

**Covered California  
Qualified Health Plan Contract**

**between  
Covered California, the California Health Benefit Exchange  
and  
\_\_\_\_\_ (“Contractor”)**

**List of Attachments to QHP Model Contract, 2<sup>nd</sup> Draft**

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**Attachment 1 Contractor's QHP List [to be attached specifically for each Issuer]**

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**Attachment 2 Benefit Plan Designs [to be attached specifically for each Issuer]**

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**Attachment 3 - Good Standing**

Definition of Good Standing	Agency
Verification that issuer holds a state health care service plan license or insurance certificate of authority.	
<input type="checkbox"/> Approved for applicable lines of business (e.g. commercial, small group, individual)	DMHC
<input type="checkbox"/> Approved to operate in what geographic service areas	DMHC
<input type="checkbox"/> Most recent financial exam and medical survey report	DMHC
<input type="checkbox"/> Most recent market conduct exam	CDI
Affirmation of no material <sup>1</sup> statutory or regulatory violations, including penalties levied, in the past two years in relation to any of the following, where applicable:	
<input type="checkbox"/> Financial solvency and reserves	DMHC and CDI
<input type="checkbox"/> Administrative and organizational capacity	DMHC
<input type="checkbox"/> Benefit Design	
<input type="checkbox"/> State mandates (to cover and to offer)	DMHC and CDI
<input type="checkbox"/> Essential health benefits (as of 2014)	DMHC and CDI
<input type="checkbox"/> Basic health care services	DMHC and CDI
<input type="checkbox"/> Copayments, deductibles, out-of-pocket maximums	DMHC and CDI
<input type="checkbox"/> Actuarial value confirmation (classification of metal level as of 2014)	DMHC and CDI
<input type="checkbox"/> Network adequacy and accessibility standards	DMHC and CDI
<input type="checkbox"/> Provider contracts	DMHC and CDI
<input type="checkbox"/> Language Access	DMHC and CDI
<input type="checkbox"/> Uniform disclosure (summary of benefits and coverage)	DMHC and CDI
<input type="checkbox"/> Claims payment policies and practices	DMHC and CDI
<input type="checkbox"/> Provider complaints	DMHC and CDI
<input type="checkbox"/> Utilization review policies and practices	DMHC and CDI
<input type="checkbox"/> Quality assurance/management policies and practices	DMHC
<input type="checkbox"/> Enrollee/Member grievances/complaints and appeals policies and practices	DMHC and CDI
<input type="checkbox"/> Independent medical review	DMHC and CDI
<input type="checkbox"/> Marketing and advertising	DMHC and CDI
<input type="checkbox"/> Guaranteed issue individual and small group (as of 2014)	DMHC and CDI
<input type="checkbox"/> Rating Factors	DMHC and CDI
<input type="checkbox"/> Medical Loss Ratio	DMHC and CDI
<input type="checkbox"/> Premium rate review	DMHC and CDI
<input type="checkbox"/> Geographic rating regions	
<input type="checkbox"/> Rate development and justification is consistent with the Affordable Care Act requirements	
• Reasonableness Review	DMHC and CDI

<sup>1</sup> “Material” violations are defined in Section 3.02 of the Agreement.  
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**Attachment 4 Service Area Listing [to be attached specifically for each Issuer]**

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## Attachment 5 Provider Agreement - Standard Terms

Contractor shall cause the following provisions to be included in each: (i) Provider Agreement entered into by and between Contractor and a Participating Provider, and (ii) applicable subcontracting arrangement entered into by a Participating Provider. Except as expressly set forth herein, capitalized terms set forth herein shall have the same meaning as set forth in the Agreement between Contractor and the Exchange; provided that Contractor may use different terminology as necessary to be consistent with the terms used in the Provider Agreement or subcontracting arrangements entered into by Participating Providers so long as such different terminology does not change the meaning set forth herein and the Agreement.

1. Provision of Covered Services. Contractor shall cause each Participating Provider to assure that each Participating Provider Agreement and each subcontracting arrangement entered into by each Participating Provider shall comply with, the terms and conditions set forth in the Agreement, including, without limitation, those relating to the following:

- Furtherance of objectives and mission of the Exchange (Section 1.01)
- Coordination with the Exchange and other programs and stakeholders (Section 1.06);
- Relationship of the parties as independent contractors (Section 1.08(a)) and Contractor's exclusive responsibility for obligations under the Agreement (Section 1.08(b));
- Participating Provider directory requirements (Section 3.05(c));
- Implementation of processes to enhance stability and minimize disruption to provider network (Section 3.05(d) and (e));
- Notice, network requirements and other obligations relating to costs of out-of-network and other benefits (Section 3.1);
- Credentialing, including, maintenance of licensure and insurance (Section 3.16);
- Customer service standards (Section 3.18);
- Utilization review and appeal processes (Section 3.17);
- Maintenance of a corporate compliance program (Section 3.19);
- Enrollment and eligibility determinations and collection practices (Sections 3.20 to 3.25)
- Appeals and grievances (Section 3.26);
- Enrollee and marketing materials (Section 3.27);
- Disclosure of information required by the Exchange, including, financial and clinical (Section 3.31; Quality, Network Management and Delivery System Standards (Article 4 ) and other data, books and records (Article 10));
- Nondiscrimination (Section 3.32);
- Conflict of interest and integrity (Section 3.33);
- Other laws (Section 3.35);
- Quality, Network Management and Delivery System Standards to the extent applicable to Participating Providers (Article 4), including, disclosure of contracting arrangements with Participating Providers as required under Section 7.01 of the Quality, Network Management and Delivery System Standards;
- Performance Measures, to the extent applicable to Participating Providers (Article 6)
- Continuity of care, coordination and cooperation upon termination of Agreement and transition of Enrollees (Article 7);
- Security and privacy requirements, including, compliance with HIPAA (Article 9); and

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- Maintenance of books and records (Article 10).

2. In addition to the foregoing, Contractor shall ensure that each Provider Agreement conforms and complies with other applicable laws, rules and regulations.

3. The descriptions set forth in this Attachment shall not be deemed to limit the obligations set forth in the Agreement, as amended from time to time.

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## Attachment 6: Customer Service Standards

### Customer Service Standards

#### A. Customer Service Call Center

(i) During Open Enrollment Period, call center hours shall be Monday through Saturday eight o'clock (8:00) a.m. to eight o'clock (8:00) p.m. (Pacific Standard Time). During non-Open Enrollment periods, call center hours shall be Monday through Friday eight o'clock (8:00) a.m. to six o'clock (6:00) p.m. (Pacific Standard Time) and Saturday eight o'clock (8:00) a.m. to five o'clock (5:00) p.m. (Pacific Standard Time).

(ii) The center will be staffed at such levels as reasonably necessary to handle call volume and achieve compliance with Performance Measurement Standards set forth in Section \_\_\_\_\_. Contractor shall staff the Call Center with highly trained individuals to provide detailed benefit information, answer Enrollee questions about the QHP, and resolve claim and benefit issues.

(ii) Contractor shall use a telephone system that includes welcome messages in English, Spanish and Contractor's threshold languages. The customer service representatives staffing the call center shall include representatives in Contractor's threshold languages, and shall be trained to contact the telephone interpreter service to handle calls from other non-English speaking Enrollees.

(iii) Oral interpreter services shall be available at no cost for non-English speaking or hearing-impaired Enrollees during regular business hours. Contractor shall monitor the quality and accessibility of call center services on an ongoing basis. Contractor shall report to the Exchange, in a format and frequency to be determined by the Exchange, on the volume of calls received by the call center and Contractor's ability to meet the Performance Measurement Standards.

B. Customer Service Transfers. During Contractor's regularly scheduled customer service hours, Contractor shall have the capability to accept and handle calls transferred from the Exchange to respond to callers requesting additional information from Contractor. Contractor shall maintain such staffing resources necessary to comply with Performance Measurement Standards and to assure that the Exchange can transfer the call to a live representative of Contractor prior to handing off the call. Contractor shall also maintain live call transfer resources to facilitate a live transfer (from the Exchange to Contractor) of customers who call the Exchange with issues or complaints that need to be addressed by Contractor.

(i) Examples of issues or complaints include but are not limited to premium billing or claims issues; benefit coverage questions (before and after enrollment); complaints; network or provider details; and Issuer-specific questions or issues.

(ii) Contractor shall refer Enrollees and applicants with questions regarding premium tax credit and the Exchange eligibility determinations to the Exchange's website or Service Center, as appropriate.

(iii) Contractor shall work with the Exchange to develop a mechanism to track handling and resolution of calls referred from the Exchange to Contractor (such as through the use of call reference numbers).

#### C. Customer Care

(i) Contractor shall comply with the requirements of the Americans with Disabilities Act and provide culturally competent customer service to all the Exchange enrollees in accordance with 45 C.F.R. §155.205 and §155.210, which refer to consumer assistance tolls and the provision of culturally and linguistically appropriate information and related products.

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(ii) Contractor shall comply with HIPAA rules and other laws, rules and regulations respecting privacy and security, as well as establish protocols for handling the Exchange customers who have documented domestic violence or other security concerns. Contractor shall monitor compliance and file these protocols with the Exchange yearly.

D. Notices

(i) For all forms of notices required under state and federal Law to be sent to Enrollees regarding rates, benefit design, network changes, or security/HIPAA references, Contractor shall submit an electronic copy to the Exchange at least five (5) business days in advance of the message transaction. If Contractor is unable to notify the Exchange in advance due to federal or state notice requirements, Contractor shall send the Exchange notification simultaneously.

(ii) Contractor shall provide a link to the Exchange website on its website.

(iii) When Contractor provides director contacts for getting membership assistance, Contractor shall also include the Exchange website for Exchange-related issues.

(iv) All legally required notices sent by Contractor to Enrollees shall be translated into and available in all threshold languages according to the following criteria: 3,000 of the spoken language in the service area, or 1,000 per ZIP code, or 1,500 per two ZIP codes, or as otherwise required under applicable State and Federal laws, rules and regulations, including, Health and Safety Code 1367.04.

(v) Contractor shall release notices in accordance with federal and state law and as specified in the Administrative Manual. All such notices shall meet the accessibility and readability standards in the Exchange regulations (45 C.F.R. Parts 155 and 156) located in 10 CCR Sections 6400 et. seq.

E. Issuer-Specific Information

(i) Upon request, Contractor shall provide training materials and participate in the Exchange customer service staff training.

(ii) Contractor shall provide summary information about its administrative structure and the QHPs offered on the Exchange. This summary information will be used by the Exchange customer service staff when referencing Contractor or QHP information. The Exchange will develop a form to collect uniform information from Contractor.

F. Customer Service Quality Performance Measurement Standards. Contractor shall monitor the quality and accessibility of the Enrollee call center services on an ongoing basis and report to the Exchange, in a format and frequency determined by the Exchange, on Contractor's ability to meet the Performance Measurement Standards for customer service.

G. Enrollee Materials

(i) Contractor shall provide or make available to Enrollees Plan materials required under the terms of the Agreement and applicable laws, rules and regulations, including new training materials under Section E(i) above. Such materials shall be available in threshold languages or as otherwise required by law and receive any necessary regulatory approvals from Health Care Regulations and be provided to the Exchange as directed by the Exchange and shall include information brochures a summary of the Plan that accurately reflects the coverage available under the Plan (such summary plan description or other summary hereinafter referred at times as "Plan Summary") and related communication materials. Prior to use, all Plan materials shall be submitted to the Exchange for review and approval, including proposed updates or amendments.

(ii) Enrollee materials shall be available in English and Spanish. Contractor shall translate all written materials for Enrollees into Spanish and any language representing the preferred mode of

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communication for 3,000 or more Enrollees or as indicated on the enrollment file and/or as otherwise required by applicable laws, rules and regulations. Contractor shall ensure that Enrollees who are unable to read the written materials have an alternate form of access to the contents of the written materials. Enrollee materials shall be written in plain language, as that term is defined in the Regulations. Plan materials that require the Exchange review and approval before usage are those that communicate specific eligibility and enrollment and other key information to Enrollees. Such materials may include, but are not limited to,

- a. Welcome letters
- b. Billing notices and statements
- c. Notices of actions to be taken by Plan that may impact coverage or benefit
- d. Termination letters
- e. Grievance process materials
- f. Drug formulary information
- g. Uniform summary of benefits and coverage
- h. Other materials required by the Exchange.

