



**COVERED**  
**CALIFORNIA**

## **Plan Management Advisory Workgroup**

January 11, 2024

# AGENDA

Time	Topic	Presenter
11:00 – 11:05	Welcome and Agenda Review	Rick Krum
11:05 – 11:10	Plan Year 2025 Certification Applications	Libby Bennett
11:10– 11:15	2025 Contracts Revisions	Tara Di Ponti
11:15– 11:45	QHP Contract Attachment 1, 2, 4 2025 Amendments	Taylor Priestley, Dr. Barbara Rubino, Dr. Monica Soni,
11:45 – 12:00	Open Forum	All

# 2025 QUALIFIED HEALTH PLAN CERTIFICATION

Libby Bennett, Lead Certification Specialist  
Plan Management

# PUBLIC COMMENT

- The four draft applications and crosswalks were posted on Monday, 10/16/23 with public comment due back on Monday, 10/30/23.
- The Plan Management and Health Equity and Quality Transformation Divisions received a total of 18 public comments across the four Applications.
- The comments were seeking clarity for instructions, accreditation requirements, and updated contract compliance.
- The Public Comment Summary will be available at:  
<https://hbex.coveredca.com/stakeholders/plan-management/qhp-qdp-certification/>

# PLAN YEAR 2025 CERTIFICATION MILESTONES

Milestone	Date
Release Draft 2025 QHP & QDP Certification Applications	October 16, 2023
Draft Application Comment Periods End	October 30, 2023
Plan Management Advisory: Benefit Design & Certification Applications Policy Recommendation	January 11, 2024
January Board Meeting: Discussion of Benefit Design & Certification Applications Policy Recommendation	January 18, 2024
Letters of Intent Accepted	February 1-15, 2024
Final AV Calculator Released*	February 2024
Applicant Trainings (electronic submission software, SERFF submission and templates*)	February 2024
March Board Meeting: Anticipated approval of 2025 Patient-Centered Benefit Plan Designs & Certification Applications	March 2024
QHP & QDP Applications Open	March 1, 2024
QHP & QDP Application Responses (Individual and CCSB) Due	May 1, 2024
Evaluation of QHP Responses & Negotiation Prep	May – June 2024
QHP Negotiations	June 2024
QHP Preliminary Rates Announcement	July 2024
Regulatory Rate Review Begins (QHP Individual Marketplace)	July 2024
Evaluation of QDP Responses & Negotiation Prep	June – July 2024
QDP Negotiations	July 2024
CCSB QHP Rates Due	July 2024
QDP Rates Announcement (no regulatory rate review)	August 2024
Public Posting of Proposed Rates	July 2024
Public Posting of Final Rates	September – October 2024



\*Final AV Calculator and final SERFF Templates availability dependent on CMS release

TBD = dependent on CCIIO rate filing timeline requirements

# 2025 MODEL CONTRACT AMENDMENT REVISIONS

Tara Di Ponti, Certification Program Specialist  
Plan Management Division

# STAKEHOLDER ENGAGEMENT

Covered California engaged with and obtained stakeholder feedback on the 2025 Model Contract Amendments for two four-week comment periods; June 28, 2023 - July 26, 2023 & September 18, 2023 – October 16, 2023:

- Minimal updates to all Model Contracts, clarifications provided as needed based on comments received for:
  - 2023-2025 QHP Individual Issuer Model Contract
  - 2023-2025 QHP CCSB Issuer Model Contract
  - 2024-2026 QDP Issuer Model Contract
- Attachment 3 for all contracts (available for review during second comment period)
  - No content updates made

# STAKEHOLDER FEEDBACK

- ❑ Requests to define, clarify, and change existing requirements and reporting timelines.
- ❑ Appreciation of revisions that expand protection for Covered California Enrollees.
- ❑ Concern with language restating the requirement in Article 1.5 General Duties of the Contractor e) *Provide Covered California with copies of any preliminary or final reports, findings, or orders related to Subsection (d) of this Section 1.5, within 48 hours of Contractor receiving them from State and Federal Regulators*, in Section 1.15 Fraud, Waste and Abuse; Ethical Conduct.



# PROPOSED 2025 MODEL CONTRACT AMENDMENT REVISIONS

- General Duties of the Contractor amended for clarification of expectations and consistency.
  - In response to concern with restating requirement 1.5 e) in 1.15 Fraud, Waste and Abuse; Ethical Conduct; Covered California has added the language “that may impact performance under this Agreement” to the added language in Section 1.15, to clarify that the scope of this requirement does not exceed existing contractual requirements.
- Reference language modified to require notification to Covered California Enrollee of termination of coverage.
- Updates to Article 3.2 Marketing, to provide clarity and conciseness for existing reporting requirements.
- Article 14 Definitions updated where needed to improve contract interpretation and reduce ambiguity.

