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Qualified Health Plan for Small Group Market Attachment 14, March Update

The following is the draft 2022 Qualified Health Plan for Small Group Market Attachment 14 update since the January 14, 2021 Board meeting. Recent revisions are called out on the redline with yellow highlight.

Please note no QHP for Small Group Market model contract has been posted since no updates have been made.

All documents will be posted to the Plan Management HBEX webpage:

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

Attachment 14. Performance Standards

During the term of this Agreement, Contractor shall meet or exceed the Performance Standards identified in this Attachment. For those Performance Standards with Penalties, Contractor shall be responsible for payment of penalties ~~that may be assessed by Covered California with respect to~~for Contractor's failure to meet ~~or exceed~~ the Performance Standards in accordance with the terms set forth at Section 6.1 of the Agreement and in this Attachment 14. Contractor shall submit the data required by the Performance Standards by the date specified by Covered California. Some of the data required applies to a window of time. Some of the data represents a point in time. This measurement timing is described in more detail in the sections within this attachment.

Contractor shall monitor and track its performance each month against the Performance Standards and provide Covered California with a detailed Monthly Performance Report in a mutually-agreeable format. Contractor must report on Covered California business only and report Contractor's Enrollees in Covered California for the Individual Exchange separate from Contractor's Enrollees in Covered California for Small Business. Except as otherwise specified below in the Performance Standards Table, the reporting period for each Performance Standard shall be one calendar month. All references to days shall be calendar days and references to time of day shall be to Pacific Standard Time.

If Contractor fails to meet any Performance Standard in any calendar month (whether or not the failure is excused), Covered California may request and Contractor shall (a) investigate and report on the root cause of the problem; (b) develop a corrective action plan (where applicable); (c) to the extent within Contractor's control, remedy the cause of the performance failure and resume meeting the affected Performance Standards; (d) implement and notify Covered California of measures taken by Contractor to prevent recurrences, if the performance failure is otherwise likely to recur; and (e) make written recommendations to Covered California for improvements in Contractor's procedures.

As specified below, certain Performance Standards are subject to penalties. The total amount at risk is equal to ~~The assessment of penalties by Covered California shall be determined on an annual basis in accordance with the computation methodology set forth in this Attachment. In no event shall the total amount at risk with respect to Contractor's failure to comply with the Performance Standards exceed~~ three percent (3%) of the total Participation Fee that is payable to Covered California for Covered California for Small Business (At-Risk Amount). Penalties will be determined on an annual basis at the end of each calendar year, based on Contractor's final year-end data for each Performance Standard. The amount of penalty will be reduced by any credit Contractor receives. In no event shall the total credits to Contractor exceed the total amount of the performance penalty owed to Covered California by Contractor. Additionally, the amount of Contractor's penalty shall be offset by any credit that is provided in the event that Contractor exceeds a Performance Standard in a separate category or if Covered California fails to meet its Performance Standards as described below. Credits from one category may be used to offset penalties in that category, or applied to offset penalties assessed in another category.

Covered California must also comply with the Performance Standards as described in Group 4. In the event that Covered California does not satisfy a Performance Standard, based on the final calendar year-end data, Covered California shall provide credits to Contractor which will be applied to any penalties accrued to Contractor. Such credits may reduce up to fifteen percent (15%) of Contractor's performance penalties that may be assessed. In no event shall the total credits to Contractor exceed the total amount of the performance penalty owed to Covered California by Contractor.

Covered California will provide the Contractor an Initial Contractor Performance Standard Evaluation Report, covering preliminary year end data available, which Covered California will send to Contractor for review no later than February 28th of the following calendar year.

