CALIFORNIA HEALTH BENEFIT EXCHANGE BOARD
September 18, 2014
Covered California Tahoe Auditorium
1601 Exposition Boulevard
Sacramento, CA 95815

Agenda Item I: Call to Order, Roll Call, and Welcome

Chairwoman Dooley called the meeting to order at 10:00 a.m.

Board members present during roll call:
Diana S. Dooley, chair
Kimberly Belshé
Robert Ross, MD

Board members en route during roll call:
Paul Fearer

Board members absent:
Susan Kennedy

Agenda Item II: Closed Session

Chairwoman Dooley called the meeting to order at 11:30 a.m. A conflict disclosure was performed; Board Member Kennedy had a conflict and did not participate in the meeting. No other Board members had conflicts of interest.

Agenda Item III: Approval of Board Meeting Minutes

After asking if there were any changes to be made, Chairwoman Dooley asked for a motion to approve the minutes from the meetings held June 19 and August 21, 2014.

Presentation: June 19, 2014, Minutes

Presentation: August 21, 2014, Minutes

Discussion: None

Public Comment: None

Motion/Action: Board Member Fearer moved to approve the June 19, 2014, minutes. Board Member Ross seconded the motion.

Vote: Roll was called, and the motion was approved by a unanimous vote.

Motion/Action: Board Member Fearer moved to approve the August 21, 2014, minutes. Board Member Belshé seconded the motion.

Vote: Roll was called, and the motion was approved by a unanimous vote.

Agenda Item IV: Executive Director's Report

Discussion: Announcement of Closed Session Actions
Mr. Peter Lee, Executive Director, noted that the Board approved an extension of the contract with Maximus; now it will continue through next June. It also approved an extension of the contract with Ogilvy; the contract will now continue throughout the open enrollment period. The Board approved an amendment to the contract with Accenture to reflect plan and budget changes and approved the possibility of staff's issuing a request for bids for overflow telephone support for the call center. The vendor will be announced next week.

The Board also approved a reallocation of $3.5 million to support the community outreach campaign. This will allow Covered California to acquire strategic leadership and boost on the ground support, particularly targeting communities of color, with separate efforts for different communities of color. This represents some of the follow-up after the Black Caucus spoke their concerns at last meeting. As an evidence-based organization, Covered California has sought to do a good job of enrollment and education in the African-American community, but it still plans to do a better job. Navigator grants will be another piece of this follow-up. Covered California will also plan its marketing spend with expertise anchored in the African-American community.

Discussion: Executive Director's Update

Presentation: Executive Director's Report

i. **Potential Operational Impacts of the Insurance Rate Public Justification and Accountability Act**
Mr. Lee provided background: At the last meeting, staff presented a thorough analysis of the potential impacts of the ballot measure. The report has been posted. There was considerable encouragement for the Board to take a formal action. The analysis from the general counsel is also included in the Board's packet.

Chairwoman Dooley is concerned about the interaction between the proposition and the work of Covered California. She is also concerned by the politicization of the work they have done and the characterizations that have been made, that Covered California is not a sufficient steward of consumers.

She has not been willing to make this even more political by taking a formal Board position.

Board Member Ross agreed with Chairwoman Dooley's stance. The Board should remain as apolitical as possible. He is opposed to taking a position on any ballot measure.

Board Member Belshé believes the Board should stay out of all initiatives by and large. This could potentially be one of those rare cases warranting action. However, she agrees with Chairwoman Dooley's statement. She commended the staff's approach toward its report, which focuses on the operational implications, not politics. The report is very clear that the initiative could seriously undermine Covered California's work. She stands behind the report.

Board Member Fearer agreed with the other Board members' comments. The work of the staff was very comprehensive. The record shows that the implications are potentially worrisome.

Public Comment:
Betsy Imholz, Director of Special Projects, Consumers Union, supported the decision to avoid taking a position. Staff and the Board have been scrupulous in being nonpartisan and focusing on getting Californians healthier. Taking a formal position would diminish that identity. People, including Covered California members, don't agree on if Proposition 45 would help or hurt consumers. The insurance industry is unanimously against it, and if Covered California were to align itself with that, that could hurt its public image. Staff appropriately analyzed the impacts.

Louise Maylor, Community Outreach Network, agreed with that conclusion. Taking a position on this proposition would create an unhelpful perception of advocating for the insurance industry.

Emily Rusch, Executive Director, CALPIRG, echoed Ms. Imholz's comments. That's the right approach to preserve the good image of Covered California.

Shirley Toy, Nurse, UC Davis, voiced that she and her family need coverage. She is glad the Board is not taking a position. As a nurse, she takes care of patients for whom coverage is a matter of life and death. She is glad Covered California is implementing the Affordable Care Act, but we need to take care of the affordable part of it. Oversight and transparency helped for automobile insurance.

Summer Parish, Neurosurgical ICU Nurse, Kaiser, urged the Board not to take a stance. Californians need affordability. She regularly witnesses patients who should not leave the hospital leave because they can't afford their co-pays.

She wants to help her patients who can't afford it. Proposition 45 would help regulate health insurance rates. She has seen less staff and fewer services offered while rates rise. She thanked the Board for not taking a stand against the ballot measure.

Elizabeth Pataki, Retired Intensive Care Nurse, California Alliance of Retired Americans, lives on a fixed income but has fairly good coverage herself. Many retirees are covered by Medicare and are worried about getting sick. Going to doctors, labs, and specialists is a big hit to those on a fixed budget. Since Covered California is legally prohibited from spending Californians' money on campaigning for or against initiatives, and since Covered California advocates for Californian consumers, it must avoid taking sides or getting in a fight with consumer advocates on one side and health care interests on the other. We need Proposition 45 because there have been 185% increases in rates, causing severe difficulties such as working and retired people going bankrupt. Right now the Board does not have the authority to stop unreasonable rate increases. The proposition will apply the same rates as car coverage. It does not undermine the Affordable Care Act. It's public and transparent.

