

Medicare Advantage/Medicare Part D Performance Guarantees

General Performance Guarantee Provisions – Fully Insured Premium

The Medicare Advantage PPO plan (“MA PPO ESA plan”) is offered by Aetna Life Insurance Company. The standalone Medicare prescription drug plan (“PDP”) is offered by SilverScript Insurance Company (“SilverScript”). Aetna Life Insurance Company and SilverScript are hereinafter collectively referred to as “Aetna”. The performance guarantees shown in this document apply to the MA PPO ESA plan and PDP (collectively, “the Plans”) that will be offered by Aetna to the City of New York (“City”) and administered under the Medicare Agreement executed by Aetna and the City (the “Contract”), as described further herein (the “Performance Guarantees”).

Performance Objectives

Aetna believes that measuring the activities described below are important indicators of how well it services the City. Aetna is confident that the plan administration, claim administration, and member services provided to the City will meet the City’s high standards of performance. To reinforce the City’s confidence in Aetna’s ability to administer their program, Aetna is offering guarantees in the following areas:

Summary of Performance Standards Implementation

September 2023 – December 2023 Performance Category	Minimum Standard	Measurement Criteria	Penalty
▪ Member Satisfaction– Network and provider plan acceptance	Aetna guarantees Members’ current treating providers will take the plan and that we have the demonstrated ability to educate providers about the Aetna MA PPO ESA plan. If a Member’s provider will not take the plan and requires payment up front at the time of a Member’s visit, Aetna will pay the cost of services provided during the visit after confirmation that the provider is eligible to receive Medicare payment.	Aetna is guaranteeing to work with Members’ current treating providers who are eligible to receive Medicare payment to either contract with the provider to participate in our network, or, to the extent possible, negotiate an accommodation with the provider to accept the MA PPO ESA plan for the Member’s visit and accept payment for services during that visit.	Should the program need to be used more than fifty times, Aetna agrees to a penalty of \$680,000.
▪ ID Card Production &	ID cards generated within 10	Aetna’s	\$380,000

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Distribution	business days of acceptance by CMS. Requires complete, viable and accurate eligibility data in order to submit to CMS to generate ID cards within this guarantee	implementation team records will be used to determine whether eligibility data was complete, viable and accurate for ID cards to be produced and mailed within the specified time frame	
▪ Member Outreach-Retiree meetings	Hold 100+ in person or virtual retiree meetings from April to mid-August and adheres to communication plan (See attached summary)	As tracked by Aetna's implementation team records, project plans and milestone documents	\$380,000
▪ Member Outreach-educational Outbound calls	Attempt outbound calls to each Member family with a valid phone number on file announcement through June	As tracked by outbound call tracking database	\$380,000
▪ Call Center performance and availability	Aetna call center is live and trained by announcement. The Aetna call center maintains a TSF of 80% in less than 30 seconds and abandonment rate of 3% or less from plan effective date, ongoing	Based on service center live date and call center reporting	Aetna will be penalized by \$76,000 for each 1.0% that the average abandonment rate exceeds 3.0% or for each 1% that the telephone service factor falls below 80% within 30 seconds. There will be a maximum penalty of \$380,000
▪ Healthy Home Visits	100% of eligible MA PPO ESA plan Members will be offered a healthy home visit within the first 150 days of the program	As measured by outreach and program scheduling	\$380,000

