

## Attachment 14. Performance Standards

~~In the event that the reporting requirements identified herein include Personal Health Information, Contractor shall provide the Exchange only with de-identified Personal Health Information as defined in 45 C.F.R. Section 164.514. Contractor shall not be required to provide the Exchange any data, information or reports that would violate peer review protections under applicable laws and regulations.~~

During the term of this Agreement, Contractor shall meet or exceed the Performance Standards identified in this Attachment. Contractor shall be liable-responsible for payment of penalties that may be assessed by the Exchange with respect to 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.

The assessment of ~~the~~ penalties by the Exchange shall be determined on an annual basis in accordance with the computation methodology set forth in this Attachment. ~~In no event shall and shall be based on the following conditions: (i) the total amount at risk with respect to Contractor's failure to comply with the Performance Standards shall not exceed ten percent (10%) of the total Participation Fee that is payable to the Exchange in accordance with the terms set forth in Section 5.1.3 of the Agreement for the Individual Market, and four three percent (43%) for Covered California for Small Business. Additionally, the amount of Contractor's penalty, and (ii) the amount of performance penalty to be assessed with respect to Contractor's failure to meet a Performance Standard shall be offset (i.e., reduced) by any Service Level C credit that is provided in the event that Contractor exceeds a Performance Standard in a separate category and or if the Exchange 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. The performance measurement standards in Group 1 and 2 will be based on the final calendar year-end data for each performance standard.~~

The Exchange ~~must~~will also comply with the Performance Standards as described in Group 4 ~~herein~~. In the event that the Exchange does not satisfy a Performance Standard, based on the final calendar year-end data, the Exchange ~~shall~~will provide credits to Contractor which ~~will can~~ be applied to any penalties accrued to Contractor. Such credits may reduce up to 15% of Contractor's performance penalties ~~that may be assessed.~~

The Exchange will calculate penalties and credits at the end of each calendar year, based on ~~the~~ Contractor's final year-end data for each performance standard beginning with Group 1 and 2 and the Exchange's final year-end data for Group 4 ~~at the end of the calendar year~~. The Exchange's calculations will be provided to Contractor through the Initial Contractor Performance Standard Evaluation Report, covering Groups 1, 2, and 4, which the Exchange will send to ~~the~~ Contractor for review no later than January 31/February 28<sup>th</sup> of the following calendar year ~~within 30 calendar days after the end of the calendar year. The Exchange shall also include any credits against the Contractor's penalty amount in the Performance Standard Evaluation Report, if a credit is due based on the Exchange's failure to meet performance standards.~~ In no event shall the total credits to Contractor exceed the total amount of the performance penalty owed to the Exchange by Contractor ~~that may be assessed. Contractors shall submit the data required by the Performance Standards for Group 3, by will be due on the date specified in Attachment 13 to this Agreement. Some of the data required applies to a window of time, which is defined as measurement year 2015 and s. Some of the data represents a point in time. This e measurement timing is of Performance Standards for Group 3 is described in more detail in the table below. All of the 2017 reporting requirements, whether derived from measurement year 2015 or a point in time, will serve as baseline for performance assessment at the end of 2017. Contractor will report the~~

~~same information in Applications for 2018 and 2019, which will allow the Exchange Covered California to assess the trajectory and assign penalties or credits.~~

~~Measurement year for Performance Standard 3.3 is calendar year 2016. Measurement year for 3.4 a—the baseline is established using data provided in the 2017 application, performance will be compared with data provided in the 2018 application. For 3.4b—the baseline will be established in 2016, measurement year is the 2017 calendar year. Measurement year for Performance Standards 3.5—3.9 is calendar year 2017. For baseline data and payment strategy reporting supplied in the 2017 Application for Certification, Contractor shall report the best available data obtained by the due date of the application. Any data not available by the due date for the 2017 Certification Application shall be reported by the end of the third quarter of 2016, as well as payment strategies under Articles 4, 5, and 8.~~

~~When the results of Group 3 are reviewed and finalized received by the Exchange, Contractor's final results will be calculated by the Exchange based on the performance standards. The Exchange will then provide Contractor with a Final Contractor Performance Standard Evaluation Report, along with an invoice, within 30 calendar days of receipt of the Group 3 results.~~

<del>Performance Standards for Group 3 Reporting (baseline for 2017 performance assessment)Number</del>	<del>Reporting Based OnReporting Based on:</del>
<del>3.4a, 3.5-3.7</del>	<del>SnapshotPoint in time of current state, at the time of the 2017 Application for Certification</del>
<del>3.4b, 3.8, 3.9</del>	<del>Measurement Year 2015</del>

~~All of the 2017 reporting requirements, whether derived from measurement year 2015 or a point in time, will serve as baseline for performance assessment at the end of 2017. Contractor will report the same information in Applications for 2018 and 2019, which will allow the Exchange to assess the trajectory and assign penalties or credits. Any data not available by the due date for the 2017 Certification Application shall be reported by the end of the third quarter of 2016.~~

~~When the results of Group 3 are received by the Exchange, Contractor's final results will be calculated. The Exchange will then provide Contractor with a Final Contractor Performance Standard Evaluation Report, along with an invoice, within 360 calendar days of receipt of the Group 3 resultsdata requirements.~~

Contractor shall remit payment to the Exchange within ~~36~~30 calendar days of receiving the Final Contractor Performance Measurement Evaluation Report and invoice.

