

## **Cover Page**

### **Qualified Dental Plan Contract for the Individual and Small Group Market Attachment 1, March 6, 2023 Update**

The following is the draft 2024 – 2026 Qualified Dental Plan Contract Attachment 1 for the Individual and Small Group Market updated since presentation to the Covered California Board for discussion at the January 19, 2023 Board meeting. All attachments are posted separately.

All documents will be posted to the Plan Management HBEX webpage:  
<https://hbex.coveredca.com/stakeholders/plan-management/>.

## **ATTACHMENT 1 TO COVERED CALIFORNIA 2024-2026 QDP ISSUER CONTRACT: ADVANCING EQUITY, QUALITY, AND VALUE**

*The mission of Covered California is to increase the number of insured Californians, improve healthcare quality, lower costs, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and providers that give them the best value.*

Dental Insurance Issuers contracting with Covered California to offer Qualified Dental Plans (QDP) are integral to Covered California's ability to achieve its mission of improving the quality, equity, and value of healthcare services available to Enrollees. QDP Issuers have the responsibility to work with Covered California to support models of care that promote the vision of the Affordable Care Act and meet Enrollee needs and expectations.

Given the unique role of Covered California and QDP Issuers in the State's healthcare ecosystem, Contractor is expected to contribute to broadscale efforts to improve the delivery system and health outcomes in California. For there to be a meaningful impact on overall healthcare cost, equity, and quality, solutions and successes need to be sustainable, scalable, and must expand beyond local markets or specific groups of individuals. This will require both Covered California and Contractor to coordinate with and promote alignment with other purchasers and payers, and strategically partner with organizations dedicated to delivering better quality, more equitable care, at higher value. In addition, QDP Issuers shall collaborate with and support their contracted providers in continuous quality and value improvement, which will benefit both Covered California Enrollees and the QDP Issuer's entire California membership.

Covered California is committed to balancing the need for QDP Issuer accountability with reducing the administrative burden of Attachment 1 by intentionally aligning requirements with other major purchasers, accreditation organizations, and regulatory agencies. In the same spirit, Covered California expects all QDP Issuers to streamline requirements and reduce administrative burden on providers as much as possible.

This Attachment 1 is focused on key areas that Covered California believes require systematic focus and investment in order to ensure its Enrollees and all Californians receive high-quality, equitable care.

By entering into this Agreement, Contractor affirms its commitment to be an active and engaged partner with Covered California and agrees to work collaboratively with Covered California to develop and implement policies and programs that will promote quality and health equity, and lower costs for Contractor's entire California membership.

Contractor shall comply with the requirements in this Attachment 1 by January 1, 2024, unless otherwise specified.

Contractor must complete and submit information, including reports, plans, and data, as described in this Attachment 1 annually at a time and in a manner determined by Covered California unless otherwise specified. Information will be used to assess compliance with requirements, evaluate performance, and for negotiation and evaluation purposes regarding any extension of this Agreement. When submitting its information to Covered California, Contractor shall clearly identify any information it deems confidential, a trade secret, or proprietary. Contractor agrees to engage and work with Covered California to review its performance and discuss health equity initiatives, quality improvement, and delivery system strategies for all requirements, required reports, or data submissions.

Covered California will use Healthcare Evidence Initiative (HEI) data and measures to monitor Contractor performance and evaluate HEI measures' effectiveness in assessing Contractor performance. Contractor agrees to engage and work with Covered California to review its performance on all HEI measures, not only those measures specifically described in this Attachment 1. Based on these reviews, Covered California may revise the HEI measures during the contract period or in future contract years.

Contractor shall submit all required information as defined in Attachment 1 and listed in the annual "Contract Reporting Requirements" table found on Covered California's Extranet site (Hub page, PMD Resources library, Contract Reporting Compliance folder).

Covered California will use information on cost, quality, and health disparities provided by Contractor to evaluate and publicly report both QDP Issuer performance and its impact on the healthcare delivery system and health coverage in California.

