



EXECUTIVE DIRECTOR'S REPORT

Peter V. Lee, Executive Director | May 22, 2014 Board Meeting

ANNOUNCEMENT OF CLOSED SESSION ACTIONS

BOARD PLANNING CALENDAR: MAY – AUGUST

MAY 22	JUNE 19	AUGUST 24
<p>OPEN SESSION</p> <p>Policy and Action Items</p> <ol style="list-style-type: none"> 1. Initial open enrollment findings and proposed 2015 program changes 2. Covered California Budget <ul style="list-style-type: none"> • 2015 enrollment projections • Action on 2015 PMPM revenue assessment • Discussion of 2014-15 interim budget and 2015-16 budget projection 3. Action on Covered California regulations 	<p>OPEN SESSION</p> <p>Policy and Action Items</p> <ol style="list-style-type: none"> 1. Action on enrollment assistance program change 2. Action on 2014-15 Budget 3. Update on 2015 plan contracting process 4. Action on Covered California regulations 	<p>OPEN SESSION</p> <p>Policy and Action Items</p> <ol style="list-style-type: none"> 1. 2015 Consumer Journey Map <ul style="list-style-type: none"> • Open enrollment and renewal • Marketing • Outreach and ground activities • Enrollment experience • Plan initiatives 2. Tentative panel on web usability 3. Action on Covered California regulations

Note: Covered California plans to cancel the July 24, 2014 Board meeting

SPECIAL ENROLLMENT PERIOD

- Covered California's special enrollment period is well underway and will continue until the next open enrollment period begins this fall.
- Consumers are eligible for special enrollment if they experience a qualifying life event, such as loss of health insurance or marriage. However, Covered California has authority to add exceptional circumstances to the existing list of qualifying events. Notably, Covered California has added pended Medi-Cal cases and COBRA as exceptional circumstances eligible for special enrollment.
- For more information on special enrollment and the full list of qualifying life events, please visit the Covered California website at: <http://www.coveredca.com/coverage-basics/special-enrollment/>

2015 CERTIFICATION / RECERTIFICATION UPDATE

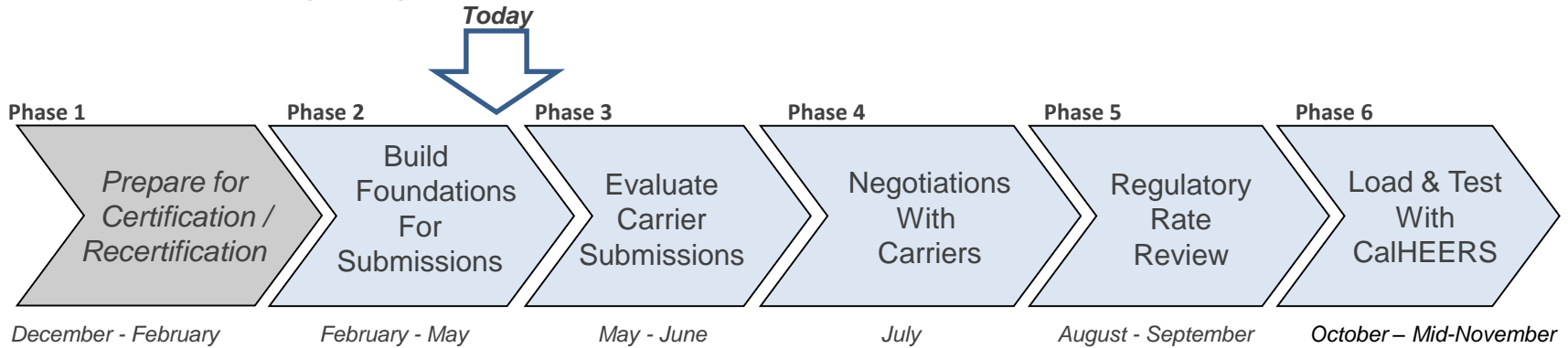
POLICIES TO SUPPORT PORTFOLIO STABILITY & CONSISTENCY

In April Closed Session, the Board of Directors provided guidance on a key issue that would be considered in open session in May - Covered California has encouraged QHPs to maintain their current offerings for 2015

Area	Explanation
NO CHANGE: COPAY VS. COINSURANCE	Carriers may not alter a product benefit design by moving from co-pay to co-insurance or co-insurance to co-pay.
NO CHANGE: EPO, PPO, HMO OFFERINGS	Carriers may not shift from one product type to another for Plan Year 2015. This is true for all regions in which they currently offer coverage.
MINIMAL CHANGE: PROVIDER NETWORK	Provider Networks can be expanded, but not significantly contracted (other than normal network churn). Philosophy is that changes that benefit the consumer by offering greater choice would be permitted.
MINIMAL CHANGE: REGIONAL OFFERINGS	Carriers (renewing and new entrants) are encouraged not to bid in new geographies unless underserved by current carriers. Underserved means only 2 carriers serve a geography within a region.
MINIMAL CHANGE: 2015 CONTRACT	Covered California intends to maintain the same basic structure and content of the current contracts through 2015. This will be accomplished via amendment that will not meaningfully impact carrier pricing assumptions. A comprehensive review of the contract is planned for the 2016 plan year.
SUGGESTIONS FOR THE FUTURE (2016 and Beyond)	<p>Suggestions from stakeholders, carriers and Covered California for potential 2016 changes include:</p> <ul style="list-style-type: none"> - Substantive review of standard benefit designs - Eliminate co-insurance products to minimize consumer uncertainty - Enhance CalHEERS consumer experience – general comments - Reconsider and consider substantive revisions to the QHP model contract

