

Attachment 14. Performance Standards

During the term of this Agreement, Contractor shall meet or exceed the Performance Standards identified in this Attachment. Contractor shall be responsible for payment of penalties that may be assessed by the Exchange with respect to Contractor's failure to meet or exceed the Performance Standards in accordance with the terms set forth at Section 6.1 of the Agreement and in this Attachment.

The assessment of penalties by the Exchange shall be determined on an annual basis in accordance with the computation methodology set forth in this Attachment. The total amount at risk with respect to Contractor's failure to comply with the Performance Standards is equal to ten percent (10%), and may not exceed ten percent (10%), of the total Participation Fee that is payable to the Exchange in accordance with the terms set forth in Section 5.1.3 of the Agreement for the Individual Market. Additionally, the amount of Contractor's penalty shall be offset by any credit that is provided in the event that Contractor exceeds a Performance Standard in a separate category or if the Exchange fails to meet its Performance Standards as described below. Credits from one category may be used to offset penalties in that category, or applied to offset penalties assessed in another category.

The Exchange must also comply with the Performance Standards as described in Group 4. In the event that the Exchange does not satisfy a Performance Standard, based on the final calendar year-end data, the Exchange shall provide credits to Contractor which will be applied to any penalties accrued to Contractor. Such credits may reduce up to fifteen percent (15%) of Contractor's performance penalties that may be assessed. In no event shall the total credits to Contractor exceed the total amount of the performance penalty owed to the Exchange by Contractor

The Exchange will calculate penalties and credits at the end of each calendar year, based on Contractor's final year-end data for each performance standard beginning with Group 1 and 2, and the Exchange's final year-end data for Group 4. The Exchange's calculations will be provided to Contractor through the Initial Contractor Performance Standard Evaluation Report, covering Groups 1, 2, and 4, which the Exchange will send to Contractor for review no later than February 28th of the following calendar year.

Contractor shall submit the data required by the Performance Standards for Group 3, by the date specified by the Exchange. Some of the data required applies to a window of time. Some of the data represents a point in time. This measurement timing is described in more detail in the "Covered California Performance Standards for Contractor" tables within this attachment.

When the results of Group 3 are received by the Exchange, Contractor's final results will be calculated. The Exchange will then provide Contractor with a Final Contractor Performance Standard Evaluation Report, along with an invoice, within 60 calendar days of receipt of the Group 3 data requirements.

Contractor shall remit payment to the Exchange within 30 calendar days of receiving the Final Contractor Performance Measurement Evaluation Report and invoice.

If Contractor does not agree with either the Initial or Final Performance Standard Evaluation Report, Contractor may dispute the Report in writing within thirty (30) calendar days of receipt of that Report. The written notification of dispute shall provide a detailed explanation of the basis for the dispute. The Exchange shall review and provide a written response to Contractor's dispute within thirty (30) calendar days of receipt of Contractor's notification of dispute. If the Contractor still disputes the findings of the Exchange, Contractor may pursue additional remedies in accordance with Section 12.1 of the Agreement.

Any amounts collected as performance penalties under this Attachment must be used to support Exchange operations.

Contractor shall annually submit the required data for Group 5. Group 5 is a reporting requirement only. No penalties or credits will be assessed for Group 5 in 2019.

Call Center Operations Performance Standards Reporting - Group 1 - Customer Service and Group 2 – Operational, Performance Standards 1.1 – 1.6, and 2.1 – 2. 5.

Monthly Performance Report: Contractor shall monitor and track its performance each month against the Performance Standards set forth herein. Contractor shall provide detailed supporting information (as mutually agreed by the parties) for each Monthly Performance Report to the Exchange in electronic format. Contractor shall report on Exchange business only and shall report Contractor's Enrollees in the Individual Exchange separate from Contractor's Enrollees in Covered California for Small Business.

Measurement Rules:

Except as otherwise specified below in the Performance Standards Table, the reporting period for each Performance Standard shall be one calendar month. All references to days shall be calendar days and references to time of day shall be to Pacific Standard Time.

Performance Standards:

- 1) General - The Performance Standards Table sets forth the categories of Performance Standards and their associated measurements. In performing its services under this Agreement, Contractor shall use commercially reasonable efforts to meet or exceed the Performance Standards.
- 2) Root Cause Analysis/Corrective Action - If Contractor fails to meet any Performance Standard in any calendar month (whether or not the failure is excused), Exchange may request and Contractor shall (a) investigate and report on the root cause of the problem; (b) develop a corrective action plan (where applicable); (c) to the extent within Contractor's control, remedy the cause of the performance failure and resume meeting the affected Performance Standards; (d) implement and notify the Exchange of measures taken by Contractor to prevent recurrences, if the performance failure is otherwise likely to recur; and (e) make written recommendations to the Exchange for improvements in Contractor's procedures.
- 3) Performance Standard Exceptions - Contractor shall not be responsible for any failure to meet a Performance Standard if and to the extent that the failure is excused pursuant to Section 12.7 of the Agreement (Force Majeure), or the parties agree that the lack of compliance is due to the Exchange's failure to properly or timely perform (or cause to be properly or timely performed) any responsibility, duty, or other obligation under this Agreement, provided that Contractor timely notifies the Exchange of the problem and uses commercially reasonable efforts to perform and meet the Performance Standards notwithstanding the Exchange's failure to perform or delay in performing.

