Policy and Action Items

January 15, 2026 Board Meeting

2027 Qualified Health Plan Issuer Certification Process and Contract Discussion

James DeBenedetti, Director, Plan Management Division
Taylor Priestley, Director, Health Equity and Quality Transformation

2027 Qualified Health and Dental Plan Certification Application

Certification Application Updates

❑ **Qualified Health Plan (QHP)** The QHP Contract period is 2026 - 2028. Currently contracted QHPs will have reduced application response requirements. New entrants will complete the entire application.

❑ **Qualified Dental Plan (QDP)** The QDP Contract period is 2024 - 2027. Currently contracted QDPs will have reduced application response requirements. New entrants will complete the entire application.

❑ **Plan Year 2027 Certification Health and Dental Applications will be open to all Applicants.**

Public Comment

- The four draft applications and crosswalks were posted on Monday, 9/15/25 with public comment due back on Tuesday, 9/30/25.
- The Plan Management Division received a total of three (3) public comments across the four Applications.
- The comments were seeking clarity for instructions.
- The Public Comment Summary is available at : https://hbex.coveredca.com/stakeholders/plan-management/qhp-qdp-certification/

Certification Selection Criteria

Following a comprehensive stakeholder process and consideration of a set of recommendations by staff, Covered California's Board of Directors articulate guidelines for the selection and oversight of Qualified Health and Dental Plans (QHP and QDP) which are used in selecting Issuers and making certification decisions.

These guidelines are:

- Promote Affordability and Value for the Consumer – Both in Premiums and at Point of Care
- Encourage Competition Based upon Quality
- Encourage Competition Based upon the Populations Served
- Encourage Competition Based upon Meaningful QHP and QDP Choice and Product Differentiation: Patient-Centered Benefit Plan Designs
- Encourage Competition throughout the State
- Encourage Delivery System Improvement, Effective Prevention Programs and Payment Reform
- Demonstrate Administrative Capability and Financial Solvency
- Encourage Robust Customer Service

Plan Year 2027 Certification Milestones

Milestone	Date
Release Draft 2027 QHP & QDP Certification Applications	September 15, 2025
Draft Application Comment Periods End	September 30, 2025
Plan Management Advisory: Benefit Design & Certification Applications Policy Recommendation	January 2026
Board Meeting: Discussion of Benefit Design & Certification Applications Policy Recommendation	January 2026
Letters of Intent Accepted	February 2-13, 2026
Final AV Calculator Released*	February 2026
Applicant Trainings (electronic submission software, SERFF submission and templates*)	February 2026
Board Meeting: Anticipated approval of 2027 Patient-Centered Benefit Plan Designs & Certification Applications	February 2026
QHP & QDP Applications Open	March 2, 2026
QHP & QDP Application Responses (Individual and CCSB) Due	April 30, 2026, noon (12:00 pm PT)
Evaluation of QHP Responses & Negotiation Prep	May – June 2026
QHP Negotiations	June 2026
QHP Preliminary Rates Announcement	July 2026
Regulatory Rate Review Begins (QHP Individual Marketplace)	July 2026
Evaluation of QDP Responses & Negotiation Prep	June – July 2026
QDP Negotiations	July 2026
CCSB QHP Rates Due	July 2026
QDP Rates Announcement (no regulatory rate review)	August 2026
Public Posting of Proposed Rates	August 2026
Public Posting of Final Rates	September – October 2026**
Execution of Covered California Contract	September – October 2026**

***Final AV Calculator and final SERFF Templates availability dependent on CMS release**
TBD = dependent on CCIIO rate filing timeline requirements
****Dates subject to change based on rate filing requirements**

2027 Qualified Health and Dental Plan Issuer Model Contract

2027 Plan Year Amendments

The Qualified Health Plan (QHP) Issuer Contracts for the Individual and Covered California for Small Business (CCSB) marketplaces have been amended for Plan Year 2027, aligning with the 2026-2028 contract duration. Similarly, the Qualified Dental Plan (QDP) Issuer Contract for the Individual and CCSB marketplaces has been amended for Plan Year 2027, extending its contract term to 2024-2027.

The Plan Management Division (PMD) will provide a summary of minimal content updates and public comment themes collected through stakeholder engagement for:

- 2026-2028 QHP Individual Model Contract
- 2026-2028 QHP CCSB Issuer Model Contract
- 2024-2027 QDP Issuer Model Contract

Additionally, the Health Equity and Quality Transformation (EQT) Division will deliver updates and stakeholder feedback regarding the following contract attachments:

- QHP Individual Attachment 1: Advancing Equity, Quality, and Value
- QHP Individual & QDP Attachment 2: Performance Standards with Penalties

2027 Amendment Updates

Minimal updates have been made for the 2027 QHP and QDP Amendments.

- General updates throughout contract documents have been made for clarity, accuracy, and alignment where applicable.
- Updates to content are summarized below:

Update Summary	Comment Themes
QHP, QDP **Article 10 – Privacy and Security** Updates throughout Article 10 were made to align with the National Institute of Standards and Technology (NIST), current Federal Information Processing Standards (FIPS), and the Information Practices Act (IPA). Contract language within this article was also updated for conciseness, clarity, and to better reflect current Covered California provisioning processes.	Covered California received feedback supporting these updates, along with requests for clarity and changes. No changes to proposed language have been made, and greater clarity regarding expectations was provided in response to each comment.

2027 Amendment Updates Continued

Update Summary	2027 Proposed Update	Comment Theme
QHP for the Individual Market **Section 3.3 Agents in the Covered California for the Individual Market** **3.3 b) Compensation Methodology** Considering recent changes to Agent commission rates in the second half of the year, which may compromise Agent operations and their active participation in essential retention and enrollment efforts for the upcoming Renewal and Open Enrollment Periods, Covered California is proposing an updated contractual requirement. This requirement would call for Contractors to seek approval for any reductions to Agent commission rates following the annual Qualified Health and Dental Plan Certification negotiation meetings (July–December).	**QHP for the Individual Market** **Section 3.3 Agents in the Covered California for the Individual Market** **3.3 b) Compensation Methodology …** Contractor shall provide Covered California on an annual basis, a document describing its standard Agent compensation program. This document shall include a description of its Agent commission, and bonus or incentive programs, standard Agent contract, and Agent policies. Agent commission descriptions must detail both new and renewal enrollment commission rates. Any reduction in Contractor's Agent commission rates after the annual Qualified Health Plan Certification negotiation meeting between Covered California and Contractor must be submitted to Covered California for approval at least sixty (60) Days before desired implementation. Covered California shall review submitted commission rate changes and approve or deny changes within thirty (30) Days of Contractor's submission of all necessary information.	Covered California received two comments expressing concern that this update may impact Contractor's ability to effectively respond to market dynamics. In response, Covered California clarified that it aims to support health insurance companies in addressing market dynamics through adjusting Agent commission rates, without causing undue delays or obstacles. This proposed requirement will remain and is intended to ensure adjustments to Agent commissions made after the certification process are responsible, maintaining levels that allow Agents to continue delivering essential services.

