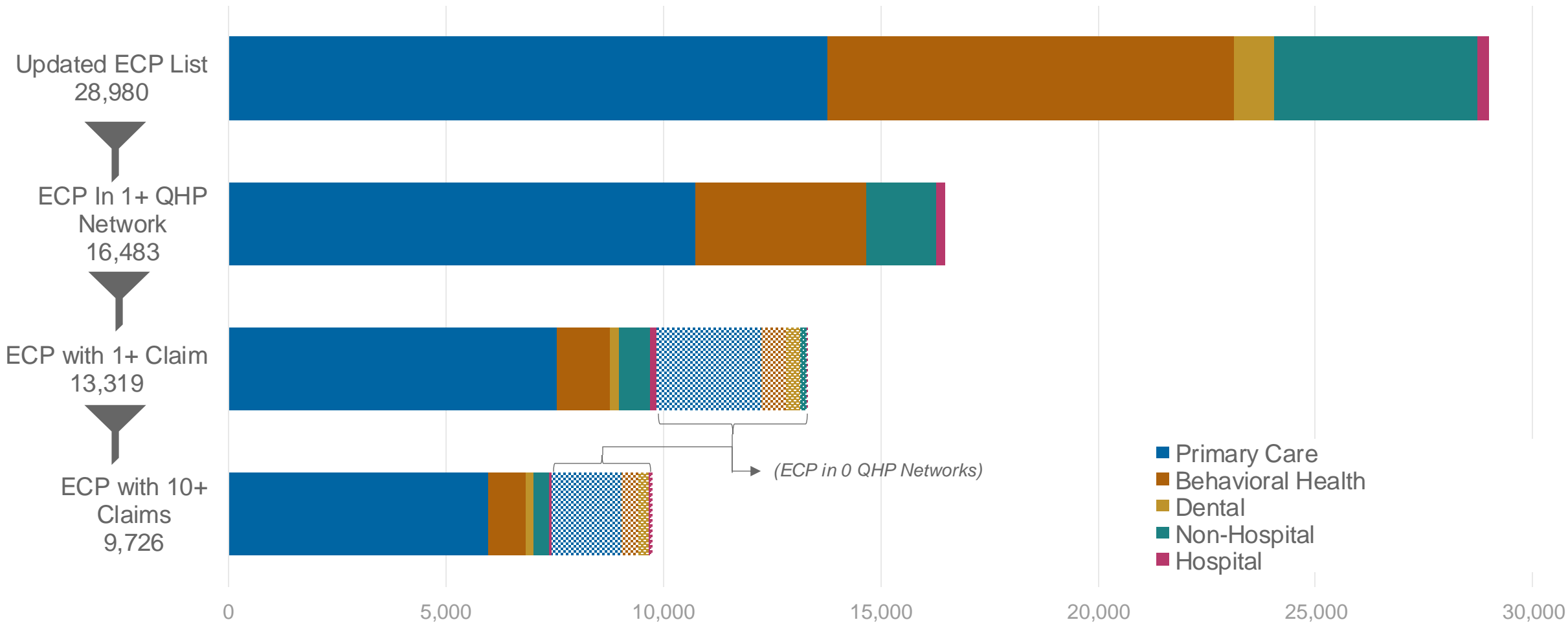
## » Updated ECPs – Current QHP Network Participation (NPI + Region)



Network participation based on matching by NPI and Region. For providers with multiple locations, NPI may be included multiple times in updated ECP list (one entry per location rating region). Participation for Non-Hospital and Hospital ECPs is under-represented since facility participation not fully represented by NPI. Some issuers provider network data did not include any dental providers (even though they have dental providers in network). Excludes issuer(s) subject to alternative ECP standards.

# PHASE 2 RESULTS – CLAIMS UTILIZATION ANALYSIS

## >> Updated ECP – Claims Utilization (NPI only)



Claims incurred in 2022 plan year. Network participation for claims is based on NPI only. Participation for Non-Hospital and Hospital ECPs is under-represented since facility participation not fully represented by NPI. Some issuers provider network data did not include any dental providers (even though they have dental providers in network). Claims for providers in 0 networks is based on 2022 claims and 2024 QHP networks.

