

Article	Section #	Comment Date	Comment	Covered California Response
Attachment 4	1	12/9/22	We respectfully request that penalties from QTI are not shifted to Attachment 2 measures and the total penalty at risk for Performance Standards and the QTI remain the same.	Covered California will keep the percent of premium at-risk for Attachment 2 and Attachment 4 QTI as originally anticipated for 2024 (Attachment 2 at 0.2%, QTI at 1.8%).
Attachment 4	1.02	11/23/22	We agree with the importance of Combo 10, however, we respectfully request Covered California partner with carriers to determine if due to the low volume of enrollees subject to this measure whether there should be some alternative weighting.	Covered California recognizes the low volume of enrollees in CIS Combo 10. We will use reportable QRS scores for all QTI measures published through the CMS Marketplace Quality Module within CMS' Health Insurance and Oversight System. We selected this measure in alignment with DHCS and CalPERS to increase childhood immunization rates. All measures will be weighted equally as stated in Attachment 4.
1.02	5	12/9/22	We support Covered California's proposal to update the payment schedule, increasing the full per measure payment amount from .8% to 1.5% in Measurement Year 2024 and specifying that the payment will increase in MY 2025. This is critical to ensuring health plans are meeting year-over-year quality and equity performance standards.	Thank you for your support.
1	1.02.5	12/7/22 and 12/9/22	Our understanding of the need for a large portion of premium to be at risk for the Quality Transformation Initiative (QTI) was to provide incentive for quality improvement that had not been made over time. We think it is a mistake to reduce the QTI at risk % in order to increase the amount at risk for attachment 2 before getting clear evidence as to whether QTI has been successful. We recommend staying with the original distribution of at risk amounts until after 2026 when the full at risk amount will apply to QTI.	Covered California will keep the percent of premium at-risk for Attachment 2 and Attachment 4 QTI as originally anticipated for 2024 (Attachment 2 at 0.2%, QTI at 1.8%). The total amount of premium at-risk for Attachment 4 QTI and Attachment 2 Performance Standards with Penalties will increase by 1% per year up to 4% maximum as stated in the 2023-2025 contract. Covered California will consider an alternate distribution between Attachment 2 and Attachment 4 for 2025 with more advanced notice
1	1.05	12/7/22 and 12/9/22	We believe that the contract language should make clear that revenue generated by QTI be used to reduce fees evenly for all carriers as originally agreed.	Covered California will not make this revision in the Plan Year 2024 amendment. Covered California is still determining QTI funds allocation process. We are exploring different approaches that are feasible to implement. Covered California is committed to disbursing all QTI funds back to issuers equally. We will continue to be transparent in the development of the QTI funds allocation process.

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		12/9/22	<p>Penalties at risk:</p> <p>We recommend maintaining the total penalty at risk for Performance Standards and the Quality Transformation Initiative at 1% for 2024. The Quality Transformation Initiative should have a year of reporting assessment experience before increasing penalties to allow carriers to understand the impact of their newly implemented QTI provider programs. QTI improvements will require financial investments to drive provider engagement and metric improvements, holding funds at the current (Year 1) level will allow carriers to maximize the balance between increased rates due to added costs and actual QTI improvements. Through initial conversations with key provider partners, we have been asked to increase performance incentives to assist with QTI improvements. We are working on socializing the QTI requirements that were recently finalized with providers and it will take time to establish and implement an improvement strategy.</p> <p>The Performance Standards assessments no longer have a credit to offset penalties and further increasing this amount due annually will also influence rate setting.</p> <p>In 2023 the average statewide increase was 6% without QTI penalties included. Further increasing in penalties could have an impact on the average statewide premium.</p> <p>We request that the process for distributing the QTI funds be documented in order to assist health plans with determining</p>	<p>Covered California will keep the percent of premium at-risk for Attachment 2 and Attachment 4 QTI as originally anticipated for 2024 (Attachment 2 at 0.2%, QTI at 1.8%).</p> <p>The total amount of premium at-risk for Attachment 4 QTI and Attachment 2 Performance Standards with Penalties will increase by 1% per year up to 4% maximum as stated in the 2023-2025 contract. Covered California will consider an alternate distribution between Attachment 2 and Attachment 4 for 2025 with more advanced notice.</p> <p>Covered California is committed to disbursing all QTI funds back to issuers equally and will continue to be transparent in the development of the QTI funds allocation process.</p>

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Attachment 4			We agree with consensus from other carriers regarding concerns about decrease of Performance Standard amounts over 2024 and increase of amount at risk from 1% to 2% and subsequent increases through 2026 to 4%. Suggest not raising the assessment until 2026 to give time to understand the impact of new QTI Provider programs.	Covered California will keep the percent of premium at-risk for Attachment 2 and Attachment 4 QTI as originally anticipated for 2024 (Attachment 2 at 0.2%, QTI at 1.8%). The total amount of premium at-risk for Attachment 4 QTI and Attachment 2 Performance Standards with Penalties will increase by 1% per year up to 4% maximum as stated in the 2023-2025 contract. Covered California will consider an alternate distribution between Attachment 2 and Attachment 4 for 2025 with more advanced notice.
Attachment 4			Document does not specify how the QTI funds will be used. Language could be added to clarify if QTI funds will be used to reduce fees evenly for all carriers as originally agreed in previous discussions. Should we also be adjusting this based on each carrier's performance? Provide a formula to show how the fund reduces the participation fee and how that allocates between plans.	Covered California is still determining QTI funds allocation process. We are exploring different approaches that are feasible to implement. Covered California is committed to disbursing all QTI funds back to issuers equally. We will continue to be transparent in the development of the QTI funds allocation process.