(iii) New Enrollee Enrollment Packets.

a. Contractor shall mail enrollment packets to all new Enrollees within ten (10) business days of receiving enrollment verification from the Exchange. Contractor may deliver enrollee materials pursuant to other methods that are consistent with (i) Contractor's submission of materials to enrollees of its other plans, (ii) the needs of Enrollees, (iii) the consent of the Enrollee, and (iii) with applicable laws, rules and regulations; provided, however, that Contractor shall obtain Exchange's prior approval with respect to any other method of delivery other than mailing. Contractor shall report to the Exchange, in a format and frequency determined by the Exchange, on the number and accuracy rate of identification cards that were sent to new Enrollees and Contractor's compliance with the Performance Measurement Standards set forth in this Agreement. The enrollment packet shall include, at the minimum, the following:

- i. Welcome letter;
- ii. Enrollee ID card;
- iii. Benefit summary;
- iv. Pharmacy benefit information;
- v. Nurse advice line information; and
- vi. Other materials required by the Exchange.

b. Contractor shall maintain access to enrollment packet materials, Plan Summaries, claim forms and other Plan-related documents in both English and Spanish and any other languages required under law to the extent required to timely meet all requirements of this Agreement for timely mailing and delivery of Plan materials to Enrollees. Contractor shall be responsible for printing, storing and stocking, as applicable, all materials.

(iv) Plan Summary. Contractor shall develop and maintain a Plan Summary which shall accurately and completely describe the terms and conditions of the coverage and benefits provided under the Plan and the Participating Provider network. The Plan Summary shall comply with state and federal laws, rules and regulations regarding disclosure of plan materials and be approved by Exchange. The Plan Summary shall be available to Enrollees online and shall be sent to Enrollees on request. The Plan Summary Plan Description available online and the hard copy sent to Enrollees on request shall be available to Enrollees in English and Spanish. Contractor shall update the Plan Summary Plan

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Description annually and Contractor shall make the Plan Summary Plan Description available to Enrollees at the time of their enrollment in the Plan, and annually thereafter at renewal if Plan benefits are modified, and as otherwise directed by the Exchange or required by law.

(v) Electronic Listing of Participating Providers. Contractor shall create and maintain an electronic listing of all Participating Providers and make it available online for Enrollees, potential Enrollees, and Participating Providers, 24 hours a day, 7 days a week. The listing shall comply with the requirements required under applicable laws, rules and regulations, including, those set forth at 45 C.F.R. Section 156.230 relating to identification of providers who are not accepting new Enrollees.

(vi) Enrollee Identification Card. No later than 10 days after receiving enrollment information from the Exchange, Contractor shall distribute to each Enrollee an identification card in a form that is approved by the Exchange.

(vii) Access to Medical Services Pending ID Card Receipt. Contractor shall promptly coordinate and ensure access to medical services for Enrollees who have not received ID cards but are eligible for services.

(viii) Explanation of Benefits. Contractor shall send each Enrollee, by mail, an Explanation of Benefits (EOB) to Enrollees in Plans that issue EOBs for all Participating and Non-participating Provider services unless an Enrollee affirmatively asks for an electronic EOB. The EOB shall be in such form as is consistent with industry standards.

(ix) Secure Plan Website for Enrollees and Providers. Contractor shall maintain a secure web site, 24 hours, 7 days a week. All content on the secure Enrollee website shall be available in English upon implementation of Plan and in Spanish within thirty (30) days after the Effective Date and any other languages required under applicable laws, rules or regulations. The secure web site shall contain information about the Plan, including, but not limited to, the following:

- a. Benefit statements that include information relating to services, paid claims, cost sharing and other information available as directed by the Exchange;
- b. Ability for Enrollees to view their claims status such as denied, paid, unpaid;
- c. Ability to respond via e-mail to customer service issues posed by Enrollees and Participating Providers;
- d. Ability to provide online eligibility and coverage information for Participating Providers;
- e. Support for Enrollees to receive Plan information by e-mail; and
- f. Enrollee education tools and literature to help Enrollees understand health costs and research condition information.

H. Standard Reports. Contractor shall submit standard reports as described below, pursuant to timelines, periodicity, rules, procedures, demographics and other policies established by the Exchange, which may be amended from time to time. The Exchange shall include the full list of standard reports in the Administrative Manual. Standard reports shall include, but are not limited to:

- (i) Enrollee customer service reports including phone demand and responsiveness, first call resolution, response to written correspondence, and number/accuracy/timeliness of ID card distribution;
- (ii) Nurse advice line volume, talk time, and topics discussed;
- (iii) Use of Plan website;

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- (iv) Quality assurance activities;
- (v) Any reports provided to the federal government and other customers;
- (vi) Enrollment reports; and
- (vii) Premiums collected.

I. Limited Customer Service for Enrollees. Contractor shall provide limited customer service functions and customer service call center accessibility as mutually agreed by the Parties at times other than during the normal hours of operation.

J. Performance Measurement Standards for Subcontractors. Contractor shall, as applicable, ensure that all Subcontractors comply with all Agreement requirements and Performance Measurement Standards, including, but not limited to, those related to Customer Service. Subcontractor's failure to comply with Agreement requirements and all applicable Performance Measurement Standards shall result in specific remedies referenced in Attachment 3 applying to Subcontractor.

K. Exchange Training of Staff

(i) Contractor shall arrange for and conduct the Exchange staff training regarding the administrative functions and operations including the systems used for the program in accordance with federal and state requirements.

(ii) Contractor shall provide the Exchange with a monthly calendar of the Exchange staff trainings. Contractor shall make available training slots for the Exchange staff upon request.

L. Customer Service Training Process. Contractor shall demonstrate to the Exchange that it has in place initial and ongoing customer service protocols, training, and processes to appropriately interface with and participate in the Exchange. As part of this demonstration, Contractor shall permit the Exchange to inspect and review its training materials. The Exchange will share its customer service training modules with Contractor.

## Attachment 7: Quality, Network Management and Delivery System Standards

# Quality, Network Management and Delivery System Standards

### Preamble

#### PROMOTING HIGHER QUALITY AND BETTER VALUE

The mission of Covered California (the “Exchange”) is to increase the number of insured Californians, improve health care quality and access to care, promote better health, lower costs, and reduce health disparities through an innovative and competitive marketplace that empowers consumers to choose the health plan and providers that offer the best value. The Exchange’s “Triple Aim” framework seeks to improve the patient care experience including quality and satisfaction, improve the health of the population, and reduce the per capita cost of health care services.

Qualified Health Plans (“QHP” or “Contractor”) are central partners for the Exchange in achieving its mission. By entering into an agreement with the Exchange (“Agreement”), QHPs agree to work in partnership with the Exchange to develop and implement policies and practices that will promote the Triple Aim, impacting not just the Enrollees of the Exchange but the Contractor’s entire membership. QHPs have the opportunity to take a leading role in helping the Exchange support new models of care which promote the vision of the Affordable Care Act and meet consumer needs and expectations. At the same time, the Contractor and the Exchange can promote improvements in the entire care delivery system. The Exchange will seek to promote care that reduces excessive costs, minimizes unpredictable quality and reduces inefficiencies of the current system. For there to be a meaningful impact on overall healthcare cost and quality, solutions and successes need to be sustainable, scalable and expand beyond local markets or specific groups of individuals. The Exchange expects its QHP partners to engage in a culture of continuous quality and value improvement, which will benefit all enrollees.

These Quality, Network Management and Delivery System Standards (“Quality, Network Management and Delivery System Standards”) outline the ways that the Exchange and the Contractor will focus on the promotion of better care and higher value for the Plan Enrollees and for other California health care consumers. This focus will require both the Exchange and the Contractor to coordinate with and promote alignment with other organizations and groups that seek to deliver better care and higher value. By entering into the Agreement with the Exchange, Contractor affirms its commitment to be an active and engaged partner with the Exchange and to work collaboratively to define and implement additional initiatives and programs to continuously improve quality and value.

#### Article 1. Accreditation: NCQA or URAC

**1.01** If Contractor does not already possess NCQA or URAC health plan accreditation, Contractor shall obtain such accreditation no later than the end of Contract Year 2016.

**1.02** If Contractor is currently accredited, Contractor shall maintain its NCQA or URAC health plan accreditation throughout the term of the Agreement. Contractor shall notify the Exchange of the date of any NCQA or URAC accreditation review scheduled during the term of this Agreement and the results of such review.

**1.03** Upon completion of any NCQA or URAC health plan review conducted during the term of this Agreement, Contractor shall provide the Exchange with a copy of the NCQA or URAC Assessment Report within forty-five (45) days of receipt from NCQA or URAC.

**1.04** In addition to its overall NCQA or URAC health plan accreditation rating, Contractor shall be expected to maintain a minimum rating of “accredited” in all of the current or future NCQA or URAC categories. This requirement is applicable to health plan accreditation only and Contractors are not required to maintain other certifications and accreditation for specific programs, such as disease management.

**1.05** If Contractor receives a rating of less than “accredited” in any NCQA or URAC category, Contractor shall notify the Exchange within 10 (10) business days of such rating(s) change and shall be required to provide the Exchange with all corrective action(s) that will be taken to raise the category rating to a level of at least “accredited.” Contractor will submit a written corrective action plan (CAP) to the Exchange within forty-five (45) days of receiving its initial notification of the change in NCQA or URAC category ratings.

**1.06** Following the initial submission of the corrective action plans (“CAPs”), Contractor shall provide a written report to the Exchange on at least a quarterly basis regarding the status and progress of the submitted corrective action plan(s). Contractor shall request a follow-up review by NCQA or URAC at the end of twelve (12) months and a copy of the follow-up Assessment Report will be submitted to the Exchange within thirty (30) days of receipt.

**1.07** In the event, Contractor’s overall NCQA or URAC accreditation is suspended, revoked, or otherwise terminated, or in the event, Contractor has undergone NCQA or URAC review prior to the expiration of its current NCQA or URAC accreditation and NCQA or URAC reaccreditation is suspended, revoked, or not granted at the time of expiration, the Exchange reserves the right to terminate any agreement by and between Contractor and the Exchange.

**1.08** Upon request by the Exchange, Contractor will identify all certification or accreditation programs undertaken, including any accreditation or certifications that were failed, and will also provide the full written report of such certification or accreditation undertakings to the Exchange.

## **Article 2. Quality Of Care**

### **2.01 HEDIS and CAHPS Reporting**

(a) Contractor shall measure its HEDIS and CAHPS scores to include the measure numerator, denominator and rate for the standard measures set that is reported to NCQA Quality Compass and/or DHCS County-level reporting.

(i) Contractor shall report scores for MY2011, MY2012, and MY2013 based on data reported to both the Exchange and NCQA Quality Compass and/or DHCS County-level Product reporting for those periods.

(ii) Contractor shall report scores separately for each Quality Compass Product Line/Reporting Product and/or DHCS County-level product combination (e.g. Contractor

commercial HMO/POS, Contractor commercial PPO, Medicaid HMO), for California, that corresponds to the Contractor's Exchange products. The Exchange LOB is not required.

(b) Effective MY2014, and on an annual basis, Contractor shall report HEDIS and CAHPS scores to include the measure numerator, denominator and rate for the required measures set that is reported to NCQA Quality Compass, per the NCQA Exchange Product Line reporting specifications (expected late 2014). The Exchange reserves the right to use the Contractor reported measures scores to construct Contractor summary quality ratings that the Exchange may use for such purposes as supporting consumer choice and the Exchange's plan oversight management.

(c) The Exchange reserves the right to add new measures to the standard HEDIS measures and will provide Contractor sixty (60) days prior notice of intent to add new measures to the existing measure set.

(d) Contractors electing to pursue URAC plan accreditation, instead of NCQA accreditation per Article 2, are not exempt from these requirements.

(e) The timeline for Contractor's HEDIS and CAHPS quality reporting shall be as set forth below, as such timelines may be modified from time to time by the Exchange and included in updates to the Administrative Manual:

**Timeline for Contractor Quality Reporting**

	Fall 2013	Fall 2014	Fall 2015	Fall 2016
Commercial HEDIS	Historical (MY2011)	Historical (MY2012)	Historical (MY2013)	QHP Specific (MY2014)
Commercial CAHPS	Historical (MY2011)	Historical (MY2012)	QHP Specific (MY2014)	QHP Specific (MY2015)
MMC HEDIS (EAS)*	Historical (MY2011)	Historical (MY2012)	Historical (MY2013)	QHP Specific (MY2014)
MMC CAHPS	Historical (MY2010)	Historical (MY2012)	QHP Specific (MY2014)	QHP Specific (MY2015)
MMC Bridge Plan HEDIS (EAS)**	NA	April 2014 Historical (MY2012)	Historical (MY2013)	QHP Specific (MY2014)
MMC Bridge Plan CAHPS**	NA	April 2014 Historical (MY2012)	QHP Specific (MY2014)	QHP Specific (MY2015)

**Legend**

\*External Accountability Set (DHCS subset of HEDIS measures)

\*\*Clarify if MMC Bridge Plan QRS reporting requirements

**2.02 Participation in Quality Initiatives.** Contractor shall participate in established statewide and national collaborative initiatives for quality improvement. Contractors shall

demonstrate active participation in such collaborative initiatives and will document specific support related activities. Contractor will provide to the Exchange evidence of meeting participation standards within such collaborative initiatives and will demonstrate their engagement with providers and other contracting partners through the provision of data and adoption of standard measures.