## **ARTICLE 1- EQUITY AND DISPARITIES REDUCTION**

For the purposes of this agreement, Covered California employs the following definitions of health equity and health disparities: The Institute of Medicine defines health equity as “providing care that does not vary in quality because of personal characteristics such as gender, ethnicity, geographic location, and socioeconomic status.” Healthy People 2020 defines disparities as “a particular type of health difference that is closely linked with social, economic and/or environmental disadvantage.” Health disparities adversely affect groups of people who have systematically experienced greater obstacles to health based on their racial or ethnic group; religion; socioeconomic status; gender; age; mental health; cognitive, sensory, or physical disability; sexual orientation or gender identity; geographic location; or other characteristics historically linked to discrimination or exclusion.

Addressing health equity and disparities in healthcare is integral to the mission of Covered California. In order to have impactful and meaningful change, Covered California and Contractor recognize that addressing health disparities requires alignment, commitment, focus, and accountability.

### **1.01 Demographic Data Collection**

Collection of accurate and complete member demographic data is critical to effective measurement and reduction of health disparities. While Contractor pursues capacity-building requirements stated in 1.03.1, Covered California will produce stratified dental quality measures for Contractor’s review.

#### **1.01.1 Demographic Data Collection**

Contractor shall work with Covered California to expand the disparity identification and improvement requirements in this article for 2024 and beyond. Covered California intends to proceed with measure stratification by income for disparities identification and monitoring purposes. Other areas for consideration include:

- 1) Preferred spoken or written language
- 2) Race and ethnicity
- 3) Disability status
- 4) Sexual orientation

## 5) Gender identity

### **1.02 Identifying Disparities in Care**

Covered California recognizes that the underlying causes of health disparities are multifactorial and include social and economic factors that impact health. While the dental care system cannot single handedly eliminate health disparities, there is evidence to show that when disparities are identified and addressed in the context of oral health, they can be reduced over time through activities tailored to specific populations and targeting select measures. Therefore, Covered California is requiring Contractor to regularly collect data and report on its Covered California Enrollees as specified in this article to identify disparities, measure disparities over time, and develop disparity reduction efforts and targets to be determined by Covered California and Contractor.

#### **1.02.1 Monitoring Disparities**

Contractor must engage with Covered California on HEI data submission processes. Covered California will stratify the dental priority measure set by race and ethnicity, preferred language and income using QDP HEI data. Over time, Covered California will expand stratification of the priority measure set by additional demographic factors and assess and monitor disparities.

- 1) Prevention of Dental Caries in Children Younger Than 5 Years: Screening & Interventions (US Preventive Services Task Force Grade B)
- 2) Topical Fluoride for Children (DQA) (NQF #2528)
- 3) Receipt of Sealants on 1<sup>st</sup> or 2<sup>nd</sup> Permanent Molar (DQA)
- 4) Adult Preventive Services Utilization

### **1.03 Disparities Reduction**

Achieving reduction in care disparities is critical for delivery of individualized, equitable care and promotion of health equity. Covered California anticipates setting disparity reduction contractual standards beginning with Plan Year 2027. Contractor must meet the following requirements to prepare for the Plan Year 2027 disparity reduction standards.

### **1.03.1 Disparities Reduction**

For Plan Years 2024-2026, Contractors must meet the following contractual requirements.

#### **1) Health Equity Capacity Building**

Contractor must submit an annual progress report describing efforts to establish or expand the infrastructure to successfully identify, monitor, and reduce disparities.

Beginning Plan Year 2024, Contractor's annual progress report must include a plan to improve HEI measure data and demographic data capture to accurately identify and monitor disparities.

Beginning Plan Year 2025, Contractor's annual progress report must include organizational health equity capacity efforts focused on financial investment and staffing for disparity reduction efforts.

Beginning Plan Year 2026, Contractor's annual progress report must include information on its stakeholder engagement model for disparity reduction intervention efforts.

#### **2) Health Equity Learning and Engagement**

Attaining health equity requires organizational investment in building a culture of health equity.

Contractor must participate in group collaborative efforts and group and individual health equity and disparities reduction learning and engagement sessions hosted by Covered California focused on data collection and measurement for disparities identification.

