Summary of Changes to the Qualified Health Plan Recommendations for California Health Benefit Exchange			
Preliminary Recommendations (dated July 16th)		**Final Recommendations (August 23rd Board Meeting)**	
Table of Contents Section Number, Issue Number (if applicable), and Title	**Recommendation**	**Summary of Change(s) to Recommendation** • No Change to Recommendation • Modified Language/Discussion • Change to Recommendation	**Description of Change(s) to Recommendation**
3. Guidelines for QHP Selection	N/A	Modified language	• Clarify the importance of consumer affordability for premium and at point of care • Add "sexual orientation" as element for assuring access to care • Add changes in administrative processes that reduce burden on plans, providers and consumers
4. Core Minimum Qualified Health Plan Certification Requirements and Regulator Partnerships		No Change to Recommendation	
5. Plan and Network Design Issues			
5.A. Active Purchaser: Number and Mix of Exchange Plans	N/A	Change to Recommendation	Reinforce adoption by California of Active Purchaser Model authorized in state Affordable Care Act legislation
5.A.1 Active Purchaser: Metal Level Tiers of Qualified Health Plan Bids	Staff recommended Qualified Health Plans meet all actuarial value metal tiers within a geographic region (Option A).	No Change to Recommendation • Modified language	Clarify that in allowing 2-3 bids by issuer, issuers can propose benefit designs in addition to the standardized designs required.
5.A.2 Active Purchaser: Number of Carrier Qualified Health Plan Product Bids	Staff recommended allowing issuers to propose 2-3 products per geographic region per issuer (Option B).	No Change to Recommendation • Modified language or discussion	Clarification how plan issuer bids (products) will be counted per geographic region • Differ by network (HMO, PPO, narrow network) • Differ by type of Value based benefit design
5.A.3 Active Purchaser: Geographic Coverage by Health Plans	Staff recommended allowing issuers to bid for subset of	No Change to Recommendation	

Summary of Changes to the Qualified Health Plan Recommendations for California Health Benefit Exchange			
Preliminary Recommendations (dated July 16th)		**Final Recommendations (August 23rd Board Meeting)**	
Table of Contents Section Number, Issue Number (if applicable), and Title	**Recommendation**	**Summary of Change(s) to Recommendation** • No Change to Recommendation • Modified Language/Discussion • Change to Recommendation	**Description of Change(s) to Recommendation**
	licensed regions in state; requires full coverage for licensed service area within region (Option B).		
5.A.4 Active Purchaser: Multi-Year Contracts	N/A	Change to Recommendation(Added)	• Encourage QHP issuer to engage in multi-year contracts with Exchange effective January 1, 2014 • Three year period • Terms and conditions negotiated between parties • Exchange to limit new competition in multi-year contract regions, except to accommodate expansion of Medi-Cal managed care plans
5.B Rating Issues: Family Tiers, Age, Geography, Tobacco and Wellness		Added	Noted that QHP bidders are required to offer plans rated for child-only coverage but can use same plan designs.
5.B.1 Rating Issues: Family Tiers, Age, Geography, Tobacco and Wellness -- Standardization of Family Structure Rating Factors	Staff recommended the Exchange standardize the family tiers and tier ratios (Option C)	Change to Recommendation • Modified language	• Change recommendation to B: standardize the family tiers but not the family tier ratios. • Reinforce need for Federal guidance or state legislation to set family tiers but not necessarily ratios. • Revise recommendation to use contracting ability to standardize family tiers for QHP issuers for products outside of the Exchange (pending regulatory action)
5.B.2 Rating Issues: Family Tiers, Age, Geography, Tobacco and Wellness -- Standardization of Age Factors	Staff recommended the Exchange standardize both the age bands and the age factors used by Exchange	Change to Recommendation • Modified language	• Change recommendation to B: standardize age bands but not age band ratios • Reinforce need for Federal guidance or state legislation to set family tiers but not necessarily ratios.