Dennis Hubbard, California Alliance of Retired Americans, voiced support for the idea of remaining neutral and thus maintaining integrity in the public eye. It's unnecessary to be politicized as an organization.

Kathleen Hamilton, Director, The Children's Partnership and Children Now, appreciated the decision not to take action. Over the last few years, the Board has carefully avoided distractions and has kept a laser focus on its important work. If the Board were to take a position, it could imperil Covered California's reputation. Keep a focus on renewing and enrolling. They support the staff's assessment of the impacts. They recognize the fine work that was accomplished in the staff report. She urged the Board to reaffirm its commitment to maintaining consumer confidence and neutrality.

Micah Weinberg, Bay Area Council, stated that he was glad the Board was not taking a position. This keeps it clear that Covered California has substantial concerns about Proposition 45. Anyone who has questions about that can read the staff report. There is understandable disagreement about whether or not it makes sense in the abstract to take a position on a ballot initiative. That conflict should not muddy the very real concerns about the implications of Proposition 45 for Covered California's operations. He thanked the Board for being clear about those concerns.

David Chase, California Director, Small Business Majority, echoed Mr. Weinberg's comments. Taking a formal position could undermine Covered California's ability to do its job. They appreciate the report and the concerns. They think it would be reasonable to tell consumers that the ballot measure

has the ability to impede Covered California's work. Consumers, families, and small businesses would appreciate hearing that. However, they understand the concerns the Board raised.

Brian Taylor, Consumer Federation of California, stated that Proposition 45 is needed in this state. It's modeled on Proposition 103, which has saved drivers billions of dollars. They applaud the Board's decision not to take a formal position.

Al Hernandez- Santana, California Federation of Teachers, agreed that Covered California should stay neutral. They are in support of Proposition 45 and believe any concerns can be worked out.

On Phone: Vicky Collins, private citizen, thanked the Board for not taking a position. She is an individual payer, and her rates have gone up by about $200 a month each year. The latest increase was an increase of $266 a month. She thanked the Board for not doing anything to undermine her ability to cover her insurance needs.

On Phone: Myrtle Braxton, private citizen, voiced concern that Covered California Board would take a position on a ballot proposition. Proposition 45 would not mean that insurance costs won't increase, but it would mean they won't increase so much that people can't afford them. As a former government employee, she believes that Covered California should stay neutral.

On Phone: Susan Horn, private citizen and health care provider, asked the Board not to take a position on Proposition 45. It's already outrageous that insurers were such a major part of deciding what the health care plan would be for this country. So she asked Covered California to stay out of the fight and avoid taking a position.

Steve Young, General Counsel, Independent Insurance Agents and Brokers of California, expressed that he has had a lot of experience with Proposition 103. From their position, Proposition 45 is a sham. What it would be is not what it is being represented as being. The very strong comments of Board Member Kennedy if anything sugar coat the impact it would have on Covered California. There is no empirical evidence that the public intervention process or Proposition 103 have kept rates down. Rates have been tempered but there's no evidence that that's because of Proposition 103. These propositions are different than other states' ratings statutes and they hurt Californians. Covered California will temper and lower rates much more than a proposition could. It would be appropriate for the Board to call a pig a pig and take a stance against it.

Max Herr, Certified Insurance Agent, commend the Board for staying out of the political fray and above the fight. There is only one reason insurers are opposed to the proposition; they know they'll be heavily regulated by the commissioner. Currently no one person has authority to regulate insurance rates. Affordable Care Act funds were supposed to go toward putting someone in a place of regulating the rates.

Beth Capell, Health Access California, echoed the appreciation of her colleagues with regards to remaining neutral. They commend the Board for making another difficult decision as we move forward through the implementation of the Affordable Care Act. Covered California has succeeded in lowering the rates for many Californians. She also remarked on the dominance of Covered California's standard benefit designs in the individual market, stating that 1.4 million are insured by these benefit designs that facilitated enrollment. She urged Covered California to move forward in its work of renewing and enrolling members.

Chairwoman Dooley stated that there has been a legal analysis. The law is clear that public bodies have an obligation to educate and provide information, and they are expressly prohibited from campaigning. The Board would not engage in the campaign. That is different from taking a formal position, which they do have the legal ability to do. Some feel there is an obligation to do that.

It troubles her that there is the implication that Covered California is not about affordability. Health care is expensive and Covered California has worked hard to make those costs reasonable, and the Board is proud of the work the staff has done. She feels compelled to say the organization is consumer focused and is concerned about affordability. If the voters choose to adopt this, Covered California will work hard to resolve any inconsistencies. That would be difficult, but it is committed to being the independent, consumer-focused organization that the law envisioned and enabled.

Mr. Lee noted that the Board materials include reports on premiums and how we are doing in terms of rates. He appreciated Ms. Capell's comments about always putting the consumer first and creating standardized benefits. Staff is committed to continuing to improve that. A number of reports about provider networks and access were also included. A letter was received from National Council of La Raza; their comments closely align with Covered California's lessons learned. Covered California also received comments about the confusion and bumps along the way associated with launching a very large program very quickly. The agent community just handed in a set of comments.