# 2025 MODEL CONTRACT DRAFTS & RESPONSE TO COMMENT

2025 Model Contract Drafts and Response to Comment documents will be posted to HBEX following this meeting:

<https://hbex.coveredca.com/stakeholders/plan-management/contract-listings/2025/>

Any questions please email [PMDContractsUnit@covered.ca.gov](mailto:PMDContractsUnit@covered.ca.gov)

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

Health Equity and Quality Transformation Division (EQT)

# 2025 PLAN YEAR AMENDMENT ATTACHMENTS 1 AND 2 PROPOSED CONTRACT REVISIONS

Barbara Rubino, MD, Associate Chief Medical Officer  
Taylor Priestley, MPH, MSW, Director

# SUMMARY OF PROPOSED 2025 REVISIONS

## Attachment 1 Advancing Equity, Quality, and Value

### Article 1 - Equity and Disparities Reduction

- Adding language to address NCQA HEA compliance requirements by year-end 2025 if not already achieved
- Updates to the Patient Level Data (PLD) File measures resulting from QRS measures changes

### Article 6 - Certification, Accreditation, and Regulation

- Adding language to include NCQA HPA compliance requirements by year-end 2026 if not already achieved

## Attachment 2 Performance Standards with Penalties

### Healthcare Evidence Initiative (HEI) Data and Patient Level Data (PLD) Submissions Data Submission specific to HEI

- Clarification of requirements in Performance Standard 9
- Discontinuing performance penalty for PLD File data

# 2025 PROPOSED REVISIONS

## ATTACHMENT 1: ADVANCING EQUITY, QUALITY, AND VALUE

Attachment 1 Article	Summary of Revisions
Article 1: Equity and Disparities Reduction	<ul style="list-style-type: none"><li>• Adding language to address NCQA HEA compliance requirements by year-end 2025 if not already achieved</li><li>• Updates to the Patient Level Data (PLD) File measures resulting from QRS measures changes</li></ul>
Article 2: Behavioral Health	<ul style="list-style-type: none"><li>• No proposed changes</li></ul>
Article 3: Population Health	<ul style="list-style-type: none"><li>• No proposed changes</li></ul>
Article 4: Delivery System and Payment Strategies to Drive Quality	<ul style="list-style-type: none"><li>• No proposed changes</li></ul>
Article 5: Measurement and Data Sharing	<ul style="list-style-type: none"><li>• No proposed changes</li></ul>
Article 6: Accreditation	<ul style="list-style-type: none"><li>• Adding language to include NCQA HPA compliance requirements by year-end 2026 if not already achieved</li></ul>

# 2025 PROPOSED REVISIONS

## ATTACHMENT 2: PERFORMANCE STANDARDS WITH PENALTIES

Attachment 2 Standard	Summary of Revisions
Attachment 2	Removal of reference to Initial Contractor Performance Standard Evaluation Report Updates language to reflect current practice
Attachment 2 Standard 9	Removal of PLD files from data quality performance standard as files received required little engagement for corrections, performance penalty not necessary
Attachment 2 Standard 9.1	Update contract language to support a standard HEI Submission Schedule. Removal of detailed language on methodology because details on submission requirements are included in separate methodology document.
Attachment 2 Standard 9.2	No changes
Attachment 2 Standard 9.3	Removal of reference to provider type; Taxonomy is more detailed and granular and is more useful for analytic purposes. Removal of reference to drugs claims as it was originally included in error.
Attachment 2 Standard 9.4	Removal of Tax ID Number (TIN) submission requirements, NPI is the preferred identifier for individual primary care providers
Attachment 2 Standard 9.5	Removal of Tax ID Number (TIN) submission requirements, NPI is the preferred identifier for individual primary care providers

