



# *Comments to the Board*

## **Table of Contents**

June 19, 2014 Board Meeting

### **Correspondence from Elected Officials**

- Letter from Congress of the United States to Peter Lee Regarding Enrollment

### **2015 Budget**

- California Pan-Ethnic Health Network, Consumers Union, Health Access, *and* Western Center on Law & Poverty

### **Eligibility and Enrollment**

- Delta Dental

### **Enrollment Assistance Program**

- Asian Americans Advancing Justice *and* Health Justice Network
- Bill Phelps
- Brian Burrell
- California LGBT Health & Human Services Network
- California Coverage & Health Initiatives *and* Community Health Councils, Inc.
- California Primary Care Association
- San Francisco Community Clinic Consortium
- Srija Srinivasan
- The Greenlining Institute
- United Way

### **Outreach and Education**

- CalAsian Chamber of Commerce, California Hispanic Chambers of Commerce, *and* Small Business Majority

### **Special Enrollment Period**

- California Association of Health Plans
- Consumer Advocate Coalition
- Consumer Advocate Coalition
- Kaiser Permanente

**Congress of the United States**  
**Washington, DC 20515**

June 2, 2014

Peter Lee  
Director  
Covered California  
1601 Exposition Boulevard  
Sacramento, CA 95815

Dear Director Lee:

As Covered California moves beyond its successful first open enrollment period, we write to encourage you to focus on the ultimate goal of ensuring adequate access to health care and health care services to Californians. We applaud you for your accomplishments to date; our state is clearly leading the nation and exceeding all expectations for overall enrollment and rollout of the new state-based exchanges.

The end of the open enrollment is only one milestone along the road toward truly reforming our nation's health care system and broadening access to care. Now that California has shown great success in expanding insurance coverage, it's time to focus on ensuring a meaningful and adequate network of health care providers.

We have heard concerns from individuals, physicians, and insurance agents about the adequacy of existing provider networks, and the accuracy of information provided about those networks. Many consumers are confused as to which primary care physicians and specialists are in their new plans. Through the significant advances of the Affordable Care Act, many people on the state exchange have access to health insurance for the first time. Concepts such as "out of network" or "in-network" are new and confusing to them, opening them up to the risk of expensive medical bills after they have received care. This confusion is natural and can be addressed with patience, but Covered California must continue the work of ensuring that beneficiaries have proper information on the plans they have signed up for. The next open enrollment period must also build on ensuring transparency regarding the plans on the exchange and their networks.

These concerns are particularly acute in rural areas of the state where people do not have the health insurance choices offered in more densely populated areas. Faced with significant challenges for travel to see specialists within their plans, a narrow network may fall short of the promise of health care access that the Affordable Care Act envisions. Establishing a new, state-based health care exchange, with a working website and proper outreach to all Californians, was a big task. But we are hearing all too often about consumers who are finding themselves surprised, confused, and unacceptably burdened by the lack of local providers covered by their plans. Clearly there is still work to be done on improving network adequacy, especially in rural communities.

As Covered California's work moves forward, please share with us what is being done to monitor the health care access of new beneficiaries on the state exchanges, and what Covered California is doing to assess the adequacy and accuracy of networks moving forward. We look forward to your response.

Sincerely,



JARED HUFFMAN



MIKE THOMPSON



SAM FARR



LORETTA SANCHEZ



MARK TAKANO



JERRY MCNERNEY

CC: California Insurance Commissioner Dave Jones

CC: Department of Managed Health Care Director Shelley Rouillard



May 20, 2014

Peter Lee, Executive Director  
Yolanda Richardson, Chief Deputy Executive Director  
Ana Matosantos, Senior Advisor  
David Panush, External Affairs Director  
Oscar Hidalgo, Communications & Public Relations Deputy Director

Covered California  
1601 Exposition Blvd.  
Sacramento, CA 95815

Re: Covered California Budget for 2015

Dear Mr. Lee,

The undersigned groups, including Health Access California, the statewide consumer coalition committed to quality, affordable health care for all Californians, as well as California Pan-Ethnic Health Network, Consumers Union, and Western Center on Law & Poverty, write to comment on the planning for the budget for the 2015 plan year, and suggestions for inclusion or augmentation of certain priority areas.

We recognize that this budget is particularly important as 2015 is the first year that Covered California has to be financially self-sustaining, and as a result there should be a focus on fiscal prudence and efficiencies. We recognize that any additional costs will then be included in the per-month premiums of the plans offered in Covered California, and the appropriate desire to keep those premiums as low as possible.

At the same time, Covered California needs to invest to succeed. We prioritize these budget items because they will build loyalty and help increase enrollment in Covered California. If successful, these investments would allow the Exchange to spread its fixed costs over a broader number of enrollees, actually helping to lower the per person fee. Nearly 90% of Covered California enrollees are federally subsidized, and thus mostly insulated from any modest increase in the fee. Our recommendations are aimed at making Covered California a better value: a modest increase in investment has significant upside and little downside for the overwhelming majority of enrollees.

- Call Center Staffing

We applaud Covered California for being transparent about the average waiting times of callers over the course of open enrollment and ongoing, even when it was clear that those times were well in excess of the goals put forward by the Exchange.

We would like to see a plan that actually gets to the goal of customer service standard of having 80% or more of the calls answered within 30 seconds. The budget incorporates an increase in call center capacity, but not one that seems to reach that goal.

We recognize Covered California seeks to reduce phone wait times by reducing the time with each caller, and reducing people's need to call back again and again with better communication, thus freeing up phone time from existing call center workers. We applaud these efforts, but we believe the second open enrollment period will continue to feature issues and problems that are not anticipated, and will result in longer phone calls and more return calls than planned. We note that the next open enrollment period will be significantly shorter. Your enrollees will face a set of new questions and issues regarding renewals which will require significant call center capacity. In addition, there will be significant need before the 2<sup>nd</sup> open enrollment period as many people are eligible for special enrollment periods and have questions or problems with their coverage.

Again, the easier we make it for people to get in contact with Covered California, the more people will enroll. It is likely that those most dissuaded by a long telephone wait are the younger and healthier lives that Covered California is seeking to attract. Covered California should prioritize hiring bilingual customer service representatives to maximize the likelihood that LEP callers can speak to a CSR who speaks their language.

Finally, we should not fear wasted or excess capacity—if the volume of calls isn't as great and capacity goes unused during some period of open enrollment, those call center workers could be deployed on ongoing calls to do needed outreach. This is an area where we should err on the side of too much, not too little. We already have seen the problems with under-estimating the demand, and given training and hiring timelines, this is not an area that Covered California can easily fix midstream if the call center capacity comes up short again.

- Marketing and Outreach

We continue to believe that Covered California should undertake a strong marketing and outreach effort in the second and third enrollment periods, both through mainstream, ethnic, and social media as well as through grassroots and community efforts.

We note that the first enrollment period got significant free media attention for its novelty and historic nature, and due to the political opposition and problems that it faced. While some of that was negative, it was still attention-getting and drew media and public

interest. A smoother enrollment period, and fewer political attacks as the ACA becomes more mainstream, would be a positive development, but it would also mean less free coverage and that Covered California will need to rely more on paid media and community efforts.

Last cycle, tens of millions of dollars was spent on misleading political ads focused on the ACA just in California. The next open enrollment period will be after another election cycle in starting in mid-November. It may be necessary to correct the record in the public's mind from political attacks made earlier in the fall, especially if they serve to misinform potential enrollees about the costs or the benefits of these options. For example, if there's a political attack on Obamacare making folks scared that patients are not being able to get a doctor, potentially scaring people away from coverage, Covered California will need to message about what guarantees are provided.

- Diversity and Language

We hope the 2015 budget includes resources for the hiring of a diversity officer, as well as the resources for additional translation services of key materials and fact sheets.

To date, there have been limited materials translated beyond English and Spanish. We also recommend a small budget to help compensate relevant community groups to quickly review and help look at translated documents, to check dialect and other issues that come up in translation.

We also continue to have concerns about the designated customer service lines where callers have reported problems connecting with a CSR in their language – even on the Spanish line which we would think would be easiest to staff.

- Ongoing and Regular Communications to Covered California Members

For sake of its members and its own success, Covered California's relationship with Californians should not end once folks are enrolled. Covered California should budget for a full plan for ongoing communication with these enrollees—through E-mail, postal mail, social media, and even one-on-one communications.

This will build brand awareness as a trusted source of information for Californians, and make it much easier to get them renewed easily when the time comes.

This communication is equally important for the substantial share of your enrollees who will turn over each year as they move to other sources of coverage, including employment-based coverage as well as Medi-Cal. These are future potential enrollees as well as sources of word of mouth about Covered California as trusted source of coverage.

Covered California should consider those who go through the Covered California portal as “members,” ones that are regularly communicated with, through a variety of media. Issues that a regular E-mail blast and postal newsletters could cover:

- Reminders to use their new benefits, including preventive care.
- Help about basic concepts about insurance, especially for many enrollees who are new to coverage—everything from co-payments and deductibles to co-insurance, to what to ask your doctor in your first wellness visit.
- A full explanation about how to use their patient rights if there is a problem with the insurers (on issues like network adequacy), including the hotline(s) of the Department of Managed Health Care and the Department of Insurance.
- A reminder and information on reconciliation if their income changes, so they don't get shocked by tax payments at the end of the year
- Information about ongoing enrollment opportunities for themselves if they fall off coverage.
- The schedule and process for renewals, so they can plan accordingly.
- Advice on shopping during renewal season: price, networks, quality, customer service, convenience.
- How to disenroll if they get employer-based coverage, Medi-Cal or Medicare.
- Busting myths and misinformation about health reform.
- How they can help friends and colleagues get signed up.

But this is more than an occasional E-mail or newsletter. We also see a role for Covered California to survey its membership for its opinions, on everything from the services it should offer, to whether negotiations with the health plans should be weighted toward cost, quality, or customer service. We want Covered California to be the “HR Department for the rest of us” for those who don't work at large employers. That means being a trusted source of information that is “on our side,” beyond the insurers themselves, one that will provide solid information about the plans they are in and what they need to do.

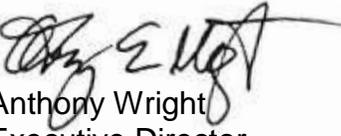
While there is much information to convey, any communications plan should be two-way, so Covered California is accountable ultimately to its members. That means being visible to enrollees, and solicitous of feedback, complaints, and advice and direction from the membership. Enrollees will come back to Covered California—including the unsubsidized ones—if they feel they have a stake and input in its operations and direction.

- Consumer Assistance

We understand that Covered California is contracting with Health Consumer Alliance for another year to provide independent consumer assistance and provide data to Covered California about the types of problems consumers are calling them with. We support these ongoing resources for consumers to help them resolve problems both with establishing coverage and accessing services.

Thank you for your consideration when crafting the 2015 Covered California budget.

Sincerely,



Anthony Wright  
Executive Director  
Health Access California

California Pan-Ethnic Health Network  
Consumers Union  
Western Center on Law & Poverty

June 6, 2014

SENT VIA EMAIL

California Health Benefit Exchange (CHBE)  
[info@covered.ca.gov](mailto:info@covered.ca.gov)

**RE: Proposed Enrollment & Eligibility Rules for the Individual Market (Re-adoption)**

To Whom It May Concern:

On behalf of Delta Dental of California, I am writing to address the proposed enrollment and eligibility (redline) regulations introduced on behalf of the California Health Benefit Exchange in conjunction with the May 22, 2014 Board meeting. These proposed rules are currently approved as emergency regulations and are up for re-adoption prior to becoming permanent after the requisite amount of time. These proposed rules concern the Exchange's enrollment and eligibility process for selecting essential health benefits ("EHB") in the California Individual Health Benefit Exchange ("Covered California").

In reviewing the proposed Regulations, we noticed the following issues:

- On page 6, we recommend addition of the word "network" at the end of the definition of Dental Health Maintenance Organization, so that the definition more clearly illustrates the meaning "... outside the dental plan *network*."
- On page 12, there is no logic to removing language that allows a qualified health plan (QHP) to be considered a QHP when it fails to offer pediatric dental benefits, so long as a standalone dental plan (SADP) is present to offer those benefits. This element of the definition of a QHP is central to the way it is addressed in the Affordable Care Act (ACA) with respect to dental, and we recommend that the definition not be so modified.
- On page 13, we recommend that the definitions of "reference plan" and "SHOP" both be revised to incorporate reference to "SADPs" in addition to QHPs.

Delta Dental of California  
Headquarters:  
100 First Street  
San Francisco, CA 94105  
Telephone: 415-972-8300

Southern California  
Sales:  
17871 Park Plaza Drive  
Suite 200  
Cerritos, CA 90703  
Telephone: 562-403-4040

Commercial Programs  
Claims Processing  
Customer Service:  
P.O. Box 997330  
Sacramento, CA 95899-7330

Offices in:  
Cerritos, Fresno,  
Rancho Cordova,  
San Diego and  
San Francisco

- On page 21, subparagraph (f), we recommend replacing the reference to “pediatric dental plan” with reference to SADP as a defined term. Otherwise, a definition of “pediatric dental plan” should be added.

We would welcome any opportunity to meet or speak with you and/or any appropriate staff to discuss these matters. Please know that we stand ready to help when it comes to implementing the dental benefit provisions of the health care reform law.

If you have any questions, please do not hesitate to call me at (415) 972-8418.

Sincerely,



Jeff Album  
Vice-President, Public and Government Affairs

Delta Dental of California  
Headquarters:  
100 First Street  
San Francisco, CA 94105  
Telephone: 415-972-8300

Southern California  
Sales:  
17871 Park Plaza Drive  
Suite 200  
Cerritos, CA 90703  
Telephone: 562-403-4040

Commercial Programs  
Claims Processing  
Customer Service:  
P.O. Box 997330  
Sacramento, CA 95899-7330

Offices in:  
Cerritos, Fresno,  
Rancho Cordova,  
San Diego and  
San Francisco



June 19, 2014

Via E-Nail: [info@hbex.ca.gov](mailto:info@hbex.ca.gov)

Peter Lee  
Executive Director  
Covered California  
560 J Street, Suite 290  
Sacramento, CA 95814

Dear Mr. Lee and Covered California Board:

On behalf of the Health Justice Network (HJN) and as the Covered California Outreach and Education Grants Program lead agency for HJN, Asian Americans Advancing Justice – Los Angeles (Advancing Justice-LA) is writing to provide further input to Covered California’s proposal to incorporate enrollment activities into its Outreach and Education (O/E) Grants Program and change it into a “Navigator” Grants Program. Advancing Justice-LA is dedicated to providing the growing Asian American, Native Hawaiian and Pacific Islander (AANHPI) communities with multilingual and culturally sensitive legal services, education, leadership development, and public policy and advocacy support. Its Health Access Project (HAP) seeks to address the health care needs of our communities and coordinates the HJN, a statewide collaborative comprised of over 50 community-based organization, health care providers, and small business groups which promotes culturally and linguistically competent health care services for AAHPI populations and increased access to affordable, quality health care for AANHPIs through outreach, education, enrollment and advocacy.