Discussion: Medi-Cal Integration

The Medi-Cal program has seen huge growth. There have been issues with moving between Covered California and Medi-Cal due to income changes. This transition should

be good for the consumer, and it should be done in as clear a way as possible so that consumers understand it. Medi-Cal provides retroactive coverage. Our philosophy is to keep people on their Covered California until they've transitioned. They are working on issues such as where consumers don't want to pay for duplicate coverage. The core commitment has been ensuring people have coverage. In some cases, the wires got crossed and people were removed from coverage before their Medi-Cal coverage was live. Notices were not as good as they should have been. Covered California does not take this lightly. Covered California works in partnership with the plans, the Medi-Cal program, and the counties administering the Medi-Cal process, and all are committed to continuity of care, good communication, and ensuring consumers are notified of their rights. This only happened in a limited number of cases. As Covered California implements the whole range of coverage expansions, the team is continually changing and improving CalHEERS. Sometimes changes have had unforeseen negative effects. In June, there was a defect and some consumers did not get prompt notification of coverage; 75 percent of those enrolled did not have this problem, but 20,000 people had delays in the transition. They are working with agents and health plans to resolve those. When you are moving quickly, part of moving quickly will mean implementing changes in the system. If they took the time to do infinite testing, the site would never be usable. They use user acceptance testing, but sometimes staff finds defects after the fact.

Discussion: Inconsistencies

The issue of citizenship/immigration inconsistencies is an important one. Eligibility for subsidized coverage requires legal citizenship or immigration status. When individuals were unable to verify their status, the law says the exchange needs to cover them for 90 days. This was extended well beyond the 90 days. This impacted close to 100,000 households. Covered California has worked with plans and agents and is on a path to have as few individuals as possible lose their coverage. Staff has been engaged in intensive document review in September, and 49,000 of those households have been cleared for coverage. Staff is currently working through the over 20,000 documents it has in hand. In the beginning of October, staff will send notices to those for whom no documentation has been received; these notices will inform them that their coverage will be terminated. However, they can still submit their documentation. A lot of staff members have been taken off the phones so that they can review all the documents submitted. This has impacted service levels. Instead of 80 percent of calls answered in 30 seconds, it's more like 1 percent. The call center has also had special lines for those calling about citizenship confirmation.

Staff is also reaching out aggressively to members to ask them to update their incomes so that when it comes to tax time, they are not surprised by owing money they did not foresee.

Board Member Ross asked if there is a plan to solve the service center call levels. Mr. Lee explained that they will be staffing up internally and are working with Contra Costa as a third service center. They will also be announcing third-party vendors to contract during peak call times. Having people in place and having a better core infrastructure are both key. The notices going into the renewal process will also be clearer, so that will

reduce call volumes. When there were substantial delays on the calls, it was partly because many consumers had signed up and wanted to know the status of their coverage. When consumers sign up this year, they can pay their premiums up front. This will reduce the number of calls coming in.

Board Member Belshé asked if the call center staff has been redeployed to work on other tasks and that's why we're seeing abandoned calls increasing. She wondered if those resources would be returning for open enrollment.

Mr. Lee stated that this week and next week that would be happening. Staff will be taken from paperwork and sent back to the phones, but they are also reaching out externally.

Board Member Belshé said the CMS director reported on the latest enrollment figures for the federal exchange. She inquired about the frequency with which Covered California will be reporting and updating enrollment numbers.

Mr. Lee noted that what CMS released was the source of data Covered California released months ago. They are simple enrollment numbers, not paid enrollment numbers. Staff looks forward to presenting numbers on effectuated enrollment before November. There will also be monthly reports on new enrollment.

Our plan is for more regular reporting of enrollment numbers.

Mr. Lee said the effectuated enrollment numbers will always have a much longer lag time. Through open enrollment, the reports will always reflect enrollment numbers, not effectuated enrollment.

Discussion: **Navigator Grant Update**
Sara Soto-Taylor, Deputy Director, Community Relations, presented on the navigator grant program. Staff has been working to achieve aggressive enrollment goals and also tailor outreach efforts to specific communities. She acknowledged the efforts of the staff and contractors.

They chose 227 organizations, including 66 lead organizations and 161 subcontractors, representing over 1,700 current certified enrollment counselors (CECs).

Board Member Ross asked why there seemed to be fewer applications than organizations recommended for funding.

Ms. Soto-Taylor explained that 66 of those organizations were the lead organizations, or grantees. They have 161 subcontractors. They'll be working with 227 organizations in total.

Many viable applications were not accepted because of limited resources or overlapping targets. Not all organizations could be funded. They encouraged those who were not selected to work with the community outreach network.

There will be $14.6 million in grant funding being distributed; $3 million is being rolled over from outreach and education funds.

Effectuated individuals have gone through the application process, are eligible for subsidies, and have paid their premiums.

An additional $2.2 million will be available to organizations who surpass their goals.

Ms. Soto-Taylor presented maps showing where the organizations are located, and charts of the various ethnic communities targeted, types of organization, and award amounts, in addition to rollover funding from outreach and education dollars. They are pleased to work with organizations that are considered trusted resources in the Latino community. They are doubling down on the number of organizations reaching out to the African-American community compared to the last open-enrollment period.

Mr. Lee stated that, given the amount of money requested, they were able to fund $1 of every $5 requested. There were lots of great requests. Many groups funded received less than they hoped for. The maps showed eight regions, which goes back to the community outreach campaign. To the public, we'll talk about certified enrollment counselors or certified enrollment entities and certified agents. These entities will also be doing outreach and education and helping with renewals. They will not overwhelm consumers with terms or try to direct them to find the "right" kind of enroller.

With these two sets of commitments, almost $50 million are on the ground. Mr. Lee noted there has been a lot of discussion about how quickly they'd adapt to the new open enrollment period from the last one. They will take the learning from this experience in 2016. They will also need to look at the importance of special enrollment. The navigator funds go beyond open enrollment into the special enrollment period, ending in June 2015.

