From: DMHC Licensing eFiling

Subject: APL 23-029 – Health Equity and Quality Measure Set Benchmark – REVISED (5/13/2024)

Date: Monday, May 13, 2024 4:44 PM

Attachments: APL 23-029 – Health Equity and Quality Measure Set Benchmark – REVISED (5/13/2024).pdf
Health Equity and Quality FAQs (9/29/2023) – REVISED (5/13/2024).pdf

Dear Health Plan Representative,

Please find attached, the Department of Managed Health Care (DMHC) REVISED All Plan Letter (APL) 23-029 Health Equity and Quality Measure Set Benchmark, Accreditation, and Stratification Process. The enclosed revisions further clarify and inform all health plans of the DMHC Health Equity and Quality Measure Set (HEQMS) benchmark, accreditation, and stratification process for measurement year (MY) 2023 and MY 2024.

The updates to the REVISED APL 23-029 include:

- The DMHC has established the HEQMS benchmark at the aggregate NCQA Quality Compass® national Medicaid HMO 50th percentile.
- Behavioral health plans, with direct enrollment, are subject to the NCQA accreditation requirement but will not be required to report on any of the 13 HEQMS measures for MY 2023.
- Subcontracted health plans are required to obtain and maintain NCQA accreditation in their delegated functional area, on or before January 1, 2026.
- Health plans will submit the NCQA summary level aggregate and stratified measure results received from NCQA to the DMHC via its e-filing system.
- The requirements of APL 23-029 do not apply to Employee Assistance Plans (EAPs).

Thank you.

Gavin Newsom, Governor
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ALL PLAN LETTER

DATE: Issued on December 27, 2023

Updated May 13, 2024

TO: All Health Care Service Plans[1]

FROM: Nathan Nau

Deputy Director, Office of Plan Monitoring

SUBJECT: REVISED APL 23-029 – Health Equity and Quality Measure Set Benchmark, Accreditation, and Stratification Process

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The purpose of this All Plan Letter (APL) is to inform all health care service plans (health plans) of the Department of Managed Health Care (DMHC) Health Equity and Quality Measure Set (HEQMS) benchmark, accreditation, and stratification process. For accreditation, this APL applies to any health plan and the plan's subcontracted health plans, including restricted and limited licensed health plans, that deliver hospital, medical, or surgical services and/or behavioral health services. The instructions provided herein are intended to be read in concert with any previous guidance published by the DMHC except where deviations exist, in which case the instruction in this APL supersedes.

I. Background

Assembly Bill (AB) 133 (Committee on Budget, 2021) (Health and Safety Code (HSC) section 1399.870 et seq) required the DMHC to establish and convene a Health Equity and Quality Committee (Committee). The purpose of the Committee was to recommend a HEQMS and benchmark standards for health plans, with the goal of addressing long-standing health inequities and ensuring the equitable delivery of high-quality health care services across all market segments, including the individual, small and large group markets, and the Medi-Cal Managed Care program.

[1] This APL does not apply to health plans that only offer Medicare Advantage products or other specialized health care service plan products, including specialized dental, vision, chiropractic, acupuncture plans, or Employee Assistance Plans (EAPs).

Based on the Committee's recommendations submitted on October 12, 2022, the DMHC established the HEQMS and initial measure stratification requirements, which were shared with health plans in APL 22-028 – Health Equity and Quality Measure Set and Reporting Process.[2] The HEQMS will be effective in measurement year (MY) 2023 through at least MY 2027. The DMHC may reconvene the Committee to reevaluate the effectiveness of the HEQMS prior to the MY 2027 measure sunset date. The Committee reconvened on October 16, 2023, to discuss setting a benchmark for the HEQMS. Based on the Committee's recommendations, the DMHC established a benchmark, which is provided in this APL.

