



COVERED
CALIFORNIA

Plan Management Advisory Workgroup

February 8, 2024

AGENDA

Time	Topic	Presenter
10:00 – 10:05	Welcome and Agenda Review	Rick Krum
10:05 – 10:20	CCSB and Enhanced Benefit Design Updates	Melanie Droboniku
10:20– 10:35	2026 QHP Issuer Model Contract Development	Taylor Priestley
10:35 – 10:50	Quality Transformation Initiative PopHI	Taylor Priestley
10:50 – 12:00	Open Forum	All

CCSB and Enhanced Benefit Design Updates

Melanie Droboniku, Interim Deputy Director, Plan Management Division

DENTAL UPDATE

PROPOSED PY2025 CDT CODE CHANGES

Code additions:

Procedure Category	CDT Code	Updated CDT-254 Nomenclature	Pediatric Dental EHB	*Adult Dental
			Up to Age 19	19 and Older
			In-Network Member Cost Share	In-Network Member Cost Share
Diagnostic Preventive Restorative	D0396	3D printing of a 3D dental surface scan	No Charge	No Charge
	D1301	Immunization counseling	No Charge	No Charge
	D2976	Band stabilization – per tooth	\$40	\$40
	D2989	Excavation of a tooth resulting in the determination of non-restorability	\$50	\$50
	D2991	Application of hydroxyapatite regeneration medicament – per tooth	No Charge	No Charge
Implant Services Oral Maxillofacial Prosthetics	D6089	Accessing and retorquing loose implant screw - per screw	\$60	Not Covered
	D7284	Excisional biopsy of minor salivary glands	\$115	\$115
	D7939	Indexing for osteotomy using dynamic robotic assisted or dynamic navigation	\$350	Not Covered

Code update:

D2335	Resin-based composite - four or more surfaces or involving incisal angle (anterior)
-----------------------	--

ENDNOTE REVISIONS

- ❑ Endnote added to Health and Dental designs:

These Endnotes do not limit an issuer's obligations to comply with applicable Federal, State, or local laws, rules, or regulations. In the event an issuer is subject to a newly enacted or amended law, rule, or regulation that conflicts with the requirements of these Endnotes, an issuer shall comply with the law, rule, or regulation and any applicable guidance from its regulatory authority. Where these Endnotes exceed requirements imposed by law, an issuer shall comply with the requirements in these Endnotes.

- ❑ For Health Designs only, a revision to the definition of Tier 4 drugs is made based on a change in state law: AB 948 (Stats. 2023), which revised the definition of Tier 4 drugs in Health & Safety Code §1342.73(b)(1)(D):

1) Drugs ~~that are biologics and drugs~~ that the Food and Drug Administration (FDA) or drug manufacturer requires to be distributed through specialty pharmacies;