When the results of the Performance Standards are calculated, Covered California will provide Contractor with a Final Contractor Performance Standard Evaluation Report, along with an invoice, within 60 calendar days of receipt of the Performance Standards data requirements. Contractor shall remit payment to Covered California within 30 calendar days of receiving the Final Contractor Performance Measurement Evaluation Report and invoice. Covered California will calculate penalties and credits at the end of each calendar year, based on Contractor's final year-end data for each performance standard beginning with Group 1 and 2 and Covered California's final year-end data for Group 4. Covered California's calculations will be provided to Contractor through the Initial Contractor Performance Standard Evaluation Report, covering Groups 1, 2, and 4, which Covered California will send to Contractor for review no later than February 28th of the following calendar year.

No penalties or credits will be assessed for Groups 1, 2 and 4 in 2017 – 2021/2022.

If Contractor does not agree with either the Initial or Final Performance Standard Evaluation Report, Contractor may dispute the Report in writing within thirty (30) calendar days of receipt of that Report. The written notification of dispute shall provide a detailed explanation of the basis for the dispute. Covered California shall review and provide a written response to Contractor's dispute within thirty (30) calendar days of receipt of Contractor's notification of dispute. If the Contractor still disputes the findings of Covered California, Contractor may pursue additional remedies in accordance with Section 12.1 of the Agreement.

Contractor shall not be responsible for any failure to meet a Performance Standard if and to the extent that the failure is excused pursuant to Section 12.7 of the Agreement (Force Majeure), or the parties agree that the lack of compliance is due to Covered California's failure to properly or timely perform (or cause to be properly or timely performed) any responsibility, duty, or other obligation under this Agreement, provided that Contractor timely notifies Covered California of the problem and uses commercially reasonable efforts to perform and meet the Performance Standards notwithstanding Covered California's failure to perform or delay in performing.

If Contractor wishes to avail itself of one of these exceptions, Contractor must notify Covered California in its response to the performance report identifying the failure to meet such Performance Standard. This response must include: (a) the identity of the Performance Standard that is subject to the exception, and (b) the circumstances that gave rise to the exception in sufficient detail to permit Covered California to evaluate whether Contractor's claim of exception is valid. Notwithstanding anything to the contrary herein, in no event shall any failure to meet a Customer Satisfaction Performance Standard fall within an exception.

The Parties may adjust, suspend, or add Performance Standards from time to time, upon written agreement of the parties, without an amendment to this contract. Contractor shall remit payment to Covered California within 30 calendar days of receiving the Contractor Performance Measurement Evaluation Report and invoice.

If Contractor does not agree with either the Initial or Final Performance Standard Evaluation Report, Contractor may dispute the Report in writing within thirty (30) calendar days of receipt of that Report. The written notification of dispute shall provide a detailed explanation of the basis for the dispute. Covered California

~~shall review and provide a written response to Contractor's dispute within thirty (30) calendar days of receipt of Contractor's notification of dispute. If the Contractor still disputes the findings of Covered California, Contractor may pursue additional remedies in accordance with Section 12.1 of the Agreement.~~

~~Any amounts collected as performance penalties under this Attachment must be used to support Exchange operations.~~

~~**Call Center Operations Performance Standards Reporting – Group 1 – Customer Service and Group 2 – Operational, Performance Standards 1.1 – 1.4 and 2.1 – 2.2.**~~

~~Monthly Performance Report: Contractor shall monitor and track its performance each month against the Performance Standards set forth herein. Contractor shall provide detailed supporting information (as mutually agreed by the parties) for each Monthly Performance Report to Covered California in electronic format. Contractor shall report on Exchange business only and shall report Contractor's Enrollees in the Individual Exchange separate from Contractor's Enrollees in Covered California for Small Business.~~

~~**Measurement Rules:** Except as otherwise specified below in the Performance Standards Table, the reporting period for each Performance Standard shall be one calendar month. All references to days shall be calendar days and references to time of day shall be to Pacific Standard Time.~~