CERTIFICATION / RECERTIFICATION PROGRAM SUMMARY TIMELINE

We are nearing the end of Phase 2 of the program. Now preparing for review and evaluation of carrier applications and confirming designs and resources for the portfolio, rates and network analyses.



Dates: December - February February - May May - June July August - September October – Mid-November

Key Activities

<ul style="list-style-type: none"> Conduct Project Chartering activities Draft and file regulations Conduct 2013 Feedback Interviews Prioritize model contract compliance requirements Set policies for new / renewal carriers 	<ul style="list-style-type: none"> Distribute, receive and summarize Letters of Intent Draft applications & distribute Craft Applicant Guidelines & distribute Finalize Plan Designs Prepare teams, process for applications review Prepare day-by-day calendar for June, July Prepare tools for Phase 3 Analyses 	<ul style="list-style-type: none"> Review Renewal Applications Review New Entrant Applications Conduct Portfolio /Competitive Analysis Conduct Network Analysis Conduct Actuarial rate review* Share outputs with Leadership Team 	<ul style="list-style-type: none"> UCSF Risk distribution analysis results to be used for negotiation Negotiation meetings between CC leadership team and QHP & Dental carriers Collaborate with regulators about preliminary network assessments, as needed Preliminary Certification 	<ul style="list-style-type: none"> Carriers submit rates via SERFF for approval Receive carrier rate changes if regulator requires Upon approval, CalHEERS testing begins 	<ul style="list-style-type: none"> Carriers work with CalHEERS for testing and uploading of rates, etc. Open Enrollment 11/15 – 2/15
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Note: Completed Activities & Phases are in italics or in gray shade

*Covered California will need to assess potential impact of Rate Regulation Initiative

UPCOMING BOARD MEETINGS

- June 19th – Board Meeting
 - Report on potential impact of Rate Regulation Initiative
 - Review Contract Term Changes
- July – No Board Meeting
 - Preliminary certification and recertification announced 7/31

UPDATE ON TIMELY ACCESS TO CARE

Peter Lee, Executive Director

UPDATE ON ACCESS

- Continue to use individual problem resolution to address concerns and monitor for problems (through Covered CA; DMHC; HCA)
- Active monitoring, in coordination with DMHC, to assure networks are adequate, as DMHC and Covered CA investigate and promote plan network adequacy
- Covered California continues to monitor and assess care issues to assure consumers are getting timely access to needed care. Positive indications based on:
 - Site visit/informal surveys of health plans practices indicate very high engagement and access to providers
 - Plan surveys of their enrollees
 - Relatively low numbers complaints or continuity of care concerns
 - Plans are reporting adding providers to meet demands from high enrollment

HEALTH PLANS' ONBOARDING AND ASSURING ACCESS

- All plans with significant enrollment (and nearly all others) have processes in place to reach enrollees within 30-60 days for care need purposes
- Many new programs developed specific to Covered California enrollees including direct outreach, health risk assessment member portals, wellness programs and new analytics/risk stratification processes
 - One large plan implemented an Exchange-specific onboarding program that resulted in PCP selection for ~92% of Exchange members; this same plan added 3 screening questions to their onboarding process for all new members and identified 14% that were at risk for potential healthcare needs; about half accepted a live transfer to schedule an appointment
 - One large PPO plan uses an attribution process that has been enhanced to ensure members with 2+ chronic conditions are automatically identified to the providers participating in their ACO-type programs
- A plan survey that included enrollees selecting one of the 4 largest plans highlighted that approximately 50% of respondents sought to make an appointment in the first 30 days and more than 90% of them were successful*

*The study was conducted in March and included nearly 300 on-Exchange consumers.

REPORTS OF COMPLAINTS AND CONTINUITY OF CARE ISSUES

- Low Number of reported Continuity of Care Cases since January
 - Covered CA est. < 200 CoC cases to date
 - One large plan has had 30 CoC cases total (all resolved)
- For Q1 2014, total of 1,100 DMHC complaints from Covered CA enrollees, of which about 200 related to access to care problems (from total enrollment of approximately 900,000)

PLANS ARE ADDING PROVIDERS TO MEET DEMANDS FROM HIGH ENROLLMENT

- Health plans are continuing to expand their networks to assure adequate capacity, including additional clinicians and groups being added by Anthem, Shield and Health Net
 - Targeted network development in Northern California (Region 1), Fresno, Monterey, Los Angeles, Riverside, San Bernardino and San Diego counties
 - Blue Shield: significantly increased the size of the network over the past 12 months; 64% of physicians and 82% of hospitals are in the individual market network (both for Covered California and “off-exchange”) compared to Blue Shield’s full PPO network
 - Health Net: 68% increase in MDs since January 1, 2014
 - Further additions to networks planned for 2015 for several plans, including more integrated care models