PY2025 IFP & ENHANCED BENEFIT DESIGNS

ENHANCED PY2025 DESIGNS

Benefit	Silver 73		CA Enhanced CSR Silver 73		Silver 87		CA Enhanced CSR Silver 87		Silver 94		CA Enhanced CSR Silver 94	
	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount
Deductible												
Medical Deductible		\$5,400		\$0		\$1,400		\$0		\$0		\$0
Drug Deductible		\$350		\$0		\$350		\$0		\$0		\$0
Coinsurance (Member)		30%		30%		20%		20%		10%		10%
MOOP		\$7,350		\$6,100		\$3,050		\$3,000		\$1,300		\$1,150
ED Facility Fee		\$350		\$350		\$150		\$150		\$50		\$50
Inpatient Facility Fee	X	30%		30%	X	20%		20%	X	10%		10%
Inpatient Physician Fee		30%		30%		20%		20%		10%		10%
Primary Care Visit		\$35		\$35-\$30		\$15		\$15		\$5		\$5
Specialist Visit		\$85		\$85-\$75		\$25		\$25		\$8		\$8
MH/SU Outpatient Services		\$35		\$35-\$30		\$15		\$15		\$5		\$5
Imaging (CT/PET Scans, MRIs)		\$325		\$325		\$100		\$100		\$50		\$50
Speech Therapy		\$35		\$35-\$30		\$15		\$15		\$5		\$5
Occupational and Physical Therapy		\$35		\$35-\$30		\$15		\$15		\$5		\$5
Laboratory Services		\$50		\$50		\$20		\$20		\$8		\$8
X-rays and Diagnostic Imaging		\$95		\$95		\$40		\$40		\$8		\$8
Skilled Nursing Facility	X	30%		30%	X	20%		20%	X	10%		10%
Outpatient Facility Fee		30%		30%		20%		20%		10%		10%
Outpatient Physician Fee		30%		30%		20%		20%		10%		10%
Tier 1 (Generics)		\$20		\$15		\$8		\$5		\$3		\$3
Tier 2 (Preferred Brand)	X	\$55		\$55	X	\$25		\$25		\$10		\$10
Tier 3 (Nonpreferred Brand)	X	\$85		\$85	X	\$45		\$45		\$15		\$15
Tier 4 (Specialty)	X	20%		20%	X	15%		15%		10%		10%
Tier 4 Maximum Coinsurance		\$250		\$250		\$150		\$150		\$150		\$150
Maximum Days for charging IP copay												
Begin PCP deductible after # of copays												
Actuarial Value												
2025 AV (Draft 2025 AVC)		73.93†		78.09		87.97†		88.86		94.74		95.07

KEY	X	Subject to deductible
	*	Drug cap applies to all drug tiers
	†	Additive adjustment (included in AV)
		Increased member cost from 2024
		Decreased member cost from 2024
		Enhanced member cost from 2024
		Does not meet AV
	Within .5 of upper de minimis	
	Securely within AV	