If Contractor wishes to avail itself of one of these exceptions, Contractor must notify the Exchange in its response to the performance report identifying the failure to meet such Performance Standard. This response must include: (a) the identity of the Performance Standard that is subject to the exception, and (b) the circumstances that gave rise to the exception in sufficient detail to permit the Exchange to evaluate whether Contractor's claim of exception is valid. Notwithstanding anything to the contrary herein, in no event shall any failure to meet a Customer Satisfaction Performance Standard fall within an exception.

The Exchange must also comply with the Performance Standards to the extent that such standards are applicable to the Exchange's operations.

- 4) Agreed Adjustments/Service Level Relief - The Parties may adjust, suspend, or add Performance Standards from time to time, upon written agreement of the parties, without an amendment to this contract.
- 5) Performance Defaults - Failure of the Contractor to meet the performance standards shall grant the Exchange the authority to assess penalties where applicable, or require that the Contractor provide and implement a corrective action plan.
- 6) Credits - For certain measures of the performance standards set forth in the Performance Standards Table, Contractor will have the opportunity to earn credit for performance that exceeds the Performance Standards. The Credits shall be used to offset (i.e., reduce) any penalties that are imposed during any Contract Year.
- 7) Performance Tables - The Performance Standards are set forth in the tables below, titled Covered California Performance Standards for Contractor.

Performance Standards Reporting-Group 3 - Quality, Network Management and Delivery System Reform, Performance Standards 3.1 - 3.8

QHP Issuers are required by CMS annually to collect and submit third-party validated QRS measure data, for the previous measurement year that will be used by CMS to calculate QHP scores and ratings. These measures will be determined by CMS. The Exchange will publicly report the QRS scores and ratings that are produced by CMS, and reserves the right to produce additional QRS scores from the CMS data for public release. QRS scores are based on surveys of both individual market and Covered California for Small Business Enrollees for those products offered in both marketplaces. Performance penalties will be calculated using the PMPM for individual market only.

The Parties may adjust, suspend, or add Performance Standards from time to time, upon written agreement of the parties, without an amendment to this contract.

Performance Standards Reporting – Group 5 - Dental Quality Alliance (DQA) Pediatric Measure Set

Contractor shall annually report on the Performance Standards for dental in Group 5. Reporting will be on embedded pediatric dental for each Plan Year. Contractor must submit this report by April 30th of the following calendar year.

Covered California Performance Standards for Contractor

Group 1: Customer Service Performance Standards	
Potential 12.0% 2018, and 15% 2019 Total Performance Penalty At Risk or Credit¹	
Performance Standard	Performance Requirements
1.1 Abandonment Rate (%) 3% of total performance penalty for this Group.	Divide number of abandoned calls by the number of calls offered to a phone representative. <u>Expectation:</u> No more than 3% of incoming calls abandoned in a calendar month. <u>Performance Level:</u> >3% abandoned: 3% performance penalty. 2-3% abandoned: no penalty. <2% abandoned: 3% performance credit.
1.2 Service Level 3% of total performance penalty for this Group.	<u>Expectation:</u> 80% of calls answered in 30 seconds or less. <u>Performance Level:</u> <80%: 3% performance penalty. 80%-90%: no penalty. >90%: 3% performance credit.
1.3 Implementation of Appeals Decisions pursuant to Section 2.1.2 b) <u>Pilot Period:</u> January 1, 2018 – March 31, 2019 <u>2019 Measurement Period:</u> April 1, 2019 – December 31, 2019 3% of total performance penalty for this Group.	<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. <u>Performance Level:</u> <90% implemented within 10 days: 3% performance penalty. 90% or greater implemented within 10 days: no penalty. 90% or greater implemented within 5 days: 3% performance credit.
1.4 Grievance Resolution 3% of total performance penalty for this Group.	<u>Expectation:</u> 95% of Covered California enrollee grievances resolved within 30 days of initial receipt. <u>Performance Level:</u> <95% resolved within 30 days of initial receipt: 3% performance penalty. 95% or greater resolved within 30 days of initial receipt: no penalty. 95% or greater resolved within 15 days of initial receipt: 3% performance credit.

¹ Total performance penalty at risk or credit is below 100% in 2019 due to deletions and additions of performance standards resulting in a net loss to the total. The total percent at risk in 2019 will be 85%.

Covered California Performance Standards for Contractor

Group 1: Customer Service Performance Standards	
Potential 12.0% 2018, and 15% 2019 Total Performance Penalty At Risk or Credit¹	
Performance Standard	Performance Requirements
1.5 Covered California member Email or Written Inquiries Answered and Completed. 3% of total performance penalty	<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. <u>Performance Level:</u> <90%: 3% performance penalty. 90-95%: no penalty. >95% in 15 days: 3% performance credit.