## **1.04 Cultural and Linguistic Competence**

Cultural and linguistic competence and humility are critical in providing quality dental care for all patients. Contractor must submit an annual report to demonstrate compliance on the following elements:

- 1) **Written Language Services:** Contractor must describe how organization or provider network communicates effectively with patients by providing vital written information in threshold languages.
- 2) **Spoken Language Services:** Contractor must describe how organization or provider network uses competent interpreter or bilingual services to communicate with patients who speak a language other than English.

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## **ARTICLE 2 - POPULATION HEALTH**

Covered California and Contractor recognize that Population Health Management ensures accountability for delivering quality care. Population Health Management shifts the focus from a disease centered approach to the needs of Enrollees and provides focus for improving health outcomes through care coordination and patient engagement.

### **2.01 Dental Population Health Management Plan**

A Population Health Management (PHM) plan provides a vehicle for establishing a formal strategy to optimize population health outcomes, including a defined approach for population identification and stratification. A PHM plan is a critical part of achieving improvement in Enrollee health outcomes, is interrelated with all other quality care domains, and facilitates informing, engaging, and serving members.

#### **2.01.1 Dental Population Health Assessment**

Contractor must submit a plan that addresses each of the following components for children, adolescents, and members with disabilities enrolled in Contractor's QDP(s):

- 1) Goals, opportunities, programs, and services available for keeping these Covered California Enrollees healthy, and managing their emerging oral health risk.
- 2) Plan for collection, integration, and assessment of Enrollee data for these Covered California populations including the following:
  - a) Sources of data that may include: dental claims or encounters, health appraisal results, a copy of individual risk assessment questions, health programs delivered by Contractor, and other advanced data sources.
  - b) How Contractor will apply the data to assess needs and determine actionable categories for appropriate interventions.
- 3) How Contractor will use the population assessment at least annually to review and update its activities and resources to keep pace with the evolving needs of these Covered California Enrollee populations.

- 4) Contractor shall conduct risk stratification of its Covered California Enrollees to identify those at higher risk for oral health and related health morbidity and connect those at higher risk to appropriate services and supports. Risk stratification can be conducted through an internally developed process or via available risk-stratification tools.

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## **ARTICLE 3 - HEALTH PROMOTION AND PREVENTION**

Health promotion and prevention are key components of high-value health care, including oral health. Research shows that treating those who are sick is often far costlier and less effective than preventing disease from occurring and keeping populations healthy. Covered California's health promotion and prevention requirements are centered on identifying Enrollees who are eligible for certain high-value preventive and wellness benefits, notifying Enrollees about the availability of these services, making sure those eligible receive appropriate services and care coordination, and monitoring the health status of these Enrollees.

### **3.01 Dental Plan Benefits and Services Communication**

Effective communication of dental plan covered benefits and services to Enrollees ensures equitable access to these services.

Covered California will establish and maintain a robust set of utilization metrics to ensure adequate oversight of adult utilization and engagement in care.

- 1) Contractor must conduct outreach to all Covered California Enrollees and monitor the proportion of Covered California Enrollees who obtain preventive services, diagnostic services, and treatment services for oral health conditions within the Covered California Enrollee's first year of enrollment and at least annually thereafter throughout that Enrollee's enrollment.
- 2) Contractor must conduct outreach to all Covered California Enrollees providing education on how to access and utilize the following:
  - a) Member benefits, clearly communicating the availability of diagnostic and preventive services without member cost share;
  - b) Provider location and matching;
  - c) Health risk assessments; and
  - d) Patient rights and how to file a grievance.
- 3) As specified in Article 2, Contractor shall conduct risk stratification of its Covered California Enrollees. Contractor will communicate those findings to its high-risk Covered California Enrollees and the reasons for those findings.