LEGISLATIVE UPDATE

David Panush, Director of External Affairs

KEY LEGISLATION

- **California Health Benefit Exchange: Appeals**
AB 617 (Nazarian)
Location: Senate Appropriations
- **California Vision Care Access Council**
AB 1877 (Cooley)
Location: Assembly Appropriations – Suspense File
- **Privacy: Personal Information and Agency Disclosure**
AB 2147 (Melendez)
Location: Assembly Appropriations – Suspense File
- **Health Benefit Exchange: Individual Market Reports**
AB 2301 (Mansoor)
Location: Assembly Appropriations – Suspense File

KEY LEGISLATION

- **Schools: Health Care Coverage Enrollment Assistance**
AB 2706 (Hernandez)
Location: Assembly Appropriations – Suspense File
- **Individual Health Care Coverage: Enrollment Periods**
SB 20 (Hernandez)
Location: Assembly Floor – Third Reading
- **Health Benefit Exchange: Board Membership**
SB 972 (Torres)
Location: Assembly – First Reading
- **Privacy: Personal Information**
SB 974 (Anderson)
Location: Senate Appropriations – Suspense File

KEY LEGISLATION

- **Health Care Coverage: Immigration Status**
SB 1005 (Lara)
Location: Senate Appropriations
- **Health Care Coverage: Formularies**
SB 1052 (Torres)
Location: Senate Appropriations
- **Medi-Cal: Statewide Automated Welfare System**
SB 1341 (Mitchell)
Location: Senate Appropriations
- **Health Care Coverage: Small Employer Market**
SB 1446 (DeSaulnier)
Location: Senate Appropriations