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Covered California Performance Standards for Contractor

Group 2: Operational Performance Standards		
25% of Total Performance Penalty¹ at Risk		
Performance Standard		Performance Requirements
2.1	<p>ID Card Processing Time</p> <p>5% of total performance penalty for this Group.</p>	<p><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)</p> <p><u>Performance Level:</u> <99%: 5% performance penalty.</p>
2.2	<p>834 Processing</p> <p><u>Pilot Period:</u> October 1, 2017 – September 30, 2019</p> <p><u>Measurement Period:</u> October 1, 2019 – December 31, 2019</p>	<p><u>Expectation:</u> The Exchange will receive a TA1 or 999 file, or both as appropriate within three business days of receipt of the 834 file 95% of the time.</p> <p><u>Performance Level:</u> <95%: 5% performance penalty. Assessing for performance penalty will begin with 2020 plan year transactions.</p>
2.3	<p>834 Generation</p> <p><u>Pilot Period:</u> October 1, 2017 – September 30, 2019</p> <p><u>Measurement Period:</u> October 1, 2019 – December 31, 2019</p>	<p><u>Expectation:</u> The Exchange will successfully receive and process effectuation, and cancellation 834 files within 60 days from either the coverage effective date or transaction timestamp, whichever is later 95% of the time. The Exchange will receive termination 834 files within ten days of the grace period expiration 95% of the time.</p> <p><u>Performance Level:</u> <95%: 5% performance penalty. Assessing for performance penalty will begin with 2020 plan year transactions.</p>
2.4	<p>Reconciliation Process</p> <p>10% of total performance penalty for this Group.</p>	<p><u>Expectation:</u> The Exchange shall receive a comparison reconciliation extract in accordance with the file validations and resolution timelines, as mutually agreed upon in the reconciliation process guide 90% of the time.</p> <p><u>Performance Level:</u> <90%: 10% performance penalty</p>

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Covered California Performance Standards for Contractor

Group 2: Operational Performance Standards 25% of Total Performance Penalty¹ at Risk	
Performance Standard	Performance Requirements
<p>2.5</p> <p>Data Submission specific to contract Section 3.4.4 Provider Directory and Attachment 7, Section 2.02 Data Submission.</p> <p>10% of total performance penalty for this Group.</p>	<p><u>Expectation:</u> Full and regular submission of data according to the standards outlined in the Performance Standard contract and Attachment 7 citations.</p> <p><u>Performance Level:</u></p> <p>a) Incomplete, irregular, late or non-useable submission of provider data: 5% penalty of total performance requirement. Full and regular submission according to the formats specified and useable by Covered California. Submissions occur every month pursuant to the submission schedule: no penalty.</p> <p>b) Incomplete, irregular, late or non-useable submission of EAS data: 5% penalty of total performance requirement. Full and regular submission according to the formats specified and useable by Covered California within 5 business days of each monthly reporting cycle: no penalty.</p>

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Covered California Performance Standards for Contractor

Group 3: Covered California Performance Standards

Quality, Network Management and Delivery System Standards

45% of Total Performance Penalty or Credit¹ for Measurement Year 2019 and Thereafter

Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.

Performance Standard		Performance Requirements
3.1	<p>Quality Rating System (QRS) - Clinical Effectiveness Rating; related to Attachment 7, Section 2.01.</p> <p>3.5% of total performance penalty for this Group.</p>	<p><u>Expectation:</u> Rating Clinical Effectiveness Rating (product type reporting):</p> <p><u>Performance Level:</u> The percentile score will be based on the QRS performance benchmarks supplied by CMS or adjusted, as appropriate, by Covered California.</p> <p>1-2 Stars: 3.5% performance penalty.</p> <p>3 Stars: no penalty.</p> <p>4-5 Stars: 3.5% performance credit.</p>
3.2	<p>Quality Rating System (QRS) QHP Enrollee Survey Summary Rating; related to Attachment 7, Section 2.01.</p> <p>3.5% of total performance penalty for this Group.</p>	<p><u>Expectation:</u> - QHP Enrollee Survey Summary Rating - (product type reporting)</p> <p><u>Performance Level:</u> The percentile score will be based on the QRS performance benchmarks supplied by CMS or adjusted, as appropriate, by Covered California.</p> <p>1-2 Stars: 3.5% performance penalty.</p> <p>3 Stars: no penalty.</p> <p>4-5 Stars: 3.5% performance credit.</p>

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Covered California Performance Standards for Contractor

Group 3: Covered California Performance Standards

Quality, Network Management and Delivery System Standards

45% of Total Performance Penalty or Credit¹ for Measurement Year 2019 and Thereafter

Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.

