COVERED CALIFORNIA: Stakeholder Questions
CalHEERS Requirements

COVERED CALIFORNIA welcomes your comments on the CalHEERS requirements that will be used to develop the system. Please use the table below to provide your input. Please submit your comments to the Exchange at info@hbex.ca.gov by close of business Friday, November 30, 2012. The principles and options are laid out in a Board options paper available on the Exchange website. Please use the table below to provide your input . Please submit your comments to the Exchange at info@hbex.ca.gov by close of business Friday, November 30, 2012.

Name	Organization	Email	Phone
Anthony Wright, Beth Capell	**Health Access California**	**awright@health-access.org; bcapell@jps.net**	**916-442-2308; 916-497-0760**

Requirement Number	Comment
NONE: Please add	Functionality to inform consumer that the consumer is not eligible for Exchange coverage if the consumer accepts employment-based coverage and that the consumer will be required to payback all APTC and cost sharing subsidies on federal income taxes if covered by both
NONE: Please add	Functionality to inform consumer about what constitutes affordable employment-based coverage (premium costs less than 9.5% of wages) so that consumer does not accept unaffordable employment-based coverage and lose the opportunity to obtain Exchange subsidies.
NONE: Please add	Functionality to link consumer to information regarding whether consumer's employer provides employment-based coverage that meets federal standards (60% minimum value with worker premium share less than 9.5% of wages) for minimum employer coverage so consumer can obtain Exchange subsidies.
BR37	Health Access supports this functionality but notes that this information should not be provided to any issuer in order to protect consumer privacy and minimize risk selection by issuers
BR38	Health Access supports this functionality but notes that this information should not be provided to any issuer in order to protect consumer privacy and minimize risk selection by issuers
BR43	Health Access supports this functionality but notes that this information should not be provided to any issuer in order to protect consumer privacy and minimize risk selection by issuers
BR44	Health Access supports this functionality but notes that this information should not be provided to any issuer in order to protect consumer privacy and minimize risk selection by issuers
BR47	Health Access supports this functionality but notes that this information should not be provided to any issuer in order to protect consumer privacy and minimize risk selection by issuers

Requirement Number	Comment

BR68, BR76, BR79, BR80, BR82, BR83, BR106, BR107, BR125	• Recent research indicates that 80% of Exchange enrollees have sufficient changes in income during the course of the year that the consumer will face tax consequences as a result of Exchange enrollment: about half of these, will receive refunds but about half will need to pay more in taxes (Jacobs et al, August 2012: http://laborcenter.berkeley.edu/healthcare/subsidy_repayment_income_volatility12.pdf) If a consumer's income increases over 400%FPL, the consumer may owe a significant sum in taxes.
	• The functionalities listed need to be substantially expanded and made more detailed in order to provide consumers with notice of potential tax consequences as well as the opportunity to avoid those tax consequences. Suggested added functionalities:
	  ○ CalHEERS should have the functionality to enable individuals to calculate potential tax liabilities, and how much, if any, they should reduce the advanced payment in order to avoid repayment; the calculation should take into account income and APTC received prior to the increase and predicted income over the rest of the year.
	  ○ CalHEERS should have the capacity to periodically remind enrollees to report any changes that have occurred, beyond the electronic notification required in federal regulations.
	  ○ CalHEERS should have the capacity to redetermine eligibility "promptly and without undue delay" in the case of a reported income change and send a "timely" redetermination notice to enrollees.
	• Consumers owing money on their taxes is not positive marketing for the Exchange