# PHASE 2 RESULTS – CLAIMS UTILIZATION REGIONAL ANALYSIS

Covered CA Rating Region	Updated ECP Providers with one or more claims	Percentage of All Updated ECP Providers with one or more claims
Region 17: Inland Empire	2371	17.76%
Region 16: Los Angeles County South & West	2078	15.56%
Region 15: Los Angeles County North & East	1803	13.50%
Region 19: San Diego County	1228	9.20%
Region 10: San Joaquin Valley	938	7.03%
Region 1: Northern Counties	921	6.90%
Region 3: Sacramento Valley	845	6.33%
Region 18: Orange County	588	4.40%
Region 11: Central San Joaquin	457	3.42%
Region 14: Kern County	419	3.14%

## Top 10 Claims Utilization by Region

- A total of 13,352 proposed Essential Community Providers (ECP) had one or more claims in 2022
- 46.82% of proposed ECPs with one or more claims in 2022 are located in Inland Empire and Los Angeles Regions (regions 15, 16, & 17)
- A total of 3,093 proposed out-of-network ECP providers had one or more claims in 2022

The utilization percent calculated is the number of proposed ECPs with any claims processed in 2022 in one region (numerator) divided by the total 13,352 proposed ECPs with any claims processed in 2022 (denominator)

# SUFFICIENCY THRESHOLDS

# REVISIONS TO SUFFICIENCY THRESHOLDS

- » Covered California authority<sup>1</sup>:
  - » QHP issuers “...shall maintain a network that includes a sufficient geographic distribution of care, including essential community providers (“ECP”), and other providers available to provide reasonable and timely access to Covered Services for low-income, vulnerable, or medically underserved populations...”
- » Current Proposal - Revise the sufficiency standards to:
  - » Maintain the applicable geographic region as rating area (and not service area)
  - » Maintain the one ECP hospital per county requirement, except in counties with multiple rating areas
  - » Newly require issuers to contract with one ECP hospital per rating area in counties with multiple rating areas (i.e., LA County)
  - » Maintain the 340B sufficiency threshold of 15%

# REVISIONS TO SUFFICIENCY THRESHOLDS

- » Updated Proposal - Revise the sufficiency standards to:
  - » Maintain the applicable geographic region as rating area (and not service area)
  - » Maintain the one ECP hospital per county requirement, except in counties with multiple rating areas
  - » Newly require issuers to contract with one ECP hospital per rating area in counties with multiple rating areas (i.e., LA County)
  - » Adopt category specific, or entity specific, thresholds:
    - » Primary Care ECPs
    - » Behavioral Health Care ECPs



# REVISIONS TO SUFFICIENCY THRESHOLDS

## Discussion questions:

- » Feedback to the proposed removal of the 340B sufficiency threshold of 15%?
- » Feedback to Covered California proposal that Primary Care and Behavioral Health Care ECPs have category specific sufficiency thresholds?
- » What other category specific, or entity specific, thresholds are recommended?

# TIMELINE AND NEXT STEPS

# TIMELINE AND NEXT STEPS

Timeframe	Activity
November 2024	Present and solicit feedback on ECP analytics and their implications on the revised standards to the Plan Management Advisory Workgroup
December 2024	Updated draft ECP standards, including revised sufficiency thresholds, released
January 2025	Board discussion on draft 2026-2028 QHP Issuer Model Contract, inclusive of updated ECP contract language
February/March 2025	Board action on draft 2026-2028 QHP Issuer Model Contract