Board Member Ross asked about the chart listing lead grantees by ethnicity. Does that mean who they serve but not necessarily that that organization is led by that ethnic group?

Ms. Soto-Taylor noted that some of the groups are controlled by the ethnic community in question. Mr. Lee believes that the funding by ethnicity is only related to the target, not the ownership or management. Very few groups said they were only targeting one ethnicity.

Board Member Ross stated that Covered California should know the answer to that and be prepared to share it. He wondered how comfortable staff is with the geographic diversity. The service channels map looks good in covering the state. The navigator map shows some gaps, particularly in the Central Coast and Northern California.

They based some of the grants on where a particular subsidy eligible population lives. They may fall short, but they had to work within their resources. They didn't receive

many proposals from Northern California but they found a partner willing to work into that area.

Mr. Lee feels good about the mix overall. Last year we did a good job of enrollment statewide. Some areas of the state did have relatively lower enrollment. And they tried to find more groups in those areas with lower enrollment. Staff also made a conscious choice to overfund the African-American and Latino communities. They tried to overfund the Asian community, but had fewer applications for those groups. They funded a number of smaller grants to organizations targeting specific Asian–Pacific Islander communities, however. They found in some parts of the Asian community, they mostly used agents to enroll. Part of this is evaluating how we can use all of the service channels across all of these communities.

Discussion: Qualified Health Plan Update

Anne Price, Director, Health Plan Management, gave an update on qualified health plan activities and management. They have finalized their quality rating system (QRS) for the 2015 year. There has been minimal change in the overall calculation of scores. No HEDIS data was used. There are ten survey questions, recording the information from the 2013 CAHPS survey, which is the most current data available. There's no exchange-enrollee-specific experience data yet. That will be available in 2016. They use the same methodology for creating the single statewide index score, with stars. They use the same regional PPO benchmark from NCQA from the Western region.

There are two changes. One is that they used the actual membership in products and weighted the results. One health plan will include an exclusive provider organization (EPO) instead of a PPO; the PPO rating score will be used for that organization. She presented a chart showing how many plans got 1 through 4 stars. Chinese Community Health Plan and Valley Health Plan are not in here. Kaiser is split between north and south.

The information will be uploaded into CalHEERS so the members can see the stars when they enroll in 2015.

Board Member Belshé asked what the timeline is for HEDIS scores and asked if it is a timeline issue or a policy issue.

Mr. Lee said it's a timing issue. It will probably not be possible for 2016 but will be for 2017. The big thing that will change next year is that the results will be based on actual in–Covered-California experience. CMS is funding special work on that front. They have looked into separate product individual scores in 2016 so that they don't have to blend PPO and HMO scores.

It is unclear when data for Valley Health Plan and Chinese Community Health Plan will be available. Only larger plans are required to participate.

Board Member Ross commended the staff's work. The Board struggled with QRS decisions. Just getting started helps. He would appreciate Mr. Lee's assessment of the results.

Mr. Lee noted that we don't have perfect qualify information data, but having something is better than nothing. Consumers can decide to sort by quality data, though the default sort is by cost. This is an area where they need to follow up by surveying their consumers. They will also need to track how many people do sort by quality.

Ms. Price explained that there is a three-pronged approach at looking at networks, with evaluation of network adequacy, number of essential community providers in the networks, and how the networks are serving the low-income community. QHP network adequacy is based on assuring capacity meets local consumer needs, promoting affordability, improving health care quality, and offering consumer choice.

Staff is looking at different ways to evaluate access. Access is restricted by limiting factors such as transportation, etc.—it's not only based on members per doctor. It is important to ensure access for medically underserved communities and individuals via 340B providers. There are many aspects to this, including the percentage of Medi-Cal patients served, the location, and accessibility.

The provider directory is not ready for 2015. The QHPs will have a special link so members can go to the plans to search for information.

Mr. Lee underscored that with regards to current network adequacy, Covered California is working with the regulators who are doing a detailed survey. They are looking at utilization and access. They have broad survey information saying people are satisfied but also hear about people not having timely access to providers. There are benchmarks on how many visits there should be. This is a detailed and ongoing survey.

Board Member Fearer expressed that he had previously raised concerns about network adequacy. He was concerned not just about what providers are in the network but also how many are actually accepting new patients. There are often major discrepancies between those two. Staff mentioned quarterly reporting, but since we aren't providing access to provider networks through Covered California, this information isn't getting to consumers. Do we know the frequency with which plans are updating their own directories? Would the consumer survey results relating to care access provide insight into this issue, and if so, what will we do with it? What is the purpose?

Ms. Price explained that it's a quarterly data submission, not reporting. It's in a format consistent with DMHC, giving information with regards to provider, provider ID, and address, so we can look at that information compared to membership details. The health plans vary in terms of how often they update their directories. Some plans update them weekly and some take a longer time.

Mr. Lee said they are looking at revising the contract to specify how often the health plans would update the directories. He believes no plans are doing it less than weekly.

Ms. Price noted that Covered California does not provide any reports relating to the provider information they are receiving, but she will work with her team to develop something.

Mr. Lee stated that, with regards to the CAHPS survey, a number of those questions relate to timely access to providers and specialists. Covered California could decide to exclude a plan if its scores in these areas were too low. The CAHPS results will be public, on a plan level and on a question level. Right now the quality scores are a rollup of overall scores.

Board Member Ross wondered if there's a way to create a report card, the bare bones beginning of a QRS report card, on network adequacy, to be used internally. Eventually this could be shared externally. Does anyone have anything like that? Network adequacy can be subjective. This report would provide information on what is required.

