

CALIFORNIA HEALTH BENEFIT EXCHANGE BOARD
June 19, 2012
East End Complex Auditorium
1500 Capitol Ave.
Sacramento, CA 95814

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

Chairwoman Dooley called the meeting to order at 10:00 a.m.

Board members present during roll call:

Diana S. Dooley, chair
Susan Kennedy
Kimberly Belshé
Robert Ross, MD

Board members en route during roll call:

Paul Fearer

Board members absent:

None

Agenda Item II: Closed Session

Chairwoman Dooley called the meeting to order at 12:12 p.m. A conflict disclosure was performed; there were no conflicts from the board members that needed to be disclosed.

Contractual matters

Mr. Lee reported during closed session, the board discussed the status of the California Healthcare Eligibility, Enrollment and Retention System (CalHEERS) project. The board announced its intent to award the contract and is awaiting the federal government's approval. The board has been working effectively with the federal government, and Mr. Lee anticipates rapid approval.

The board approved a personal services contract for Rich Wyde for legal services to the Exchange and its partners regarding information technology (IT) work. The board also approved with some comments a memorandum of understanding (MOU) regarding oversight and governance of CalHEERS. The MOU describes how the Exchange will work with the other state government project sponsors, as well as how the Office of Systems Integration will support the project.

Personnel matters

The board approved offering the position of director of the Small Business Health Options Program (SHOP). Mr. Lee looks forward to introducing that person in July.

Agenda Item III: Executive Director's Report

Mr. Lee noted five reports transmitted to the Board and posted on the Exchange website. Four were generated by UCLA and UC Berkeley and are micro simulation models estimating potential enrollment in Medi-Cal and the Exchange including regional and county estimates. Also transmitted to the board was a Field Research survey of California small business owners, conducted on behalf of Kaiser Permanente and the Small Business Majority, regarding the availability of insurance to small businesses through the California Health Benefit beginning in 2014. Links to these reports are available on the Exchange's [website](#).

Presentation: [California Health Benefit Exchange Planning Overview](#)

Mr. Lee presented the Planning Overview including a board planning and discussion calendar.

Presentation: [Exchange Bylaws](#)

Gary Cohen presented draft bylaws for the Exchange for the Board's consideration. The bylaws are a required component of federal Exchange regulations. He noted the bylaws will be before the Board in August for action and written comments are due August 9.

Discussion: Chairwoman Dooley asked that the mission statement be added in with the values.

Presentation: [QHP Stakeholder Input](#)

Exchange staff counsel Andrea Rosen summarized the Qualified Health Plan (QHP) stakeholder report, released May 18. Staff is actively using the input in developing policy options and recommendations.

Discussion: None

Presentation: [Sharing in the Cost of Care](#)

Ms. Rosen introduced Marge Ginsburg, executive director of the Center for Healthcare Decisions, who presented the results of individual consumer panels on cost-sharing relative to preventive, episodic, chronic and catastrophic care.

Discussion: There was discussion by Mr. Lee and Ms. Ginsberg regarding the results and specifically input provided by Spanish-speaking consumers.

Public comments:

Beth Capell, Health Access California, expressed concern regarding consumer affordability of PPO products as opposed to HMOs. Capell noted coinsurance is relatively uncommon in employer-based insurance in California.

Betsy Imholz, director of special projects, Consumers Union, noted the results are consistent with Consumers Union findings and the severe problems with health literacy and misunderstandings about terminology.

Cary Sanders, director of policy analysis, California Pan-Ethnic Health Network, noted many people do not understand coverage options and cost sharing because they have not had coverage before. She also stated that navigators play an important role, not just in enrollment, but also in utilization.

Eileen Schnitger, director of public policy, Women's Health Specialists: The Feminist Women's Health Centers of California, urged the Board keep in mind those transitioning from the Family PACT program and other programs that women use. Female consumers will see the issue differently than males.

Cindy Ehnes, president and chief executive officer, California Children's Hospital Association, said concerns about cost-sharing are profound. The implications around adding a coinsurance component should be taken seriously. Churning--people moving out of Medicaid eligibility and into commercial products--creates challenges. The Association suggested placing all Exchange participants into common disease management and case management programs that would minimize the effects of churning.

Board member Belshé thanked Ms. Rosen and noted the Exchange must find ways to capture the total cost for consumers, recognizing decisions are often made upon premiums.

Mr. Lee thanked Ms. Ginsberg, noting the importance of listening to potential consumers.

Agenda Item VI: Service Center

Presentation: [Service Center Options to Promote Enrollment in the Exchange, Medi-Cal, and Healthy Families](#)

Juli Baker, Chief Technology Officer, presented four service center options: state staffed, contracted services, state central distributed branch, and distributed consortia-based. The presentation covered potential service center volumes, exchange service center options, and criteria for assessing service center options.