2027 Plan Year Amendments & Stakeholder Engagement

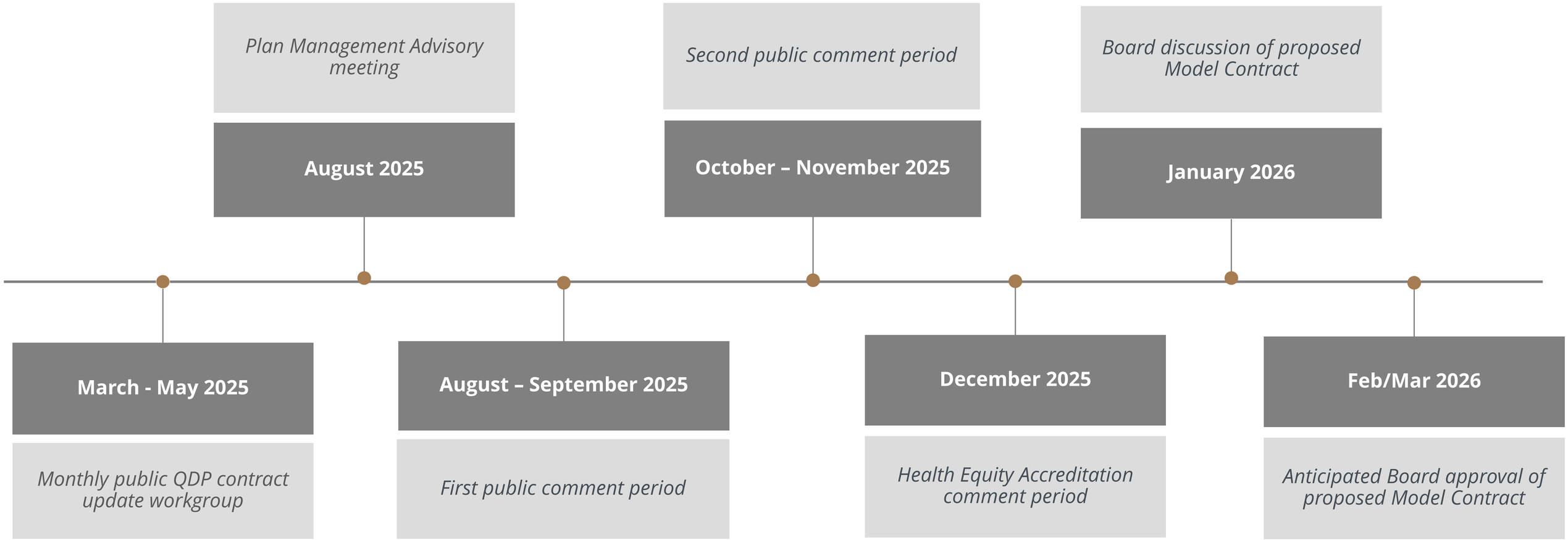
Covered California actively engaged stakeholders and solicited feedback on the draft 2027 QHP & QDP Issuer Contract Amendments through late summer and fall of this year, 2025. All comprehensive draft 2027 Amendments and Response to Comment documents are posted to the Covered California Health Benefit Exchange website:

https://hbex.coveredca.com/stakeholders/plan-management/contract-listings/2027/

Any questions please email PMDContractsUnit@covered.ca.gov

2027 Qualified Health and Dental Plan Attachments 1 and 2 Amendments

2027 QHP & QDP Issuer Contract Amendment Development Timeline



2027: QHP & QDP Contract Amendment Updates

QHP Attachment 1

- ❑ NCQA Health Equity Accreditation

QHP Attachment 2

- ❑ Pediatric Oral Health performance standards

QDP Attachment 2

- ❑ Pediatric Oral Health performance standards

2027 Qualified Dental Plan Amendment

Stakeholder Engagement and Public Comment

2027 QDP Amendment

- Contract Workgroup open to all Issuers, Public Purchasers, and Consumer Advocate Groups
- Participants reviewed and offered feedback on the proposed contracts and preliminary contract language
- Two public comment and response periods for draft Contract feedback

QDP Contract Workgroup

- 3 public meetings from March – May 2025

Public Comment Cycle 1

- Comment Cycle 1 was held between 8/15/2025 – 9/15/2025
- 2 unique organizations commented with 6 total comments. Comments and responses are available online

Public Comment Cycle 2

- Comment Cycle 2 was held between 10/9/2025 – 11/10/2025
- 2 unique organizations commented with 9 total comments. Comments and responses are available online

All 2027 Certification and Contract Documents will be presented in Feb/March 2026 for Board approval

QDP 2023 Overall Utilization Rates for Pediatric and Adult Enrollees: Dental Benefits Underused

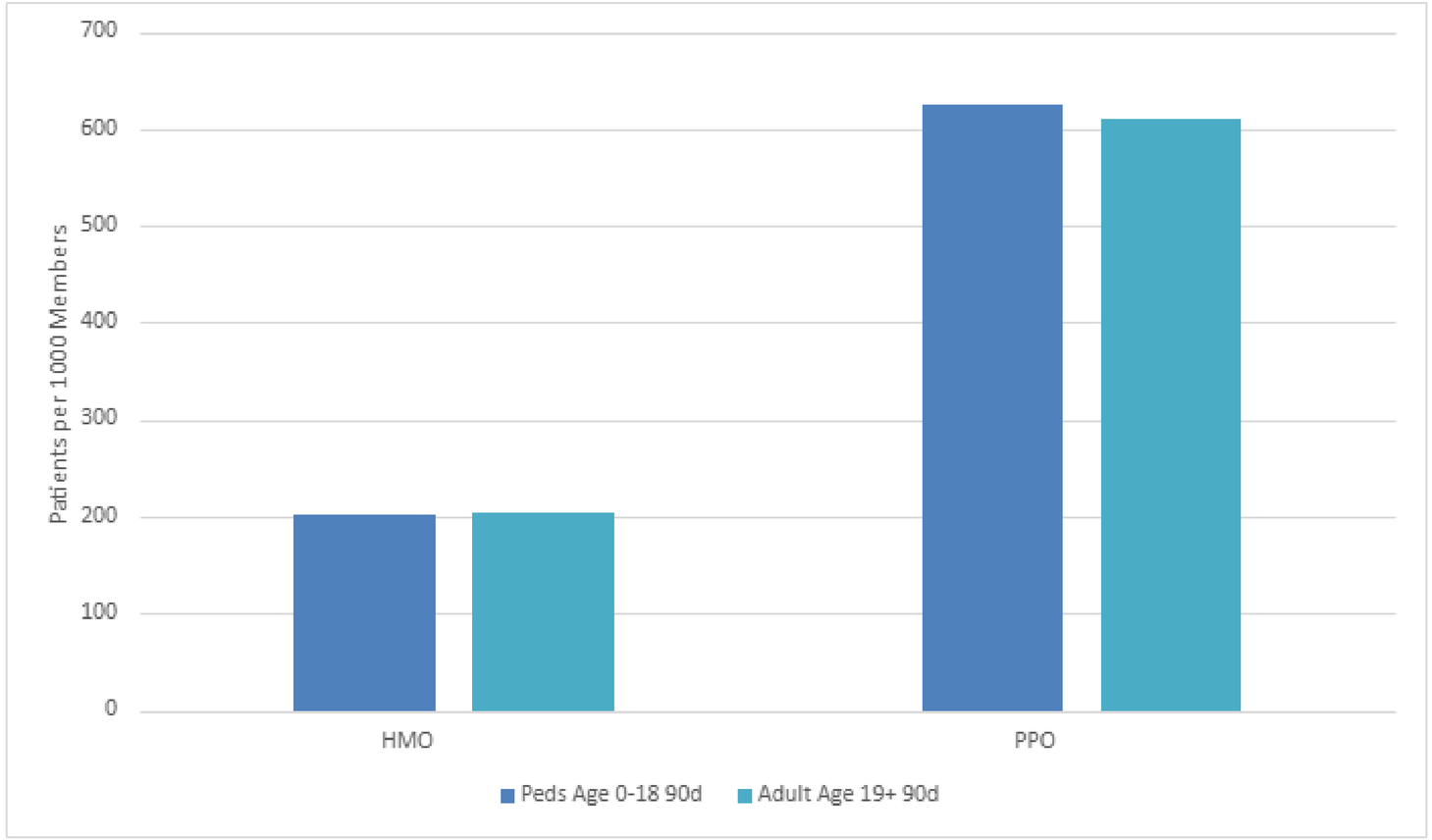
- Overall, fewer than half of enrollees in standalone dental plans utilize any services
- **Pediatric enrollees have higher rates of utilization** as compared to adult enrollees
- Applying a 180-day versus 90- day continuous enrollment rule only leads to a small increase in the portion of members utilizing care