BR94	Health Access supports this functionality but notes that this information should not be provided to any issuer in order to protect consumer privacy and minimize risk selection by issuers
BR96	Health Access supports this functionality but notes that this information should not be provided to any issuer in order to protect consumer privacy and minimize risk selection by issuers
BR101	Given the delegated medical model, how will the provider directory provide consumers accurate information when a consumer is locked into a RBO or other medical group arrangement?
BR102	Health Access supports this functionality but notes that this information should not be provided to any issuer in order to protect consumer privacy and minimize risk selection by issuers
BR103	Health Access supports this functionality but notes that this information should not be provided to any issuer in order to protect consumer privacy and minimize risk selection by issuers
BR104	Health Access supports this functionality but notes that this information should not be provided to any issuer in order to protect consumer privacy and minimize risk selection by issuers

Requirement Number	Comment
BR106	In addition to better addressing the tax consequences of changes in circumstance, Health Access supports this functionality but notes that this information should not be provided to any issuer in order to protect consumer privacy and minimize risk selection by issuers
BR107	This functionality needs to be expanded and more detailed: see comments above on tax liability of consumers due to reconciliation.
BR116	Health Access supports this functionality of automatic enrollment when an individual's plan is no longer available and when the consumer fails to make a timely choice because the alternative is disenrollment.
BR130	Health Access supports automatic enrollment into current plan if the consumer is still eligible. This is how employment-based coverage works and it substantially increases coverage because no further action is necessary by the individual consumer.
BR227	Data should also be tracked by coverage source (e.g. Exchange, Medi-Cal, etc.)
BR284	Information on participation rates of individuals by employer should be publicly available by employer. The information should also include whether the individual is an employee or dependent.
BR294	In addition to the average amount, the system should have the capacity to determine other information, including not only the range but also the prevalence of different levels. Given the nature of the sliding scale subsidies, an un-weighted average may be misleading.
BR295	In addition to the average amount, the system should have the capacity to determine other information, including not only the range but also the prevalence of different levels. Given the nature of the sliding scale subsidies, an un-weighted average may be misleading.
BR298	In addition to the average amount, the system should have the capacity to determine other information, including not only the range but also the prevalence of different levels. Given the nature of the sliding scale subsidies, an un-weighted average may be misleading.
BR307, BR308, BR309	Will other languages be available in the future?
SR1	There is no penalty for employers with fewer than 50 employees: is this functionality necessary prior to 2017 when AB1083 expands small group rules to employers with 51-100 employees?
SR7	Does this functionality include health insurance agents?
SR20	Under AB1083, health status information cannot be collected prior to enrollment in coverage. Health and Safety Code Section 1357.503 (h) (2). This functionality appears to violate that provision of state law which is intended both to protect consumer privacy and minimize risk selection by issuers.

Requirement Number	Comment
SR34	Does this functionality address enrollment of the family member in the SHOP Exchange? Some small employers offer family coverage: this should be encouraged.
SR38	Existing law generally requires that employers contribute at least 50% of the premium: will this functionality conform to those requirements?
SR40	There is no penalty for employers with fewer than 50 employees: is this functionality necessary prior to 2016 when AB1083 expands small group rules to employers with 51-100 employees?
SR58	1) Will the employee or dependent consent to being screened for other coverage? 2) How will the employee's privacy be protected so that the employer does not obtain information which is not necessary to the employer, such as household composition and family income? 3) Will employers be informed regarding federal tax laws on offering coverage to similarly situated employees in a nondiscriminatory manner? 4) Why is screening employees for public programs a function of the SHOP Exchange? The SHOP Exchange is intended by law to provide employer-sponsored coverage. When an employer enrolls in the SHOP exchange, that employer's employees are provided coverage through the SHOP Exchange. The employee's dependents should also be eligible for SHOP coverage if the employer chooses to provide dependent coverage. 5) Under federal law, Medicaid coverage is secondary and employer-paid coverage is primary. If this functionality is used at all, it should be modified to clarify for both employers and employees that under federal law, Medicaid coverage is secondary to employer-paid coverage and under federal law, SHOP coverage is employer-paid coverage so it is primary. 6) Does SR58 violate the IRS guidance that if an employee accepts employer-based coverage, then that employee is not eligible for enrollment in subsidized coverage through the individual Exchange? 7) Will all employees be screened? If only some employees will be screened, on what nondiscriminatory basis will those employees be selected? Federal law prohibits treating similarly situated employees differently with respect to health benefits. 8) Health Access would support screening of employees for enrollment in public programs on termination of employment but not during employment by a SHOP employer.
SR61	Tobacco rating violates Health and Safety Code section 1357. 512 and Insurance Code section 10753.14. Please delete reference to tobacco.
SR78.1	Health Access supports functionality to allow employers to select all issuers in 1 tier.