Discussion: Service Center Options

Service Center Presentation Panel

Ms. Baker's presentation was followed by a panel presentations from representatives of services center operating in California including:

June Hutchison, San Bernardino County

Janette Casillas, Executive Director, Managed Risk Medical Insurance Board (MRMIB)

Michael Lemberg, Maximus
Jerry Coy and Trenita Ward, Kaiser Permanente

Presentation: [County Custom Service Centers](#)

June Hutchison, deputy director of call centers, San Bernardino County, representing county human services agencies, provided background on and current structure of county service centers and considerations for the Exchange.

Presentation: [Maximus Presentation](#)

Maximus, contracted by MRMIB to run its service center, gave a presentation describing the services it provides.

Presentation: [Kaiser Presentation](#)

Jerry Coy, Senior Vice President, Customer Service and Program Management and Trenita Ward, Vice President, Member Service Contact Centers, gave an overview of the centers and performance guarantees and metrics.

Discussion:

Ms. Dooley noted the State Compensation Insurance Fund was going to be a fourth presentation, but the presenter was unable to attend. The Exchange will continue to get information from that person about the Fund's service and call center model.

Discussion:

Dr. Ross thanked Ms. Ward and Mr. Coy and expressed admiration of their service credo. He asked them to discuss the training that produced the impressive results the presenters touted. Ms. Ward described a combination of hiring the right people, people who are committed to serving, and a five-week, very intensive training in content, accountability and responsibility, and customer service. Mr. Lemberg described Maximus' six-week training program which is followed by mentoring when trainees are moved into a call center environment. Ms. Hutchison described county eligibility worker training specific to their county, ranging from four to eight weeks across the state.

Ms. Kennedy asked how spikes in call volume are handled. Ms. Ward said a workforce management tool is used to predict call volume for the purpose of scheduling staff. A command center, managed by individuals who can see the queues [people in line] at the sites and how they're performing is also employed. Ms. Ward noted they can shift clients in real time to a different queues in different service center sites if predictions are inaccurate.

Ms. Kennedy asked if the performance metrics changed after Kaiser consolidated the individual sites as noted in the panel presentation. Ms. Ward noted that performance improved after call center sites were consolidated.

Ms. Belshé noted that the Exchange's call center must demonstrate its greatest competency on Day 1, which is in fifteen months. She asked the panelist for their thoughts on what would be a good plan for the volume of calls the Exchange is anticipating. Mr. Coy recommended staffing up in the early months of open enrollment, noting that if the Exchange doesn't staff adequate at first, staff will have to be doubled later due to those who can't get through calling more frequently. Ms. Hutchison recommended the Exchange staff at the highest level possible, and then let natural attrition take the levels back down to where they need to be on an ongoing basis.

Board Member Fearer noted that as the board determines guidelines, the Exchange's underlying missions and values, sustainability and affordability must be kept in mind. He added that whether Exchange, county-based, a hybrid, or a third party, some form of redundancy is critical with distributed and connected processes.

Ms. Belshé noted the importance of assuring cost effectiveness. A key piece is affordability. Playing into this was measuring performance and results, transparency, and financial incentives. She asked if panelists' performance standards and metrics are publically reported, and in terms of financial incentives, how they instill improvements in worker performance. Mr. Coy said their metrics are in their contracts with various national groups and multistate groups. Regulators also monitor them routinely, evaluating certain performance aspects. He also noted the importance of measuring success from the members' point of view.

Ms. Ward noted that; employees' specific incentives are related to their quality assurance scores. They moved away from using average call handling time as their basis for incentives; they monitor it to ensure adequate staffing, but they do not want the customer service rep to worry about getting to the next call instead of quality.

Ms. Casillas noted Healthy Families has public reporting of all performance standards each month. All standards also come with liquidated damages that can be assessed if performance standards are not met.

Ms. Hutchison said their workers are public employees, so they have limited ability to provide financial incentives. They strive to provide non-financial incentives to reward performance.

Chairwoman Dooley thanked the panel participants.

Mr. Lee thanked the presenters. Some board members have visited these service centers, and they have all helped the Exchange immensely. Getting the service center right will be a key platform for the Exchange. He reminded participants that the Exchange is not

suggesting any of the various models, but instead mining for ideas, solutions, and data, and invited stakeholders to comment on those.

Public Comment:

Roseanne Berthron-Arechiga, eligibility worker, Santa Clara County and SEIU 521, noted her union represents more than 6,000 public service members that serve people in multiple public programs. She stated that many clients experience instability in their finances and employment, noting that eligibility workers are trained to deal with those circumstances.