# 2025 PROPOSED REVISIONS

## ATTACHMENT 2: PERFORMANCE STANDARDS WITH PENALTIES

Attachment 2 Standard	Summary of Revisions
Attachment 2 Standard 9.6	Changes made to accommodate differences in financial field submissions between fee-for-service claims and encounters, based on product type.
Attachment 2 Standard 9.7	Clarifying edit that reflects vendor's process for matching medical claims and encounters, drug claims, or capitation records to a current or prior enrollment record to accommodate claims received outside of enrollee's enrollment period.
Attachment 2 Standard 9.8	Clarifying edit that reflects vendor's process for matching enrollees to known insurance products; matching enrollees to medical claims and encounters, drug claims, and capitation records is addressed in standard 9.7.
Attachment 2 Standard 9.9	Clarifying edit to add reference to tax amount which is included in rule vendor applies when assessing drug financial reconciliation.
Attachment 2 Standard 9.10	No changes



# 2025 CCSB ATTACHMENT 2 CHANGES

Notable Changes to Draft CCSB Attachment 2	Rationale
<p><b>Attachment 2 Standard 9.4</b></p> <p>Retained language specifying PCP assignment required only "for HMO products" to align with how penalty is assessed in CCSB plans.</p>	<p>Corrects unintended removal of this language from CCSB draft</p>
<p><b>Attachment 2 Standard 9.8</b></p> <p>Retained language "HIOS ID and year combination (on- or off-Exchange) or issuer-specific product ID and year combination (off-Exchange)"</p>	<p>Corrects unintended removal of this language from CCSB draft to account for issues with submission of HEI data on off-exchange members</p>

# 2025 PLAN YEAR AMENDMENT ATTACHMENT 4 PROPOSED CONTRACT REVISIONS

S. Monica Soni, MD, Chief Medical Officer

# PROPOSED 2025 ATTACHMENT 4 CHANGES (1 OF 2)

## INTRODUCTION, SECTIONS 1.01, 1.02, AND 1.04

Notable Changes	Rationale
<b>QTI Eligibility Requirements:</b> Consistent with CMS for QRS reporting, QHP Issuers with a minimum of two years of QRS reportable scores will be subject to QTI performance requirements	Provide additional information on QTI eligibility requirements for new entrants
<b>1.01.2 Health Disparities Reduction Requirements:</b> Updated language to specify that QTI health equity methodology will be integrated in 2026 contract	Update to timeline to account for health equity methodology which is being refined alongside other public purchasers
<b>1.02 Benchmarks and Payments to the Quality Transformation Fund:</b> Updated language for MY2025 measure payment amount (up to 2.8%) and outlined accountability expectations	Reinforce the continued need for QHPs to continue to improve performance on measures despite any payments that may be made  Confirm the maximum payment amount for MY2025
<b>1.04 Administration of the Quality Transformation Fund:</b> Covered California shall manage the collection, administration and approved uses of payments	Clarification of administration of the payments

# PROPOSED 2025 ATTACHMENT 4 CHANGES (2 OF 2)

## SECTIONS 1.05, 1.06, 1.07

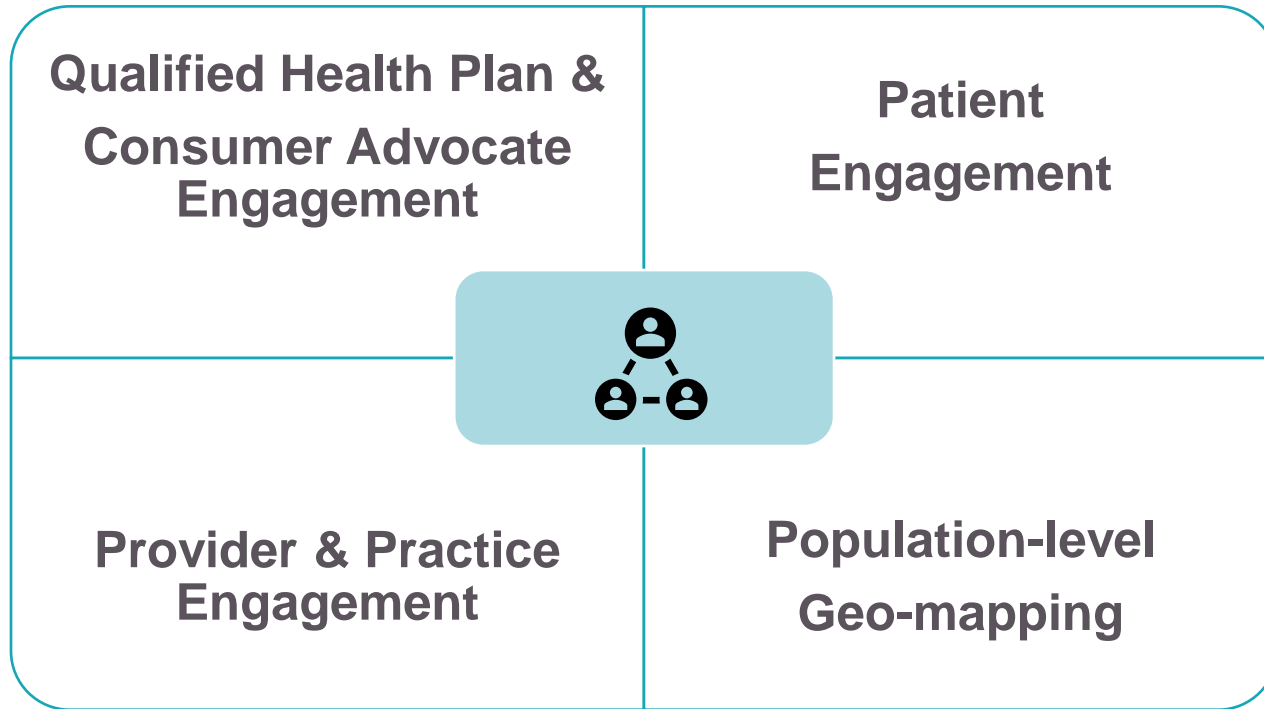
Notable Changes	Rationale
<b>1.05 Population Health Investments:</b> Incorporates guiding principles for use of funds, implementation of population health investment, tracking of expenses, and evaluation requirement	Outline of intent to create targeted population health investments following guiding principles
<b>1.06 Unspent Funds:</b> Good faith attempt to use payments made in the same calendar year	Clarification of cycle of funds flow
<b>1.07 Ongoing Assessment of the Quality Transformation Fund:</b> Covered California shall continuously assess the success of the Quality Transformation Fund at achieving measurable quality improvements	Outline expectation for continuous re-assessment of program impact at achieving quality outcomes, especially as amount of premium at risk increases in subsequent years

