Plan Management Advisory Group

November 9, 2023

AGENDA

Time	Topic	Presenter
10:00 – 10:05	Welcome and Agenda Review	Rick Krum
10:10 – 10:15	Plan Year 2024 Quality Rating System (QRS) & 25/2/2 Results	Taylor Priestley
10:15 – 10:45	III. 2025 QHP Attachment 1, Attachment 2, and Attachment 4 Amendment	Dr. Barbara Rubino and Kelly Bradfield
10:45 – 11:15	Quality Transformation Initiative (QTI) Proposed Health Equity Methodology	Dr. S. Monica Soni
11:15 – 12:00	Open Forum	All

QUALITY RATING SYSTEM RATINGS FOR PLAN YEAR 2024 & 25-2-2 RESULTS

Taylor Priestley, MPH, MSW, Director
Health Equity And Quality Transformation Division (EQT)

QUALITY RATING SYSTEM OVERVIEW

The Quality Rating System (QRS) is comprised of the following elements:

- Four ratings are reported: a global quality rating and three summary indicator ratings.
- The global quality rating is a roll-up of three summary indicators per the following differential weighting:

Summary Indicators	Weights
Getting the Right Care (HEDIS)	66.7%
Members' Care Experience (CAHPS)	16.7%
Plan Services for Members (HEDIS and CAHPS)	16.7%

- One to five-star performance classification for each rating based on the distribution of results nationally.

The Plan Year 2024 ratings (Measurement Year 2022) are displayed on CoveredCA.com starting in October 2023.

PY2024 QRS RATING FORMULA: KEY COMPONENTS

- Plan quality ratings and enrollee survey results were calculated by the Centers for Medicare & Medicaid Services (CMS) using Measurement Year 2022 data provided by health plans in 2023.

- For the 2023 ratings year, CMS introduced new methodology to compute the Global Rating: converting scores to ratings using a static cut point rather than the previous methodology which clustered scores and created a rating distribution based on relative performance.
  - The QHP rating changes should be interpreted with caution given the significant change in methodology.

INTERPRETING MEMBERS' CARE EXPERIENCE RESULTS

- Long-term decline in survey response rates for QHP enrollee survey (CAHPS) continues to impact the Member Care Experience results.

- The highly unusual star gains in Member Care Experiences, in which QHPs had increases of 2–3 stars, is likely due to the changing, smaller mix of reportable QHPs and to the new survey star ratings thresholds.

- Historically, it is unprecedented to see gains from the prior year beyond a single star.

- For Covered California, the Members' Care Experiences ratings were particularly impacted:
  - Two plans were assigned "No Quality Rating" after having received a rating in PY2023.
  - A total of five QHPs now have non-reportable survey results.

PLAN YEAR 2024 STAR RATINGS SUMMARY

- Three QHPs received a **5-star rating** in any category: Kaiser Permanente for the Global Rating, Getting the Right Care, Members' Care Experiences and Plan Services for Members ratings; Sharp for the Members' Care Experiences and Plan Services for Members ratings; and Western Health Advantage for Members' Care Experiences rating.
- Three QHPs received a **2-star rating** in any category: Anthem EPO for the Getting the Right Care rating; Molina Healthcare for the Getting the Right Care rating and Health Net CA HMO for the Plan Services for Members rating.
- Five QHPs' **Global Rating** increased: Anthem EPO, Health Net CA HMO, Health Net CA PPO, Molina Healthcare and Oscar EPO.
- Two QHPs' **Getting the Right Care** rating increased: Health Net CA PPO and Oscar EPO.
- Eight QHPs' **Members' Care Experiences** rating increased: Blue Shield PPO, CCHP HMO, Kaiser Permanente, LA Care HMO, Molina Healthcare, Sharp HMO, Valley Health Plan and Western Health Advantage.
- One QHP's **Plan Services for Members** ratings increased: Kaiser Permanente

PY2024 QRS GLOBAL & SUMMARY INDICATOR RATINGS

Issuer – Individual	Global Rating	Getting the Right Care	Members' Care Experiences	Plan Services for Members
Aetna HMO	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future
Anthem HMO	★★★	★★★	No Quality Rating	★★★
Anthem EPO	★★★	★★	No Quality Rating	★★★
Blue Shield HMO	★★★	★★★	No Quality Rating	★★★
Blue Shield PPO	★★★	★★★	★★★★	★★★★
CCHP HMO	★★★	★★★	★★★★	★★★★
Health Net CA HMO	★★★	★★★	No Quality Rating	★★
Health Net CA PPO	★★★	★★★	No Quality Rating	★★★
IEHP HMO	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future
Kaiser HMO	★★★★★	★★★★★	★★★★★	★★★★★
LA Care HMO	★★★	★★★	★★★★	★★★
Molina Healthcare HMO	★★★	★★	★★★★	★★★
~~Oscar EPO~~	~~★★★~~	~~★★★~~	~~No Quality Rating~~	~~★★★★~~
Sharp HMO	★★★★	★★★★	★★★★★	★★★★★
Valley Health Plan HMO	★★★	★★★	★★★★	★★★
Western Health Advantage HMO	★★★	★★★	★★★★★	★★★★