Performance Standard	Performance Requirements
<p>3.3</p> <p>Essential Community Providers – Article 3, Section 3.3.3</p> <p>10% of total performance penalty for Group 3</p>	<p><u>Expectation:</u> Contractor shall maintain a network that includes a sufficient geographic distribution of care, including essential community providers, and other providers, to provide reasonable and timely access to Covered Services for low income, vulnerable, or medically underserved populations in regions served by Contractor.</p> <p>Contractor to demonstrate provider agreements with at least 15% of 340B non-hospital providers in each applicable rating region.</p> <p>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.</p> <p><u>Performance Level:</u></p> <p>Does not meet ECP Standards: 10% penalty. Improvement in meeting ECP Standards : no penalty. Meets ECP Standards for timely access to network providers, 15% 340B non-hospital provider agreements, demonstrated ECP provider agreements: 10% credit.</p> <p><u>Alternate Standard Contractor</u></p> <p><u>Expectation:</u> Contractor to produce access map to demonstrate low income, medically underserved enrollee access to health care services. Low income, vulnerable, or medically underserved individuals shall be defined as those Covered California enrollees who fall below 200 percent of the Federal Poverty Level (FPL). Maps shall demonstrate the extent to which provider sites are accessible to and have</p>

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Covered California Performance Standards for Contractor

Group 3: Covered California Performance Standards

Quality, Network Management and Delivery System Standards

45% of Total Performance Penalty or Credit¹ for Measurement Year 2017 and Thereafter

Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.

Performance Standard	Performance Requirements
<p>Essential Community Providers – Article 3, Section 3.3.3 (continued)</p>	<p>services that meet the needs of specific underserved populations, including:</p> <ul style="list-style-type: none"> • Individuals with HIV/AIDS • American Indians and Alaska Natives • Low income and underserved individuals seeking women's health and reproductive health services. • Other specific populations served by Essential Community Providers in the service area such as STD Clinics, Tuberculosis Clinics, Hemophilia Treatment Centers, Black Lung Clinics and other entities that serve predominantly low income, medically underserved individuals. <p><u>Performance Level:</u> Alternate Standard Contractors shall not be eligible for performance credits, nor shall they be subject to performance penalties. Submission of the above required mapping is a contract compliance requirement.</p>

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Covered California Performance Standards for Contractor

Definitions for Group 3 Performance Standards: Reducing Health Disparities a) and b), Network Design Based on Quality, Primary Care a) b) and c), Integrated Healthcare Models, Appropriate Use of C-Sections, and Hospital Safety:

Measurement Year: The calendar year that activity being assessed is performed

Reporting Year: The calendar year that performance data is reported to the Exchange

Assessment Year: The calendar year that performance data is evaluated and Measurement Year performance level is determined

<p>Quality, Network Management and Delivery System Standards</p> <p>45% of Total Performance Penalty or Credit¹ for Measurement Year 2019 and Thereafter</p> <p>Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.</p>		
Performance Standard		
<p>3.4a) Reducing Health Disparities – Attachment 7, Article 3, Sections 3.01 and 3.02 – 2% of total performance penalty for Group 3</p> <p>Contractor will meet intermediate milestones for self-reported racial or ethnic identity by the end of 2018, and will meet the target of 80% self-reported racial or ethnic identity by the end of 2019.</p> <p>Baseline data was used to set an incremental target for 2018 based on information submitted in 2016, 2017, and 2018 via the Applications for Certification for 2017, 2018, and 2019. Contractor and the Exchange have established a mutually agreed upon performance goal which will be documented in the Contractor's Quality Improvement Strategy. Data will be submitted by Contractor in a run chart demonstrating improvement in the percentage of self-reported identity compared to baseline reported.</p>		
Performance Requirements		
<p style="text-align: center;">Measurement Year 2017</p> <p>No Assessment for Measurement Year 2017</p>	<p style="text-align: center;">Measurement Year 2018</p> <p><u>Expectation</u>: Meet 2018 intermediate milestone for self-reported racial or ethnic identify by the end of 2018.</p>	<p style="text-align: center;">Measurement Year 2019</p> <p><u>Expectation</u>: Meet target of 80% self-reported racial or ethnic identify by the end of 2019.</p>

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Covered California Performance Standards for Contractor

Quality, Network Management and Delivery System Standards

45% of Total Performance Penalty or Credit¹ for Measurement Year 2019 and Thereafter

Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.

Performance Requirements – 3.4a) Continued

	<p><u>Performance Levels:</u></p> <p>Contractor achieves no improvement in self-reported identity from baseline: 2% penalty</p> <p>Contractor shows improvement in self-reported identity, but does not meet incremental target by end of 2018: No penalty</p> <p>Contractor achieves incremental target for self-reported identity by end of 2018: 2% credit</p>	<p><u>Performance Levels:</u></p> <p>Contractor achieves no improvement in self-reported identity from 2018 and does not meet 80% target: 2% penalty</p> <p>Contractor achieves improvement in self-reported identity, but does not meet 80% target: No penalty</p> <p>Contractor achieves 80% target for self-reported identity by end of 2019: 2% credit</p>
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Covered California Performance Standards for Contractor

Quality, Network Management and Delivery System Standards

45% of Total Performance Penalty or Credit¹ for Measurement Year 2019 and Thereafter

Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.

Performance Standard

3.4b) Reducing Health Disparities – Attachment 7, Article 3, Sections 3.01 and 3.02

Contractor reports required metrics across all lines of business excluding Medicare for diabetes, asthma, Hypertension, and depression by race/ethnicity. The Exchange and Contractor will select at least one, but not more than two disparity measures against which performance in 2019 will be assessed. If the Contractor selects two disparities measures for setting 2019 performance targets, the performance level will be assessed at 1.5% for each measure.