We submitted comments prior to the May 22<sup>nd</sup> Board meeting regarding the Covered California staff’s initial recommendations to merge the O/E Grants Program into a Navigator Grants Program. We also listened to the recent Marketing, Outreach, and Enrollment Assistance Advisory Group webinar on Thursday, June 12<sup>th</sup>, which shared additional information about the proposed Navigator grant program. Unfortunately, the meeting ran out of time for public input. We also signed onto the comment letter submitted by the California Coverage & Health Initiatives (CCHI), Community Health Councils (CHC) and others to Covered California staff on Monday, June 16<sup>th</sup> and fully support all of its recommendations. Our current comments reiterate ongoing concerns with the proposal, complement the CCHI & CHC letter, and raise additional issues as they relate to the impact of the proposal on current O/E grantees, such as ours.

Although we appreciate that Covered California's staff agreed with some of our recommendations, including increasing the overall amount available for outreach, education and enrollment (O/E/E efforts) and allowing collaboratives some degree of flexibility to determine which activities its partners could undertake, there remains many questions regarding the details of the proposed changes and causes more concerns with the new grant program.

**1. Need for more community and stakeholder engagement**

We continue to have serious reservations about the proposed Navigator Grants Program as presented by Covered California staff. Given the limited and confusing information about the proposed grant program and the importance of developing an effective, integrated outreach, education and enrollment program, we need a more comprehensive stakeholder engagement process, rather than a rushed process to redesign the current O/E program. The current O/E grantees have played a major role in reaching out and educating, according to staff estimates, almost 19 million consumers, business owners and medical professionals. We have learned many valuable lessons and gained a lot of experience conducting the outreach, education and, for some of us, enrollment activities to the diverse populations in the state. We would like the opportunity to use that knowledge and expertise to help design an effective navigator program and to replicate the success of the first Open Enrollment Period.

We would also like to provide input on Covered California's budget to ensure that the navigator program is adequately funded. The public still has not seen the breakdown of funding allocated in Covered California's 2014-2015 budget for Outreach, Education and Communications or for Eligibility and Enrollment efforts. Although we are heartened that the original amount for the Navigator Grants Program has been increased to \$16.9 million, it is difficult to evaluate whether that amount for outreach, education, enrollment, post-enrollment and retention efforts is sufficient and appropriate relative to the overall proposed budget, including funding for marketing activities, such as media buys for ads, which tends to be costly and may not be as effective as in-person assistance, especially for hard-to-reach communities. We know there is a substantial decrease from the \$43 million allocated for the O/E Grants Program. From the number of applications processed by Certified Enrollment Counselors (CECs) - 116,484 - a low estimate of the costs for enrollment appears to be approximately \$6.7 million using the reimbursement/application rate (116,484 x \$58). Adding these together, a minimum of \$49.7 million was spent for 2013-2014 for outreach, education and enrollment conducted by community-based organizations (CBOs), health care providers and small business groups. This means that there will be about a 2/3 reduction in the amount to be spent for the Second Open Enrollment Period when compared to amount spent during the First Open Enrollment Period. We believe that this is far too little to support the spectrum of activities expected of navigators for the Second Enrollment Period.

We also believe that one of the major reasons for the successful enrollment numbers for the initial Open Enrollment Period was due to the investment of over \$43 million for Covered California's Outreach and Education Grants Program. It seems reasonable to fully support Covered California's extensive and effective program of Certified Health Educators (CHEs), Certified Enrollment Entities (CEEs), and Certified Enrollment Counselors (CECs) across the state. We urge the Board to continue this minimal level of funding, especially since those who

have enrolled were likely the “low-lying fruit,” that is, those who wanted or needed health coverage, were persistent enough to navigate through the complicated and spotty Covered California website, and were predominantly English-speakers. It will be harder to reach the uninsured population during the next open enrollment period since they will more likely be limited-English proficient, immigrants and less health literate.

**We therefore strongly recommend that Covered California delay its decision to adopt the proposed Navigator Grants Program and the budget until the next Board meeting: 1) to determine whether there should be additional funding allocated for the proposed navigator program and 2) to use this period to seek broader input from existing community partners, other stakeholders and consumers.** The additional time will allow better planning for a better, more comprehensive and effective program after input from interested stakeholders, including those who have been conducting the navigator activities.

**2. Flawed Navigator Program Structure**

**a. Overemphasis on Enrollment Over Outreach, Education, Post-Enrollment and Retention Efforts**

Although we generally agree with the integration of the full spectrum of activities, including outreach, education, utilization and enrollment into one program, the current proposal does not adequately support O/E efforts and overemphasizes Enrollment. According to the breakdown of the budget, approximately 15% is to be allocated for administrative expenses, 10% for equipment, 25% for O/E (and media), 30% for enrollment and 20% for post-enrollment and retention. Yet, the only performance measure that Covered California has proposed is for the grantee to effectuate a minimum number of applications as its only performance metric. There is no proposed measure to evaluate any of the other navigator responsibilities, including outreach, education, post-enrollment and retention efforts.

**b. Outreach and Education Grantees Are Disadvantaged & Discouraged From Participating in the Navigator Grant Program**

From what has been presented, the proposed Navigator Grant Program, O/E grantees, especially collaboratives, such as our Health Justice Network, will be severely disadvantaged and discouraged from applying for the new grant program because it may not be cost-effective for our community partners. Many of the O/E grantees have remaining funds in their current budget since the original ending date was December 30, 2014 and they were expected to continue activities through the Second Open Enrollment Period. According to Covered California staff, any remaining funds in the O/E grantee’s budget will be subtracted from the requested amount for the new navigator funding. However, the grantee would still be expected to produce the benchmark number of applications despite the fact that the collaborative members have already committed to their O/E work plans and made plans for that rather than enrollment. For example, if the O/E grantee has \$200,000 remaining in its budget and requests \$300,000, the O/E agreement will be terminated and the new agreement will be for \$300,000 (\$200,000 of the original O/E budget plus \$100,000 in additional funding). But the grantee must reach the benchmark assigned for a \$300,000 grant, which is 900-1200 successful applications and will

have to accomplish this with only \$100,000 in new funding (according to the staff's recommended compensation model).

The disadvantage for O/E grantees becomes even starker if the O/E grantee has more funding remaining in its budget than it can request under the proposed Navigator Grant Program. For example, if the O/E grantee has \$200,000 left in its budget and requests \$100,000, the grantee would only receive \$200,000 and no additional funding. However, the grantee will now have to complete 300-400 effectuated enrollments. It is not feasible and makes no sense for an O/E grantee to apply for a navigator grant under these circumstances and the grantee would have no choice but to remain in its existing agreement.

For those O/E grantees that must remain in their existing agreement, they will be expected to absorb the additional expense of continuing their outreach and education efforts for the extended open enrollment period. As a matter of fairness, additional funding to the existing O/E grantee should be provided if they must continue the outreach and education work through the second Open Enrollment Period. After having created an effective, successful foundation for future outreach, education and enrollment, O/E grantees should not be penalized by a "no-fund" extension imposed on them.

Although it may appear that all entities are receiving the same amount of funding, for existing O/E grantees, the funding was originally allocated for O/E efforts. The funding would now have to be spread between outreach, education, enrollment, post-enrollment and retention activities. Again, it does not seem fair to alter the basic structure of the program mid-way through the program when grantees, especially smaller CBOs with limited staff and capacity, have already committed to very detailed work plans, which Covered California constantly monitors and rigorously enforces. For collaboratives with many subcontracted partners, it would be administratively burdensome to have to have to re-negotiate all of the subcontracts and calculate new allocations.

Moreover, Covered California staff also proposes to automatically renew the navigator grants the following year if they meet their enrollment numbers, as well as paying bonuses for those grantees that exceed their enrollment goals. While we support the concept of continued funding, this would further disadvantage those, including O/E grantees, which could not apply this year and would have to wait until next year for an even smaller pool of funding. This is complicated by the Covered California staff's further recommendation to end its reimbursement/application fee after the Second Open Enrollment Period, making it very difficult for smaller CBOs to continue the critical outreach, education and enrollment work needed to target hard-to-reach communities.

We would also suggest that rather than creating a "bonus pool" of \$2.25 million to pay for "bonuses" to those who exceed their enrollment numbers, we believe that the money would be better spent funding additional navigator grantees to reach and to enroll a broader range of consumers.

Furthermore, it appears that Covered California expects the top Certified Enrollment Entities (CEEs) to receive navigator grants, at least as described in the Appendix, “Converting the Top 100 Enrollment Entities to Navigators.” When one examines who these entities are, close to half of the top CEEs are providers, such as community clinics, hospitals and other health care providers. By focusing on the top CEEs who processed the highest number of applications, it does not address the hard-to-reach communities, especially limited-English proficient, immigrant, and smaller sub-populations, which CBOs may be more likely to reach. As some of our community clinic partners have shared, they relied more on “in-reach,” that is, those who came to them and were patients, familiar with their facilities, and needed health coverage. They did not necessarily have to conduct as much “outreach,” as CBOs have done, to bring in consumers. O/E grantees devoted their efforts on going out to their community through attending fairs and festivals, visiting community members’ homes and places of worship, and going to other community gatherings to educate and inform them about Covered California and Medi-Cal. As noted above, for the next Open Enrollment Period, it may be harder to reach the remaining uninsured since those who needed insurance and were more familiar with the health care system have already been enrolled.

We believe that one of the reasons for the relative success of the enrollment numbers for the Asian American communities in Covered California is a result of our HJN’s outreach and education efforts. Funding to target hard-to-reach populations, such as those that continue to be underrepresented, including the Cambodian, Hmong and Pacific Islander communities, immigrants, and limited-English proficient populations must be prioritized. If collaboratives such as ours cannot participate in the proposed Navigator Grants Program, it would be a great loss, not only to the AANHPI communities, but to Covered California’s overall health care reform effort.

**Given the serious flaws in the proposed Navigator Grants Program, we would strongly recommend delaying any decision and taking more time to work with interested stakeholders to develop a better and more effective navigator grant proposal. If Covered California insists on proceeding with creating a Navigator Grants Program, we would recommend that the two grant programs remain separate until the end of the Second Open Enrollment Period in order to allow more time to determine the best way to merge the two grant programs. If the two programs remain separate, current O/E grantees should be allowed to apply for a separate navigator grant for separate funding and new collaborative partners.**

### **3. Continue All Funding Mechanisms, Including the Reimbursement/Application Fee**

According to Covered California’s statistics, many CEEs enrolled 1 ½-3 times as many Medi-Cal enrollees as Covered California enrollees. Since there is a lot of “churn” between the two programs, it is necessary to find a way to support the outreach, education and enrollment efforts for the expanded Medi-Cal population. While we understand that grantees receiving navigator grants cannot receive the \$58 reimbursement/application fee for Covered California, we believe that grantees should be allowed to receive the \$58 reimbursement fee for Medi-Cal enrollees, which is being funded through The California Endowment and matching federal funds. We hope that Covered California will work with the Department of Health Care Services to allow the

payment of the reimbursement fee for Medi-Cal enrollments and to find additional funding for Medi-Cal outreach, education, enrollment, post-enrollment and retention efforts.

Covered California has also recommended that the \$58 reimbursement/application fee be phased out after the Second Open Enrollment Period ends. Although the \$58 reimbursement/ successful application does not fully compensate for the time needed to enroll and to conduct follow-up support for applicants and we had hoped it would be increased, we do not support the elimination of the reimbursement fee after February 15, 2015. Since the final federal rules released on May 16, 2014 allow the state to continue its reimbursement/ application mechanism, we would support continuation of this model to ensure that the many CEEs who do not receive any navigators funds, especially smaller CBOs, will continue to have some supplemental funding to support their outreach, education and enrollment efforts.

**We urge Covered California to allow all CEEs to be reimbursed \$58/application for Medi-Cal enrollees and non-Navigator CEEs to be reimbursed \$58/application for Covered California enrollees past the Second Open Enrollment Period.**

Thank you for the opportunity to provide these comments and we hope that the staff and Board find our comments helpful. We look forward to working with Covered California to create the most effective and efficient outreach, education and enrollment program to reach all of the remaining uninsured and to retain all of its current enrollees. Please do not hesitate to contact me at (213) 241-0271 or [dwong@advancingjustice-la.org](mailto:dwong@advancingjustice-la.org) if you have any questions or need additional information.

Sincerely,



Doreena Wong  
Project Director, Health Access Project  
Asian Americans Advancing Justice – Los Angeles

**From:** Bill Phelps [Bill.Phelps@clinicasierravista.org]  
**Sent:** Monday, June 16, 2014 5:55 PM  
**To:** Micheletti, Lezlie (CoveredCA)  
**Subject:** Covered CA Navigator Program

Lezlie,

I have been tied up most of the day and have finally had a chance to respond. I hope my comments are not too late.

Here are my issues and concerns regarding the proposed Navigator Program.

- 1) The proposed Navigator Program does not address Medi-Cal outreach and enrollment. I feel that Covered California and DHCS need to be more engaged and committed to come up with some funding to ensure we create and maintain the “no wrong door” requirement of the ACA. Many of the families we serve will have family members who are eligible for either program. Even the \$58 per successful application would work. We use to get \$60 for Healthy Families and this is no less of an effort than the Healthy Families program.
- 2) The total funding is inadequate. The Outreach and Education grants included about 50% more funding than what is being proposed by Covered California and all of that effort is rolled up into this program along with enrollment and retention. We are going into the “second picking” and it will take considerably more effort to get the same kinds of numbers we obtained the first time around.
- 3) There needs to be some credit given for redeterminations. It seems like that is just added into the requirements without any funding specifically tied to redeterminations. It may take less work than the initial enrollment but it is still going to take an effort to contact people and get them to come into the closest site in order for us to assist them.
- 4) The payment structure needs to be adjusted so the second payment is made at least a month or two sooner. There are a lot of upfront costs, especially if we need to rent additional space and obtain some basic furnishings and equipment as well as being some type of media campaign.
- 5) We need to make sure that there is lots of flexibility in the budget to meet our local needs. I am not sure if the sample budget was any indication of how prescriptive Covered California would be in how we allocated these funds. A majority of the funds will still need to be used for personnel costs. I was happy to see that Covered California would cover additional costs such as media, rent and equipment.