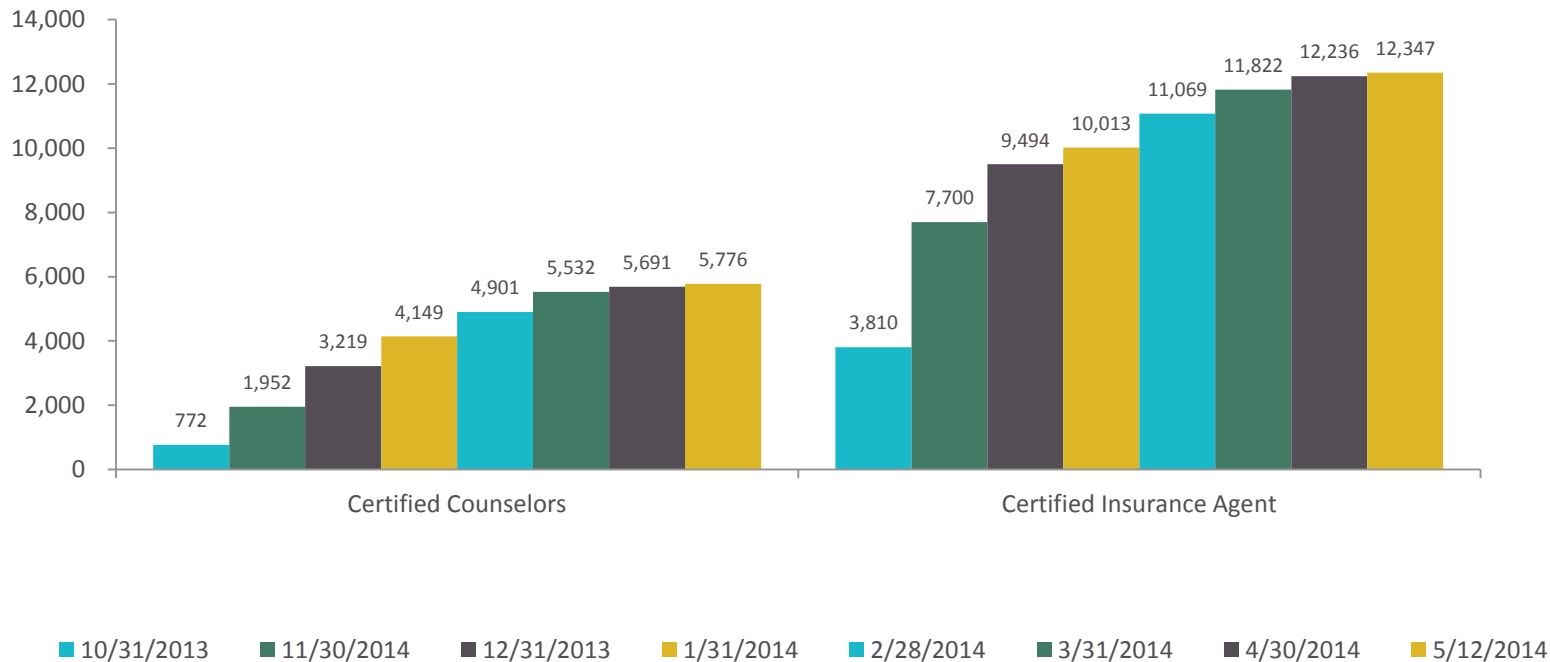
FEDERAL RULES UPDATE

Katie Ravel, Director of Program Policy

APPENDIX OUTREACH UPDATE

ENROLLMENT SUPPORT: KEY METRICS

- 5,776 Certified Enrollment Counselors (as of May 12, 2014)
 - 58% Spanish; 3% Cantonese; 3% Mandarin; 2% Vietnamese;
 - 1% Tagalog; 1% Korean Speaking.
- 12,347 Certified Insurance Agents (as of May 12, 2014)
 - 15% Spanish; 5% Chinese; 5% Korean; 4% Mandarin;
 - 3% Cantonese; 3% Vietnamese Speaking.



ENROLLMENT SUPPORT: COMPENSATION PAID COVERED CA PLANS ONLY

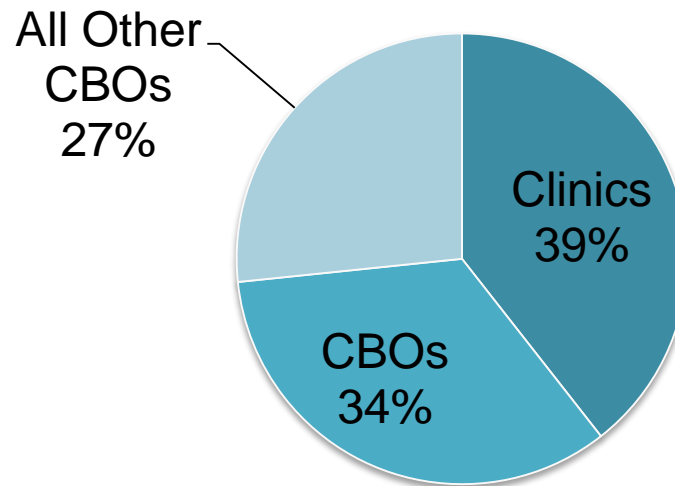
Payment Date	# Certified Enrollment Entities Paid	Total Paid
March 14, 2014	276	\$308,154
April 10, 2014	373	\$469,742
May 12, 2014	417	\$474,034
Total Paid To-Date Does Not Include Medi-Cal Payments		\$1,251,930

ENROLLMENT SUPPORT: CERTIFIED ENROLLMENT ENTITY PRODUCTION OCTOBER 1, 2013 – APRIL 15, 2014

338,897 individuals enrolled in either Medi-Cal or Covered CA plans with the assistance of a Certified Enrollment Counselor

- 229,223 (68%) Medi-Cal
- 109,674 (32%) Covered California Plan (does not reflect effectuation of coverage)

Covered CA Enrollment by CEE Type



ENROLLMENT SUPPORT: CERTIFIED ENROLLMENT ENTITY PRODUCTION OCTOBER 1, 2013 – APRIL 15, 2014

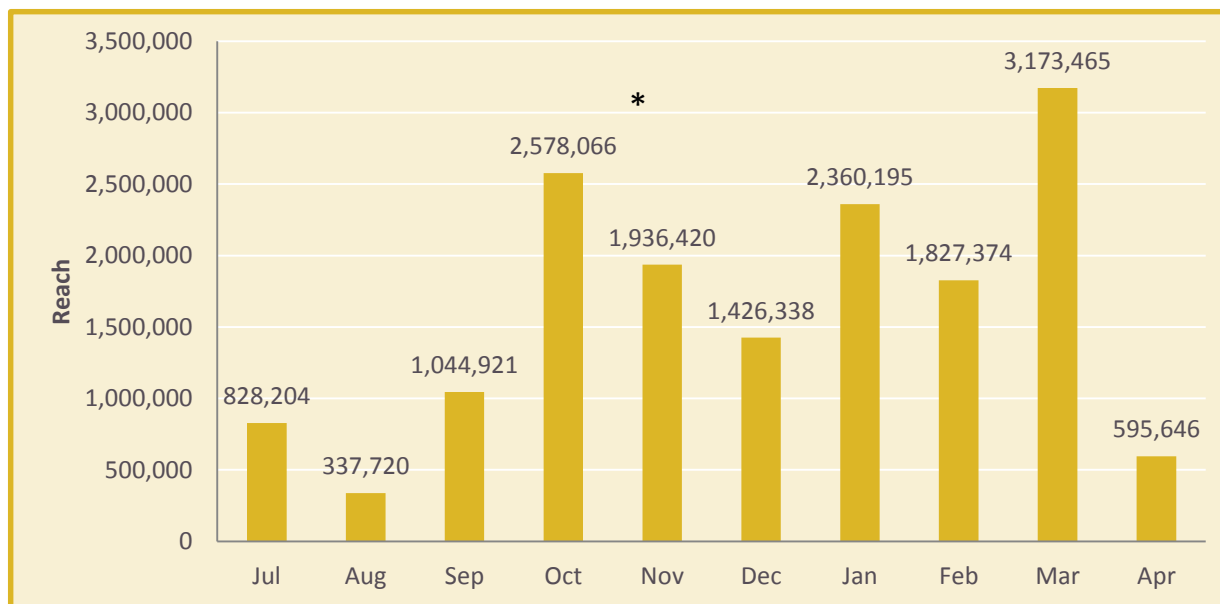
Covered CA Plan Enrollment was concentrated among 150 of the 831 Certified Enrollment Entities:

