

2025

HMSA'S QUALITY IMPROVEMENT PROGRAM EVALUATION REPORT EXECUTIVE SUMMARY

I. Overview

HMSA's Quality Improvement (QI) Program strives to achieve the highest quality of care, resulting in the best value for members through an emphasis on health improvement and the clinical process of care.

This mission is supported through the provision of information and resources to stakeholders, an emphasis on research and innovation and a dedication to the principles of continuous quality improvement.

The QI Program monitors various aspects of clinical and organizational care and service provided to members, while identifying opportunities for improvements to existing programs and new program development.

II. Scope of the 2025 QI Work Plan

The 2025 QI Work Plan included initiatives in the following major areas:

- Physician Quality Programs: focusing on continuation of the Payment Transformation (PT) program and ongoing evaluation of HMSA's Advanced Hospital Care program.
- Population Health Improvement & Quality Initiatives: enhancing the physician-patient relationship, improving the management of chronic conditions such as asthma, diabetes, and cardiovascular disease, and improving health outcomes, as measured by Healthcare Effectiveness Data and Information Set (HEDIS) effectiveness of care rates.
- Patient Safety: improving patient safety through continued hospital-based initiatives and pharmacy-related activities.
- Behavioral Health: improving the continuity and coordination between medical and behavioral health services and programs to address specific behavioral health conditions.
- Service Quality: implementing activities to monitor and improve member satisfaction and monitor various aspects of customer service such as web and phone inquiry resolution and the timely resolution of complaints, grievances, and appeals.
- Oversight of Delegated Relationships: providing ongoing oversight of delegated relationships for functions including case management, utilization management, behavioral health, quality management, and pharmacy benefit management to ensure that HMSA members receive services in accordance with HMSA expectations.
- Quality Infrastructure: addressing the internal structure of quality committees, to ensure ongoing monitoring and compliance with the clinical quality and service standards of the State, Centers for Medicare, and Medicaid Services (CMS), Office of Personnel Management (OPM), and key accrediting bodies such as the National Committee for Quality Assurance (NCQA).

This 2025 QI Program Evaluation Report highlights the successes and challenges of improving the quality of care and services delivered to HMSA members, and represents the collective efforts of HMSA participating providers, HMSA vendor partners, HMSA staff, and other stakeholders.

The following is a summary report highlighting results of the clinical and service quality initiatives from the 2025 QI Work Plan, and an assessment of the overall effectiveness of the HMSA 2025 QI Program.

III. 2025 Assessment of Overall Effectiveness

Quality Metrics

HMSA maintains its ongoing commitment to improving the quality of care and service delivered to our members. This commitment is exemplified as HMSA has established goals for achieving high levels of performance in the areas of clinical quality, customer experience, affordability, and healthiest membership.

National Health Insurance Plan (HIP) Rating

Health plans are rated in three categories: private/commercial plans, in which people enroll through work or on their own; plans that serve Medicare beneficiaries in the Medicare Advantage program (not supplemental plans); and plans that serve Medicaid beneficiaries. NCQA does not rate Exchange plans. NCQA ratings are based on three types of quality measures: measures of clinical quality from NCQA’s Healthcare Effectiveness Data and Information Set (HEDIS®) and Health Outcomes Survey (HOS); measures of patient experience using the Consumer Assessment of Healthcare Providers and Systems (CAHPS®); and results from NCQA’s review of a health plan’s health quality processes (NCQA Accreditation). NCQA rates health plans that choose to report measures publicly.

Plan	2024 Rating	2025 Rating
HMSA PPO	4.0	4.0
HMSA HMO/POS	4.0	4.0
HMSA AA Local	3.5	3.5
HMSA QUEST Integration	3.5	3.0

Medicare Star Ratings

- For contract year 2025 (reported in 2024), HMSA’s Akamai Advantage plans received an overall rating of three and a half stars (3.5) stars out of five (5) stars from the Centers for Medicare & Medicaid Services. These ratings are based upon key clinical, satisfaction and plan administrative data, with overall ratings ranging from one (1) to five (5) stars, with one star representing poor performance and five stars representing excellent performance. HMSA will continue to work towards its goal of achieving a five-star rating for its Akamai Advantage plans.

