



Ms. Powers provided an update since the last meeting on May 11. Ms. Powers said a new meeting was added to the calendar for June 15, 2011, and it would be held at the Department of Health Care Services' Auditorium at 1501 Capitol Avenue in Sacramento. She stated that Joel Ario, Director of the federal Office of Health Insurance Exchanges, Center for Consumer Information and Insurance Oversight (CCIIO), and Cindy Mann, Director of the federal Center for Medicaid and State Operations (CMSO), would be present at the June 15 meeting. Ms. Powers said that staff would present the outline of the Level I Establishment grant at the June 15 meeting and that the Board would be asked for final approval at the June 28 Board meeting.

Ms. Powers then gave a summary of the May 11 Board meeting, which included the characteristics and coverage of the individual and small group markets, the SHOP Exchange for small employers, and an overview of the Basic Health Program Option. Ms. Powers noted that staff are tracking policy issues raised during Board presentations and identifying additional analyses that could inform future Board decisions. Ms. Powers also noted that she would like to discuss the broader vision of the Exchange at a future meeting after the Level 1 Establishment grant is submitted.

Ms. Powers provided an overview of the day's agenda focusing on program integration and eligibility and enrollment systems, two of the largest areas the Exchange needs to address. Ms. Powers stated that the agenda would include overviews of what is required in federal law and guidance including key near-term required milestones; provide a overview of existing public health purchasing programs and state regulatory activities; provide an overview of eligibility and integration, emphasizing that information technology (IT) is a means to an end; provide an overview of current eligibility and enrollment processes for the core state health programs; and present information about the User Experience 2014 project.

#### **Agenda Item IV: Exchange Establishment Grant Subcommittee Status Report**

Ms. Belshe presented the status report from the Exchange Establishment Grant Subcommittee, summarizing the discussion from the May 11 meeting regarding the Level I versus Level II grant application and recommending that the Board approve a Level I grant to be submitted by June 30, 2011. She stated that applying for a Level I grant in June would provide funding to accomplish near-term goals, improve California's chances of getting longer-term funding, develop a detailed operational plan, and help start work on the required IT systems. Ms. Belshé said that she believed that a Level I grant would provide the best and most successful opportunity to move forward for the next 12 months.

Pat Powers added that staff feel it is achievable to complete a Level I grant application by June 30 because unlike the Level II grant, there are not significant policy issues that need to be resolved before the submission of the grant. Level I resources will help to inform policy decisions.

**Public Comment:** Beth Capell, Lobbyist and Policy Advocate, Health Access California, recognized the work of the small staff and the subcommittee and noted that because Board materials were not posted for the grant until immediately before the meeting she

would need more time to provide substantive comment. Ms. Capell was supportive of moving forward with the Level I grant application by June 30, 2011.

Chairwoman Dooley noted that the Board wants to engage stakeholders and noted that the Level I grant contained little in the way of policy but stated it was the Board's commitment to provide plenty of opportunities for public comment.

**Motion/Action:** Ms. Belshé moved to apply for a Level I Establishment grant 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: Program Integration**

Deborah Kelch, consultant to the California Health Benefit Exchange, presented an overview of program integration, discussing federal requirements and program integration with state health purchasing programs including Medicaid and the Children's Health Insurance Program. She noted that program integration means coordination and that the Exchange should take advantage of existing expertise in state government agencies to develop a broader vision for program integration. Ms. Kelch also noted that, in regards to current state health programs, it would be important to think about how different programs that provide supplemental benefits could be combined, modified, and coordinated.

Presentation: [Program Integration: Overview of Federal Requirements, Department of Health Care Services, and the Managed Risk Medical Insurance Board](#)

Janice Rocco, Deputy Commissioner, Health Policy, California Department of Insurance (CDI), presented an overview of the required program integration the Exchange must pursue with CDI. She noted that implementation of the Affordable Care Act (ACA) is a top priority of Commissioner Jones. She also noted that while CDI does not have rate approval/disapproval authority, they do publicly post rates and rate increases. Ms. Rocco said that CDI currently coordinates with the Department of Managed Health Care (DMHC), the department that regulates HMOs.