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# Appendix

# REMINDER: RECOMMENDED CHANGES AND ADDITIONS TO ESSENTIAL COMMUNITY PROVIDER (ECP) CATEGORIES

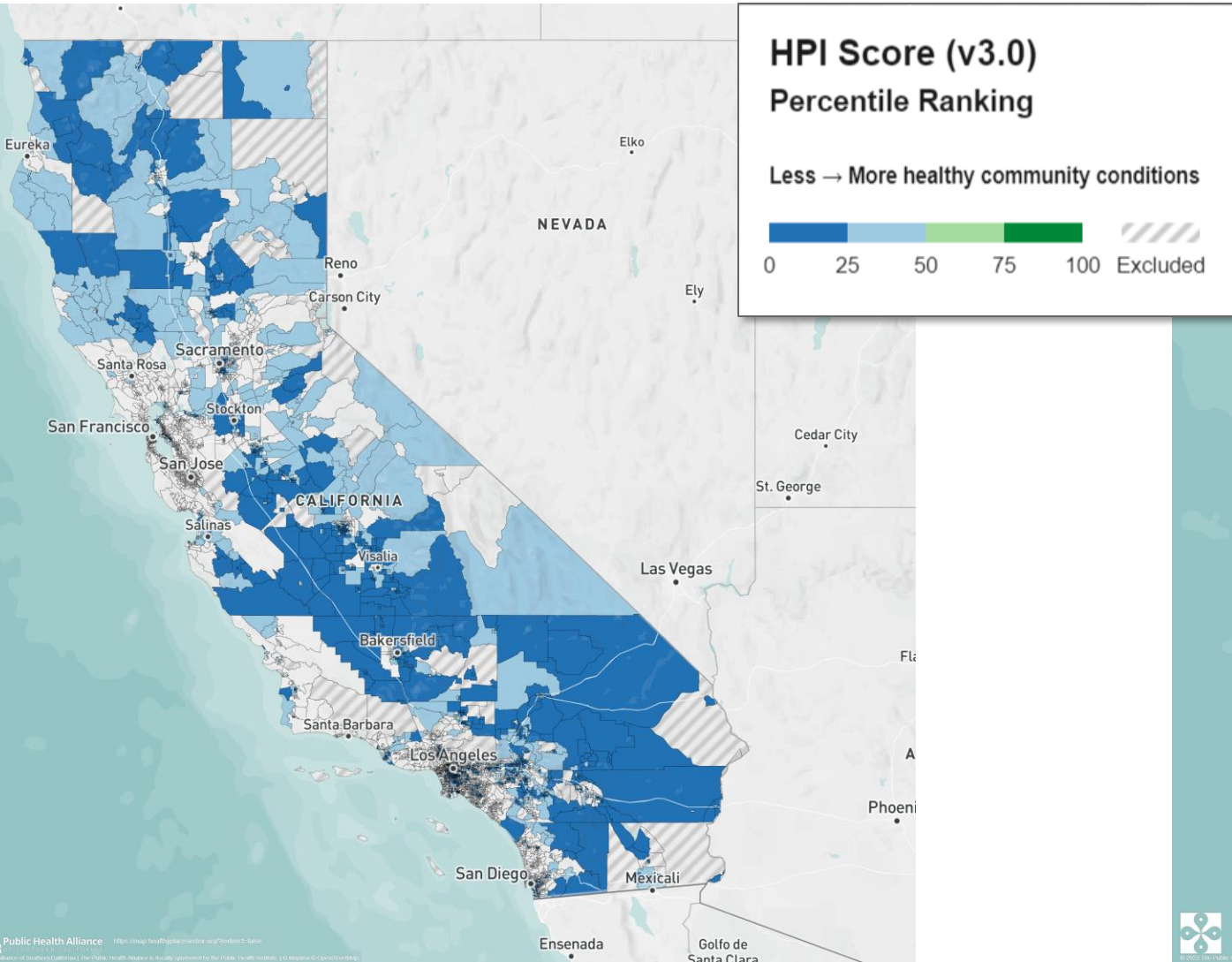
The ECP categories should be modified as follows:

Federal ECP Categories	Current Covered California ECP Provider Categories	Future ECP Category Changes and Additions
<ul style="list-style-type: none"> <li>• FQHCs</li> <li>• Ryan White Program Providers</li> <li>• Family Planning Providers</li> <li>• Indian Health Care Providers</li> <li>• Inpatient Hospitals</li> <li>• Mental Health Facilities</li> <li>• SUD Treatment Centers</li> <li>• Other Providers</li> </ul>	<ul style="list-style-type: none"> <li>• Hospitals (340B, DSH, Children’s hospitals, county or publicly owned)</li> </ul>	<ul style="list-style-type: none"> <li>• Add missing Critical Access Hospitals and Small Rural Health Improvement Program Hospitals</li> </ul>
	<ul style="list-style-type: none"> <li>• Non-Hospitals (340B, FQHCs, Community Clinics, Free Clinics, Tribal and Urban Indian Clinics)</li> </ul>	<ul style="list-style-type: none"> <li>• Add pediatric oral service providers</li> <li>• Add “1927 providers and certain family planning sites included in the 2016 NBPP</li> </ul>
	<ul style="list-style-type: none"> <li>• HITECH PCPs</li> </ul>	<ul style="list-style-type: none"> <li>• Rename category and remove HITECH PCP list</li> <li>• Add HCAI workforce grant recipients (primary care and behavioral health providers)</li> <li>• Add geographic and Medi-Cal specific providers including:                             <ul style="list-style-type: none"> <li>• Certain providers in HPSAs</li> <li>• Providers with a minimum percentage of Medi-Cal members</li> <li>• Providers in HPI quartiles 1 and 2</li> </ul> </li> </ul>

• Provider entities described in Section 1927 of the Social Security Act that are required to be included in the definition of ECPs in the Affordable Care Act

# CALIFORNIA HEALTHY PLACES INDEX (HPI)

## HPI Q1 & Q2 (0-50th percentile)



## HPI Q1 (0-25th percentile)

