



# News Release

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FOR IMMEDIATE RELEASE

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## Covered California Details Efforts to Lower Costs While Improving the Quality of Care

- *A new report provides a first glimpse at the results of Covered California's commitment to quality care, accountability and delivery reform.*
- *A national quality-rating system shows Covered California consumers are getting the right medical care at the right time and that care is getting better.*
- *Covered California plans are also improving in how effectively they treat chronic conditions like diabetes and high blood pressure, in addition to reducing hospital-acquired infections and unnecessary cesarean sections.*

SACRAMENTO, Calif. — Covered California released an extensive report, "[Covered California's Efforts to Lower Costs While Ensuring Consumers Get the Right Care at the Right Time](#)," to provide a first look at the results of its efforts to assure those enrolled get quality care and that contracted plans work to lower costs throughout the delivery system. The initial analysis shows that Covered California's health plans are making steady progress in improving quality and safety, which in turn helps keeps health care costs down. The report also detailed the progress contracted plans have made in increasing their efforts to "pay for value."

"Covered California is committed to going beyond just getting people health care coverage — we want to make sure consumers are getting the quality care they need," said Covered California Executive Director Peter V. Lee. "This report shows that Covered California is working to fulfill its mission of not only providing better care, but also changing the delivery system so that it consistently delivers healthier outcomes at lower costs for all Californians."

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Covered California’s efforts are part of its contracts with health plans that set standards and requirements for quality improvement and delivery system reform. The contracts have been in place since Covered California first opened its doors in 2014 and are currently being revised for the 2021 plan year.

“By implementing standards and requirements, Covered California is working to address the underlying costs of health care,” Lee said.

### Ensuring Patients Receive Quality Care at the Right Time

Among the findings in the report is that Covered California plans continue to improve in providing quality care. A global quality-rating system (QRS) score summarizes 42 different measures and shows how Covered California’s plans compare on helping members get the right medical care and on member-reported experiences of care and service.

In 2016, six of the products from Covered California’s plans earned a rating of one or two stars, while only two products received four or five stars. By 2018, all 14 of the individual products from Covered California’s 11 health plan issuers earned a rank of three stars or better, with five products earning four or five stars (see Table 1: Global Quality Rating by Reportable Products for the California Individual Market.)

QRS Year	★	★★	★★★	★★★★	★★★★★	No. of Products with No Global Rating*
2018	0	0	6	3	2	3
2017	0	2	6	1	1	4
2016	0	6	2	1	1	4

\* There is no global rating if a newer product that is ineligible for reporting, or has insufficient sample sizes to report results, for at least two of the three summary indicator categories.

In addition, the report details how Covered California’s plans have shown steady improvement in controlling chronic conditions such as diabetes and high blood pressure.

### Improving Hospital Patient Safety

Covered California is also working to align its efforts with other initiatives to increase the number of hospitals that take advantage of collaborative programs to improve quality and safety at their facilities. Infections acquired during a hospital stay are a leading cause of injury and death in hospitals and can be extremely costly because they create complications that extend the length of the hospitalization.