Performance Requirements

Measurement Year 2017	Measurement Year 2018	Measurement Year 2019
No Assessment for Measurement Year 2017	No Assessment for Measurement Year 2018	No Assessment for Measurement Year 2019

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Covered California Performance Standards for Contractor

Quality, Network Management and Delivery System Standards

45% of Total Performance Penalty or Credit¹ for Measurement Year 2019 and Thereafter

Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.

Performance Standard

3.5 Network Design Based on Quality – Attachment 7, Article 1, Section 1.02 - 4% of total performance penalty for Group 3

Contractor shall include quality criteria into its Exchange network development, with a phased approach starting in plan year 2017 and continuing in plan years 2018 and 2019.

Performance Requirements

Measurement Year 2017	Measurement Year 2018	Measurement Year 2019
<p><u>Expectation:</u> Describe valid inclusion of quality criteria into Exchange network development and begin implementation of criteria</p> <p><u>Performance Levels:</u> Contractor is unable to describe valid inclusion of quality criteria into Exchange network development by end of year 2017: 4% penalty</p> <p>Contractor reports strategy for inclusion of quality criteria in all networks offered to Exchange enrollees, and demonstrates implementation of criteria by end of year 2017: No penalty</p> <p>Contractor reports strategy for inclusion of quality criteria in all networks offered to Exchange enrollees, demonstrates</p>	<p><u>Expectation:</u> Describe valid inclusion of quality criteria into Exchange network development and begin implementation of criteria</p> <p><u>Performance Levels:</u> Contractor is unable to describe valid inclusion of quality criteria into Exchange network development by end of year 2018: 4% penalty</p> <p>Contractor submits report showing that quality criteria for all provider types has been applied to at least part of each Exchange network offered to Exchange enrollees by end of 2018; report shows that providers have been reviewed against established quality metrics and providers not meeting metrics either have a corrective action</p>	<p><u>Expectation:</u> Describe valid inclusion of quality criteria into Exchange network development and begin implementation of criteria</p> <p><u>Performance Levels:</u> Contractor is unable to describe valid inclusion of quality criteria into Exchange network development by end of year 2019: 4% penalty</p> <p>Contractor submits report showing that quality criteria for all provider types has been applied to at least part of each Exchange network offered to Exchange enrollees by end of 2019; report shows that those providers that have been reviewed against established quality metrics and providers not meeting metrics either have a corrective action plan to improve or have been removed from networks: No penalty</p> <p>Contractor submits a report showing that quality criteria for all provider types has been applied to 100% of each Exchange network offered to Exchange enrollees by the end of 2019; report shows that provider have been reviewed against established quality metrics and those not meeting metrics either have a corrective action plan to improve or have been removed from network: 4% credit</p>

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Covered California Performance Standards for Contractor

Quality, Network Management and Delivery System Standards

45% of Total Performance Penalty or Credit¹ for Measurement Year 2019 and Thereafter

Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.

Performance Requirements – 3.5 Continued

<p>implementation of criteria by end of 2017, and submits documentation that contracted hospitals have been notified in 2017 of expectation to meet targets for appropriate use of C-Section and reduction in Hospital Acquired Conditions by the end of 2019: 4% credit</p>	<p>plan to improve or have been removed from networks: No penalty</p> <p>Contractor submits a report showing that quality criteria for all provider types has been applied to 100% of each Exchange network offered to Exchange enrollees by the end of 2018; report shows that provider have been reviewed against established quality metrics and those not meeting metrics either have a corrective action plan to improve or have been removed from network: 4% credit</p>	
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Covered California Performance Standards for Contractor

Quality, Network Management and Delivery System Standards

45% of Total Performance Penalty or Credit¹ for Measurement Year 2019 and Thereafter

Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.

Performance Standard

3.6a) Primary Care – Attachment 7, Article 4, Section 4.01 and 4.02 - 2% of total performance penalty for Group 3

95% of members in Contractor's Exchange products will select or be assigned to a primary care clinician beginning with enrollment effective January 2017.

Contractor will submit this percent each year following the end of the measurement year.

Performance Requirements

Measurement Year 2017	Measurement Year 2018	Measurement Year 2019
<p><u>Expectation:</u> 95% of members in Exchange products will select or be assigned to a primary care clinician for Plan Year 2017</p> <p><u>Performance Levels:</u></p> <p>Contractor reports less than 95% of Exchange members in Plan Year 2017 have selected or been provisionally assigned a primary care clinician: 2% penalty</p> <p>Contractor reports 95% or more of Exchange members in Plan Year 2017 have selected or been provisionally assigned a primary care clinician: 2% credit</p>	<p><u>Expectation:</u> 95% of members in Exchange products will select or be assigned to a primary care clinician for Plan Year 2018</p> <p><u>Performance Levels:</u></p> <p>Contractor reports less than 95% of Exchange members in Plan Year 2018 have selected or been provisionally assigned a primary care clinician: 2% penalty</p> <p>Contractor reports 95% or more of Exchange members in Plan Year 2018 have selected or been provisionally assigned a primary care clinician: 2% credit</p>	<p><u>Expectation:</u> 95% of members in Exchange products will select or be assigned to a primary care clinician for Plan Year 2019</p> <p><u>Performance Levels:</u></p> <p>Contractor reports less than 95% of Exchange members in Plan Year 2019 have selected or been provisionally assigned a primary care clinician: 2% penalty</p> <p>Contractor reports 95% or more of Exchange members in Plan Year 2019 have selected or been provisionally assigned a primary care clinician: 2% credit</p>

