

CALIFORNIA HEALTH BENEFIT EXCHANGE BOARD

June 28, 2011

Employment Development Department
Auditorium
800 Capitol Mall
Sacramento, CA 95814

MINUTES

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

Chairwoman Diana Dooley called the meeting to order at 10:06 AM. She introduced Dr. Robert Ross as the fifth Board member appointed by the Senate Rules Committee. Dr. Ross said that he is honored, flattered, and humbled to have been selected by Sen. Steinberg to help lead the California Health Benefit Exchange. Dr. Ross stated that he is happy to be at the meeting and will learn as quickly as he can.

Board Members Present:

Kimberly Belshé
Diana Dooley
Paul Fearer
Susan Kennedy
Robert Ross, MD

Agenda Item II: Approval of the June 15, 2011 Minutes

Chairwoman Dooley presented the minutes to the Board for approval and asked for a motion to approve them.

Presentation: [California Health Benefit Exchange Board June 15, 2011 Minutes](#)

Discussion: Ms. Belshé noted on page 3 of the June 15, 2011 meeting minutes that Joel Ario's response was not accurately captured. Ms. Belshé stated that, with her question, she had wanted to clarify that most people would be served automatically and that, with his response, Mr. Ario provided confirmation. She directed staff to edit the minutes to reflect this discussion.

Motion/Action: Mr. Fearer moved to approve the June 15, 2011 minutes. Ms. Belshé seconded the motion.

Public Comment: None.

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

Agenda Item III: Report from the Acting Administrative Officer

Patricia Powers, Acting Administrative Officer, made her report. She thanked all the staff and consultants who helped with the grant application and the running of the Board meetings. She noted that speakers should give their business cards to Alex Kemper-McCall to better record the minutes.

Ms. Powers discussed the californiahealthbenefitexchange.com website, noting that the business California Health Benefit Advisors, LLC registered the site with the Secretary of State on December 31, 2010. She stated that the web site created confusion for the public and that some people had contacted this website and grown annoyed after not receiving any type of response. Ms. Powers clarified that the actual California Health Benefit Exchange website is www.healthexchange.ca.gov and asked for everyone present at the meeting to inform others. The matter has been referred to the Attorney General's Government Law Division for appropriate next steps.

Ms. Powers stated that staff are in communication with the Fair Political Practices Commission to develop a conflict of interest code for the Exchange. A draft code will be brought to the Board in July or August.

She asked the audience, both in person and watching the webcast, to send names of potential candidates for the Executive Director and General Counsel positions to Pam Derby, whose contact information can be found on the Executive Director recruitment brochure.

Ms. Powers noted that, with the Level 1 federal grant application completed the next step would be strategic visioning, and said that stakeholder meetings to discuss eligibility and enrollment policy issues would be announced during the following week.

Discussion: Ms. Belshé asked if there was any update on legislation relevant to the Exchange that could be shared. Ms. Powers responded that staff had met with legislative staff and advocates on the timing of bills, noting that staff ensured it was clear that no position had been taken by the Exchange and that Exchange staff capacity to be involved at this time is limited. Ms. Powers stated that staff would come back to the Board if it was needed. Ms. Belshé asked that legislation be added to the July meeting agenda and said that she looked forward to working with her colleagues on legislation.

Public Comment: Beth Abbott, Director of Administrative Advocacy, Health Access, noted that she had discovered that there was more than one website taking advantage of the California Health Benefit Exchange name and she is glad the Exchange is taking action. Ms. Abbott suggested that the Exchange make its website prominent on Google searches so that it is the top result, noting that the first impression with customers sets the tone. Ms. Abbott also agreed with Ms. Belshé that it is important for the Board to be

aware of legislation and how it factors in with the Exchange timeline, recommending the Board dedicate a meeting to legislation.