Continuous enrollment period	Population	% of enrollees who utilized any service
90d	Pediatric	**44.8%**
	Adult	**35.0%**
180d	Pediatric	**50.1%**
	Adult	**39.8%**

QDP 2023 Utilization Rates per 1000 by Product: Plan Type Drives Dental Utilization

- **Plan type** (DHMO vs DPPO) results in the most significant difference in utilization rates.
  - Over **600** patients / 1000 members in PPO plans use care, compared to about **200** patients / 1000 members in HMO plans
- This holds true both for pediatric and adult populations.

2023 QDP Utilization by Product Type for Adult and Pediatric Enrollees

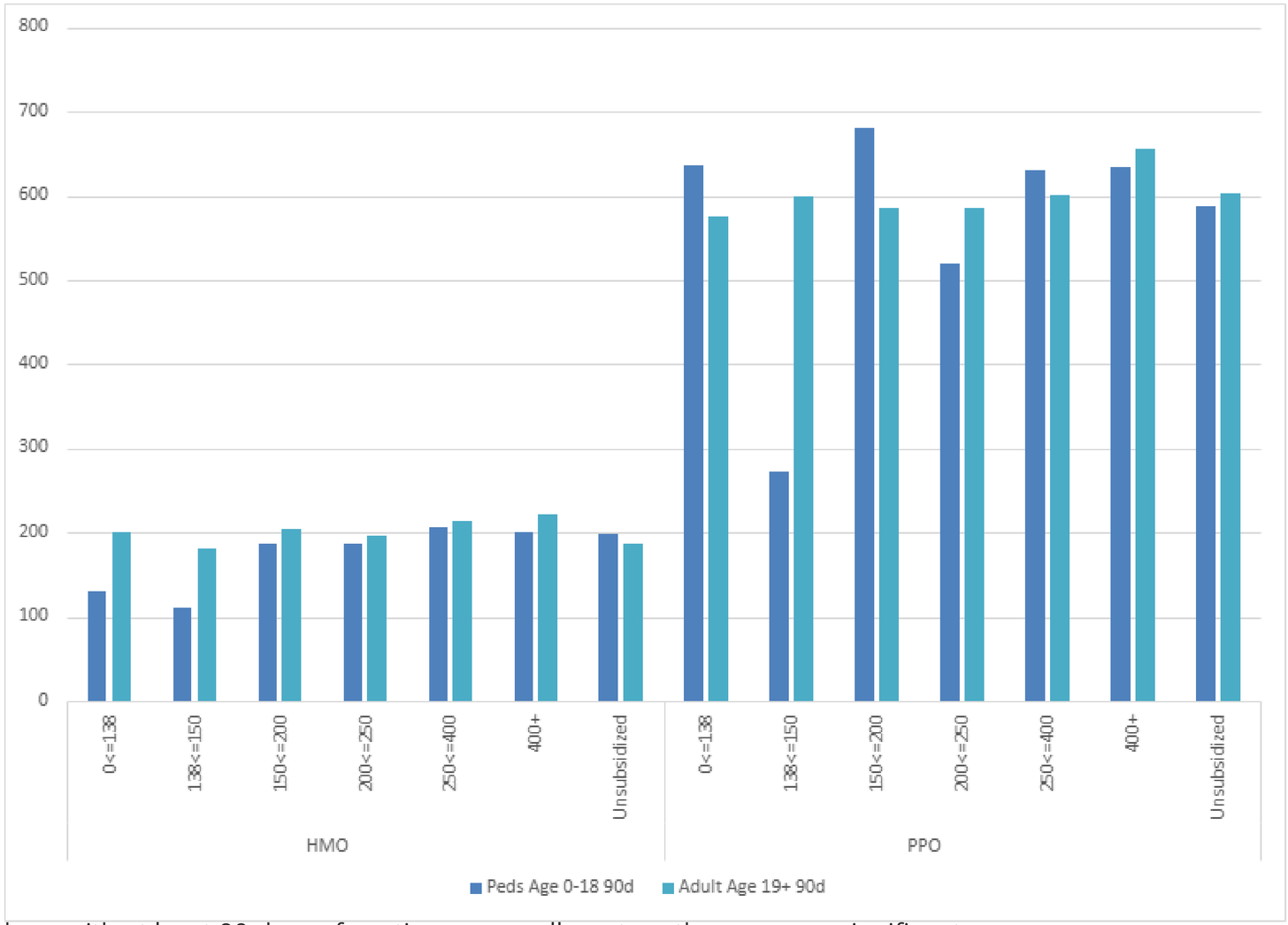


QDP 2023 Utilization Rates by Income & Plan Type: Plan Type, Not Income, Appears to Drive Utilization Differences

The differences in utilization by income are largely minimized when we stratify by income and plan type

- The exception here is Pediatric enrollees (FPL 138<=150) in PPO plans have much lower utilization rates than other pediatric enrollees in PPO plans, although this difference is not statistically significant.

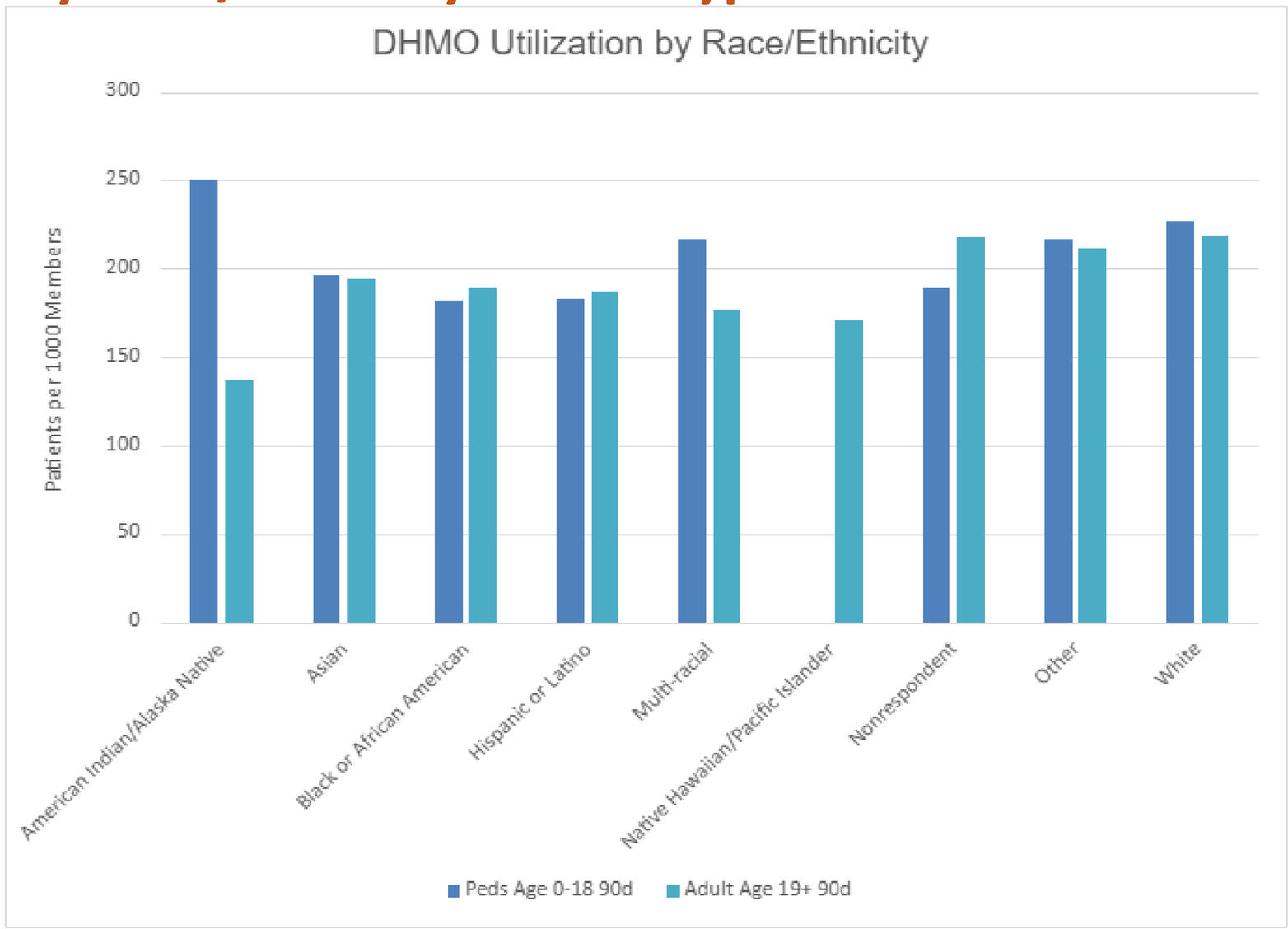
2023 QDP Utilization by Product Type and Income Level for Adult and Pediatric Enrollees