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Covered California Performance Standards for Contractor

Quality, Network Management and Delivery System Standards		
45% of Total Performance Penalty or Credit ¹ for Measurement Year 2019 and Thereafter		
Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.		
Performance Standard		
<p>3.6b) Primary Care – Attachment 7, Article 4, Section 4.01 and 4.02 - 3% of total performance penalty for Group 3</p> <p>Contractor describes a payment strategy for adoption and progressive expansion among Providers caring for Enrollees that creates a business case for PCPs to adopt accessible, data-driven, team-based care.</p>		
Performance Requirements		
Measurement Year 2017	Measurement Year 2018	Measurement Year 2019
<p><u>Expectation:</u> Describe payment strategy and begin re-contracting by end of Plan Year 2017</p> <p><u>Performance Levels:</u></p> <p>Contractor does not provide description of payment strategy or reports no PCPs contracted based on new payment strategy: 3% penalty</p> <p>Contractor provides description of payment strategy and reports more than 0% but less than 10% of PCPs contracted under new payment strategy: No penalty</p> <p>Contractor provides description of payment strategy and reports 10% or more of PCPs contracted under new payment strategy: 3% credit</p>	<p><u>Expectation:</u></p> <p>Describe payment strategy and begin re-contracting by end of Plan Year 2018.</p> <p><u>Performance Levels:</u></p> <p>Contractor does not provide description of payment strategy or reports no PCPs contracted based on new payment strategy: 3% penalty</p> <p>Contractor provides description of payment strategy and reports more than 0% but less than 10% of PCPs contracted under new payment strategy: No penalty</p> <p>Contractor provides description of payment strategy and reports 10% or more of PCPs contracted under new payment strategy: 3% credit</p>	<p><u>Expectation:</u> Describe payment strategy and begin re-contracting by end of Plan Year 2019.</p> <p><u>Performance Levels:</u></p> <p>Contractor does not provide description of payment strategy or reports no PCPs contracted based on new payment strategy: 3% penalty</p> <p>Contractor provides description of payment strategy and reports more than 0% but less than 10% of PCPs contracted under new payment strategy: No penalty</p> <p>Contractor provides description of payment strategy and reports 10% or more of PCPs contracted under new payment strategy: 3% credit</p>

¹ Total performance penalty at risk or credit is below 100% in 2019 due to deletions and additions of performance standards resulting in a net loss to the total. The total percent at risk in 2019 will be 85%.

Covered California Performance Standards for Contractor

Quality, Network Management and Delivery System Standards		
45% of Total Performance Penalty or Credit ¹ for Measurement Year 2019 and Thereafter		
Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.		
Performance Standard		
3.6c) Primary Care – Attachment 7, Article 4, Section 4.01 and 4.02 – 3% of total performance penalty for Group 3		
Contractor increases the percentage of membership obtaining care from Providers who meet standards for redesigned primary care through PCMH recognition or certification with NCQA, The Joint Commission, AAAHC, or URAC.		
Baseline will be identified using data from Measurement Year 2018. Data from Measurement Year 2019 providing the percent of membership attributed or assigned to PCMHs will be compared to baseline reported.		
Performance Requirements		
Measurement Year 2017	Measurement Year 2018	Measurement Year 2019
This expectation is only applicable to Measurement Year 2019.	This expectation is only applicable to Measurement Year 2019.	<p><u>Expectation:</u> Contractor increases the percentage of membership attributed or assigned to providers who meet standards for redesigned primary care through PCMH recognition or certification with NCQA, The Joint Commissions, or AAAHC.</p> <p><u>Performance Levels:</u></p> <p>Contractor reports no increase in the percentage of memberships attributed or assigned to PCMHs: 3% penalty</p> <p>Contractor reports an increase of more than 0% but less than 10% in membership attributed or assigned to a PCMHs: No penalty</p> <p>Contractor reports an increase of 10% or more in membership attributed or assigned to PCMHs: 3% credit</p>

¹ Total performance penalty at risk or credit is below 100% in 2019 due to deletions and additions of performance standards resulting in a net loss to the total. The total percent at risk in 2019 will be 85%.

Covered California Performance Standards for Contractor

Quality, Network Management and Delivery System Standards

45% of Total Performance Penalty or Credit¹ for Measurement Year 2019 and Thereafter

Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.

Performance Standard

3.7 Integrated Healthcare Models – Attachment 7, Article 4, Section 4.03 – 5% of total performance penalty for Group 3

Contractor increases Exchange enrollment in integrated healthcare models.

Baseline identified from data reported in Measurement Year 2017 and 2018. Data from Measurement Year 2019 providing the percentage of Exchange membership in integrated healthcare models will be compared to baseline reported.