NCQA Re-accreditation Survey

- In 2025, HMSA completed its NCQA Health Plan re-accreditation survey for all product lines. The Commercial HMO/POS, Commercial PPO, Medicare PPO, Medicaid HMO, Marketplace PPO, and Marketplace HMO achieved “Accredited” status.
- The next re-accreditation survey will occur in June of 2028; however, HEDIS and CAHPS outcomes are assessed annually and affect annual NCQA Health Plan Rating scores.

To further accelerate progress towards achieving its goals, HMSA continued its relationship with CVS (pharmacy) and Magellan (behavioral health) to provide coordinated resources and enhanced capabilities in a more integrated, innovative, and synchronized fashion.

The following describes highlights of programs and initiatives aimed at supporting HMSA’s quality and enterprise-wide objectives:

Primary Care Payment Program

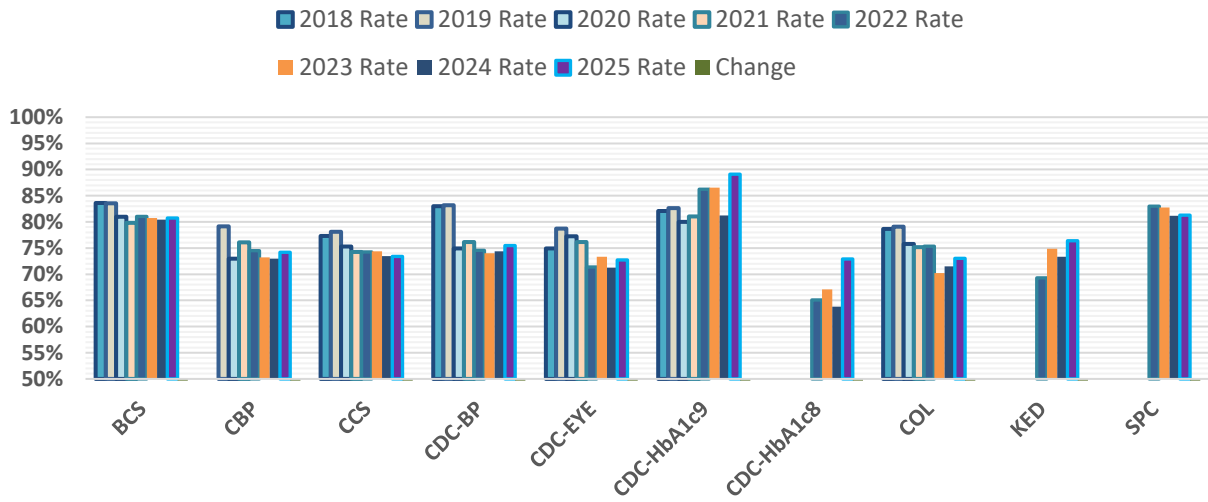
Since 2016, HMSA has worked with select physician organizations (POs) and their primary care providers (PCPs) to design and implement a new reimbursement model called the Payment Transformation program (PT Program). This reimbursement model moves away from fee-for-service (FFS) payment to a per member per month (PMPM) global payment for nearly all services rendered by PCPs. The PT Program aligns with national value-based payment models, including CMS’ Comprehensive Primary Care Plus (CPC+) model. In 2025, the program was renamed to the Primary Care Payment Program (PCPM) as the program entered Year 8 of the value-based program.

Since 2011, HMSA has incentivized providers to practice evidence-based medicine and to deliver care that is reliable, safe, patient-centered, equitable and efficacious, through HMSA’s Pay for Quality (P4Q) program. The PCP Performance Measures in the PCPM program build on the foundation of the P4Q program, but with additional focus on preventive care, well-being and population health measures.