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

An example of how penalties and credits will be assessed is attached hereto as Appendix 1.

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

Contractor shall annually submit the required data for Group 5. Group 5 is a reporting requirement only. No penalties or credits will be assess for Group 5 in 2017.

#### ~~1.~~ **Call Center Operations**

~~800 Numbers: Contractor shall make information available regarding the Exchange pursuant to Contractor's toll-free hotline (i.e., 1-800 number) that shall be available to enrollees of Contractor both inside and outside the Exchange. The hotline and information services shall be staffed and operated in accordance with the Customer Service Standards set forth at Section 3.6.1 to provide support to Exchange Enrollees and in a manner designed to assure compliance with these Performance Standards.~~

~~Reporting: Contractor shall provide the following minimum reports to the Exchange at the specified time and frequency at no additional charge to the Exchange:~~

- ~~• Performance Standards reporting: Customer Service, Operational and Quality, Network Management and Delivery System Reform: monthly, quarterly and annually.~~
- ~~• Monthly accumulative monitoring scoring.~~

#### **Performance Standards Reporting - Group 1 - Customer Service and Group 2 – Operational, Performance Standards 1.1 – 1.10 and 2.1 – 2.26.**

~~2.~~ Monthly Performance Report: Beginning January 1, 2017, 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 the Exchange in electronic format. Contractor shall report on Exchange business only and shall report Contractor's ~~Exchange~~ Enrollees in the Individual Exchange separate from Contractor's ~~Exchange~~ 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. A; all references to days shall be calendar days and references to time of day shall be to Pacific Standard Time. A; all references to hours will be actual hours during a calendar day. A; and all references to days, months, and quarters shall be to calendar days, calendar months, and calendar quarters, respectively.

~~**Penalty Assessment: Except as otherwise specified in the Performance Standards table, the penalty and credit assessment will be based on the total annual performance for each Performance Standard.**~~

#### **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), Contractor shall promptly (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 the Exchange of measures taken by Contractor to prevent recurrences, if the performance failure is otherwise likely to recur; and (e) make written recommendations to the Exchange 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 the Exchange'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 the Exchange of the problem and uses commercially reasonable efforts to perform and meet the Performance Standards notwithstanding the Exchange's failure to perform or delay in performing.

If Contractor wishes to avail itself of one of these exceptions, Contractor shall indicate in the applicable performance report delivered in the first report second month following the failure to meet such Performance Standard: (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 the Exchange 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 Exchange ~~must will~~ also comply with the Performance Standards ~~set forth herein~~ to the extent that such ~~standards measurements~~ are applicable to the Exchange's operations. ~~In the event that Exchange fails to meet a Performance Standard with respect to its operations during the calendar year, the Contractor will receive a credit against any penalty amount owed based on the Contractor's performance.~~

4) Agreed Adjustments/Service Level Relief - In addition, the Parties may agree on Performance Standard relief or adjustments to Performance Standards from time to time, including, the inclusion of new ~~and/or~~ temporary Performance Standards.

5) Performance Defaults - ~~Failure of the Contractor to meet the performance standards shall grant the Exchange the authority to assess penalties where applicable, or require that the Contractor provide and implement a corrective action plan. If the Exchange elects to assess sanctions for failure to meet Performance Standards, it will so notify Contractor in writing following the Exchange's receipt of the Monthly Performance Report setting forth the performance level attained by Contractor for the calendar quarter to which the sanctions relate. If Contractor does not believe it is appropriate for the Exchange to assess sanctions for a particular calendar quarter or calendar year (as applicable), it shall so notify the Exchange in writing within thirty (30) days after receipt of the Exchange's notice of assessment and, in such event, the Exchange will meet with Contractor to consider, in good faith, Contractor's explanation of why it does not believe the assessment of sanctions to be~~

~~appropriate; provided, however, that it is understood and agreed that the Exchange, acting in good faith, will make the final determination of whether or not to assess the sanctions.~~

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

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

### **~~Performance Standards Reporting Group 3- Quality, Network Management and Delivery System Reform, Performance Standards 3.1-3.9~~**