- 4) Contractor shall provide additional tailored outreach and education to Covered California Enrollees based on member risk. Specifically, Contractor shall assess the participation by Covered California Enrollees in necessary preventive services, diagnostic services, and treatment appropriate for each Covered California Enrollee and provide outreach accordingly.
- 5) To ensure Covered California Enrollee oral health is supported, Contractor must report:
  - a) How it identifies high-risk Covered California Enrollees and performs member risk-stratification.
  - b) The number and percent of Covered California Enrollees who use dental plan preventive, diagnostic, and treatment benefits and services.
  - c) How it communicates its annual member benefits and provides education on no-cost preventive oral health benefits, clearly communicating the availability of diagnostic and preventive services without member cost share.
  - d) How it provides education and self-management tools on its portal. Example components of this reporting may include:
    - i. Disseminating annual member "preventive coverage" communication;
    - ii. Member portal "preventive coverage section;" and
    - iii. How it gives prominence to oral health topics such as counseling for smoking or tobacco use.

### **3.02 Tobacco Cessation**

Tobacco use is preventable and contributes to high morbidity and mortality. Reducing tobacco use will have greater impact on health outcomes in marginalized communities which have disproportionately higher rates of use.

- 1) Contractor shall ensure contracted dentists screen all Covered California enrollees for tobacco use and refer Covered California Enrollees who report tobacco use to their Health Plan and Primary Care Physician (PCP) to determine the best treatment options.
- 2) To ensure tobacco cessation is supported, Contractor must report:

- a) How it supports contracted dentists in identifying Covered California Enrollees who use tobacco; and
- b) Its strategies to improve tobacco use prevention, including current or anticipated outcomes of interventions.

### **3.03 Pregnancy**

Oral health may be considered an important part of prenatal care, given that poor oral health during pregnancy can lead to poor health outcomes for the mother and baby.

- 1) Contractor shall ensure contracted dentists screen adult Covered California Enrollees for and identify pregnancy status annually. Contractor must have a mechanism by which Covered California Enrollees can update their status.
- 2) Contractor must offer enhanced outreach to support preventive care during pregnancy and provide treatment of identified oral health conditions.
- 3) Contractor must report:
  - a) How it supports contracted dentists in identifying Covered California Enrollees who are pregnant;
  - b) How it provides enhanced outreach to support preventive care and treatment for identified oral health conditions to pregnant Covered California Enrollees;
  - c) How it educates members about the importance of prevention and treatment of periodontitis during pregnancy; and
  - d) How it works with dental providers to ensure its Covered California Enrollees are informed about the findings on exam, and recommendation to discuss with patient's obstetrician.

### **3.04 Patient-Centered Information and Communication**

#### **3.04.1 Provider Cost and Quality**

- 1) Contractor shall provide Covered California with its plan, measures, and process to provide Covered California Enrollees with current cost and quality information for network providers.

- 2) Contractor shall report how it makes or intends to make provider specific cost and quality information available, and the processes by which it updates the information.
  - a) Information delivered through Contractor's provider performance programs shall be meaningful to Covered California Enrollees and reflect a diverse array of provider clinical attributes and activities, including: provider background; quality performance; patient experience; volume; efficiency; and price of services.
  - b) The information shall be integrated and accessible through one forum providing Covered California Enrollees with a comprehensive view.

#### **3.04.2 Covered California Enrollee Cost Transparency**

Information relating to the cost of procedures and services is important to Enrollees, Covered California, Contractor, and providers. Covered California also understands that Contractor negotiates agreements with providers, including dental practice groups and other clinical providers, which may result in varied provider reimbursement levels for identical services or procedures.

- 1) In the event that Contractor's provider contracts result in different provider reimbursement levels that have an impact on Covered California Enrollee costs within a specific region, as defined by paid claims for Current Dental Terminology (CDT) services, Contractor agrees to provide Covered California with its plan, measures, and process to assist Covered California Enrollees in identifying total cost and out-of-pocket cost information for the highest frequency and highest cost service(s) and or procedure(s).
- 2) When available, this pricing information shall be prominently displayed and made available to Covered California Enrollees, including by providing cost transparency tools electronically. This information shall be updated at least annually unless there is a contractual modification that would change Covered California Enrollee out-of-pocket costs by more than 10%. In that case, information must be updated within thirty (30) Days of the effective date of the new contract.

#### **3.04.3 Covered California Enrollee Benefit Information**

Contractor shall provide Covered California Enrollees with current information regarding annual out-of-pocket costs, status of deductible, status of benefit limit if applicable, and total oral health care services received to date.