- Top 50 Entities = 50% (56,908 individuals)
- Top 100 Entities = 70% (77,495 individuals)
- Top 150 Entities = 80% (88,131 individuals)

- 617 Entities enrolled less than 100 individuals into Covered CA Plans

OUTREACH: KEY METRICS

- 2,461 Certified Educators (as of May 9, 2014)
- Grantee reach:
 - **18.9 million overall reach**
 - 16.1 million individual consumers
 - 1.4 million business owners
 - 1.3 million medical professionals



Source: Consumer Activity Summary July 2013 - April 2014, GPAS as of 5/12/14.

*October includes over 1.5M reached through social media

GRANTEE STRATEGIES FOR SPECIAL ENROLLMENT

O&E Grantees shifted strategies to target consumers most likely to experience a qualifying life event and be eligible for a special enrollment period:

- “Rapid Response Teams” where a Certified Educator presents Covered California information to employees being laid off.
- Engaging hospitals and Community Clinics to target families who have recently had a new baby.
- Participating at job fairs and with EDD to target individuals whose income has recently changed or who have lost their job-based coverage.
- Partnering with Mexican Consulates to reach individuals who have recently become lawfully present.
- Developing creative messages via social media and using hashtags referencing “#1988” to reach young invincibles turning 27.

APPENDIX

CONSUMER WEBSITE UPDATE

KEY WEBSITE INITIATIVES

- Providing System Support to Aid in Medi-Cal Processing
 - CalHEERS Project working with DHCS and Counties to prioritize enhancements, defect remediation and special batch processing / reports to assist in efforts to accelerate processing of new Medi-Cal applications
- Performance Improvements
 - On-line performance for consumers has been stable and good or very good
 - Project has been monitoring 24 x 7 to address ongoing performance stabilization with the integration with county systems
 - Significant improvements have been made in the last two weeks, but additional work remains
 - Project is analyzing recommendations for infrastructure expansion in anticipation of increasing volumes for Medi-Cal and to prepare for 2015 Open Enrollment
- Functional Improvements
 - Continued work with sponsors and stakeholders to ensure the most critical enhancements are completed for the Medi-Cal and Covered California programs
 - Summary release plans (updated) follow
 - Focus groups and stakeholder meetings are planned in coming weeks and months to review consumer-facing enhancements

CalHEERS UPDATED RELEASE PLAN

(Subject to Revision)

June 2014 (moved from May 26)

Theme: Medi-Cal and eHIT Improvements, Special Enrollment, Medi-Cal pre-ACA Renewals and Redeterminations

- eHIT Defect Resolution (ongoing)
- Changes to Special Enrollment
- MAGI Medi-Cal Negative Action
- MAGI-Based Medi-Cal Aid Code Hierarchy
- Eliminate Deprivation
- First set of changes for Processing Lump Sum Income

CalHEERS UPDATED RELEASE PLAN

(Subject to Revision)

Summer / Fall

- Continued improvements for Medi-Cal enrollments
- Single Streamlined Application – Priority updates for next Open Enrollment
- Updates and changes required for first year renewals of MAGI and QHP Renewals
- Carrier and Enrollment Improvement Priorities

APPENDIX

SERVICE CENTER UPDATE

SERVICE CENTER UPDATE

- Improving Customer Service
 - Improved staffing coupled with a decrease in volume due to the end of open enrollment has reduced Average Handle Time and has improved the Service Levels for both voice and chat
- Enhance Technology Solutions
 - Continued development to identify key areas of opportunity to leverage the IVR and enhance self-service utilization based on lessons learned from open enrollment
- Clarifying channels and improved communications
 - Dedicated assistance lines for CEC, SHOP and individual support to minimize volumes into the Service Center while improving the number of consumers handled
 - Multiple Service Center resources remain focused on data entry and paper application processing to complete the enrollment of outstanding consumers who completed applications before the end of the open enrollment period
 - Continued active planning and real-time efforts in balancing efficiencies in the Service Centers and allocating available resources towards back office follow up initiatives

STAFFING UPDATE

- Rancho Cordova, Contra Costa and Fresno Service Centers are receiving general inquiry, application & enrollment and now ongoing support contact volumes in support of the Covered California marketing efforts statewide.