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<ul style="list-style-type: none"> COVID and Flu Vaccinations 	<p>Deploy concierge approach and dedicated customer care support to address concerns related to vaccinations for COVID or the flu. Aetna will provide online appointment and telephonic support for scheduling COVID and flu vaccinations at CVS locations, leverage CVS locations and pharmacists to message and reinforce importance of COVID and Flu Vaccines.</p> <p><i>Note: COVID vaccination distribution will be subject to applicable law and guidelines</i></p>	<p>Aetna successfully deploys solution and communicates to 100% of MA PPO ESA plan Members about the COVID and vaccine concierge program</p>	<p>\$380,000</p>
<ul style="list-style-type: none"> Complaints to Medicare 	<p>Aetna agrees the number of complaints made to Medicare will be kept below 10 per 10,000 Members as mutually agreed upon that Aetna is responsible for the complaint.</p>	<p>Aetna's account team will provide monthly reporting on the complaints to Medicare statistics and reconcile on a quarterly basis</p>	<p>\$380,000</p>
<p>Coordination with FISA/NYCAPS/City Systems</p>			
<ul style="list-style-type: none"> Ability to handle City Enrollment formats 	<p>Aetna will work with the City to enroll Members in the format they can provide. Aetna would require that the file the City provides includes a field with each Member's Medicare Beneficiary Identifier (MBI). Aetna management / enrollment of the split contracts. Aetna assisting City in obtaining any member MBIs</p>	<p>Tracked by Aetna's implementation team records</p>	<p>\$380,000</p>
<ul style="list-style-type: none"> Eligibility Loaded within 3 business days of receipt 	<p>Initial enrollment file will be loaded within 3 business days of receipt. Files must be received by 12:00 midnight Eastern Time (ET); otherwise, written notification of the file</p>	<p>Tracked by Aetna's implementation team records</p>	<p>\$380,000</p>

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	delivery (off schedule) must be provided and receipt confirmed by Aetna. Aetna would require that the file the City provides includes a field with each Member's Medicare Beneficiary Identifier (MBI).		
<ul style="list-style-type: none"> Effective Strategy to handle enrollment 	<p>Ability to accept paper or telephonic enrollments for up to 10% of the City's population.</p> <p>Telephonic enrollment is supported assuming the City provides initial demographic data.</p>	Data is processed and transmitted within 10 business days of receipt for paper enrollments and 7 for telephonic enrollments	\$380,000
<ul style="list-style-type: none"> Complete enrollment support 	Aetna agrees to provide a full recordkeeping solution that supports online and Telephonic enrollments with educational content and decision support tools, data eligibility, direct billing and pension payroll and well as coordination with other vendor partners if timing and cost is mutually agreeable (See recordkeeping and enrollment service summary).	As measured by the City's satisfaction	\$380,000
Coordination with OLR/MLC			
<ul style="list-style-type: none"> Availability of "right" resources to address issues 	Direct access to dedicated Account Management and provide direct resources to address issues. (See planned implementation team resources charts.)	Aetna's implementation team records will be used to determine if appropriate parties were included to address issues	\$230,000
<ul style="list-style-type: none"> Timely acknowledgement 	Aetna will acknowledge 99% of inquiries and requests to their Account Team within 24 hours of receipt (holidays, weekends, excluded).	As tracked by email time stamps	\$230,000
<ul style="list-style-type: none"> Satisfaction with communication and interaction 	Average evaluation score of 4.0 or higher.	Via timely responses to the Implementation	\$380,000

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		<p>Evaluation Tool, the City agrees to make Aetna aware of possible sources of dissatisfaction throughout the implementation period. Each question will be given a rating of 1 - 5 with 1 = lowest, 5 = highest. Results from the evaluation tool will be used to facilitate a discussion. If the survey is not completed within one month of receipt, it will be assumed that the Implementation Services provided to the City is satisfactory</p>	
Account Management			
<ul style="list-style-type: none"> Account Management Team effectiveness 	<p>Average evaluation score of 4.0 or higher</p>	<p>Via quarterly responses to the Account Management Evaluation Tool, the City agrees to make Aetna aware of possible sources of dissatisfaction throughout the guarantee period. If the report cards are not completed and returned within one month of receipt, it will be assumed that the service provided to the City is satisfactory. If the score on the first report card is below an average rating of 4.0 and the service improves to an average of 4.0 for the</p>	<p>Should the score from the first report card and the average of the remaining report cards fall below a 4.0 (meaning that service levels have not improved), Aetna and the city will mutually agree upon the penalty, subject to a maximum penalty of \$540,000</p>