Presentation: [Program Integration: California Department of Insurance](#)

Ed Heidig, Interim Director, DMHC, presented an overview of program integration with DMHC. He discussed the DMHC Call Center and explained DMHC's role in federal health care reform, including implementation of new rescission rules. Mr. Heidig noted that DMHC received a \$4.1 million federal grant for the Consumer Assistance Program (CAP), and a \$1 million rate review grant.

Presentation: [Program Integration: Department of Managed Health Care](#)

**Discussion:** Ms. Belshé thanked presenters and acknowledged that the presentations were helpful in providing grounding for the Board regarding program integration with public programs and regulators. She noted that the ACA represents a paradigm shift in coverage

in that it will connect people from 0% to 400% of the federal poverty level (FPL) to coverage, stating that it will be important to address seamless integration and coordination of coverage and care. Ms. Belshé concluded by saying that the success of the Exchange depends on the success of Medi-Cal and the Healthy Families Program.

Ms. Powers reiterated the next steps for the Board, saying that there needed to be formal coordination with CDI and DMHC. She asked how many plans currently meet the medical loss ratio (MLR) requirements of the ACA. Ms. Rocco responded that currently insurers in the large group market are required to meet an 85% MLR and insurers in the small group market are at 80% MLR. She noted that it is important for regulators to watch a full year period for MLR, which started in January, to make sure carriers meet the requirements the entire time.

Ms. Belshé asked about the CAP grant and coordination efforts. Mr. Heidig responded, saying that the Help Center, as a part of consumer assistance efforts, provides people with the answers they need, either by answering questions directly or providing a “warm handoff” to the appropriate agency. He also explained that the CAP grant would be used to improve Help Center capacity to help more people, to ensure all help programs had the same voice and message, and to coordinate with CDI.

Chairwoman Dooley asked a clarifying question about the ratio of covered lives to agents in the CDI presentation. Ms. Rocco explained that the ratio includes all agents, including non-health agents.

**Public Comment:** Ms. Capell called attention to the transition public and private insurance, noting that with changes in income and life situations people will need help. She said that the Exchange must work closely with regulators to avoid adverse selection. Ms. Capell also noted that, in regards to integration with public programs, California Children’s Services could provide a model for this integration.

Betsy Imholz, Consumers Union, noted that coordination is critical, especially coordinated messaging among various groups and departments. She said that this was an opportunity to educate consumers about health insurance.

Nicette Short, Senior Associate on Health Policy, Children Now and the 100% Campaign, agreed with Ms. Belshé’s comments and noted that there needs to be a robust outreach and education process. She said that there were opportunities to coordinate with other human service programs.

Byron Gross, Counsel, National Health Law Program (NHeLP), commented that he was glad to see seamless integration discussed because he was worried about issues with people losing coverage while transitioning between programs. Mr. Gross requested that meeting materials be posted as early as they are available. He also noted that work groups would provide an opportunity for further stakeholder participation around substantive issues, and noted processes underway in Colorado and Missouri.

Gretchen Lachance, California Association of Health Plans (CAHP), commented that CAHP represents 39 Knox-Keene licensed plans that are regulated by DMHC, DHCS, and some by CDI. She offered CAHP's expertise and existing relationships with regulators. She also noted that health plans will be part of the Exchange and therefore want it to be successful.

Stephanie Hodson, Public Policy Associate, United Ways of California, recommended that the Board integrate with other human service programs and look for opportunities to bring people into coverage during life changes such as marriage.

Sara Nichols, Service Employees International Union (SEIU) California State Council, stated that SEIU is committed to the success of the Exchange and echoed comments on seamlessness and consumer assistance. She noted that it would be important for the Board to utilize resources that have experience in this type of work, such as county eligibility workers, and noted that the current system is effective in performing eligibility and enrollment.

Pedro Morillas, Legislative Director, CalPIRG, stated the need for consumer privacy protections, noting that consumers' trust would be important to the success of the Exchange. He also recommended that the Exchange limit sharing of consumer data, never sell data to third parties, and limit data storage to the minimum amount necessary.

Elizabeth Landsberg, Legislative Advocate, Western Center on Law and Poverty, commented that the insurance market is currently very confusing and the DMHC Help Center provides a good model for consumer assistance. She recommended that the Board continue to leverage CAP funding in the Level I Establishment grant to help consumers in a linguistically and culturally appropriate manner.