CURRENT PROPOSED PY2025 MODELS

Benefit	Individual-only Platinum Coinsurance		Individual-only Platinum Copay		Individual-only Gold Coinsurance		Individual-only Gold Copay		Individual-only Silver		Silver 73		CA Enhanced CSR Silver 73		Silver 87		CA Enhanced CSR Silver 87		Silver 94		CA Enhanced CSR Silver 94		Bronze		Bronze HDHP			
	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount
Deductible																												\$6.650
Medical Deductible									\$5,400		\$5,400		\$0		\$1,400		\$0		\$0		\$0		\$5,400					
Drug Deductible									\$50		\$350		\$0		\$350		\$0		\$0		\$0		\$500					
Coinsurance (Member)		10%		10%		20%		20%		30%		30%		30%		20%		20%		10%		10%		40%			0%	
MOOP		\$4,500		\$4,500		\$8,700		\$8,700		\$8,700		\$7,350		\$6,100		\$3,050		\$3,000		\$1,300		\$1,150		\$8,850				\$6,650
ED Facility Fee		\$150		\$150		\$330		\$330		\$400		\$350		\$350		\$150		\$150		\$50		\$50	X	40%	X	0%		
Inpatient Facility Fee		10%		\$225		30%		\$350	X	30%	X	30%		30%	X	20%		20%	X	10%		10%	X	40%	X	0%		
Inpatient Physician Fee		10%		---		30%		---		30%		30%		30%		20%		20%		10%		10%	X	40%	X	0%		
Primary Care Visit		\$15		\$15		\$35		\$35		\$50		\$35		\$35		\$15		\$15		\$5		\$5	X	60%	X	0%		
Specialist Visit		\$30		\$30		\$65		\$65		\$90		\$85		\$85		\$25		\$25		\$8		\$8	X	95%	X	0%		
MH/SU Outpatient Services		\$15		\$15		\$35		\$35		\$50		\$35		\$35		\$15		\$15		\$5		\$5	X	60%	X	0%		
Imaging (CT/PET Scans, MRIs)		10%		\$75		25%		\$75		\$325		\$325		\$325		\$100		\$100		\$50		\$50	X	40%	X	0%		
Speech Therapy		\$15		\$15		\$35		\$35		\$50		\$35		\$35		\$15		\$15		\$5		\$5	X	60%	X	0%		
Occupational and Physical Therapy		\$15		\$15		\$35		\$35		\$50		\$35		\$35		\$15		\$15		\$5		\$5	X	60%	X	0%		
Laboratory Services		\$15		\$15		\$40		\$40		\$50		\$50		\$50		\$20		\$20		\$8		\$8	X	40%	X	0%		
X-rays and Diagnostic Imaging		\$30		\$30		\$75		\$75		\$95		\$95		\$95		\$40		\$40		\$8		\$8	X	40%	X	0%		
Skilled Nursing Facility		10%		\$125		30%		\$150	X	30%	X	30%		30%	X	20%		20%	X	10%		10%	X	40%	X	0%		
Outpatient Facility Fee		10%		\$75		30%		\$130		30%		30%		30%		20%		20%		10%		10%	X	40%	X	0%		
Outpatient Physician Fee		10%		\$20		30%		\$60		30%		30%		30%		20%		20%		10%		10%	X	40%	X	0%		
Tier 1 (Generics)		\$7		\$7		\$15		\$15		\$18		\$20		\$15		\$8		\$5		\$3		\$3	X	60%	X	0%		
Tier 2 (Preferred Brand)		\$16		\$16		\$60	X	\$60	X	\$55		\$55	X	\$25		\$25		\$25		\$10		\$10	X	40%	X	0%		
Tier 3 (Nonpreferred Brand)		\$25		\$25		\$85		\$85	X	\$90	X	\$85		\$85	X	\$45		\$45		\$15		\$15	X	40%	X	0%		
Tier 4 (Specialty)		10%		10%		20%		20%	X	20%	X	20%		20%	X	15%		15%		10%		10%	X	40%	X	0%		
Tier 4 Maximum Coinsurance		\$250		\$250		\$250		\$250		\$250		\$250		\$250		\$150		\$150		\$150		\$150		\$500*				
Maximum Days for charging IP copay				5				5																				
Begin PCP deductible after # of copays																												
Actuarial Value																												
2025 AV (Draft 2025 AVC)		91.90		91.58		81.46		81.64		71.59†		73.93†		78.09		87.97†		88.86		94.74		95.07		63.7†		64.88		
Enrollment as of July 2023				77,615				183,457						293,276														128,845
Percent of Total enrollment				5%				10%						17%														8%
Enrollment as of June 2022				21,755				54,353						90,229														318,258
Percent of Total enrollment				29%				71%						53%														20%

X	Subject to deductible
*	Drug cap applies to all drug tiers
†	Additive adjustment (included in AV)
**	Targeted for CSR Enhancements
KEY	Increased member cost from 2024
	Decreased member cost from 2024
	Does not meet AV
	Within .5 of upper de minimis
	Securely within AV