Thank you for concerning these comments,

**Bill Phelps, Chief of Programs**  
*Clinica Sierra Vista*

**From:** Brian Burrell [brian.burrell@younginvincibles.org]  
**Sent:** Monday, June 16, 2014 2:36 PM  
**To:** Micheletti, Lezlie (CoveredCA)  
**Subject:** Navigator Grant Comments

## Covered California Navigator Grant Comments

- 1. Payment Structure:** Young Invincibles requests that Covered California modify the payment structure to better reflect the needs of organizations providing Navigator services. While we understand the need and desire to ensure benchmarks are being hit and work is completed, waiting until after an organization completes its work will put a strain on the budget and resources available to Navigator groups. This is especially important for hard to reach populations as groups that service these populations are oftentimes less resourced. We propose that Covered California provide payments in advance of enrollment goals, instead of after.

Additionally, provide a larger upfront payment in the initial disbursement to reflect hiring costs and initial outreach costs would better prepare Navigators to provide services. Enrollment is cyclical in nature and it will take time to recruit enrollment counselors and ensure they are properly trained as well as build out their relationships. Providing up front staff costs and outreach efforts in the first grant disbursement will better prepare organizations to enroll consumers. Finally, we propose there be an avenue to modify the grant during open enrollment, in consultation with Covered California, to provide flexibility in providing assistance to California consumers.

- 2. Flexibility Within Grants:** We appreciate Covered California releasing their expectations and assumptions about enrollment, however we would like there to still be flexibility within these targets based on the populations that Navigators target. In our experience enrolling young adults as Navigators in other states, we expect there to be on average fewer applications with two people on them as young adults are more likely to be unmarried or have kids than older adults. Additionally, as many of them will be purchasing health insurance for the first time, they will likely need additional touches to educate them about health insurance and the application process and we would request the enrollment and education targets of the grant to allow for that. However, young adults are also more likely to be able to enroll on their own but may need additional education assistance. Flexibility in the outreach versus enrollment costs will better allow us to tailor our work to the young adult population.
- 3. Payment upon Effectuation of Coverage:** We propose that Covered California count benchmarks as successful applications submitted instead of on effectuation of coverage. With payment on effectuation of coverage there are several issues. One, the time between a successful application to the effectuation of coverage can take weeks and could delay performance payments for Navigators. Two, there does not currently seem to be time and money built into the grant to allow Navigators to follow up with

consumers to ensure successful payments and effectuation. Three, tying the deliverables to successful applications would better reflect the work done by Navigators while payment of premiums and effectuation of coverage depends on consumers' individual circumstances and insurance companies' ability to process applications. To ensure that Navigators are still providing quality service and to prevent fraud, Covered California could provide a target error rate for successful conversion of applications to effectuation of coverage. For example, if the benchmark is 75% of successful applications into effectuation of coverage and a Navigator group only converts 60% of their applications, Covered California could investigate and see what prompted the lower conversion rat

Thank you,

**Brian Burrell**

**California Policy and Organizing Manager**

June 16, 2014

Lezlie Micheletti  
Covered California  
1601 Exposition Blvd.  
Sacramento, CA 95815

**Re: June 12 Enrollment Assistance Programs Recommendations**

Dear Ms. Micheletti

The California Lesbian, Gay, Bisexual, and Transgender Health & Human Services Network, a statewide coalition of more than 40 organizations working with LGBT communities, appreciates the opportunity to comment on the recommended changes to Covered California's Enrollment Assistance Programs. Eleven of our member organizations participate together in the Outreach and Education Grant program and have reached over 1.1 million LGBT people and allies through that program. Additionally, at least nine of our member organizations are Certified Enrollment Entities and have enrolled hundreds of people in Covered California.

We support the move toward combining outreach and enrollment activities. Our experience during the first open enrollment made clear the benefits of closely aligning outreach and enrollment activities. We are pleased to see many improvements in the Navigator Program since its first introduction, and offer recommendations to further improve the program.

**Conversion of Outreach & Education Grantees and Certified Enrollment Entities to Navigators**

There are currently over 250 Outreach & Education grantees and subcontractors with over 2400 Certified Educators, and more than 800 Certified Enrollment Entities with over 5700 Certified Enrollment Counselors. In order to ensure that the time, energy, and money that Covered California has invested in training and certifying all these workers is not lost, we recommend that Covered California takes proactive steps to encourage CEEs and O&E grantees and subcontractors to apply for the Navigator Grant.

During the initial Navigator Grant application period, there were organizations eager to apply as subcontractors who were unable to find lead agencies to apply with. To make partnering easier, we propose modifying the Letter of Intent part of the grant application process. The Letter of Intent should be due earlier, and also be accepted after the initial due date. As Letters of Intent are received, Covered California should post the information online to facilitate organizations finding partners. The Letter of Intent should collect the following information, which will then be available to other organizations:

- Does the organization want to be a lead agency or a subcontractor, or are they open to either option?
- Does the organization currently have any Certified Educators or Certified Enrollment Counselors?
- Specific regions and populations the organization plans to target.
- Whether the organization is interested in partnering with additional organizations.

## **Navigator Grant Award Size and Payment Schedule**

We support the recommended minimum grant size of \$50,000, which will enable smaller organizations to participate in the grant. We are especially pleased with the recommendation to award a portion of the funds at the beginning of the grant period, then the rest of the funds as grant goals are met. We propose raising the initial payment to at least 30% of the total award, because organizations will likely incur higher equipment and other startup costs at the beginning of the grant, and will need to almost immediately ramp up for open enrollment. Additionally, given the extended time effectuation of coverage can take, we feel that the organizations should receive their second payment after reaching 30-40% of their enrollment goal, rather than 50% as proposed.

## **Allowable Expenses**

The recommendations for the Navigator Grant include allowing organizations to spend up to 10% of their award on media. We support the recommendation to allow some media spending, and also recommend allowing organizations to use funds for materials they can give away when tabling at large events. We heard repeatedly from subcontractors how hard it is to draw people to their table with nothing to give away at the table. Indeed, organizations that were able to give away items left over from other sources were far more successful in their outreach at large events. Examples of Covered California branded items subcontractors requested are pens, stickers, magnets, and bracelets to give away, and water bottles, notepads, and USB sticks to offer as prizes for engagement games the table.

## **Bonuses**

We appreciate the intent of the bonuses to help inspire better performance among Navigator grantees. However, we feel that bonuses should be used for goals other than simply increasing overall enrollment. Navigators will need to spend time and energy on outreach, education, and retention in addition to enrollment. Tying bonuses strictly to enrollment might encourage organizations to focus primarily on enrollment and spend less time on other activities. We recommend also using bonuses to reward excellent outreach, education, and retention activities.

Additionally, enrollment-based bonuses can serve a dual purpose. Part of Covered California's mission is to reduce health disparities, and bonuses could be used to incentivize enrollment to help achieve that goal. Enrollment of certain demographic groups has been disappointingly low, and bonuses can help address that. For example, while African Americans are the most underenrolled group, award a bonus to any organization that is enrolling high numbers of African Americans. This strategy might encourage navigators to have more nimble outreach strategies, focusing on the areas of most need and switching to reach different populations as needed.

Thank you for your consideration of our recommendations. If you have any questions, please contact me at [kburch@health-access.org](mailto:kburch@health-access.org) or 510-873-8787 x106.

Sincerely,



Kate Burch,  
Network Director



June 16, 2014

Mr. Peter V. Lee, Executive Director  
Covered California  
560 J Street, Suite 290  
Sacramento, CA 95814

**RE: Comments and Recommendations on Proposal to Modify Enrollment Programs**

Dear Mr. Lee,

California Coverage & Health Initiatives (CCHI), CCHI members, Community Health Councils (on behalf of the Covering Kids & Families and LA Access To Health Coverage Coalitions) in partnership with Vision y Compromiso, Asian Americans Advancing Justice – Los Angeles, Children Now, PICO California, and The Children’s Partnership, offer these comments on the proposal to modify the Enrollment Assistance Programs, as laid out by Covered California staff at the May 22<sup>nd</sup> Board Meeting and as supplemented at the June 12th Marketing, Outreach and Education Assistance Advisory Group meeting (Advisory Group).

**Concern over a rushed and not well informed process:**

Staff has presented a proposal to the Covered California Board that would constitute a major shift in policy for the Enrollment Assistance Programs. It is our firm belief that the majority of the recommendations in the staff proposal require further research and analysis before they are ripe for a Board decision. Staff acknowledged there is still much analysis to do to understand the results of the first open enrollment period and the role and effectiveness of the various distribution systems. Additionally, the board should take a deeper look into how much more paid media is needed versus having more funding available for on the ground education and enrollment assistance. In addition, there has also been little in the way of a genuine stakeholder process leading up to these recommendations. We understand that the staff held meetings with Covered California grantees and gathered some comments. However, the June 12<sup>th</sup> Advisory board was insufficient as a public forum and did not allow for any true dialogue except between the committee members, which was also limited.

*We respectfully suggest that the very important decisions before the Board merit, indeed demand, adequate and complete analysis of the data and thorough vetting and discussion with the groups doing the work of education, outreach and enrollment. Therefore we request that the Covered California Board not make any decision regarding the elimination of the Certified Enrollment Counselor/In-Person Assistor (CCE/IPA) program until after the next open enrollment period is complete.*

*However, at a minimum we request the Board hold the staff recommendation open until the August board meeting and engage in a thorough and complete stakeholder process to develop a proposal that has the support of the enrollment field.* We request that the stakeholder process include either a new stakeholder committee or the Marketing, Outreach and Education Advisory Group but include free participation in discussion by all stakeholders. There should be a minimum of three meetings on this subject which would include at least 45 minutes to an hour of dialogue between stakeholders and the Covered California staff. We also suggest looking at the AB 1296 workgroup as a model.

## **Recommendations on an Integrated Outreach, Education and Enrollment Navigator Grant Program:**

While we feel that more time is needed to think through this policy change, should the Board feel the need to move forward, we provide the following recommendations. In general, CCHI and Community Health Councils along with our members and partners support the notion of a unified and streamlined enrollment assistance program under the Navigator model. It has always been our opinion that the bifurcation of the outreach/education function from the enrollment/retention function was arbitrary and not conducive to the role that enrollment assisters have and should play in serving consumers in a streamlined/no-wrong-door manner.

However, at this time we believe that the current staff proposal must be modified in order to create a strong Navigator program that is built as a complement to, and not at the expense of, a still needed CEC/IPA program after 2014-2015 the Open Enrollment period. In this vein we offer the following recommendations:

### **1. Continue the CEC program after open enrollment 2014-2015 until further analysis can be done.**

Currently no federal regulation compels the Board to make any immediate policy decision with respect to elimination of the CEC/IPA program. Covered California acknowledged at its June 12<sup>th</sup> Advisory Group meeting and other forums, that it is “continuing to review” relevant data regarding the reach and effectiveness of various components of its outreach and enrollment assistance investments. Full and complete data about the relative effectiveness of the CEC/IPA and Navigator programs will not be available until after the open enrollment 2014-2015. Prudence would suggest that any policy decision of this magnitude should be made with adequate data. Furthermore, we are concerned that any such change would result in the following negative consequences:

- **Certified Educators (CEs) and CEEs/CECs being driven away from Covered California work.** Our greatest concern with this newly proposed policy direction is the threat of losing a notable number of the 2400+ CEs and 5500+ CECs who have finally been fully trained and are contributing to the success of Covered California. As Covered California has noted, CEs have reached almost 19 million consumers, business owners, and medical professionals. CECs were responsible for over 116,000 enrollments. These individuals and entities have met many resource consuming requirements and administrative hurdles to help consumers enroll in Qualified Health Plans (QHPs). A wholesale policy change now would send a message that their work is not valued or important to the long term success of Covered California. The goal of any policy change should be to more effectively support and utilize the diverse capacity that exists to assist Californians to enroll into coverage, especially those with the experience and linguistic capacity that the job requires, while working to retain a broad range of partners.
- **Curtailing needed capacity in reaching populations that most need in-person assistance.** From the data presented thus far, it is not clear what models, locations and characteristics of in-person assistance are most needed to successfully reach key target populations such as Latinos, African Americans and others with which Covered California has had lower success. Even for those groups where there has been apparent success, such as the Asian American communities, we know from the limited disaggregated data obtained from Covered California, that there continue to be gaps within those communities, including lower enrollments for the Cambodian, Hmong and Pacific Islander communities. We also know that the majority of the current enrollees have been English-speakers (comprising 82% of enrollees compared to the estimated 42% of limited-English proficient, subsidy-eligible consumers according to data provided by UC

Berkeley/UCLA CalSIM version 1.8). All of this means that it will be harder to enroll uninsured consumers in the next Open Enrollment period and it is even more important to support and to expand the existing infrastructure in order to reach these harder-to-reach populations. We appreciate the data-driven “pivot” Covered California made early in 2014 to more heavily promote free, confidential in-person assistance as part of revamping its campaign to effectively reach Latinos. Given the improvements achieved during the last several weeks of Open Enrollment, it would be damaging to implement changes in the CEC/IPA program without fully understanding the most important elements that are needed to best serve the hardest to reach consumers.

***We recommend the Board fully study the accomplishments of the CE, CEE/CEC and Navigator programs after the next open enrollment period closes before making any decisions to consolidate or eliminate program.***

**Alternative Proposal: Consider creative options to retain funded CEs and CECs to fill the gaps in the Navigator Program.** Even an enhanced Navigator Program is unlikely to ensure adequate access to all racial, ethnic and limited-English proficient populations in every region of the state. Rural parts of the state are already disadvantaged with a weaker infrastructure of outreach and enrollment and organizations may not be able to compete for Navigator funding. If the board moves forward with the staff proposal we recommend that Covered California consider some additional creative options that could help support the work of the Navigator Program and retain the infrastructure of the CE and CEC programs:

- Consider developing a structure to fund some enrollment entities to act as an “umbrella organization” that can bring together CEs with CEEs and CECs who will otherwise not continue enrollments either because they are unaffiliated or because their entity does not become a navigator entity.
- Covered California should also consider continuing a scaled down but funded CEC program targeted toward ensuring that CECs are available to help fill the most gaps left by the Navigator program. Our recommendation would be to reserve some funding (\$2-3 million) for this purpose.