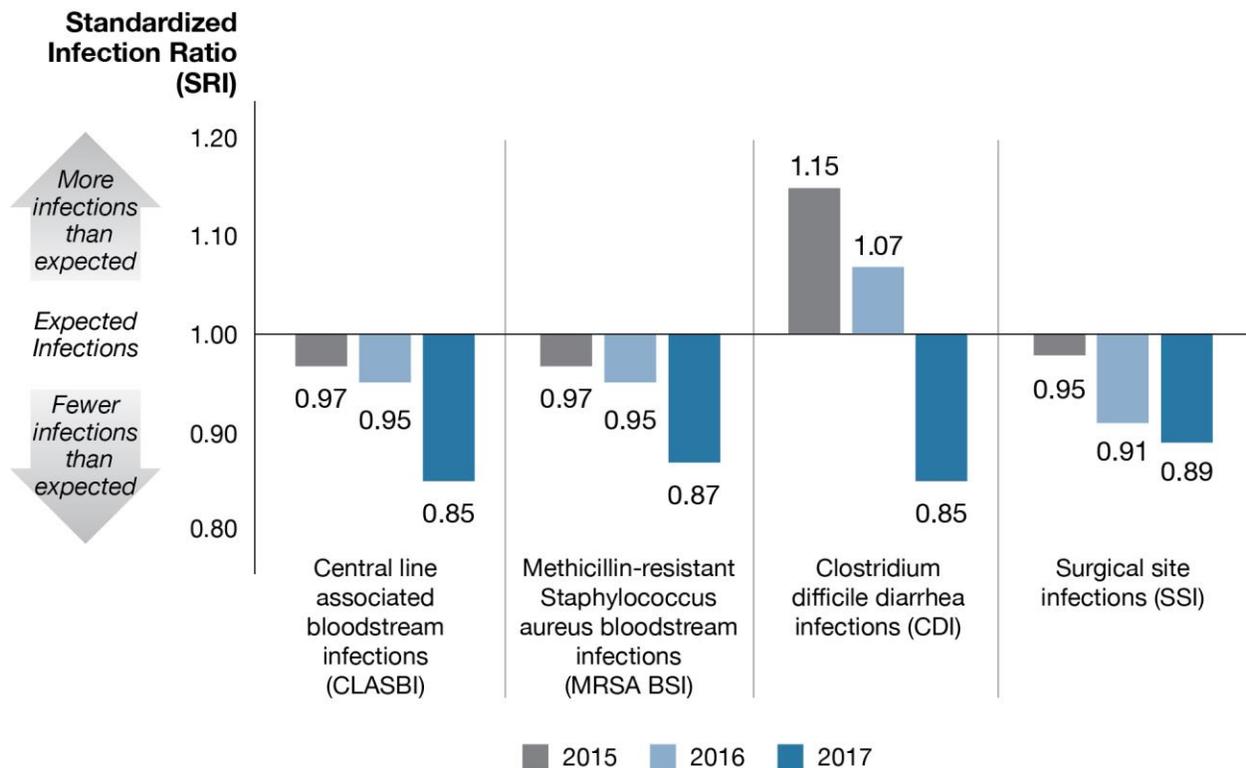
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Health care-acquired infections are reported as a Standardized Infection Ratio (SIR), a risk-adjusted measure managed nationally that compares observed versus expected number of events per year. A score of 1.0 means a hospital has an expected rate of infections. Below 1.0 is better and above is worse.

The following table shows five hospital-acquired infections (catheter-associated urinary tract infection, or CAUTI; central line-associated blood stream infections, or CLABSI; methicillin resistant staph, or MRSA; clostridium difficile bacterial infection, or C. diff; and surgical site infection of the colon surgery, or SSI Colon) that are linked to avoidable harm and hospital deaths.

As of 2018, virtually every hospital in California has joined collaborative efforts to improve safety performance, and the California Department of Public Health reports significant reduction in complication rates (see Figure 1: Health Care-Associated Infection Incidence in California Hospitals, 2015-2017).

**Figure 1: Health Care-Associated Infection Incidence in California Hospitals, 2015-2017**



### Matching Consumers With a Primary Care Clinician

Ensuring that people get the right care at the right time is enabled by giving consumers access to a provider who can guide them through a health care system that can be fragmented and complicated.

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In January 2017, Covered California became the first purchaser to require that all of its consumers, in both PPOs and HMOs, be matched to a primary care physician or other primary care clinician. The purpose of the requirement was to bring the physician match to the PPO environment and give consumers a single point of contact who would help them navigate their health care system.

Within a year, virtually all of Covered California's enrollees, 99 percent, had either selected or been matched with a primary care physician, which was nearly a 30 percentage point increase from the 2016 baseline rate of 70 percent. Covered California believes this primary care physician match will ultimately help people get better access to care in a timelier manner.

"While Covered California's initial efforts show steady improvement, the positive start only represents the beginning of the journey," Lee said. "Covered California's process is anchored in analyzing the best evidence available nationally and understanding how we can align our efforts with other purchasers to provide better quality, safer care and lower costs."

In addition to these improvements, Covered California's report also detailed improvements in promoting enrollment in Accountable Care Organizations and patient-centered medical homes, as well as achieving value in drug spending and increasing access to telehealth services and consumer support tools.

[Read the full report here.](#)

### **About Covered California**

Covered California is the state's health insurance marketplace, where Californians can find affordable, high-quality insurance from top insurance companies. Covered California is the only place where individuals who qualify can get financial assistance on a sliding scale to reduce premium costs. Consumers can then compare health insurance plans and choose the plan that works best for their health needs and budget. Depending on their income, some consumers may qualify for the low-cost or no-cost Medi-Cal program.

Covered California is an independent part of the state government whose job is to make the health insurance marketplace work for California's consumers. It is overseen by a five-member board appointed by the governor and the Legislature. For more information about Covered California, please visit [www.CoveredCA.com](http://www.CoveredCA.com).

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