CCSB UPDATES

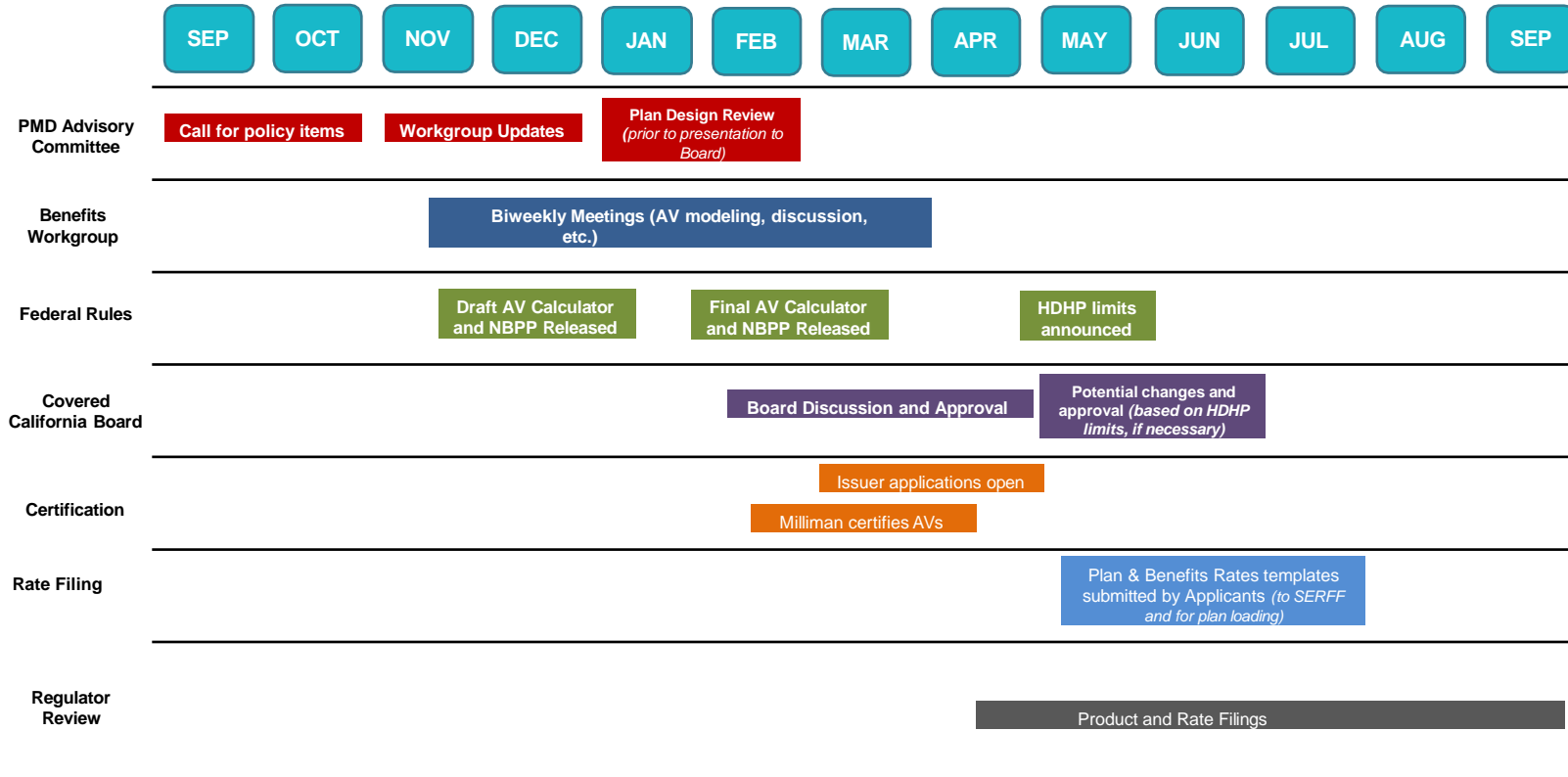
PY2025 BENEFIT DESIGNS - CCSB

Benefit	CCSB-only Platinum Coinsurance		CCSB-only Platinum Copay		CCSB-only Gold Coinsurance		CCSB-only Gold Copay		CCSB-only Silver Coinsurance		CCSB-only Silver Copay		CCSB-only Silver HDHP	
	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount	Ded	Amount
Deductible														\$2,850
Medical Deductible						\$350		\$250		\$2,500		\$2,500		
Drug Deductible						\$0		\$0		\$300		\$300		
Coinsurance (Member)		10%		10%		20%		20%		35%		35%		25%
MOOP		\$4,500		\$4,500		\$7,800		\$7,800		\$8,600		\$8,750		\$7,500
ED Facility Fee		\$200		\$150	X	20%	X	\$250	X	35%	X	35%	X	25%
Inpatient Facility Fee		10%		\$250	X	20%	X	\$600	X	35%	X	35%	X	25%
Inpatient Physician Fee		10%		---	X	20%		--	X	35%		35%	X	25%
Primary Care Visit		\$15		\$20		\$25		\$35		\$55		\$55	X	25%
Specialist Visit		\$30		\$30		\$50		\$55		\$90		\$90	X	25%
MH/SU Outpatient Services		\$15		\$20		\$25		\$35		\$55		\$55	X	25%
Imaging (CT/PET Scans, MRIs)		10%		\$100		20%	X	\$250	X	35%	X	\$300	X	25%
Speech Therapy		\$15		\$20		\$25		\$35		\$55		\$55	X	25%
Occupational and Physical Therapy		\$15		\$20		\$25		\$35		\$55		\$55	X	25%
Laboratory Services		\$15		\$20		\$25		\$35		\$55		\$55	X	25%
X-rays and Diagnostic Imaging		\$30		\$30		\$65		\$55		\$90		\$90	X	25%
Skilled Nursing Facility		10%		\$150	X	20%	X	\$300	X	35%	X	35%	X	25%
Outpatient Facility Fee		10%		\$100		20%	X	\$300	X	35%	X	35%	X	25%
Outpatient Physician Fee		10%		\$25		20%		\$35		35%		35%	X	25%
Tier 1 (Generics)		\$10		\$5		\$15		\$15		\$20		\$19	X	25%
Tier 2 (Preferred Brand)		\$25		\$20		\$50		\$40	X	\$75	X	\$85	X	25%