Agenda Item IV: Level I Establishment Grant Review and Approval

Ms. Powers presented the Level I Establishment grant application, noting that staff provided a high-level summary of the application at the 6/15 meeting and received public comment during that Board meeting and at the 6/20 Level I Establishment grant webinar. Ms. Powers said that staff had also met with several state departments and received letters from stakeholders. She stated that staff had modified the application based on feedback and requested that, unless changes were critical, the Board approve the application as final.

Presentation: [California Level I Establishment Grant Abstract](#)

Presentation: [California Level I Establishment Grant Project Narrative](#)

Presentation: [California Level I Establishment Grant Work Plan](#)

Presentation: [California Level I Establishment Grant Budget Narrative](#)

Presentation: [California Level I Establishment Grant Organizational Chart](#)

Ms. Powers noted some of the changes that were made, mentioning that IT is really the term used in the application for eligibility and enrollment and case maintenance. She also highlighted that funds were included for consultants to create a short-term and long-term stakeholder process, as well as include stakeholder input on most of the core functional areas. In response to stakeholder comments, an FTE was included to ensure that linguistic and cultural capabilities are satisfactory considered throughout the Exchange design process. Ms. Powers said that the budget remained approximately the same from the 6/15 Board meeting draft grant discussion, noting that a 15% salary savings based on staggered hiring had been applied, reducing FTE costs by about \$1.4 million. Based on Board feedback and stakeholder input, additional monies, totaling roughly \$1.3 million were added to particular core functions.

Discussion: Ms. Belshé said that, as a member of the Grant Subcommittee, she wanted to acknowledge the work of Ms. Powers and the rest of the team in putting together the application and thank the foundations for their support. Ms. Belshé noted the stakeholder feedback regarding maximizing the federal resources, saying that the Level I application provides what is required for the next twelve months while recognizing the importance of financial sustainability beyond 2014. Ms. Belshé said that the Level I application is a twelve month grant designed to focus on the important areas over the next year and plan for parts that will be funded with the Level II grant. She noted that it is important to focus on the four avenues for enrollment (phone, mail, in-person, and online) and not solely look at online eligibility and enrollment processes. Ms. Belshé said that the Exchange will have a robust and multifaceted stakeholder process.

Dr. Ross thanked Ms. Belshé and the staff, noting that while he had just been sworn in the previous night he would support the grant application based on the importance and the time needed for establishment. Dr. Ross noted concerns raised by stakeholders regarding consumer assistance and said that he hoped to see more robust plans for increasing stakeholder involvement in the next phase of the grant. Dr. Ross stated that he did not want the rollout of the Exchange to be like that of Medicare Part D, noting the importance of good stakeholder and consumer input. Dr. Ross asked about stakeholder groups, specifically who would be leading them and when.

Chairwoman Dooley acknowledged the hard work of Deborah Kelch as the lead writer of the grant application. She also stated that staff is planning the stakeholder groups, noting that a webinar was held on June 20th. She said that the Board is working within the Bagley-Keene Act to engage the public through public meetings, mentioning that two subcommittees have been established and they will take action, taking into account stakeholder feedback. Chairwoman Dooley also noted that there will be a stakeholder engagement process that staff will run, acknowledging that the Board must be careful regarding Bagley-Keene limitations. She said that staff may suggest adding subcommittees in July should they be necessary.

Dr. Ross stated that he agreed with Ms. Belshé in being cautious regarding the budget beyond 2014 but warned against giving areas such as consumer assistance and education and outreach just enough money to fail, asking that these areas receive the proper funding to survive and succeed.

Mr. Fearer noted that he found the application very impressive and that he couldn't find any deficiencies.

Chairwoman Dooley said that while the first portion of the Exchange is funded by federal grants and that assessments will fund activities thereafter, there are budget implications. She noted that the one-year budget approved by Governor Brown stabilized the deficit but didn't address structural or long-term problems, noting that the Exchange require state and federal cooperation and that the federal government is going through its own round of deficit reductions, including proposals to blend rates for newly eligible Medicaid enrollees. Chairwoman Dooley said she wanted an awareness of the importance of bringing services to people while also being responsible in budgeting.