## **ARTICLE 4 - DELIVERY SYSTEM AND PAYMENT STRATEGIES TO DRIVE QUALITY**

Covered California and Contractor recognize that access to care, coordination of care, and early identification of high-risk Enrollees are central to the improvement of Enrollee health. Traditionally, primary dentists have provided an entry point to the system, coordination of care, and early identification of at-risk patients, and Covered California strongly encourages the full use of primary dentists by Contractors. Contractor and Covered California shall identify further ways to increase access and coordination of care and agree to work collaboratively to achieve these objectives.

### **4.01 Promoting the Development and Use of Dental Home Model**

Covered California and Contractor recognize the dental home model as a strategy to provide high quality, equitable, and affordable dental care. Covered California has adopted the following definition from the American Academy of Pediatric Dentistry (AAPD).

*“The dental home is the ongoing relationship between the dentist and the patient, inclusive of all aspects of oral health care delivered in a comprehensive, continuously accessible, coordinated, and family-centered way. The dental home should be established no later than 12 months of age to help children and their families institute a lifetime of good oral health. A dental home addresses anticipatory guidance and preventive, acute, and comprehensive oral health care and includes referral to dental specialists when appropriate.”*

The dental home is where all facets of oral health care are delivered in a patient-centered, comprehensive continuum. Through the establishment of a dental home, patients will receive both preventive care and treatment, with the objective of encouraging good oral health for a lifetime. Contractor shall actively promote the objectives of the dental home model by its contracted dentists to advance access, care coordination, and quality.

#### 4.01.1 Encouraging Use of Primary Dental Care

Ensuring Enrollees have a primary dentist is foundational for promoting access and coordination of care. Primary dentist for the purposes of this Contract means a dental clinician acting within the scope of their license who provides comprehensive oral health by treating dental conditions and diseases, promotes prevention by providing oral health literacy, and is responsible for supervising and coordinating initial primary dental care. General or pediatric dentists are most likely to serve as primary dentists given their scope of practice. To encourage the use of dental primary care and provide a foundation for using the dental home model, Contractor must:

- 1) Ensure that upon enrollment, Dental Health Maintenance Organization (DHMO) Covered California Enrollees are informed about the role and benefits of having a primary dentist and are given the opportunity to select a primary dentist. Within sixty (60) Days of effectuation into the plan, if a Covered California Enrollee does not select a primary dentist, Contractor must provisionally assign a primary dentist, notify the Covered California Enrollee of the assignment, and provide the Covered California Enrollee with an opportunity to change the assignment. When assigning a primary dentist, Contractor shall use commercially reasonable efforts consistent with the Covered California Enrollee's stated gender, language, ethnic and cultural preferences, geographic area, existing family member assignment, and any prior primary dentist. Contractor must monitor provider network for timely access and ensure primary dentist assignments are made to dentists accepting new patients.
- 2) Actively outreach to all Covered California Enrollees to explain their dental plan covered benefits and services as required in Article 3.01.
- 3) Report annually for each DHMO QDP offered:
  - a) The methodology used in primary dentist selection or auto-assignment, if used.
  - b) The outreach and enrollee communication provided related to primary dentist selection or assignment activities.
  - c) The number and percentage of Covered California Enrollees who have selected a primary dentist.

- d) The number and percentage of Covered California Enrollees who have been assigned to a primary dentist.

## **4.02 Networks Based on Value**

Contractor shall curate and manage its QDP networks to address variation in quality and cost performance, with a focus on improving the performance of dentists. Contractor is accountable for measuring, analyzing, and reducing variation to achieve consistent high performance for all in-network dentists. Affordability is core to Covered California's mission to expand the availability of insurance coverage. The wide variation in unit price and total costs of care, with some dentists charging far more for care irrespective of quality, is a key contributor to the high cost of dental services. Contractor shall hold its contracted dentists accountable for improving quality and managing or reducing cost and provide support to improve performance.