Tier 3 (Nonpreferred Brand)		\$40		\$30		\$80		\$70	X	\$105	X	\$110	X	25%
Tier 4 (Specialty)		10%		10%		20%		20%	X	30%	X	30%	X	25%
Tier 4 Maximum Coinsurance		\$250		\$250		\$250		\$250		\$250		\$250		\$250*
Maximum Days for charging IP copay				5				5						
Begin PCP deductible after # of copays														
Actuarial Value														
2025 AV (Draft 2025 AVC)		91.27		90.47		79.08		80.52		69.45†		69.07†		71.21
Enrollment as of December 2022				19,243				30,607				20,805		1,691
Percent of Total enrollment				27%				42%				29%		2%

KEY	X	Subject to deductible
	*	Drug cap applies to all drug tiers
	†	Additive adjustment (included in AV)
		Increased member cost from 2024
		Decreased member cost from 2024
		Does not meet AV
		Within .5 of upper de minimis
	Securely within AV	

WRAP-UP AND NEXT STEPS

ANNUAL CYCLE OF STANDARD BENEFITS



2026-2028 QHP ISSUER MODEL CONTRACT ADVANCING EQUITY, QUALITY & VALUE

Taylor Priestley, Director Health Equity & Quality Transformation (EQT) Division

2023-2025 CONTRACT REFRESH PROCESS REVIEW

- 2022 included substantive review and refresh of 2017-2021 Attachment 7
- 2023 significant as the beginning of a new, three-year contract cycle
- In recognition that improvement is necessarily iterative and ongoing, initial provisions for 2023 were followed by amendments in 2024, 2025
- Covered California's approach to 2023-2025 contract refresh included:
 - Building on seven years of experience and investment
 - Increased focus on data and outcomes over narrative reporting
 - Intentional alignment with other public purchasers
 - Implementation of Quality Transformation Initiative