Staff Group	5/1/2014 Target	5/1/2014 To Date	6/1/2014 Target	6/1/2014 To Date
Service Center Representatives	531	642	489	642
Other staff (Management, Back Office, Quality Assurance, etc...)	280	243	280	243
Total	811	885	769	885

- All three Covered California Service Centers are handling statewide calls using the “first available Service Center Representative model.”
 - Fresno – 346 SCRs, 38 leads
 - 42 SCRs dedicated to off-phone application activities
 - Rancho Cordova – 225 SCRs, 22 leads
 - 23 SCRs dedicated to Hotline queue
 - Contra Costa- 71 CSAs, 26 leads

SERVICE CENTER PERFORMANCE UPDATE*

Service Center Metric	Goal	April 14 Stats	April 1 st Through April 15 th	April 16 th Through April 30 th
Total Calls Offered		335,507	192,028	143,479
Service Level	80% of calls answered within 30 seconds	16% of calls answered within 30 seconds	.6% of calls answered within 30 seconds	40% of calls answered within 30 seconds
Abandoned Calls	3% or less of calls abandoned	29% of calls abandoned	41% of calls abandoned	12% of calls abandoned
Total Dialed Attempts		734,338	518,986	143,479
Busy Message Presented to Callers	0% or less of calls receive busy message	25% or less of calls receive busy message	36% or less of calls receive busy message	0% or less of calls receive busy message

Top Inquiries

1. Application or account information change
2. Notices are confusing
3. Inquiries on manual verification processing
4. Healthcare general inquiry
5. Eligibility changes

**Performance metrics are measured monthly.*

Note: Abandoned Calls: includes callers who may listen to FAQ messaging while on hold and release the call prior to speaking with an SCR

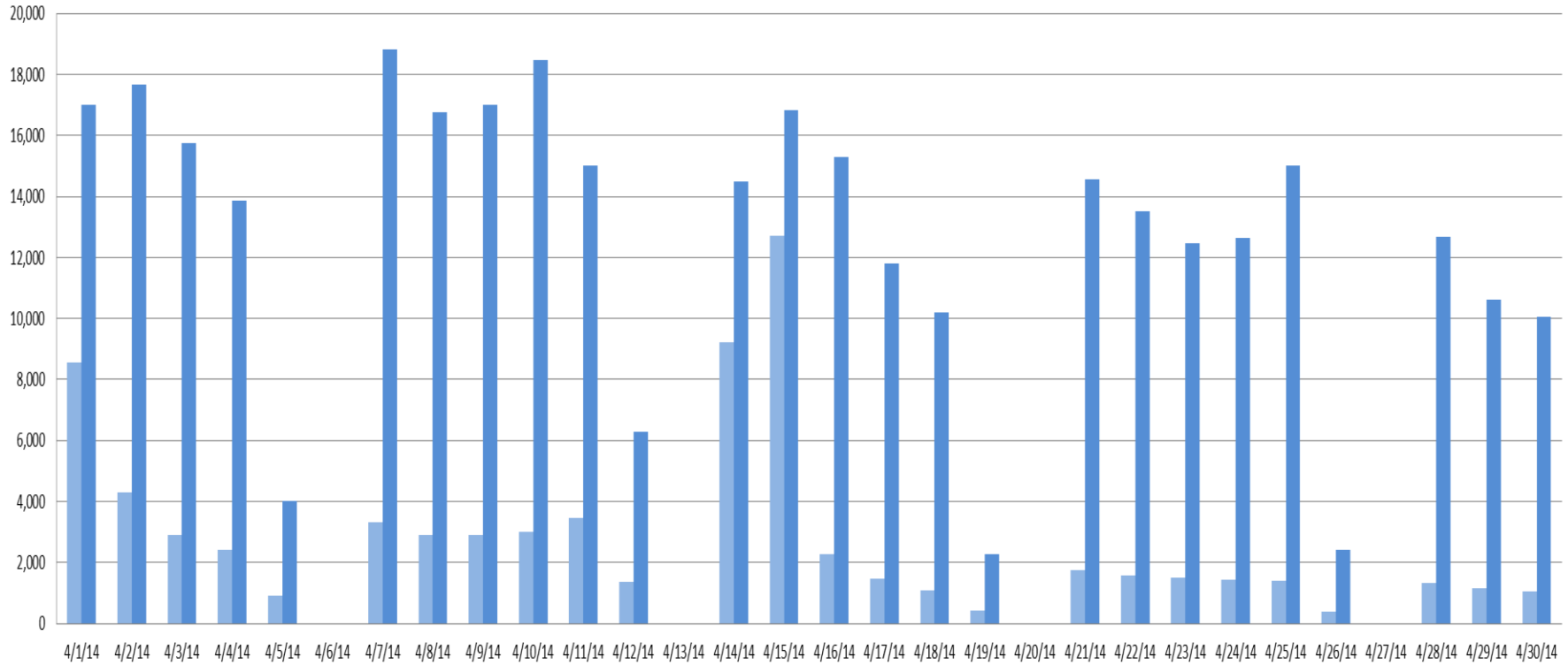
APRIL INDICATORS

- Continued downward trend in voice and chat volumes as movement from extended enrollment to special enrollment in mid April likely attributed to consumers directing their inquiries to the plan providers
- Average Handle Time in April has decreased by nearly 2 minutes from March due to the reduction of application calls as we entered the special enrollment period
- Average Speed of Answer has decreased by 15 minutes in April from the March Average Speed of Answer (reflecting approximately 41% reduction), as a result of the reduced Average Handle Time and additional resources enabling more calls to be answered more quickly
- Abandonment Percentage has decreased from 48% in March to 29% in April and continued improvement in the special enrollment period averaging only 12% the last two weeks of April