Chairwoman Dooley read the Governor's letter of support and stated that she would vote in support of the Level I Establishment grant application, noting that there are conditions for the Exchange to meet going forward and that it is important to acknowledge that progress will move in steps towards the goal of successful implementation of the ACA.

Public Comment: Elizabeth Landsberg, Director of Legislative Advocacy, Western Center on Law and Poverty, commented that the application was an excellent product. She acknowledged sending a letter to the Board and appreciated its distribution to Board members. Ms. Landsberg said she appreciated the changes in the application, especially regarding the staff member solely focused on linguistic and cultural access, and in

eligibility and enrollment with the four avenues of access specifically called out. Ms. Landsberg commented that she appreciated the announcement of the stakeholder process in July but was concerned about the July to October timeline for legislation because the legislative calendar ends in August, noting that some decisions simply can't wait until 1/1/13 to go into effect.

Betsy Imholz, Director of Special Projects, Consumers Union commented on the fake website and how it relates to the importance of branding and imaging for the public mind. She said that she appreciated the extra FTEs on outreach.

Ms. Powers noted that the Exchange would be working with DMHC on their Consumer Assistance Program as part of that work.

Cary Sanders, Director of Having Our Say Coalition and CPEHN Senior Policy Analyst, California Pan-Ethnic Health Network, appreciated the dedicated staff member for linguistic and cultural access and discussed the website, saying that it is important to translate in other languages while worrying about copycat websites that may be in other languages. Ms. Sanders appreciated the changes in consumer assistance and on the Navigator program areas and requested that if IT was intended to cover eligibility and enrollment that it be named the latter.

Gary Passmore, Congress of California Seniors, commented that the ACA has consequences for other parts of the system that haven't been discussed. He requested that the Board use time to discuss these various impacts at some point during the next months because it will be important to know the interplay between the Exchange and other areas.

Blake Atkerson, Disability Rights Education and Defense Fund (DREDF), commented on the importance of effective communication and barrier free use for people with disabilities, noting that law requires the Exchange to provide various services in accessible ways. He said that this accessibility is important for all people and that this requirement is consistent with the ACA.

Ms. Abbott said that the application was well done and discussed her experience as a regional director for CMS and administrator of a call center. She noted that moving the call center number to a more prominent location in the brochure increased calls, stating that it is important to have the capacity to handle all the necessary calls while recognizing that what can go wrong will go wrong; preparation is key. Ms. Abbott stated that she was on many nationwide conference calls regarding the Exchange and noted that other states look to California for leadership. She offered the support of consumer advocates and worried that, in looking at the work plan, so many decision points are close to the end of the year and that some things might slip into 2013, at which point they would be too late. Ms. Abbot said that it would be best to frontload the timeline and get help to speed things forward. She applauded improving the consumer assistance portion and urged caution in naming eligibility and enrollment IT, noting that it is important to always think about the people affected by these systems and that "IT" can have a very inhuman connotation.

David Ford, Associate Director of Medical and Regulatory Policy, California Medical Association, commented that CMA is very excited for the appointment of Dr. Ross. He noted that even with a diverse set of stakeholders everyone can agree on using federal money and asked how stakeholder support can best be utilized.

Sara Nichols, SEIU, commented that she really appreciated the work on the application, especially that it felt like stakeholders were heard, and the appointment of Dr. Ross. She said that although she wasn't positive the application went far enough, she never feels that way, and she enthusiastically supports the application.

Ms. Powers noted that she would suggest adding a reference to people with disabilities to the grant application.

Motion/Action: Ms. Belshé moved to approve the Level I Establishment grant application for submittal by June 30, 2011. Mr. Fearer seconded the motion.

Vote: The roll was called, and the motion was approved by unanimous vote.

Agenda Item V: Adjournment

The meeting adjourned at 11:01 AM.