Issuer - CCSB	Global Rating	Getting the Right Care	Members' Care Experiences	Plan Services for Members
Blue Shield HMO	★★★	★★★	No Quality Rating	★★★
Blue Shield PPO	★★★	★★★	★★★★	★★★★
Kaiser HMO	★★★★★	★★★★★	★★★★★	★★★★★
Sharp HMO	★★★★	★★★★	★★★★★	★★★★★

Green: QHP gained 1 or more stars for Plan Year 2024 compared to Plan Year 2023.
Brown: QHP received a star rating for Plan Year 2023 and "No Quality Rating" for Plan Year 2024. Strikethrough: QHP no longer offered in Plan Year 2024.

QRS STAR RATINGS DISTRIBUTION OVER TIME

Distribution of Global Quality Ratings by Reportable Products for Individual & CCSB Markets

Plan Year* (# Products)	5 Stars ★★★★★	4 Stars ★★★★	3 Stars ★★★	2 Stars ★★	1 Star ★	No Global Rating**
2024 (16)	1	1	12	0	0	2
2023 (16)	1	1	7	4	0	3
2022 (15)	2	0	4	7	0	2
2021 (15)	1	1	7	4	0	2

*Based on CMS or Covered CA-produced ratings.

**No global rating if a newer product and not eligible for reporting or insufficient sample sizes to report results for at least 2 of the 3 summary indicator categories.

25/2/2: SELECTIVE CONTRACTING BASED ON QUALITY

Contracts based on quality aka "25/2/2"

- If a region has > three carriers, health plan products that fall below **25th** percentile national performance using the QRS "Getting Right Care" standard measures for **2** consecutive years will be put on notice that they would be required to improve within **2** years.
- Once on notice, carriers will be required to submit a quality improvement plan.
- After four consecutive years of poor performance, if > three carriers remaining in a region, low performing plan products will be removed from the Marketplace.
- Carriers are eligible to reapply to offer the health plan product that was removed once their quality scores have improved and are above the performance threshold.

Assessment Criteria

The program relies on the full set of QRS Clinical Quality Management measures and currently uses MY 2018 benchmarks (excluding sunset measures) to create a composite score as the performance threshold to determine if a product is in good standing.

- For products with missing score results, an adjusted clinical composite score and performance threshold are used.
- A minimum of half of the measures must be reportable for the product's clinical composite score to be calculated.
- Composite scores are calculated by averaging measure scores. Reportable measure scores are summed and divided by the count of reportable measure scores.

ESTABLISHING A FLOOR: 25/2/2 SUMMARY RESULTS

All **14*** Qualified Health Plan (QHP) issuer products remain in **good standing**

QHP Issuers	MY 2018 Benchmark	MY 2022 Composite Score	MY 21 to 22 Composite Score Change
Anthem EPO	0.515	0.571	0.002 ↑
Anthem HMO	0.509	0.554	-0.040 ↓
Blue Shield HMO	0.515	0.575	0.006 ↑
Blue Shield PPO	0.517	0.597	0.024 ↑
Chinese Community HMO	0.529	0.541	-0.023 ↓
Health Net HMO	0.517	0.595	0.036 ↑
Health Net PPO*	0.517	0.539	-0.042 ↓
Kaiser HMO	0.537	0.741	0.017 ↑
L.A. Care HMO	0.515	0.569	-0.005 ↓
Molina HMO	0.508	0.537	0.014 ↑
Oscar EPO*	0.517	0.578	0.056 ↑
Sharp HMO	0.517	0.658	-0.003 ↓
Valley HMO	0.543	0.626	0.007 ↑
Western HMO	0.508	0.579	0.020 ↑

* Health Net Life PPO is no longer offered in Plan Year 2023. Oscar EPO is no longer offered in Plan Year 2024. IEHP HMO, Bright HMO and Aetna HMO are not included; they do not have MY 2022 QRS reportable results.