Ms. Price said there isn't currently something like that available, but staff can create it. Covered California can report on the data available, such as the providers available in certain areas. They can provide reports on secret shopper work. Some of the firm data points like office visits per thousand members in a region compared to a benchmark. It could be tracked if calls to the service center about network adequacy are on the rise. Once the measures to be evaluated are defined, staff can create something.

Mr. Lee noted that Covered California's networks are the entire individual market's networks. In the end, what we care about is patient care, so we want to get to the measures of actual care being provided. Covered California does not have a specific network; the networks for the plans are the same within and without the exchange.

Board Member Belshé agreed that that's where we aspire to be. In the near term, many new enrollees need to find reliable information about available providers. Do the QHPs' directories indicate if doctors are accepting new enrollees? Whatever is currently available seems to be falling short.

The directories should list doctors that people can find, become a new patient with, and then use. They are not standardized.

Discussion: Legislative Update
David Panush, Director, External Affairs, stated that all of the bills discussed last month are on the governor's desk.

> **Public Comment:**
> Beth Capell, Health Access California, was pleased about the progress on the QRS. It seems that 2017 is a long time to wait for full data, but they appreciate moving ahead. They commend DMHC for pushing ahead to try to target

investigations and enforce timely access to care and network adequacy requirements. They have been dismayed by all the media on the lack of access. Whatever judgments were made, there seem to have been some serious missteps. They are disappointed that the provider directory, which consumers do want and would rely on, is going to take so long. This is one thing that really prevents people from shopping. Research on Medi-Cal networks shows doctors inform the medical board of one thing and their office staff informed would-be patients another. Many fewer of them are actually taking new patients. Provider directories have never been used to enforce network adequacy. They have not been audited historically. There is a lot to do to make sure all enrollees get timely access to care.

Chairwoman Dooley noted that DMHC is working on scrutinizing not only network adequacy but also accuracy.

Betsy Imholz, Director of Special Projects, Consumers Union, commended Covered California for putting up the QRS. Nearly every region has an EPO, but they are left out of the quality ratings that we are using. That is an issue of concern because EPOs are becoming so much more prevalent. We need to hear from consumers about what they are finding with EPOs. Given the new market that we have, Covered California should consider contract provisions or policy changes to assess network adequacy and wrestle provider directories to the ground. Their tests have found it difficult to even figure out geographic searches, etc. They long for a comprehensive, consolidated directory.

Max Herr, Certified Insurance Agent, voiced that only licensed agents have the legal authority to direct someone to assist someone to choose the right plan. The agent community feels underappreciated in their role as enrollers who have brought so many people into Covered California. While navigator grants are being approved, some agents have not yet been paid commissions for SHOP enrollments and agents who enrolled hundreds of new Medi-Cal beneficiaries have yet to receive their $58 per person fee. Licensed agents want to partner with the organization, but it’s a one-way street. Agents are frustrated with the hours of time wasted on hold. Mr. Lee’s vision for service levels is not realistic. Covered California is fraught with service flaws and redundancies. The agent community has ideas and solutions, but Covered California does not seem to want to hear them.

Sean South, California Primary Care Association, voiced that we all believe that a unified, complete provider directory is essential. The more information they have, the better they can connect their patients to care. Patients must have a positive experience so they will want to stay insured. They are excited that 17 of the 66 grants are going to health centers or consortia. The navigator process will allow them to continue to play that central role in education and enrollment. They can best take care of themselves and their families.

Gil Ojeda, Director, California Program on Access to Care, UC Berkeley, voiced feelings of skepticism about health plans' provider directories. UC has insured many people and CalPERS has insured 1.3 million. They forced their competing plans to do the right thing. To rely on the plan to do the right thing does not work. This deadline for immigrants—while Covered California has made a big effort and brought the backlog way down, consideration of an additional grace period of up to two weeks would be commendable. He lamented the projected loss of Toby Douglas, head of the Department of Health Care Services. His resignation will have deep impacts.

Kate Burch, Network Director, California LGBT Health and Human Services Network, found the Office of the Patient Advocate's report card helpful and thought others would find it helpful too. She thanked Covered California for including them in the navigator grants. She was glad to see that seven grantees will be targeting the LGBT community in their outreach, but it's disappointing that there's no way to see if it pays off. They agreed on questions to add to the application, but they are not there.

Chairwoman Dooley voiced that they moved the date of the Office of the Patient Advocate report card up to coincide with open enrollment.

Sonal Ambegaokar, Senior Attorney, National Health Law Program, and the Health Consumer Alliance, reiterated the appreciation for the Board's moving forward with the QRS. One hope behind the Affordable Care Act was to give consumers the information they need. They also support the consumer survey idea and encourage focusing surveys on LEP populations. These communities can have trouble finding available doctors who speak their language but they want to ensure networks provide culturally appropriate care. They thanked the staff for all its efforts toward resolving inconsistencies. Most have been resolved favorably, which proves that these are all eligible individuals who have simply had difficulty getting verified. Every database out there has errors and data matching problems, so it's critical to learn from these problems we've encountered. And now the system will be adding ID proofing, where similar problems may occur. We need to ensure accuracy and streamline ways for people to provide documents.

Linda Leu, California Research and Policy Director, Young Invincibles, stated that she is excited about QRS. Young people even read reviews for products of much less importance. They are also excited to be working on navigator program.

On Phone: Susan Pfeiffer, Certified Enrollment Counselor, NAACP and Community Outreach Network, was thrilled that they have a new navigator grant. They applaud the conversation and work regarding provider network adequacy, as it is one of the biggest issues she hears about when she's doing outreach. Is there a way to lock physicians into directories? Too often, when people choose networks through their insurance companies, when they go to contact a doctor, they find that the physician has been dropped from the network. A lot of this has

been payment-based. They love the idea of the QRS and any consumer survey. Will there be openings for new trainings online for people who weren't able to get trained last time?