Specific collaborative initiatives may include:

- (a) Leapfrog
- (b) California Maternal Data Center (sponsored by the California Maternal Quality Care Collaborative (CMQCC))
- (c) Orthopedic joint replacement data to the California Joint Replacement Registry developed by the CHCF, California Orthopedic Society and Pacific Business Group on Health (PBGH)
- (d) NCDR® (National Cardiovascular Data Registry that currently includes seven specific registry programs)
- (e) Society of Thoracic Surgeons National Database for the collection of general thoracic surgery clinical data,
- (f) National Neurosurgery Quality and Outcomes Database (N2QOD)
- (g) Integrated Healthcare Association's (IHA) Pay for Performance Program
- (h) IHA Payment Bundling demonstration
- (i) Centers for Medicare and Medicaid Innovation (CMMI) Bundled Payments for Care Improvement initiative (BPCI)
- (j) CMMI Comprehensive Primary Care initiative (CPC)
- (k) CMMI Shared Savings Program (including Pioneer, Advanced Payment and other models)
- (l) Contractor-sponsored accountable care programs

Contractor will provide the Exchange with the percentage of total Participating Providers, as well as the percentage of the Exchange specific providers participating in the programs noted above in paragraphs (a) through (l) and with respect to Contractor's participation in any other programs.

The Exchange will identify and evaluate the most effective programs for improving care for enrollees and may require participation by Contractor in the future. A review of participation in quality improvement collaborative initiatives will be incorporated into the Exchange's Contractor recertification process.

### **2.03 Data Submission Requirements to the Exchange**

Contractor shall submit a complete data set, inclusive of all claims, encounter and pharmacy data, on a quarterly basis to the Exchange or the Exchange's designated recipient. Such submissions will conform to all applicable State and Federal personal health information and related privacy laws, rules and regulations, and shall comply with the terms and conditions set forth in the Agreement by and between Contractor and the Exchange. Contractor will bear the full cost of data collection, extraction and submission; provided, however, that except as expressly set forth in this Attachment or the Agreement, Contractor will not be required to pay for any expenses related to the analysis of that data in order to comply with the terms of this Agreement.



Contractor shall submit such information at such times and in accordance with the data set standards established by the Exchange, including, the technical specifications set forth in separate attachments to the Administrative Manual

- Plan
- Member
- Member History
- Contracted PMGs
- Providers (all providers with paid claims, including non-contracted)
- Hospitals (all providers with paid claims, including non-contracted)
- Professional Claims
- Hospital Claims Header
- Hospital Claims Detail
- Drug Claims

#### **Additional Data Elements Expected**

Contractor agrees to work with the Exchange to add additional data elements critical to the Exchange's Enrollees and in order to refine existing quality related assessments.

By 2015, Contractor shall be capable of stratifying claims and quality data to the following categories:

- (i) Race
- (ii) Ethnicity
- (iii) Gender
- (iv) Primary language
- (v) Disability status
- (vi) Sexual orientation

#### **2.04 Specific Quality Reports and Oversight Required.**

Contractor shall provide quarterly reports to the Exchange related to Enrollees of the Exchange. Contractor shall follow all report requirements and formats, as further defined in technical specifications set forth in the Administrative Manual, and shall develop reports based on the data elements identified in Section 2.03. Required reports include:

- (a) Claims spend by Plan Enrollee
- (b) Encounter data, if appropriate
- (c) Utilization and claims spend by provider type
- (d) High cost Plan Enrollee analysis
- (e) Paid claims - in network vs. out of network

If not already in place, by January 1, 2015, Contractor agrees to develop and implement oversight programs targeting the following areas related to hospital-based services, as outlined by the Center for Medicare and Medicaid Services (CMS) Hospital Compare Program, including:

- (a) Deaths and readmissions

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- (b) Serious complications related to specific conditions
- (c) Hospital acquired conditions
- (d) Healthcare associated infections

These oversight programs should be consistent with Medicare performance areas whenever possible and should reflect the overall performance of the hospital. Contractor agrees to provide/submit regular reporting of program(s) results from Contractor. Standard reporting requirements, including format, frequency and other technical specifications, are contained in the Administrative Manual

**2.05 eValue8 Submission.** During each Contract Year, Contractor shall submit to the Exchange certain information that is a required disclosure under the eValue8 reporting system. Such information will be used by the Exchange to evaluate Contractor's performance under the terms of the Quality, Network Management and Delivery System Standards and/or in connection with the evaluation regarding any extension of the Agreement and/or the recertification process. The timing, nature and extent of such disclosures will be (i) established by the Exchange based on its evaluation of various quality-related factors, including, disclosure requirements included in the Solicitation and (ii) set forth in technical specifications included in the Administrative Manual. Contractor's response shall include information relating to all of Contractor's then-current California-based business and Contractor shall disclose any information that reflects national or regional information that is provided by Contractor due to Contractor's inability to report on all California business. Contractor shall also provide a break down by products offered in the SHOP and the Individual Exchange in the event that Contractor offers products in both the Individual Exchange and SHOP.

### **Article 3. Preventive Health and Wellness Services for Enrollees**

**3.01 Benefit Plan Designs Requiring Primary Care Provider Assignments.** Regardless of benefit plan design, Contractor shall demonstrate to the Exchange that all new applicable Enrollees of the Exchange are assigned by Contractor to a Primary Care Provider or a Patient-Centered Medical Home (PCMH) within forty – five (45) days of enrollment. Contractor will instruct Plan Enrollees to make a primary care selection. In the event the Enrollee does not select a primary care provider (PCP) within the allotted timeframe, the Enrollee may be auto-assigned to a PCP and the assignment. PCP assignment will be consistent with an Enrollee's stated gender and language preferences, and will consider geographic accessibility and existing family member assignment.

**3.02 Health and Wellness Services.** Contractor and Participating providers are required to offer and encourage Plan Enrollees to obtain preventive health and wellness services within the first one-hundred and twenty days (120) days of enrollment. At a minimum, Contractor shall identify, assess and provide:

- (a) necessary preventive services appropriate for each enrollee;
- (b) tobacco cessation intervention, inclusive of evidenced based counseling and appropriate pharmacotherapy; and
- (c) obesity management.

Preventive health and wellness services are not limited to a primary care provider visit and may include alternatives such as retail clinic visits, use of telemedicine and worksite wellness visits. Contractor agrees to incorporate documentation of all Enrollee's health and wellness services into Contractor's Enrollee health record.

Contractor may exclude Enrollees from this requirement if the following conditions are met: 1) Enrollee has received preventive services within the previous twelve (12) months and Contractor is able to provide documentation of such services, 2) Enrollee "self-reports" a visit at time of enrollment during the last twelve (12) months, or 3) Enrollee has refused such services.

**3.03 Reporting Requirements.** Contractor shall develop and provide reports on how it is satisfying the requirements related to the health and wellness services expectation. Such reports will be submitted by Contractor at least quarterly in a form that meets the Exchange's technical specifications set forth in the Administrative Manual. Report requirements will be coordinated with existing national measures, whenever possible. Contractor will be required to meet the requirements relating to health and wellness services regardless of Contractor limitations or health care delivery model(s).

**3.04 Health and Wellness Documentation Process.** Upon Contractor plan certification, Contractor shall submit to the Exchange the following information:

(a) Documentation of process to include Health Assessment results in Enrollee profile, as further described in Article 5 of these Quality, Network Management and Delivery System Standards.

(b) Health and wellness communication process to Enrollee and Participating Provider, or other caregiver, prior to initial visit

(c) Process to ensure network adequacy given the focus on prevention and wellness and the impact it may have on network capacity, as outlined in Article 7.

#### **Article 4. Services for At Risk Plan Enrollees**

##### **4.01 At Risk Enrollees Requiring Transition**

(a) Contractor shall have an evaluation and transition plan in place for the Enrollees of the Exchange with existing health coverage including, but not limited to, those members transferring from MRMIB, PCIP, ADAP, or other individuals under active care for complex conditions and who require therapeutic provider and formulary transitions

(b) The evaluation and transition plan will include the following:

(i) Identification of In-network providers with appropriate clinical expertise or any alternative therapies including specific drugs when transitioning care

(ii) Clear process to communicate Enrollee's continued treatment using a specific therapy, specific drug or a specific provider when no equivalent is available in-network

(iii) Advanced notification and understanding of out-of-network provider status for treating and prescribing physicians, with documented cost and quality implications

(iv) A process to allow incoming Enrollees access to Contractor's formulary information prior to enrollment.

**4.02 Identification and Services for At Risk Enrollees.** Contractor agrees to identify and proactively manage the Plan Enrollees with existing and newly diagnosed chronic conditions and who are most likely to benefit from well-coordinated care ("at-risk plan enrollees"). Contractor will target the highest risk individuals, typically with one or more conditions, including, but not limited to, diabetes, asthma, heart disease or hypertension. Contractor shall be required to identify Plan Enrollees with chronic conditions and other significant health needs within the first ninety (90) days of enrollment. Contractor will provide the Exchange with a documented process, care management plan and strategy for targeting these specific Enrollees, which will include the following:

(a) Methods to identify and target At Risk Enrollees

(b) Description of Contractor's predictive analytic capabilities to assist in identifying At Risk Plan Enrollees who would benefit from early, proactive intervention

(c) Communication plan for At Risk Enrollees to receive information prior to provider visit

(d) Process to update At Risk Enrollee medical history in the Contractor maintained Plan Enrollee health profile

(e) Mechanisms to evaluate access within provider network, on an ongoing basis, to ensure that an adequate network is in place to support a proactive intervention and care management program for At Risk Enrollees

(f) Care and network strategies that focuses on supporting a proactive approach to at-risk Plan Enrollee intervention and care management. Contractor agrees to provide the Exchange with a documented plan and include "tools" and strategies to supplement and/or expand care management and provider network capabilities, including an expansion and/or reconfiguration of specialties or health care professionals to meet clinical needs of At Risk Plan Enrollees.

(g) Strategies or "tools" not otherwise described in Section 7.03 may include but are not limited to the following:

(i) Enrollment of At Risk Enrollees in care, case and disease management program(s)

(ii) At Risk Plan Enrollee's access to Accountable Care Organizations (ACOs), Patient Centered Medical Homes (PCMH), Ambulatory ICUs or other new delivery models designed to focus on individual chronic condition management and focused intervention. If new models exist, Contractor shall provide the Exchange with Contractor's available capacity to accept new Plan Enrollees

**4.03 Reward-based Consumer Incentive Programs.** Contractor may maintain or develop a Reward-based Consumer Incentive Program to promote evidence-based, optimal care for Plan Enrollees with identified chronic conditions. Contractor shall report participation rates and outcomes results to the Exchange.

#### **Article 5. Enrollee Health Assessment**

**5.01** Contractor shall offer, upon initial enrollment and on at least an annual basis, an annual Health Assessment to all Plan Enrollees, including those Plan Enrollees that have previously completed such an assessment.

**5.02** Contractor may use current Health Assessment tool or select a new tool that adequately evaluate's Plan Enrollees current health status, based on Contractor program objectives, and provides a mechanism to conduct ongoing monitoring for future intervention(s).

**5.03** Contractor will develop reporting capabilities to monitor both individual and aggregate improvement of Plan Enrollee's health status. Reporting requirements may include a comparative analysis of health status improvements across geographic regions and demographics. Specific technical specifications relating to reporting requirements, including format and frequency, are set forth in the Administrative Manual.

**5.04** Contractor shall calculate serial scores for Plan Enrollees and the percentage of Plan Enrollees completing annual Health Assessments. Contractor agrees to issue an annual report to the Exchange which details the results.

**5.05** Contractor shall develop a process to monitor and track Plan Enrollees health status using the results obtained from the annual Health Assessments. For those Plan Enrollees who show a meaningful decline in health status across two sequential Health Assessments while using the same assessment tool, Contractor shall refer impacted Plan Enrollees to Contractor care management and chronic condition program(s) as defined in Section 4.02, for the necessary intervention.