25/2/2 INDIVIDUAL MEASURE RESULTS FOR MY 2022

MY 2022 25-2-2 Assessment

Identifier	Measure Acronym	QRS Clinical Quality Management Summary Indicator Measures	MY 2018 25th Percentile	Anthem EPO	Anthem HMO	Blue Shield HMO	Blue Shield PPO	Chinese Community HMO	Health Net HMO	Health Net PPO	Kaiser HMO	L.A. Care HMO	Molina HMO	Oscar EPO	Sharp HMO	Valley HMO	Western HMO
		MY 2018 Individualized Composite Benchmark	**0.515**	**0.517**	**0.515**	**0.517**	**0.517**	**0.524**	**0.517**	**0.517**	**0.537**	**0.515**	**0.509**	**0.517**	**0.517**	**0.547**	**0.508**
		MY 2022 Composite Score		**0.571**	**0.554**	**0.575**	**0.597**	**0.541**	**0.595**	**0.539**	**0.740**	**0.569**	**0.537**	**0.578**	**0.658**	**0.626**	**0.579**
S1D1C2M2	AMM	Antidepressant Medication Management	0.588	0.627	0.586	0.549	0.598	NR	0.609	0.580	0.733	0.649	0.535	0.688	0.748	0.629	0.605
S1D3C6M16	BSC	Breast Cancer Screening	0.650	0.701	0.607	0.707	0.701	0.596	0.689	0.516	0.799	0.666	0.561	0.587	0.804	0.612	0.704
S1D3C6M17	CCS	Cervical Cancer Screening	0.481	0.477	0.568	0.632	0.617	0.608	0.643	0.572	0.754	0.526	0.467	0.620	0.614	0.494	0.630
S1D3C6M18	COL	Colorectal Cancer Screening	0.467	0.562	0.533	0.602	0.581	0.529	0.574	0.438	0.726	0.427	0.382	0.501	0.579	0.455	0.564
S1D1C3M6	CBP	Controlling Blood Pressure	0.538	0.631	0.543	0.560	0.511	0.426	0.610	0.580	0.758	0.626	0.513	0.603	0.785	0.545	0.583
S1D1C3M7	PDC	Proportion of Days Covered (RAS Antagonists)	0.729	0.674	0.682	0.694	0.719	0.816	0.768	0.729	0.801	0.752	0.700	0.777	0.819	0.773	0.768
S1D1C3M8	PDC	Proportion of Days Covered (Statins)	0.681	0.609	0.625	0.631	0.666	0.701	0.694	0.682	0.777	0.685	0.616	0.752	0.791	0.731	0.743
S1D1C4M13	PDC	Proportion of Days Covered (Diabetes All Class)	0.678	0.688	0.661	0.692	0.681	0.837	0.768	0.713	0.765	0.737	0.688	0.766	0.802	0.778	0.733
S1D1C4M9	CDC	Comprehensive Diabetes Care: Eye Exam (Retinal) Performed	0.406	0.460	0.384	0.511	0.453	0.405	0.491	0.260	0.757	0.487	0.450	0.370	0.669	0.494	0.491
S1D1C4M10	CDC	Comprehensive Diabetes Care: Diabetes Hemoglobin A1c (HbA1c) Control <8%	0.521	0.684	0.599	0.637	0.640	0.660	0.601	0.557	0.631	0.579	0.513	0.611	0.675	0.628	0.596
S1D3C7M19	PPC	Prenatal and Postpartum Care: Postpartum Care	0.658	0.781	0.788	0.704	0.754	NR	0.819	0.710	0.886	0.839	0.798	0.804	0.805	0.922	0.784
S1D3C7M20	PPC	Prenatal and Postpartum Care: Timeliness of Prenatal Care	0.774	0.737	0.819	0.741	0.822	NR	0.904	0.864	0.949	0.892	0.786	0.753	0.899	0.902	0.811
S1D3C8M23	CHL	Chlamydia Screening in Women	0.402	0.476	0.440	0.535	0.482	NR	0.476	0.415	0.610	0.586	0.533	0.521	0.623	0.590	0.468
S1D3C8M24	FVA	Flu Vaccinations for Adults Ages 18-64	0.432	0.439	0.475	0.495	0.522	0.550	0.449	0.490	0.573	0.433	0.420	0.496	0.546	0.554	0.492
S1D3C8M25	MSC	Medical Assistance With Smoking and Tobacco Use Cessation	0.483	NR	0.417	NR	NR	0.351	NR	NR	NR	0.452	NR	NR	NR	NR	0.598
S1D3C9M26	ADV	Annual Dental Visit	0.161	0.276	0.319	0.216	0.405	0.144	0.218	0.404	NR	0.281	0.032	0.237	0.111	0.201	0.031
S1D3C9M47	IMA	Immunizations for Adolescents Combination 2	0.174	0.338	0.232	0.295	0.234	NR	0.296	0.146	0.552	0.294	0.211	0.263	0.355	NR	0.138
S1D3C9M30	WCC	Weight Assessment and Counseling for Nutrition and Physical Activity for Children and Adolescents	0.586	0.676	0.612	0.628	0.614	0.415	0.649	0.610	0.896	0.662	0.748	0.642	0.645	0.702	0.664
S1D3C9M31a	W15	Well-Child Visits in the First 30 Months of Life (First 15 Months)	0.661	0.513	0.640	0.525	0.754	NR	0.483	0.515	0.758	0.333	NR	0.542	0.602	NR	NR
S1D2C5M15	PCR	Plan All-cause Readmissions (reverse scored)	0.234	0.510	0.546	0.574	0.587	NR	0.573	0.459	0.592	0.480	0.713	0.446	0.638	NR	0.589
		Total Individual Measures Underperforming:		**5**	**8**	**5**	**3**	**6**	**1**	**7**	**0**	**3**	**10**	**4**	**2**	**2**	**2**

* IEHP HMO and Aetna HMO are not included; they do not have MY 2022 QRS reportable results.

TRENDED MEASURES BELOW THE 25TH PERCENTILE

- All Qualified Health Plan (QHP) issuer products have maintained the minimum threshold of reportable measures.
- Several Clinical Quality Measures remain below the 25th percentile for some QHP issuer products.
- There has been meaningful improvement from MY 2021 to MY 2022, although not across all issuer products.