~~QHP issuers Issuers are required by CMS in 2018 to collect and submit third-party validated QRS measure data, for measurement year 2017 that will be used by CMS to calculate QHP scores and ratings. These measures will be determined by CMS. In addition to reporting CMS QRS scores from 2017, Covered California will use a subset of these measures to create a Covered California specific Performance Guarantee Standards for measurement year 2017 to be applied in 2018, per the attachment below. Covered California will publicly report the QRS scores and ratings that are produced by CMS, and reserves the right to produce additional QRS scores from the CMS data for public release. QRS scores are based on surveys of both individual market and Covered California for Small Business enrollees for these products offered in both marketplaces. Performance penalties will be calculated using the PMPM for individual market only.~~

~~Many of the performance measures described in 3.4-3.9 will be based on targets set from baseline data on 2016 performance that will be reported in 2017. Most will be reported in the, either in the 2018 AA application for Certification (May of 2017), however some information will be reported later due to time constraints ( or later in 2017 (in the case of for example HEDIS scores). The corresponding reports on 2017 performance will be reported in 2018, either through the 2019 Application application for certification (May of 2018) or later in 2018 (in the case of HEDIS scores). This Agreement may be amended to modify Performance Standards and targets Contractor must meet to be met during plan years 2018 and 2019, which may not necessarily be the same as 2017 and will be mutually agreed decided upon during the 2018 and 2019 applications for certification those respective application processes.~~

### **Performance Standards Reporting – Group 5 - Dental Quality Alliance (DQA) Pediatric Measure Set**

Contractor shall annually report on the required Performance Standards for dental performance measurement standards in Group 5. Reporting will be on embedded pediatric dental for the 2017 each Plan Year contract term. Contractor must submit this Rreport at the end of will be due in the first quarter of 2018 the following calendar year.

## Covered California Performance Standards for Contractor

Group 1: Customer Service Performance Standards					
15% of Total Performance Penalty <u>At Risk</u> or Credit					
Performance Standard		Individual	Small Business	Performance Requirements	
1.1	<b>Inbound Call Volume – Covered California Calls Only</b>	✗	✗	Reporting Required Only. No penalty or credit. Total number of calls received by the IVR.	
1.2	<b>Number of Covered California Calls offered to Phone Representatives</b>	✗	✗	Reporting Required Only. No penalty or credit.  Do not include any calls terminated in the IVR or self-served in the IVR.	
1.3	<b>Number of Covered California Calls Abandoned</b>	✗	✗	Reporting Required Only. No penalty or credit.  Do not include calls abandoned in 10 seconds or less.	
1.4	<b>Abandonment Rate (%)</b>  3% of total performance penalty for this Group.	✗	✗	Divide number of abandoned calls by the number of calls offered to a phone representative.  <u>Expectation:</u> No more than 3% of incoming calls abandoned in a calendar month.  <u>Performance Level:</u> >3% abandoned: 3% performance penalty. 2-3% abandoned: no penalty. <2% abandoned: 3% performance credit.	
1.5	<b>Average Speed of Answer</b>  3% of total performance penalty for this Group.	✗	✗	<u>Expectation:</u> 80% of calls answered in 30 seconds or less.  <u>Performance Level:</u> <80%: 3% performance penalty. 80%-90%: no penalty. >90%: 3% performance credit.	
1.6	<b>Average Handle Time</b>	✗	✗	Reporting Required only. No penalty or credit.  <u>This includes talk time, hold time, and after call wrap up time.</u>	

## Covered California Performance Standards for Contractor

Group 1: Customer Service Performance Standards				
15% of Total Performance Penalty <u>At Risk</u> or Credit				
Performance Standard		Individual	Small Business	Performance Requirements
1.7	<p><b>Initial Call Resolution</b></p> <p>3% of total performance penalty for this Group.</p>	✘	✘	<p><u>Expectation:</u> 85% of Covered California enrollee issues will be resolved within one (1) business day of receipt of the issue.</p> <p><u>Performance Level:</u> &lt;85%: 3% performance penalty. 85-95%: no penalty. &gt;95%: 3% performance credit.</p>
1.8	<p><b>Grievance Resolution</b></p> <p>3% of total performance penalty for this Group.</p>	✘	✘	<p><u>Expectation:</u> 95% of Covered California enrollee grievances resolved within 30 calendar days of initial receipt.</p> <p><u>Performance Level:</u> &lt;95% resolved within 30 calendar days of initial receipt: 3% performance penalty. 95% or greater resolved within 30 calendar days of initial receipt: no penalty. 95% or greater resolved within 15 calendar days of initial receipt: 3% performance credit.</p>
1.9	<p><b>Covered California member Email or Written Inquiries.</b></p>	✘	✘	<p>Reporting Required Only. No penalty or credit. Volume will be used in calculation of performance standard 1.10</p> <p>Total number of Covered California member email or written inquiries received.</p>
1.10	<p><b>Covered California member Email or Written Inquiries Answered and Completed.</b></p> <p>3% of total performance penalty for this Group.</p>	✘	✘	<p><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.</p> <p><u>Performance Level:</u> &lt;90%: 3% performance penalty. 90-95%: no penalty. &gt;95% in 15 days: 3% performance credit.</p>