# QUALITY TRANSFORMATION INITIATIVE (QTI) POPULATION NEED ASSESSMENT

S. Monica Soni, MD, Chief Medical Officer

# POPULATION NEEDS ASSESSMENT

Covered California is currently leading a multipronged assessment to understand existing supports and barriers to enrollees achieving good health and wellness to inform selection of Population Health Investments.



# PLAN ENGAGEMENT

## Goal

To gain input from QHP issuers on readiness for QTI, current successes and challenges and feedback on use of funds for Population Health Investments

## Methods

1:1 listening sessions with QHP issuers held from July to September

Covered California posed open-ended questions to issuers covering infrastructure improvement opportunities, administrative challenges, and possible quality improvement activities that CCA can support

## Themes and Learning

- ❑ Support for increased investment in member education and population health outreach
- ❑ Desire for reducing out-of-pocket burden for members
- ❑ Concerns about redirection of funds from lower performing plans who need support
- ❑ Caution about impact of program on premiums

## Next Steps

Engagement will continue in 2024 including collaboration on broader population needs assessment findings and selection of Population Health Investments

# CONSUMER ADVOCATE ENGAGEMENT

## Goal

To gain input from advocates on history and options for use of funds for Population Health Investments

## Methods

Discussion sessions with consumer advocates held from July to October

Covered California shared guiding principles and framework for administration of funds mechanism

## Themes and Learning

- ❑ Support for re-evaluation of use of funds and guiding principles
- ❑ Caution about unique profile of Covered California members as distinct from Medi-Cal and other Commercial lines of business while aligning with other public purchasers
- ❑ Desire for continued input and participation in next phase

## Next Steps

Engagement will continue in 2024 including collaboration on broader population needs assessment findings and selection of Population Health Investments



# PATIENT ENGAGEMENT

## Goal

To gain insights into the challenges and barriers members face in managing their health conditions that will inform selection of Population Health Investments

## Methods

Outbound calls made to members with a diagnosis of diabetes and/or hypertension to gather qualitative feedback on successes and challenges with chronic disease management

## Themes and Learning

- ❑ Attempts to adopt healthier habits, although barriers like affordability or time often hinder their efforts
- ❑ Rising out of pocket and premium costs pose significant financial challenges for some members
- ❑ Difficulties finding culturally sensitive care or desired providers
- ❑ Challenges with access including rushed consultations and long wait time for appointments

## Next Steps

Engagement sessions will continue in 2024 to inform Population Health Investment selection

# PROVIDER ENGAGEMENT

## Goal

To gain insights into the challenges and barriers practices face in delivering quality care for Covered California members for consideration in Population Health Investment selection