QHP Products	Measure Year 2021	Measure Year 2022*
Anthem EPO	8/20	5/19 ↓
Anthem HMO	4/18	8/20 ↑
Blue Shield HMO	4/20	5/19 ↑
Blue Shield PPO	4/19	3/19 ↓
Chinese Community HMO	5/14	6/13 ↑
Health Net HMO	2/19	1/19 ↓
Health Net PPO	5/19	7/19 ↑
Kaiser HMO	0/18	0/18 =
L.A. Care HMO	3/20	3/20 =
Molina HMO	10/19	10/18 =
Oscar EPO	10/19	4/19 ↓
Sharp HMO	2/19	2/19 =
Valley HMO	2/17	2/17 =
Western HMO	3/19	2/19 ↓

* Numerator represents the total number of Clinical Quality Measures currently below the 25th percentile for the QHP Issuer Product. Denominator represents the total number of reportable scores for the QHP issuer product.

2025 QHP ATTACHMENT 1, ATTACHMENT 2, AND ATTACHMENT 4 AMENDMENT

Dr. Barbara Rubino, Associate Chief Medical Officer
Kelly Bradfield, JD, Population Health Manager
Health Equity and Quality Transformation Division (EQT)

COVERED CALIFORNIA

2025 PLAN YEAR AMENDMENT ATTACHMENT 1 PUBLIC COMMENT THEMES AND PROPOSED CONTRACT REVISIONS

2025 ATTACHMENT 1 PUBLIC COMMENTS

Article 1: Equity and Disparities Reduction

- **Advocates** requested a more **definitive timeline of measure stratification and expansion of demographic data** and the **addition of "disability status" as a category**
- **Advocates** requested **clarified definitions of "previously contracted" and "newly contracted plans"**
- **One issuer** requested clarification on **HEI data requirements**

Article 4: Delivery and Payment Strategies to Drive Quality

- **One Issuer** suggested a change in criteria for calculating the denominator for Primary Care Providers (PCP), highlighting the existence of providers with limited or no IFP primary care patients within larger PPO networks

PROPOSED 2025 ATTACHMENT 1 CHANGES

Notable Change to Draft Attachment 1	Rationale
1.04.1 3)b)i Health Equity Accreditation Proposed date change to “year-end 2026” for plans certified in plan year 2024	This change corrects a drafting error, and is in alignment with the existing timeline that plans have been allotted to meet the requirement

2025 PLAN YEAR AMENDMENT ATTACHMENT 2 PUBLIC COMMENT THEMES AND PROPOSED CONTRACT REVISIONS

2025 ATTACHMENT 2 PUBLIC COMMENTS KEY THEMES

Reducing Health Disparities (Performance Standard #1)

- **Advocates** requested **clarification** of the language **"first contracted with Covered California in Plan Year 2024"** and whether its intent was to exclude this requirement for carriers contracted in 2023.

Notable Changes to Draft IND Attachment 2	Rationale
Performance Standard 1a) If Contractor was first contracted with Covered California in Plan Year 2023, Contractor must meet the target of eighty percent (80%) Enrollee self-reported race and ethnicity data for Enrollees by Plan Year 2024.	Clarifies intent to provide milestones for newly-contracted plans, not to release longer-standing plans from this requirement

COVERED CALIFORNIA

2025 ATTACHMENT 2 PUBLIC COMMENT THEMES

Attachment 2 Primary Care Payment (Performance Standard #5) and Primary Care Spend (Performance Standard #6)

- One Issuer suggests to **exclude PPO products from the Primary Care Payment requirement.** Issuer is concerned that current measure targets are not feasible for PPO products.
- **Issuers** suggest inclusion or clarification of methodology in the Performance Standards.

Attachment 2 Health Evidence Initiative (HEI) Data Submission (Performance Standard #9)

- **Issuers** recommend alignment of contract language between sections and language consistent with required data submission elements
- **One Issuer** recommends that we increase the threshold for capitation record submissions from 1% to 2% due to inability recoup payments made to providers when eligibility changes

2025 ATTACHMENT 2 CHANGES

Notable Changes to Draft IND Attachment 2	Rationale
Attachment 2 Remove reference to Initial Contractor Performance Standard Evaluation Report	Updates language to reflect current practice
Attachment 2 Standard 9 Remaining references to Article 1.02.1 / Patient – Level Data (PLD) will be removed	Ensures all remaining references to PLD and Attachment 1 Article 1 are removed.
Attachment 2 Standard 9.4 Remove "or not representing an individual clinician"	Accounts for organizational NPIs that may be in use in select settings where a member may be assigned to a clinic.
Attachment 2 Standard 9.5 Remove "or not representing an individual clinician"	Accounts for organizational NPIs that may be in use in select settings where a facility NPI may be used.
Attachment 2 Standard 9.6 Remove language "For PPO, EPO, and HMO products medical and drug claim submissions with member cost share (coinsurance copay or deductible) amount missing on more than 2% of target services"	Financial data remains included in HEI file specifications. Penalty will be distributed across Standard 9.6 components
Attachment 2 Standard 9.7 Change assessment criteria to "more than 2% of the time" and "Contractor's submission meets or exceeds the 98% matching enrollment threshold"	Allows for retroactivity that is outside of carrier control.

