

Responses to Comment Cycle 2 - Draft 2027 Amendment - QHP Issuer Contract for Individual Market - Attachment 2

Performance Standard	Comment	Covered CA response
5	We appreciate the addition of a threshold but are concerned that 70% is extremely aggressive as is the 10% annual improvement. We respectfully request that expectation be reconsidered at a lower expectation and that expectation be considered by product (HMO v EPO)	Thank you for your feedback regarding the threshold and annual improvement expectations. Covered California acknowledges that continued improvement becomes more difficult to achieve at higher levels of performance, and rates of 70% or higher reflect meaningful care delivery to members. This level of performance was recommended by a QDP issuer and demonstrates that the majority of members are receiving timely, effective, and high-quality care, aligning with Covered California's mission to ensure access to affordable health care and improve health outcomes.
6	We appreciate the addition of a threshold but are concerned that 70% is extremely aggressive as is the 10% annual improvement. We respectfully request that expectation be reconsidered at a lower expectation and that expectation be considered by product (HMO v EPO)	Thank you for your feedback regarding the threshold and annual improvement expectations. Covered California acknowledges that continued improvement becomes more difficult to achieve at higher levels of performance, and rates of 70% or higher reflect meaningful care delivery to members. This level of performance was recommended by a QDP issuer and demonstrates that the majority of members are receiving timely, effective, and high-quality care, aligning with Covered California's mission to ensure access to affordable health care and improve health outcomes.
7	If a carrier fails to meet the 5% in 2027 or 10% in 2028 but can demonstrate efforts were made to non-compliant members, we respectfully request that those efforts will be taken into consideration whether Contractor will be subject to the penalty or not. If members only want the coverage for urgent/emergent/catastrophic circumstances and are completely unresponsive to Contractor and/or their providers, we respectfully request that Contractor not be penalized for that.	<p>Thank you for outlining the challenges related to member engagement. We understand and appreciate the effort QHPs invest in reaching members who may be unresponsive or who seek coverage only for urgent or emergent needs.</p> <p>However, the requirements in Attachment 2, Performance Standard 7, tie penalties strictly to whether a Contractor establishes a baseline and meets the required utilization increases in 2027 and 2028 (or achieves a Baseline Rate above 80%). The standard does not allow adjustments based on outreach efforts or member responsiveness.</p> <p>We remain committed to supporting QHPs in meeting these requirements and are open to discussing strategies or technical assistance to help improve member engagement and utilization outcomes.</p>