### **4.02.1 Payment to Support High-Quality, Equitable Dental Care**

Covered California and Contractor recognize the importance of dental payment models that provide the necessary revenue to fund accessible, data-driven, team-based dental care with accountability for providing high-quality, equitable care, and managing the total cost of care. To support analysis of the relationship between payment type, access, and quality of care, Contractor must:

- 1) Report on its dental payment models using the Health Care Payment Learning and Action Network Alternative Payment Model (HCP LAN APM) categories and associated subcategories of: fee for service with no link to quality and value (Category 1), fee for service with a link to quality and value (Category 2), alternative payment models built on a fee for service structure such as shared savings (Category 3), and population-based payment (Category 4), including:
  - a) The number and percent of its contracted general dentists, specialists, other providers, and other facilities paid using each HCP LAN APM category and associated subcategories.
  - b) Total dental care spend, as defined in collaboration between Covered California and QDP Issuers, and the percent of spend with each HCP LAN APM category and associated subcategory.

- 2) Work with Covered California and other stakeholders to analyze the relationship between the percent of spend for each HCP LAN APM category with performance of the overall delivery system. If the evidence shows that greater spending within an HCP LAN AMP category improves quality or drives lower total cost of care, Covered California may set a target or floor for spending by category in future Covered California requirements.

### **4.03 Teledentistry**

Teledentistry includes synchronous and asynchronous patient-provider communication, e-consults, and other virtual health services. Teledentistry has the potential to improve access to and cost of care when used for the right conditions. Potential benefits include addressing barriers to care such as transportation, childcare, limited English proficiency (LEP), and time off work which may exist for Enrollees.

#### **4.03.1 Teledentistry Offerings and Utilization**

To monitor Contractor's telehealth services, Contractor must report annually the extent to which the Contractor supports and uses technology to assist in higher quality, accessible, patient-centered care. If teledentistry is offered to QDP Enrollees, Contractor must report the following elements as applicable:

- 1) The number and percentage of Covered California Enrollees who utilized teledentistry and remote home monitoring.
- 2) If teledentistry and remote monitoring offerings are implemented in association with dental home models or are independently implemented.
- 3) The types and modalities of teledentistry and virtual health services that Contractor offers to Covered California Enrollees, as well as the goal or desired outcome from the service, including synchronous and asynchronous:
  - a) Interactive dialogue over the phone (voice only)
  - b) Interactive face to face (video and audio)
  - c) Asynchronous record collection and sharing of records
  - d) Asynchronous via email, text, instant messaging or other
  - e) Remote patient monitoring

- f) E-Consult
  - g) Other modalities
- 4) How Contractor communicates and educates Covered California Enrollees about teledentistry services including:
- a) Explaining service availability on key Covered California Enrollee website pages, such as the home page and provider directory page;
  - b) Explaining service cost-share on key Covered California Enrollee website pages like the summary of benefits and coverage page and dental cost estimator page, if applicable; and
  - c) Explaining the availability of interpreter service for teledentistry on key Covered California Enrollee website pages, such as the home page and provider directory page.

Contractor must continue to comply with applicable network adequacy standards for in-person services.

#### **4.04 Participation in Collaborative Quality Initiatives**

Improving quality and reducing overuse and costs can only be done over the long-term through collaboration, data sharing, and effective engagement. There are several established statewide and national collaborative initiatives that are aligned with Covered California's requirements and expectations for quality improvement, addressing health disparities, and improving data sharing.

Covered California and Contractor will collaboratively identify and evaluate the most effective programs for improving care for Enrollees. Covered California may require participation in specific quality improvement collaboratives and data sharing initiatives in future years. To inform this process, Contractor must annually report its participation in any dental collaboratives or initiatives, including the amount of financial support (if any) Contractor provides.

## **ARTICLE 5 - MEASUREMENT AND DATA SHARING**

Measurement is foundational to assessing the quality, equity, and value of care provided by Contractor to Enrollees. Because of this, Covered California is developing the infrastructure required to support dental measurement, incorporate dental measures into the Healthcare Evidence Initiative, and contribute to the broader landscape of dental quality in its work with stakeholders. Contractor agrees to work with Covered California to exchange and prioritize feedback on the identified performance measures in Attachment 2, measure development, measure sets, and other dental quality infrastructure. This may include measurement refinements related to the Dental Quality Alliance measure sets and measure specifications and aligning with the Centers for Medicare & Medicaid Services (CMS), the National Committee for Quality Assurance, and the Department of Health Care Services initiatives such as CalAIM.