**5.06** Contractor agrees to work with the Exchange to standardize health assessment questions across all Contractors, with the goal of having a standard assessment tool in place by the end of 2016.

#### **Article 6. Patient-Centered Care Initiatives and Plan Enrollee Communication**

**6.01** Contractor shall provide Plan Enrollees, to the extent possible, with current cost and quality information for network providers, including at the individual physician and hospital level, using the most current nationally recognized or endorsed measures, including National Quality Forum (NQF), in accordance with the principals of the Patient Charter for Physician Performance Measurement. Provider specific cost and quality information will be provided, by region, and will be updated on a regular basis. Information delivered through Contractor's Provider performance programs should be meaningful to Plan Enrollees and reflect a diverse array of Provider clinical attributes and activities, including, but not be limited to: provider background, quality performance, patient experience, volume, efficiency, price of services, and should be integrated and accessible through one forum providing Plan enrollees with a comprehensive view.

**6.02** The Exchange understands that Contractor negotiates Agreements with providers, including physicians, hospitals, physician groups and other clinical providers, which may result in varied provider reimbursement levels for identical services and or procedures. In the event that Contractor's provider contracts result in different provider reimbursement levels within a specific region, as defined by paid claims for like CPT, ICD9/10 and DRG based services, Contractor agrees to provide Plan Enrollees with total cost and out-of-pocket cost information for identified individual service(s) and or procedure(s). Contractor also agrees to provide Plan Enrollees with an updated listing of the top ten (10) most frequent bundled procedures and top ten (10) episodes of care for the Contractor within that region. The availability of this reference pricing information shall be prominently displayed and made available to both Plan Enrollees and contracted Contractor providers. This information shall be updated on at least an annual basis unless there is a contractual change that would change enrollee out-of-pocket costs by more than 10%. In that case, information must be updated within 30 days of the effective date of the new contract.

**6.03** Contractor shall provide Plan Enrollees with current information regarding annual out-of-pocket costs, status of deductible and total health care services received to date.

**6.04** By 2015, Contractor shall demonstrate effective engagement of enrollees with information, decision support, and strategies to optimize self-care and make the best choices about their treatment, with programs such as "Choosing Wisely" from Consumer Reports.

By 2015, Contractor shall also provide specific information to the Exchange regarding the number of Plan Enrollees who have been able to participate in a shared decision-making process prior to reaching an agreement on a treatment plan. For example, Contractor may adopt shared-decision-making practices for preference-sensitive conditions, including but not limited to breast cancer, prostate cancer, and knee and hip replacements, that feature patient-decision-making aids in addition to physician opinions and present trade-offs regarding quality or length of life. Contractor shall report the percentage of Enrollees with identified health conditions above who received information that allowed the Enrollee to share in the decision-making process prior to agreeing to a treatment plan. Contractor shall forward annual reports to the Exchange documenting these results. The Exchange reserves the right to substitute CAHPS measures to fulfill this reporting requirement.

**6.05** Contractor shall provide or arrange for language access services for Plan Enrollees 1) at point of care 2) when contacting the Contractor at the member service level and 3) when accessing Contractor providers.

## **Article 7. Promoting Care Coordination and Higher Value**

**7.01** Contractor shall provide the Exchange with access to any and all Participating Provider contracts including payment terms, and upon request, shall submit copies of such contracts to the Exchange's audit/actuarial firms in accordance with the audit provisions set forth herein.

If existing contracts with Participating Provider(s) precludes Contractor from sharing contract and payment terms, Contractor will amend existing Agreements in order to comply with this provision prior to the end of Contract Year 2014.

**7.02** Contractor will actively promote access expansion through the development of care models that promote care coordination and value. Such models may include, but are not limited to, Accountable Care Organizations (ACO), Patient Centered Medical Homes (PCMH), Bundled Payments, or participation in shared risk and or gain sharing arrangements with provider organizations. Contractor will provide evidence of increased the Exchange enrollment within these delivery models through regular reporting.

**7.03** During calendar year 2015, Contractor agrees to the following:

Demonstrate and document Contractor specific support for provider systems that deliver integrated care, actively promote and expand access and which are at the forefront of care redesign, including but not limited to, providers and provider network models that:

- (a) Use a patient-centered, team-based approach to care delivery and member engagement
- (b) Focus on additional primary care recruitment, use of mid-level practitioners and development of new primary care and specialty clinics
- (c) Focus on expanding primary care access through payment systems and strategies
- (d) Use an intensive outpatient care programs (“Ambulatory ICU”) for enrollees with complex chronic conditions
- (e) Use qualified health professionals to deliver coordinated patient education and health maintenance support, with a proven approach for improving care for high-risk and vulnerable populations
- (f) Support physician and patient engagement in shared decision-making
- (g) Provide patient access to their health information
- (h) Promote team care
- (i) Use telemedicine
- (j) Promote the use of retail clinics
- (k) Promote the use of remote patient monitoring
- (l) Promote the use of condition and procedure specific Centers of Excellence within the United States

On an annual basis, Contractor will provide the Exchange with specific information related to (1) the scope of such initiatives with regard to health plan’s entire membership and (2) the Exchange’s membership and the impact of these efforts on the Exchange enrolled membership, including the number of impacted Plan Enrollees and total annual claims payments.

**7.04 Value Based Reimbursement Inventory and Performance**

Contractor will provide an inventory of all current value based provider reimbursement methodologies within the geographic regions served by the Exchange. Value based reimbursement methodologies will include those payments to hospitals and physicians that are linked to quality metrics, performance, cost and/or value measures. Integrated care models that receive such value based reimbursements may be included, but are not limited to, those referenced in Section 7.03

This inventory must include:

- (a) The percentage of total valued based reimbursement to providers, by provider and provider type

(b) The total number of Contractor Plan Enrollees accessing participating providers reimbursed under value based payment methodologies

(c) The percentage of total Contractor Network Providers participating in value based provider payment programs

(d) An evaluation of the overall performance of Contractor network providers, by geographic region, participating in value based provider payment programs.

Contractor and the Exchange shall agree on the targeted percentage of providers to be reimbursed under value based provider reimbursement methodologies. Throughout the term of this Agreement, if agreed upon targets have not been met, Contractor shall provide the Exchange with a plan to advance value based reimbursement across their provider network on behalf of Plan Enrollees. Contractor agrees that by Contract Year 2015, at least one value-based reimbursement model shall be in place within each defined geographic region and will be available to Plan Enrollees.

**7.05 Value Based Reimbursement and Adherence to Clinical Guidelines.** If not already in place, by January 1, 2016, Contractor agrees to develop and implement alternative reimbursement methodologies focusing on the adherence to clinical guidelines. Methodologies will target the highest frequency conditions and procedures including but not limited to diabetes, asthma, heart disease, hypertension and pregnancy. The Exchange reserves the right to add alternative diagnosis and/or conditions upon reasonable notice to Contractor.

When considering the development of new programs and/or pilots, Contractor will demonstrate and design approaches to payment that cut waste while not diminishing quality, including reducing unwarranted payment variation. Contractors shall pilot, evaluate and implement successful approaches to payment that automatically cut waste out of the system rather than relying on payments tied to performance measurement. These efforts will be focused in regions specifically serving the Exchange enrollees.

**7.06 Value-Pricing Programs.** If not already in place, by January 1, 2016, Contractors agrees to develop and implement value-pricing programs for procedures or in service areas with the greatest potential savings for the Exchange enrollees. Contractor agrees to share the results with the Exchange with the initial focusing being on high cost regions with the greatest cost variation(s). These programs may include but are not limited to payment bundling pilots for specific procedures where wide cost variations exist.

When considering the development of new programs and/or pilots, Contractors will demonstrate and design approaches to payment that cut waste while not diminishing quality, including reducing unwarranted payment variation. Contractors shall pilot, evaluate and implement successful approaches to payment that automatically cut waste out of the system rather than relying on payments tied to performance measurement. These efforts will be focused in regions specifically serving the Exchange enrollees.

#### **7.07 Provider Competition and Standardized Reimbursement**

(a) Contractor shall measure and monitor the magnitude of provider competition that exists within regionally defined Contractor provider networks and where Contractor operates on



behalf of the Exchange. Metrics to measure the magnitude of competition shall include an evaluation of primary care and specialty distribution within a region, the cost and quality of affiliated hospital and provider network(s) available for Plan Enrollees and the overall performance and results of existing value based reimbursement programs.

(b) Contractor shall evaluate its current approaches to payment, the selection of providers within a region and the potential financial and quality impact of increased competition between network providers, provider organizations and hospital systems. Contractor shall consider the importance of encouraging competition when developing any new approaches to payment and network partnerships. On an annual basis, or at the request of the Exchange, Contractor agrees to provide the Exchange with specific strategies and approaches to increasing competition within their provider networks.

(c) Contractor shall develop, pilot and implement successful strategies to improve reimbursement for primary care services, including strategies to reduce payment discrepancies between primary and specialty care within geographic regions. Contractor shall conduct an analysis of price variation among its network Providers, by procedure and service type, and share information with the Exchange. Included in the analysis will be those regions or other market segments with the widest variation and greatest opportunities for cost savings through a reference or value-pricing scheme.

(d) If Contractor has more than one fee schedule in place with providers, by line of business or other delineation, all services provided to Plan Enrollees are to be reimbursed using the most competitive fee schedule in place at time of treatment. If existing provider agreements preclude Contractor from accessing rates or other fee arrangements, Contractor shall amend contracts to include Plan Enrollees.

## **7.08 Payment Reform and Data Submission**

(a) Contractor will provide information to the Exchange noted in all areas of this Article 7 understanding that the Exchange will provide such information to the Catalyst for Payment Reform's (CPR) National Scorecard on Payment Reform and National Compendium on Payment Reform.

(b) The CPR National Scorecard will provide a view of progress on payment reform at the national level and then at the market level as the methodology and data collection mechanisms allow.

(c) The CPR National Compendium will be an up-to-date resource regarding payment reforms being tested in the marketplace and their available results. The Compendium will be publicly available for use by all health care stakeholders working to increase value in the system.

## **Article 8. Drug Formulary Changes**

Except in cases where patient safety is an issue, Contractor shall give the Exchange Plan Enrollee(s), and their prescribing physician(s), sixty (60) calendar days' written notice prior to the removal of a drug from formulary status. Notice shall apply only to single source brand drug and will include information related to the appropriate substitute. It will also include a statement of the

requirements of the Health and Safety Code and Insurance Code prohibiting Contractor from limiting or excluding coverage for a drug to a Plan Enrollee if the drug had been previously approved for coverage by Contractor for a medical condition of the Plan Enrollee, except under specified conditions. An exception to the notice requirement will be allowed when Contractor continues to cover a drug prescribed for a Plan Enrollee without interruption and under the same conditions, including copayment and limits that existed prior to the removal of the drug from formulary status.

## **Quality, Network Management and Delivery System Standards Glossary of Key Terms**

Accountable Care Organization (ACO) - A healthcare organization characterized by a payment and care delivery model that seeks to tie provider reimbursements to quality metrics and reductions in the total cost of care for an assigned population of patients. An ACO is intended to provide incentives for participating providers (i.e. clinics, hospitals and physicians) to collectively share financial risk, working towards common goals to 1) reduce medical costs, 2) reduce waste and redundancy, 3) adhere to best care practices (i.e. evidence-based care guidelines, and 4) improve care quality. Care Management and Population Health Management are critical program components that are intended to enable ACOs to achieve favorable financial outcomes as the result of improved care outcomes.

Active Purchaser - Health care purchasers, typically employers or employer coalitions, that proactively define and manage performance expectations through their health plan contracts or direct contracting arrangements with providers. These expectations include a range of service models including (but not limited to) benefit design and incentives, health and wellness, service delivery for enrollees, transaction processing, delivery system performance and reform, health information technology adoption and use, quality of care for enrollees, and other innovation models. Further, these expectations may also include active development, financial support, and contractual expectations for collaborative participation in accordance with applicable laws, rules and regulations, among multiple payers and/or providers that collectively serve a specific geographic area and/or multiple purchasers

Bundled Payments (also known as Global Payment Bundles, episode-of-care payment, or global case rates) – An alternative payment method to reimburse healthcare providers for services that provides a single payment for all physician, hospital and ancillary services that a patient uses in the course of an overall treatment for a specific, defined condition, or care episode. These services may span multiple providers in multiple settings over a period of time, and are reimbursed individually under typical fee-for-service models. The Payment Bundle may cover all inpatient/outpatient costs related to the care episode, including physician services, hospital services, ancillary services, procedures, lab tests, and medical devices/implants. Using Payment Bundles, providers assume financial risk for the cost of services for a particular treatment or condition, as well as costs associated with preventable complications, but not the insurance risk (that is, the risk that a patient will acquire that condition, as is the case under capitation)

Care Management - Healthcare services, programs and technologies designed to help individuals with certain long-term conditions better manage their overall care and treatment. Care management typically encompasses Utilization Management (UM), Disease Management (DM) and Case Management (CM). Care Management's primary goal is to prevent the sick from getting sicker, and avoiding acute care events. Care Management is usually considered a subset of Population Health Management.