Requirement Number	Comment
SR78.2	Health Access support functionality to allow employers to select 2 issuers in 2 tiers. Health Access asks why the development of this functionality limits further board action? Health Access supports adding functionality to allow full employee (and employer) choice
SR93	Health Access supports functionality to allow consumer to provide known or future medical usage and disease scenarios but cautions that any sharing of such information with an issuer prior to enrollment violates Health and Safety Code Section 1357.503 (h) (2) which is intended to protect consumer privacy and prevent risk selection by issuers
SR98	Health Access supports functionality but cautions that any sharing of such information with an issuer prior to enrollment violates Health and Safety Code Section 1357.503 (h) (2) which is intended to protect consumer privacy and prevent risk selection by issuers
SR99	Health Access supports functionality but cautions that any sharing of such information with an issuer prior to enrollment violates Health and Safety Code Section 1357.503 (h) (2) which is intended to protect consumer privacy and prevent risk selection by issuers
SR100	Health Access supports functionality but cautions that any sharing of such information with an issuer prior to enrollment violates Health and Safety Code Section 1357.503 (h) (2) which is intended to protect consumer privacy and prevent risk selection by issuers
SR105, SR106, SR107, SR108	Are the costs provided to the consumer or the employer? Or both?
SR117	Health Access supports functionality but cautions that any sharing of such information with an issuer prior to enrollment violates Health and Safety Code Section 1357.503 (h) (2) which is intended to protect consumer privacy and prevent risk selection by issuers
SR118	Health Access supports functionality but cautions that any sharing of such information with an issuer prior to enrollment violates Health and Safety Code Section 1357.503 (h) (2) which is intended to protect consumer privacy and prevent risk selection by issuers
SR119	Health Access supports functionality but cautions that any sharing of such information with an issuer prior to enrollment violates Health and Safety Code Section 1357.503 (h) (2) which is intended to protect consumer privacy and prevent risk selection by issuers
SR125	What is the purpose of this functionality? SHOP coverage is employer-paid coverage. 1. To alert the employer and employee that the employee's coverage should be shifted to the SHOP Exchange so the employee can disenroll from other coverage and avoid potential tax exposure or possible Medi-Cal fraud allegations? If so, then the requirement should be modified to alert the employee about their potential tax exposure because under federal guidance, once an employee

Requirement Number	Comment
	has accepted employer-paid coverage, then the employee cannot receive exchange subsidies through the individual exchange. It should also be modified to alert the employee that that by federal law Medicaid coverage is secondary, not primary and that unless Medi-Cal coverage is secondary to SHOP coverage, the employee may face Medi-Cal fraud allegations. 2. To encourage employers to shift employees and dependents to public programs rather than encouraging employer-based coverage, which is the purpose of the SHOP exchange? If so, then the requirement should be deleted.
SR234	What role do case workers have in small business coverage?
SR266	Will this functionality permit enforcement of the employer penalty for employers with more than 50 employees? Will it aggregate the specified information by employer to permit further analysis of patterns of employer-sponsored coverage?
SR277	Is this functionality available for both employers and workers? Will other languages be available in the future?
SR278	Is this functionality available for both employers and workers? Will other languages be available in the future?
SR282	Will other modes of communication be added to this functionality as technology changes?
UR9	Will other languages be available in the future?
UR10	Will other languages be available in the future?
UR30	Excellent to have functionality including the Medi-Cal threshold languages