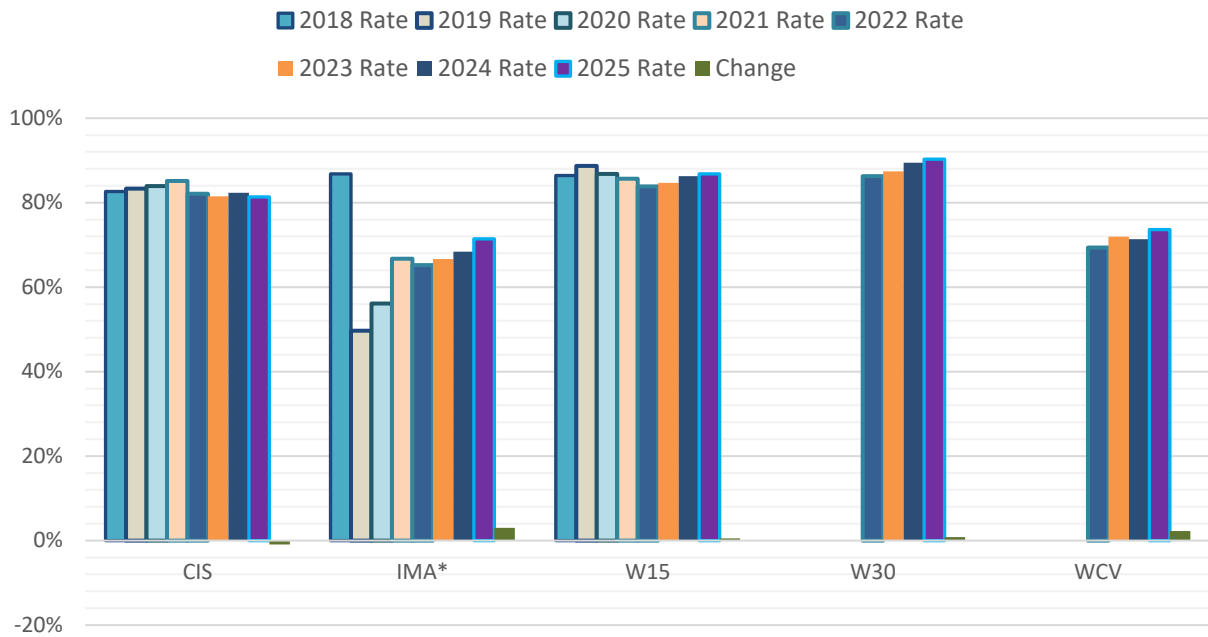
While several quality measures from HMSA’s P4Q program have been involved with the PCPM program over time, 2025’s measure set continued to align with HEDIS methodology where applicable. The program also continued to align minimum and target thresholds to each line of business’s national 50th and 90th percentile benchmarks, except for Medicare where we adjusted higher for 4- to 5- star cut points.

There were no new measures introduced to the program set in 2025 in an effort to keep the program stable and allow for performance to have a comparable data set to compare between 2024 and 2025. The following measures were removed due to challenges in operationalizing data exchange, re-evaluation of metrics, and streamlining the measure set to focus providers on a targeted set of metrics: Advance Care Planning, Depression Screening and Follow-Up for Adolescents and Adults, Statin Therapy for Patients with Cardiovascular Disease – Adherence (80%).

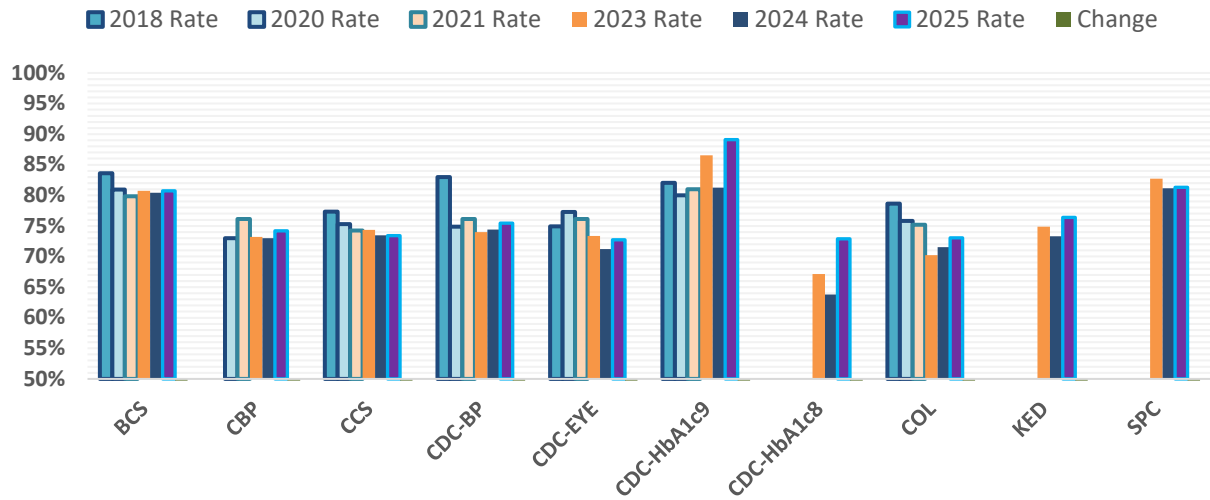
PT/PCPM Performance Adult Measures 2018-2025