2025 PLAN YEAR AMENDMENT ATTACHMENT 4 PUBLIC COMMENT THEMES AND PROPOSED CONTRACT REVISIONS

2025 ATTACHMENT 4 PUBLIC COMMENTS

- **Measures and Benchmarks:** Multiple issuers emphasize the importance of continued conversation and reassessment of measures and benchmarks in light of small denominator sizes, CMS QRS adjustments, and unforeseen challenges.
- **Payment Waivers and Reductions:** Multiple issuers requested reducing or waiving payment based on continued performance improvement and to allow sufficient time for learning based on newness of the program.
- **Health Disparities Reduction:** Advocates express concerns about the delay in implementing health disparities reduction requirements and seek continued collaboration and refinement of methodologies.

CONT.
2025 ATTACHMENT 4 PUBLIC COMMENTS

- **Premium Adjustments and Payment Schedules:** Multiple issuers and advocates requested clarification of when premiums should be adjusted to include QTI payments impacts.

- **Premium Impact:** One issuer and one stakeholder group shared potential impact of QTI payments on member premiums and recommended considering ways to mitigate.

- **Population Health Investments:** Advocates and issuers expressed support for directing QTI funds toward population health investments. One issuer favored a reduction in carrier fees.

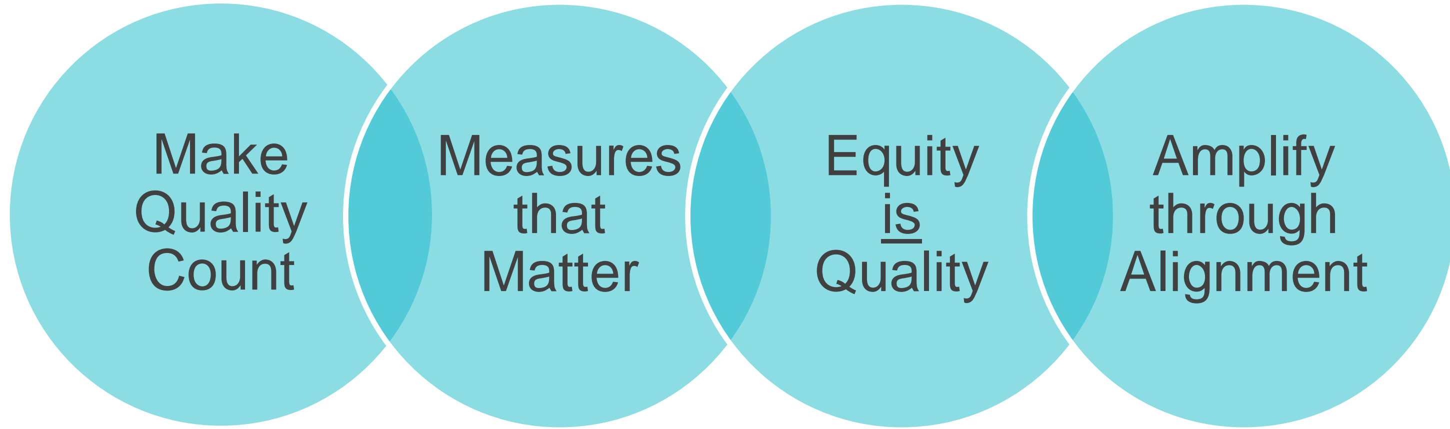
PROPOSED 2025 ATTACHMENT 4 CHANGES

Notable Changes to Draft Attachment 4	Rationale
1.02 Benchmarks and Payments to the Quality Transformation Fund Added 'up to' in sentence #6. For MY25, the full payment amount per measure is equal to 'up to' 2.8% percent of Contractor's total Gross Premium…	Allows for flexibility in determining the percent at-risk for MY2025 as program develops.
1.04 Administration of the Quality Transformation Fund Modified language to clarify different methods by which QTF can be administered.	Commitment to ensuring direct oversight and ownership of the population health investments. The mechanism and administration of funds may need to vary depending on the population health investment chosen.
1.05.4 Evaluation and Data Submissions Replaced 'terminate' with 'cease' "Covered California may request changes in Contractor's Population Health Investment Program design or may *cease* Contractor's Population Health Investment."	Clarify that existing Population Health Investments will not be retro-terminated after investments have already been distributed.
1.06 Unspent Funds Added "Covered California reserves the right to request an audit of payments due to the Quality Transformation Fund at any time."	To safeguard the program's intended goals by ensuring effectiveness, transparency, and compliance.