This performance standard is not applicable to issuers with fully integrated systems where 100% of their membership is attributed or assigned to IHMs for both the baseline measurement year and the performance measurement year.

Performance Requirements

Measurement Year 2017	Measurement Year 2018	Measurement Year 2019
No Assessment for Plan Year 2017	No Assessment for Plan Year 2018	<p><u>Expectation:</u> Contractor increases the percentage of enrollment in IHMs by the end of 2019.</p> <p><u>Performance Levels:</u></p> <p>Contractor reports no increase in the percentage of membership attributed or assigned to IHMs: 5% penalty</p> <p>Contractor reports an increase of more than 0% but less than 10% in membership attributed or assigned to IHMs: No penalty</p> <p>Contractor reports an increase of 10% or more in membership attributed or assigned to IHMs: 5% credit</p>

¹ Total performance penalty at risk or credit is below 100% in 2019 due to deletions and additions of performance standards resulting in a net loss to the total. The total percent at risk in 2019 will be 85%.

Covered California Performance Standards for Contractor

Quality, Network Management and Delivery System Standards

45% of Total Performance Penalty or Credit¹ for Measurement Year 2019 and Thereafter

Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.

Performance Standard

3.8 Appropriate Use of C-Sections – Attachment 7, Article 5, Section 5.03 – 4.5% of total performance penalty for Group 3

Contractor shall adopt new payment strategies for physicians and hospitals such that by 2019 payment for Exchange enrollees is structured to support only medically necessary care and there is no financial incentive to perform C-sections.

Performance Requirements

Measurement Year 2017	Measurement Year 2018	Measurement Year 2019
No Assessment for Plan Year 2017	No Assessment for Plan Year 2018	<p><u>Expectation:</u> All physicians and hospitals are re-contracted with new payment structure by the end of 2019.</p> <p><u>Performance Levels:</u></p> <p>Contractor is unable to demonstrate that >33% of physicians and hospitals have been re-contracted to not incentivize NTSV C-section: 4.5% penalty</p> <p>Contractor demonstrates that 33% to 66% of physicians and hospitals have been re-contracted to not incentivize NTSV C-section: No penalty</p> <p>Contractor demonstrates that >66% of physicians and hospitals have been re-contracted to not incentivize NTSV C-section: 4.5% credit</p>

¹ Total performance penalty at risk or credit is below 100% in 2019 due to deletions and additions of performance standards resulting in a net loss to the total. The total percent at risk in 2019 will be 85%.

Covered California Performance Standards for Contractor

Quality, Network Management and Delivery System Standards

45% of Total Performance Penalty or Credit¹ for Measurement Year 2019 and Thereafter

Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations. For Performance Standards 3.4a, 3.4b, 3.8, and 3.9, mutually agreed upon performance goals will be pre-determined and documented in Contractor's Quality Improvement Strategy prior to the start of the performance year.

Performance Standard

3.9 Hospital Safety – Attachment 7, Article 5, Section 5.02 – 4.5% of total performance penalty for Group 3

Contractor shall adopt a payment strategy that by year-end 2019, places at least 2% of payments to hospitals in Exchange 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.

Performance Requirements

Measurement Year 2017	Measurement Year 2018	Measurement Year 2019
No Assessment for Plan Year 2017	No Assessment for Plan Year 2018	<p><u>Expectation:</u> At least 2% of payments to hospitals in Exchange network(s) are at-risk for quality performance by year-end 2019.</p> <p><u>Performance Levels:</u></p> <p>Contractor is unable to demonstrate that at least 25% of hospitals have been recontracted with at least 2% of payment either at risk or subject to a bonus payment for quality performance: 4.5% penalty</p> <p>Contractor demonstrates that >25% to <75% of hospitals have been recontracted with at least 2% of payment either at risk or subject to a bonus payment for quality performance: No penalty</p> <p>Contractor demonstrates that at least 75% of hospitals have been recontracted with at least 2% of payment either at risk or subject to a bonus payment for quality performance: 4.5% credit</p>

¹ Total performance penalty at risk or credit is below 100% in 2019 due to deletions and additions of performance standards resulting in a net loss to the total. The total percent at risk in 2019 will be 85%.