Note: The data reported includes members with at least 90 days of continuous enrollment, as there was no significant difference in utilization rates compared to those enrolled for 180 days.

QDP 2023 Utilization Rates by Race/Ethnicity & Plan Type

- In DHMO plans, pediatric members identifying as American Indian/Alaska Native have higher utilization than other groups. Conversely, adults identifying as American Indian/Alaska Native have lower rates of utilization, but these differences are not statistically significant.



Note: The data reported includes members with at least 90 days of continuous enrollment, as there was no significant difference in utilization rates compared to those enrolled for 180 days.

QDP Utilization Data Analysis

Key Findings

- Pediatric utilization of QDPs is overall higher than adult utilization, and services used skew more toward Preventive for Pediatric than Adult members
- We see the largest differences in dental plan utilization by plan type: DPPO utilization is 3 times DHMO utilization and this holds true for Pediatric members and Adults
- While we see utilization differences by age, race/ethnicity and income, these findings were not statistically significant and dwarfed by utilization differences by plan type

Summary of Proposed 2027 QDP Attachment 2 Performance Standards & Percent At Risk

Performance Area	Performance Standards with Penalties	Percent of At-Risk Amount 2024-2026	Percent of At-Risk Amount 2027
Data Submission 50%	1. Healthcare Evidence Initiative (HEI) Data Submission	45%	45%
	2. Provider Directory Submission	5%	5%
Oral Health 50%	3. Pediatric Oral Evaluation, Dental Services	5%	5%
	4. Pediatric Topical Fluoride for Children, Dental Services	5%	5%
	5. Pediatric Sealant Receipt on Permanent First Molars	5%	5%
	6. Adult Preventive Services Utilization	35%	35%

2027 Performance Standards – No Proposed Changes

Notable Changes to Draft Attachment 2	Rationale
Performance Standard 1 - Healthcare Evidence Initiative (HEI) Data Submission	Accurate and complete dental services data remains a priority and serves as the foundation for quality and equity accountability.
Performance Standard 2 – Provider Directory Submission	Accurate and complete provider directory data remains a priority as a critical component of enrollee access to care.

