



COVERED CALIFORNIA POLICY AND ACTION ITEMS
August 20, 2015

VISION COVERAGE FOR CONSUMERS

James DeBenedetti, Deputy Director of Plan Management

BACKGROUND

- Consumers, employers and insurers have been interested in making vision plans available to consumers through Covered California since its inception. Unfortunately, limitations in the Affordable Care Act (ACA) made it difficult to integrate vision plans with the rest of Covered California's product portfolio.
- Adult vision benefits are not considered Essential Health Benefits (EHB) and, unlike standalone family dental plans, standalone vision plans are not considered Qualified Health Plans (QHP). This means:
 - Vision plans/coverage are not eligible for tax subsidies
 - Resources (staff, systems, consultants, etc.) funded by revenue generated from Covered California's QHPs cannot be used to manage non-QHP (e.g., vision) programs
- Covered California has been working with federal regulators and stakeholders to develop a way to make vision services available.
- The only viable option we identified is providing a simple link from our website to vision plans' website and collecting payments in some manner from participating plans to fund the administration of our vision benefits program (a model currently utilized by Colorado's exchange). A proposal based on this approach was shared with the Plan Management Advisory Group in July.

PROPOSED VISION PLAN SOLUTION

To overcome limitations on the use of Covered California resources, simple links will be made to vision plan websites. This means no full integration in the near-term with the “CalHEERS” eligibility and enrollment system, which can be reviewed as an option in the future. Core considerations for this proposal include:

- Vendor Requirements
 - Licensed in good standing
 - Covered California would NOT conduct independent assessment of the networks or scope of benefits offered in the initial offering year)
 - Standard contract terms (limits on co-branding, indemnification, etc.)
 - QHP issuers may offer independent vision plans through this process to supplement existing medical coverage
- Covered California involvement
 - The vision benefits page will include a list of factors and information consumers should consider when selecting a plan. This will be developed in coordination with consumer advocates and vision plan vendors.
 - Participation would expressly not reflect an endorsement by Covered California
 - Benefits would not be standardized
 - Enrollee assistance from Covered California’s call center related to vision plan choice or servicing those who have enrolled will be limited to referrals to plans and their regulator

VISION PROGRAM REVENUE POTENTIAL

Several sources of revenue can be used to implement and manage a vision benefits program. This revenue needs to cover all staff time and resources allocated to the program.

- Initial Revenue
 - RFP application fee (\$1,000)
 - Implementation fee (\$10,000)
- Ongoing (Monthly) Revenue Options (proposals will solicit comment in RFP)
 - Premium based commission for new and/or continuing enrollee
 - 10% first year only
 - 5% first year and ongoing
 - Other options (e.g., flat fee (pmpm) for new and/or continuing enrollees)

FUTURE VISION COVERAGE OPPORTUNITIES

Following the 2016 initial offering of vision plans, additional options may be possible, given adequate time and resources.

- Active Purchasing Model
 - Benefit designs standardized across all issuers
 - Benefit utilization and provider network analysis
 - Plan designs customized to meet the needs of Covered California's consumers
 - Rate and service negotiations
- Systems Integration (“one stop” shopping)
 - Build into enrollment and eligibility system (CalHEERS)
 - Build into Covered California for Small Business system (Pinnacle)

PROPOSED VISION PLAN TIMELINE

Month	Activity
August 20	Review proposed vision plan solution with the Board
September	Release RFP
October 8	Board approval of final vision plan solution
Late October	Final evaluation and selection of vision plan vendor(s)
November	Link to selected vendor(s) on CoveredCA.com

**ESTABLISHMENT OF
COVERED CALIFORNIA FOR SMALL BUSINESS
AGENT COMMISSION LEVEL
FOR GROUPS WITH 51+ EMPLOYEES**

Kirk Whelan, Director, Sales

51+ COMMISSION LEVEL

Background:

- Effective 1/1/16, CCSB will participate in the 1-100 market
- Need Board decision in October on 51-100 market segment agent commission level

Reference Information

- Recommendation is consistent with market standards pre-ACA
- Stakeholder support for recommendation post-ACA
 - In 51+: Large carriers are anticipated to be in the 4.5-5% range.
 - Brokerage community representation
- Primary competitor is anticipated to be 5% or more

51+ COMMISSION LEVEL

Consideration for Board:

- 5% Agent commission for groups 51-100
- No change to commission level for groups 1-50

Recommendation is Consistent with CCSB Commission

Goals:

- Competitive in market
- Meets budgetary considerations

AGENT RESPONSIBILITY FOR MEDI-CAL ENROLLMENT

Katie Ravel, Director, Policy, Evaluation & Research

BACKGROUND

- Covered California's contract with certified agents requires them to help consumers enroll in Medi-Cal regardless of compensation
- Per-application funding for Covered California and Medi-Cal enrollment ended on June 30, 2015
- Covered California will revisit agent responsibilities for Medi-Cal enrollment in light of current funding situation

OPTIONS

Covered California staff will be working with stakeholders to explore two options:

1. Maintain existing policy requiring agents to help consumers enroll in Medi-Cal without compensation.
2. Allow agents to refer applicants to County Eligibility Workers or other certified enrollers for Medi-Cal enrollment.

OPTION 1: REQUIRE AGENTS TO HELP CONSUMERS ENROLL IN MEDI-CAL

Summary: Maintain existing policy requiring agents to enroll in Medi-Cal without compensation

Pros

- Allows consumer to access enrollment assistance from all certified enrollers
- One-step enrollment

Cons

Agents may be less skilled in Medi-Cal issues

OPTION 2: ALLOW REFERRALS TO OTHER CERTIFIED ENROLLERS

Summary: Agents would be encouraged to help consumers enroll in Medi-Cal but will be allowed to prescreen applicants and refer them to county eligibility workers or other certified enrollers if they are likely Medi-Cal eligible

Pros

Connects consumers with the service channel best positioned to assist them throughout their enrollment

Cons

Consumer may not follow-through

NEXT STEPS

- Stakeholder meeting scheduled for August 28, 2015
- Staff will return with request for action at the Board meeting on October 8, 2015
- Agent agreement will be amended as necessary based on the final Board-adopted policy

INDIVIDUAL ELIGIBILITY & ENROLLMENT REGULATIONS READOPTION

KEY ADDITIONS TO ELIGIBILITY & ENROLLMENT REGULATIONS

- Adds open enrollment dates for 2016 plan year – *November 1, 2015 through January 31, 2016*
- Adds special enrollment period for victims of domestic abuse and spousal abandonment