### **5.01 Measurement and Analytics**

#### **5.01.1 Covered California Dental Measure Set Reporting**

Contractor shall submit to Covered California dental claims and encounter data through the Healthcare Evidence Initiative (HEI) for the required measure set. This includes data for select Dental Quality Alliance and CMS Medicaid Child Core Set measures. It may also include data for other types of measures produced through HEI.

Contractor agrees to engage and work with Covered California and stakeholders to identify benchmarks for dental performance measures.

Covered California may review data quality results and HEI measure results to further define reporting and measurement refinements.

#### **5.01.2 Data Measurement Specifications**

Contractor shall work with Covered California to refine measure specifications, produce annual measure data, conduct quality assurance, and further define data requirements for future dental quality initiatives at Covered California.

Covered California reserves the right to use and request measure data and other claims-based data submissions to construct and publish Contractor measure results that Covered California may use to support quality improvement, data exchange, health equity, population health, and other activities related to Covered California's role as a Health Oversight Agency. Covered California may publicly report dental quality data each year.

## **5.02 Data Sharing and Exchange**

### **5.02.1 Data Submission (Healthcare Evidence Initiative)**

Contractor must comply with the following data submission requirements:

#### **1) General Data Submission Requirements**

- a) California law requires Contractor to provide Covered California with information on cost, quality, and disparities to evaluate the impact of Covered California on the health delivery system and health coverage in California.
- b) California law requires Contractor to provide Covered California with data needed to conduct audits, investigations, inspections, evaluations, analyses, and other activities needed to oversee the operation of Covered California, which may include financial and other data pertaining to Covered California's oversight obligations. California law further specifies that any such data shall be provided in a form, manner, and frequency specified by Covered California.
- c) The Contractor is required to provide Healthcare Evidence Initiative Data ("HEI Data") that may include, but need not be limited to, data and other information pertaining to quality measures affecting Enrollee health and improvements in healthcare care coordination and patient safety. This data may likewise include Enrollee claims and encounter data needed to monitor compliance with applicable provisions of this Agreement pertaining to improvements in health equity and disparity reductions, performance improvement strategies, individual payment methods, as well as Enrollee-specific financial data needed to evaluate Enrollee costs and utilization experiences. Covered California agrees to use HEI Data for only those purposes authorized by applicable law.

- d) The Parties mutually agree and acknowledge that financial and other data needed to evaluate Enrollee costs and utilization experiences shall include, but need not be limited to, information pertaining to contracted provider reimbursement rates and historical data as required by applicable California law.
- e) Covered California may, in its sole discretion, require that certain HEI Data submissions be transmitted to Covered California through a vendor (herein, "HEI Vendor") which will have any and all legal authority to receive and collect such data on Covered California's behalf. Notwithstanding the foregoing, the parties mutually agree and acknowledge that the form, manner, and frequency wherein Covered California may require the submission of HEI Data may, in Covered California's discretion, require the use of alternative methods for the submission of any such data. Such alternative methods may include but need not be limited to data provided indirectly through an alternative vendor or directly to Covered California either via the terms of this Agreement or the certification process for Covered California participation. Covered California will provide Contractor with sufficient notice of any such alternative method.

## 2) Healthcare Evidence Initiative Vendor (HEI Vendor)

- a) Covered California represents and warrants that any HEI Vendor which, in its sole discretion, Covered California should contract with to assist with its oversight functions and activities shall have any and all legal authority to provide any and such assistance, including but not limited to the authority to collect, store, and process HEI Data subject to this Agreement.
- b) The parties acknowledge that any such HEI Vendor shall be retained by and work solely with Covered California and that Covered California shall be responsible for HEI Vendor's protection, use and disclosure of any such HEI Data.
- c) Notwithstanding the foregoing, Covered California acknowledges and agrees that disclosures of HEI Data to HEI Vendor or to Covered California shall at all times be subject to conditions or requirements imposed under applicable federal or California State law.