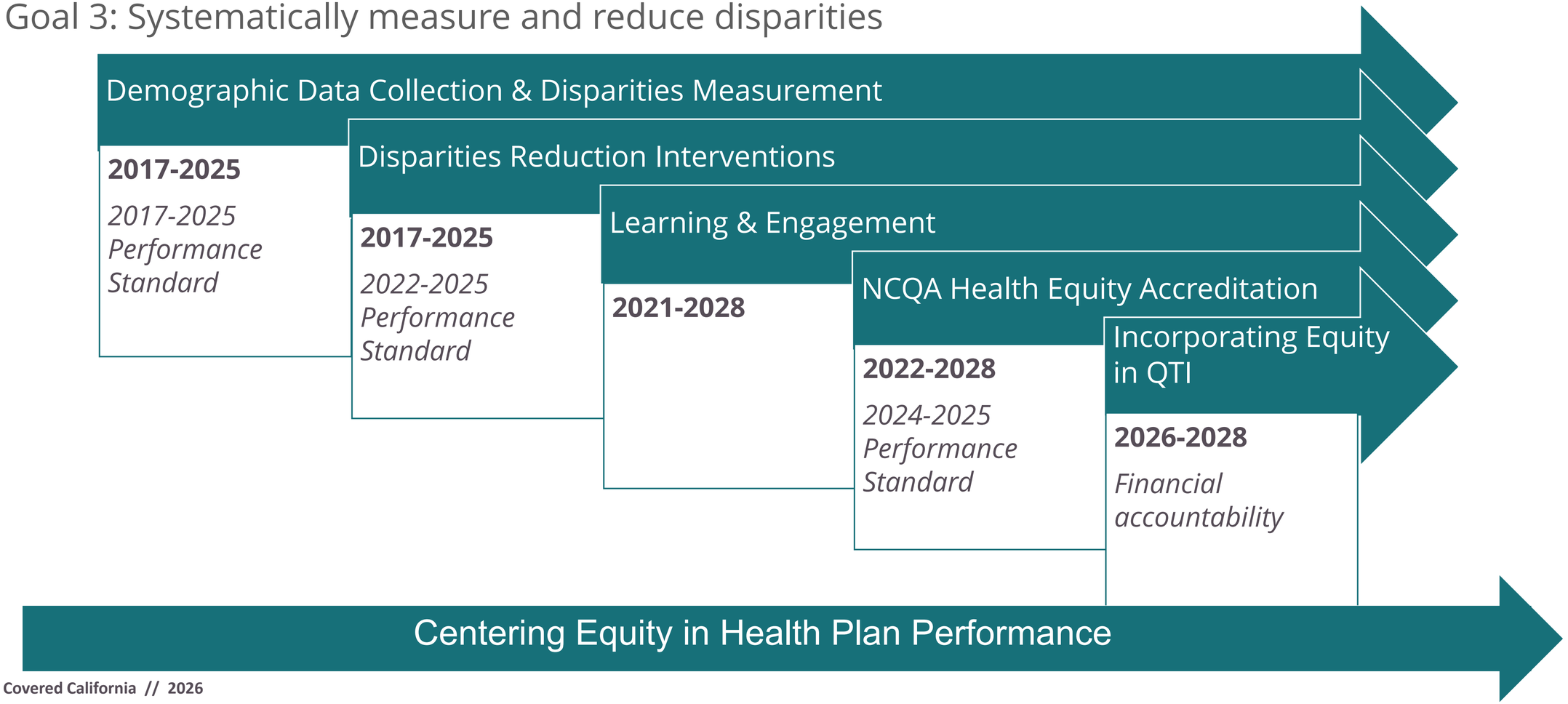
Proposed QDP 2027 Attachment 2 Changes

Notable Changes to Draft Attachment 2	Rationale
Performance Standard 3 - Pediatric Oral Evaluations, Dental Services **Performance Standard 4 - Pediatric Topical Fluoride for Children, Dental Services** **Performance Standard 5 - Pediatric Sealant Receipt on Permanent First Molars** **Performance Standard 6 - Adult Preventive Dental Services Utilization** ❑ Introduction of differentiated improvement targets for DHMO and DPPO plans: 5% penalty assessed for DHMO products if the annual performance increase is less than 20% and for DPPO products if the annual performance increase is less than 10%, with no penalty applied for increases equal to or exceeding these thresholds ❑ Introduction of performance threshold of 70%, above which annual improvement not subject to financial penalty. ❑ Addition of Alternate Standard for newly contracted QDP Issuers: Contractor must submit pediatric dental data in the first measurement year, establish a baseline in the second measurement year, and demonstrate compliance with data submissions in the first Assessment Year.	❑ The very low DHMO baseline performance rates result in a much lower improvement expectation compared to DPPOs if the same year over year percentage improvement target is used, widening the disparity already seen. ❑ Covered California recognizes continued improvement is increasingly difficult to achieve at higher performance; performance rates of 70% and higher reflect meaningful care delivery to members. ❑ In alignment with QHP Issuer Model Contract Attachment 2, implements applicable requirements and timeline for QDP Issuer Contractors who execute contracts after the first year of the contract term.

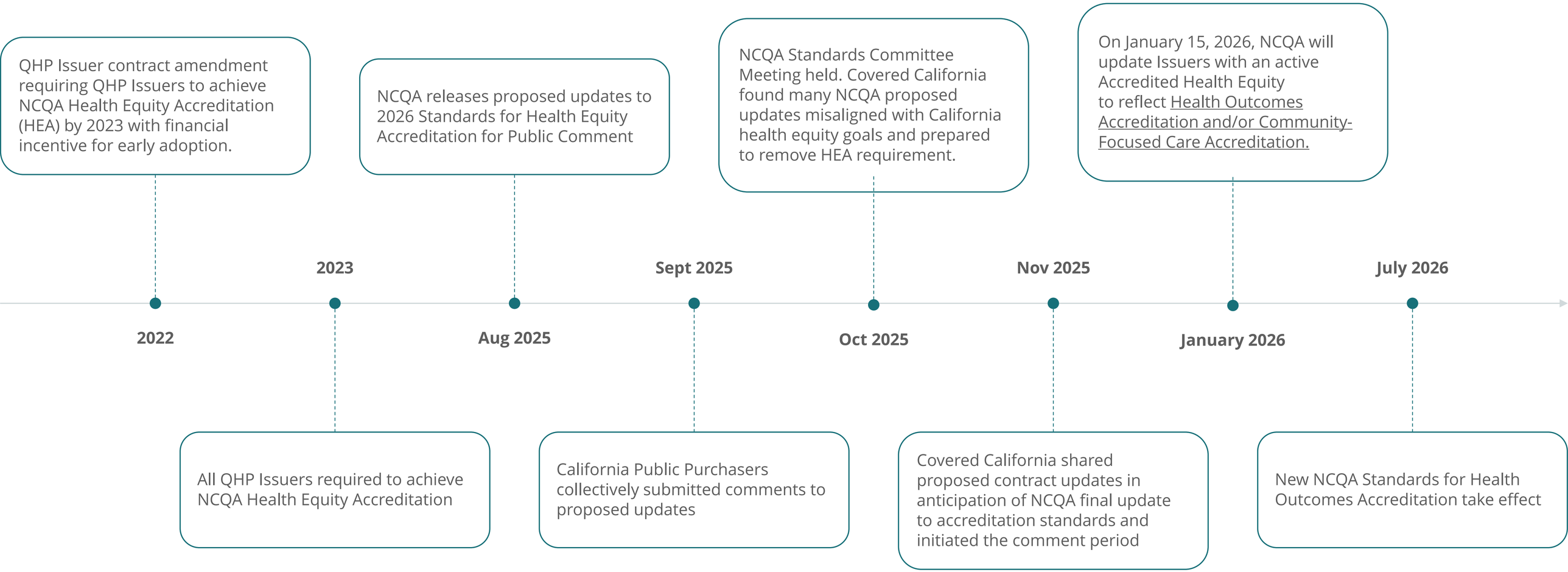
2027 Qualified Health Plan Amendments

Covered California Health Equity Initiatives

Multi-year contractual initiatives have been in place since 2017 and seek to achieve the following goals:
Goal 1: Improve demographic data capture to support measurement
Goal 2: Improve structure and rigor for disparities intervention development
Goal 3: Systematically measure and reduce disparities



Background & Timeline of NCQA Changes



NCQA Health Equity Accreditation Proposed Updates for 2026

Type of Change	Standard Change(s) from 2024-2026	NCQA Rationale	Example Redlines
Removal of language specifically referencing health equity, diversity	Organizational Readiness HEA1A: Removal of language "diverse staff" to be replaced by "responsive workforce"	To "**Adapt to the evolving policy environment**" and "focus on respectful, appropriate, responsive care, **rather than abstract concepts such as reducing bias or promoting inclusion**"	HE1: The organization has a workforce capable of supporting its goals to provide opportunities for members or patients to achieve their best possible health. ~~supports health equity goals and takes action to reduce bias and improve diversity, equity and inclusion.~~
Removal of requirements to collect specific patient demographic data factors, and removal of standardized approach to measure stratification	Collection of Data on Gender Identity HE 2D: Retirement of requirement to collect data on gender identity Use of Data to Assess Disparities HE 6B	To "**Adapt to the evolving policy environment**"	HE2~~: The organization gathers individuals' race/ethnicity, language, gender identity and sexual orientation data using standardized methods.~~ The organization gathers member- or patient-level demographic data using standardized methods.
Removal of language around culturally and linguistically appropriate services and serving multicultural populations	Revise language including in program description in HE 5A Change "Use of Data to measure CLAS and inequities" (HE 6D) to "Evaluating Effectiveness of Interventions" (HO 7D)	To "**Adapt to the evolving policy environment**" and to "better **describe the intent of activities formerly referenced by broader terminology such as "diversity** of the community" And enable "organizations to select data quality lenses that are most meaningful for their population and regulatory priorities"	HE5: ~~The organization continually improves its services to meet the needs of multicultural populations.~~ The organization has clearly defined processes, goals and responsibilities for continuously improving the appropriateness and accessibility of its services.
Additional requirements to expand demographic data collection to include disability status, disability accommodations, and geographic data elements	Collection of new data elements on Disability Status & Disability-Related Accommodations HO 2 Collection of new data elements on geographic data HO 2	To "Add content for disability" and "Add content for geographic classification" Both to "expand the selection of data types so that organizations can select data quality lenses that are most meaningful for their population and regulatory priorities."	"The organization has a documented process for direct collection of data on disability function for all patients or members that includes: • The following response options: – Hearing. – Seeing (including when wearing glasses). – Concentrating, remembering or making decisions. – Walking or climbing stairs. – Dressing or bathing..."