II. DMHC HEQMS

The DMHC established 13 health equity and quality measures that consist of 12 Healthcare Effectiveness Data and Information Set (HEDIS®) measures and one Consumer Assessment of Healthcare Providers and Systems (CAHPS®)measure (see Table 1): [3, 4, 5]

Table 1. HEQMS, Abbreviation, and Measure Steward

DMHC HEQ Measure Name	Abbreviation	Measure Steward
1. Colorectal Cancer Screening	COL / COL-E	NCQA
2. Breast Cancer Screening	BCS-E	NCQA
3. Hemoglobin A1c Control for Patients with Diabetes – 3.1 HbA1c Control (<8.0%) 3.2 HbA1c Poor Control (>9.0%)	HBD	NCQA
4. Controlling High Blood Pressure	CBP	NCQA
5. Asthma Medication Ratio (Total age range)	AMR	NCQA
6. Depression Screening and Follow-Up for Adolescents and Adults – 6.1 Depression Screening 6.2 Follow-Up on Positive Screen	DSF-E	NCQA
7. Prenatal and Postpartum Care – 7.1 Timeliness of Prenatal Care 7.2 Postpartum Care	PPC	NCQA
8. Childhood Immunization Status (CIS Combo 10)	CIS / CIS-E	NCQA

[2] 2022 Health Equity and Quality Committee Recommendations Report
[3] Each of the 13 HEQMS measures may be comprised of additional measure indicators established by the NCQA. Any reference to the 13 HEQMS measures in this APL is to be understood to be inclusive of the measure indicators listed in Table 1.
[4] HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA).
[5] CAHPS® is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ).

DMHC HEQ Measure Name	Abbreviation	Measure Steward
9. Well-Child Visits in the First 30 Months of Life – 9.1 First 15 Months 9.2 Age 15 Months - 30 Months	W30	NCQA
10. Child and Adolescent Well-Care Visits (Total age range)	WCV	NCQA
11. Plan All-Cause Readmissions (18-64 years of age)	PCR	NCQA
12. Immunizations for Adolescents (IMA Combo 2)	IMA / IMA-E	NCQA
13. CAHPS Health Plan Survey[6] (Medicaid and Commercial): Getting Needed Care – 13.1 Adult Survey 13.2 Child Survey	CPA / CPC	AHRQ

III. Plans Subject to HEQMS Reporting and Accreditation

A. Plans Subject to Reporting

All health plans that deliver hospital, medical, or surgical services and/or behavioral health services are required to report on all 13 HEQMS measures, starting in MY 2023.[7, 8] The HEQMS reporting by a health plan must be inclusive of the health plan's direct enrollment and all enrollees delegated to any subcontracted health plan.[9]

Health plans may report to the NCQA using either Administrative or Hybrid Data Collection Methods (Traditional Methods), unless reporting via the Electronic Clinical Data System (ECDS) is required by the NCQA or the DMHC for a specific measure. However, when a measure may be reported using both methods, Traditional and ECDS, health plans must report using both available methods.[10]

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[6] The NCQA is using CAHPS Health Plan Survey, Version 5.1H ("H" demonstrates it is part of HEDIS reporting) for MY 2023. AHRQ periodically updates the CAHPS Health Plan Survey instruments, and health plans will need to confirm which CAHPS survey version the NCQA has adopted for a given measurement year. The Health Equity and Quality Committee report and APL 22-028 identified CAHPS Health Plan Survey, Version 5.0 as the survey instrument to be utilized, which has since changed.

[7] Behavioral health plans with direct enrollment do not currently have a reporting requirement. The DMHC will reconvene the Health Equity and Quality Committee in 2025 to confer on potential behavioral health measures.

[8] Reporting requirements for the 13 HEQMS measures shall be inclusive of the measure indicators listed in Table 1 that are applicable to each plan's line of business (i.e., Commercial, Medi-Cal, Exchange).

[9] Direct enrollment is the sum of all individuals enrolled in the primary plan and includes the number of enrollees delegated to the subcontracted plan.

[10] Traditional and/or ECDS reporting does not apply to the CAHPS Health Plan Survey.