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		second and subsequent surveys, no credit is due	
Pharmacy (PDP only)			
<ul style="list-style-type: none"> Pharmacy Retail TAT – Paper Claims 	100% in less than or equal to 14 days	Total percentage of claims processed is measured as the number of claims processed within specified number of days divided by the total number of claims audited. This guarantee may not apply and a penalty may not be paid, if results are not achieved due to severe weather events which directly or indirectly impact performance during the guarantee period.	A penalty of \$76,000 will apply for each 1.0% that the actual turnaround time for reimbursement of paper claims submitted falls below the guaranteed level of 100.0% within a weighted average of 14 business days of receipt. There will be a maximum penalty of \$380,000
<ul style="list-style-type: none"> Pharmacy Mail Order Dispensing Accuracy 	99.95%	For the respective guarantee period, total dispensing accuracy is measured as the number of prescriptions with no errors divided by the total number of prescriptions dispensed.	A penalty of \$76,000 will apply for each 1.0% that the actual percentage of all mail order prescription dispensing accuracy falls below the target of 99.95%. There will be a maximum penalty of \$380,000
Total Amount at Risk:			\$7,000,000

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2024 Performance Category	Minimum Standard	Measurement Criteria	Penalty
Member Services - Network Satisfaction			
<ul style="list-style-type: none"> Member Satisfaction– Network and provider plan acceptance 	Aetna guarantees Members’ current treating providers will take the plan and that we have the demonstrated ability to educate providers about the Aetna MA PPO ESA plan. If a Member’s provider will not take the plan and requires payment up front at the time of a Member’s visit, Aetna will pay the cost of services provided during the visit after confirmation that the provider is eligible to receive Medicare payment.	Aetna is guaranteeing to work with Members’ current treating providers who are eligible to receive Medicare payment to either contract with the provider to participate in our network, or, to the extent possible, negotiate an accommodation with the provider to accept the MA PPO ESA plan for the Member’s visit and accept payment for services during that visit	Should the program need to be used more than 50 times Aetna agrees to a penalty of \$770,830.
<ul style="list-style-type: none"> Expanded Concierge Account Management Support (OLR/Union) 	Upon mutually agreed service model that effectively supports all components of the City; OLR, MLC, Unions and Welfare Funds. Service model includes: Dedicated Account Management team, dedicated onsite Labor Liaisons, dedicated onsite Plan Sponsor Liaison. (see ongoing engagement plan overview)	As documented by ongoing project plan and with a mutually agreeable discussion as it relates to COVID-19 pandemic and CVS Health guidance	\$470,830
<ul style="list-style-type: none"> Member Satisfaction 	Aetna guarantees a positive response rate of 90.0% or better on the following question “please rate your overall satisfaction with Aetna call center”	Results of the Aetna Performance Tracking Process are used as the measurement criteria. The survey assumes a 5-point	Aetna will be penalized by \$114,166 for each 1.0% that the Member satisfaction rate falls below

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	<i>Note: Onsite support will begin as soon as Aetna guidance for employees allows.</i>	scale with the top 3 responses viewed as positive. The survey is based on a statistically valid, randomly selected sample of actively enrolled Members aged 65+	90%. The maximum penalty will be \$570,830
▪ Call Center Performance- First Call Resolution	Aetna will guarantee that the first call resolution rate will be 93.0%	We define the first call resolution rate as the percentage of Member calls resolved on the first call as reported by the Member utilizing the Aetna Member survey process in effect at the time of the Member's call	Aetna will be penalized by \$114,166 for each 1.0% that the first call resolution rate falls below 93% . The maximum penalty will be \$570,830
▪ Call Center Performance- Telephone Service Factor	Aetna will guarantee that the TSF for the phone skill(s) providing your customer service are used and will not fall below 80.0% within 30 seconds	TSF measures the speed in which calls are answered by a Customer Service Advocate after being placed in queue by the auto attendant. This does not include the time the caller spent navigating through any auto attendant menus. TSF includes total calls (answered and abandoned) that are offered to Service Advocate	Aetna will be penalized by \$87,500 for each full percentage point that the cumulative TSF falls below 80% within 30 seconds . The maximum penalty will be \$437,500
Quality			
▪ Complaints to Medicare	Aetna agrees the number of complaints made to Medicare will be kept below 10 per 10,000 Members as mutually agreed upon that Aetna is	Aetna's account team will provide monthly reporting on the complaints to Medicare	\$570,830