**2. Count Medi-Cal Enrollments toward enrollment goals under the Phase II Navigator Program.**

The staff recommendation that Medi-Cal enrollments not be counted toward enrollment targets does not take into account that QHP populations mirror Medi-Cal populations. In all cases it is impossible to distinguish between these groups until a screening is conducted and substantial time spent with the client. Often in families there is a mix of QHP and Medi-Cal eligibles. From an enrollment entity perspective, this recommendation is simply not operationally feasible and would encourage entities and counselors to prioritize QHP applications to the likely detriment of Medi-Cal applications. We understand that there are funding constraints, however, this policy goes against and would do substantial harm to the Covered California goals of creating a no-wrong-door/streamlined enrollment system for all coverage types. Moreover, Covered California also recognized that there were almost twice as many Medi-Cal enrollments for every Covered California enrollee, and for some low-income populations in the Latino, African American and Asian American, Native Hawaiian and Pacific Islander communities, the ratio may be even higher. It means that CECs must enroll 2 or 3 times the enrollment numbers to achieve the navigator grant goals. ***We urge the Covered California Board to direct staff to work with the Department of Health Care Services (DHCS) to determine how to include Medi-Cal enrollments as a metric for establishing the success of the Navigator Program.***

- 3. Fully fund the Navigator Program.** Whereas we are glad to see an increase in the funding from the original iteration of the Navigator program, we are concerned that the \$16.9 million may still not be enough. This amount pales in comparison to the \$43 million dedicated to outreach and education efforts, as well as the current marketing and enrollment efforts. There remain many Californians who need help enrolling into coverage. This next batch of uninsured will likely be the more difficult to reach and largely limited-English proficient individuals who will need more local, hands-on approach which is an expertise of community groups and clinics. Additionally there will be many consumers who will have obtained coverage but dropped off due to financial or other barriers. We believe that community-based enrollment assistance can play a critical role in helping consumers maintain and utilize their coverage. No matter whether the plan moves forward with or without CEs and CECs, there will need to be more than the proposed 135 local on-the-ground agencies. Furthermore navigators are required to assist with Medi-Cal enrollments as part of their duties and as noted previously this work must be compensated. *As such we recommend that Covered CA look to increase the funding allocated to the Navigator program and work with DHCS to identify funds on top of that provided by TCE to compensate the work completed for Medi-Cal enrollments.*
- 4. Implement a compensation plan that supports quality rather than quantity.** We understand the need for performance metrics but caution Covered California staff from creating a model that focuses on enrollment numbers and does not adequately support outreach, education, post-enrollment and retention efforts. It is important to recognize that not every consumer will move from eligibility determination to choosing and paying for a plan. We know from this first open enrolment that many consumers took time before they chose a plan and finally made their first payment. Many CEEs will not receive payment for those who chose not to make their premium payment. This is work that was sometimes complex and took time. *We recommend including CEEs and Outreach and Education (O & E) grantees in developing a financial model for compensation so their experience guides the policy development on compensation. Furthermore, we recommend creating a compensation model and schedule that ensures that every consumer receives excellent customer service and that entities are adequately compensated for their effort.* We offer the following as a suggestion:
- Entities should agree to reach a total number of consumers through outreach/education activities combined and conduct a total number of enrollments and renewals. However, these numbers should not be predetermined but based on the agencies assessment based on actual data such as un-insurance rates, previous experience working with hard to reach populations and the amount of extra outreach/education needed for certain populations. For example, limited-English speaking consumers will take much longer than the estimated two hours it may take for English-speakers.
  - Enrollments and Renewals should be counted as such when eligibility is determined or at least when a QHP is chosen and not wait until premiums are paid.
  - Initial payments should be given up front as proposed.
  - Subsequent payments should be monthly based on a combination of expenditures (based on an approved budget) and activities performed including outreach/education, enrollment and retention.
  - Final payments and success of the program should be realistic and be based on a percentage such as 75% of confirmed enrollment into a QHP (paying the initial premium).

In addition to the concerns and recommendations we have outlined above, we want to acknowledge areas where we are in agreement with Covered California staff along with a few modifications and hope these items are in the final proposal:

- **Navigator Grantee Flexibility in Subcontracting.** We support maximum flexibility for Navigator applicants to choose subcontractors and design their grants to meet the needs of specific populations and regions.
- **Smaller Grant Awards.** Our organizations support the staff recommendation to allow grants starting at \$50,000. Small entities can play a vital role in helping reach the hardest to reach consumers and those living in remote parts of the state. We support any efforts to make participation in the Navigator program available to smaller entities especially those working in rural parts of California. However, we would stress the need to simplify the tracking and reporting process in order to avoid too much expense and time dedicated to a reporting system similar to GPAS.
- **Flexibility within Regional Funding Pool.** We support the recommendation to provide flexibility to target cities and counties within the Regional Funding Pool. We believe that the Regional Funding Pools in the original RFA were far too big and not reflective of the way organizations on the ground actually work. We hope to see smaller, more rational region configurations in the new RFA.
- **Post enrollment & Retention Support with an Emphasis on Health Insurance Literacy as a Navigator Function.** We support the staff's recommendation to incorporate health insurance literacy into post enrollment and retention activities. Collectively with our partners we represent nearly two decades of providing enrollment assistance. What we have learned is that the single most effective strategy to retain Californians in coverage is to educate them about and ensure they are utilizing their coverage. We want to further recommend in order to minimize churning in and out of coverage that information to be provided include where to obtain assistance, how to avoid disenrollment for non-payment, and renewal instructions. Additionally we note that, in our experience, when enrollers take the next step and assist the client in making their first provider appointment, utilization and ultimately retention goes way up. We recognize that Covered California has determined that this function would not be supported by the Navigator Program however; we respectfully request that recommendation be reconsidered.

We hope our insight and experience as organizations and associations with over a decade of statewide experience engaging in outreach and enrollment can assist Covered California as you prepare for the future and continue to improve the consumer enrollment experience. Thank you for your consideration of these comments. If you have follow-up questions or would like to discuss this letter in more details, please contact Suzie Shupe at [sshupe@cchi4families.org](mailto:sshupe@cchi4families.org) or (707) 527-9213 and Sonya Vasquez at [svasquez@chc-inc.org](mailto:svasquez@chc-inc.org) or (323) 295-9372x235.

Sincerely,

  
Suzie Shupe  
Executive Director  
California Coverage & Health Initiatives

  
Sonya Vasquez  
Policy Director  
Community Health councils

Cc: Covered California Board  
Sara Soto-Taylor, Covered California  
Thien Lam, Covered California  
Lezlie Micheletti, Covered California  
Rene Mollow, Department of Health Care Services  
Tara Naisbitt, Department of Health Care Services  
Crystal Haswell, Department of Health Care Services



June 16, 2014

Peter Lee  
Executive Director  
Covered California  
1601 Exposition Blvd  
Sacramento, CA 95815

**RE: Proposed Outreach and Enrollment Program Changes**

Dear Director Lee,

The California Primary Care Association (CPCA), on behalf of our nearly 1,000 community clinics and health centers (CCHCs) and the 5 million patients we serve each year, is writing to provide feedback on the proposed outreach and enrollment program changes initially presented at the May 19<sup>th</sup> California Health Benefits Exchange Board Meeting and further refined at the June 12<sup>th</sup> Marketing, Outreach and Enrollment Assistance Advisory Group Meeting. As the primary care provider for 1 in 8 Californians, 30% of whom are uninsured, CCHCs are incredibly supportive of maximizing the number of Californians enrolling in a program of coverage. Our commitment to enrollment success can be seen not only in the sheer number of CCHCs participating in Outreach and Education Grants or acting as Certified Enrollment Entities (CEE), but also in the completed enrollments our health centers touched. With one in three Certified Enrollment Counselors (CEC) based at CCHCs, our counselors were directly responsible for over 50% of CEC assisted Covered CA plan enrollments.

Since CCHCs are over 70 of the top 150 performing Certified Enrollment Entities (and 7 of the top 10), the recommendations, questions, and concerns we provide today not only reflect a desire for these organizations to continue to lead in outreach and enrollment well into the future, but also a desire to see that all CCHC outreach and education grantees and enrollment entities still have the opportunity to receive the support they need to play an active role in outreach, education, enrollment, and retention. Our comments below articulate a clear message that our future outreach and enrollment program infrastructure must (1) be robust and support enrollment and retention for all Californians (including those that are Medi-Cal eligible), (2) be committed to a “no wrong door” approach to enrollment, and (3) be a flexible design that is inclusive of all communities and committed partners.

Overall, CPCA believes that the outreach and enrollment program changes presented to the Advisory Group last week are a significant step in the right direction. The newest recommendations, for the first time, articulate recognition of the important role outreach and enrollment partners can play in post-enrollment and retention support. Equally important, the new proposal applies a more “local” lens to the Regional Funding Pool. We are very supportive of the multiple grant sizes that foster an outreach and enrollment program design that is tailored to local communities, individual cities and counties. Lastly, we agree with a funding timeline that includes funding allocations at the start of the

grant period. The below comments, framed within Covered CA's current recommendations, further articulate what we believe works well with the current proposal as well as where we believe additional refinement and improvements are still needed:

***Covered CA Recommendation #1: Expand resources to an integrated Outreach, Education and Enrollment Navigator Grant Program***

We support the expansion of resources to create an integrated outreach, education, and enrollment program, but we remain concerned that the proposed funding increase is insufficient. While we acknowledge that a nearly 240% increase in navigator funding is substantial, a funding increase from \$5 to \$16.9 million, absent of any additional funding, will not translate to the robust partnerships that Covered CA intends to create through the funding of 135 lead grantees. Removing the newly proposed \$2.25 million bonus pool, only \$14.65 million is actually available for grant awards. With a thoughtful expansion, Covered California's Navigator Program could be an even greater outreach, education, enrollment, and post-enrollment asset. Thoughtfully expanding the program can assure no "gaps" in regions, maximize the ability to touch target communities, and guarantee the inclusion of Medi-Cal enrollees and mixed program families in the overall outreach and enrollment program.

We recommend expanding support to reflect the following:

- **Increased Number of Lead Grantees**

Recognizing that 150 organizations, many with highly localized touches, were responsible for 80% of all in-person assisted applications and nearly 50 organizations received Outreach and Education grants, it is clear that nearly 200 organizations took lead roles in outreach and enrollment with many more organizations playing important roles as CEEs or Outreach and Education sub grantees. With this in mind, we would recommend overall program funding that allows for all of the nearly 200 organizations to be lead grantees.

- **Support that Reflects Difficulty of Work**

In the proposed funding structure, funding is allocated to grantees based on the number of Covered CA eligible persons they are expected to reach. Additionally, the proposal is based around two significant assumptions: (1) An average of 2 Covered CA enrollees per application and (2) an average application time of 2 hours. To allocate the funding based solely on "number of persons" assisted, and under the above mentioned assumptions, is an oversimplification of the work and fails to recognize the unique challenges of engaging with certain communities and that not all assistance has the same costs. We encourage Covered CA to find a funding algorithm that reflects the difficulty of the work and includes geographical barriers, language, and political barriers/public perception that impact enrollment. Of particular note, our rural health centers' outreach and enrollment programs often cover distances the size of some states. Recognizing that each consumer "touch" costs more money in these areas, we recommend that Covered California revisit the level of financial support that is provided to Navigators and Certified Enrollment Entities that serve primarily rural areas. As has been openly acknowledged, our 1<sup>st</sup> open enrollment period saw the enrollment of the people who wanted to get enrolled, so we now need a structure that supports enrolling those who are difficult to reach or need greater encouragement to participate.

- **Commitment to All Californians**

Californians take pride in the diversity of our families and communities, and our CCHCs pride themselves on providing care and enrollment assistance to all community members. With this in mind, it is problematic that the target population for Navigators is 138% FPL and over in subsidized and unsubsidized Covered CA health plans. As we consider a navigator framework that discourages engagement with our Medi-Cal eligible community members, we are struck by how much this goes against the principles of California’s implementation of the ACA and is contradictory to the “no wrong door” principle and CEC program model in which Covered CA and Medi-Cal enrollment were equally supported. Additionally, our CECs were trained to not make a judgment on a person’s program eligibility before imputing their data on CoveredCA.com and running them through the CalHEERS business rule engine (BRE). For these reasons, we continue to disagree with a funding model that is based solely on Covered CA QHP enrollment targets. Lastly, under the current framework, it will be administratively difficult to separate out and document outreach, education, and enrollment activities that end in QHP enrollment separate from those that end in Medi-Cal enrollment, especially as we consider our mixed program status families.

When considering the structure of a new Navigator RFA, we recommend Covered California rethink the way the “target population” is specified in the RFA. Since CECs are required to assist with enrolling in both Covered CA health plans and in Medi-Cal, being supported financially to enroll a person in one program and not into the other is administratively difficult and serves as a deterrent to the participation of CCHCs whose mission is to serve everyone and turn no one away. We recommend that the new Navigator RFA state that funding is being provided to support enrollment in ALL of the insurance affordability programs and products available through coveredca.com, including both subsidized and unsubsidized health insurance plans and Medi-Cal. With a more comprehensive approach, we can guarantee the “no wrong door” to enrollment. Additionally, we recommend that discussion begin immediately with the Department of Health Care Services, foundations, and other state leadership to address this important issue.

- **Maximized Program Integration**

While we are glad to learn that Covered California will be recommending a model that incorporates post-enrollment and renewal support into the Navigator programming, the recommended program funding does not reflect Covered CA desire to maximize the integration of outreach, education, enrollment, and renewal. Navigator funding should be increased to recognize that the estimated 50,000 consumers will seek out the same trusted community organizations that enrolled them in coverage to inform them on how to use their new coverage and stay enrolled. Similarly, Covered CA should consider retention related activities as counting towards grant targets.

***Covered CA Recommendation #2: Highly encourage Outreach and Education Grantees and Certified Enrollment Entities to apply for the Grant and “convert” to the Navigator model that focuses on enrollment***

With the implementation of the above mentioned recommendations, including sufficient funding, we support the optional conversion of Outreach and Education grantees and CEEs to the Navigator model. Recognizing the challenges that OE grantees faced in the first half of their grant period around

burdensome administrative and documentation requirements we strongly recommend you seek OE grantee feedback to guarantee a smooth “conversion” process. Lastly, the needs of sub-grantees not interested in expanding their work, but interested in continuing with their outreach and education work separate from the Navigator program must be considered

***Covered CA Recommendation #3: Extend Outreach and Education Grantees that do not convert through the end of 2<sup>nd</sup> open enrollment with no additional funding***

Respecting that some institutions are proud to focus their efforts on outreach and education, we support Covered CA’s proposal to allow institutions that do not want to transition into the Navigator program to maintain their Outreach and Education Grantee statuses and continue with their outreach and education activities through the 2<sup>nd</sup> open enrollment period. Recognizing that this will extend the original grant period, we ask that appropriate funds be allocated to support these additional months of work. Lastly, as some sub-grantees may choose to become Navigators with other partners, a primary OE grantee that opts not to convert should still be allowed to continue with their outreach and education work even if their sub-grantee network has narrowed.