Note: Abandonment Percentage: includes callers who may listen to FAQ messaging while on hold and release the call prior to speaking with an SCR

SERVICE CENTER PERFORMANCE UPDATE*

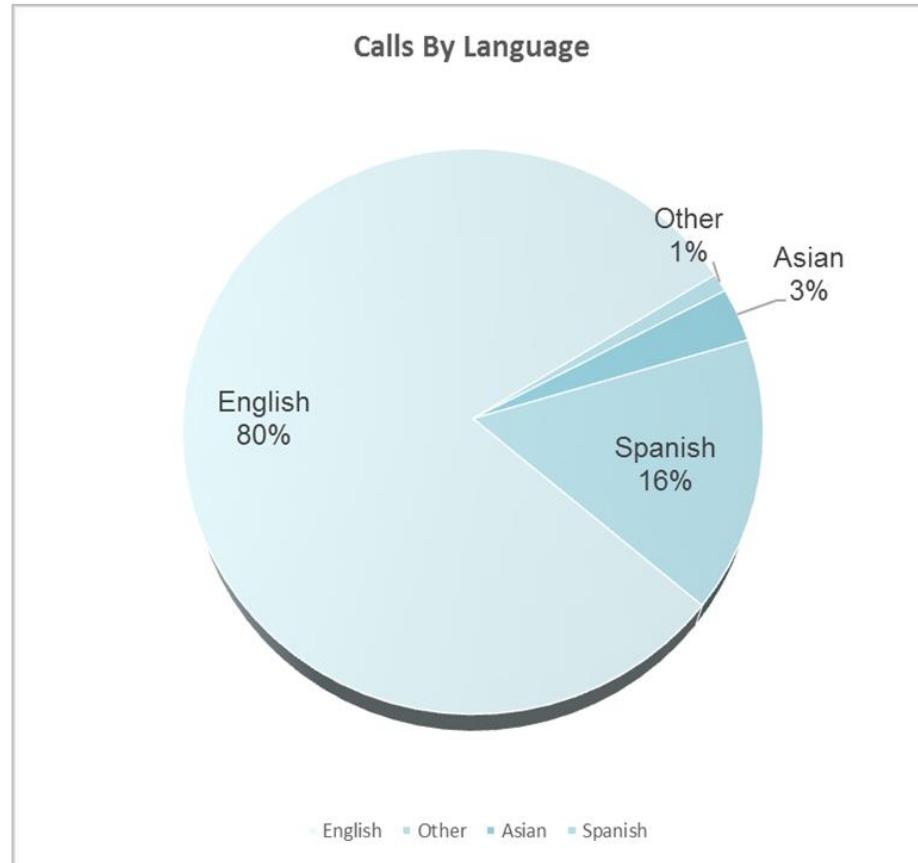
Voice & Chat Offered Volumes



	4/1/14	4/2/14	4/3/14	4/4/14	4/5/14	4/6/14	4/7/14	4/8/14	4/9/14	4/10/14	4/11/14	4/12/14	4/13/14	4/14/14	4/15/14	4/16/14	4/17/14	4/18/14	4/19/14	4/20/14	4/21/14	4/22/14	4/23/14	4/24/14	4/25/14	4/26/14	4/27/14	4/28/14	4/29/14	4/30/14
Chat Offered	8,565	4,306	2,899	2,406	920	0	3,311	2,899	2,907	3,019	3,457	1,350	0	9,220	12,703	2,257	1,483	1,093	412	0	1,765	1,571	1,509	1,452	1,418	394	0	1,337	1,170	1,046
Voice Offered	16,992	17,665	15,745	13,874	4,033	0	18,817	16,758	16,993	18,471	15,012	6,303	0	14,500	16,848	15,278	11,814	10,186	2,265	0	14,545	13,511	12,452	12,638	15,011	2,420	0	12,688	10,601	10,066