NCQA Health Equity Accreditation: QHP Issuer Current Status

QHP Issuer Product	Expiration Year
Aetna HMO	2026
Anthem Blue Cross EPO	2026
Anthem Blue Cross HMO	2026
Blue Shield California HMO	2028
Blue Shield California PPO	2028
Chinese Community Health Plan HMO	2027
Health Net HMO	2027
Health Net PPO	2027
Inland Empire Health Plan HMO	2026
Kaiser Permanente HMO (NorCal)	2026
Kaiser Permanente HMO (SoCal)	2027
L.A. Care HMO	2027
Molina Healthcare HMO	2028
Sharp Healthcare HMO	2026
Valley Health Plan HMO	2027
Western Health Advantage HMO	2028

Stakeholder Engagement and Public Comment

Public Comment Cycle 1
- November Plan Management Advisory meeting focused on Attachment 1: NCQA Health Equity Accreditation changes
- Participants reviewed and offered feedback on the proposed contracts and preliminary contract language
- Three public comment and response periods for Contract feedback

Public Comment Cycle 1
- Comment Cycle 1 was held between 8/15/2025 – 9/15/2025
- 3 unique organizations commented with 4 total comments. Comments and responses are available online

Public Comment Cycle 2
- Comment Cycle 2 was held between 10/9/2025 – 11/10/2025
- 2 unique organizations commented with 16 total comments. Comments and responses are available online

Public Comment Cycle: Health Equity Accreditation removal
- Additional comment cycle was held between 11/13/2025 – 12/2/2025
- No comments received

All 2027 Certification and Contract Documents will be presented in Feb/March 2026 for Board approval

ARTICLE 1: EQUITY & DISPARITIES REDUCTION

Notable Changes to Draft Attachment 1	Rationale
Health Equity Capacity Building Effective Plan Year 2027, Covered California will remove the requirement for QHP Issuers to achieve or submit evidence of NCQA Health Outcomes Accreditation, formerly known as Health Equity Accreditation, from its contract requirements.	As NCQA's proposed updates to the HEA standards are not fully aligned with Covered California strategic approach or the evidence base for health equity work, this contract change supports continued tailoring of efforts and those of the contracted QHP Issuers to meet the needs of Enrollees and achieve meaningful progress in equity-focused initiatives.
Health Equity Capacity Building QHP Issuers will be required to maintain a diverse workforce representative of the populations they serve to support equitable health outcomes. QHP Issuers can either submit evidence of compliance with NCQA Health Equity Accreditation 2024 Standards or report on efforts to achieve workforce diversity, including assessments of representation, recruitment practices, cultural humility, and staff training. Issuers who demonstrate proof of NCQA HEA 2024 Standards in Plan Year 2026 are exempt from resubmitting during this contract period.	This proposed requirement is intended to ensure QHP Issuers continue to prioritize developing and maintaining a workforce that reflects the diversity of the populations they serve. Covered California supports meaningful progress, and this change emphasizes accountability, transparency, and the critical role of workforce diversity and cultural humility in addressing health disparities.
Culturally and Linguistically Appropriate Care Clarified requirement to demonstrate provision of culturally and linguistically appropriate services to Enrollees, which can be met through either submission of NCQA Health Equity Accreditation Standards reports or reports outlined by Covered California. Health Outcomes Accreditation and its associated reports will not be accepted to meet this requirement.	This language clarification reflects Covered California's commitment to ensuring the consistent implementation and monitoring of culturally and linguistically appropriate services to best serve our diverse Enrollees.

PROPOSED QHP 2027 ATTACHMENT 2 CHANGES

Notable Changes to Draft Attachment 2	Rationale
Performance Standard 5 - Pediatric Oral Evaluations, Dental Services **Performance Standard 6 – Pediatric Topical Fluoride for Children, Dental Services** ❑ Introduction of performance threshold of 70%, above which annual improvement not subject to financial penalty.	❑ Covered California recognizes continued improvement is increasingly difficult to achieve at higher performance; performance rates of 70% and higher reflect meaningful care delivery to members. ❑ Performance thresholds and annual improvement targets adjusted in alignment with QDP contract updates proposed for 2027

PUBLIC COMMENT
Call: (877) 336-4440
Participant Code: 6981308

- To request to make a comment, press 10; you will hear a tone indicating you are in the queue for comment. Please wait until the operator has introduced you before you make your comments.
- If watching via the live webcast, please mute your computer to eliminate audio feedback while calling in. Note, there is a delay in the webcast.
- The call-in instructions can also be found on page two of the Agenda.

EACH CALLER WILL BE LIMITED TO TWO MINUTES PER AGENDA ITEM.

Written comments can be submitted to *BoardComments@covered.ca.gov*

COVERED CALIFORNIA

Presentations by Qualified Health Plan Issuers on Quality Transformation Initiative Experiences

Introduction by Taylor Priestley, Director, Health Equity and Quality Transformation

Participating QHP Issuers

Valley Health Plan

MOLINA HEALTHCARE

L.A. Care HEALTH PLAN®

PUBLIC COMMENT
Call: (877) 336-4440
Participant Code: 6981308

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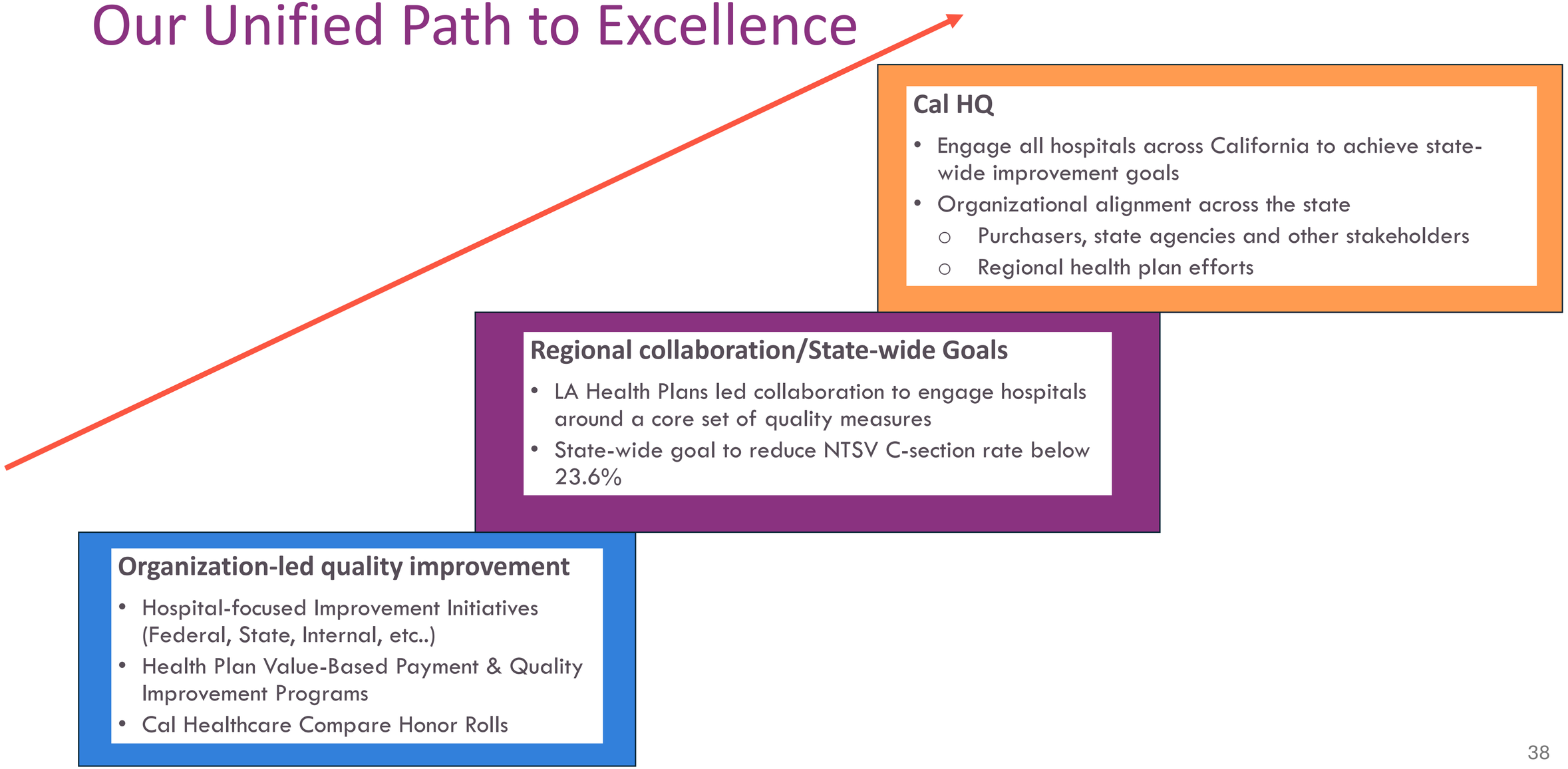
COVERED CALIFORNIA

