

Article	Section #	Comment	Covered CA Response
2 - Eligibility and Enrollment	2.1.2 c) Eligibility and Enrollment Responsibilities	Please confirm that the changes to this section are indicating that the monthly reconciliation process will be changing to weekly starting in PY 2028 - or if it just clarifying that carrier should be leveraging the existing weekly audit file to reconcile enrollment prior to the Monthly reconciliation process that happens today.	This update is clarifying the expectation that Contractor should be leveraging the existing weekly audit file to reconcile enrollment prior to the Monthly Reconciliation Process. To improve clarity, Covered California removed detailed reconciliation process details and references the Covered California Reconciliation and Dispute Process Guide.
7 - Performance Standards	7.4.2 - Removal from Covered California	We respectfully request that Covered California allow product noncertification or removal only for documented, material noncompliance with validated and attainable standards. Before any adverse action, issuers should receive written notice, supporting data, reconciliation rights, a reasonable cure period, and an appeal opportunity.	Covered California is establishing minimum performance standards for continued certification because we no longer intend to continue certifying dental plans that demonstrate consistently low performance. These standards are intended to establish a low and attainable baseline for continued participation, based on current dental plan performance, and are not intended to impose an unreasonable or unattainable threshold Before taking any adverse action, Covered California will provide the dental plan with written notice of the potential action, the reasons for the action, and the supporting performance information. The dental plan will be provided a corrective action period to address the identified deficiencies. If the dental plan is still unable to meet the minimum performance standard following the corrective action period, Covered California will notify the dental plan in writing of its intent to decertify the plan from the Exchange in the following plan year. The dental plan will have an opportunity to appeal Covered California's decision.

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7 - Performance Standards	7.4.2 - Removal from Covered California	We object to product noncertification or removal based on performance standards that have not been validated as reasonable, appropriate, attainable, or consistently applicable across product types. Covered California has not provided evidence demonstrating that the proposed performance targets are supported by reliable data, actuarial analysis, or operational feasibility. Product noncertification or removal should be permitted only upon documented, material noncompliance with validated standards and only after Covered California provides written notice, supporting evidence, reconciliation rights, a reasonable corrective action period, and a meaningful opportunity to demonstrate compliance. Any adverse determination should be subject to a formal appeal process to ensure a fair, transparent, and equitable outcome.	Covered California is establishing minimum performance standards for continued certification because we no longer intend to continue certifying dental plans that demonstrate consistently low performance. These standards are intended to establish a low and attainable baseline for continued participation, based on current dental plan performance, and are not intended to impose an unreasonable or unattainable threshold. Before taking any adverse action, Covered California will provide the dental plan with written notice of the potential action, the reasons for the action, and the supporting performance information. The dental plan will be provided a corrective action period to address the identified deficiencies. If the dental plan is still unable to meet the minimum performance standard following the corrective action period, Covered California will notify the dental plan in writing of its intent to decertify the plan from the Exchange in the following plan year. The dental plan will have an opportunity to appeal Covered California's decision.
7 - Performance Standards	7.4.2 a) i.- Removal from Covered California	We respectfully request that Covered California not use the threshold of 350 claims or encounters per 1,000 members to remove a DHMO product unless the measure is validated for capitation. Services may not submit claims or encounters, so the threshold may understate DHMO utilization. Please see Attachment 2.	Covered California understands the DHMO capitation model and recognizes that services furnished under a capitated arrangement may not generate individual claims or encounter submissions. Accordingly, the 350 claims-or-encounters threshold is a minimum threshold, not a representation of expected DHMO utilization. This minimum threshold is substantially lower than Covered California's actual expectation for DHMO utilization.
7 - Performance Standards	7.4.2 a) i - Removal from Covered California	We object to applying the threshold of 350 claims or encounters per 1,000 members as a basis for product removal for DHMO products. The standard does not account for the DHMO operating model, under which covered services provided through capitation, including zero-dollar patient visits, frequently do not generate claims or encounters submitted to the dental plan. As a result, the metric is not an appropriate or reliable measure of utilization, access, or performance for DHMO products. See Attachment 2 for additional comments regarding DHMO reporting limitations.	Covered California understands the DHMO capitation model and recognizes that services furnished under a capitated arrangement may not generate individual claims or encounter submissions. Accordingly, the 350 claims-or-encounters threshold is a minimum threshold, not a representation of expected DHMO utilization. This minimum threshold is substantially lower than Covered California's actual expectation for DHMO utilization.

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7 - Performance Standards	7.4.2 a) i - Removal from Covered California	Recommendation: We recommend an additional qualifier be added to the DHMO requirement of 350 claims or encounters per 1,000 members, that accounts for efforts made by carriers to work with their capitated DHMO providers to increase submission of zero-dollar encounter records. As a reminder, under a capitated DHMO arrangement, covered services may be delivered without generating traditional paid claims. Instead, these services may be captured through zero-dollar encounter records submitted by independent dental practices. Plans do not maintain provider electronic health records, control practice-level reporting systems, or directly control the completeness and timing of independent provider encounter submissions.	Covered California understands the DHMO capitation model and recognizes that services furnished under a capitated arrangement may not generate individual claims or encounter submissions. Accordingly, the 350 claims-or-encounters threshold is a minimum threshold, not a representation of expected DHMO utilization. This minimum threshold is substantially lower than Covered California's actual expectation for DHMO utilization. During the corrective action plan period, Covered California will work with the dental plan to understand all efforts made by the carrier to work with their capitated DHMO providers to increase submission of zero-dollar encounter records.
7 - Performance Standards	7.4.2 a) ii - Removal from Covered California	We respectfully request that Covered California not use a 50% Dental Loss Ratio threshold for product removal unless it is validated across product types and market conditions. Please see Attachment 3.	The 50% threshold is based on the dental loss ratios across Covered California's dental plans, and is already a contract requirement.
7 - Performance Standards	7.4.2 a) ii - Removal from Covered California	We object to the use of a 50% Dental Loss Ratio threshold for product removal. The metric does not account for differences in product type, benefit design, enrollment mix, pricing, market conditions, and regulatory requirements. This limitation is particularly significant for DHMO products, which operate with substantially lower premiums and a capitated payment model. See Attachment 3 for additional comments regarding Dental Loss Ratio requirements.	The 50% threshold is based on the dental loss ratios across Covered California's dental plans, and is already a contract requirement.
7 - Performance Standards	7.4.3 - Minimum Performance Standards Corrective Action Plan	We request that no Corrective Action Plan be imposed absent written notice, validated supporting data, reconciliation rights, and mutually agreed-upon SMART improvement targets. Contractors should be provided a reasonable opportunity to demonstrate compliance and implement corrective actions before any adverse determination is made.	Before taking any adverse action, Covered California will provide the dental plan with written notice of the potential action, the reasons for the action, and the supporting performance information. The dental plan will be provided a corrective action period to address the identified deficiencies.