***Covered CA Recommendation #4 and #5: Continue Certified Enrollment Entities Program through the end of 2<sup>nd</sup> open enrollment and continue CEE Program as uncompensated Certified Application Counselor after 2<sup>nd</sup> open enrollment***

We support continuing the Certified Enrollment Entity program through the end of the second open enrollment period but disagree that entities must, or should, convert to an uncompensated model at the end of the 2<sup>nd</sup> open enrollment period.

As we have shared before, while we appreciate the capacity of the Navigator program to seamlessly combine education, outreach, and enrollment, we know that a grant –based program is not the right fit for all organization types. We support a hybrid program that allows CEE/CEC infrastructure to exist side-by-side with the Navigator program so that meaningful partnerships can be built between Navigators and experienced CEE/CECs. By providing additional funding to support this infrastructure, current Certified Enrollment Entities that are not good candidates or do not desire to become Navigators can maintain their enrollment functions and continue to receive financial support to incentivize their outreach and enrollment activities. Additionally, considering the many unknowns regarding future outreach, enrollment, and retention needs, the CEE/CEC infrastructure, coupled with the Navigators program, will allow for greatest overall program flexibility and the greatest number of CECs able to assist Californians enrolling in health coverage. As we evolve the program, we recommend that the pay-per-application system continue with financial support that reflects the complexity of the work and need for retention assistance. Lastly, Covered California could meet the federal requirements to have a Certified Application Counselor program in other ways. For example, the CAC program could be seen as an option for new organizations looking to first engage with outreach and enrollment.

**Recommendations for Improving Grant Application Process and Maximizing Operational Success**

In addition to our comments on the core program change recommendations, there are a number of additional operational recommendations we would like to bring to your attention that, in tandem with the above suggestions, could improve the grant application process, maximize CEE and OE Grantee participation, guarantee program flexibility, and maximize enrollment success.

- **Providing Grant Application Assistance**

We recommend that the grant application be modified and application assistance be provided to maximize applications from small institutions, such as free and community clinics and cultural and ethnic organizations. In addition to application assistance, and recognizing the short turnaround time being proposed for applications, we ask that Covered CA work with current OE grantees and Certified Enrollment Entities to identify and publish the names of organizations interested in creating formal partnerships and joint applications. Lastly, we recommend Covered CA partner with statewide associations and key outreach and enrollment stakeholders to get feedback on the RFA before it is released and market the Navigator opportunity.

- **Further Detailing Request for Application (RFA) Timeline**

CPCA continues to be concerned with the overall Navigator RFA timeline. In the current timeline, little detail is provided with regards to the onboarding of Navigators. Considering the problematic onboarding of CECs that plagued too much of our first open enrollment period, we are very concerned with what appears to be just a two-three month onboarding period. Plans need to be in place now to design training, with stakeholder engagement, in July and begin “conversion” training in August. Lastly, recognizing that not all staff will have previously been a CEC or OE staff, processes must be in place to do timely background checks of all new personnel.

- **Maximizing Program Flexibility through the RFA Process and Funding Allocations**

While we are glad to see that the most recent proposal includes grantee flexibility in choosing subcontractors, we request greater overall flexibility for organizations to design programs that are right for them, their partners, and community.

With this in mind, applicants seeking “local” funding should be permitted to apply as single entities or as partnerships or coalitions on joint applications. The program should not be structured in such a way as to all but require joint applications, as were the Regional and Targeted pools in the original Navigator RFA. For entities with limited resources, forging the necessary relationships, writing joint applications, and performing activities under a partnership structure can be administratively and operationally burdensome. This funding option will create greater flexibility, recognize the unique reach of organizations, and include more manageable targets.

To guarantee a program design that recognizes the unique needs of each lead grantee, partnership, and target region or group, the “suggested funding allocations” of 15% for administrative support; 10% equipment; 25% outreach, education, and media; 30% enrollment; and 20% post enrollment assistance is far too restrictive. While we support asking Navigators to use funding for these broad categories, we request that Covered CA not dictate what % of funding needs to be used for each of these categories. Working with each Navigator grantee, we recommend that a unique budget be created that is individualized to that grantee’s target population.

- **Improving Payment Timeline and Performance Monitoring**

The current payment timeline must be modified to recognize that the bulk of the work and costs will occur at the start of the grant period. We appreciate Covered CA's commitment to pay a portion of the funding awarded at the start of the grant period, but we do not believe the 25% proposed will be sufficient to allow for the timely onboarding of any new staff, administrative burdens of program launch, costs of partnership development, and early outreach and media that will be needed to drive a successful 2<sup>nd</sup> open enrollment. With this in mind, we strongly encourage that at least 50% of the grant be awarded with the completion of work plan/strategy.

Additionally, considering the ongoing CEC dashboard issues and the multi-month delay between application completion and CEE payment, we are very much concerned with a payment structure that relies completely on meeting enrollment goals. With this in mind, we encourage that funding be tied to the calendar. For example, 15% in December, 15% in January, and the remaining award be given upon completion of overall target.

## Conclusion

We thank Covered California for taking the time to consider the thoughtful feedback we provided here. These comments reflect the diversity of our membership and the diverse outreach, enrollment, and retention needs of our communities. The more we engage with our members on these proposed changes, the more we appreciate that the current program change timeline may simply be unrealistic and detrimental to the overall outreach and enrollment infrastructure. We hope you will continue to consider this as you move forward. As we consider the suggested program change advantages – creating a program that targets those that are yet to enroll, reducing administrative burdens, and scaling up the Navigator Grant Program – we hope you will see our recommendations as key to this vision. We, lastly, want to take this time to again stress the need for ongoing stakeholder engagement as you consider program changes and move into implementation.

Please feel free to email Beth Malinowski at [bmalinowski@cpc.org](mailto:bmalinowski@cpc.org) with any questions or to continue this important dialog.

Sincerely,



Carmela Castellano-Garcia  
President and CEO  
California Primary Care Association

Cc: Covered California Board  
Sarah Soto-Taylor, Covered California  
Thien Lam, Covered California  
Lezlie Micheletti, Covered California  
Rene Mollow, Department of Health Care Services  
Tara Naisbitt, Department of Health Care Services  
Crystal Haswell, Department of Health Care Services

**From:** Merrill Buice [<mailto:mbuice@sfccc.org>]

**Sent:** Wednesday, June 18, 2014 11:09 PM

**To:** Micheletti, Lezlie (CoveredCA); Soto-Taylor, Sarah (CoveredCA)

**Subject:** Comments on the Proposed Navigator Program from the San Francisco Community Clinic Consortium

**Comments from the San Francisco Community Clinic Consortium  
on Covered California's Proposed Navigator Program  
June 2014**

1) Additional Funding is Needed for the Proposed Navigator Program: We agree that an expansion of the Navigator grant program is highly desirable. However, the current proposal does not have sufficient funding and will leave too many groups, particularly community clinics, without any funding for these crucial activities. We appreciate the recent changes in the proposal to lower the minimum grant size and decrease the number of required new enrollments for a proposal to be considered. We also fully support Covered California's decision to accept proposals from smaller geographic areas, such as cities and counties. However, there will still be a very limited number of grants, and with selection based primarily on the number of new enrollments the entity can submit, many organizations will not be funded. In addition, larger organizations will have no incentive to share the funding with smaller groups that might be better able to reach the real target populations.

The proposed payment schedule does not provide sufficient funding early in the grant to assure the success of the program. More funding is needed up front to assure staff are ready to fully implement the program. If organizations request any funding for media, it should all be provided at the beginning of the grant, in addition to the other up-front funds. Purchasing radio or other media time should occur as early as possible, and certainly before open enrollment begins.

We encourage Covered California to significantly increase the funding available for the Navigator program.

2) Maintain Funding for Certified Enrollment Entities Beyond 2015: We do not support the elimination of the \$58 funding for applications submitted by Certified Enrollment Counselors (CECs) after the 2014-15 open enrollment period. It is crucial that Certified Enrollment Entities (CEEs) and their CECs continue to be paid for new enrollments in the 2015-16 open enrollment period, and beyond. Healthy Families continued to provide payments for new applications for years, until the program was very well established. Covered California should not abolish their payments after only two open enrollment periods. The Navigator grants will not be sufficient to reach all the people who need to enroll, and there still need to be incentives for organizations to keep their staff trained and ready to help people with the time-consuming application and health plan selection process.

3) Renewals Should Be Prioritized: Covered California should focus on renewal activities and continue funding CECs to assist people with the renewal process. There are many non-English

speaking Covered California participants who do not have access to a computer and who will need in-person assistance with the renewal process. These payments are especially critical during the first few years, so that CECs have the incentive to contact those people they helped with the initial enrollment and schedule appointments for them to renew. Given the short open enrollment period, if people fail to renew, they will be without coverage for an entire year, and Covered California will not receive their much-needed premiums.

Relying on the health plans to assist with the renewal process is misguided and inappropriate, since most health plans do not offer in-person assistance in numerous languages in all their communities. In addition, many participants may want to change plans after the first year. It may put the participant in an awkward position to have to ask one plan about another plan's network. Since CECs are not allowed to steer patients, and do not work for a health plan, they are the best people to assist with the renewal process.

For the proposed bonus pool to reward Navigator grantees that exceed their proposed enrollment targets, we propose that renewals in Covered California health plans should be included in the award criteria. While we understand the importance of new enrollments, retention should receive equal focus, since these early applicants will form the backbone of Covered California's long-term financial sustainability. If renewals are included in the criteria for the bonus pool funds, Navigators will have greater incentives to complete more renewals.

4) Funding for Medi-Cal Enrollments Should Be Secured: Covered California should collaborate with DHCS to be sure Medi-Cal eligible enrollments and renewals are encouraged, and CEEs are paid for this work. While we recognize that Covered California must focus on their own sustainability, many current and future Covered California participants will also access the Medi-Cal program as their income fluctuates. In order for Covered California to be sure these people can remain insured and enroll in Covered California as soon as they are eligible, there should be greater collaboration and funding for the crucial enrollment work with the Medi-Cal eligible population. Covered California should work aggressively to seek additional funding for these efforts.

5) Prioritize Development of CEC Refresher Training & Deployment Should Begin in August: In order to assure a successful Navigator program and to maximize enrollments and renewals facilitated by the remaining CECs, the refresher training should be available by mid-August. Enrollment Entities and Navigators must have their staff trained and ready for the Fall open enrollment period. Many of the staff to be trained have additional job responsibilities within their organizations, and they cannot all take the training on October 30. Organizations need to be able to stagger their staff time for the training so other operations are not disrupted. Given the late release of last year's training and the inadequate content which did not address any real enrollment scenarios or issues, we strongly encourage Covered California staff to work with the Master Trainers and major CEEs to review the training before it is implemented. If there is a final exam at the end of the training, we strongly encourage some focus group testing of the exam to be sure it is sensitive to the CECs who do not speak English as a first language. Finally, should the training be delayed or other implementation problems occur, we urge Covered

California to provide flexibility in the payment schedule for the Navigator grants. If entities cannot get their staff trained and certified in time, and therefore, fail to meet their first enrollment targets, they should not be penalized financially for Covered California's failure to implement the refresher training.

Thank you for your consideration of these comments. We look forward to continuing to work with Covered California to maximize enrollment and retention in the wonderful new health insurance programs.

Please let me know if you have any questions, or would like any additional information.

-Merrill

Merrill Buice  
Director, Health Care Coverage & Access  
San Francisco Community Clinic Consortium  
E-mail: [mbuice@sfccc.org](mailto:mbuice@sfccc.org)  
Website: [www.sfccc.org](http://www.sfccc.org)

CONFIDENTIALITY NOTICE: This e-mail and any files transmitted with it are the property of San Francisco Community Clinic Consortium, are confidential, and intended only for the named recipient(s) above. If it has been sent to you in error, please notify the sender at 415-355-2234 and delete this message immediately from your computer. Any other use, retention, dissemination, forwarding, printing, or copying of this e-mail is strictly forbidden. Thank you for your consideration.

**From:** Srija Srinivasan [ssrinivasan@smcgov.org]

**Sent:** Monday, June 16, 2014 12:40 PM

**To:** Micheletti, Lezlie (CoveredCA)

**Cc:** Autumn Ogden; Suzie Shupe; Soto-Taylor, Sarah (CoveredCA); Marmi C. Bermudez

**Subject:** Feedback on In-Person Assistance Program Recommendations, Follow-up from 6/12 Advisory Committee Meeting

Dear Lezlie,

I write to offer feedback on the proposed changes to the In-Person Assistance program as a member of the Marketing, Outreach and Enrollment Assistance Advisory Committee and as a leader of one of Covered California's top 150 Certified Enrollment Entities.

I appreciate the efforts that Covered California staff are undertaking to understand the learnings from the first open enrollment and evolve and improve efforts as quickly as possible in preparing for the next open enrollment season. From the data presented at the June 12 Advisory Committee meeting, and the discussion begun at the May Covered California Board meeting, I laud Covered California's interest in targeting its resources to the areas that can yield the greatest collective enrollment results. I also appreciate CC's commitment to reducing its own administrative costs and directing as much resource as possible to the "on the ground" capacity that is needed. I am concerned, however, that the level of operational and programmatic changes that Covered California expects to achieve without sufficient enlistment of the key entities that will continue to be needed as community-based partners will not produce the desired results.

Overall, my recommendations for the next steps are as follows:

-- Continue to look for opportunities to unify the outreach and education and in-person assistance efforts as much as possible with the tools and resources Covered California has. There has been consistent feedback that further unification of these elements of the enrollment continuum and greater collaboration at the community level are desirable. I urge Covered California to look for ways to encourage such alignment as the outreach and education grant program sunsets and participating entities seek opportunities to continue to contribute to Covered California's success in connecting Californians to health insurance.