Centers of Excellence- A tertiary or quaternary health care provider that is identified and designated as an expert and cost efficient provider that produces favorable outcomes in comparison with less specialized providers. A hospital designated by Medicare or a commercial plan as a provider or facility for which such program will reimburse expenses for a particular

procedure—e.g., liver transplantation—based on that center’s higher than average rate of success

Complex Conditions- Clinical conditions that are of a complex nature that typically involve ongoing case management support from appropriately trained clinical staff. Frequently, individuals have multiple chronic clinical conditions that complicate management (“polychronic”) or may have a complex, infrequent specialty condition that requires specialized expertise for optimal management

Delivery System Transformation- A set of initiatives taken by purchasers, employers, health plans or providers, together or individually, to drive the creation and preferred use of care delivery models that are designed to deliver higher value aligned with the “triple aim” goals of patient care experience including quality and satisfaction, improve the health of the populations, and reduce the per capita cost of health care services. Generally these models require improved care coordination, provider and payer information sharing and programs that identify and manage populations of individuals through care delivery and payment models.

Patient Centered Medical Home - A health care setting that facilitates partnerships between individual patients, and their personal physicians, and when appropriate, the patient’s family. Care is facilitated by registries, information technology, health information exchange and other means to assure that patients get the indicated care when and where they need and want it in a culturally and linguistically appropriate manner. The medical home is best described as a model or philosophy of primary care that is patient-centered, comprehensive, team-based, coordinated, accessible, and focused on quality and safety.

Population Health Management - A management process that strives to address health needs at all points along the continuum of health and wellbeing, through participation of, engagement with and targeted interventions for the population. The goal of a Population Health Management program is to maintain and/or improve the physical and psychosocial wellbeing of individuals through cost-effective and tailored health solutions.

Preventive Health and Wellness Services - The provision of specified preventive and wellness services and chronic disease management services, including preventive care, screening and immunizations, set forth under Section 1302 of the Affordable Care Act (42 U.S.C. Section 18022) under the Section 2713 of the Affordable Care Act (42 U.S.C. Section 300gg-13), to the extent that such services are required under the California Affordable Care Act.

Reference Pricing - A payor contracting, network management and enrollee information process that identifies and differentially promotes delivery system options for care based on transparent display of comparative costs for identical services or procedures, typically after each provider has passed a quality assessment screen. In some cases, value pricing will identify the individual enrollees out of pocket costs accounting for plan design and deductible status. While quality is incorporated in the process, typically there is no differentiation based on comparative quality once a threshold performance level is achieved.

Remote Patient Monitoring - A technology or set of technologies to enable monitoring of patients outside of conventional clinical settings (e.g. in the home), which may increase access to care and decrease healthcare delivery costs.

Retail Clinics - A non-traditional setting for obtaining primary care services distinguished from traditional primary care in its setting, access, method of care delivery, technology use, and scope of services provided. Generally, services are limited to treatment of a set of common medical ailments. Some clinic operators also offer a suite of preventive care, including physicals and diagnostic screening.

Reward Based Consumer Incentive Program- (aka: Value-Based Insurance Design) individualizes the benefits and claims adjudication to the specific clinical conditions of each high risk member and to reward participation in appropriate disease management & wellness programs. Positive Consumer Incentive programs help align employee incentives with the use of high-value services and medications, offering an opportunity for quality improvement, cost savings and reduction in unnecessary and ineffective care.

Shared Decision Making- the process of making decisions regarding health care diagnosis and treatment that are shared by doctors and patients, informed by the best evidence available and weighted according to the specific characteristics and values of the patient. Shared decision making combines the measurement of patient preferences with evidence-based practice.

Team Care - A plan for patient care that is based on philosophy in which groups of professional and non-professional personnel work together to identify, plan, implement and evaluate comprehensive client-centered care. The key concept is a group that works together toward a common goal, providing qualitative comprehensive care. The team care concept has its roots in team nursing concepts developed in the 1950's.

Telemedicine - Professional services given to a patient through an interactive telecommunications system by a practitioner at a distant site. Telemedicine seeks to improve a patient's health by permitting two-way, real time interactive communication between the patient, and the physician or practitioner at the distant site. This electronic communication means the use of interactive telecommunications equipment that includes, at a minimum, audio and video equipment.

Value Pricing - A payor contracting, network management and enrollee information process that identifies and differentially promotes delivery system options for care that provide better value through the identification and transparent display of comparative total cost, out of pocket cost for enrollees and standardized quality performance to allow for informed consumer choice and provider referrals for individual services and bundles of services.

Value Based Reimbursement - Payment models that rewards physicians and providers for taking a broader, more active role in the management of patient health, and provides for a reimbursement rate that reflects results and quality instead of solely for specific visits or procedures.

**Attachment 8 Monthly Rates - Individual Exchange [to be attached specifically for each Issuer]**

Attachment 8-1

**Attachment 9 Rate Updates - Individual Exchange [to be attached specifically for each Issuer]**

Attachment 9-1

**Attachment 10 Monthly Rates- SHOP [to be attached specifically for each SHOP Issuer]**

Attachment 10-1



**Attachment 11 Rate Updates - SHOP [to be attached specifically for each Issuer]**

Attachment 12-1

**Attachment 12 Participation Fee Methodology - Individual Exchange [to be attached specifically for each Issuer]**

Attachment 12-1

**Attachment 13 Participation Fee Methodology - SHOP [to be attached specifically for each Issuer]**

Attachment 13-1

## **Attachment 14 Performance Measurement Standards**

During the term of this Agreement, Contractor shall meet or exceed the Performance Measurement Standards identified in this Attachment. Contractor shall be liable for payment of penalties that may be assessed by the Exchange with respect to Contractor's failure to meet or exceed the Performance Measurement Standards in accordance with the terms set forth at Section 6.01 of the Agreement and this Attachment.

The assessment of the penalties by the Exchange shall be determined in accordance with the computation methodology set forth in the appendix to this Attachment 14 and shall be based on the following conditions: (i) the aggregate amount at risk with respect to Contractor's failure to comply with each of the Performance Measurement Standards shall not exceed ten percent (10%) of the total Participation Fee that is payable to the Exchange in accordance with the terms set forth in Section 5.03 of the Agreement, (ii) the performance penalties shall be based on the weighted average assigned to each Performance Measurement Standard that the Contractor fails to meet or exceed, as such weighted averages are set forth in the table below ("Performance Measurement Table"), and (iii) the amount of performance penalty to be assessed with respect to Contractor's failure to meet a Performance Measurement Standard shall be offset (i.e., reduced) by a "credit" that is provided in the event that Contractor exceeds a Performance Measurement Standard in a separate category; provided, however, that in no event shall the credit to Contractor exceed the amount of aggregate amount of the performance penalty that may be assessed during any applicable period.

Any amounts collected as performance penalties under this Attachment shall be used for Exchange operations to reduce future collective Participation Fees.

### **Call Center Operations**

#### **A. Baseline Period**

During the first three (3) months Contractor begins to take operational calls under this Agreement ("Baseline Period"), the parties will collaborate to evaluate and refine Performance Measurement Standards based upon the call volumes and arrival patterns established during the Baseline Period. Contractor shall take reasonable efforts to staff sufficiently during the Baseline Period to meet or exceed the Performance Measurement Standards listed below.

#### **B. 800 Number**

Contractor shall make information available regarding the Exchange pursuant to Contractor's toll-free hotline (i.e., 1-800 number) that shall be available to enrollees of Contractor both inside and outside the Exchange. The hotline and information services shall be staffed and operated in accordance with the Customer Service Standards set forth at Section 3.18 to provide support Exchange Enrollees and in a manner designed to assure compliance with these Performance Measurement Standards.

#### **C. Reporting**

Contractor shall provide the following minimum reports to the Exchange at the specified time and frequency at no additional charge to the Exchange:

- Switch reporting: daily, weekly, monthly, and annually.
- Phone statistics, Performance Measurement Standards reporting and operations reporting:  
daily, weekly, monthly, and annually.

- Accumulative monitoring scoring: weekly and monthly.
- Training reports: weekly.

Additionally, Contractor shall provide the Exchange with real-time access to its ACD.

## **Performance Measurement Standards Reporting**

### Monthly Performance Report

Beginning the first full calendar month after the expiration of the Baseline Period, Contractor shall monitor and track its performance each month against the Performance Measurement Standards set forth below. Contractor shall provide detailed supporting information (as mutually agreed by the parties) for each Monthly Performance Report to the Exchange in electronic format.

### Measurement Rules

Except as otherwise specified below in the Performance Measurement Standards table, the measurement period for each Performance Guarantee shall be one calendar month; all references to time of day shall be to Pacific Standard Time; all references to hours will be actual hours during a calendar day; and all references to days, months, and quarters shall be to calendar days, calendar months, and calendar quarters, respectively.

### Performance Measurement Standards

- General

The Performance Measurement Table sets forth the categories of Performance Measurement Standards and their associated measurements. In performing its services under this Agreement, Contractor shall use commercially reasonable efforts to meet or exceed the Performance Measurement Standards.

- Root Cause Analysis/Corrective Action

If Contractor fails to meet any Performance Measurement Standard in any calendar month (whether or not the failure is excused), Contractor shall promptly (a) investigate and report on the root cause of the problem; (b) develop a corrective action plan (where applicable); (c) to the extent within Contractor's control, remedy the cause of the performance failure and resume meeting the affected Performance Measurement Standards; (d) implement and notify the Exchange of measures taken by Contractor to prevent recurrences if the performance failure is otherwise likely to recur; and (e) make written recommendations to the Exchange for improvements in procedures.

- Performance Guarantee Exceptions

Contractor shall not be responsible for any failure to meet a Performance Guarantee if and to the extent that the failure is excused pursuant to Section 12.07 of the Agreement (Force Majeure) or the parties agree that the lack of compliance is due to the Exchange's failure to properly or timely perform (or cause to be properly or timely performed) any responsibility, duty, or other obligation under this Agreement, provided that Contractor timely notifies the Exchange of the problem and uses commercially reasonable efforts to perform and meet the Performance Measurement Standards notwithstanding the Exchange's failure to perform or delay in performing.

If Contractor wishes to avail itself of one of these exceptions, Contractor shall indicate in the applicable performance report delivered in the second month following the failure to meet such Performance Measurement Standard: (a) the identity of the Performance Measurement Standard that is subject to the exception, and (b) the circumstances that gave rise to the

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exception in sufficient detail to permit the Exchange to evaluate whether Contractor's claim of exception is valid. Notwithstanding anything to the contrary herein, in no event shall any failure to meet a Customer Satisfaction Performance Guarantee fall within an exception.

The Exchange will also comply with the Performance Measurement Standards set forth herein to the extent that such measurements are applicable to Exchange's operations. In the event that Exchange fails to meet a Performance Measurement Standard with respect to its operations for any applicable period, the additional fees that may be assessed by the Exchange under this Attachment will not be imposed on Contractor with respect to Contractor's failure to meet the same Performance Measurement Standard.

- Agreed Adjustments/Service Level Relief

In addition, the Parties may agree on Performance Measurement Standard relief or adjustments to Performance Measurement Standards from time to time, including, the inclusion of new and/or temporary Performance Measurement Standards.

- Performance Measurement Defaults

If the Exchange elects to assess sanctions for failure to meet Performance Measurement Standards, it will so notify Contractor in writing following the Exchange's receipt of the Monthly Performance Report setting forth the performance level attained by Contractor for the calendar quarter to which the sanctions relate. If Contractor does not believe it is appropriate for the Exchange to assess sanctions for a particular calendar quarter or calendar year (as applicable), it shall so notify the Exchange in writing within thirty (30) days after receipt of the Exchange's notice of assessment and, in such event, the Exchange will meet with Contractor to consider, in good faith, Contractor's explanation of why it does not believe the assessment of sanctions to be appropriate; provided, however, that it is understood and agreed that the Exchange, acting in good faith, will make the final determination of whether or not to assess the sanctions.

- Service Level Credits

For certain of the performance standards set forth in the Performance Guarantee table, Contractor will have the opportunity to earn service level credit ("Service Level Credits") for performance that exceeds the Performance Measurement Standards. The Service Level Credits shall be used to offset (i.e., reduce) any sanctions that are imposed during any Contract Year.