**Group 2: Operational Performance Standards**

**4015% of Total Performance Penalty at Risk**

Performance Standard		Individual	Small Business	Performance Requirements
2.1	<p><b>ID Card Processing Time</b></p> <p>5% of total performance penalty <u>at risk for this Group</u>.</p>	<del>X</del>	<del>X</del>	<p><u>For the Individual Exchange:</u></p> <p><u>Expectation: 99% of ID cards issued within 10 business days of receiving complete and accurate enrollment information and binder payment for a specific consumer(s)</u></p> <p>For Small Business:</p> <p>Expectation: 99% of ID cards issued within 10 business days of receipt of complete and accurate enrollment information for a specific consumer(s).</p> <p>Performance Level: &lt;99%: 5% performance penalty.</p>
2.2	<p><b>834 Processing</b></p> <p>5% of total performance penalty <u>at risk for this Group</u>.</p> <p><b>Pilot Period: January 1, 2017 – March 31, 2017</b></p>	<del>X</del>		<p><u>Expectation: The Exchange will receive a TA1 or 999 file, or both as appropriate within two to three business days of receipt of the 834 file 95% of the time.</u></p> <p><u>Performance Level: &lt;95%: 5% performance penalty.</u></p>
2.3	<p><b>834 Generation</b></p> <p>5% of total performance penalty <u>for this Group at risk</u>.</p> <p><b>Pilot Period: January 1, 2017 – March 31, 2017</b></p>	<del>X</del>		<p><u>Expectation: The Exchange will successfully receive and process effectuation, cancellation and termination 834 files within 60 days from either the coverage effective date or transaction timestamp, whichever is later 95% of the time.</u></p> <p><u>Performance Level: &lt;95%: 5% performance penalty</u></p>



Group 2: Operational Performance Standards				
4015% of Total Performance Penalty <u>at Risk</u>				
Performance Standard		Individual	Small Business	Performance Requirements
2.4	<p><del>Reconciliation Process</del></p> <p>10% of total performance penalty <u>at risk for this Group.</u></p>	<del>X</del>		<p><del>Expectation: The Exchange shall receive a comparison reconciliation extract in accordance with the file validations and resolution timelines, as mutually agreed upon in the reconciliation process guide 90% of the time.</del></p> <p><del>Performance Level: &lt;90%: 10% performance penalty</del></p>
2.52	<p><b>Data Submission specific to contract Section 3.4.4 Provider Directory and Attachment 7, Section 3.03 Data Submission.</b></p> <p>10% of total performance penalty <u>at risk for this Group.</u></p>	X	X	<p>Expectation: Full and regular submission of data according to the standards outlined. 10% of total performance penalty at risk.</p> <p>Performance Level: Incomplete, irregular, late or non-useable data submission: 10% 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 reporting cycle: no penalty.</p>
2.6	<p><del>Agent of Record Exception Reports</del></p> <p>5% of total performance penalty <u>at risk for this Group.</u></p> <p><b>Pilot Period: October 1, 2016 – December 31, 2016.</b></p>	<del>X</del>		<p><del>Expectation: The Exchange shall receive the required Agent of Record exception reports referenced in Section 2.2.6 (f) and (g) within 7 business days of the due date.</del></p> <p><del>Performance Level: Incomplete, irregular, late or non-useable data submission: 5% performance penalty. Complete monthly submissions within 7 business days of each monthly reporting cycle for at least 10 of 12 submissions: no penalty.</del></p>

**Group 3: Covered California Performance Standards**

**Quality, Network Management and Delivery System Standards**

**45% of total ~~Total~~ Performance Penalty at Risk or Credit for Measurement Year 2017 and thereafter  
(Applies to Individual Marketplace)**

**Covered California and Contractor shall work together to periodically review and adjust the  
specific measures consistent with any applicable Federal regulations.**

<b>Performance Standard</b>		<b>Performance Requirements</b>
<b>3.1</b>	<b>Quality Rating System (QRS) –Clinical Effectiveness Rating; related to Attachment 7, Section 2.01.</b>  3.5% of total performance penalty at risk for this Group.	<del>Expectation: Rating-Clinical Effectiveness Rating (product type reporting):</del>  <del>Performance Level: The percentile score will be based on a blended all-product types, national marketplace benchmark.</del>  <del>1-2 Stars: 3.5% performance penalty.</del>  <del>3 Stars: no penalty.</del>  <del>4-5 Stars: 3.5% performance credit.</del>