Summary of Changes to the Qualified Health Plan Recommendations for California Health Benefit Exchange			
Preliminary Recommendations (dated July 16th)		**Final Recommendations (August 23rd Board Meeting)**	
Table of Contents Section Number, Issue Number (if applicable), and Title	**Recommendation**	**Summary of Change(s) to Recommendation** • No Change to Recommendation • Modified Language/Discussion • Change to Recommendation	**Description of Change(s) to Recommendation**
	issuers (Option B)		• Revise recommendation to use contracting ability to standardize family tiers for QHP issuers for products outside of the Exchange (pending regulatory action)
5.B.3 Rating Issues: Family Tiers, Age, Geography, Tobacco and Wellness -- Requirement that Issuers Cover Entire Geographic Regions	Staff recommended Option C: that the Exchange require issuers to cover entire licensed region and allow region wide plans to offer sub-regional plans if they choose	No Change to Recommendation • Modified language or discussion	Clarification: allow issuer licensed in entire region to also offer sub-regional product. Clarification: Rating rules require that the sub-regional product must be different in order to offer different price.
5.B.4 Rating Issues: Family Tiers, Age, Geography, Tobacco and Wellness -- Allowable Rate Adjustment for Tobacco Use	Staff recommend that the Exchange conduct further research on the pros and cons of requiring a limited rate up for tobacco use that could be waived if an enrollee participates in a smoking cessation program (Option C)	Change to Recommendation	• Change recommendation to A: Prohibit the application of tobacco rating factors • Recommend state legislation to ensure common rules market wide. • Revise recommendation to use contracting ability to standardize tobacco rating practices outside of the Exchange (pending regulatory action)
5.B.5 Rating Issues: Family Tiers, Age, Geography, Tobacco and Wellness -- Wellness Program Incentives	Staff recommended the Exchange allow wellness program incentives (Option B)	No Change to Recommendation	Clarified that wellness incentives are currently expressly allowed for small group; recommend Exchange participate in 10 state demonstration project sponsored by HHS in the near future.
5.C.1 Plan Design Standardization: Standardization of Cost Sharing Provisions	Staff recommended the Exchange standardize the major cost-sharing	No Change to Recommendation Modified Language or	Exchange will allow issuers to submit one non-standardized benefit plan design in addition to the standard benefit plans. This would permit issuers to offer innovations such as new networks, provider

Summary of Changes to the Qualified Health Plan Recommendations for California Health Benefit Exchange			
Preliminary Recommendations (dated July 16th)		**Final Recommendations (August 23rd Board Meeting)**	
Table of Contents Section Number, Issue Number (if applicable), and Title	**Recommendation**	**Summary of Change(s) to Recommendation** • No Change to Recommendation • Modified Language/Discussion • Change to Recommendation	**Description of Change(s) to Recommendation**
	components while allow limited customization (Option B)	Discussion	arrangements, such as ACOs value-based insurance design and the like.
5.C.2 Plan Design Standardization: Standardization of Benefit Exclusion and Limits	Staff recommended the Exchange standardizes major benefit limits and exclusions and allow limited customization (Option B)	No Change to Recommendation Modified Language	Exchange will allow issuers to submit one non-standardized benefit plan design in addition to the standard benefit plans. This would permit issuers to offer innovations such as new networks, provider arrangements, such as ACOs value-based insurance design and the like.
5.C.3 Plan Design Standardization: Standardization of Drug Formularies	Staff recommended the Exchange requires formularies to include at least two drugs per class or category (Option B)	Change to Recommendation	Change recommendation to A: require plans to meet ACA requirement of at least one drug per class or category • Access to additional drugs in class or category though medical necessity requirements based on current state law, expected new state law and current state regulation
5.C.4 Plan Design Standardization: Value-Based Benefit Design in the Context of Benefit Standardization	Staff recommended the Exchange allows value-based benefit designs that lower patient out-of-pocket costs or provide financial rewards (Option B)	No Change to Recommendation • Modified language or discussion	Clarification: Allow value based design with positive incentives for in-network services; may use negative incentives for out-of network services, except emergency.
5.C.5 Plan Design Standardization: Standardization of Minimum Out-of-Network Benefits	Staff recommended the Exchange standardizes minimum out-of-network benefits (Option B)	Change to Recommendation	• Require use of FAIR Health data base to establish the basis for the plan's out-of-network benefit at 50th percentile for non-emergent care. • Require plans to make information available to Exchange members regarding amount that will be paid by plan to allow for informed choice. • Require plans to require network providers to disclose use of any non-network providers before member selects out of network

Summary of Changes to the Qualified Health Plan Recommendations for California Health Benefit Exchange			
Preliminary Recommendations (dated July 16th)		**Final Recommendations (August 23rd Board Meeting)**	
Table of Contents Section Number, Issue Number (if applicable), and Title	**Recommendation**	**Summary of Change(s) to Recommendation** • No Change to Recommendation • Modified Language/Discussion • Change to Recommendation	**Description of Change(s) to Recommendation**
			services.
5.D.1 Premium Subsidies and Cost-Sharing Reductions: Plan Choices for Individuals with Income between 100% and 250% of FPL	Staff recommended the Exchange allow choice only among bronze and silver plans (Option B) for individuals with income between 100% and 250% of FPL	Change to Recommendation • Deleted	Change recommendation to Option C. • Allow enrollee with income between 100% and 250% of FPL to choose any metal level plans while ensure effective consumer information regarding financial advantage of choosing silver tier is available.
5.D.2 Premium Subsidies and Cost-Sharing Reductions: Plan Choice for Individuals with Income between 250% and 400%	Staff recommended the Exchange allow choice of plans from any tier (Option C) for individuals with income between 250% and 400% of FPL	No Change to Recommendation • Modified language or discussion	Clarification: No differentiation in choice by enrollee income level or eligibility for cost sharing subsidy. Allow enrollees complete choice among all metal level plans.
5.E.1 Provider Network Access: Adequacy Standards -- Consideration of Exchange Provider Network Access Adequacy Standards for QHP Certification	Staff recommended the Exchange applies the current regulatory requirements for provider network adequacy (Option A)	No Change to Recommendation	
5.E.2 Provider Network Access: Adequacy Standards -- Approaches to Evaluating Provider Network Adequacy for QHP Certification	Staff recommended the Exchange rely on the regulators' certification that the QHPs meet regulatory network adequacy standards (Option A)	No Change to Recommendation	
5.F.1 Provider Network Access:	Staff recommended that the	Change to	• Support broader definition but further refined the definition of

