| Performance Standard | Comment | Covered CA response |
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| 3 - 6 | The performance standard measurement criteria for these 4 Oral Health measures requires a minimum performance increase of 20% DHMO and 10% DPPO from the prior year. We would recommend that there be a performance threshold that indicates if you are at a 70% or higher utilization rate for these measures than there is no penalty applied, versus always having to meet the year over year minimum performance increase. Additionally could part of the consideration in this Performance standard include measuring the effort of the plan to increase utilization through member education and outreach efforts (i.e. care gap reminders, phone outreach and/or communications to engage members in accessing these services) vs. a straight increase in utilization measure? | Covered California appreciates the suggestion to introduce a utilization threshold, above which annual improvement would not be subject to financial consequences. We acknowledge that continued improvement is more difficult to achieve at higher performance, and performance rates of 70% and higher reflect meaningful care delivery to members. This approach acknowledges plans that are achieving high utilization rates and ensures fairness when further incremental improvements become challenging. The revised 2027 amendment will reflect addition of a performance threshold in which plans achieving 70% or higher for that measure will not be subject to financial consequences for lack of annual improvement. This change reflects our focus on recognizing strong performance and ensuring the best outcomes for Covered California members. While we also strongly support proactive strategies such as member education and outreach, as detailed in Attachment 1, Article 3.01: Dental Plan Benefits and Services Communication, the performance standards will remain limited in scope to the applicable quality or utilization measure. |
| General | As a partner to Covered California we cannot emphasize enough the false premise that performance standards and resulting fines are the best way to move the needle on utilization. We cannot know which specific approaches will work until we've tried and tested a few. Therefore, we should endeavor to work together to test approaches out and learn from them to determine which ones can move the needle. Only then can we go down the path of setting benchmarks and resulting expectations from the plans as a result of those learnings. This affords a collaborative effort to seek out the levers that work and then invest in them more fully to achieve the desired outcomes. In addition, we need to build in a sufficient amount of time for refining data collection approaches before applying financial penalties. For instance, it is not sufficient to test and learn in a 12-month period as it does not afford a long enough runway to collect data, evaluate it, adjust data collection approaches, and then set targets. We need to validate the measurement methodology is working, especially with the DHMO product where there is under-reporting that will also take time to remedy. As reflected in the comment spreadsheet, application of a 10% year-over-year increase in benchmarks actually penalizes the best performing plans, because they have already achieved a higher baseline to begin with, and that is the baseline against which the 10% applies. Further, as mentioned in our dental plan negotiation session, we believe that Covered California should post quality metrics across all dental plans similar to the quality transparency that exists today for qualified health plans within the shop and compare tool. | The current structure of establishing baseline rates and requiring annual improvement has been used successfully in multiple Covered California contract terms. The under-reporting of data in DHMOs is not a new phenomenon. Covered California is pleased to add dental measures to the annual Plan Performance Report beginning with release year 2025. |