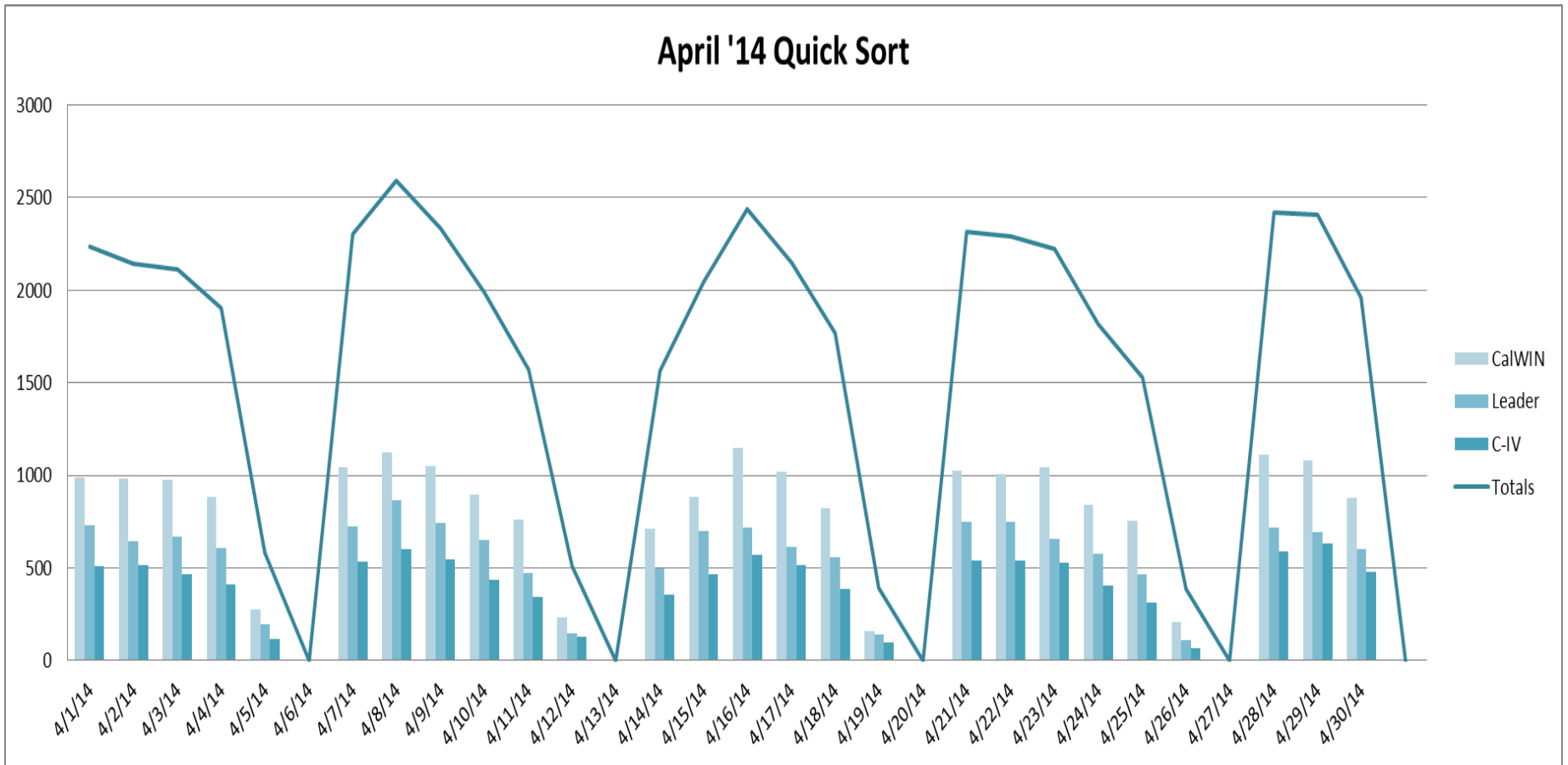
Note: Performance metrics are measured monthly. Voice queues open for consumers Monday through Saturday.

LANGUAGE DISTRIBUTION OF CALLS HANDLED



- Service Centers are supporting calls in all 13 languages and using an interpreter service when an in-language Service Center Representative is not available
 - Service Center Representatives are handling 62.31% of non-English calls
 - Contracted language line representatives are handling 37.69% of non-English calls
- 92 Covered California Service Center Representatives answering multi-lingual calls

QUICK SORT VOLUMES



Weekly Quick Sort Transfers to County/Consortia

Weekly Transfers
8,975
Partial Week

Weekly Transfers
11,301

Weekly Transfers
10,355

Weekly Transfers
10,567

Weekly Transfers
6,789
Partial Week

Note: Voice queues open for consumers every Monday through Saturday.



COVERED CALIFORNIA/COUNTY WORKFLOW COORDINATION QUICK SORT PERFORMANCE

Quick Sort Metrics	Service Level Standards	C-IV	CalWIN	Leader
Average Speed of Answer		4 Seconds	12 Seconds	10 Seconds
Service Level	80% of calls answered within 30 seconds	97.7% of calls answered within 30 seconds	98.2% of calls answered within 30 seconds	96.4% of calls answered within 30 seconds
Abandoned Calls	3% or less of calls abandoned	.17% of calls abandoned	.66% of calls abandoned	.6% of calls abandoned
Busy Signals Presented to Callers	0% or less of calls receive busy signal	0% of calls received busy signal	0% of calls received busy signal	0% of calls received busy signal

- Continued refinement of Quick Sort processes with the Consortia and Service Center have shown continued improvement in process accuracy and delivering a seamless customer experience
- County/Consortia, DHCS and Covered California weekly operational meetings implemented to maintain operational focus