## **Agenda Item VI: Eligibility and Enrollment Systems**

Bill Obernesser, IT Policy Advisor, California Health Benefit Exchange, presented an overview of the federal IT requirements. Mr. Obernesser noted that California has systems that allow consumers to do certain eligibility and enrollment functions yet the systems are complicated. He noted that the federal government expects states to identify components of current systems that can be leveraged for the Exchange. Ms. Powers presented next steps for IT, stating that the federally-required IT gap analysis would be completed prior to submission of the Level II grant, and that some IT activities would begin prior to receiving Level I funding. Ms. Powers also noted that alternatives for IT-related business decisions would be presented to the Board in October.

Presentation: [Eligibility and Enrollment: Federal Requirements and Key Steps for Meeting Them](#)  
Elliot Robinson, President, CWDA and Director of the Monterey County Department of Social and Employment Services, Cathy Senderling, Deputy Director, CWDA, and Meg Sheldon, IT Associate, CWDA, presented on the eligibility determination process in California counties. Presentations focused on benefit application processes, client experience, and automation efforts. Ms. Senderling noted that counties launched an Internet portal in February that connects to

clients on online benefit applications. Ms. Sheldon highlighted automation and consumer assistance efforts including county call centers and kiosks that allow individuals to apply for benefits.

Presentation: [Eligibility and Enrollment: Eligibility Determinations in California Counties](#)  
Ernesto Sanchez, Deputy Director, Managed Risk Medical Insurance Board (MRMIB), presented on the eligibility and enrollment system for the Healthy Families Program, California's Children's Health Insurance Program. Mr. Sanchez highlighted MRMIB's online application, known as the Health-e-App.

Presentation: [Eligibility and Enrollment: Eligibility Determinations for MRMIB](#)

Terri Shaw, Project Director, Enrollment User Experience 2014, presented information about the User Experience (UX) 2014 project including background on the importance of user experience relative to the requirements of the ACA, partners involved in the UX 2014 project, and the design process and deliverables for the project.

Presentation: [Eligibility and Enrollment: First Class User Experience Design for ACA Enrollment](#)

**Discussion:** Ms. Kennedy asked Mr. Obernesser what informed the Gantt chart in his presentation. Mr. Obernesser responded that he made an educated guess in laying them out, but will work with Exchange staff to determine what the critical milestones are. Ms. Belshé noted that an important part of the near-term work is to bring clarity to those critical decisions, and Ms. Powers said that Fall is the target for bringing options related to IT decisions to the Board.

Ms. Kennedy asked why electronic applications for children's coverage must be converted to paper files when they are transmitted to counties for a Medi-Cal eligibility determination. Ms. Senderling answered that the process was not automated when the online application process was started, though there have been recent discussions about automating the process. Mr. Sanchez added that resource constraints have prevented prior automation efforts.

Ms. Kennedy asked for additional information about kiosks mentioned in CWDA's presentation. Ms. Sheldon answered that there are currently five kiosks in Merced County, and added that some counties have similar application stations set up in county offices. Ms. Kennedy asked if the kiosks allow users to scan documents, and Ms. Sheldon answered that they do.

Ms. Belshé thanked the speakers and noted that there are lots of entry points to apply for coverage. She said that there is an opportunity to rethink current approaches to build upon what works and think about what doesn't. Ms. Belshé also noted that the federal government places an emphasis on online enrollment.

Ms. Belshé asked Mr. Sanchez what percent of applications are submitted online and whether MRMIB had demographic information about individuals who use the online application. Mr. Sanchez responded that about the 40% of applications are submitted online and that online applicants are primarily English speaking. He also noted that MRMIB is planning to do further reporting on the use of the online application which would include user demographics.

Ms. Belshé asked county representative what percentage of Medi-Cal applications are submitted online. Mr. Robinson answered that 10% of applications were submitted through C4Yourself, the online application for counties that use the C-IV eligibility determination system. Ms. Belshé asked if families could submit all required information online, and Ms. Sheldon answered that families would be able to do so beginning in November 2011.

Ms. Belshé noted that it would be helpful to see a breakdown of how people enter into the counties, MRMIB, and Medi-Cal. She said that if people could not fill out a complete application online then that functionality isn't complete, asking if it was possible anywhere. Ms. Sheldon said that the Merced kiosks have this functionality.