~~**Performance Standards:**~~

- ~~1) **General** – The Performance Standards Table sets forth the categories of Performance Standards and their associated measurements. In performing its services under this Agreement, Contractor shall use commercially reasonable efforts to meet or exceed the Performance Standards.~~
- ~~2) **Root Cause Analysis/Corrective Action** – If Contractor fails to meet any Performance Standard in any calendar month (whether or not the failure is excused), Exchange may request and Contractor shall (a) investigate and report on the root cause of the problem; (b) develop a corrective action plan (where applicable); (c) to the extent within Contractor's control, remedy the cause of the performance failure and resume meeting the affected Performance Standards; (d) implement and notify Covered California of measures taken by Contractor to prevent recurrences, if the performance failure is otherwise likely to recur; and (e) make written recommendations to Covered California for improvements in Contractor's procedures.~~
- ~~3) **Performance Standard Exceptions** – Contractor shall not be responsible for any failure to meet a Performance Standard if and to the extent that the failure is excused pursuant to Section 12.7 of the Agreement (Force Majeure) or the parties agree that the lack of compliance is due to Covered California's failure to properly or timely perform (or cause to be properly or timely performed) any responsibility, duty, or other obligation under this Agreement, provided that Contractor timely notifies Covered California of the problem and uses commercially reasonable efforts to perform and meet the Performance Standards notwithstanding Covered California's failure to perform or delay in performing.~~

~~If Contractor wishes to avail itself of one of these exceptions, Contractor must notify Covered California in its response to the performance report identifying the failure to meet such Performance Standard. This response must include: (a) the identity of the Performance Standard that is subject to the exception, and (b) the circumstances that gave rise to the exception in sufficient detail to permit Covered California to evaluate whether~~

~~Contractor's claim of exception is valid. Notwithstanding anything to the contrary herein, in no event shall any failure to meet a Customer Satisfaction Performance Standard fall within an exception.~~

~~Covered California must also comply with the Performance Standards to the extent that such standards are applicable to Covered California's operations.~~

~~4) — Agreed Adjustments/Service Level Relief — The Parties may adjust, suspend, or add Performance Standards from time to time, upon written agreement of the parties, without an amendment to this contract.~~

~~5) — Performance Defaults — Failure of the Contractor to meet the performance standards shall grant Covered California the authority to assess penalties where applicable, or require that the Contractor provide and implement a corrective action plan.~~

~~6) — Credits — For certain measures of the performance standards set forth in the Performance Standards Table, Contractor will have the opportunity to earn credit for performance that exceeds the Performance Standards. The Credits shall be used to offset (i.e., reduce) any penalties that are imposed during any Contract Year.~~

~~7) — Performance Tables — The Performance Standards are set forth in the tables below, titled Covered California Performance Standards for Contractor.~~

~~Performance Standards Reporting — Group 5 — Dental Quality Alliance (DQA) Pediatric Measure Set~~

~~Contractor shall annually report on the Performance Standards for dental in Group 5. Reporting will be on embedded pediatric dental for each Plan Year. Contractor must submit this report by April 30th of the following calendar year.~~

Covered California Performance Standards for Contractor

~~Group 1: Customer Service Performance Standards~~

~~15% of Total Performance Penalty at Risk or Credit
(Penalties and Credits Waived for 2017-2021)~~

Performance Standards and Expectations

No penalties or credits will be assessed in 2017 – 2022.

Performance Standard		Performance Requirements	<u>Contractor Must Submit Data by the 10th of the following month</u>	<u>Measurement Period</u>
1.1	Abandonment Rate (%) 3.75% of total performance penalty for this Group.	<u>Expectation:</u> No more than 3% of incoming calls abandoned in a calendar month. Divide number of abandoned calls by the number of calls offered to a phone representative.	X	<u>January 1, 2022-December 31, 2022</u> Performance Level: >3% abandoned: 3.75% performance penalty. 2-3% abandoned: no penalty. <2% abandoned: 3.75% performance credit.
1.2	Service Level 3.75% of total performance penalty for this Group.	<u>Expectation:</u> 80% of calls answered in 30 seconds or less.	Performance Level: <80%: 3.75% performance penalty. 80%-90%: no penalty. >90%: 3.75% performance credit. X	<u>January 1, 2022-December 31, 2022</u>

Covered California Performance Standards for Contractor

~~Group 1: Customer Service Performance Standards~~

~~15% of Total Performance Penalty at Risk or Credit
(Penalties and Credits Waived for 2017-2021)~~

Performance Standards and Expectations

No penalties or credits will be assessed in 2017 – 2022.