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	responsible for the complaint	statistics and reconcile on a quarterly basis	
Member Experience – Clinical (MA PPO ESA ONLY)			
▪ Healthy Home Visits	100% of MA PPO ESA plan Members eligible retirees offered healthy home visits on an annual basis		\$570,830
▪ Leverage the Healthy Reward incentive program to close gaps in care	Use at least 1.7M in direct MA PPO ESA plan Member incentives to close gaps in care. For example: Member receives \$50 gift card for completing an applicable screening such as colonoscopy	As measured by Healthy Rewards Member redemptions	\$370,830
▪ Member engagement in care management programs	Identify 10% of membership for clinical care programs with a MA PPO ESA plan Member engagement rate of 85% of reached; 2023 is baseline year	Aetna clinical program tracking reports for the City will be used	\$370,830
▪ Member engagement in in home care	Aetna will work with providers to provide care in the home and work with MA PPO ESA plan Members to understand the benefits of receiving care in the home	Aetna agrees to drive a 10% engagement rate of eligible, chronically ill Members to receive in home care from providers such as Landmark year one and a 25% engagement rate in future years	\$370,830
▪ Excessive IRE Appeals Overturned	Aetna agrees the percentage of non-administrative appeals that are denied and moved to a third party IRE and subsequently overturned by the IRE will remain at or below 3% of all such appeals, as it is mutually agreed upon that Aetna is responsible for holding a quality claims and appeals process whose result will be upheld a vast majority of the time	Aetna's account team will provide monthly reporting on the outcomes of the claims and appeals process, for those non-administrative denied services that are sent to IRE for final appeal. The IRE decision and the Aetna decision will be compared and IRE overturned denials	\$500,000

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		will count against the 3% metric. This will be reconciled on an annual basis	
Financial (MA PPO ESA ONLY)			
<ul style="list-style-type: none"> Risk Score Accuracy/Adequate Reimbursement 	<p>Guarantee processes will occur on an ongoing basis that ensures risk score accuracy and adequate reimbursement:</p> <ul style="list-style-type: none"> - Maintain control processes to ensure timely and appropriate data submission to CMS. - Perform appropriate data analysis to identify trends in risk adjustment, opportunities for quality improvement, and recognize conditional gaps. - Evaluate MA PPO ESA plan mMember level data to monitor program outcomes (retrospective chart reviews, in-home assessments, in-office assessments). - Analyze operational forecasts for root cause miscues, develop action plans, and then act upon those strategies to close/mitigate risk adjustment gaps 	<p>Quarterly - Aetna will share tracking and activity reports with the City to support the processes in place in order to measure this guarantee</p>	<p>\$570,830 (divided quarterly)</p>

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Account Management			
<ul style="list-style-type: none"> Account Management Team effectiveness 	Average evaluation score of 4.0 or higher	<p>Via quarterly responses to the Account Management Evaluation Tool, the City agrees to make Aetna aware of possible sources of dissatisfaction throughout the guarantee period. If the report cards are not completed and returned within one month of receipt, it will be assumed that the service provided to the City is satisfactory. If the score on the first report card is below an average rating of 4.0 and the service improves to an average of 4.0 for the second and subsequent surveys, no credit is due</p>	<p>Should the score from the first report card and the average of the remaining report cards fall below a 4.0 (meaning that service levels have not improved),), Aetna and the City will mutually agree upon the penalty, subject to a maximum penalty of \$570,880</p>
<ul style="list-style-type: none"> Communication of industry, trends, & CMS updates 	Quarterly, Aetna account team will bring innovative products and opportunities to OLR/ MLC for discussion and consideration	Quarterly - Aetna's account management team's records will be used to identify new program presentation	\$570,830

