1100 13th Street NW, Third Floor
Washington, DC 20005

phone 202.955.3500
fax 202.955.3599
www.ncqa.org

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National Association of Insurance Commissioners

Attention: Commissioners Altman and Lara

The National Committee for Quality Assurance (NCQA) commends the NAIC for convening the Special (EX) Committee on Race and Insurance to identify and work to resolve inequities across insurance sectors. We are pleased to offer our support and recommendations for the committee's forthcoming effort.

Policy Perspective: CMS, states and communities are increasingly examining equity in performance measurement. There is strong interest in making healthcare disparities the focus of improvement efforts and incentive payments to insurers. Health plans can serve as critical partners to effectively tackle the root causes of poor health and address disparities to improve the health of individuals and their communities. Recently, the HHS Assistant Secretary for Planning and Evaluation (ASPE) recommended that CMS incorporate measures of health equity in its quality measurement and incentive programs. Some states already do so. For example, a portion of Michigan Medicaid's incentives for plans depend on their ability to close gaps in racial disparities in care on targeted measures.

NCQA's Role: NCQA is working on a multi-pronged approach developing health equity standards and measures to be used in Value-Based Payment arrangements. Along with our existing work to improve data collection and stratification, we are taking the following steps to build a framework capable of driving awareness, improvement, and equity in the healthcare system. One facet of this work includes: identifying and testing methods for assessing equity outcomes, such as developing benchmarks for equitable health outcomes in existing performance measures and examining approaches for using community-level outcomes to evaluate and incentivize health plan performance. States like Pennsylvania have shown promising results at the community level by using programs such as NCQA's Multicultural Healthcare Distinction to require that its Medicaid plans collect data to address healthcare disparities.

We believe the NAIC can play a pivotal role in helping move states forward with clear goals for collecting and reporting race and ethnicity data and using that data to target inequalities in the insurance sector.

NCQA makes the following recommendations:

- ***Accreditation as a tool: Look to Accreditation requirements in the ACA to ensure quality***. Section 1311(c)(1)(D)(i) of the Affordable Care Act requires to be certified as a

QHP and operate in an Exchange, a health plan must be accredited by a recognized accrediting entity. The same quality and consumer protection expectations should be considered among state insurance departments. **NCQA Health Plan Accreditation 2022** includes **new requirements aimed at strengthening an organization's commitment to health equity and improving diversity, equity, and inclusion**. The standards require organizations to take actions to promote health equity, promote diversity in recruiting and hiring, offer training on cultural competency, bias or inclusion to its employees and practitioners in network, examine underrepresented populations for disparities and address their needs and evaluate stratification methodology for potential bias**.** *(Workstreams 1 and 5)*

- In addition, states are looking to the ***Multicultural Health Care Distinction***, based on Health and Human Services' Office of Minority Health culturally and linguistically appropriate service (CLAS) standards, to build the infrastructure to address health disparities. The program includes standards that promote the collection and analysis of race, ethnicity, and language data to create a foundation for providing culturally and linguistically appropriate services. (*Workstreams 1 and 5)*
- States should use accreditation already available for over 500 commercial insurers. NCQA's Health Plan Accreditation standards include important patient protections that support a patient's right to complain about a discriminatory or inequitable care experience. Our provider credentialing standards require plans to evaluate and continuously monitor providers for complaints, adverse events and CMS or state sanctions. Our network standards focus on ensuring a plan's network meet the needs of patients including evaluating network adequacy for culture, ethnicity, race, and linguistics. In addition, NCQA's provider directory standards specifically include languages spoken by the physician or clinical staff and may list languages spoken by the nonclinical staff in a separate field. (*Workstream 5 – Network Adequacy and Provider Directories)*
- ***Require reporting Race, Ethnicity and Language Data.*** State Insurance Commissioners should require insurers to collect and report race, ethnicity, and language data with expectations for increasing reliance on direct reporting from members on this information. Specifically:
    - Begin with existing Healthcare Effectiveness Data and Information Set (HEDIS®)[1] measures, *Race/Ethnicity Diversity of Membership (RDM)* and *Language Diversity of Membership (LDM)*,
    - Over time, states should compel reporting of complete data for race, ethnicity, gender identity, sexual orientation, disability, and other marginalized populations.

[1] HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA).

NCQA's analysis of plan reporting has shown that most commercial plans do not consistently collect or report race or ethnicity data on their membership. As a result, these categories are often incomplete or derived from other sources, preventing effective evaluation and action. However, the Medicare Advantage (MA) program has proven that collecting and reporting this data is feasible. Over 80% of MA plans have complete or partially complete race data. NCQA will require plans to move toward direct reported data from members and believes the NAIC should adopt such a policy. NCQA and Grantmakers in Health, with support from Commonwealth Fund, will develop a roadmap for consistent, accurate and complete collection and analysis of race and ethnicity data with the goals of identifying barriers to/opportunities for race and ethnicity data collection and use, focused on healthcare settings. (*Workstreams 3, 4 and 5 - Enhanced data reporting and record-keeping requirements across)*

- ***Prioritize continuous monitoring for bias in emerging technology.*** National accrediting bodies can play a role in driving accountability for health care organizations to identify, address, and continuously monitor bias in algorithms, artificial intelligence, machine learning, and other emerging technology. HPA 2022 requires organizations to evaluate the population health segmentation/stratification methodology for bias. (*Charge: Coordinate with the Big Data and Artificial Intelligence (EX) Working Group)*

Thank you for the opportunity to comment. We look forward to engaging with the Special Committee on Race and Insurance, commissioners, and staff supporting its charges.

Sincerely,

Kristine Toppe
Assistant Vice President for State Affairs
National Committee for Quality Assurance (NCQA)

Cc: Brian Webb, Manager Health Policy, National Association of Insurance Commissioners