QUALITY TRANSFORMATION INITIATIVE (QTI) PROPOSED HEALTH EQUITY METHODOLOGY

Dr. S. Monica Soni, Chief Medical Officer
Health Equity And Quality Transformation Division (EQT)

THERE IS NO QUALITY WITHOUT EQUITY



Delivering on Covered California's vision to improve the health of all Californians, this proposed methodology aligns with efforts occurring at DMHC, DHCS/Medi-Cal, and CalPERS

OUR COMMITMENT

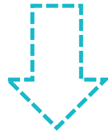
Covered California appreciates that success necessitates:

- Accuracy and completeness of race and ethnicity data
- Evidence-based approach to minimum population threshold
- Early visibility into QHP performance at subpopulation level
- Iterative, bi-directional learning
- Collaboration in a safe environment

CURRENT CONTRACT REQUIREMENTS

Attachment 4, Article 1.01.2 Health Disparities Reduction Requirements:

- Intent to stratify the QTI core measure set by race and ethnicity
- Public reporting on Contractor's scores on all QTI measures stratified by race and ethnicity
- Disparities reduction requirements will be tied to payments



Covered California proposes the following:

- Refine and test health equity methodology
- Direct sharing of stratified performance with Contractor for learning and feedback before publicly reporting
- Payments connected to Health Equity Methodology for some measures no sooner than 2026

COVERED CALIFORNIA PROPOSED METHODOLOGY

- **Stratified measure results replace "all-population" measure results**, and assessment of QTI fund payments for some measures will be based on performance of stratified subpopulations
  - Race and Ethnicity groups follow OMB Race and Ethnicity Concepts: American Indian or Alaska Native; Asian American; Black or African American; Hispanic or Latino; Native Hawaiian or Pacific Islander; White; Other Race
  - To be a reportable race/ethnicity group must meet minimum population threshold
  - "All other members" is its own subpopulation for assessment purposes and includes "unknown", "other", as well as any racial/ethnic group that does not meet minimum population threshold
- **QRS measure national benchmarks** define performance thresholds
  - Health plans accountable to ensure all subpopulations reach the national 66th percentile score for all QTI core measures

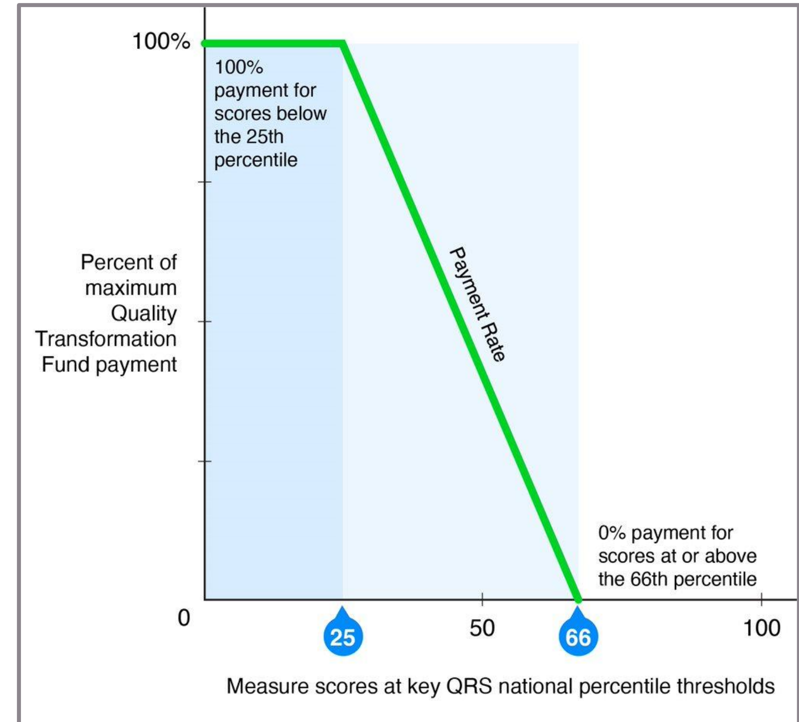
COVERED CALIFORNIA PROPOSED METHODOLOGY

- **Minimum Population Threshold:**
  - Reliability* testing currently underway to determine recommend subpopulation denominator size
  - As QTI measures are derived from HEDIS which primarily use hybrid collection method, Covered California expects reportable scores may only be available for Asian American, Hispanic/Latino and White subpopulations
  - As CMS QRS measures shift with HEDIS to Electronic Clinical Data Systems (ECDS) methodology, this will enable an all-population denominator and more ready stratification of all subpopulations

**Reliability describes how much of the apparent variation in quality between health plans we can attribute to real underlying differences in quality (as opposed to sampling error)*

COVERED CALIFORNIA PROPOSED METHODOLOGY

- Each reportable subpopulation performance would be separately evaluated
- Graduated performance scoring along 25th to 66th percentile slope would apply to each reportable subpopulation
- Amount at-risk would be apportioned at the race/ethnicity group level (i.e., same amount of premium at risk divided by the 4 QTI core measures, then subdivided by reportable group)
- Payment amount apportioned based on QHP-specific race/ethnicity denominator size (e.g., if sub-population represents 30% of total population, amount at risk for that group is maxed at 30% of total pool for that measure)