2026-2028 ADVANCING EQUITY, QUALITY & VALUE CONTRACT UPDATE WORKSTREAMS

Model Contract *with PMD*

- Essential Community Providers (ECPs)
- Article 5

Attachment 1

- Articles 1-6

Attachment 2 *with PMD*

- Performance standards

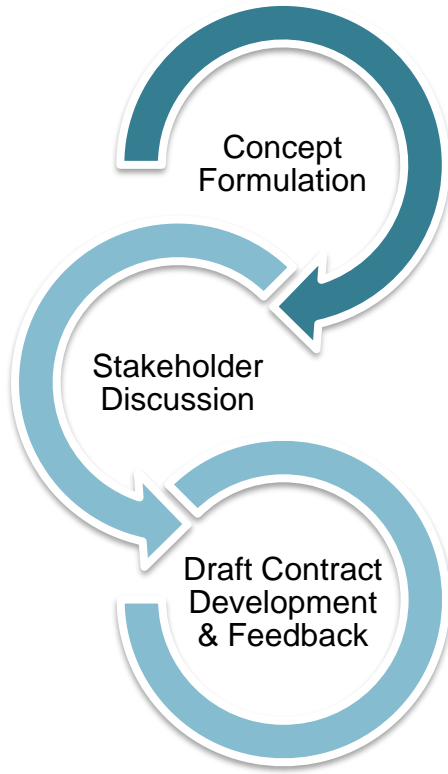
Attachment 4

- Quality Transformation Initiative

Workgroups

- Contract Refresh Workgroup

PROPOSED APPROACH FOR REFRESH WORKGROUP



- Covered California leadership and staff engage in strategic planning sessions to develop concept proposal for the refresh framework, principles, and priority areas for focus
- Contract Refresh workgroup
 - Scheduled monthly meetings
 - Forum for large group discussion on proposed changes to Attachments 1, 2 and 4
 - Learning space to share ideas and best practices among stakeholders
 - Participants will review and give feedback on contract proposals and draft contract language
 - Additional focus group meetings on specific priority areas can be scheduled as necessary to help facilitate contract development

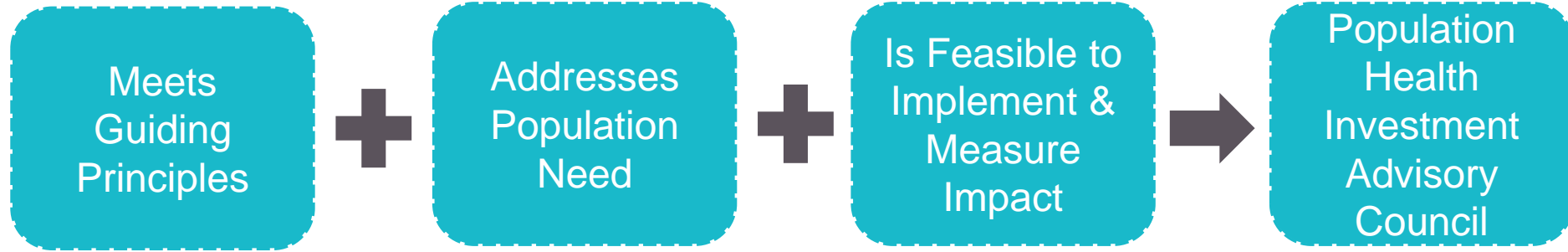
NEXT STEPS

- ❑ If interested in receiving communications and Contract Refresh Workgroup meeting invitations, please email EQT@covered.ca.gov to be added to the distribution list
- ❑ Monthly meetings will likely be first Thursday of the month, early afternoon
- ❑ First meeting anticipated Thursday March 7, 2024

Update on Quality Transformation Initiative: Population Health Investments

Taylor Priestley, Director Health Equity & Quality Transformation (EQT) Division

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

POPULATION HEALTH INVESTMENT ADVISORY COUNCIL

The Council is a **trusted advisory body** consisting of stakeholders and subject matter experts selected by Covered California who support **successful deployment of PopHIs** to improve the quality of healthcare and to reduce health disparities for Covered California enrollees.

- Advise Covered California in the **selection of initial Population Health Investments** (PopHIs, pronounced “Poppy”).
- Guide and **inform program design features** of selected PopHIs, such as: member eligibility, program operations, and key performance indicators and evaluation approaches.
- Establish a forum that **supports successful deployment** of PopHIs through expert and trusted counsel.