On Phone: Edie Ernst, Private Essential Access Community Hospitals, was concerned about the fact that they didn't see disproportionate-share hospitals listed in the guiding principles regarding network adequacy. They strongly caution against this departure from the Covered California definition, which does include them. This measure ensures real access in underserved communities.

On Phone: Doreena Wong, Project Director, Asian Americans Advancing Justice, thanked Covered California for including them in the navigator process. They appreciated the team's process and the overfunding for some groups and the funding for smaller organizations is really appreciated. They commit to collaborating with other grantees to ensure the next enrollment process will be as successful at the last. They appreciated Board Member Ross's question about the race and ethnicity of those running organizations. They appreciate the QRS and encourage consideration of linguistic competency. That information should be updated.

On Phone: Jay Nye, Retired Political Science Teacher, California Alliance for Retired Americans, stated that it is not appropriate for the Board to take a position on Proposition 45. This is a governmental agency and it should not be taking positions.

On Phone: CQ Weber, private citizen [disconnected]

On Phone: Sonya Vasquez, Policy Director, Community Health Councils, congratulated those who received navigator grants. Many organizations did not get awards and the recipients of awards only represent a fraction of the CECs. Many organizations will continue to support enrollment efforts, but many will not be able to continue due to an inability to get funding. At the last committee meeting she pointed out it would be important to look at other funding streams and ways to support these efforts. First Five LA and the California Endowment do a good job of funding. Coordinating the various funding sources would help Covered California continue to have a robust program with a large cadre of enrollers.

On Phone: Ellen Schwartz, California Alliance for Retired Americans, stated that the Board clearly has a lot of important work to do. But it's not the Board's job to take a position on the impact of ballot measures. That's the job of the legislative analysts' office. It is not appropriate for the Board to do so. She thanked the Board for its hard work.

Kevin Knauss, Certified Insurance Agent, thanked staff for addressing the Medi-Cal issue. When people are dropped from Medi-Cal, they may be in treatment

with their current providers, and it's good if they can buy a plan outside of Covered California. They are seeing this with the immigration issue too. One client had a Covered California plan canceled and she is pregnant. She is willing to go out and buy a plan but nobody is giving guidance on if she can do that. Provider directories are difficult for consumers because of all of the different options, such as EPOs and PPOs. He saw an in-person assister webinar, and they listed the hospitals for the different carriers. Maybe we don't need a full-blown provider directory yet, but if we could get the physician groups and hospitals and labs up, that would be a great resource. Some physicians' offices just don't understand; they need education.

Autumn Ogden, Policy Analyst, California Coverage & Health Initiatives, congratulated Covered California on the scope and diversity of the navigator grantees. She commended the staff on the application process itself.

Jessica Haspel, Senior Associate, Children Now, thanked the Board for some of the improvements they have seen. They testified about improvements needed for the former foster youth population, and now there's increased training and information on the topic. This additional training is beneficial and they appreciate the partnership. The functionality still needs to be added to CalHEERS. Previously the functionality changes were at least in the timeline but they're no longer even listed there. This is a priority and they'd like to see it on the schedule. They have gotten information that people are getting incorrect determinations and winding up in the Medi-Cal backlog.

Carla Saporta, Health Policy Director, The Greenlining Institute, seconded Ms. Wong's comments. She commended staff and the Board for overfunding African-American and Latino grants and including diverse Asian-American populations. The QRS should include information about race, ethnicity, and language spoken.

Brett Johnson, Associate Director of Medical and Regulatory Policy, California Medical Association, thanked the Board and staff for adding the network adequacy and directory accuracy components to the executive director's report. The number of comments on this reflect how important this is and how much interest there is. They hope to continue to see this on the agenda. The consumer advocates have said it well. This is an issue where providers and consumers are aligned.

Elizabeth Landsberg, Director of Legislative Advocacy, Western Center on Law & Poverty and the Health Consumer Alliance, thanked staff for recognizing difficulties in transitioning back and forth between Medi-Cal and Covered California. Of course people should go into Medi-Cal when they are eligible, but they appreciate the focus on not breaking coverage during the transition. They agree with Ms. Ambegaoker. They appreciate working with staff on the process. They agreed with the concerns about the long wait time at the service center. The notices that consumers are getting are still very unclear. Fixing that will cut down

on the number of calls received. They agree with the comments on provider directories and network adequacy.

Mr. Lee said it's very important for consumers to understand what they're getting, but the system restraints limit their ability to collect EPO information.

Several agents spoke, and they are working closely with agents and the Department of Health Care Services, the entity responsible for Medi-Cal payments. At the last Board meeting, the Board approved changing the contracts to include payments.

On the inconsistency point, he appreciated Ms. Landsberg's note. They built in a process that was responsive to a letter they received from several members of Congress with regards to a grace period. They will provide the month of October to prevent coverage from being stopped. They appreciated the suggestion that Covered California consider allowing other various circumstances to trigger open enrollment, such as losing coverage after being unable to verify citizenship.

They have not changed the definition of essential community providers; the slide was just a summary. He appreciated Mr. Ojeda's comments about the loss of Toby Douglas. Part of their success has been thanks to him and his partnership.

Board Member Belshé recommended inviting Mr. Douglas to a meeting.

Board Member Ross was concerned about Mr. Herr's suggestion that there has not been an open door for agents to collaborate, so he would like an update on how that communication is going.

Mr. Lee stated that staff will look into it. Covered California values its relationship with the agent community.