**Group 3: Covered California Performance Standards**

**Quality, Network Management and Delivery System Standards**

**45% of total Performance Penalty or Credit**

**Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations.**

<b>Performance Standard</b>		<b>Performance Requirements</b>
<b>3.2</b>	<b>Quality Rating System (QRS) QHP Enrollee Survey Summary Rating; related to Attachment 7, Section 2.01.</b>  3.5% of total performance penalty at risk for this Group.	<del>Expectation: QHP Enrollee Survey Summary Rating (product type reporting)</del>  <del>Performance Level: The percentile score will be based on a blended all-product types, national marketplace benchmark.</del>  <del>1-2 Stars: 3.5% performance penalty.</del>  <del>3 Stars: no penalty.</del>  <del>4-5 Stars: 3.5% performance credit.</del>

**Group 3: Covered California Performance Standards**

**Quality, Network Management and Delivery System Standards**

**-45% of total Performance Penalty or Credit**

**Covered California and Contractor shall work together to periodically review and adjust the specific measures consistent with any applicable Federal regulations.**

Performance Standard	Performance Requirements
<p><b>3.3 Essential Community Providers – Article 3, Section 3.3.3</b></p> <p>10% of total performance penalty at risk for this Group.</p>	<p><b>Expectation:</b> Contractor shall maintain a network that includes a sufficient geographic distribution of care, including essential community providers, and other providers, to provide reasonable and timely access to Covered Services for low income, vulnerable, or medically underserved populations in regions served by Contractor.</p> <p>Contractor to demonstrate provider agreements with at least 15% of 340B non-hospital providers in each applicable rating region.</p> <p>Contractor to demonstrate provider agreements that reflect a mix of essential community providers (hospital and non-hospital) reasonably distributed to serve the low income, vulnerable, or medically underserved populations.</p> <p>Performance Level:</p> <ol style="list-style-type: none"><li>1. Sufficient ECP participation: 10% performance credit.</li><li>2. Developing ECP participation: no penalty or credit.</li><li>3. Insufficient ECP participation: 10% performance penalty.</li></ol> <p>Alternate Standard Contractor</p> <p><b>Expectation:</b> Contractor to produce access map to demonstrate low income, medically underserved enrollee access to health care services. Low income, vulnerable, or medically underserved individuals shall be defined as those Covered California enrollees who fall below 200 percent of the Federal Poverty Level (FPL). Maps shall demonstrate the extent to which provider sites are accessible to and have services that meet the needs of specific underserved populations, including:</p> <ul style="list-style-type: none"><li>• Individuals with HIV/AIDS</li><li>• American Indians and Alaska Natives</li><li>• Low income and underserved individuals seeking women's health and reproductive health services</li><li>• Other specific populations served by Essential Community Providers in the service area such as STD Clinics, Tuberculosis Clinics, Hemophilia Treatment Centers, Black Lung Clinics and other entities that serve predominantly low income, medically underserved individuals.</li></ul>

		<p>Performance level:</p> <p>Alternate Standard Contractors shall not be eligible for performance credits, nor shall they be subject to performance penalties. Submission of the above required mapping is a contract compliance requirement.</p>
<p>3.4</p>	<p><b>Reducing Health Disparities – Article 3, Sections 3.01 and 3.02</b></p> <p>5% of total performance penalty for this Group at risk.</p>	<p><b>a. Expectation:</b> Plan Contractor reports the percent of Covered California enrollees across all lines of business excluding Medicare who have self-identified race/ethnicity in the Application for Certification for 2017. This information will be used as baseline to set targets for percent of membership who have self-identified by end of 2017, which will be reported in 2018 through the Application for Certification for 2019. Data will be submitted in a run chart demonstrating improvement in collection of self-reported identity compared to baseline reported.</p> <p>Performance Levels:</p> <p>Contractor achieves no improvement in self-identified race/ethnicity: 2% penalty</p> <p>Contractor shows improvement in reported identity but does not meet target: no penalty</p> <p>Contractor achieves target improvement in self-reported identity: 2% credit</p> <p><b>b. Expectation:</b> Covered California will have set targets for reduction in disparities for end of year 2019 and for annual intermediate milestones after baseline was reported. (Total of 10 metrics.)</p> <p>Contractor reports required HEDIS/IHA/non-HEDIS metrics across all lines of business excluding Medicare for diabetes, asthma, hypertension and depression by race/ethnicity and overall gender once the scores for 2017 performance become available, in July 2018. The scores will be reported in run charts demonstrating comparison with baseline 2016 performance, which will be reported in July 2017. Performance will be defined by the number of metrics where contractor has shown reduced disparities, and targets will be set once baseline data has been reported.</p> <p>Performance Levels:</p> <p>Contractor does not achieve target, and does not reduce disparities in the agreed upon number of metrics: 3% penalty</p> <p>Contractor achieves target, by reducing disparities in the agreed upon number of metrics: No penalty.</p> <p>Contractor exceeds target, by reducing disparities in more than the agreed upon number of metrics: 3% credit</p>