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Data Warehouse			
<ul style="list-style-type: none"> Timely and accurate submission of required data 	<p>Annual reports are due to City by March 1 of each year (one-month lag). Quarterly reports are due sixty (60) business days after the end of the quarter to be reported. Monthly reports are due thirty (30) business days after the end of the month to be reported. Aetna will release the reports consistent with Section 11 of the Contract</p>		\$570,830
Pharmacy (PDP only)			
<ul style="list-style-type: none"> Pharmacy Retail TAT – Paper Claims 	100% in less than or equal to 14 days	<p>Total percentage of claims processed is measured as the number of claims processed within specified number of days divided by the total number of claims audited. This guarantee may not apply and a penalty may not be paid, if results are not achieved due to severe weather events which directly or indirectly impact performance during the guarantee period.</p>	<p>A penalty of \$114,166 will apply for each 1.0% that the actual turnaround time for reimbursement of paper claims submitted falls below the guaranteed level of 100.0% within a weighted average of 14 business days of receipt. There will be a maximum penalty of \$570,830</p>
<ul style="list-style-type: none"> Pharmacy Mail Order Dispensing Accuracy 	99.95%	<p>For the respective guarantee period, total dispensing accuracy is measured as the number of prescriptions with no errors divided by the total</p>	<p>A penalty of \$114,166 will apply for each 1.0% that the actual percentage of all mail order prescription dispensing</p>

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		number of prescriptions dispensed.	accuracy falls below the target of 99.95%. There will be a maximum penalty of \$570,830
Total Amount at Risk:			\$9,000,000

Guarantee Period

The guarantees described herein will be effective for a periods **September 1, 2023 to December 31, 2023 and January 1, 2024 to December 31, 2024** (hereinafter “guarantee period”). Ongoing MA PPO ESA Plan & PDP Performance Guarantees will be renewed on a calendar year basis for the length of the contract.

The Performance Guarantees shown above will apply to the MA PPO ESA plan and PDP administered under the Contract, as described further herein. The Parties agree that the force majeure provisions in Section 10.4 of Appendix A of the Contract apply to the Performance Guarantees.

For any Performance Guarantee that is unsatisfactory, Aetna will develop an improvement plan to achieve the stated Performance Guarantees.

Aggregate Maximum

In total, Aetna agrees to place **\$7,000,000** at risk for the implementation guarantee period (09/01/2023-12/31/2023) and **\$9,000,000** at risk for Plan year 2024 and thereafter through the Performance Guarantees outlined in this document. For both the implementation and ongoing Performance Guarantees, if less than 80% of the total ~250,000 eligible Members enroll as of January 1, 2024, Aetna will prorate the actual amount at risk. The guarantee period Plan premiums will be reported quarterly and be calculated at the end of the guarantee period and will be based on the total number of retirees actually enrolled in the MA PPO ESA plans throughout the guarantee period.

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Termination Provisions

Termination of the guarantee obligations shall become effective upon 60 days' advanced written notice by Aetna to the City in the event of the occurrence of (i), (ii) or (iii) below:

- (i) a material change in the Plan(s) initiated by the City or by legislative action that impacts the claim adjudication process, Member service functions or network management;
- (ii) failure of the City to meet its obligations to remit Plan premiums as stipulated in the Contract.
- (iii) failure of the City, after Aetna provides written notice to cure, to meet their administrative responsibilities (e.g., a submission of incorrect or incomplete eligibility information).

If the City or Aetna terminate the Contract during any guarantee period, the Performance Guarantees shall not apply with respect to such a guarantee period.

Refund Process

At the end of each guarantee period, Aetna will compile its Performance Guarantees results. If necessary, Aetna will provide a "lump sum" refund for any penalties incurred by Aetna.

Measurement Criteria

Except where otherwise stated, Aetna's internal quality results for the City will be used to determine Performance Guarantee compliance. At the request of the City, Aetna will provide the City with the data utilized to compile Aetna's internal quality results or determination of the applicable Performance Guarantee. Failure by Aetna to provide the requested data to determine the applicable Performance Guarantee and/or Aetna's internal quality internal results will be deemed the Performance Guarantee to be unsatisfactory.