Agenda Item V: Covered California Policy and Action Items

Presentation: Covered California Policy and Action Items

Discussion: 2015 Open Enrollment and Renewal Key Areas of Focus
Mr. Lee noted that renewal notices will start going out in October. This open enrollment period will only be three months long. There is only one month for people to enroll and have coverage effective January 1. Staff would like to grow the membership, change the online system, and improve the enrollment experience. In the next week, the key lessons learned from the first time around will be released. Staff has culled them from thousands of comments and suggestions.

Mr. Lee showed the ads that will be run. They are also on the website.

Mr. Lee shared the planning calendar. October and November's meetings may be combined. There will be a meeting December 18, and tentatively one January 15. They are considering combining a meeting for February and March, too.

Discussion: Covered California Regulations

i. Voter Registration Regulations Adoption

Katie Ravel presented on the voter registration regulations. These were presented at the August meeting. The scope of the regulations with regards what CECs will be asked to do, and voter registration questions will be added to the website. The regulations have not changed substantively.

Discussion: None

Motion/Action: Board Member Belshé moved to adopt the regulations as recommended. Board Member Ross seconded the motion.

Vote: Roll was called, and the motion was approved by a unanimous vote.

ii. Eligibility and Enrollment Regulations Re-adoption

Thien Lam, Director, Eligibility and Enrollment, presented the final regulations. In August, staff presented proposed regulations. Since then, staff has been working with stakeholders to incorporate feedback. The state regulations required that some technical modifications be incorporated; the renewal process and the eligibility and determination processes have been incorporated as well. The regulations lay out the type of information to be included in notices and how consumers will be told what they need to do. They also lay out what kind of follow-up must be done and describes the auto renewal process that will happen when consumers do not choose plans.

Discussion:

Board Member Belshé asked what the wording will be like in auto enrollment explanations.

Mr. Lee stated that the communication on renewal informs members that they can stay with their plans but are encouraged to shop, and lets them know that if they do nothing, they will be auto renewed into their current plan. The plans will notify them of their options too. Two important exceptions: Contra Costa health plan is leaving, and Health Net has changed their product. About 30,000 Health Net members will have to convert, and those individuals will not be auto renewed. Covered California is aggressively reaching out to them.

She wondered if the communications would include information about changes of price.

Mr. Lee said yes. Notices will describe members' available tax credits and premiums.

Mr. Lee said the first notice from us will have the new premium and the tax credit. The first notice from the plan will have the 2014 tax credit on it but when the plan sends out an actual bill, the 2015 tax credit will be in the plan's system.

Board Member Belshé wants to ensure these notices make sense to consumers.

Mr. Lee agreed, stating that many consumers do not know they are getting a subsidy. The communications will also let them know that they are.

Board Member Fearer inquired if there's sticker shock when consumers are auto-enrolled and they receive the recalculation with the accurate subsidy, is that a time when they can change plans?

Consumers will have the ability to change their selections throughout the open enrollment period. If a consumer takes no action and is auto-enrolled, they can still shop and change their plan.

Ms. Lam noted that the letters going out make it clear that Covered California must know their current income in order to accurately calculate subsidies.

Mr. Lee noted that individuals' circumstances and subsidies may change.

Motion/Action: Board Member Belshé moved to approve the regulations as recommended. Board Member Ross seconded the motion.

Vote: Roll was called, and the motion was approved by a unanimous vote.

iii. SHOP Eligibility Regulations Re-adoption

Mr. Lee noted that in June staff presented to the Board on expanding consumer choice from any plan in one tier to any plan in two contiguous tiers—that was vetted with the Board and with the SHOP Advisory Committee, and that's a new component of the regulations, not a re-adoption. It provides more choice.

Corky Goodwin, Acting Director, Small Business Health Options Program (SHOP), stated that that is the highlight of the changes to the proposed regulations. There are some minor other changes to improve employer and employee enrollment applications. The federal government also changed their regulations for open enrollment periods. They used to have a minimum timeframe for both, and now those are gone. There is no timeframe and Covered California's timeframe can be more consistent with that of the outside marketplace.

Discussion: None

Motion/Action: Board Member Ross moved to approve the regulations as recommended. Board Member Belshé seconded the motion.

Vote: Roll was called, and the motion was approved by a unanimous vote.

iv. Certified Plan-Based Enrollment Program Re-adoption

Sara Soto-Taylor explained that there's a programmatic change to the regulations, modifying the code of conduct confidentiality requirements and requiring that a plan-based enroller have a signature on the application. There are changes to conform requirements to the certified enrollment entity applications, adding training and testing requirements, requiring disclosure of the location of the in-person assistance, requiring that the assister have an ID on file, and requiring assisters to disclose any arrests. They added a new federal requirement requiring assisters to identify the catastrophic plan. They also removed the requirement to provide a written plan to manage conflicts of interest. Now the enrollment entities are required to maintain records for ten years.

Discussion: None

Motion/Action: Board Member Fearer moved to approve the regulations as recommended. Board Member Ross seconded the motion.

Vote: Roll was called, and the motion was approved by a unanimous vote.

v. Enrollment Assistance Program Regulations Re-adoption

Sara Soto-Taylor presented on the enrollment assistance program regulations. She noted that these regulations now state that all entities must now undergo training in voter registration. They added language to mirror federal regulations on the types of information that must be provided to consumers. There is a minimum of six years for the authorization of enrollment assistance forms. They deleted provisions that solely required making voter registration assistance applicable to government entities. They aligned the roles and responsibilities with the most recent federal regulations. They added requirements that assisters maintain a physical presence in the exchange service areas and added prohibitions relating to gifts and the use of exchange funds to purchase gifts or promotional items. There is a prohibition on soliciting consumers for enrollment assistance via door-to-door or other direct contact. They are prohibiting making telephone calls using robo-calls with the exception of if the entity has an existing relationship with the consumer. They added requirements for reporting subsequent arrests.

