



Mandating Health Plan Quality:

Contract Language

Demonstrating the Employer's Expectations of Quality

NCQA Health Plan Accreditation (HPA) provides employers with resources and data to help them select a quality health plan partner and drive year-over-year quality improvement. At a minimum, employers should assess these data during the RFP process (Assessing Health Plan Quality). But to drive true change, employers should consider a more assertive approach and require plans to demonstrate their commitment to quality. Below is a sample of the contract language employers can use in an RFP.

1. Require NCQA Health Plan Accreditation

Employers should consider requiring plan partners to be NCQA Accredited. Accreditation assures an employer that the plan is adhering to evidence-based policies and procedures that position it to deliver high-quality care, and that it monitors its performance across a variety of areas such as clinical quality, and employee experience. Accreditation also provides additional data to the health care market and employers about the state of health care quality.

“Provide confirmation that proposer has or will earn NCQA Accreditation on or before [Start Date] and maintain it thereafter.”

“Contractor shall provide documented evidence of improvement or improvement efforts for elements of NCQA Accreditation that were deemed Partially Met or Not Met.”

2. Require a minimal Health Plan Rating

Health Plan Ratings provide insight into a plan's prevention, treatment and customer satisfaction outcomes as measured by HEDIS® (the Healthcare Effectiveness Data and Information Set) and CAHPS® (the Consumer Assessment of Healthcare Providers and Systems). A plan with 5 stars is likely performing in the top 10 percent of health plans for most measures. Conversely, a plan with 1–2 stars is likely in the bottom 33% of health plans across most measures.

Employers can choose not to partner with health plans that have not achieved a rating the employer deems appropriate. Employers can also require a plan to show documented evidence of improvement or efforts toward improving a rating.

“Contractor must have or achieve an NCQA Health Plan Rating of \geq [NUMBER] within [time frame] of [contract start date].”

“Contractor shall submit the latest available NCQA Health Plan Rating Report Card received as part of the NCQA Accreditation process.”

“Contractor shall provide documented evidence of improvement or improvement efforts for all elements in the Health Plan Ratings rated below 3.”

3. Obligate the plan to provide population-level HEDIS data

Population-level data is the best way for employers to understand the level of care their employees are receiving and measure year-over-year improvements. Employers should obligate the plans to provide this information and request it be compared to state and national benchmarks to ensure they have full insight into their population's health.

“Contractor agrees to mine [Company] medical claims data and provide [Company] with a report comparing [Company]'s performance to national and state benchmarks for HEDIS measures, including, but not limited to [measures of interest], by [Date]. Data elements will include a three-year trend comparing [Company] rates to state and national averages, as well as HEDIS national 25th and 75th percentiles.”

For more information, visit www.ncqa.org



The National Committee for Quality Assurance (NCQA) is a 501(c)(3) not-for-profit that uses measurement, transparency and accountability to improve health care. NCQA creates standards, measures performance and highlights organizations that do well. All this helps drive improvement, save lives, keep people healthy and save money.

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