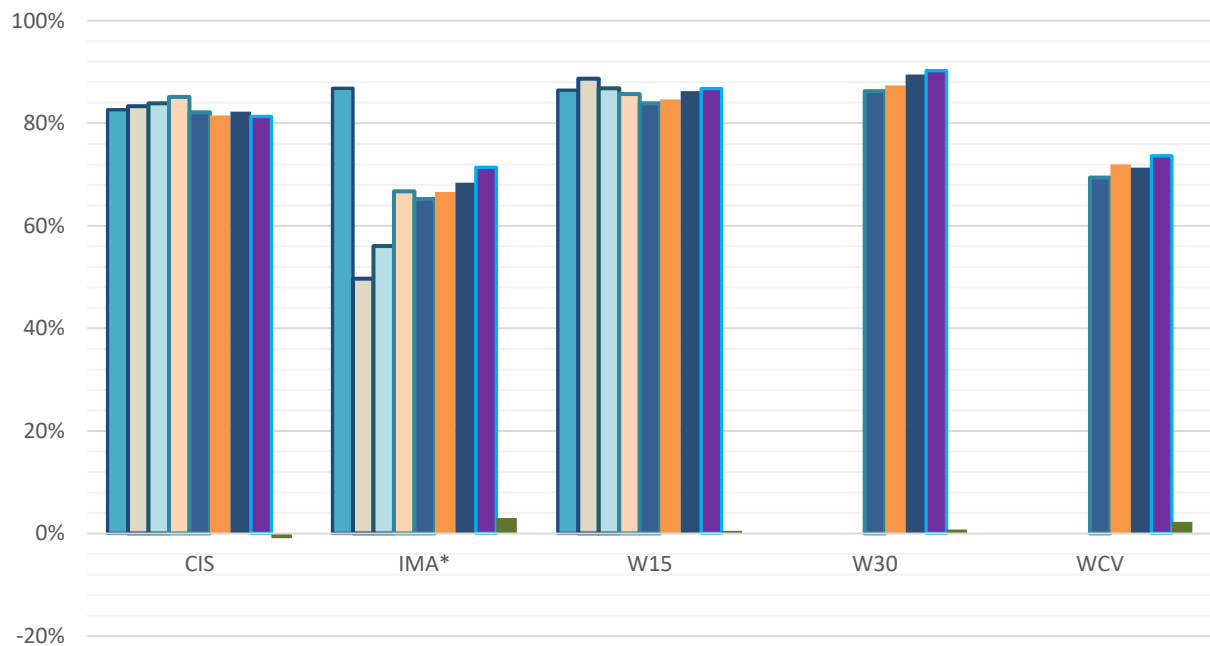
PT/PCPM Performance Ped Measures 2018-2025



PT Performance Adult Measures 2018-2025



PT Performance Ped Measures 2018-2025



*For graphs above, please note that the 2025 rate is not finalized yet due to run out data

Advanced Hospital Care Program

In 2025, HMSA continued its Advanced Hospital Care (AHC) program by assessing hospitals against measures in the following standard domains:

- Patient Experience
- Healthcare Associated Infections
- Coded Harm
- Preventable Readmissions
- Mortality
- Perinatal

Each domain is scored based on baseline, benchmark, and actual performance for the reporting period. Benchmarks are based on performance from a national cohort.

Patient Experience

Purpose: The purpose of this domain is to evaluate efforts to improve patients' experience in the hospital setting, including their perception of the quality of care, communication received from providers, and service from staff.

Outcomes:

Since the COVID pandemic in 2020, Patient Experience performance for participating AHC hospitals has been constant within 60% - 70% range. Despite the stability, the AHC hospitals have been performing positively compared to the national 50th percentile in the past two program years. Work efforts applied in 2024 include improving language services, care transitions via discharge planning, and involving physicians in multidisciplinary rounds.

Hospital Associated Infections

Purpose: The purpose of this domain is to reduce infections to patients by addressing cases documented as having been acquired after the patient was admitted to the hospital.