They have engaged with stakeholders and collected comments on these.

Mr. Lee noted that many of these changes are required by federal regulations. A number of them have already been perfected and discussed with navigator grantees, who may have proposed things that they can't do.

Public Comment:
Max Herr, Certified Insurance Agent, voiced that he was perplexed by the wording of the voter registration regulations. He can't assist clients over the phone with voter registration? Most of his clients are people he works with over the phone. He understands the dual tiers in SHOP, but the regulation seems to be ambiguous on if the employer chooses or the employee.

Autumn Ogden, Policy Analyst, California Coverage & Health Initiatives, thanked the staff for their work on this. They were concerned but the final regulations seem to be in alignment with federal rules.

Jen Flory, Senior Attorney, Western Center on Law & Poverty, commended staff on the eligibility and enrollment regulations, particularly those relating to the renewal process. The federal regulations on that topic don't seem very helpful; Covered California made them simpler and fit California well while still complying with federal law. They would like to participate in a process to send out these notices because these are complicated issues. A lot of people use the renewal process to notify Covered California of changes in circumstances, but for many this results in having their plan canceled and a new one started. The tech going forward needs to allow seamless minor changes. There will be some who are Medi-Cal applicable once they put in changes, and that should be seamless too.

Betsy Imholz, Director of Special Projects, Consumers Union, voiced that she had an unusually open, transparent, and interactive interaction with staff. They provided an extensive set of comments and staff was open to them. Some of the federal regulations are very complicated. Ours can be simpler and are. Renewal will be complicated and they worry about the notices, which need to be as clear as possible.

Brett Johnson, Associate Director of Medical and Regulatory Policy, California Medical Association, voiced concern about one of the commercials, the one featuring a man who said he was diagnosed and then enrolled. Some people might think they can enroll upon diagnosis. In terms of helping consumers understand their coverage, Covered California can look to them as partners.

Kevin Knauss, Certified Insurance Agent, felt it was nice to see that the plan-based enrollment regulations will be tightened up. He is uncomfortable with the voter registration component. He does not feel comfortable registering people to vote. That puts counselors and navigators in an uncomfortable position and many organizations have close ties to political organizations. He urged the Board to vote no on the regulations.

Carla Saporta, Health Policy Director, The Greenlining Institute, thanked the staff for the hard work that has gone into voter registration regulations. On enrollment assistance regulations, they appreciate that the staff took their recommendations and appreciate that consideration.

Linda Leu, California Research and Policy Director, Young Invincibles, thanked staff for their work on voter registration. Everyone they come across isn't just someone who needs insurance but also may need other assistance like food or cash assistance. Improving young people's lives includes helping them with higher education issues, getting their coverage, and helping them be engaged citizens that can be involved in helping others get covered.

Emily Rusch, Executive Director, CALPIRG, echoed the comments of Ms. Sapporta and Ms. Leu, thanking staff for the voter registration regulations. They are happy to see them moving forward. They have a whole separate project on engaging young people in civic participation, including educating them and registering them to vote. There's a lot of hard work that goes into that. They are glad to see voter registration become part of California's outreach.

Sonal Ambegaokar, Senior Attorney, National Health Law Program, thanked staff for its work with stakeholders. These are great improvements in renewal regulations. Specifically if someone is in a silver plan, they won't necessarily be enrolled in a silver plan under the federal regulations; this has been remedied in California's regulations. The federal regulations also allow people to be auto-enrolled in off-exchange plans. Some enrollees' incomes have dropped and they need to be re-enrolled into Medi-Cal. This may increase call center volume. Increasing stakeholder input into the notices could help decrease call volumes.

Steve Young, Independent Insurance Agents and Brokers of California, California Association of Health Underwriters and NAIFA California, appreciated the contiguous-tier change. There's a reference in the regulations to the effect that agents must certify that their information is correct under penalty of perjury. They don't have an objection to that but they are concerned with the semantics that purport to impose a duty upon qualified employers and employees to require the agent to make that certification. We are requiring this of a third party that is unable to actually compel performance which does not make sense. They also don't see this for other enrollment counselors, only agents. They will work with staff to resolve this issue. They do not encourage the Board to hold back the regulations in total. If, however, the Board wanted to delete the particular language, that would be helpful.

Beth Capell, Health Access California, stated that health disparities literature shows that political participation is associated with improved health outcomes. That is why the federal law requires the voter registration component. Since its part of federal law, they encourage the Board to adopt it and all of the assisters to

comply with these regulations. The renewal process regulations are greatly improved from the federal regulations. This is the first time that all of us will go through the renewal process. This year will be a learning process on renewal.

On Phone: Raul Macias, ACLU, thanked staff for their hard work on voter registration regulations. Covered California is prepared to offer voter registration and will give consumers the assistance they need.

On Phone: Doreena Wong, Project Director, Asian Americans Advancing Justice, reiterated the comments in support of the voter registration regulations and thanked the Board for its strong regulations package. Their collaborative feels comfortable incorporating this into their efforts. She underscored the importance of civic engagement. They intend to encourage everybody they work with to register to vote.

Mr. Lee applauded the surprising amount of collaboration. The regulations are the product of an ongoing work in progress. The SHOP policy is contiguous tiers selected by the employer. The Board was readopting emergency regulations. In the future these will be adopted as final regulations, but the words can be polished in the meantime. There was no objection to these as emergency regulations and there is time for revision. This is the first time anyone has done renewal. The technology will be important, as well as how the handoffs are performed.

Agenda Item VI: Adjournment
The meeting was adjourned at 2:44 p.m.