Summary of Changes to the Qualified Health Plan Recommendations for California Health Benefit Exchange			
Preliminary Recommendations (dated July 16th)		**Final Recommendations (August 23rd Board Meeting)**	
Table of Contents Section Number, Issue Number (if applicable), and Title	**Recommendation**	**Summary of Change(s) to Recommendation** • No Change to Recommendation • Modified Language/Discussion • Change to Recommendation	**Description of Change(s) to Recommendation**
Essential Community Providers -- Definition of Essential Community Providers	Exchange adopt a broad definition of Essential Community providers to include 340B/1927c providers and to recognize the value of private practice physicians, physician groups, Medicaid Disproportionate Share Hospital and other clinics that have historically served the uninsured, low-income and medically underserved populations (Option B).	Recommendation • Modified language or discussion	essential community providers. • Hospital providers: ○ those that are included in the list of 340B and 1927 providers and ○ Medi-Cal Disproportionate Share Hospitals designated annually by the California DHCS. • Non-Hospital providers: ○ those that are included in the list of 340B and 1927 providers, and ○ all providers with approved applications for the HI-TECH Medi-Cal Electronic Health Record Incentive Program; and ○ federally designated 638 Tribal Health Programs or Title V Urban Indian Health Programs, and ○ community clinic or health centers licensed as either a "community clinic" or "free clinic", by the State under California Health & Safety Code section 1204(a)(1) and (2), or is exempt from licensure under Section 1206.
5.F.2 Provider Network Access: Essential Community Providers -- Definition of "sufficient" participation of Essential Community Providers	Staff recommended that Qualified Health Plan bidders be required to demonstrate that its Essential Community Provider network overlaps with the low income population in its service area to demonstrate both sufficiency and geographic distribution (Option B).	Change to Recommendation	Changed recommendation to indicate: • Qualified Health Plans must demonstrate sufficient geographic distribution to a broad range of providers reasonably distributed throughout the region with a balance of hospital and non-hospital providers by: ○ Demonstrating contracts with at least 15% of 340B entities per geographic rating region proposed by a QHP bidder. ○ Require at least one 340B hospital per region with balance distribution of non-hospital 340B providers throughout the

Summary of Changes to the Qualified Health Plan Recommendations for California Health Benefit Exchange			
Preliminary Recommendations (dated July 16th)		**Final Recommendations (August 23rd Board Meeting)**	
Table of Contents Section Number, Issue Number (if applicable), and Title	**Recommendation**	**Summary of Change(s) to Recommendation** • No Change to Recommendation • Modified Language/Discussion • Change to Recommendation	**Description of Change(s) to Recommendation**
			service area. ○ Demonstrating a minimum proportion of network overlap among Qualified Health Plan networks and essential community provider networks as defined above.
5.F.3 Provider Network Access: Essential Community Providers --Payment rates to Federally Qualified Health Centers	Re payment to and inclusion of FQHC's in-network, staff recommended inclusion of FQHCs in QHP networks and payment at fair compensation by the QHP defined as rates no less than the generally applicable rates of the issuer (Option C).	No Change to Recommendation	
6. Assuring Quality and Affordability			
6.A.1 Strategies to Promote Better Quality and More Affordable Care – Promote Alignment	Recommendations only.	No Change to Recommendation • Modified language/Discussion	Participation in PBGH also enables the Exchange to use the eValue8 health plan RFI results to support the assessment of Qualified Health Plans
6.A.2 Strategies to Promote Better Quality and More Affordable Care – Collect standardized Information	Recommendations only.	No Change to Recommendation • Modified language/Discussion	Encourage issuers to establish provider contracts with transparency clauses encouraging participation in statewide provider evaluation and rating programs, as well as permit differentiation of individual hospital and medical group operating units in both performance reporting and network design.
6.A.3 Strategies to Promote Better Quality and More Affordable	Recommendations only.	Recommendations revised to	Emphasized adherence to Patient Charter for certain health plan practices such as increasing transparency for provider level quality