	Performance Standard	Performance Requirements	Contractor Must Submit Data by the 10th of the following month	Measurement Period
1.3	Grievance Resolution 3.75% of total performance penalty for this Group.	<u>Expectation:</u> 95% of Covered California enrollee grievances resolved within 30 days of initial receipt.	<u>Performance Level:</u> <95% resolved within 30 days of initial receipt: 3.75% performance penalty. 95% or greater resolved within 30 days of initial receipt: no penalty. 95% or greater resolved within 15 days of initial receipt: 3.75% performance credit. X	<u>January 1, 2022-December 31, 2022</u>
1.4	Covered California member Email or Written Inquiries Answered and Completed. 3.75% of total performance penalty for this Group.	<u>Expectation:</u> 90% of Covered California member email or written inquiries answered and completed within 15 business days of the inquiry. Does not include appeals or grievances.	<u>Performance Level:</u> <90%: 3.75% performance penalty. 90-95%: no penalty. >95% in 15 days: 3.75% performance credit. X	<u>January 1, 2022-December 31, 2022</u>

<u>Performance Standards and Expectations</u>					
Group 2: Operational Performance Standards					
10% of Total Performance Penalty at Risk (Penalties and Credits Waived for 2017-2021)					
Performance Standard		Performance Requirements		<u>Contractor Must Submit Data by the 10th of the following month</u>	<u>Measurement Period</u>
<u>2.11.5</u>	ID Card Processing Time 5% of total performance penalty for this Group.	For Small Business: <u>Expectation:</u> 99% of ID cards issued within 10 business days of receipt of complete and accurate enrollment information for a specific consumer(s).	X	Performance Level: <99%: 5% performance penalty. <u>January 1, 2022-December 31, 2022</u>	
<u>2.21.6</u>	<u>Provider Directory Data Submission specific to contract Section 3.4.4 Provider Directory and Attachment 7, Section 2.02 Data Submission.</u> 5% of total performance penalty for this Group. <u>1.6 Provider Directory Data Submission requirement will be waived for 2022.</u>	<u>Expectation: Full and regular submission of provider data according to the standards outlined in the Performance Standard contract specific to contract Section 3.4.4. Submissions occur every month pursuant to the submission schedule (Extranet, Plan Home, Resources, Provider Directory Resources, Covered California Provider Data Submission Schedule Current Year). Full and regular submission of data according to the standards</u>	a) Full and regular submission according to the formats specified and useable by Covered California within 5 business days of each monthly reporting cycle. Pilot	<u>January 1, 2022-December 31, 2022</u>	

Performance Standards and Expectations

Group 2: Operational Performance Standards

**10% of Total Performance Penalty at Risk
(Penalties and Credits Waived for 2017-2021)**

Performance Standard	Performance Requirements	<u>Contractor Must Submit Data by the 10th of the following month</u>	<u>Measurement Period</u>	
		<p>outlined. 5% of total performance penalty at risk.</p> <p><u>Performance Level:</u></p>	<p>Period: to be determined.</p> <p>b) Incomplete, irregular, late or non-useable submission of HEI data: 5% penalty of total performance requirement. Full and regular submission according to the formats specified and useable by Covered California within 5 business days of each monthly</p>	

Performance Standards and Expectations

Group 2: Operational Performance Standards

~~10% of Total Performance Penalty at Risk
(Penalties and Credits Waived for 2017-2021)~~

Performance Standard	Performance Requirements	<u>Contractor Must Submit Data by the 10th of the following month</u>	<u>Measurement Period</u>
		reporting cycle: no penalty.	