-- Delay making whole-scale changes in the CEE/CEC program until after the next open enrollment. The ramp-up, training, certification and CalHEERS support issues have been significant in supporting this on-the-ground workforce. The stratification of results presented at the Advisory Committee meeting underscores a need to better understand what is working, what is not working and how success can be maximized at the CEE and CEC levels with appropriate support from Covered California. I was pleasantly surprised to learn that we are among the top CEEs after the results were released after the Advisory Committee meeting and believe that we have much to learn from colleague entities across the State as we are in the midst of our own local analysis of lessons learned and adaptations we want to make, in partnership with our County Human Services Agency, the agent/ broker community, and other key local partners of varying size and capacity. We very much value the partnerships we have locally, with a range of community-based organizations that have developed trust with key populations and know that we very need the continued participation of small, grass-roots

organizations for whom the existing Covered California compensation structures and administrative requirements have been difficult to manage within. I worry that rolling out a new grants program with all that will entail of Covered California staff capacity and the time of leaders of CEE and Outreach/Education entities across the state will divert us from learning and adapting at a ripe time. Instead, Covered California could continue to assess first-year results, enlist partners and support efforts to address they key areas that can be improved -- CalHEERS, CEC training and certification, reconsidering the appointment of CEC master trainers at the community level, opportunities to streamline the enrollment process, opportunities to allow flexibility at the local level among entities that would like to further collaborate -- and serve as catalysts and supports to efforts that help us be more ready for open enrollment 2014-15.

-- As a subset of the above point, it is not clear from the data presented, what aspects of the in-person assistance program are most needed to reach and assist the hardest-to-reach consumers. Covered California made important and necessary course corrections in its marketing and in-person assistance focus targeting Latino consumers during early 2014 and it appears that some of these contributed to the increased effectiveness in reaching this important group of Californians. To the extent that there are components of the existing in-person capacity that made a material difference, it would be disappointing to inadvertently reduce such capacity through large program design changes that narrow the universe of compensated Covered California partners.

-- Further detail how Covered California expects to continue to partner with DHCS in best serving the Medi-Cal population through the jointly developed infrastructure embedded in the in-person assistance program. I understand and respect Covered California's focus in reaching its respective market. However, given the role of the CEE/CEC workforce in reaching Medi-Cal participants and the reality of the overlap in target populations among Californians whose incomes fluctuate between Medi-Cal and CC eligibility, as well as the many California households that include members with a mix of Medi-Cal and CC eligibility, it would be helpful to better understand how the CC/DHCS partnership in this arena will best sustain the same or better level of results in overall enrollment, as well as CC enrollment. Achieving CC's long-term goals requires intentional and sustained attention to the many components of creating a "culture of coverage" and "no wrong door."

As I relayed during my verbal comments at the Advisory Committee meeting, I agree with the rationale of the recommended changes to further unify the outreach and enrollment assistance components, and agree that the navigator structure is the right direction to pursue. However, in further considering the specifics of the changes proposed, I urge Covered California to engage in deeper learning from its first year results in partnership with the many entities it has enlisted and will continue to need at the community level across California rather than adopting large-scale changes at this time.

thank you and regards,  
Srija Srinivasan



1918 UNIVERSITY AVENUE, 2ND FLOOR  
BERKELEY, CA 94704  
GREENLINING.ORG



June 16, 2014

Sarah Soto-Taylor  
Deputy Director, Community Relations  
Covered California  
1601 Exposition Blvd  
Sacramento, CA 95815

### Comments on the Recommended Navigator Grant Program

Dear Ms. Soto-Taylor

The Greenlining Institute is writing to provide comments on the staff recommendation for the Navigator Grant Program, discussed during the Marketing, Outreach and Enrollment Assistance Advisory Group Meeting on June 12, 2014.

From February to May of 2014, The Greenlining Institute conducted stakeholder interviews with outreach and education grantee organizations and certified enrollment counselors in Los Angeles and Fresno Counties. Additionally, in 2013, we educated over 5,000 people on the ACA and Covered California in partnership with community-based organizations, small business owners and safety net institutions; event participants completed surveys. We utilized the data collected from these interviews and surveys to develop a policy brief, which will be released later in June. Our comments on the recommended Navigator Grant Program are based on the findings from the stakeholder interviews and community surveys.

#### Integrated Model Approach: Policy Considerations

We agree with the staff recommendation to expand resources to an integrated Outreach, Education and Enrollment Navigator Grant Program. In talking with both outreach and education grantees and certified enrollment counselors, they all identified streamlining the two programs as a possible solution to improving communication, increasing enrollment, and providing adequate funding for activities. Certified enrollment counselors often provided both education and enrollment services despite only being paid for the latter, and it often took multiple meetings—sometimes at multiple locations—before a newly eligible consumer was ready to enroll. By having outreach and education grantees working more

**Greenlining Coalition:**

Allen Temple Baptist Church  
American G.I. Forum  
Anewamerica  
Asian Business Assn.  
Asian Inc.  
Asian Journal  
API Small Business Program  
Black Business Assn.  
Brightline Defense Project  
California Black Chamber of Commerce  
California Hispanic Chambers of Commerce

California Journal for Filipino Americans  
California Rural Legal Assistance  
Chicana/Latina Foundation  
Community Child Care Council  
Community Resource Project  
Council of Asian American Business Assn.  
El Concilio of San Mateo County  
Ella Baker Center for Human Rights  
FAME Renaissance  
Fresno Metro Black Chamber of Commerce  
Greater Phoenix Urban League

Hispanic American Growers Assn.  
KHEIR Center  
Korean Churches for Community Development  
La Maestra Family Clinic  
Mentoring in Medicine Science, Inc.  
Mexican American Political Assn.  
Mission Housing Development Corporation  
Mission Language & Vocational School  
NaFFAA  
OCCUR  
Our Weekly

Precinct Reporter Group  
Rising Sun Energy Center  
Sacramento Observer  
SF African American Chamber of Commerce  
San Francisco Housing Development  
Search to Involve Pilipino-Americans  
Southeast Asia Comm. Center  
TELACU  
Time for Change Foundation  
Ward Economic Development corp.  
West Angeles CDC  
West Coast Black Publishers Assn.

**Board of Directors:**

Orson Aguilar	Yusef Freeman
Rosario Anaya	Ortensia Lopez
Robert Apodaca	Darlene Mar
Jessica Buendia	Olga Talamante
George Dean	Tunua Thrash
Alfred Fraijo, Jr.	
<b>Executive Director:</b>	Orson Aguilar
<b>Chief Operating Officer:</b>	Preeti Vissa
<b>General Counsel:</b>	Samuel S. Kang
<b>Directors:</b>	
Stephanie Chen	Michelle Romero

directly with certified enrollment counselors, organizations will have the opportunity to combine their education and outreach efforts, creating a more holistic approach to enrollment and retention activities.

In addition, we agree with the recommendation to allow organizations to spend grant funds on storefronts and media spending. Communities of color and limited English proficient communities rely heavily on getting information from trusted community resources, including local small businesses and ethnic media outlets. By allowing grantees to use these outlets as ways to advertise and promote Covered California, grantees will have the opportunity to utilize known trusted resources in the community and make sure promotional materials are culturally and linguistically relevant for the targeted community.

### **Compensation Model and Performance Monitoring**

Our research indicated that inadequate funding levels were one of the top most common issues experienced by both outreach and education grantees and certified enrollment entities. In fact, outreach and education grantees said it was difficult to adequately hire, support and train outreach and education specialists given the grant restrictions. Certified enrollment counselors offered similar feedback. All of the enrollment counselors we spoke with said the \$58 reimbursement fee for each completed application was unrealistic given the amount of time needed to complete applications and that the compensation did not accurately reflect all of their work. Estimates of the time needed to complete an application ranged from 30 minutes to three hours or more, depending on family size, whether the applicant understood health insurance, and his/her medical needs. All interviewees agreed that the compensation was inadequate considering these variations.

Moving to a grant based system should help in remedying the problem with compensation. We would however encourage Covered California to work with outreach and education grantees and certified enrollment entities to determine an adequate amount for funding before finalizing the compensation model. It is unclear if the recommended grant levels provide an adequate amount of funding to conduct all activities required under the Navigator Grant Program. Furthermore, we would strongly encourage reevaluating the performance monitoring and payment structure recommendation.

As discussed, one of the largest barriers for organizations to effectively participate in the outreach and education program and as a certified enrollment entity was the inadequate compensation for the work. Another barrier for organizations to even apply to participate was the lack of upfront funding to help with the administrative costs of getting the program off the ground. Providing 25 percent of payment once the work plan has been complete is a big step in the right direction to ensuring that those organizations with smaller infrastructures are able to participate. However, the payment structure beyond that initial payment could create barriers for organizations to continue to conduct the necessary outreach, education, and enrollment activities.

Since performance measurements and payments are tied to the effectuation of coverage for consumers, we would recommend further breaking down the amount awarded so that there is an opportunity for compensation between the beginning of the grant and at the

point of reaching 50 percent of the enrollment goal. We would also recommend that other criteria be incorporated to demonstrate the value of the outreach and education activities. Last, we would highly recommend reevaluating the decision to attach 20 percent of a grantees final payment to reaching 100 percent of their enrollment goal. While we agree with the intent of this recommendation, to ensure that grantees are meeting their established target enrollment numbers, this could deter some organizations to want to participate out of fear that they would not receive funding for activities they have already completed. We would recommend reducing the percentage of this final payment and creating a structured payment schedule that outlines how much of the percentage of payment organizations will get if they do not reach their target enrollment goals but have reached the goal beyond the 80 percent target.

Overall we believe that Covered California is moving in the right direction to ensure successful enrollment for the next open enrollment period. We think this new structure will help in allowing grantees to tailor their outreach, education, and enrollment activities towards the specific population they are targeting, which will help in reaching some of those communities that experienced barriers to enrolling during the first open enrollment period. Thank you for considering these comments.

Best,



Carla Saporta  
Bridges to Health

CC: Peter Lee, Executive Director, Covered California  
Covered California Board Member

June 16, 2014



Peter Lee, Executive Director  
Covered California  
1601 Exposition Blvd.  
Sacramento, CA 95815

**RE: Comments on Staff Proposal for Enrollment Assistance Programs**

Dear Mr. Lee:

United Ways of California, the state association for 34 local United Ways, lead agency for eleven local United Ways participating in an Outreach and Enrollment grant and a certified enrollment entity with nine part-time enrollment counselors, is writing to comment on the proposal under consideration for future enrollment assistance.

As an Outreach and Education grantee, we have reached more than 338,000 people, 80% of our overall goal. Our enrollment counselors have submitted almost 300 applications over the past few months, rankings us at #226 among enrollment entities, according to Covered California's calculations. Based on this experience, we respectfully submit our comments.

We want to thank Coverage California for moving quickly to determine next steps, while at the same time, we are concerned that there has not been enough time to fully vet and understand the data and analysis used to determine these next steps. We are all in the early stages of understanding.

**A. Key operational and policy considerations**

After participating in the Advisory Group meeting on June 12<sup>th</sup>, it is evident that currently there are just as many questions as answers. While in an ideal situation a decision might best be put off until after the next open enrollment, we also understand that some decisions need to be made. But, we encourage Covered California to acknowledge that decisions may need adjustment and reconsideration as you proceed. Adjustments were made throughout the Outreach and Education grants, strategies and goals adjusted and the same can be expected in the first year of the navigator program. There is much to be learned.

i. Data Evaluation:

- a. We find the data provided on the CEEs to be interesting although limited in the number of conclusions that can actually be drawn with certainty. We hope that a broader range of data is evaluated, including the various strategies, full-time versus part-time staff, outreach and education grantees' event types, geographic distribution of events, previous insurance status, and the presence of highly motivated versus hard to

convince consumers.

- b. We have learned that many elements go into finalizing an enrollment: number of touches by advertising, media, local organization outreach, consumer motivation such as preexisting condition, etc. We also know that many people talk to a Certified Educator (CE) in the community and later enroll online by themselves. Surveys or data on how this all affects overall enrollment is needed. We know that many people who enroll online call for questions during or after the process and never indicate a CE on the application.
  - c. Additionally, we encourage you to look more closely at the Certified Enrollment Entity (CEE) performance by regions, by rural versus urban, by population concentration and number of uninsured per population. Basing and judging goals and performance on total number of enrollments alone overlooks the hard to reach, rural, and more conservative populations, which in actuality are more costly to enroll, but crucial for overall success. It is hard to compare a health focused grantee that directly serves motivated or sick consumers with a CBO that can reach consumers that may not even be thinking about health coverage. Both are needed. We know from our work in large and rural counties like Riverside, Kern, Humboldt, that extraordinary efforts which require more time and travel are needed to reach, educate and successful refer or enroll.
  - d. Overall, we support the integration of programs. It has been concerning to us as outreach and education grantees to lack the ability to fully measure our effectiveness by directly linking all the outreach and education efforts to enrollment. An integrated program would allow us to do that, by evaluating the amount, type and frequency of outreach that turn into enrollments. By performing both functions or working in close collaboration with others who perform one function, we should be able to evaluate what are the best, or at least promising, practices.
- ii. Smaller grants: We support the new recommendation of allowing smaller grants, especially to reach the rural and hard to reach populations. We know that smaller, well-known organizations are often the most effective outreaching to and enrolling qualified prospects.
  - iii. Value of Outreach & Education: Our assumption is that the next 500,000 consumers may be more challenging to find and enroll than the first million. Outreach in communities will continue to be crucial. We recommend that Covered California guard from undervaluing this work. According to the proposed budget guidelines, it appears you are not at this point. But, until we know from further research that the 41% of self-enrolled consumers did not access any help either before, during or after the enrollment, we question whether any assumption that states 41% of people did not need help or assistance.
  - iv. Flexibility - Subgrantees and Collaboration: We appreciate and support the

encouraged collaborative approach. The recommendation that future grantees would have the flexibility to either fully integrate the outreach and enrollment functions within their own organization or collaborate with other organizations that excel at one function over the other is very useful. Some of our United Ways are very effective in outreach and partner closely a separate enrollment entities. They may be able to form even greater partnerships under this design. At this point in Covered California's programmatic evolution, flexibility to develop best practices is needed.

- v. Flexibility - Regions: We fully support allowing targeted county or city strategies within the Regional Funding Pool. United Ways of California did not apply for the navigator RFP because of the level of funding and the strict regional requirements. The identified regions did not work for us, so having flexibility to serve part of the regions is welcomed. We would recommend this flexibility be allowed between regions, not just within a regional funding pool. Many statewide organization have affiliates in several regions, we would need the flexibility to design targeted county strategies that work best.
- vi. CEE program: We agree with the recommendation to extend the CEE/CEC program until end of open enrollment but hope that new grantees can also continue to be CEEs and contract or employ CECs who may not be part of the new grant, either because they are not affiliated with a local partner in new grant or are in a county not served by new grant.
- vii. Conversion from O&E to Navigator: We agree with allowing an option for current grantees to convert to being a Navigator grantee. Our questions are: 1) is the funding from the O&E restricted in its use or flexible within the guidelines of the navigator grant? 2) Is there flexibility on how a grantee integrates the funding into the navigator grant?
- viii. Storefronts: We are not clear why this strategy would be encouraged rather than just allowed. This implies some preference might be given to employing this technique. While worthy of exploration, it could be expensive and just as effective would be the co-branding with current organizations, clinics, chambers, etc. to allow the Covered California signage but remaining a location and entity that is known and trusted in the community. If a grantee were to co-locate with a retailer, that grantee should be allowed to promote both their logo as well as the Covered California logo. In our experience doing outreach at events and others locations, many times it is the United Way logo that initially attracts the consumer.
- ix. Loss of capacity: After a year of great efforts to get willing folks to become certified, it would be a huge lose if most were eliminated. We would recommend looking at different options for how grantees or other CEE organizations could become umbrella organizations to encapsulate the CECs at least while the CEE program exists through open enrollment.
  - a. Could a navigator grantee be a CEE as well, keeping CECs on until the end of open enrollment or such time as they are integrated into a grant?