B. Plans Subject to Accreditation

All health plans, and their subcontracted health plans, including restricted and limited licensed health plans, that deliver hospital, medical, or surgical services and/or behavioral health services are required to obtain and maintain NCQA accreditation, by line of business, on or before January 1, 2026.[11] Full-service health plans are required to obtain NCQA Health Plan Accreditation.[12] Behavioral health plans are required to obtain NCQA Managed Behavioral Healthcare Organization Accreditation. Subcontracted health plans that do not have Health Plan Accreditation and/or Managed Behavioral Healthcare Organization Accreditation are responsible for seeking accreditation in any program area(s) they have been delegated to perform on behalf of a health plan. As of the publication date of this APL, the NCQA offers accreditation in the following program areas:

- Utilization Management
- Credentialing
- Provider Networks
- Case Management
- Case Management for LTSS
- Population Health Program
- Wellness and Health Promotion

The DMHC recommends that health plans contact the NCQA directly to confirm any changes made to available accreditation options and for questions related to the applicable accreditation processes and products.

IV. HEQMS Stratification

A. Background

The DMHC has adopted the NCQA health equity methodology for stratifying its HEQMS. The NCQA follows the Office of Management and Budget (OMB) Standards for stratification, which define minimum standards for collecting and presenting data on race and ethnicity for all Federal data reporting. For MY 2023 the NCQA uses the following OMB standards for race and ethnicity:[13]

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[11] Health and Safety Code section 1399.871(d)(1).
[12] The NCQA also offers Health Equity Accreditation. While not currently required, the DMHC strongly encourages plans to obtain Health Equity Accreditation.
[13] As of March 28, 2024, the OMB revised its race and ethnicity stratification standards, which must be implemented as soon as possible, but no later than March 28, 2029 (https://www.federalregister.gov/d/2024-06469). The DMHC will align future MY HEQMS stratification requirements with the NCQA's implementation of these new OMB standards.

- Race
  - White
  - Black or African American
  - American Indian or Alaska Native
  - Asian
  - Native Hawaiian or Other Pacific Islander
  - Some other race
  - Two or more races
  - Asked but no answer
  - Unknown

- Ethnicity
  - Hispanic or Latino
  - Not Hispanic or Latino
  - Asked but No Answer
  - Unknown

For MY 2023, health plans must report to the DMHC stratified rates for nine measures and aggregate rates for all 13 measures (see Table 2 for details).[14, 15] For MY 2024, health plans must report to the DMHC stratified rates for ten measures and aggregate rates for all 13 measures (see Table 3 for details). The DMHC will provide additional guidance in the future on the measures not stratified by the NCQA.

Table 2. MY 2023 health plan reporting to the DMHC via the NCQA summary level measure results file[16]

HEQMS Measure	Report to the DMHC			Stratified, Aggregate, or Both
	Commercial	Medicaid	Exchange	
1. Colorectal Cancer Screening	♦	♦	♦	Both
2. Breast Cancer Screening	♦	♦	♦	Both

[14] For the purposes of this APL, "Stratification" refers to the subcategorization of HEQMS measure result(s) by race and ethnicity, as described in Section IV.A. "Stratified Rates" are defined as HEQMS measure result(s) that are subcategorized by those same race and ethnicity categories.
[15] For the purposes of this APL, "Aggregate Rates" refer to summary level (non-stratified) measure result(s) of the individual (not composite) HEDIS measures that are in the HEQMS.
[16] Health plans must submit the NCQA summary level measure results file to the DMHC for all HEQMS measures, except for the Quality Health Plan (QHP measure), regardless of whether the results file includes both aggregate and stratified results or aggregate only.