## Methods

1:1 listening sessions with practices with large volumes of attributed Covered California members

## Themes and Learning

- Payor-agnostic practice patterns and workflow
- Challenges with access for patients in primary care, pediatrics, and ancillary services/preventive screenings
- Struggles with workforce turnover: both provider and nursing staff
- Sub-optimal data exchange, lack of interoperability & inconsistent EMR use in small, independent practices
- Desire to engage with CBOs, but varying levels of capacity and maturity

## Next Steps

Engagement sessions will continue in 2024 to inform Population Health Investment selection

# GEO-MAPPING FOR POPULATION-WIDE INSIGHTS

## Goal

To gain understanding of population-wide environmental experiences to help inform Population Health Investment selection with equity-first lens

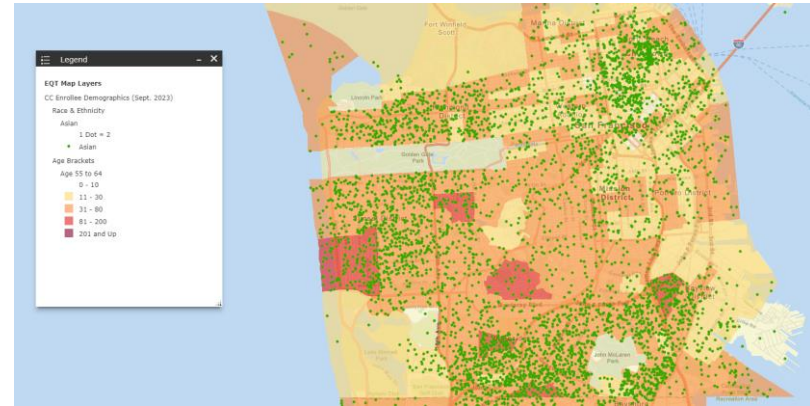
## Methods

Create a GIS map with base layer of current enrollee data, including age, race/ethnicity, QHP designee, FPL bracket, and then layer on Healthy Places Index and Environmental Justice Index

## Next Steps

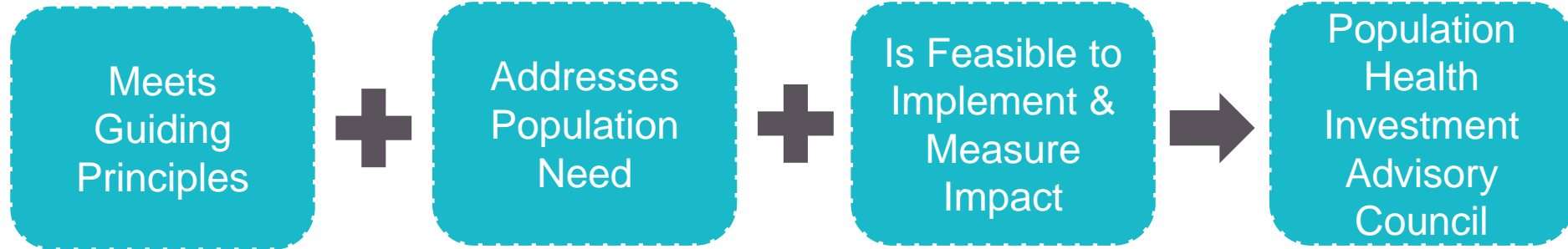
Establish longitudinal understanding of the data, a replicable dataset for subsequent yearly comparative analyses

Continue learning sessions with Consumer Advocates, subject matter experts as map is built



Covered California Enrollee Asian-American Population overlaid on top of Age Bracket 55 to 64

# POPULATION HEALTH INVESTMENTS: SELECTION CRITERIA



A prioritized list of Population Health Investments will be presented at Plan Management Advisory Workgroup and Covered California Board in 2024

# EVALUATION OF POPULATION HEALTH INVESTMENTS

Impact of Population Health Investments on quality and equity will be assessed continuously.

- ❑ Covered California shall **continuously assess the success** of the Quality Transformation Fund at achieving measurable quality improvements.
- ❑ Based on outcomes from Population Health Investments, feedback from stakeholders, and availability of funds, Covered California **may consider revising or establishing additional programs, opportunities, and uses for payments** made to the Quality Transformation Fund.
- ❑ If Covered California in its sole discretion determines that Contractor's Population Health Investment has not achieved improvements in quality and outcomes, or otherwise **does not best serve Contractor's enrollees, Covered California may request changes in Contractor's Population Health Investment program design** or may terminate Contractor's Population Health Investment.

# OPEN FORUM