<p><b>3.5</b></p>	<p><b>Network Design Based on Quality – Article 1, Section 1.02</b></p> <p>4% of total performance penalty at risk for this Group.</p>	<p><b>Expectation:</b> Contractor shall include quality criteria into its Exchange network development, with a phased approach starting in plan year 2017. Contractor will report on progress after 2017 plan year is complete, in 2018, through the Application for Certification for 2019.</p> <p><b>Performance Levels</b></p> <p>Contractor is unable to describe valid inclusion of quality criteria into Exchange network development by end of year 2017: 4% penalty</p> <p>Contractor reports strategy for inclusion of quality criteria in all networks offered to Exchange enrollees, and demonstrates implementation of criteria by end of year 2017: No penalty</p> <p>Contractor fulfills the requirement for “no penalty” above, plus submits documentation that contracted hospitals have been notified in 2017 of expectation to meet targets for appropriate use of C-Section and reduction in Hospital Acquired Conditions by 2019: 4% credit</p>
<p><b>3.6</b></p>	<p><b>Primary Care – Article 4, Section 4.01 and 4.02</b></p> <p>5% of total performance penalty for this Group at risk.</p>	<p><b>Expectation:</b> All members (defined as 95%) in Covered California all Exchange products will select or be assigned to a personal primary care physician clinician beginning with enrollment effective January 2017. Contractor will submit quarterly reports describing the percent of members assigned to a personal primary care physician clinician by product and will submit this percent through the Applications for Certification in 2018 and 2019.</p> <p><b>Performance Levels</b></p> <p>Contractor reports fewer than 95% of Exchange Covered California members have selected or been provisionally assigned a personal care physician: 2% penalty</p> <p>Contractor reports 95% or more of Exchange members have selected or been provisionally assigned a personal care physician: 2% credit</p> <p><b>Expectation:</b> Contractor describes and begins re-contracting, for Exchange enrollees, with a payment strategy that creates a business case for PCPs to adopt accessible, data-driven, team-based care in Application for Certification for 2019.</p> <p><b>Performance Levels</b></p> <p>Contractor reports no PCPs contracted based on new payment strategy: 3% penalty</p> <p>Contractor reports fewer than 5% of PCPs contracted under new payment strategy: no penalty</p> <p>Contractor reports 10% or more of PCPs contracted under new payment strategy: 3 credit</p>

<p><b>3.7</b></p>	<p><b>Integrated Healthcare Models – Article 4, Section 4.03</b></p> <p>5% of total performance penalty for this Group at risk</p>	<p><b>Expectation:</b> Contractor reports Exchange enrollment in integrated healthcare models, based on definition in Attachment 7, Article 4, Section 4.03 in Application for Certification for 2019. Target percentage of Exchange members who select or are attributed to IHMs will be established by the Exchange for 2019 with annual intermediate milestones after baselines are reported in the Application for Certification for 2017.</p> <p><b>Performance Levels</b></p> <p>Contractor does not meet target for percent of Exchange membership attributed to integrated healthcare models: 5% penalty</p> <p>Contractor achieves targeted percent of Exchange membership in integrated care models: No penalty</p> <p>Contractor exceeds target increase of Exchange members in integrated care models: 5% credit</p>
<p><b>3.8</b></p>	<p><b>Appropriate Use of C-Sections – Article 5, Section 5.03</b></p> <p>4.5% total performance penalty for this Group at risk</p>	<p><b>Expectation:</b> Contractor shall report percent of low risk, Nulliparous Term Singleton Vertex (NTSV) C-Section rates and overall C-Section rates for all Exchange network maternity hospitals where data is available in its annual Application for Certification starting in application for 2017.</p> <p><b>Performance Levels</b></p> <p>Contractor does not report network low risk maternity hospital C-Section rates and overall C-Section rates: 2% penalty</p> <p>Contractor reports low risk C-Section rates for network maternity hospitals and overall C-Section rates: No penalty</p> <p>Contractor engages hospitals not tracking C-Section rates to initiate and submit information to the Maternity Data Center: 2% credit</p> <p><b>Expectation:</b> Contractor shall adopt new payment strategies for physicians and hospitals such that by 2019 payment for Exchange enrollees is structured to support only medically necessary care and there is no financial incentive to perform C-sections. Contractor will report progress in Application for Certification for 2019.</p> <p><b>Performance Levels</b></p> <p>Contractor reports no physicians or maternity hospitals in Exchange network(s), reported separately, contracted based on new payment strategy: 2.5% penalty</p> <p>Contractor reports fewer than 20% of physicians or maternity hospitals in Exchange network(s), reported separately, contracted under new payment strategy: no penalty</p> <p>Contractor reports 20% or more of physicians or maternity hospitals in Exchange network(s), reported separately, contracted under new payment strategy: 2.5% credit</p>