Outcomes: Hospital Associated Infections performance is an assortment of improvement and decline. For most of the participating Advanced Hospital Care program hospitals, there was stable performance and significant improvement in the following areas for 2024: CAUTI, CLABSI, SSI: HYST, MRSA, and C-DIFF. On the other hand, SSI: COLO gradually decline year over year since the Pandemic performing its worst in 2024. In comparison to the 50th percentile, AHC hospitals performed better in the following measures: CAUTI, CLABSI, and MRSA while SSI: HYST, SSI: COLO, and C-DIFF seem to be worse year over year. Hospitals continue to make improvement efforts in prevention and safety by working presurgical staff, reviewing coding/documentation, and assessing care process models.

Preventable Readmissions

Purpose: The purpose of this domain is to determine preventable readmissions cases that can result in medical cost reduction, improve quality, and improve patient care.

Outcomes: Previously, the AHC program participating hospitals had better Readmission performance rates compared to their national peers. From 2020 – 2023, the weighted average rate for the participating hospitals stayed under 1.0. In contrast, the performance exceeded the 1.0 marker and showed a major decline. Readmission is becoming a greater struggle for our Hawaii hospitals, in spite of risk-adjustments, measure exclusions and benchmark exclusions. Quality teams shared through hospital discussions that Readmissions continue to be a top priority focus for the program. To improve this measure, hospitals discovered various challenges including transportation for post discharge appointments, risk identification, and access to resources.

Mortality

Purpose: The purpose of this domain is to measure hospitals on the rate of unexpected patient deaths during the hospital stay.

Outcomes: Slow but steady, Mortality is making great improvement among the participating AHC hospitals. Although the weighted average continues to be under 1.0, the Hawaii hospitals performed

just under the 50th percentile of the national average. In contrary to the observed improvement, Mortality continues to be the greatest challenge for our hospitals in this program. Some hospitals shared through conversations that they have seen sicker patients in more recent months and are trying to improve by enhancing coding to better capture events for proper CMS risk adjustments.

Perinatal Measures

Purpose: The aim of this domain is to improve the quality and safety of medical care, reduce the risk of complications, and increase best practices delivered for newborn infants and their mothers receiving care in an inpatient setting.

Outcomes: For Primary C-Section, Hawaii's weighted average hospital rate fluctuates year over year, but improved from 2023 to 2024. At the same time, participating AHC hospitals continue to do better than the 50th percentile of the national average. These were both achieved regardless of Hawaii's geographic disadvantages – access to care with lack of specialists on neighboring islands. than the national average.

Population Health & Quality Initiatives

HMSA Model of Care

In 2025, HMSA continued its Model of Care programs, focusing on six key aspects of the care continuum:

- Complex Case Management
- Event Driven Care
- Condition Care
- Pregnancy and Postpartum Support
- Disease Management
- Preventive Care

The Model of Care is designed to identify and engage members at their most vulnerable point or near-term utilization to quickly involve a community care team, coordination with their provider(s) and to surround and support the member to improved health and well-being.

Complex Case Management Program

The primary diagnoses for members enrolled in the Complex Case Management program were cardiovascular, oncology, and other diagnoses. There were 2,083 members screened or in the screening process as of the end of 2025 resulting in 1,071 enrolled members. Excluding members still in the screening process at the end of the year yields a 55% enrollment rate.

Event Driven Care

This program engaged 2,574 members in 2025, with a 77% enrollment rate. 91% of these members participated and completed the program. Members also engaged with clinicians in short term care coordination (7%), health information, education, and resource connections. Reasons for members to not enrolling include not responding to outreach (68%), members opted out (11%) and transitioning to hospice care (5%). Of the members who were not enrolled, 15% were directly connected with other external programs (e.g., supportive care, QUEST Integration, behavioral health or transferred to our other MOC programs).

Condition Care Program

The program achieved a 56% engagement rate. Most members who enrolled in the program were closed due to care coordination completed (87%), program completion (11%), and no response (2%). In 2025, the Start SMART program received a total of 296 referrals from 30 primary care physicians (PCPs) with 273 individuals participating in the program. Since the beginning of this program (fall 2017) a total of 1,848 individuals have benefited from participating in this program to learn and control their hypertension or elevated blood pressure. To date, a grand total of 1,561 blood pressure monitors has been provided to program participants through this unique community collaboration with PMAG.