- Performance Guarantee Tables

The Performance Measurement Standards are set forth in the Chart 1. Covered California Performance Standards below:

<b>Chart: Covered California Performance Standards Customer Service 25% of Performance Penalty</b>	
<b>Customer Service Measures</b>	<b>Covered California Performance Requirements</b>
<b>Call Answer Timeliness</b>	<u>Expectation:</u> 80% of calls answered 30 seconds. 5% of total performance penalty at risk. <u>Performance Level:</u> <80%- 5% performance penalty. 80%-90% no penalty. >90%- 5% performance credit.
<b>Processing ID Cards</b>	<u>Expectation:</u> 100% sent within 10 days of receiving enrollment info from the Exchange. 5% of total performance penalty at risk. <u>Performance Level:</u> <100% sent within 10 days- 5% performance penalty. 100% sent within 10 days- no penalty. 100% sent within 5 days- 5% performance credit.
<b>Telephone Abandonment Rate</b>	<u>Expectation:</u> No more than 3% of incoming calls in a calendar month. 5% of total performance penalty at risk. <u>Performance Level:</u> >3% abandoned- 5% performance penalty. 2-3% abandoned- no penalty. <2% abandoned- 5% performance credit.
<b>Initial Call Resolution</b>	<u>Expectation:</u> 90% of enrollee issues will be resolved within the same business day the issue was received. 5% of total performance penalty at risk. <u>Performance Level:</u> <90%- 5% performance penalty. 90-95%- no penalty. >95%- 5% performance credit.
<b>Complaint Resolution</b>	<u>Expectation:</u> 95% of enrollee complaints resolved within 30 calendar days. 5% of total performance penalty at risk. <u>Performance Level:</u> <95% resolved within 30 calendar days- 5% performance penalty. 95% or greater resolved within 30 calendar days- no penalty. 95% or greater resolved within 15 calendar days- 5% performance credit

<b>Chart: Covered California Performance Standards Operational Standards 25% of Performance Penalty</b>	
<b>Operational Standards</b>	<b>Covered California Performance Requirements</b>
<b>Enrollment and payment transactions</b>	<p><u>Expectation:</u> The Exchange will receive the 999 file within one business day of receipt of the 834/820 file 85% of the time and within 3 bus days of receipt of the 834/820 file 99% of the time within any given month. 2.5% of total performance penalty at risk.</p> <p><u>Performance Level:</u> &lt;85% within one day AND &lt;99% within 3 days-2.5% performance penalty. &lt;85% within one day OR &lt;99% within 3 days- no penalty. &gt;85% within one day AND &gt;99% within 3 days- 2.5% performance credit.</p>
<b>Effectuation of enrollment upon receipt of payment</b>	<p><u>Expectation:</u> The exchange will receive the 834 file within one business day of receipt of the member's initial payment file 85% of the time and within 3 bus days of receipt of the member's initial payment 99% of the time within any given month. 2.5% of total performance penalty at risk.</p> <p><u>Performance Level:</u> &lt;85% within one day and &lt;99% within 3 days-2.5% performance penalty. &lt;85% within one day OR &lt;99% within 3 days- no penalty. &gt;85% within one day AND &gt;99% within 3 days- 2.5% performance credit.</p>
<b>Member payment</b>	<p><u>Expectation:</u> The Exchange will receive the 820 file within one business day of receipt of the member's payment file 95% of the time and within 3 business days of receipt of the member's payment 99% of the time within any given month. 2.5% of total performance penalty at risk.</p> <p><u>Performance Level:</u> &lt;95% within one day and &lt;99% within 3 days-2.5% performance penalty. &lt;95% within one day OR &lt;99% within 3 days- no penalty. &gt;95% within one day AND &gt;99% within 3 days- 2.5% performance credit.</p>
<b>Enrollment change upon non-receipt of member payment, 30 day notice and termination</b>	<p><u>Expectation:</u> The Exchange will receive the 834 file within one business day of receipt of change of the members' status 95% of the time and within 3 business days of receipt of change of the members' status 99% of the time within any given month. 2.5% of total performance penalty at risk.</p> <p><u>Performance Level:</u> &lt;95% within one day and &lt;99% within 3 days-2.5% performance penalty. &lt;95% within one day OR &lt;99% within 3 days- no penalty. &gt;95% within one day AND &gt;99% within 3 days- 2.5% performance credit.</p>



Operational Standards	Covered California Performance Requirements
<b>Member Inquiries</b>	<p><u>Expectation:</u> 90% response within 15 working days of inquiry. 5% of total performance requirement expected.</p> <p><u>Performance Level:</u> &lt;70%- 5% penalty of total performance requirement. 70-90%- 2.5% penalty of total performance requirement. 90% or greater- no penalty.</p>
<b>Member Call Volume</b>	Track Only- No performance requirement or penalty assessment
<b>Reporting</b>	<p><u>Expectation:</u> Submission of all required reports to Covered California within contractually specified times (varies by report or type of report). 10% of total performance penalty at risk.</p> <p><u>Performance Level:</u> one or more reports submitted more than 4 months after required submission date- 10% performance penalty. One or more reports submitted after 30 days of required submission date-5% performance penalty. All required reports submitted within 5 business days of required submission- no penalty.</p>

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<b>Chart: Covered California Performance Standards</b> <b>Quality, Network Management and Delivery System Standards</b> <b>50% of Performance Penalty</b>	
<b>Quality, Network Management and Delivery Systems Standards</b>	<b>Covered California Performance Requirements</b>
<b>Quality Reporting System (QRS)</b>	<u>Expectation:</u> Getting the Right Care- HEDIS Clinical Effectiveness measure set summary (LOB reporting)- 5% of total performance penalty at risk.  <u>Performance Level (vs. national benchmark):</u> <50th PCT-5% performance penalty, 51-90th PCT-no penalty, >90th PCT- 5% performance credit
<b>QRS</b>	<u>Expectation:</u> Access to Care- HEDIS/CAHPS measure set summary(LOB reporting)- 5% of total performance penalty at risk.  <u>Performance Level (vs. national benchmark):</u> <50th PCT-5% performance penalty, 51-90th PCT-no penalty, >90th PCT- 5% performance credit
<b>QRS</b>	<u>Expectation:</u> Staying Health/Prevention- HEDIS/CAHPS measure set summary-(LOB reporting)- 5% of total performance penalty at risk.  <u>Performance Level (vs. national benchmark):</u> <50th PCT-5% performance penalty, 51-90th PCT-no penalty, >90th PCT- 5% performance credit
<b>QRS</b>	<u>Expectation:</u> Plan Service- CAHPS measure set summary (LOB reporting)-5% of total performance penalty at risk.  <u>Performance Level (vs. national benchmark):</u> <50th PCT-5% performance penalty, 51-90th PCT-no penalty, >90th PCT- 5% performance credit
<b>eValue8</b>	<u>Expectation:</u> Total Covered California eValue8 performance, 795.5 points total. 5% of total performance penalty at risk.  <u>Performance Level:</u> < 40% of total points: 5% performance penalty. 40-74% of total points-no penalty. 75% or greater of total points- 5% performance credit.

Quality, Network Management and Delivery System Standards	Covered California Performance Requirements
<b>Data Submission</b>	<p><u>Expectation:</u> Full and regular submission of data according to the standards outlined. 5% of total performance penalty at risk.</p> <p><u>Performance Level:</u> Incomplete, irregular, late or non useable data submission- 5% performance penalty. Full and regular submission according to the formats specified and useable by Covered California within 30 days of each quarter end- no penalty.</p>
<b>Preventive Health and Wellness</b>	<p><u>Expectation:</u> Percent of enrollees receiving a preventive health and wellness visit as required within 120 days. 5% of total performance penalty at risk.</p> <p><u>Performance Level:</u> &lt;50%- 5% performance penalty. 80-90%- no penalty. &gt;90%- 5% performance credit.</p>
<b>At Risk Enrollees</b>	<p><u>Expectation:</u> Percent of “at risk” enrollees identified by QHP AND receiving intervention within 120 days. 5% of total performance penalty at risk.</p> <p><u>Performance Level:</u> &lt;50%- 5% performance penalty. 80-90%- no penalty. &gt;90%- 5% performance credit.</p>
<b>Health Assessment</b>	<p><u>Expectation:</u> Completion of Health Assessment annually- 5% of total performance penalty at risk.</p> <p><u>Performance Level:</u> &lt;30%- 5% performance penalty. 30-50%- no penalty. 50% or greater- 5% performance credit.</p>
<b>New Care Models</b>	<p><u>Expectation:</u> Increase in Covered California enrollees obtaining care through new care models- 5% of total performance penalty at risk.</p> <p><u>Performance Level:</u> 0-5% increase- 5% performance. 5-10% increase- no penalty. 10% percent increase- 5% performance credit</p>

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**Appendix - Computation of Performance Measurement Standards [to be attached]**

Attachment 14-9

**Attachment 15 Compliance Addendum [to be attached]**

Attachment 15-1

## **Attachment 16 Business Associate Agreement**

### **BUSINESS ASSOCIATE AGREEMENT**

This Business Associate Agreement (this "Agreement") dated \_\_\_\_\_, 2013 between the California Health Benefit Exchange ("Covered Entity") and \_\_\_\_\_ ("Business Associate") is entered into in accordance with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as codified at 42 U.S.C. §1320d-d8, and its implementing regulations at 45 C.F.R. Parts 160, 162 and 164 (the "HIPAA Regulations") and attendant guidance; and the Health Information Technology for Economic and Clinical Health Act, enacted as part of the American Recovery and Reinvestment Act of 2009, and its attendant regulations and guidance (the "HITECH Act"). HIPAA, the HIPAA Regulations and the HITECH Act are sometimes referred to collectively herein as "HIPAA Requirements."

#### **I. Purpose of the Agreement.**

Business Associate provides certain services on behalf of Covered Entity that require the Covered Entity to disclose certain identifiable health information to Business Associate. The parties desire to enter into this Agreement to permit Business Associate to have access to such information and comply with the business associate requirements of HIPAA, the HIPAA Regulations, and the HITECH Act, as each may be amended from time to time in accordance with the terms and conditions set forth in this Agreement.

#### **II. Definitions.**

Unless otherwise specified in this Agreement, all capitalized terms used in this Agreement not otherwise defined have the meaning established for such terms under 45 C.F.R. Parts 160 and 164 and the HITECH Act, each as amended from time-to-time.

#### **III. Terms and Conditions.**

Business Associate and Covered Entity (hereinafter, the "Parties") agree to the terms and conditions set forth herein.

##### **A. Business Associate Obligations.**

**1. Applicable Law.** The terms and conditions set forth in this Agreement shall become effective on the later of the Effective Date of this Agreement, April 14, 2003, or any new mandatory compliance date established for HIPAA, the HIPAA Regulations and/or the HITECH Act. The parties acknowledge and agree that HIPAA, the HIPAA Regulations and the HITECH Act may be amended and additional guidance and/or regulations may be issued after the date of the execution of this Agreement and may affect the Parties' obligations under this Agreement ("Future Directives"). The Parties agree to abide by such Future Directives as these Future Directives may affect the obligations of the Parties under the Covered California Qualified Health Plan contract (Exchange Agreement) and/or this Agreement. If Future Directives affect the obligations of the Parties, then Covered Entity shall notify Business Associate of Future Directives in writing within thirty (30) days before Future Directives are effective. The notification of Business Associate by Covered Entity of Future Directives that affect the obligations of the Parties related to the Business Associate relationship shall be considered amendments to this Agreement binding on both parties. Covered Entity's failure to notify Business Associate of Future Directives shall not relieve Business Associate of any obligations it may otherwise have under HIPAA Requirements.

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**2. Permitted Uses and Disclosures.** Business Associate shall not, and shall ensure that its directors, officers, employees, contractors and agents do not, further use or disclose patient individually identifiable health information (“Protected Health Information” or “PHI”) received from or created for the Covered Entity in any manner that would violate HIPAA, the HIPAA Regulations, the HITECH Act or Future Directives. Business Associate agrees to abide by the HIPAA Requirements with respect to the use or disclosure of Protected Health Information it creates, receives from, maintains, or electronically transmits for the Covered Entity. Business Associate further agrees that it will not use or disclose Protected Health Information beyond the purposes set forth in the Agreement or as required by law as defined in 45 C.F.R §164.103. Except as otherwise limited in this Agreement, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, the Covered Entity as specified in the Exchange Agreement between the Parties, provided that such use or disclosure would not violate HIPAA, the HIPAA Regulations or the HITECH Act if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

**3. Compliance with Business Associate Agreement and HITECH Act.** Effective February 17, 2010, Business Associate may use and disclose PHI that is created or received by Business Associate from or on behalf of Covered Entity if such use or disclosure, respectively, is authorized by this Agreement and complies with each applicable requirement of 45 C.F.R. § 164.504(e) and the HITECH Act. The additional requirements of Subtitle D of the HITECH Act that relate to privacy and that apply to covered entities also will apply to Business Associate and are incorporated into this Agreement by reference.