The PopHI Advisory Council **does not have decision making authority**, and Covered California is not bound to adopt any of the PopHI Advisory Council’s recommendations, but the input shared is critical to sculpting both design and implementation.

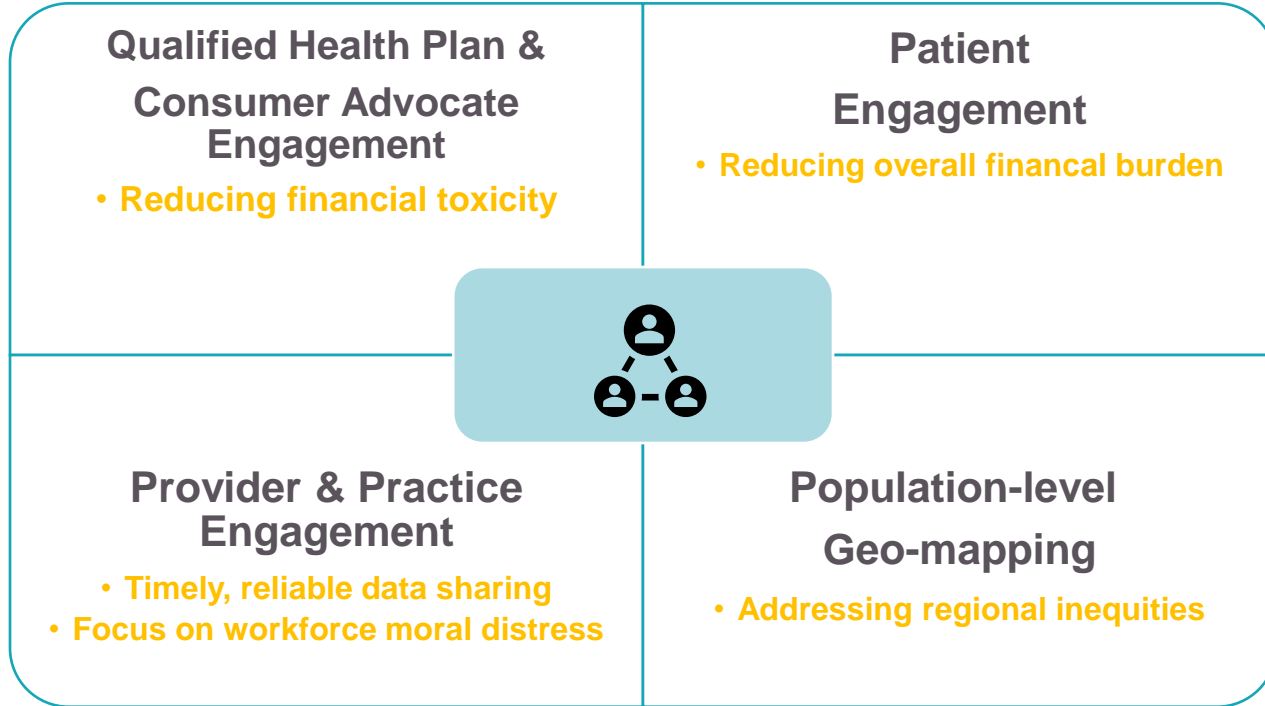
Membership:

The Advisory Council consists of 10 to 12 members plus Ex Officio, including the following:

- Qualified Health Plan Issuers (2-3)
- California-based Consumer Advocates (1-2)
- California-based Government Officials (2)
- Thought Leaders and Experienced Professionals (4)
- California-based Providers (2-3)
- Ex Officio (2-3)
 - California Department of Health Care Services
 - California Public Employees’ Retirement System

POPULATION NEEDS ASSESSMENT

Early themes and indicators of where investment is needed are emerging



OPEN FORUM