COVERED CALIFORNIA PROPOSED METHODOLOGY

- **Exploration of Complex Variables**
  - Covered California will continue to examine and assess the impact of other complex variables on quality performance such as:
    - Line of business (e.g., PPO, EPO vs HMO)
    - Geography (e.g., rural vs urban)
    - Income level
    - Metal tier mix
    - Language mix

GUARDING AGAINST WIDENING GAPS

- Gaps in performance between subpopulations will be tracked
- Stagnating or decreasing performance for any subpopulation will be monitored and interrogated closely
- Quality Improvement Plan requirements remain an accountability mechanism

WHAT SUCCESS LOOKS LIKE

Receipt of high-quality care for all members regardless of subpopulation size

Embrace of an equity-centered approach to meet diverse needs with tailored interventions

Greatest financial accountability for subpopulations least served by current quality improvement approaches

Deep engagement and monitoring by Covered California to ensure disparities do not increase

SUMMARY OF PROPOSED CHANGES

What would remain the same (2023 and beyond):

- Full payment due for measure performance below the 25th percentile
- No payments due for measure performance above the 66th percentile
- Per measure payment at a declining constant rate for each measure score between the 25th and 66th national percentile

What would change (2026 and beyond):

- The original methodology applies for each subpopulation rather than an all-population score
- Payments are apportioned based on QHP-specific sub-population denominator size

NEXT STEPS

- Covered California is completing an analysis on completeness and accuracy of race/ethnicity data to be shared with QHP issuers
- Starting in 2024, Covered California will stratify performance on QTI core measure set by race/ethnicity and share with QHP issuers
- Covered California will continue to convene QHP issuers to share best practice and provide technical assistance on deploying targeted interventions to improve subpopulation performance
- MY2024 and MY2025 will serve as reporting only years to learn, refine, and collaborate on Health Equity Methodology
- Based on learnings, goal will be for 2026-2028 contract refresh to include health equity methodology for QTI with financial accountability for some measures

OPEN FORUM

APPENDIX

PLAN YEAR 2017-2024 GLOBAL RATINGS

Plan Year (Measurement Year)	PY 2017	PY 2018	PY 2019	PY 2020	PY 2021	PY 2022	PY 2023	PY 2024
Aetna HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future
Anthem HMO	No Global Rating	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future	★★★	★★★
Anthem EPO	★★	Quality Rating in Future	★★★	★★	★★	★★	★★	★★★
Anthem PPO	★★	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered
Blue Shield HMO	Not Offered	Quality Rating in Future	Quality Rating in Future	★★★	★★★	★★★	★★★	★★★
Blue Shield PPO	★★	★★	★★★★	★★★	★★★	★★★	★★★	★★★
Bright HealthCare HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future	Not Offered
CCHP HMO	★★★	★★★	★★★	★★★	★★★	★★	★★★	★★★
Health Net HMO	★★	★★★	★★★	★★	★★★	★★★	★★	★★★
Health Net EPO	Quality Rating in Future	★★	No Global Rating	No Global Rating	No Global Rating	No Global Rating	Not Offered	Not Offered
Health Net PPO	Not Offered	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future	★★	★★	★★	★★★
IEHP HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future
Kaiser Permanente HMO	★★★★★	★★★★	★★★★★	★★★★★	★★★★★	★★★★★	★★★★★	★★★★★
LA Care HMO	★★	★★★	★★★	★★★	★★★	★★	★★★	★★★
Molina Healthcare HMO	★★	★★★	★★★	★★	★★	★★	★★	★★★
Oscar EPO	Quality Rating in Future	Quality Rating in Future	★★★★	★★	★★★	★★	★★	Not Offered
Sharp Health Plan HMO	★★★★	★★★★★	★★★★★	★★★★	★★★★	★★★★★	★★★★	★★★★
Valley Health Plan (VHP) HMO	★★	★★★	★★★★	★★★	★★★	★★	★★★	★★★
Western Health Advantage (WHA) HMO	★★★	★★★	★★★	★★	★★	★★★	★★★	★★★

PLAN YEAR 2017-2024 GETTING THE RIGHT CARE RATINGS

Plan Year (Measurement Year)	PY 2017	PY 2018	PY 2019	PY 2020	PY 2021	PY 2022	PY 2023	PY 2024
Aetna HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future
Anthem HMO	★★★	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future	★★★	★★★
Anthem EPO	★★	Quality Rating in Future	★★★	★★	★★	★★	★★	★★
Anthem PPO	★★	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered
Blue Shield HMO	Not Offered	Quality Rating in Future	Quality Rating in Future	★★	★★★	★★★	★★★	★★★
Blue Shield PPO	★★	★★	★★★	★★	★★★	★★★	★★★	★★★
Bright HealthCare HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future	Not Offered
CCHP HMO	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★
Health Net HMO	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★
Health Net EPO	Quality Rating in Future	★★	★★★	★★	★★★	No Quality Rating	Not Offered	Not Offered
Health Net PPO	Not Offered	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future	★★★	★★	★★	★★★
IEHP HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future
Kaiser Permanente HMO	★★★★★	★★★★	★★★★★	★★★★★	★★★★★	★★★★	★★★★★	★★★★★
LA Care HMO	★	★★★	★★★★	★★★	★★★★	★★★	★★★	★★★
Molina Healthcare HMO	★★	★★★	★★★	★★	★★	★★	★★	★★
Oscar EPO	No Quality Rating	Quality Rating in Future	★★★	★★	★★	★★	★★	Not Offered
Sharp Health Plan HMO	★★★★	★★★★	★★★★★	★★★★	★★★★	★★★★	★★★★	★★★★
Valley Health Plan (VHP) HMO	★★★	★★★	★★★★★	★★★★	★★★★	★★★	★★★	★★★
Western Health Advantage (WHA) HMO	★★★	★★★	★★★	★★	★★	★★★	★★★	★★★