Group 3: Reserved for future use

Group 4: Covered California Performance Standards for Covered California

**Potential 15% Credit
(Penalties and Credits Waived for 2017-2021)**

Customer Service Measures		Covered California Performance Requirements
4.1	Service Level	<p>Expectation: 80% of calls answered in 30 seconds or less.</p> <p>Performance Level: <80%: 5.0% performance credit. 80%-90%: no credit. >90%: 5.0% reduction in performance credit.</p>
4.2	Abandonment Rate (%)	<p>Divide number of calls abandoned by the number of calls offered to a phone representative.</p> <p>Expectation: No more than 3% of incoming calls are abandoned in a calendar month.</p> <p>Performance Level: >3% abandoned: 5.0% performance credit. 2-3% abandoned: no credit. <2% abandoned: 5.0% reduction in performance credit.</p>
4.3	Complaint Resolution for Covered California	<p>Expectation: 95% of Enrollee complaints resolved within 30 days.</p> <p>Performance Level: <95% resolved within 30 days: 5.0% performance credit. 95% or greater resolved within 30 days: no credit. 95% or greater resolved within 15 days: 5.0% reduction in performance credit</p>

Performance Standards with Penalties

Health Evidence Initiative (HEI) Data

Definitions for Performance Standard 2.1

Incomplete: A file or part of a file is missing, or critical data elements are not provided.

Irregular: Unexpected file or data element formatting, or record volumes or data element counts / sums deviate significantly from historical submission patterns for the data supplier.

Late: Data is submitted on a date later than the supplier's agreed-upon submission date (i.e., between the 5th and 15th of the month) plus five business days.

Non-Usable: HEI Vendor cannot successfully include submitted data in its database build, or HEI Vendor's or Covered CA's analysts determine that critical components of the submitted data cannot be used or relied upon in subsequent analytic work.

No penalties or credits will be assessed in 2017 – 2022.

Performance Standard

Performance Requirements

2.1

HEI Data Submission specific to Attachment 7, Section 15.01 Data Submission.

2.1 HEI Data Submission penalty will be waived for 2022.

Expectation: Full and regular submission of data according to the standards outlined in the Attachment 7 citations. The Contractor must work with Covered California and HEI vendor to ensure accuracy of data variables on an ongoing basis.

Performance Levels:

1. Incomplete, irregular, late or non-useable submission of HEI data: 3% penalty of total performance requirement.

Failure to submit required financials (e.g., allowed, copay, coinsurance, and deductible amounts) or dental claims covered under medical benefits constitutes incomplete submission.

Full and regular submission according to the formats specified and useable by Covered California within 5 business days of each monthly reporting cycle: no penalty.

2. Inpatient facility medical claim submissions for which the HEI Vendor cannot identify / match at least 95% of admissions to its Master Provider Index: 3% penalty of total performance requirement.

Submission meeting or surpassing the 95% identification / matching threshold: no penalty.

3. Professional medical and Rx claim submissions with provider taxonomy or type missing or invalid on more than 1% of records: 2% penalty of total performance requirement.

Submission meeting or surpassing the 99% populated and valid threshold: no penalty.

4. Enrollment or professional medical claim, or Rx claim submissions with PCP NPI ID missing or invalid on more than 1% of records: 2% penalty of total performance requirement.

Submission meeting or surpassing the 99% populated and valid threshold: no penalty.

Performance Standards with Penalties

Quality, Network Management and Delivery System Standards

3.1 Reserved for future use.

Group 5:

Performance Standards with Penalties

Dental Quality Alliance (DQA) Pediatric Measure Set

Pilot Period: January 1, 2021 – December 31, 2021

Contractor must annually report on the following Performance Standards for embedded pediatric dental for each plan year. Contractor must submit this report by April 30th of the following calendar year.

~~Contractor shall annually submit the required data for Group 5.~~

No penalties or credits will be assessed in 2017 – 2022.

