

California Health Benefit Exchange

Guidelines for Selection and Oversight of Qualified Health Plans and the Development of the Small Employer Health Options Program

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The policies, procedures and criteria for the California Health Benefit Exchange's selection and oversight of Qualified Health Plans (QHP) and the Small Employer Health Options Program (SHOP) should be specifically guided by the Exchange's vision, mission and values. The Guidelines that follow reflect core issues that should be considered for each policy/decision made by the Exchange in the development and implementation of coverage offerings. Where possible, the positive or negative impact on each of the following considerations should be quantified or framed by clearly articulated rationales for the basis of the assumptions used.

There will be "trade-offs" among competing goals and interests, but Exchange policies should consider those trade-offs and the implications of alternative policies.

Policy guidelines (with detailed examples on following pages):

- I. **Promote affordability** for the consumer and small employer – both in terms of premium and at point of care.
- II. **Assure access to quality care** for consumers presenting with a range of health statuses and conditions
- III. **Facilitate informed choice of health plans and providers** by consumers and small employers.
- IV. **Promote wellness** and prevention.
- V. **Reduce health disparities** and foster health equity
- VI. **Be a catalyst for delivery system reform** while being mindful of the Exchange's impact on and role in the broader health care delivery system.
- VII. **Operate with speed and agility** and use resources efficiently in the most focused possible way

- I. Promote affordability for the consumer and small employer – both in terms of premium and at point of care
 - a. Offer health plans, plan designs and networks that foster competitive and stable premiums.
 - b. Offer health plans, plan designs and networks that will attract maximum enrollment as part of the Exchange’s effort to lower costs by spreading risk as broadly as possible.
 - c. Assure Qualified Health Plans are not disadvantaged compared to the price or products offered outside of the Exchange.
 - d. Offer benefit plan designs and contribution strategies that encourage small employers to make available robust coverage and support effective employer contribution levels.
 - e. Link plan selection and designs to the Exchange’s outreach and enrollment practices geared at maximizing enrollment of subsidy-eligible individuals and tax-credit eligible small businesses, as well as unsubsidized individuals and businesses.
 - f. Rely on existing standards, measures or processes for selecting and monitoring health plans and provider performance, building toward more robust standards and outcome measures over time to minimize burden and costs.
 - g. Evaluate all Exchange policies, marketing and oversight in context of the potential impact on premiums

- II. Assure access to quality care for individuals with varying health statuses and conditions
 - a. Require robust performance measures in order to ensure that consumers receive high quality care. Exchange measurement strategies should include:
 - 1. Align with standard measures, such as those adopted by the National Quality Forum and as reflected in the National Quality Strategy, the National Prevention and Health Promotion Strategy and the Medicare Strategic Framework for Multiple Chronic Conditions.
 - 2. Build on established quality, performance and patient experience measures currently in use.
 - 3. Support the expansion of measures that focus on health outcomes, patient-reported health status and cost of care.

- b. Ensure that plan design, provider network and access standards promote access to care based on patients' needs, health status and personal characteristics, including the desire to promote continuity of care for individuals that may move between coverage types (e.g., Medi-Cal, Healthy Families, Individual and Employer) or have family members with different coverage. Evaluate options in consideration of the following:
 - 1. Meaningful access and timeliness standards;
 - 2. Language and culturally appropriate care to Exchange enrollees;
 - 3. Access to primary care and reduction of health risks;
 - 4. Effective management of chronic conditions;
 - 5. Specialty care, including addressing rare and complex conditions; mental health and substance abuse care needs.
 - 6. Effective inclusion of safety net community health centers; academic, children's, rural and public hospitals; a mix of trained health professionals.

- c. Consider how access to needed care is promoted and how Exchange policies can expand primary care access over the medium to long term, including through innovations in care delivery such as use of telemedicine and person-centered care that meets the needs of each individual.

III. Facilitate informed choice of health plans and providers by consumers and small employers.

- a. Because "health care is local", health plan choice should be anchored in local options for consumers and employers, while assuring the Exchange offers statewide coverage.

- b. Foster a high level of plan participation that will permit meaningful choice for individuals and small employers.

- c. Contracted plans should provide Exchange enrollees with tools to understand the implications of their coverage selection on provider and treatment choices and tools to choose their providers.

- d. Participate in and support efforts to efficiently collect and appropriately report information that can inform consumers' choice of coverage, providers and treatment options including information on QHP and provider quality, cost and consumer experience.

- IV. Promote wellness and prevention
 - a. Offer health plans, plan designs and networks that will promote enrollees' maintaining good health and preventing disease
 - b. Identify opportunities to align with community health and wellness initiatives
- V. Reduce health disparities and foster health equity.
 - a. Consider and evaluate on an ongoing basis the extent to which Exchange policies promote health equity and the reduction of health disparities.
 - b. Exchange policies shall assure that QHPs offer a sufficient number of providers with linguistic and cultural competence to serve diverse enrollment.
- VI. Be a catalyst for delivery system reform while being mindful of the Exchange's impact on and role in the broader health care delivery system.
 - a. Align Exchange strategies to foster improvements in care delivery with other National and state payment and delivery system redesign efforts to maximize impact on the delivery system, including Centers for Medicare and Medicaid Services, Medi-Cal, CalPERS and private sector purchaser initiatives.
 - b. Adopt policies that encourage and measure provider payment, provider contracting and measurement processes that foster the Exchange's values.
 - c. Promote consistent evidence-based care while allowing for innovation and person-centered care that meets the individual's needs.
 - d. Support effective use of health information technology to expand access and foster electronic information exchange.
 - e. Support making care affordable for individuals inside and outside of the Exchange and be mindful of impacts of Exchange policies on care systems that provide care to the uninsured.
- VII. Operate with speed and agility, using resources efficiently and in the most focused possible way.
 - a. Consider the administrative capacity of the Exchange and the need to phase in some programs over time.
 - b. In adopting standards, consider the practical capabilities of impacted parties to meet the standards, which may include the need to phase in some standards over time and to modify some standards as data capacity, the delivery system and markets evolve.