Summary of Changes to the Qualified Health Plan Recommendations for California Health Benefit Exchange			
Preliminary Recommendations (dated July 16th)		**Final Recommendations (August 23rd Board Meeting)**	
Table of Contents Section Number, Issue Number (if applicable), and Title	**Recommendation**	**Summary of Change(s) to Recommendation** • No Change to Recommendation • Modified Language/Discussion • Change to Recommendation	**Description of Change(s) to Recommendation**
Care – Require certain health plan practices		"Requirements".	information.
6.B Accreditation Standards and Reporting for Qualified Health Plans	Staff recommended the Exchange require reporting of CAHPS and HEDIS measures consistent with Medi-Cal Managed Care and an interim NCQA Accreditation by 2014, Commendable by 2015 (Option B).	Change to Recommendation	Change recommendation to: • Include acceptance of URAC as well as NCQA • Extend time for NCQA/URAC accreditation from 2015 to 2016 • Extend time for Medi-Cal managed care plans to meet accreditation but date not specified. • Allow adequate time for Medi-Cal Local Initiative plans to obtain necessary certifications for commercial products • Replace absolute requirement for CAPHS and HEDIS reporting with "quality measures consistent with" CAPHS and HEDIS.
6.C.1 Promoting Wellness and Prevention: Use of a Health Risk Assessment Tool or Other Plan based Wellness Promotion Initiatives	Staff recommended that the Exchange permit health plans to provide an optional health risk assessment tool (Option C)	No Change to Recommendation • Modified language or discussion	• Require QHPs to share results with Exchange • Consider requiring certain common data elements • Measure QHP success in HRA completion
6.C.2 Promoting Wellness and Prevention: Provision of a Wellness Program by the Exchange	Staff recommended that the Exchange establish requirements for the wellness programs that are offered by health plans (Option C).	No Change to Recommendation	
6.C.3 Promoting Wellness and Prevention: Use of Financial Incentives by Plans to	Staff recommended that the Exchange allow health plans to offer wellness program	No Change to Recommendation • Modified language or	Clarification that financial incentives for wellness programs are permitted **only in the SHOP** and the Exchange will apply to participate in federal pilot to test wellness financial incentives in the

Summary of Changes to the Qualified Health Plan Recommendations for California Health Benefit Exchange			
Preliminary Recommendations (dated July 16th)		**Final Recommendations (August 23rd Board Meeting)**	
Table of Contents Section Number, Issue Number (if applicable), and Title	**Recommendation**	**Summary of Change(s) to Recommendation** • No Change to Recommendation • Modified Language/Discussion • Change to Recommendation	**Description of Change(s) to Recommendation**
Promote Wellness	incentives (Option A).	discussion	Individual Exchange.
6.C.4 Promoting Wellness and Prevention: Role of the Exchange in Addressing Community and Public Health	Staff recommended either that the Exchange engage in public and community health issues (Option A) or that the Exchange encourage health plans to address public health issues (Option B).	No Change to Recommendation	Recommended alignment with "Let's Get Healthy California" initiative.
7. Other			
7.A Aligning the Exchange with Medi-Cal, State Funded Health Programs and Commercial Plans	N/A	Added	Added language to indicate Alignment with commercial plans.
7.B Pediatric Dental and Vision: Essential Health Benefits	N/A	Added	• Clarification that pediatric dental and vision Essential Health Benefits must be offered in both the Individual and SHOP Exchanges. • Clarification that the Exchange will consider bids from stand-alone dental plans to cover the pediatric oral care benefit. • Noted that pediatric EHB vision benefits must be provided by QHPs. • Noted that pediatric EHB dental benefits can be provided by either QHP or standalone dental plans.

Summary of Changes to the Qualified Health Plan Recommendations for California Health Benefit Exchange			
Preliminary Recommendations (dated July 16th)		**Final Recommendations (August 23rd Board Meeting)**	
Table of Contents Section Number, Issue Number (if applicable), and Title	**Recommendation**	**Summary of Change(s) to Recommendation** • No Change to Recommendation • Modified Language/Discussion • Change to Recommendation	**Description of Change(s) to Recommendation**
7.B.1 Supplemental Health Benefits: Dental and Vision – Offering Supplemental Benefits in the Individual and SHOP Exchanges	Staff made a preliminary recommendation to offer supplemental benefits only in the SHOP Exchange (Option B).	No Change to Recommendation • Modified language or discussion	Clarification that "supplemental" dental and vision benefits are enhanced pediatric dental and vision beyond essential health benefits and that adult dental and vision supplemental benefits will be offered only in the SHOP.
7.B.2 Supplemental Health Benefits: Dental and Vision – Structuring Dental and Vision Benefit Offerings	Staff recommended considering bids from stand-alone dental plans (Option B)	No Change to Recommendation	