Covered California Performance Standards for Contractor

Group 4: Covered California Performance Standards for Covered California Potential 11.25% 2018, and 15% 2019 Credit ¹		
	Customer Service Measures	Covered California Performance Requirements
4.1	<p>Service Level</p> <p>3.75% of total performance credit for this Group.</p>	<p><u>Expectation:</u> 80% of calls answered in 30 seconds or less.</p> <p><u>Performance Level:</u> <80%: 3.75% performance credit. 80%-90%: no credit. >90%: 3.75% reduction in performance credit.</p>
4.2	<p>Abandonment Rate (%)</p> <p>3.75% of total performance credit for this Group.</p>	<p>Divide number of calls abandoned by the number of calls offered to a phone representative.</p> <p><u>Expectation:</u> No more than 3% of incoming calls are abandoned in a calendar month.</p> <p><u>Performance Level:</u> >3% abandoned: 3.75% performance credit. 2-3% abandoned: no credit. <2% abandoned: 3.75% reduction in performance credit.</p>
4.3	<p>Implementation of Appeals Decisions</p> <p><u>2018 Pilot Period – No Credit:</u> January 1, 2018 – March 31, 2019</p> <p><u>2019 Measurement Period:</u> April 1, 2019 – December 31, 2019</p> <p>3.75% of total performance credit for this Group.</p>	<p><u>Expectation:</u> 90% of all Administrative Law Decisions are submitted by the Exchange to Contractor for implementation within 20 days of receipt from the California Department of Social Services.</p> <p><u>Performance Level:</u> <90% submitted within 20 days: 3.75% performance credit; 90% or greater submitted within 20 days: no credit; 90% or greater submitted within 5 days: 3.75% reduction in performance credit</p>
4.4	<p>Complaint Resolution for Covered California</p> <p>3.75% of total performance credit for this Group.</p>	<p><u>Expectation:</u> 95% of Enrollee complaints resolved within 30 days.</p> <p><u>Performance Level:</u> <95% resolved within 30 days: 3.75% performance credit. 95% or greater resolved within 30 days: no credit. 95% or greater resolved within 15 days: 3.75% reduction in performance credit</p>

Group 5: Dental Quality Alliance (DQA) Pediatric Measure Set

Measure	Description	Numerator	Denominator	QDP Performance Rate	Expectation
Utilization of Services	Percentage of all enrolled children aged 0 - 1 who received at least one dental service within the reporting year.	Unduplicated number of enrolled children aged 0 – 1 who received at least one dental service.	Unduplicated number of all enrolled children aged .0 - 1	NUM/DEN	75%
Utilization of Services	Percentage of all enrolled children aged 2 – under age 19 who received at least one dental service within the reporting year.	Unduplicated number of enrolled children aged 2 – under 19 who received at least one dental service.	Unduplicated number of all enrolled children aged 2 – under age 19.	NUM/DEN	75%
Oral Evaluation	Percentage of enrolled children under age 19 who received a comprehensive or periodic oral evaluation within the reporting year.	Unduplicated number of enrolled children under age 19 who received a comprehensive or periodic oral evaluation as a dental service.	Unduplicated number of enrolled children under age 19.	NUM/DEN	75%
Sealants in 6 to 9 years	Percentage of enrolled children in the age category of 6-9 years at “elevated” risk (i.e., “moderate” or “high”) who received a sealant on a permanent first molar tooth within the reporting year.	Unduplicated number of all enrolled children age 6-9 years at “elevated” risk (i.e., “moderate” or “high”) who received a sealant on a permanent first molar tooth as a dental service.	Unduplicated number of enrolled children age 6-9 years at “elevated” risk (i.e., “moderate” or “high”).	NUM/DEN	75%

Group 5: Dental Quality Alliance (DQA) Pediatric Measure Set

Measure	Description	Numerator	Denominator	QDP Performance Rate	Expectation
Sealants in 10 to 14 years	Percentage of enrolled children in the age category of 10-14 years at “elevated” risk (i.e., “moderate” or “high”) who received a sealant on a permanent second molar tooth within the reporting year.	Unduplicated number of enrolled children age 10-14 years at “elevated” risk (i.e., “moderate” or “high”) who received a sealant on a permanent second molar tooth as a dental service.	Unduplicated number of enrolled children age 10-14 years at “elevated” risk (i.e., “moderate” or “high”).	NUM/DEN	75%
Topical Fluoride for Children at Elevated Caries Risk	Percentage of enrolled children aged 1-18 years who are at “elevated” risk (i.e. “moderate” or “high”) who received at least 2 topical fluoride applications within the reporting year.	Unduplicated number of enrolled children aged 1-18 years who are at “elevated” risk (i.e. “moderate” or “high”) who received at least 2 topical fluoride applications as a dental service.	Unduplicated number of enrolled children aged 1-18 years at “elevated” risk (i.e. “moderate” or “high”).	NUM/DEN	75%
Ambulatory Care Sensitive Emergency Department Visits for Dental Caries in Children	Number of emergency department (ED) visits for caries-related reasons per 100,000 member months for all enrolled children.	Number of ED visits with caries-related diagnosis code among all enrolled children.	All member months for enrollees 0 through 18 years during the reporting year.	(NUM/DEN) x 100,000	< 15%

Group 5: Dental Quality Alliance (DQA) Pediatric Measure Set

Measure	Description	Numerator	Denominator	QDP Performance Rate	Expectation
Follow-Up After ED Visit by Children for Dental Caries	The percentage of caries-related emergency department visits among children 0 through 18 years in the reporting year for which the member visited a dentist within 7 days of the ED visit.	Number of caries-related ED visits in the reporting year for which the member visited a dentist within 7 days (NUM) of the ED visit.	Number of caries-related ED visits in the reporting year.	NUM/DEN	75%
Follow-Up After ED Visit by Children for Dental Caries	The percentage of caries-related emergency department visits among children 0 through 18 years in the reporting year for which the member visited a dentist within 30 days of the ED visit.	Number of caries-related ED visits in the reporting year for which the member visited a dentist within 30 days (NUM) of the ED visit.	Number of caries-related ED visits in the reporting year.	NUM/DEN	90%