Pregnancy and Postpartum

There was a total of 580 referrals made to the PAPPS program, more than half of the referrals were from the QUEST population (60%), followed by Commercial (40%), which include EUTF, Fed87, FEP, & Metallic plans. 295 members were enrolled. Members may choose to self-enroll in this voluntary program or may be identified as high risk by their health care providers or through claims and encouraged to enroll. Program objectives include member education, satisfaction, breastfeeding for six months or more, appointment adherence, reducing pre-term labor and delivery, addressing, and assisting with social determinants of health (SDOH), and reducing avoidable NICU admissions.

Sexual and Gender Minority Support Program

There was a total of 62 referrals received, with 84% of referrals being self-referrals indicating growing awareness and demand for members seeking gender-affirming care and support. The program showed consistent self-referrals which contributed to improvements in members navigating health insurance and accessing necessary services.

Patient Safety

In 2025, HMSA continued its efforts to promote patient safety through several hospital-based initiatives as well as a variety of pharmacy related activities to support providers in ensuring that members are receiving appropriate medications, avoiding potential negative drug interactions, and are receiving appropriate therapeutic dosages.

Patient safety activities in 2025 included:

- Quality of Care Complaints and Grievances
- CVS Patient and Safety Program

HMSA will continue to collaborate with community physicians, pharmacies, and hospital providers to promote evidence-based clinical practice guidelines, medication reconciliation, infection prevention, and the avoidance of “never events.”

Behavioral Health

Magellan onboarded HMSA’s new Behavioral Health vendor in 2025, they will provide behavioral health services and HEDIS interventions for HMSA members. Specifically, Magellan will focus on the following:

- Initiatives to improve the following HEDIS clinical quality rates:
 - Follow-up after Hospitalization for Mental Illness
 - Follow up after Emergency Department Visit for Substance Abuse
 - Follow up after Emergency Department Visit for Mental Illness

Health Disparities

In 2025, the program focused on operationalizing evidence-based, community-anchored interventions—such as translated outreach materials, Community Health Worker (CHW)-led education, and maternal support services—while strengthening internal analytics and workforce training to address social drivers of health (SDOH) and cultural/linguistic needs. The intent is to improve HEDIS outcomes for selected measures including Breast Cancer Screening (BCS) and Adults’ Access to Preventive/Ambulatory Care. The program also seeks to build trust, improve access, and close long-standing gaps for NHPI communities.

Health Disparities activities in 2025 included:

- Improve Health Equity Data Infrastructure
- Identify Health Disparities and Design Interventions
- Train Workforce (Build Health Equity Capacity)

Member Satisfaction

The experience of our members as they interact with HMSA as their health plan and the quality of care and access to services provided are important to us. By administering the Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey every year across all product lines, HMSA uses the results to learn what we are doing well and what we can do better.

Ongoing initiatives include:

- Educational materials for HMSA’s provider network about CAHPS
- Emphasizing the importance of a relationship with a primary care provider
- Educational materials for members

The following composites and ratings have been identified as areas to improve:

- Commercial (PPP/Health Plan Hawaii): Getting Needed Care, Getting Care Quickly, How Well Doctors Communicate
- QUEST Integration: Getting Needed Care, Customer Service, Coordination of Care
- Akamai Advantage: Customer Service, Rating of Drug Plan, Care Coordination

Delegation

HMSA maintains delegation agreements to provide a variety of services on behalf of HMSA to its members. Each written delegation agreement describes the specific activities being delegated and addresses accountability and oversight of the delegated activities by HMSA, as well as frequency of reporting by the delegates to HMSA. For each delegated arrangement, HMSA is responsible for monitoring and evaluating the initial implementation of the delegated functions within specified timeframes set forth by HMSA. HMSA is responsible for continuous and ongoing evaluation of the delegated activities and monitors the delegate’s performance through approval of the delegate’s quality monitoring program, review of regular specified reports via the appropriate HMSA Quality Committee (e.g., Utilization Management Committee, Case Management Committee, Quality Improvement Operations Committee), and through the annual delegation oversight audit process.