**4. Use of PHI for Administrative Activities.** Notwithstanding Section III.A.2 above, Business Associate may use or disclose PHI for management and administrative activities of Business Associate or to comply with the legal responsibilities of Business Associate; provided, however, the disclosure or use must be required by law or Business Associate must obtain reasonable assurances from the third party that receives the Protected Health Information that they will (i) treat the Protected Health Information confidentially and will only use or further disclose the Protected Health Information in a manner consistent with the purposes that the Protected Health Information was provided by Business Associate; and (ii) promptly report any breach of the confidentiality of the Protected Health Information to Business Associate. Provided further that, Business Associate will notify Covered Entity immediately upon receipt of a request for any disclosure of PHI required by law.

**5. Accounting.** Business Associate agrees to document disclosures of PHI and collect information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and, if required by and upon the effective date of, Section 13405(c) of the HITECH Act and related regulatory guidance.

a). Business Associate agrees to provide to Covered Entity or an Individual upon Covered Entity’s request, information collected in accordance with this Section, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and, if required by and upon the effective date of, Section 13405(c) of the HITECH Act and related regulatory guidance.

**6. Restriction.** Effective February 17, 2010, and notwithstanding 45 C.F.R. § 164.522(a)(1)(ii), Business Associate must comply with an Individual’s request under 45 C.F.R. § 164.522(a)(1)(i)(A) that Business Associate restrict the disclosure of PHI of the Individual if (1) except as otherwise required by law, the disclosure is to a health plan for purposes of carrying out payment or health care operations (and

is not for purposes of carrying out treatment); and (2) the PHI pertains solely to a health care item or service for which the health care provider involved has been paid out of pocket in full.

**7. Fundraising.** Any written fundraising communication occurring on or after February 17, 2010 that is a health care operation shall, in a clear and conspicuous manner and consistent with guidance to be provided by the Secretary, provide an opportunity for the recipient of the communications to elect not to receive any further such communication. An election not to receive any further such communication shall be treated as a revocation of authorization under Section 45 C.F.R. § 164.508. However, no communication pursuant to this Section may be made by Business Associate without prior written authorization by Covered Entity.

**8. Sale of PHI.** Upon the effective date of Section 13405(d) of the HITECH Act, Business Associate shall not directly or indirectly receive remuneration in exchange for PHI that is created or received by Business Associate from or on behalf of Covered Entity unless: (1) pursuant to an authorization by the Individual in accordance with 45 C.F.R. § 164.508 that includes a specification for whether the PHI can be further exchanged for remuneration by the entity receiving PHI of that Individual; or (2) as provided for and consistent with Section 13405(d)(2) of the HITECH Act and regulations to be issued by the Secretary, upon the effective date of such regulations. However, in no instance may Business Associate receive remuneration pursuant to this Section without prior written authorization by Covered Entity.

**9. Marketing.** A communication occurring on or after February 17, 2010 by Business Associate that is described in the definition of marketing in 45 C.F.R. § 164.501(1)(i), (ii) or (iii) for which Covered Entity receives or has received direct or indirect payment (excluding payment for treatment) in exchange for making such communication, shall not be considered a health care operation unless: (1) such communication describes only a drug or biologic that is currently being prescribed for the recipient of the communication and any payment received in exchange for making such a communication is reasonable in amount; or (2) the communication is made by Business Associate on behalf of the Covered Entity and the communication is otherwise consistent with this Agreement. However, no communication pursuant to this Section may be made by Business Associate without prior written authorization by Covered Entity.

**10. Safeguarding the Privacy of PHI.** Business Associate agrees that it shall utilize physical, administrative and technical safeguards to ensure that PHI is not used or disclosed in any manner inconsistent with this Agreement or the purposes for which Business Associate received PHI from or created PHI for the Covered Entity. Business Associate further agrees to implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of any PHI that Business Associate creates, receives, maintains or transmits electronically on behalf of Covered Entity under the Agreement. Upon request, Business Associate shall provide the Covered Entity with a written description of the physical, administrative and technical safeguards adopted by Business Associate to meet its obligations under this Section.

**11. Security Safeguards.** Business Associate acknowledges that, effective February 17, 2010, 45 C.F.R. §§ 164.308, 164.310, 164.312 and 164.316 will apply to Business Associate in the same manner that such sections apply to covered entities and are incorporated into this Agreement by reference. The additional requirements of the HITECH Act that relate to security and that apply to covered entities also will apply to Business Associate and are incorporated into this Agreement by reference. Business Associate agrees to implement the technical safeguards provided in guidance issued annually by the Secretary for carrying out the obligations under the Code of Federal Regulation



sections cited in this Section and the security standards in Subpart C of Part 164 of Title 45 of the Code of Federal Regulations.

**12. Employee Training.** Business Associate shall train its workforce members who assist in the performance of functions and activities under this Agreement, and who access or disclose PHI, on information privacy and security requirements. Business Associate shall impose appropriate disciplinary measures on members who intentionally violate Business Associate's privacy and security requirements, including termination of employment if appropriate.

**13. Sanctions.** Business Associate understands that a failure to comply with HIPAA, the HITECH Act and the HIPAA Regulations that are applicable to Business Associate may result in the imposition of sanctions and/or penalties on Business Associate under HIPAA, the HITECH Act and the HIPAA Regulations.

**14. Breach Notification.** Business Associate agrees to implement response programs and record-keeping systems to enable Business Associate to comply with the requirements of this Section and 13402 of the HITECH Act and the regulations implementing such provisions, currently Subpart D of Part 164 of Title 45 of the Code of Federal Regulations, when Business Associate detects or becomes aware of unauthorized access to information systems or documents that contain PHI. Business Associate agrees to mitigate any effects of the inappropriate use or disclosure of PHI by Business Associate.

a) Business Associate agrees to notify Covered Entity, by facsimile or telephone, of any breach or suspected breach of its security related to areas, locations, systems, documents or electronic systems which contain unsecured PHI, including, without limitation, any Security Incident, instance of theft, fraud, deception, malfeasance, or use, access or disclosure of PHI which is inconsistent with the terms of this Agreement (an "Incident") immediately upon having reason to suspect that an Incident may have occurred, and typically prior to beginning the process of verifying that an Incident has occurred or determining the scope of any such Incident, and regardless of the potential risk of harm posed by the Incident. Notice shall be provided to the Covered Entity's representative designated in this Agreement. Upon discovery of a breach or suspected Incident, Business Associate shall take:

i. Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and

ii. Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.

b) In the event of any such Incident, Business Associate shall further provide to Covered Entity, in writing, such details concerning the Incident as Covered Entity may request, and shall cooperate with Covered Entity, its regulators and law enforcement to assist in regaining possession of such unsecured PHI and prevent its further unauthorized use, and take any necessary remedial actions as may be required by Covered Entity to prevent other or further Incidents. Business Associate and Covered Entity will cooperate in developing the content of any public statements.

c) If Covered Entity determines that it may need to notify any Individual(s) as a result of such Incident that is attributable to Business Associate's breach of its obligations under this Agreement, Business Associate shall bear all reasonable direct and indirect costs associated with such determination including, without limitation, the costs associated with providing notification to the affected Individuals,

providing fraud monitoring or other services to affected Individuals and any forensic analysis required to determine the scope of the Incident.

d) In addition, Business Associate agrees to update the notice provided to Covered Entity under Section 14(a) of this Agreement of such Incident to include, to the extent possible and as soon as possible working in cooperation with Covered Entity, the identification of each Individual whose unsecured PHI has been, or is reasonably believed by Business Associate to have been accessed, acquired, used or disclosed during the Incident and any of the following information Covered Entity is required to include in its notice to the Individual pursuant to 45 C.F.R. § 164.404(c):

i. A brief description of what happened, including the date of the Incident and the date of discovery of the Incident, if known;

ii. A description of the types of unsecured PHI that were involved in the Incident (e.g., Social Security number, full name, date of birth, address, diagnosis);

iii. Any steps the Individual should take to protect themselves from potential harm resulting from the Incident;

iv. A brief description of what is being done to investigate the Incident, mitigate the harm and protect against future Incidents; and

v. Contact procedures for Individuals to ask questions or learn additional information which shall include a toll-free number, an e-mail address, Web site, or postal address (provided, Subsection v is only applicable if Covered Entity specifically requests Business Associate to establish contact procedures).

e) Such additional information must be submitted to Covered Entity immediately at the time the information becomes available to Business Associate.

f) If the cause of a breach of PHI is attributable to Business Associate or its agents, subcontractors or vendors, Business Associate is responsible for all required notifications and reporting of the breach as specified in 42 U.S.C. § 17932 and its implementing regulations, including, without limitation, individual notifications, notification to media outlets and to the Secretary of the Department of Health & Human Services. If a breach of unsecured PHI involves more than 500 residents of the State of California or its jurisdiction, Business Associate shall notify the Secretary of the breach immediately upon discovery of the breach. Such notification(s) and required reporting shall be done in cooperation with Exchange and subject to Exchange's review and approval. If Business Associate has reason to believe that duplicate reporting of the same breach or incident may occur because its subcontractors, agents or vendors may report the breach or incident to Covered Entity in addition to Business Associate, Business Associate shall notify Covered Entity, and Covered Entity and Business Associate may take appropriate action to prevent duplicate reporting.

**15. Subcontractors and Agents of Business Associate.** Business Associate agrees to enter into written contracts with any of its agents or independent contractors (collectively, "subcontractors") who receive PHI from Business Associate or create, maintain, or transmit electronically, PHI on behalf of the Covered Entity, as a subcontractor to Business Associate, and such contracts shall obligate Business Associate's subcontractors to abide by the same conditions and terms as are required of Business Associate under this Agreement. Upon request, Business Associate shall provide the Covered Entity with

a copy of any written agreement or contract entered into by Business Associate and its subcontractors to meet the obligations of Business Associate under this Section.

a) Business Associate shall, upon knowledge of a material breach by a subcontractor of the subcontractor's obligations under its contract with Business Associate, either notify such subcontractor of such breach and provide an opportunity for subcontractor to cure the breach; or, in the event subcontractor fails to cure such breach or cure is not possible, Business Associate shall immediately terminate the contract with subcontractor.

b) To the extent that any of Business Associate's subcontractors will have access to any PHI that is received, created, maintained or transmitted electronically, Business Associate shall require such agents and subcontractors to agree to implement reasonable and appropriate safeguards to protect such electronic PHI.

**16. Availability of Information to Covered Entity and Individuals.** Business Associate agrees to provide access and information as follows:

a) Business Associate shall provide access as may be required, and in the time and manner designated by Covered Entity (upon reasonable notice and during Business Associate's normal business hours) to PHI in a Designated Record Set, to Covered Entity (or, as directed by Covered Entity), to an Individual, in accordance with 45 C.F.R. § 164.524. Designated Record Set means the group of records maintained for Covered Entity that includes medical, dental and billing records about individuals; enrollment, payment, claims adjudication, and case or medical management systems maintained for Covered Entity health plans; or those records used to make decisions about individuals on behalf of Covered Entity. Business Associate shall use the forms and processes developed by Covered Entity for this purpose and shall respond to requests for access to records transmitted by Covered Entity within fifteen (15) calendar days of receipt of the request by producing the records or verifying that there are none.

b) If Business Associate maintains an Electronic Health Record with PHI, and an individual requests a copy of such information in an electronic format, Business Associate shall provide such information in an electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act, including but not limited to, 42 U.S.C. § 17935(e).

c) If Business Associate receives data from Covered Entity that was provided to Covered Entity by the Social Security Administration, upon request by Covered Entity, Business Associate shall provide Covered Entity with a list of all employees, contractors and agents who have access to the Social Security data, including employees, contractors and agents of its subcontractors and agents.