PLAN YEAR 2017-2024 MEMBERS' CARE EXPERIENCES RATINGS

Plan Year (Measurement Year)	PY 2017	PY 2018	PY 2019	PY 2020	PY 2021	PY 2022	PY 2023	PY 2024
Aetna HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future
Anthem HMO	No Quality Rating	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future	No Quality Rating	No Quality Rating
Anthem EPO	★	Quality Rating in Future	★★	★★	★★	★★	★	No Quality Rating
Anthem PPO	★	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered
Blue Shield HMO	Not Offered	Quality Rating in Future	Quality Rating in Future	★★★	★★★★	★★★	★★	No Quality Rating
Blue Shield PPO	★★	★★	★★★★	★★★	★★★	★★★	★★	★★★★
Bright HealthCare HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future	Not Offered
CCHP HMO	★	★	★★	★★	★★	★	★★	★★★★
Health Net HMO	★	★	★	★	★★	★★	No Quality Rating	No Quality Rating
Health Net EPO	Quality Rating in Future	★★★	No Quality Rating	No Quality Rating	No Quality Rating	No Quality Rating	Not Offered	Not Offered
Health Net PPO	Not Offered	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future	★	★	No Quality Rating	No Quality Rating
IEHP HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future
Kaiser Permanente HMO	★★★★	★★★	★★★★	★★★	★★★	★★★	★★	★★★★★
LA Care HMO	★★	★★	★	★★	★★	★	★	★★★★
Molina Healthcare HMO	★	★	★	★★	★★	★	No Quality Rating	★★★★
Oscar EPO	No Quality Rating	Quality Rating in Future	★★	★★★	★★★	★★	No Quality Rating	Not Offered
Sharp Health Plan HMO	★★★	★★★★★	★★★	★★★	★★★	★★★★★	★★★★	★★★★★
Valley Health Plan (VHP) HMO	★	★	★★	★	★	★	★	★★★★
Western Health Advantage (WHA) HMO	★★★	★★★★	★★★	★★★	★★★	★★★	★★★	★★★★★

PLAN YEAR 2017-2024 PLAN SERVICES FOR MEMBERS RATINGS

Plan Year (Measurement Year)	PY 2017	PY 2018	PY 2019	PY 2020	PY 2021	PY 2022	PY 2023	PY 2024
Aetna HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future
Anthem HMO	No Quality Rating	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future	★★★	★★★
Anthem EPO	No Quality Rating	Quality Rating in Future	★★★	★★★	★★★	★★	★★★	★★★
Anthem PPO	No Quality Rating	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered
Blue Shield HMO	Not Offered	Quality Rating in Future	Quality Rating in Future	★★★	★★★	★★★	★★★	★★★
Blue Shield PPO	★★	★★★	★★★★	★★★	★★★	★★★	★★★★	★★★★
Bright HealthCare HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future	Quality Rating in Future	Not Offered
CCHP HMO	★★★	★★★★★	★★★★	★★★★★	★★★★★	★★★★	★★★★	★★★★
Health Net HMO	★★	★★★	★★★	★★★	★★	★★★	★★	★★
Health Net EPO	Quality Rating in Future	★★	No Quality Rating	No Quality Rating	No Quality Rating	No Quality Rating	Not Offered	Not Offered
Health Net PPO	Not Offered	Quality Rating in Future	Quality Rating in Future	Quality Rating in Future	★★	★★	★★★	★★★
IEHP HMO	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Not Offered	Quality Rating in Future
Kaiser Permanente HMO	★★★★★	★★★★★	★★★★★	★★★★★	★★★★★	★★★★★	★★★★	★★★★★
LA Care HMO	★★	★★★★	★★★★	★★★	★★★	★★★	★★★	★★★
Molina Healthcare HMO	★★	★★★	★★★	★★★	★★	★★	★★★	★★★
Oscar EPO	No Quality Rating	Quality Rating in Future	★★★★★	★★★★★	★★★★	★★★★	★★★★	Not Offered
Sharp Health Plan HMO	★★★★	★★★★★	★★★★★	★★★★	★★★★★	★★★★★	★★★★★	★★★★★
Valley Health Plan (VHP) HMO	★★	★★	No Quality Rating	★★★	★★★★	★★★	★★★	★★★
Western Health Advantage (WHA) HMO	★★★★★	★★★★★	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★