In 2025, HMSA monitored the performance of the following delegate partners:

- AbleTo
 - Credentialing
- Adventist Health Castle
 - Credentialing of providers contracted or employed for their clinics and facilities
- Accordant Health Services, LLC
 - Complex Case Management
- American Specialty Health
 - Alternative Benefit (Chiropractic, Acupuncture, Massage) Utilization Management
 - Credentialing
- Avalon
 - Utilization Management
- Castle Physician Network
 - Credentialing of providers contracted or employed for their clinics and facilities
- CVS Caremark, Inc/Novologix
 - Pharmaceutical Utilization Management, Patient Safety, and Medication Adherence
- CVS MinuteClinic/Diagnostic of Hawaii
 - Credentialing of providers employed at MinuteClinic locations
- Community Care Management Agencies
 - Health Coordination Services for QUEST Integration Members
- EyeMed Vision Care, LLC; First American Administrators Inc
 - Credentialing of vision providers contracted with EyeMed statewide
- Evolent (fka NIA)
 - Radiology Utilization Management, Pain Management
- Hawaii Pacific Health
 - Credentialing of providers contracted or employed for their clinics and facilities
- Hawaii Health Partners
 - Complex Case Management
- Headway Colorado Behavioral Health System
 - Credentialing
- Magellan
 - Behavioral Health Utilization Management, Behavioral Health Quality Improvement
- Mental Health Specialty Group PA (dba Rula Health)
 - Credentialing
- Online Care Network II.P.C.
 - Credentialing of providers who practice through HMSA's Online Care
- Queens Clinically Integrated Physician Network (QCIPN)
 - Complex Case Management
- Sapphire Digital
 -
- TruHearing
 - Credentialing of providers providing services on behalf of TruHearing
- XL Home PC (Optum)
 - Credentialing of providers providing services on behalf of Optum

Overall Effectiveness of QI Program

Based upon the review of the 2025 annual evaluations for the respective QI activities and programs addressing quality and safety of clinical care and quality of service, HMSA's Quality Improvement program continues to effectively meet safe clinical practice goals with

adequate QI program resources, practitioner participation, and leadership involvement in the QI program. At this time, no restructuring or changes to the QI Committee, subcommittee structure, and the QI program for the upcoming year is necessary.

IV. 2026 Outlook

Payment Transformation

In 2026, HMSA will continue to meet with PO Leaders to address transforming the Primary Care Payment Model.

Workgroup	Objective
2026 PCP and PO Measures	Update and review the PCP and PO Engagement and Performance Measures for 2025.
PO Listening Sessions	Discuss updates to enhance and transform the program to improve the quality of care and overall member experience.

Advanced Hospital Care Program

The 2025 measurement year already has set minor program changes which included the removal of the Sepsis individual measure under Preventable Readmissions and PC-01 Early Elective Deliveries under Perinatal Care to align with CMS priorities. The 2025 program year will be scored in the 2026 calendar year.

The 2026 measurement year will be a frozen program year while we integrate hospital quality metrics into a larger value-based strategy.

HMSA Model of Care

In 2026, the Case Management programs will be redesigned and restructured to serve the right members across all line of business, while continuing to help and support them with their overall health and well-being.

The new model will focus on:

- In-person engagement model for members with greatest needs and their providers
- Consistent prioritization of highest-risk members across all lines of business
- Integrated care pod model with clear accountability for defined member populations
- Early and continuous engagement beginning at admission or key triggers
- Standardized care plans with outcome-based KPIs (key performance indicators)

Pregnancy Support Program

Beginning in April 2026, the High-Risk Pregnancy Program will replace the existing Pregnancy and Postpartum Support Program. This new program is designed to support pregnant members and their support people who meet at least one of the following criteria:

- Have three or more chronic conditions, or

- Have a history of high-risk pregnancy, either previous or current

Eligible members will be identified through a combination of claim-based targeting and direct referrals from healthcare providers. To ensure smooth coordination, we will establish partnerships with OB/GYN practices and specialty providers. These partnerships will support:

- A seamless referral process
- Transparent and consistent communication
- Trust-building between providers, care teams, and members

Member Satisfaction

HMSA has had a long history of consistently excelling in customer satisfaction. As we move forward into 2026, we are dedicated to further enhancing member satisfaction through the following key initiatives:

- Engaging members in their health care
- Explaining the importance of a relationship with a primary care provider
- How to prepare for a doctor's visit, availability of other care options such as telehealth and e-visits
- Educate members on their health plan benefits

Enhanced Partnerships

HMSA has partnered with leading health care companies to deliver best in class services and programs to increase overall value for our members, purchaser – both commercial and government – and provider stakeholders. In 2026, HMSA will continue to work closely with its existing partners to facilitate access to quality, affordable health care for all members. Additionally, HMSA plans to partner with new delegates in 2026 and expand partnerships wherever necessary.