

Article	Section #	Comment	Covered CA Response
3	3.2.1.2 j)	In Section 3.2.1.2, we propose making the acceptance of credit cards optional for QHPs and QDPs. The significant administrative costs associated with credit card interchange and assessment fees (approximately 2-3% industry-wide) unnecessarily inflate premiums when consumers choose to use credit cards for points or rewards instead of other available payment methods, including debit cards or ACH payments. While the current language allows QHPs to charge reasonable fees for credit card processing, this may not be practical without further regulatory guidance.	While Covered California understands the cost concerns, credit cards are an important payment option for consumers, providing flexibility and enhancing access to coverage. No changes will be made to this section; we believe keeping credit card payment as an option is necessary to ensuring accessibility and convenience for consumers.
3	3.2.1	For Section 3.2.1 on Enrollment and Marketing Coordination and Cooperation, we recommend adjusting the expectation of spending at least 0.4% of projected premiums on direct response advertising. Instead, we propose shifting to a regional 'per member' marketing investment range based on acquisition and/or retained members. This change would address the disparities caused by premium differences between metal levels, HMO and PPO plans, and between Northern California and Southern California.	Covered California appreciates this feedback and is currently evaluating the language and considering potential updates.
10	10.1	We support the revised language in the 2027 QHP draft contract Article 10 – Privacy and Security, Section 10.1 Privacy and Security Requirements for Personally Identifiable Data that we believe strengthens the requirements and will provide greater protection to patients and providers. The requirement for contracts to meet or exceed the standards published in the National Institute of Standards and Technology (NIST), Special Publication 800-53 rev 5, requirement to annually test a contingency plan for responding to emergencies, specific encryption standards outlined in FIPS Publication 140 for contractors to follow, and contractors having to agree to adhere to the standards and requirements of the Information Practices Act as if the contractor were Covered California itself are all improvements to the QHP contract language.	Thank you for your comment.