## B. Compensation model

- i. Bonuses: We strongly recommend against a bonus structure based on enrollments. This will cause several problems and not serve Californians well. It will incentivize setting lower goals, setting up an internal quota system and it would definitely incentivize grantees looking for the least complicated, most motivated customers and possibly speeding through applications rather than ensuring all customers and their families are well served. This will lead to poor or limited service for the prospects who may have greater needs, more family members, chronic illnesses and other factors that would slow down an enrollment process.
- ii. Total Grant Pool: We appreciate the recognition by Covered California that the original \$5 million grant pool was insufficient and hope that the increase to \$16.9 million will bring the desired results.
  - a. However, we strongly recommend rolling the \$2.25 million bonus pool into the total grant pool so the total grant pool is \$19.15 million.
- iii. Overall Goals versus Compensation: The recommended goal structure is somewhat concerning simply due to the lack of extensive research.

## C. Post enrollment and retention support

We applaud the recognition of the need for post enrollment and retention support. As was learned in the Healthy Families Program, consistent efforts are needed after enrollment to encourage utilization and retention. Without utilization of preventive care, consumers, especially the healthy ones needed for the risk pool, do not fully learn the value of coverage. The time needed for post enrollment customer service and retention support needs to be considered when setting realistic enrollment goals. We cannot count on fear of penalty or the work of the health plans to be the sole contributors to successful retention.

## D. Performance Monitoring and payment schedule

- i. Goal Setting: While we understand that Covered California's primary consideration is enrollment into the qualified health plans, we must all strive to create the "no wrong door" to health coverage that would serve anyone who walks through it. We must acknowledge the number of mixed families and lower income consumers who will be positively affected by the outreach, advertising and increasingly by word of mouth as more and more folks are gain coverage. Therefore, we recommend that Covered California set goals for enrollment into QHPs that acknowledges that certified staff will be occasionally helping Medi-Cal qualified consumers as well. We know that the focus and strategies we set must be targeted to QHP-eligibles, but the reality is that we are often surprised at the number of people that end up as Medi-Cal qualified. At public events, or in your proposed storefronts, we must serve the people who show up or walk in the door.
- ii. Renewals: It is more cost effective to keep a customer than to have them churn in and out of coverage. We want to encourage retention rather than have to

write a new application. Therefore we recommend that renewals somehow be part of the overall goal, possibly as one-fourth of the goal. This recommendation would take more thought than time currently allows.

- iii. Payment Schedule: We appreciate the proposed start up payment, which will hopefully enable grantees to hire and start the work. However, we recommend that there be an earlier payment rather than waiting till 50% of goal is met. One option would be more regular payments, starting when grantees meet 25% of goal, then 50%, 75% and final payment when they meet 100%. Another option would be to pay part of grant five times: Oct 1 (25%), Dec 1 (20%), Feb 1 (20%), Apr 1(20%), and final payment (15%) at end of grant. This would allow for goals to be evaluated with more frequency and adjusted up or down as needed. Either way, waiting till 50% of goal is reached seems too long a time span for most organizations.

## E. Administration

The guideline of 15% of grant funds spent on Administration may be doable as long as the recent changes in the administration of outreach and enrollment grants carries over to the new navigator grants. We want to thank Covered California for the recent changes to reporting and administrative requirements in the Outreach and Enrollment grants. We are extremely pleased at the streamlining of GPAS and the lessening of reporting requirements which up until now has prevented our grant administrator from spending the time where she should- with the field staff improving performance. We sincerely hope this change is indicative of the reporting requirements in the upcoming navigator grants.

We hope that these comments are helpful as Covered California makes final decisions on the future of the enrollment assistance programs. As always, we would be pleased to discuss these comments further and assist with your planning efforts. If you have questions, please contact me at [jdarnell@unitedwaysca.org](mailto:jdarnell@unitedwaysca.org) or 877-355-8922 ext. 2.

Sincerely,



Judy Darnell, Director of Public Policy  
United Ways of California

C.C. Sarah Soto-Taylor  
Mary Watanabe  
Dr. Robert Ross  
Kimberly Belshé  
Susan Kennedy  
Paul Fearer  
Secretary Diana S. Dooley



May 23, 2014

Mr. Peter V. Lee  
Executive Director  
Covered California  
1601 Exposition Boulevard  
Sacramento, California 95815

*RE: Outreach and Education Grant Program*

Dear Mr. Lee,

As the Covered California Board and its staff begin discussions about the marketplace's budget for 2015, we are writing to discuss the current Outreach and Education Grant Program. Our three organizations have been grantees of this program since July 2013 and are out on the ground every day educating the state's small business owners about Covered California. While this program is currently slated to end as of December 31, 2014, we urge you to include funding for outreach and education in your budget for 2015.

The small business community in California is large and diverse. There are 700,000 small business owners in California with 50 employees or fewer which collectively employ 7.2 million people. Plus, there are 2.6 million self-employed entrepreneurs. That is a grand total of 10.5 million Californians that either work for or own a small business. Our three organizations are using business channels to reach those 10.5 million people and educate them about the new health coverage options available in Covered California. This includes working through local chambers of commerce, trade associations, buy local groups, downtown partnerships, ethnic business organizations, Small Business Development Centers and many other groups with small business owner members.

To date, we have collectively educated almost 93,000 employers and conducted outreach to more than 1.3 million. And while we have a strong focus on the Small Business Health Options Program (SHOP), we are also educating employers about coverage options in the individual marketplace and Medi-Cal. We recognize that only about half of small employers offer health coverage, but all employees are required to have health insurance. These workers are likely to turn to their employers for information about where to get coverage. What's more, self-employed entrepreneurs are eligible to purchase coverage in the individual marketplace, not SHOP, and many are even eligible for subsidies. That is why it is so vital that small business owners know about all coverage options available in Covered California and Medi-Cal.

All of our organizations have a strong field presence with staff meeting employers and employees on a daily basis. We are holding workshops, speaking at conferences, conducting webinars, attending festivals and even visiting small business sites. At all of these venues, our staff members discuss all the options Covered California offers for employers, employees and their families. We distribute

collateral material and collect contact information from individuals who may want to enroll in coverage. We regularly invite Certified Enrollment Councilors and Certified Insurance Agents to attend our events as well to help facilitate enrollment, on-site in real time. This process has been especially successful in enrolling individuals in Medi-Cal and the individual marketplace.

Our groups have developed a strong model for outreach by working closely with each other, the agent community, enrollment entities, Covered California staff, and SHOP administrator Pinnacle Claims Management, Inc. And while Covered California has already had a very successful 2014, there is much more work to do in the employer community. In particular, 2015 will be a key year for small businesses and their employees. The majority of small groups are currently enrolled in plans that do not comply with the Affordable Care Act (ACA). California is currently considering legislation that would result in a large number of small firms purchasing ACA-compliant plans in the fall of 2015. Small business owners will need as much information as possible during this time to help them navigate the new ACA options. Employers will need to understand the ins and outs of Medi-Cal eligibility, Covered California premium and cost-sharing assistance, SHOP tax credits and other tax incentives to make sure their employees are not only covered, but are covered under the most affordable option.

As you consider your budget priorities for 2015, we urge you to consider extending the Outreach and Education Program for the small business community. The outreach work we are doing is making a difference and will continue to be important going forward to help boost health insurance coverage in California.

Thank you for your consideration.

Sincerely,

John Arensmeyer  
Founder & CEO  
Small Business Majority

Pat Fong  
President & CEO  
California Asian Chamber of Commerce

Alice Perez  
President & CEO  
California Hispanic Chambers of Commerce



1415 L STREET  
SUITE 850  
SACRAMENTO, CA 95814  
916.552.2910 P  
916.443.1037 F  
CALHEALTHPLANS.ORG

June 4, 2014

Mr. Peter Lee  
Executive Director  
Covered California  
1601 Exposition Blvd  
Sacramento, CA 95815

VIA ELECTRONIC MAIL: [info@covered.ca.gov](mailto:info@covered.ca.gov)

**Re: Special Enrollment Periods**

Dear Mr. Lee:

The California Association of Health Plans (“CAHP”) represents 42 public and private health care service plans that collectively provide coverage to over 21 million Californians. We write today on behalf of the Qualified Health Plans (QHPs), which are all members of CAHP, to express our support and concerns with Covered California’s draft regulations for Eligibility and Enrollment in the Individual Exchange. These draft regulations potentially require documentation of eligibility for special enrollment periods (SEPs) that CAHP and our member plans support. However, the draft regulations also contain elements that we believe are unworkable under state law, and therefore, we must oppose. We appreciate the opportunity to provide comments and look forward to working with staff as these regulations are finalized.

***Documentation of Eligibility for SEP Enrollment***

CAHP was pleased to see a verification process for SEP eligibility in the draft regulations. We believe this vital in order to match practices to the outside individual market, as well as today’s processes for those with employer-provided coverage. In addition, while presumptive eligibility is commonly the approach in the Medi-Cal program, it is not the appropriate standard for SEPs when an exception to the standard Open Enrollment Period (OEP) opportunity is only available when specific circumstances are present. In the view of our member plans, the integrity of the annual OEP must be upheld. For these reasons, we support the documentation requirement reflected in the draft regulations in cases where electronic verification via existing databases is not available.

However, we remain concerned that the draft regulations allow a consumer to enroll in a QHP pending verification of eligibility for an SEP for a 90-day period. We believe that eligibility determinations must be completed prior to enrollment in a QHP. The reforms under the Affordable Care Act (ACA) and additional decisions by Covered California to further standardized coverage in California make an OEP a vital component of controlling costs. If consumers are permitted to enroll in coverage only when they are in need of immediate care that undermines the ability of health plans to assess costs and appropriately calculate premiums. If no documentation is required of a consumer prior to enrollment during an SEP this will allow consumers that are disproportionately high-cost to enter the system at the point they need

immediate care, which will skew the risk pool and make premiums less affordable and more volatile.

### ***Conditional Eligibility Period Unworkable, Especially Given California Law***

We believe that state law requires all eligibility determinations be conducted on a prospective basis and that federal law permits Covered California to require that an eligibility determination be completed prior to enrollment in a QHP.

It is important to distinguish between allowing a consumer to enroll pending verification of self-attested income, which can be reconciled at the end of the year — and ultimately merely determines an individual’s eligibility for *subsidies*, not coverage — and enrollment pending verification of eligibility to enroll in *coverage*.

Health plans acknowledge that it is appropriate in certain circumstances during the OEP to provide a consumer with a reasonable opportunity period to provide documentation. However, eligibility for coverage is not under question in this scenario because the new market rules under the ACA greatly limit the ability of a health plan to deny coverage during open enrollment. The key distinction in an SEP is that the consumer must meet a threshold for eligibility by documenting that certain triggering life events qualify them to enroll outside of an OEP.

### ***Operational Concerns***

Given that Covered California is the arbiter of all eligibility and enrollment determinations in the Exchange it remains unclear how the process outlined in the draft regulations will be handled and what role the QHP will have in terminating coverage. Covered California does not have the authority to direct a plan to terminate an enrollee if the termination is contrary to state law. We remain concerned that there is no recourse in state law to rescind the coverage based on a retrospective review of eligibility, which is how the SEP enrollment process is currently drafted in the regulation.

It is also not clear if the coverage would be canceled retroactively or prospectively and under what authority that would occur. QHPS also have significant operational concerns about what the process is when a consumer is found ineligible for an SEP but has been receiving coverage for several months. These details are extremely important yet there is no explanation in the regulation on how Covered California will handle this process and what responsibility or liability will fall to the QHP.

Instead, we believe these ambiguities, and potentially unresolvable dilemmas, which will result in an extensive volume of termination transactions leading to member and provider confusion regarding eligibility should all be avoided in favor of an “up front” process.

Finally, while we appreciate that e-verification is a possible solution to the problem of documentation, and we are supportive of efforts for real time verification of eligibility, our understanding is that electronic links to databases that would provide the ability to e-verify SEP eligibility are not currently in place. Covered California has not provided an estimate of when those updates can be made to CalHEERS, which leaves paper documentation as the primary way to determine eligibility.

## *Conclusion*

As we have explained in stakeholder meetings and at the last Board meeting, we believe that a reasonable opportunity period after enrollment into the QHP in this situation is essentially the elimination of the OEP, which is one of the few ways that health plans have to control costs and ensure that coverage is affordable in future years. Attached is a redline version of the draft regulations that we believe will permit those who are eligible for an SEP the opportunity to get coverage while maintaining the integrity of the OEP process.

We thank you for taking the time to review our concerns and our proposed language and hope that you will consider our position as one that is in the interest of the success of Covered California and its contracted QHPs. We are available at your convenience to discuss any of the issues outlined in this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Athena Chapman", with a long horizontal flourish extending to the right.

Athena Chapman  
Director of Regulatory Affairs

cc:  
Don Sherman, Director, Plan Management  
Katie Ravel, Director, Program Policy

## CAHP'S REDLINE TO § 6504. SPECIAL ENROLLMENT PERIODS.

(d) An ~~qualified individual~~ applicant or an enrollee shall attest that he or she meets at least one of the triggering events specified in subdivision (a) of this section.

(e) The Exchange shall require that the applicant or enrollee provide documentation that they are eligible for a special enrollment period in accordance with the following process: ~~accept a qualified individual's or an enrollee's attestation provided in accordance with subdivision (d) of this section without further verification.~~

(1) The Exchange shall not consider an individual qualified for a special enrollment period until all required documentation is received and verified.

(2) The Exchange shall use the data obtained through available electronic data sources to verify the applicant's or the enrollee's attestation.