~~No penalties or credits will be assessed for Group 5 in 2017 – 2021/2022.~~

Measure	Description	Numerator	Denominator	QDP Performance Rate	Expectation
54. 1	Utilization of Services	Percentage of all enrolled children aged 0 - 1 who received at least one dental service within the reporting year.	Unduplicated number of enrolled children aged 0 - 1 who received at least one dental service.	Unduplicated number of all enrolled children aged 0 -1.	NUM/DEN 10%
54. 2	Utilization of Services	Percentage of all enrolled children aged 2 – under age 19 who received at least one dental service within the reporting year.	Unduplicated number of enrolled children aged 2 – under 19 who received at least one dental service.	Unduplicated number of all enrolled children aged 2 – under age 19.	NUM/DEN 50%
54. 3	Oral Evaluation	Percentage of enrolled children under age 19 who received a comprehensive or periodic oral evaluation within the reporting year.	Unduplicated number of enrolled children under age 19 who received a comprehensive or periodic oral evaluation as a dental service.	Unduplicated number of enrolled children under age19.	NUM/DEN 50%

54. 4	Sealants in 10 year olds	Percentage of enrolled children, who have ever received sealants on a permanent first molar tooth: (1) at least one sealant and (2) all four molars sealed by 10 th birthdate.	Unduplicated number of enrolled children who ever received sealants on a permanent first molar tooth: (1) at least one sealant and (2) all four molars sealed	Unduplicated number of enrolled children with their 10 th birthdate in measurement year. Exclude children who received treatment (restorations, extractions, endodontic, prosthodontic, and other dental treatments) on all four first permanent molars in the 48 months prior to the 10 th birthdate.	NUM1/DEN; NUM2/DEN (after exclusions)	40%
54. 5	Sealants in 15 year olds	Percentage of enrolled children, who have ever received sealants on a permanent second molar tooth: (1) at least one sealant and (2) all four molars sealed by the 15 th birthdate	Unduplicated number of enrolled children who ever received sealants on a permanent second molar tooth: (1) at least one sealant and (2) all four molars sealed.	Unduplicated number of enrolled children with their 15 th birthdate in measurement year. Exclude children who received treatment (restorations, extractions, endodontic, prosthodontic, and other dental treatments) on all four second permanent molars in the 48 months prior to the 15 th birthdate.	NUM/1DEN; Num2/DEN (after exclusions)	40%
54. 6	Topical Fluoride for Children at Elevated Caries Risk	Percentage of enrolled children aged 1-18 years who are at "elevated" risk (i.e. "moderate" or "high") who received at least 2 topical fluoride applications within the reporting year.	Unduplicated number of enrolled children aged 1-18 years who are at "elevated" risk (i.e. "moderate" or "high") who received at least 2 topical fluoride applications as a dental service.	Unduplicated number of enrolled children aged 1-18 years at "elevated" risk (i.e. "moderate" or "high").	NUM/DEN	50%

54.7	Ambulatory Care Sensitive Emergency Department Visits for Dental Caries in Children	Number of emergency department (ED) visits for caries-related reasons per 100,000 member months for all enrolled children.	Number of ED visits with caries-related diagnosis code among all enrolled children.	All member months for enrollees 0 through 18 years during the reporting year.	(NUM/DEN) x 100,000	Monitoring until claims data is received
54.8	Follow-Up After ED Visit by Children for Dental Caries	The percentage of caries-related emergency department visits among children 0 through 18 years in the reporting year for which the member visited a dentist within 7 days of the ED visit.	Number of caries-related ED visits in the reporting year for which the member visited a dentist within 7 days (NUM) of the ED visit.	Number of caries-related ED visits in the reporting year.	NUM/DEN	Monitoring until claims data is received
54.9	Follow-Up After ED Visit by Children for Dental Caries	The percentage of caries-related emergency department visits among children 0 through 18 years in the reporting year for which the member visited a dentist within 30 days of the ED visit.	Number of caries-related ED visits in the reporting year for which the member visited a dentist within 30 days (NUM) of the ED visit.	Number of caries-related ED visits in the reporting year.	NUM/DEN	Monitoring until claims data is received