

### **Attachment 3 - Performance Standards and Expectations**

During the term of this Agreement, Contractor shall meet or exceed the Performance Standards identified in this Attachment. Contractor shall submit the data required by the Performance Standards by the date specified by Covered California. 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 sections within this Attachment.

Contractor shall monitor and track its performance each month against the Performance Standards and provide Covered California with a detailed Monthly Performance Report in a mutually-agreeable format. Contractor must report on Covered California business only and report Contractor's Enrollees in Covered California for the Individual Exchange separate from Contractor's Enrollees in Covered California for Small Business. 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.

If Contractor fails to meet any Performance Standard in any calendar month (whether or not the failure is excused), Covered California 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 Covered California of measures taken by Contractor to prevent recurrences, if the performance failure is otherwise likely to recur; and (e) make written recommendations to Covered California for improvements in Contractor's procedures.

Performance scores will be determined on an annual basis at the end of each calendar year, based on Contractor's final year-end data for each Performance Standard. Where applicable, performance is assessed for each product (DHMO, DPPO, DEPO) the Contractor offers. Scores are weighted by enrollment in the product for Contractor's with multiple products.

Covered California will provide the Contractor an Initial Contractor Performance Standard Evaluation Report, covering preliminary year end data available, which Covered California will send to Contractor for review no later than February 28<sup>th</sup> of the following calendar year.

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When the results of the Performance Standards are calculated, Covered California will provide Contractor with a Final Contractor Performance Standard Evaluation Report.

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) Days of receipt of that Report. The written notification of dispute shall provide a detailed explanation of the basis for the dispute. Covered California shall review and provide a written response to Contractor's dispute within thirty (30) Days of receipt of Contractor's notification of dispute. If the Contractor still disputes the findings of Covered California, Contractor may pursue additional remedies in accordance with Section 14.1 of the Agreement. The Final Contractor Performance Standard Evaluation Report will be posted publicly on Covered California's website.

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 13.7 of the Agreement (Force Majeure), or the parties agree that the lack of compliance is due to Covered California'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 Covered California of the problem and uses commercially reasonable efforts to perform and meet the Performance Standards notwithstanding Covered California's failure to perform or delay in performing.

If Contractor wishes to avail itself of one of these exceptions, Contractor must notify Covered California 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 Covered California 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 Parties may adjust, suspend, or add Performance Standards from time to time, upon written agreement of the parties, without an amendment to this contract.

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Performance Standards and Expectations					
Covered California will create an Annual Report of Performance Standards and Expectations, displaying Contractor's final Plan Year 2024 performance in Performance Standards and Expectations. Contractor agrees to implement corrective actions within ninety (90) Days, or a time mutually agreed upon by the parties. Standards 1.1 - 2.4, to be posted publicly on Covered California's website. Covered California will continue public reporting of its service level performance metrics.					
Performance Standard		Performance Requirements Contractor Must Submit Data by the 10th of the following month (1.1-1.6)	Individual	Small Business	Measurement Period
1.1	Abandonment Rate	<u>Expectation:</u> No more than 3% of incoming calls abandoned in a calendar month. Divide number of abandoned calls by the number of calls offered to a phone representative.	X	X	January 1, 2024 - December 31, 2024
1.2	Service Level	<u>Expectation:</u> 80% of calls answered in 30 seconds or less.	X	X	January 1, 2024 - December 31, 2024
1.3	Grievance Resolution	<u>Expectation:</u> 99% of Covered California Enrollee grievances resolved within 30 calendar days of initial receipt.	X	X	January 1, 2024 - December 31, 2024

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1.4	<b>Covered California member Email or Written Inquiries Answered and Completed</b>	<u>Expectation:</u> 90% of Covered California member email or written inquiries answered and completed within 15 business days of the inquiry. Does not include appeals or grievances.	X	X	January 1, 2024 - December 31, 2024
1.5	<b>ID Card Processing Time</b>  If carrier uses a no-card eligibility verification system: the time frame from receipt of binder payment or complete and accurate enrollment information through the date consumer receives carrier communication regarding use of no-card eligibility verification system.	<u>For Covered California for the Individual Market:</u> <u>Expectation:</u> 99% of ID cards issued within ten (10) business days of receiving complete and accurate enrollment information and binder payment for a specific consumer(s).  <u>For Small Business:</u> <u>Expectation:</u> 99% of ID cards issued within 10 business days of receipt of complete and accurate enrollment information for a specific consumer.	X	X	January 1, 2024 - December 31, 2024
1.6	<b>Initial Call Resolution</b>	<u>Expectation:</u> 85% of Covered California Enrollee issues will be resolved within one (1) business day of receipt of the issue.	X	X	January 1, 2024 - December 31, 2024

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2.1	<b>834 Processing</b>	<u>Expectation:</u> Covered California will receive a TA1 and 999 file within three (3) business days of receipt of the 834 transaction 95% of the time.	X		Plan Year 2024, 834 transactions will begin with renewals. October 1, 2023 – September 30, 2025
2.2	<b>834 Generation – Effectuation and Cancellation Transactions</b>	<u>Expectation:</u> Covered California will successfully receive and process effectuation, and cancellation 834 transactions within sixty (60) Days from either the coverage effective date or transaction timestamp, whichever is later 95% of the time.	X		Plan Year 2024, 834 transactions will begin with renewals. October 1, 2023 – September 30, 2025
2.3	<b>834 Generation – Termination Transactions</b>	<u>Expectation:</u> Covered California will successfully receive and process effectuation, and cancellation 834 transactions within sixty (60) Days from either the coverage effective date or transaction timestamp, whichever is later 95% of the time.	X		Plan Year 2024, 834 transactions will begin with renewals. October 1, 2023 – September 30, 2025
2.4	<b>Reconciliation Process</b>	<u>Expectation:</u> Covered California shall receive a comparison reconciliation extract in accordance with the file validations and resolution timelines, as mutually agreed upon in the Reconciliation Process Guide (Extranet, Data Home, Contractor’s folder) 90% of the time for accuracy and timeliness.	X		January 1, 2024 - December 31, 2024
2.5	<b>Dental Loss Ratio (DLR)</b>	<u>Expectation:</u> Contractor shall maintain a dental loss ratio of 50% or higher for each product they offer at Covered California. Contractor shall submit copies of their regulator current DLR template.	X		July 31, 2024 Current reporting year