HEQMS Measure	Report to the DMHC			Stratified, Aggregate, or Both
	Commercial	Medicaid	Exchange	
3. Hemoglobin A1c Control for Patients with Diabetes	♦	♦	Report HbA1c poor control (>9%) only	Both
4. Controlling High Blood Pressure	♦	♦	♦	Both
5. Asthma Medication Ratio	♦	♦	♦	Both
6. Depression Screening and Follow-Up for Adolescents and Adults	♦	♦	Not Reported	Aggregate only
7. Prenatal and Postpartum Care	♦	♦	♦	Both
8. Childhood Immunization Status	♦	♦	♦	Aggregate only
9. Well-Child Visits in the First 30 Months of Life	♦	♦	♦	Both
10. Child and Adolescent Well-Care Visits	♦	♦	♦	Both
11. Plan All-Cause Readmissions	♦	♦	♦	Aggregate only
12. Immunizations for Adolescents	♦	♦	♦	Both
13. CAHPS Health Plan Survey: Getting Needed Care[17]	♦ (Report Adult Only)	♦ (Report Adult & Child)[18]	(QHP)[19] Not Reported	Aggregate only

[17] The Getting Needed Care composite score is the overall percentage of members who responded “Always” or “Usually” to questions about how often it was easy for them to get appointments with specialists and get the care, tests, or treatment they needed through their health plan.
[18] In MY 2023, Medicaid reports on the child general population set only (without the children with chronic conditions set).
[19] Exchange lines of business do not report the CAHPS Health Plan Survey. The DMHC will not require reporting of the QHP Enrollee Experience Survey for MY 2023.

Table 3. MY 2024 health plan reporting to the DMHC via the NCQA summary level measure results file and via the DMHC stratification process[20]

HEQMS Measure	Report to the DMHC			Stratified, Aggregate, or Both
	Commercial	Medicaid	Exchange	
1. Colorectal Cancer Screening[21]	♦	♦	♦	Both
2. Breast Cancer Screening	♦	♦	♦	Both
3. Glycemic Status Assessment for Patients with Diabetes[22]	♦	♦	Report Glycemic Status >9.0% only	Both
4. Controlling High Blood Pressure	♦	♦	♦	Both
5. Asthma Medication Ratio	♦	♦	♦	Both
6. Depression Screening and Follow-Up for Adolescents and Adults	♦	♦	TBD[23]	Aggregate only*
7. Prenatal and Postpartum Care	♦	♦	♦	Both

[20] Health plans must submit the NCQA summary level measure results file to the DMHC for all measures, except for the QHP measure, regardless of whether the results file includes both aggregate and stratified results or aggregate only. Measures with an asterisk (*) will not be stratified by the NCQA for MY 2024. If the DMHC determines stratification of these measures will be required for MY 2024, then the DMHC will provide additional guidance in the future. Because these measures are not stratified by the NCQA, the DMHC would need to develop and implement processes and tools to ensure an accurate and appropriate reporting methodology. Establishing such a process is complex and the feasibility of completion prior to MY 2024 reporting is uncertain.

[21] For MY 2024, the NCQA will retire the traditional reporting method for the Colorectal Cancer Screening measure (COL), and health plans will only report to NCQA via ECDS (COL-E). The DMHC will require health plans to report via ECDS for this measure for MY 2024.

[22] Previously the NCQA called this measure Hemoglobin A1c Control for Patients with Diabetes.

[23] Exchange lines of business will not be required to report on this measure if it is not part of the CMS MY 2024 requirements.

HEQMS Measure	Report to the DMHC			Stratified, Aggregate, or Both
	Commercial	Medicaid	Exchange	
8. Childhood Immunization Status[24]	♦	♦	♦	Both
9. Well-Child Visits in the First 30 Months of Life	♦	♦	♦	Both
10. Child and Adolescent Well-Care Visits	♦	♦	♦	Both
11. Plan All-Cause Readmissions	♦	♦	♦	Aggregate only*
12. Immunizations for Adolescents	♦	♦	♦	Both
13. CAHPS Health Plan Survey: Getting Needed Care[25]	♦ (Report Adult Only)	♦ (Report Adult & Child)	♦ (QHP)[26]	Aggregate only*