(3) The Exchange shall request the applicant or the enrollee to provide additional documentation to support the attestation, ~~in accordance with the procedures specified in Section 6492,~~ if:

~~(A) The applicant's or enrollee's attestation is not reasonably compatible with the information obtained through the data sources described in subdivision (e)(1) of this section, other information provided by the applicant or enrollee, or other information in the records of the Exchange; or~~

~~(B)~~ A The data sources described in subdivision (e)(1) of this section are unavailable to verify the applicant's or enrollee's attestation regarding any of the following:

1. Marriage or entry into domestic partnership;
2. Loss of MEC due to death of the employee or the primary subscriber;
3. Loss of MEC due to divorce or dissolution ~~of~~ domestic partnership;
4. Loss of MEC due to termination of employment or reduction in the number of hours of employment; ~~or~~
5. Permanent move into or within the State that results in gaining access to new QHPs;
6. Loss of MEC due to legal separation;
7. Gains a dependent or becomes a dependent through marriage or entry into a domestic partnership, birth, adoption, placement for adoption or placement in foster care; or
- 5-8. Gains citizenship, national or lawfully present status.

(f) An ~~qualified individual~~ applicant or enrollee shall have 60 days from the date of one of the triggering events specified in subdivision (a) of this section to select a QHP.

Formatted: Indent: First line: 0"

(1) QHP selection will not occur until all documentation to confirm eligibility for a special enrollment period has been received and verified by the Exchange.

(2) If documentation is not received and verified by the Exchange by the end of the 60 day special enrollment period the individual will no longer be eligible for that special enrollment period and must wait for open enrollment or another triggering event as specified in subdivision (a) of this section to select a QHP.

**Formatted:** Numbered + Level: 1 +  
Numbering Style: 1, 2, 3, ... + Start at: 1 +  
Alignment: Left + Aligned at: 0.25" + Indent  
at: 0.5"

(g) Except as specified in subdivision (h) of this section, regular coverage effective dates for a special enrollment period for a QHP selection received by the Exchange from a qualified individual:

(1) Between the first and fifteenth day of any month, shall be the first day of the following month; and

(2) Between the sixteenth and last day of any month, shall be the first day of the second following month.

(h) Special coverage effective dates shall apply to the following situations.

(1) In the case of birth, adoption, placement for adoption, or placement in foster care:

(A) The coverage shall be effective on the date of birth, adoption, placement for adoption, or placement in foster care; and

(B) APTC and CSR, if applicable, are not effective until the first day of the following month, unless the birth, adoption, or placement for adoption occurs on the first day of the month.

(2) In the case of marriage or entry into domestic partnership, or in the case where a qualified individual loses MEC, as described in subdivision (a)(1) of this section, the coverage and APTC and CSR, if applicable, shall be effective on the first day of the following month.

(i) A qualified individual's coverage shall be effectuated in accordance with the coverage effective dates specified in subdivisions (g) and (h) of this section if:

(1) The individual makes his or her initial premium payment in full, reduced by the APTC amount he or she is determined eligible for by the Exchange, by the premium payment due date, as defined in Section 6410 of Article 2 of this chapter; and

(2) The applicable QHP issuer receives such payment on or before such due date.

(3) Eligibility for enrollment has been satisfied prior to effectuation, by proof that a QE has occurred via electronic means and/or submissions of documentation by the applicant to The Exchange

**Formatted:** Numbered + Level: 1 +  
Numbering Style: 1, 2, 3, ... + Start at: 1 +  
Alignment: Left + Aligned at: 0.25" + Indent  
at: 0.5"



June 17, 2014

Diana Dooley, Chair  
Peter Lee, Executive Director

California Health Benefits Exchange Board  
1601 Exposition Blvd.  
Sacramento, CA 95815

Re: Eligibility for Special Enrollment

Dear Ms. Dooley and Mr. Lee,

Our organizations write to oppose the requirement for documentation of eligibility for special enrollment periods and to support coverage during a reasonable opportunity period, consistent with state and federal law.

## **Enrolling in Covered California from a Gurney?**

Enrolling in Covered California while lying on a gurney in an emergency room will not result in coverage that is effective immediately: under both state and federal law, coverage is not effective for 15 to 45 days after application for coverage, depending on the time of the month when the individual applies.

Unlike Medi-Cal which provides presumptive eligibility and up to 90 days retroactive eligibility, coverage through Covered California is not effective until the first of the next month if an individual applies before the 15<sup>th</sup> or the first of the month after that if the individual applies after the 15<sup>th</sup>.

## **Documentation is an Enrollment Barrier**

Requiring documents to demonstrate eligibility for a special enrollment period is a barrier to enrollment. Today Covered California, like the federally facilitated exchange, relies on self-attestation of a triggering event for a special enrollment period.

The proposed change to the eligibility and enrollment regulations will require Californians to produce paper documents to demonstrate eligibility for a special enrollment period. The special enrollment periods for which documentation will be required include the most prevalent reasons for loss of coverage, including loss of a job, divorce, marriage, and a permanent move.

As advocates, we recognize and appreciate that at some time in the unspecified future, there is a plan to obtain electronic verification for most of these special enrollment periods. In the months and years before that electronic verification is operational, consumers should not be forced to produce documents.

## **Coverage Pending Verification and During a Reasonable Opportunity Period**

State law and federal guidance require that a consumer have the opportunity to enroll in coverage pending verification of eligibility for a special enrollment period. This is generally a period of up to 90 days during which the consumer has a reasonable opportunity to produce necessary documents and to reconcile any inconsistencies between the information available to Covered California and information known to the consumer.

Under the grace period regulations, Title 28, Section 1300.65 (a) (1) (B), coverage may be cancelled for failure to satisfy any statutory or regulatory eligibility requirements under state or federal law. Thus, if a consumer fails to produce the appropriate documents or cannot demonstrate eligibility for a special enrollment period to the satisfaction of Covered California, then that consumer's coverage may be cancelled at that time. These regulations allow cancellation of coverage without invoking state or federal law on rescission.

While the determination of eligibility for a special enrollment period is pending, the consumer must be given the opportunity to enroll in coverage. Any other action violates Welfare and Institutions Code Section 15925(f) (2) as well as federal guidance on eligibility determinations for the exchange.

## **Summary**

Our organizations urge that Covered California not impose enrollment barriers by requiring documentation of eligibility for special enrollment and that consistent with state and federal law and guidance, Covered California permit consumers to enroll in coverage during the “reasonable opportunity” period of up to 90 days.

Sincerely,

AARP

American Cancer Society – Cancer Action Network

California Black Health Network

California Coverage & Health Initiatives

California Immigrant Policy Center

California Labor Federation

California Lesbian, Gay, Bisexual, and Transgender Health & Human Services Network

California Pan-Ethnic Health Network

Children Now

Congress of California Seniors

Consumers Union

Health Access

National Health Law Program

The Greenlining Institute

Visión y Compromiso

Western Center on Law & Poverty

Young Invincibles



CHILDREN NOW



June 10, 2014

Peter Lee, Executive Director  
Members, California Health Benefit Exchange Board  
1601 Exposition Blvd.  
Sacramento, CA 95815

Re: Regulatory proposal regarding required documentation for SEP enrollment

Dear Mr. Lee:

The California Children's Health Coverage Coalition, comprised of The Children's Partnership, Children Now, Children's Defense Fund-CA, United Ways of California, California Coverage & Health Initiatives, and PICO-CA is deeply concerned about Covered California's proposed plan to require documentation of circumstances that trigger ACA coverage eligibility during the special enrollment period (SEP).

Self-attestation is currently the agreed upon regulatory standard, and should be retained. That standard was arrived at following significant stakeholder discussion about the importance of encouraging and facilitating enrollment. In our view, the proposed regulatory change presented to the Board at the May 22, 2014 Board Meeting will discourage and impair enrollment of individuals who are legitimately eligible for coverage outside of an open enrollment period due to a change of circumstances. It is reasonable and fair to consumers seeking coverage to continue to permit self-attestation until electronic verifications are possible.

As we noted at the last Board Meeting, we have the benefit of experience to evaluate the real world impacts of requiring the submission of documentation at enrollment. Following the launch of California's Medicaid expansion, applicants were required to submit verification of residency. This requirement stymied hundreds of thousands enrollments, as consumers struggled to understand what was required and where and how to provide it. Not all families have the ability to upload or fax documents, and there

was confusion about where documents could be personally delivered. For example, one Medi-Cal enrollee's submission of residency verification required several phone calls, an unsuccessful in-person visit to a county office, and ultimately a postal mailing, with no way to confirm receipt or verify status of the enrollment. Requiring the submission of SEP documentation would require that an effective internal mechanism be established by Covered California to receive and log documents in a timely way.

We join with other advocate organizations that have raised critical concerns with the proposed regulatory change, and urge the Board to instead maintain its current policy.

As always, we are available to discuss this further with you and your staff. We appreciate your consideration.

Sincerely,



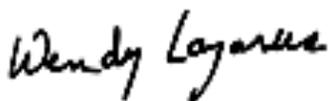
Ted Lempert  
President  
Children Now



Corey Timpson  
Director  
PICO California



Suzie Shupe  
Executive Director  
California Coverage &  
Health Initiatives



Wendy Lazarus  
Founder and Co-President  
The Children's Partnership



Jamila Edwards  
Brooks  
Northern California  
Director  
Children's Defense  
Fund-California



Judith Darnell  
Director of Public Policy  
United Ways of California

June 6, 2014

Mr. Peter Lee  
Executive Director  
Covered California  
1601 Exposition Boulevard  
Sacramento, CA 95815

Sent electronically via [info@covered.ca.gov](mailto:info@covered.ca.gov)

**Re: Special Enrollment Period Draft Regulations**

Dear Mr. Lee:

On behalf of Kaiser Permanente, I write to indicate our organization's support for Covered California's draft regulations regarding special enrollment period (SEP) documentation requirements, and to express our concern regarding the suggested 90-day conditional enrollment period. We appreciate the opportunity to share our perspective on the proposed regulation.

***A True Open Enrollment Period is Vital to the Success of the ACA.*** We believe the integrity of the open enrollment period is vital to the success of the Affordable Care Act. As distinct from programs such as Medi-Cal, the ACA establishes defined windows to join, and the sustainability of near-universal health coverage at an affordable price to consumers depends on a very high proportion of eligible individuals enrolling during these defined enrollment opportunities and maintaining their enrollment continuously. If consumers join only when in need of care, the promise of near-universal coverage as embodied in the ACA cannot be sustained.

It is important to recognize that the integrity of the open enrollment period depends upon reserving the SEP opportunity only for those who meet its highly specific criteria to enroll in coverage immediately, rather than awaiting the next open enrollment period. Simply put, it has no meaning to say "the enrollment window is open," if, as a practical matter, it is never closed.

***Determination of SEP Eligibility is a Necessary Step; Documentation is a Reasonable Expectation.*** There is an important distinction between the SEP and the open enrollment period regarding eligibility determination. During the open enrollment period, the effort of Covered California is to determine whether an individual or family qualifies for subsidies; because it is the market-wide open enrollment period, their eligibility to enroll in coverage is not in question. During the SEP, however, an individual also must be determined eligible for coverage in advance of the next open enrollment period that would otherwise be their (and everyone's) next opportunity to enroll.

To readily establish eligibility for subsidies, the state and federal governments have built electronic interfaces with substantial databases allowing real-time verification of consumer-provided application information. Only in rare instances is any type of manual resolution of a discrepancy

required. Also, the consequences of inaccurate application information are relatively straightforward; consumers settle up with the Internal Revenue Service for any advanced premium tax credit received for which they were ineligible. Again, the fact that they were enrolled in coverage and eligible to receive services is virtually never in question.

In contrast, during the SEP, while the same electronic, real-time processes are available to verify eligibility for subsidies, no similar mechanisms presently exist to verify eligibility for coverage according to the specified criteria, such as loss of employer-sponsored coverage, or loss of dependent status due to death or divorce of the primary insurance subscriber. Similarly, the consequences for an after-the-fact determination of ineligibility are much more significant. Potentially very substantial care costs were covered by a carrier when a person was not eligible to enroll.

For these practical reasons — the absence of real-time electronic mechanisms comparable to those used to verify subsidy eligibility, and substantial financial consequences — we strongly support the requirement in the draft regulation to require documentation of eligibility to enroll during a SEP.

We also note that documentation is the standard practice today for those with employer-provided coverage. Enrolling during the annual open enrollment period merely requires confirmation of employment; enrollment outside of this annual window, for essentially the same circumstances that allow enrollment in the individual market outside the open enrollment period, requires documentation. Also, this documentation also will be required by all California carriers for individuals obtaining coverage outside of Covered California. Finally, we note that the documentation required is easily available to individuals who have had an event that qualifies them for SEP enrollment. It is not an onerous requirement to for Covered California to require a copy, as the regulations propose.

***90-Day Conditional Eligibility Period Is Unworkable.*** In our view, the portion of the draft regulations establishing a 90-day conditional period for eligibility is unworkable. Primarily this is because there appears to be no remedy under current law for a plan to be compensated for the cost of covered services an individual receives during this time. Rescission is not allowed under state law, unless a finding of intentional misrepresentation can be proved in Court. (This is an extremely high burden of proof, typically associated with criminal fraud.)

We recognize the 90-day conditional eligibility proposal is based on processes Covered California has in place for the open enrollment period. While an understandable point of departure, it is important to consider how the circumstances are quite different for SEP enrollment eligibility. First, the 90-day period now is rarely required — to our knowledge, only when electronic means that are generally available to document legal residency are not current, and in limited other circumstances. The vast majority of individuals enrolling are verified as eligible (or found ineligible) in real time.

In contrast, during the SEP, every applicant will need to provide documentation, since the comparable electronic verification capability does not exist.

Second, the consequences of ineligibility are quite different. During the open enrollment period, if a person is ultimately found ineligible for subsidies, they simply owe the government for those subsidies when their income taxes are filed in the following year. Their eligibility to receive health care, with costs that may be far beyond the means of any Covered California member to repay, are not in question.

During the SEP, however, eligibility to receive those services is reserved only for those who meet the SEP enrollment criteria. The consequences, therefore, of a retroactive finding of ineligibility are potentially far more significant, and beyond the means of most individuals to address.

Accordingly, we do not believe the 90-day conditional eligibility period is workable. Instead, we think the focus should be straightforward: enrollment requires documentation of eligibility of the SEP, and is not complete until it is provided to Covered California. In the absence of the documentation, an individual would be helped to enroll in the upcoming open enrollment period.

Thank you again for the opportunity to comment on the draft regulations. We recognize the approach we describe above may be viewed as bureaucratic or in opposition to the ACA. Instead, we believe it can be accomplished simply, and is, as we said above, vital to the success of near-universal coverage for Californians.

Sincerely,

A handwritten signature in black ink that reads "Bill Wehrle". The signature is written in a cursive, slightly slanted style.

Bill Wehrle

Vice President, Health Insurance Exchanges