<p><b>3.9</b></p>	<p><b>Hospital Safety – Article 5, Section 5.02</b></p> <p>4.5% total performance penalty for this Group at risk</p>	<p><del><b>Expectation:</b> Contractor shall report rates of the five selected Hospital Acquired Conditions (HACs) for each Exchange network hospital, as defined in Attachment 7, Article 5, Section 5.02, (based on clinical data), in its annual Application for Certification starting with baseline in Application for 2017.</del></p> <p><del>Performance Levels</del></p> <p><del>Contractor does not report rates on HACs: 2% penalty</del></p> <p><del>Contractor reports rates on specified HACs: No penalty</del></p> <p><del>Contractor reports rates on specific HACs, and engages non-reporting hospitals to begin tracking specific HAC rates: 2% credit</del></p> <p><del><b>Expectation:</b> Contractor shall adopt a payment strategy that by 2019 places at least six percent of payment to hospitals for Exchange enrollees at risk for quality performance. Contractor may structure this strategy according to its own priorities including performance metrics such as HACs, readmissions and satisfaction, <u>with the exception that if readmissions is used as a metric, that it not be the only metric.</u> Contractor shall report progress on adoption of the payment strategy in Application for Certification for 2019.</del></p> <p><del>Performance Levels</del></p> <p><del>Contractor reports no hospitals in Exchange network(s) contracted based on new payment strategy: 2.5% penalty</del></p> <p><del>Contractor reports fewer than 20% of hospitals in Exchange network(s) contracted under new payment strategy: no penalty</del></p> <p><del>Contractor reports 20% or more of hospitals in Exchange network(s) contracted under new payment strategy: 2.5% credit</del></p>
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**Group 3: Reserved for future use**

Group 4: Covered California Performance Standards for Covered California	
Potential 15% Credit <del>(Applies to the Individual Marketplace and Covered California for Small Business)</del>	
Customer Service Measures	Covered California Performance Requirements
4.1 <b>Average Speed of Answer</b>	<p><u>Expectation:</u> 80% of calls answered in 30 seconds or less. <del>3.75% of total performance penalty at risk available as a potential credit towards Contractor's performance penalties.</del></p> <p><u>Performance Level:</u> &lt;80%: 3.75% performance credit. 80%-90%: no credit. &gt;90%: 3.75% reduction in performance credit.</p>
4.2 <b>Abandonment Rate (%)</b>	<p>Divide number of calls abandoned by the number of calls offered to a phone representative.</p> <p><u>Expectation:</u> No more than 3% of incoming calls are abandoned in a calendar month. <del>3.75% of total performance penalty at risk available as a potential credit towards Contractor's performance penalties.</del></p> <p><u>Performance Level:</u> &gt;3% abandoned: 3.75% performance credit. 2-3% abandoned: no credit. &lt;2% abandoned: 3.75% reduction in performance credit.</p>
4.3 <b>Initial Call Resolution for Covered California</b>	<p><u>Expectation:</u> 85% of Enrollee issues will be resolved within one (1) business day of receipt of the issue. <del>3.75% of total performance penalty at risk available as a potential credit towards Contractor's performance penalties.</del></p> <p><u>Performance Level:</u> &lt;85%: 3.75% performance credit. 85-95%: no credit. &gt;95%: 3.75% reduction in performance credit.</p>
4.4 <b>Complaint Resolution for Covered California</b>	<p><u>Expectation:</u> 95% of Enrollee complaints resolved within 30 calendar days. <del>3.75% of total performance penalty at risk available as a potential credit towards Contractor's performance penalties.</del></p> <p><u>Performance Level:</u> &lt;95% resolved within 30 calendar days: 3.75% performance credit. 95% or greater resolved within 30 calendar days: no credit. 95% or greater resolved within 15 calendar days: 3.75% reduction in performance credit</p>

<b>Group 5: Dental Quality Alliance (DQA) Pediatric Measure Set</b>					
<b>Measure</b>	<b>Description</b>	<b>Numerator</b>	<b>Denominator</b>	<b>QDP Performance Rate</b>	<b>Expectation</b>
Utilization of Services	Percentage of all enrolled children under age 19 who received at least one dental service within the reporting year.	Unduplicated number of children who received at least one dental service.	Unduplicated number of all enrolled children under age 19.	NUM/DEN	75%
Oral Evaluation	Percentage of enrolled children under age 19 who received a comprehensive or periodic oral evaluation within the reporting year.	Unduplicated number of children who received a comprehensive or periodic oral evaluation as a dental service.	Unduplicated number of enrolled children under age 19.	NUM/DEN	75%
Sealants in 6 <del>to</del> 9 years	Percentage of enrolled children in the age category of 6-9 years at "elevated" risk (i.e., "moderate" or "high") who received a sealant on a permanent first molar tooth within the reporting year.	Unduplicated number of all enrolled children age 6-9 years at "elevated" risk (i.e., "moderate" or "high") who received a sealant on a permanent first molar tooth as a dental service.	Unduplicated number of enrolled children age 6 - 9 years at "elevated" risk (i.e., "moderate" or "high").	NUM/DEN	75%