California Alignment for Hospital Quality (Cal HQ)

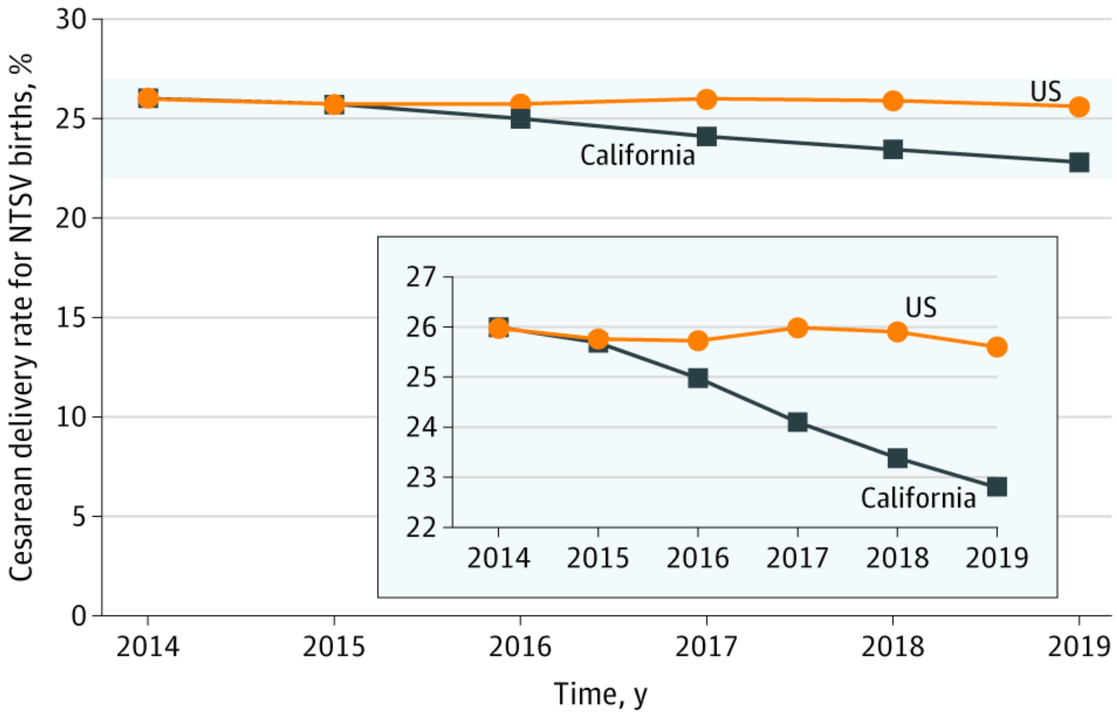
Taylor Priestley, Director, Health Equity and Quality Transformation

One CA, One Quality:
Our Unified Path to Excellence



Alignment Strategies Work!

Impact of California Initiatives on NTSV C-Section



Klein, K., Grobman, W. A., & Rhee, K. (2021). Hospital Quality Improvement Interventions, Statewide Policy Initiatives, and Rates of Cesarean Delivery for Nulliparous, Term, Singleton, Vertex Births in California. *JAMA*, *325*(16), 1631–1639. https://doi.org/10.1001/jama.2021.3816

We can do great things when we align for quality!

12.3% relative reduction in CA for low-risk C-Sections by 2019 through State-wide organization alignment and QI efforts

Cal HQ will establish a statewide framework to align and improve hospital quality for ALL Californians

2026-2028 QHP Contract Requirements

HOSPITAL QUALITY, VALUE AND PATIENT SAFETY

Covered California recognizes that improving hospital performance requires a comprehensive and cross-payer collaborative multi-stakeholder approach. Monitoring and improving hospital safety measures will improve clinical outcomes and reduce low value healthcare spending. Therefore, Contractor must:

- Report the quality improvement support and technical assistance provided by Contractor or partner organization to strengthen performance of hospitals
- Participate in collaboration across QHP Issuers and with community through a minimum of one (1) learning session, working group, or community engagement activity during the Plan Year related to quality improvement support and technical assistance to strengthen hospital quality and safety performance
- Demonstrate how it is managing hospital and facility cost (if requested by Covered California) including assessment of relative unit prices, distribution of facilities by cost decile, comparisons of costs as percentage of Medicare costs, and the percentage of costs for Contractor that are expended in each cost decile

Driving our Future: Cal HQ's Vision

Elevate Patient Care for ALL Californians

Unlock the Power of Data: Accelerating Digital Quality Measures

Build a Network of Excellence

Roadmap to Success

Build the Framework

Identify measure(s) for testing

Establish proof of concept

Establish infrastructure for alignment and collaboration

Iterate

Support early adopters and learn from high performers

Create pathway to achieve state-wide goals

Innovate

Expand measures of focus

Accelerate digital quality measurement

Co-design resources and solutions with hospitals and health plans

Sustain

Integrate into processes, incentive programs and potentially contracts (e.g. Qualified Health Plans)

Why Healthcare-Associated Infections?

Initial Measure of Focus

Beyond the Diagnosis: Impact of HAIs

Individuals Impacted in 2023[1]

- C. Diff infections: 4,353 cases
- Central Line-Associated Bloodstream Infections: 2,304 cases
- MRSA infections: 760 cases

Central line-associated blood stream infection[2]

- Estimated attributable mortality rate of 12-25%[3]
- California Rank = 33
  - Ranking Not Improved since 2019

Financial Impact[4]

- 33% of all health care spending in 2009 in CA went to hospital care
- ~$3.1 billion a year in excess costs CA acute care hospitals

[1]https://www.cdph.ca.gov/Programs/CHCQ/HAI/CDPH%20Document%20Library/CaliforniaHospitalHAI_InteractiveReportExecSummary.pdf
[2]The Commonwealth Fund 2025 Scorecard on State Health System Performance: https://doi.org/10.26099/w0ns-ae34
[3]Scott RD. The direct medical costs of health care-associated infections in US hospitals and the benefits of prevention. Centers for Disease Control and Prevention; 2009.
[4]Let's Get Healthy California Task Force Final Report, Dec 2012

Hospital Quality Improvement: Hospital Feedback

Conversations conducted with **10 trusted and experienced hospital representatives**.
Representatives represent a cross section of all CA hospitals, their feedback is summarized here:

Vision

- Expressed support for initial vision, interest in more details on what is in and out of scope and what hospital participation would look like
- Recommended increased focus on “lives and costs” saved
- Look forward to truly co-designing next steps