### 3) HEI Vendor Designation

- a) Should Covered California terminate its contract with its then-current HEI Vendor, Covered California shall provide Contractor with at least thirty (30) Days' written notice in advance of the effective date of such termination.
  - b) Upon receipt of the aforementioned written notice from Covered California, the Contractor shall terminate any applicable data-sharing agreement it may have with Covered California's then-current HEI Vendor and shall discontinue the provision of HEI Data to Covered California's then-current HEI Vendor.
- 4) Covered California shall notify Contractor of the selection of an alternative HEI Vendor as soon as reasonably practicable and the parties shall at all times cooperate in good faith to ensure the timely transition to the new HEI Vendor.

### 5) HIPAA Privacy Rule

#### a) PHI Disclosures Required by California law:

- i) California law requires the Contractor to provide HEI Data in a form, manner, and frequency determined by Covered California. Covered California has retained and designated HEI Vendor to collect and receive certain HEI Data information on its behalf.
- ii) Accordingly, the parties mutually agree and acknowledge that the disclosure of any HEI Data to Covered California or to HEI Vendor which represents PHI is permissible and consistent with applicable provisions of the HIPAA Privacy Rule which permit Contractor to disclose PHI when such disclosures are required by law (45 CFR §164.512(a)(1)).

#### b) PHI Disclosures For Health Oversight Activities:

- i) The parties mutually agree and acknowledge that applicable California law (CA Gov Code §100503.8) requires Contractor to provide Covered California with HEI Data for the purpose of engaging in health oversight activities and declares Covered California to be a health oversight agency for purposes of the HIPAA Privacy Rule (CA Gov Code §100503.8).

- ii) The HIPAA Privacy Rule defines a “health oversight agency” to consist of a person or entity acting under a legal grant of authority from a health oversight agency (45 CFR §164.501) and HEI Vendor has been granted legal authority to collect and receive HEI Data from Contractor on Covered California’s behalf.
- iii) Accordingly, the parties mutually acknowledge and agree that the provision of any HEI Data by Contractor to Covered California or HEI Vendor which represents PHI is permissible under applicable provisions of the HIPAA Privacy Rule which permit the disclosure of PHI for health oversight purposes (45 CFR §164.512(d)).

c) Publication of Data and Public Records Act Disclosures

- i) The Contractor acknowledges that Covered California intends to publish certain HEI Data provided by the Contractor pertaining to its cost reduction efforts, quality improvements, and disparity reductions.
- ii) Notwithstanding the foregoing, the parties mutually acknowledge and agree that data shall at all times be disclosed in a manner which protects the Personal Information (as that term is defined by the California Information Privacy Act) of the Contractor’s Enrollees or prospective Enrollees.
- iii) The parties further acknowledge and agree that records which reveal contracted rates paid by the Contractor to health care providers, as well as any Enrollee cost share, claims or encounter data, cost detail, or information pertaining to Enrollee payment methods, which can be used to determine contracted rates paid by the Contractor to health care providers shall not at any time be subject to public disclosure and shall at all times be deemed to be exempt from compulsory disclosure under the Public Records Act. Accordingly, Covered California shall take all reasonable steps necessary to ensure such records are not publicly disclosed.

## 5.02.2 Data Exchange

Covered California is committed to making patient data available and accessible to support clinical care and coordination, decrease health care costs, reduce paperwork, improve outcomes, and give patients more control over their health care. To allow for the discovery of timely and reliable information that will aid in a patient or provider's decision-making processes, Covered California will engage Contractor in actively inspecting, transforming, and modeling submitted data.

Covered California and Contractor recognize that data sharing between patients, providers, hospitals, and payers is critical to driving quality of care and successfully managing total cost of care. Contractor agrees to implement data exchange requirements upon their development and promulgation by Covered California.

Contractor agrees to engage and work with Covered California and stakeholders to develop dental plan requirements in support of providers to implement certified Electronic Health Records, participate in data exchange and ultimately build future statewide dental health information exchange infrastructure to support quality improvement, data exchange, health equity, and population health.