B. Calculating and Reporting Rates

The DMHC has aligned its HEQMS reporting timeline for MY 2023 with the NCQA's MY 2023 data submission timeline to ease the burden on health plans. Health plans will be required to report their final MY 2023 data to the NCQA in Q2 2024 and their NCQA results file to the DMHC starting in Q3 of 2024. The process for calculating and reporting rates for the HEQMS for MY 2023 is as follows:

1. Each health plan must follow the NCQA data submission process.
2. The health plans will submit the NCQA summary level aggregate and stratified measure result(s) received from NCQA to the DMHC via its e-filing system.[27]

The DMHC follows, and health plans must adhere to, the NCQA's HEDIS, CAHPS, or

[24] The NCQA anticipates incorporating stratifications for this measure but only via ECDS. The DMHC will require health plans to report via the ECDS for this measure.
[25] The Getting Needed Care composite score is the overall percentage of members who responded "Always" or "Usually" to questions about how often it was easy for them to get appointments with specialists and get the care, tests, or treatment they needed through their health plan.
[26] Exchange lines of business do not report the CAHPS Health Plan Survey. The DMHC will require reporting of the QHP Enrollee Experience Survey for MY 2024.
[27] Instructions for submitting data to the DMHC via its e-filing system will be forthcoming.

other applicable technical specifications for each MY. Health plans must follow the DMHC's and the NCQA's timeline for collecting, calculating, auditing, and reporting rates.

More information on the NCQA's timeline can be found here: https://www.ncqa.org/hedis/data-submission/hedis-2023-data-submission-timeline/.

V. Benchmarks Established by the DMHC

The DMHC has established the HEQMS benchmark at the aggregate NCQA Quality Compass® national Medicaid Health Maintenance Organization (HMO) 50th percentile.[28] Each aggregate and stratified HEQMS measure result reported by a health plan for a given MY will be assessed against the same MY national Medicaid HMO 50th percentile. For example, each HEQMS measure result reported for MY 2023 will be assessed against the MY 2023 national Medicaid HMO 50th percentile.

A. Enforcement

The DMHC will promulgate regulations codifying the measures and benchmarks by January 1, 2027. The DMHC may begin assessing administrative penalties for any failure to meet the health equity and quality benchmarks that occurs after the regulations are promulgated. When assessing administrative penalties for failing to meet the health equity and quality benchmarks, incremental improvement in performance may be taken into consideration. Prior to regulations being promulgated, the DMHC may assess administrative penalties for certain conduct, including failing to report complete and accurate data and failing to file and monitor required corrective action plans.[29]

VI. Next Steps on HEQMS and the Health Plan Demographic Data Metric[30]

As stated in APL 22-028, to track progress and determine when the HEQMS stratification can be expanded, the DMHC will develop a metric to monitor what demographic data health plans have collected and for what percentage of their enrollees.[31, 32] The DMHC intends to begin collecting the health plan Demographic Data Metric for MY 2023 in 2024. The DMHC is currently developing its reporting process and will provide future guidance on the health plan Demographic Data Metric once the reporting process is fully developed.

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[28] Quality Compass® is a registered trademark of the NCQA.
[29] Health and Safety Code section 1399.872 (d)(4) and (e)(1).
[30] For purposes of this APL, a "Demographic Data Metric" is defined as a metric that will track the extent to which managed care entities collect demographic data elements for their enrollee populations.
[31] The DMHC Demographic Data Metric will be developed independent of NCQA's HEDIS Race/Diversity of Membership measure.
[32] For purposes of this APL, "Demographic Data" is defined as information that describes the characteristics of enrollee populations within a managed care entity. These characteristics may include but are not limited to gender identity, sexual orientation, race, ethnicity, and disability status.

The DMHC will utilize the health plan Demographic Data Metric to inform the addition of new areas of stratification where disparate outcomes exist.

The DMHC intends to add new health equity and quality measures in the coming years, including measures pertaining to behavioral health, consistent with HSC section 1399.870 et seq.

If you have any questions about this APL or technical questions related to the HEQMS reporting, please contact the DMHC Health Equity and Quality Team at HEQ@dmhc.ca.gov.