Measures

- Agreement with HAIs as a first step
- Great deal of interest in care transitions and readmissions
- Other areas of interest: mortality, sepsis, patient reported outcomes, patient experience

Impact of Participation

- Alignment across health plan contracts
- Alignment with existing initiatives
- Platform to collaborate with health plans to close care gaps
- Predictive analytics
- Tap into statewide resources to support improvement when needed

Hospital Quality Improvement: Plan Feedback

Conversations conducted with **11 currently contracted health plan issuers**, their feedback is summarized here:

Vision

- Support for a unified statewide hospital quality vision, aligning key stakeholders to drive durable improvement and avoid fragmented efforts
- Plans described the proposed roadmap as "*great*" and "*very ambitious*"
- Appreciation for a phased approach that builds statewide scale while aligning across stakeholders
- Recognition that a statewide initiative could bring weight, consistency, and collective pressure to improve hospital quality
- Some plans emphasized that top-performing hospitals can help lift others ("*all teach*, *all learn*")

Measures

- Start small: focus on actionable, high-impact measures, avoid complexity
- Align with contracts and standards (Leapfrog, HEDIS, CMS) to cut duplication
- Ensure relevance across all hospital types, including smaller/specialty facilities
- Prioritize ROI and clinical value, in favor of simple, transparent achievable measures
- Strong enthusiasm for moving toward digital reporting for more timely, actionable data
- Plans want to see clear consensus on measures, hospital outreach strategy, and coordination with other quality programs to avoid overlap
- Preference to align with measure stewards (Leapfrog, Hospital Quality Institute [HQI], Centers for Medicare & Medicaid Services [CMS] Hospital-Acquired Condition [HAC] Reduction Program, Health Services Advisory Group [HSAG])

Impact of Participation

- Plans highlighted that better hospital performance should translate to lower costs and improved patient experience.
- Unified standards streamline compliance, meet state requirements, and cut admin burden
- Shared best practices and tools from top-performing hospitals
- Lower avoidable costs and deliver sustained ROI despite funding limits
- Stronger leverage and engagement: the "FOMO effect" drives participation
- Plans gain a voice in shaping measures and strategies through collaboration
- Explicit request to fold in performance incentives (P4P/value-based payments) to drive hospital engagement

Cal HQ's Bold Goals

By December 31, 2027

Prevent over 2,000 infections

Save ~100 lives

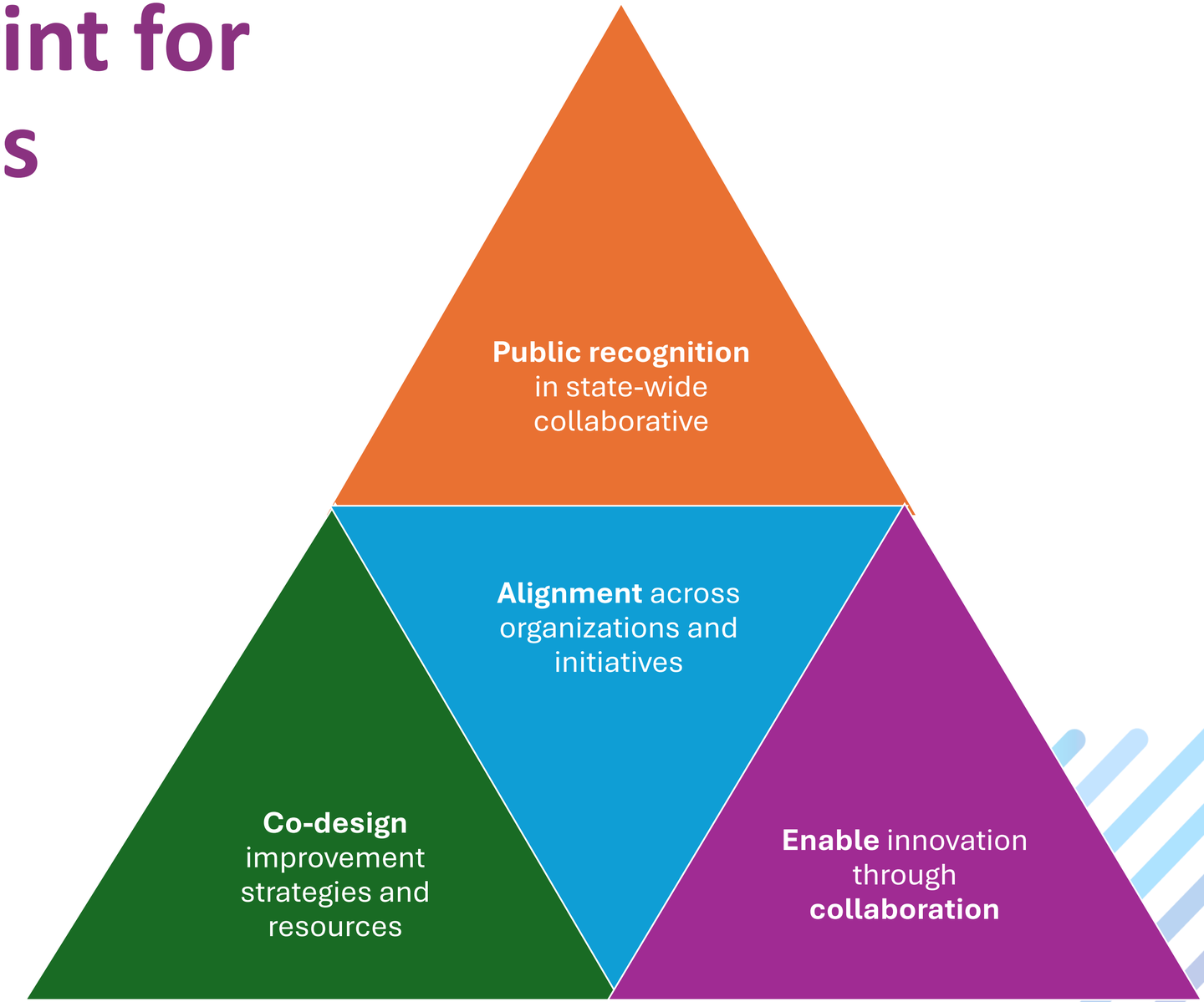
Save $64,000,000*

**AHRQ's Estimating the Additional Hospital Inpatient Cost and Mortality Associated With Selected Hospital-Acquired Conditions (2017)*

Our Game Plan

How will Cal HQ accelerate HAI reduction across the state

Blueprint for Success



Driving Quality, Delivering Excellence

Evidence-based practices

Translating analytics to action

Focus on implementation

Facilitating peer-to-peer learning

Interactive Learning	Improvement sprints Affinity groups
Customized Support	Improvement advisor coaching Data sensemaking – asking good questions
Responsive Curriculum & Network	Community of sharing Listening sessions
Practical Tools	Change packages Discovery Tools Improvement Calculators QI Basics & Templates

California Alignment for Hospital Quality

January 2026

Stakeholder engagement and additional webinars and materials.

Q1 2026

Enrolling interested hospitals.

April 2026

In-person kick-off events.

PUBLIC COMMENT
Call: (877) 336-4440
Participant Code: 6981308

- To request to make a comment, press 10; you will hear a tone indicating you are in the queue for comment. Please wait until the operator has introduced you before you make your comments.
- If watching via the live webcast, please mute your computer to eliminate audio feedback while calling in. Note, there is a delay in the webcast.
- The call-in instructions can also be found on page two of the Agenda.

EACH CALLER WILL BE LIMITED TO TWO MINUTES PER AGENDA ITEM.

Written comments can be submitted to *BoardComments@covered.ca.gov*

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