Sealants in 10 <del>to</del> 14 years	Percentage of enrolled children in the age category of 10-14 years at "elevated" risk (i.e., "moderate" or "high") who received a sealant on a permanent second molar tooth within the reporting year.	Unduplicated number of enrolled children age 10-14 years at "elevated" risk (i.e., "moderate" or "high") who received a sealant on a permanent second molar tooth as a dental service.	Unduplicated number of enrolled children age 10-14 years at "elevated" risk (i.e., "moderate" or "high").	NUM/DEN	75%
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 children 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	75%
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 <del>2018</del> years during the reporting year.	(NUM/DEN) x 100,000	< 15%
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 <del>(a)</del> 7 days <del>and (b) 30 days</del> of the ED visit.	Number of caries-related ED visits in the reporting year for which the member visited a dentist within <del>(a)</del> 7 days (NUM1) <del>and (b) 30 days (NUM2)</del> of the ED visit.	Number of caries-related ED visits in the reporting year.	NUM1/DEN <del>and NUM2/DEN</del>	75%

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	90%
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Small Business Group 1: Customer Service Performance Standards - 50% of Total Performance Penalty or Credit						
		Total Participation Fee Penalty or Credit in Percentages		Expectation		
#	Performance Measure	Maximum Penalty	Maximum Credit	Maximum Penalty	No Penalty	Credit
1.1	Inbound Call Volume	Reporting Measures Only				
1.2	Number of Calls offered to Phone Representatives					
1.3	Number of Abandoned Calls					
1.4	Abandonment Rate	-3.0%	3.0%	>3%	2%-3%	<2%
1.5	Average Speed of Answer	-3.0%	3.0%	<80%	80%-90%	>90%
1.6	Average Handle Time	Reporting Measures Only				
1.7	Initial Call Resolution	-3.0%	3.0%	<85%	85%-95%	>95%
1.8	Grievance Resolution	-3.0%	3.0%	<95%	>95%	>95% <sup>1</sup>
1.9	Member Email or Written Inquiries	Reporting Measure Only				
1.10	Member E-Mail or Written Inquiries Answered	-3.0%	3.0%	<90%	90% - 95%	>95% <sup>1</sup>
<b>Total Group 1 Customer Service Performance</b>		<b>-15.0%</b>	<b>15.0%</b>			

Note 1. Credit is based on 95% or greater resolved within 15 calendar days of receipt

Small Business Group 2: Operational Performance Standards - 50% of Total Performance Penalty or Credit						
		Total Participation Fee Penalty or Credit in Percentages		Expectation		
#	Performance Measure	Maximum Penalty	Maximum Credit	Maximum Penalty	No Penalty	Credit
2.1	ID Card Processing Time	-5.0%	N/A	<99%	99% or greater	N/A
2.5	Data Submission specific to contract Section 3.4.4 and Attach 7, Section 3.03	-10.0%	N/A	>5 days	5 days or less	N/A
<b>Total Group 2 Operational Performance Standards</b>		<b>-15.0%</b>	<b>0.0%</b>			
<b>Total Groups 1-2 Performance Standards<sup>2</sup></b>		<b>-30.0%</b>	<b>15.0%</b>			

Note 2. Performance Measurement Standards at risk is 3% of Participation Fee which is TBD PMPM in 2017-2019.



**Group 4: Covered California Performance Standards - Small Group**

		<i>Total Participation Fee Credit or Credit Reduction in Percentages</i>		<b>Expectation</b>		
<b>#</b>	<b>Performance Measure</b>	<b>Maximum Credit</b>	<b>Maximum Credit Reduction</b>	<b>Maximum Credit</b>	<b>No Credit</b>	<b>Reduction in Performance Credit</b>
4.1	Call Answer Timeliness	-3.75%	3.75%	<80%	80%-90%	>90%
4.2	Telephone Abandonment Rate	-3.75%	3.75%	>3%	2%-3%	<2%
4.3	Initial Call Resolution	-3.75%	3.75%	<85%	85%-95%	>95%
4.4	Complaint Resolution	-3.75%	3.75%	<95%	>95%	>95% <sup>1</sup>
<b>Total Group 4 Customer Service Performance</b>		<b>-15.0%</b>	<b>15.0%</b>			

Note 1. Reduction in Performance Credit is based on 95% or greater resolved in 15 calendar days of receipt