**17. Access by Covered Entity and Secretary of U.S. Department of Health & Human Services.** Business Associate agrees to allow Covered Entity and the Secretary of the U.S. Department of Health & Human Services ("Secretary") access to its books, records and internal practices with respect to the disclosure of PHI for the purposes of determining the Business Associate's compliance with the HIPAA Privacy Regulations. If Business Associate is the subject of an audit, compliance review, or complaint investigation by the Secretary or the Office of Civil Rights, U.S. Department of Health and Human Services, that is related to the performance of its obligations pursuant to this HIPAA Business Associate Agreement, Business Associate shall notify Covered Entity and provide Covered Entity with a copy of any PHI that Business Associate provides to the Secretary or the Office of Civil Rights concurrently with providing such PHI to the Secretary. Business Associate is responsible for any civil

penalties assessed due to an audit or investigation of Business Associate, in accordance with 42 U.S.C. § 17934(c).

## **B. Termination of Agreement.**

1. **Termination Upon Material Breach.** The Covered Entity may, in its sole discretion, terminate the Exchange Agreement, including this Agreement, upon determining that Business Associate violated a material term of this Agreement. If the Covered Entity makes such a determination, it shall inform Business Associate in writing that the Covered Entity is exercising its right to terminate this Agreement under this Section III.B and such termination shall take effect immediately upon Business Associate receiving such notification of termination. In accordance with Section 13404(b) of the HITECH Act and to the extent required by the HIPAA Regulations, if Business Associate knows of a material breach or violation by Covered Entity, it shall take all actions required under the HITECH Act and HIPAA Regulations.

2. **Reasonable Steps to Cure Material Breach.** At the Covered Entity's sole option, the Covered Entity may, upon written notice to Business Associate, allow Business Associate an opportunity to take prompt and reasonable steps to cure any violation of any material term of this Agreement to the complete satisfaction of the Covered Entity within ten (10) calendar days of the date of written notice to Business Associate. Business Associate shall submit written documentation acceptable to the Covered Entity of the steps taken by Business Associate to cure any material violation. If Business Associate fails to cure a material breach within the specified time period, then the Covered Entity shall be entitled to terminate this Agreement under Section III.B above, if feasible.

3. **Amendment.** Covered Entity may in its sole discretion terminate the Exchange Agreement, including this Agreement upon thirty (30) calendar days written notice in the event (i) Business Associate does not promptly enter into negotiations to amend this Agreement when requested by Covered Entity pursuant to Section III.A.1 and Section III.F of this Agreement, or (ii) Business Associate does not enter into an amendment to this Agreement providing assurances regarding the safeguarding of PHI that Covered Entity, in its sole discretion, deems sufficient to satisfy the standards and requirements of HIPAA, the HIPAA Regulations and/or the HITECH Act.

4. **Return of PHI to Covered Entity Upon Termination.** Upon termination of the Agreement for any reason, Business Associate shall return all PHI to the Covered Entity. The Covered Entity may request in writing that Business Associate destroy all PHI upon termination of this Agreement rather than returning PHI to the Covered Entity. If the return or destruction of PHI is not feasible upon termination of the Agreement, then Business Associate shall explain in writing, directed to the Covered Entity's Chief Privacy Officer, why such return or destruction is not feasible. If such return or destruction is not feasible, then Business Associate agrees that it shall extend its obligations under this Agreement to protect the PHI. The Business Associate shall limit its use or disclosure of such PHI to only those purposes that make it infeasible to return or destroy the PHI and shall maintain such PHI only for that period of time that return or destruction of PHI remains infeasible.

**C. Conflicts.** The terms and conditions of this Agreement will override and control over any conflicting term or condition of other agreements between the Parties. All non-conflicting terms and conditions of such agreements shall remain in full force and effect.

**D. No Third-Party Beneficiary Rights.** Nothing express or implied in this Agreement is intended or shall be interpreted to create or confer any rights, remedies, obligations or liabilities whatsoever in any third party.

**E. Notice.** Except as otherwise provided in Section I.A.14(a), any notice permitted or required by this Agreement will be considered made on the date personally delivered in writing or mailed by certified mail, postage prepaid, to the other party at the address set forth in the execution portion of this Agreement.

**F. Amendment.** The Parties agree to take such action as is necessary to implement the standards, requirements, and regulations of HIPAA, the HIPAA Regulations, the HITECH Act, and other applicable laws relating to the security or confidentiality of health information. Upon Covered Entity's request, Business Associate agrees to promptly enter into negotiations with Covered Entity concerning the terms of any amendment to the Agreement consistent with the standards, requirements and regulations of HIPAA, the HIPAA Regulations, the HITECH Act or other applicable laws.

**G. Relationship of the Parties.** The Parties hereto acknowledge that Business Associate shall be and have the status of independent contractor in the performance of its obligations under the terms of this Agreement as to Covered Entity. Nothing in this Agreement shall be deemed or construed to create a joint venture or partnership between Covered Entity and Business Associate, nor create an agency relationship between Covered Entity and Business Associate.

**H. Indemnification by Business Associate.** Business Associate shall protect, indemnify and hold harmless the Covered Entity, its officers and employees from all claims, suits, actions, attorney's fees, costs, expenses, damages, penalties, judgments or decrees arising out of the failure by Business Associate to comply with the requirements of this Agreement, the HIPAA Requirements and all Future Directives; provided however that such indemnification shall be conditioned upon the Covered Entity's giving prompt notice of any claims to Business Associate after discovery thereof and cooperating fully with Business Associate concerning the defense and settlement of claims.

#### **I. Miscellaneous.**

**1. Exception to Limitations and Exclusions.** Business Associate's obligations under this Agreement and any breach by Business Associate of the obligations in this Agreement shall not be subject to any limitations on damages suffered by Covered Entity that may be specified in any agreement, invoice, statement of work or similar document setting forth the services Business Associate is providing to Covered Entity ("Contract"). No limitation or exclusion in any Contract shall limit Covered Entity's rights to recover from Business Associate damages, losses or sanctions suffered by Covered Entity to the extent of amounts recovered by, or sanctions awarded to, a third party which are caused by Business Associate's breach of the obligations in this Agreement, regardless of how such amounts or sanctions awarded to such third party are characterized.

**2. Assistance in Litigation or Administrative Proceedings.** Business Associate shall make itself and any subcontractors, employees or agents assisting Business Associate in the performance of its obligations under this Agreement, available to Covered Entity at no cost to Covered Entity to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against Covered Entity, its directors, officers or employees based upon claimed violation of HIPAA, the HIPAA Regulations, the HITECH Act or other laws relating to security and privacy, which

involve inactions or actions by the Business Associate, except where Business Associate or its subcontractor, employee or agent is a named adverse party.

**3. Modification.** This Agreement will be modified only by a written document signed by each party.

**4. Waiver.** The waiver by Business Associate or Covered Entity of a breach of this Agreement will not operate as a waiver of any subsequent breach. No delay in acting with regard to any breach of this Agreement will be construed to be a waiver of the breach.

**5. Assignment.** This Agreement will not be assigned by Business Associate without prior written consent of the Covered Entity. This Agreement will be for the benefit of, and binding upon, the parties hereto and their respective successors and permitted assigns.

**6. Interpretation.** The terms and conditions in this Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the HIPAA Regulations and applicable state or federal laws. The parties agree that any ambiguity in the terms and conditions of this Agreement shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act and the HIPAA regulations.

**7. Governing Law.** The interpretation and enforcement of this Agreement will be governed by the laws of the State of California. Exclusive venue shall be in Sacramento County, California.

**8. Headings.** The section headings contained in this Agreement are for reference purposes only and will not affect the meaning of this Agreement.

**9. Counterparts.** This Agreement may be executed in counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same.

**IN WITNESS WHEREOF,** Covered Entity and Business Associate execute this Agreement to be effective on the last date written below, or, if no date is inserted, the Execution Date of the other Agreement referenced above (the "Effective Date").

COVERED HEALTH ENTITY: The California Health Benefit Exchange

BUSINESS ASSOCIATE: \_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Notice Address:

Notice Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Email: \_\_\_\_\_

Attachment 16-9

## Attachment 17: Required Reports

Contractor shall provide such reports, data, documentation and other information requested by the Exchange and as reasonably necessary to document and evaluate Contractor's provision of Services in accordance with the terms and conditions set forth in the Agreement and under applicable laws, rules and regulations, including without limitation, the following items:

- Collaborative marketing and enrollment efforts, including, Contractor's marketing plan and documentation relating to testing of interfaces with Exchange's eligibility and enrolment system (Section 1.05(b));
- Evaluation of Contractor's performance (Section 1.10);
- Compliance with requirements for status as a Certified QHP (Section 3.01);
- Licensure and good standing (Section 3.02);
- Benefit plan design (Section 3.03);
- Sales and marketing practices for products through the Exchange and outside the Exchange (Section 3.04);
- Network adequacy standards (Section 3.05(a));
- Service Area (Section 3.05(b));
- Participating Provider Directory (Section 3.05(c));
- Participating Provider recruitment and retention (Section 3.05(d), (e));
- Changes in Participating Provider network (Section 3.05(f));
- Geographic distribution and changes in ECP network (Section 3.06);
- Applications and notices (Section 3.07);
- Rate information provided to Health Insurance Regulators and in such form as required by Exchange (Section 3.08, 3.09)
- Transparency in coverage (Section 3.10);
- Accreditation (Section 3.11);
- Segregation of funds (Section 3.12);
- Compliance with special rules governing American Indians or Alaskan Natives;
- Participating Provider Agreements (Section 3.14);
- Out-of-network, other benefit costs and network requirements (Section 3.15);
- Credentialing (Section 3.16)
- Utilization review and appeals (Section 3.17);
- Customer service standards (Section 3.18) (see further listing below);
- Compliance programs (Section 3.19);
- Enrollment and eligibility reconciliations (Section 3.20 to 3.22);
- Minimum Participation Rates (section 3.23);
- Premium information and reconciliation (Section 3.24);
- Collection practices (Section 3.25);
- Appeals and grievances (Section 3.26);
- Enrollee and marketing materials (Section 3.27);
- Agent compensation, appointment and conduct (Section 3.28 and 3.29);
- Notice of changes (Section 3.30);
- Other financial information, including business plans, audited financial statements, annual profit and loss statement and other financial information (Section 3.31);

Attachment 17-1

- Nondiscrimination (Section 3.32);
- Conflict of interest (Section 3.33);
- Disaster recovery plans (Section 3.34);
- Compliance with other laws (Section 3.35);
- Transition plan (Section 3.36);
- Contractor's representations and warranties (Section 3.37);
- Quality, Network Management and Delivery System Standards (Article 4). See further discussion below.
- Rate updates, premium collection and remittance (Section 5.01, 5.02)
- Participation fee, including, allocation of fee across entire risk pool (5.03(a)), payment information (Section 5.03(b) and information necessary to conduct evaluations (Section 5.03(c));
- Performance measures (Article 6);
- Recertification process (Section 7.02);
- Breach of agreement (Section 7.04);
- Insolvency (Section 7.06);
- Duties upon termination (Section 7.07);
- Further assurance regarding transition and continuity of care (Section 7.08, 7.09);
- Insurance (Article 8);
- Privacy and security standards (Article 9);
- Books records and data, including, clinical records (Section 10.01), financial records (including electronic commerce standards) (Section 10.02); storage and back up (Sections 10.03 and 10.04), examination and audit (Section 10.05 and 10.06), and tax reporting (Section 10.08);
- Intellectual Property (Article 11);
- Quality, Network Management and Delivery System Standards (Attachment 7) (all following references are to sections in Quality, Network Management and Delivery System Standards unless otherwise indicated):
  - Accreditation (Section 3.11 of the Agreement; Article 1 of the Quality, Network Management and Delivery System Standards)
  - HEDIS and CAPHS reporting (Section 2.01)
  - Participation in quality initiatives (Section 2.02)
  - Data sets (Section 2.03)
  - Enrollee reports (e.g., claims, utilization) (Section 2.04)
  - Hospital Compare program requirements (e.g., readmissions, hospital acquired conditions) (Section 2.04)
  - Health and wellness services (Sections 3.03 and 3.04)
  - Chronic conditions (Sections 4.02 and 4.03)
  - Health assessment (Sections 5.03 through 5.05)
  - Shared decision making (Section 6.04)
  - Development of care models (Section 7.02)
  - Value-based reimbursement and performance (Section 7.04)
  - Provider competition and standardized reimbursement (Section 7.07)
- Customer Service Standards, including (Attachment 6)
  - Customer call volumes
  - Telephone responsiveness

Attachment 17-2



- Responsiveness to written correspondence
- Number, accuracy, and timeliness of ID card distribution
- Nurse advice line volume, talk time, and topics discussed
- Use of Contractor's website

The information set forth in this Attachment shall not limit the Exchange's right to obtain information in accordance with the terms set forth in the Agreement and/or applicable laws, rules and regulations.

Attachment 17-3