Mr. Fearer asked if there was a reason for having three separate county systems and whether having separate systems has created difficulties/challenges. Ms. Sheldon answered that having three county systems was the result of prior consolidation attempts to create a single statewide system. She said it was the result of a bipartisan agreement to achieve automation and that it works well. She said that, in regards to modernization efforts, CWDA has seen good competition among vendors to present the best solutions.

Ms. Kennedy asked Ms. Sheldon to elaborate on her statement that the current county structure works well. Ms. Sheldon responded that the system works successfully for clients and facilitates the work of the eligibility workers. Ms. Kennedy asked if there were any benchmarks that compare California to other states in terms of cost or processing time. Ms. Sheldon answered that she did not have that data.

Ms. Belshé asked if there were any states that are looked to as leaders in terms of online Medi-Cal applications. Ms. Sheldon responded that Wisconsin and Pennsylvania are known to have good application processes.

Ms. Belshé noted that it would be helpful to have a county-by-county breakdown of the percent of applications submitted and completed through the online process.

Ms. Powers asked if the portal described in the county presentation was a single portal or if it linked to individual county websites. Ms. Sheldon answered that it links directly to the appropriate county website.

Ms. Powers noted the reference in the county presentation to multiple call centers and asked if centralization of these services had been considered. Ms. Sheldon answered that the seven call centers are fairly new, and are county-specific at this point.

**Public Comment:** Ms. Landsberg stated that is good to start focusing on program integration and eligibility and enrollment systems because California has a long way to go to meet the federal vision. She further stated that she appreciates the comments about the importance of technology but emphasized the importance of human interaction between consumers and programs. She noted the need for seamless transitions between programs and standardized eligibility rules.

Kathleen Hamilton, Children's Partnership and 100% Campaign, commented that the top issues are policy simplification, seamless and accurate results, multiple points of entry, a no wrong door policy that connects consumers to the most beneficial coverage, and meeting the needs of diverse populations. She recommended an assessment of interoperability between programs to make sure that systems can work together.

Judy Darnell, Director of Public Policy, United Ways of California, commented that there needs to be a culture of coverage, saying the most important reason to ease the process is to get people covered. She said that people want an experience similar to Amazon.com. Ms. Darnell said that the Exchange must conduct outreach and measure effectiveness and analyze how to get people online, noting that the enrollment system needs to go where people are.

Ms. Imholz commented that the Establishment grant needs to build in money for focus group testing for the user experience. She said that capacity needs to be built in for breakout reporting so the Exchange knows the characteristics of its users.

Susan Shupe, California Coverage and Health Initiatives, stated that it is important to consider third-party application assistors in designing systems. She also asked the Board to remember that there will be people who struggle with technology and need person-to-person contact.

Ms. Nichols commented that sometimes the goal of no wrong door is not the same as eliminating complexity in the system, noting that county eligibility workers keep it simple for people. She said that, in regards to the three county systems, even the smallest system is as large as the fifth largest state, saying that if we can use the three and get to one later that would be great.

Ellen Wu, California Pan-Ethnic Health Network, commented that language access needs to go beyond Spanish, noting that it was good to hear about language services currently in use. She also said that things need to be written in plain language and customer assistance needs to be centralized.

Ms. Capell reminded the Board about churning, saying that they need to assume that people will come from private coverage to public coverage and move back again. She said she was struck thinking that Medi-Cal and MRMIB operate on the assumption that people seek coverage, noting that the Board should design a system that makes it easy to accept coverage rather than having to find it.

David Chase, Small Business Majority, commented that when designing the user experience it is important to remember that the SHOP needs a separate consumer experience.

Patrick Shannon, representing Get Insured, noted that there are private health exchange and call centers with this type of experience. He said that the Board should reach out to private companies with this experience because they stand ready to help.

Mr. Morillas echoed his prior comments about patient privacy.

Charles Bacchi, California Association of Health Plans, said that when creating a process it should be accessible, timely, accurate, and transparent while also being sustainable fiscally. He noted that the Board must keep administrative costs in mind because people don't have to buy through the Exchange.

### **Agenda Item VII: Adjournment**

The meeting adjourned at 1:16 PM.