Betsy Imholz, director of special projects, Consumers Union, thanked the presenters. How to shape the service center is one of the most important decisions that the board will have to make. The service center will be the face of the Exchange, and represents an important direct sales force, supplemented by the assisters.

Athena Chapman, director of regulatory affairs, California Association of Health Plans, noted the importance of having an accountable, efficient, effective system, not only for operational reasons but also to ensure the customer experience reinforces efforts to prevent adverse selection. To create this effective service center, the Exchange should develop a set of standards that will meet the needs of the Exchange and then evaluate proposals to see which option has demonstrated meeting outlined performance measures.

Sandra Wall, eligibility worker, Contra Costa County, SEIU 1021, said the Exchange must build on existing infrastructure to be successful. County eligibility workers have the training, expertise, and knowledge, and work to guide people through the complex process, keeping the safety net open for everyone.

On phone: Doreena Wong, Asian Pacific American Legal Center, noted that the original outreach and marketing plans recommended focus groups in other languages, and she hopes this will be explored further. She was happy to see recommendations aimed at ensuring health plans meet cultural and linguistic requirements and applicable federal and state laws, and also ensure the networks include culturally and linguistically appropriate providers.

Brianna Lierman Hintze, Local Health Plans of California, reminded the board that there is no endeavor worthy of consideration if it will not achieve the most fundamental objective: enrollment. Rapid enrollment should be done in a cost effective manner and through a process that is accountable to the Exchange and to the public and in a way that's responsive to whatever is found to be in existence

Hellan Roth-Dowden, SEIU Local 1000, recognized the Exchange will sell insurance, subsidized and unsubsidized, and provide group insurance through the SHOP. At least 60 percent of those calling will want to buy these products. They agree with concept of having no wrong door, but the right person must answer the door.

Cathy Senderling-McDonald, deputy executive director, County Welfare Directors Association of California, expressed appreciation that a number of their members have been engaged with Exchange staff in discussions about the service center options and state that option offers advantages over other options.

Elizabeth Landsberg, director of legislative advocacy, Western Center on Law and Poverty, agreed with Board member Fearer that is helpful to look at underlying details. The Exchange should not focus only on speed but also make sure customers enroll in the right program, get desired tax credits, etc.

Cary Sanders, director of policy analysis, California Pan-Ethnic Health Network, appreciated the depth of the presentations. The network supports bilingual staff to help deliver quality service.

Kathleen Hamilton, Children's Partnership, emphasized the importance of staying on track with a single rules engine, to insist on processes that ensure a first class customer service for all trying to enroll, including children and their families.

Kiwon Yoo, policy director, Insure the Uninsured Project, recommends Option 1 but given the real world limitations, option 3 might be most successful.

Liz Garracola, eligibility worker, Los Angeles County and SEIU 721, recommends ensuring systems run smoothly as counties continue to add innovative ways to increase access to clients. For example, Los Angeles County is piloting a program to provide for mobile phone document uploads.

Beth Abbott, director of administrative access, Health Access California, noted if the Exchange wants to be seen as a trustworthy and reliable source of information, it should include benchmarks used by the national Social Security and Medicare programs. A customer service orientation is important, but there is also a sense that the Exchange is a unique source.

Tom Williams, Integrated Healthcare Association, noted the Exchange's call center has a unique position in doing front end enrollment, which is very complicated. Williams noted it's important to make distinctions between the roles of the call center and the health plans, redirecting queues as appropriate, and hopefully making a warm handoff, to avoid clogging up the service center.

Agenda Item VII and VIII: Next Steps—Outreach and Marketing and Assisters, Navigators, and Agents

Presentation: [Statewide Marketing, Outreach, and Education Program and Assisters Program—Staff Recommendations and Responses to Stakeholder Comments](#)

Mr. Lee presented staff recommendations and responses to stakeholder comments on Statewide Marketing, Outreach & Education Program Assistants Program.

Presentation: [Statewide Assistants Program Design Options and Recommendations](#)

Richard Heath and Associates presented to the Board updated recommendations related to assistants' roles, training, compensation, eligibility and standards and assistant recruitment based on a review of reports, research, stakeholder input, and lessons learned by California and other states in enrolling consumers in health coverage programs and recent stakeholder input on preliminary program recommendations.

Discussion: Board members discussed the recommendations and the amount to budget for paying assistants. Mr. Lee proposed modifying the recommendation to \$20 million per year over two years, rather than \$15 million per year. There were no objections.

Motion/Action: Board Member Fearer moved to adopt the recommendations in the statewide marketing and outreach and education program at the proposed level 3 for all elements, except as modified in the course of the meeting, as well as the state assistants program as recommended in the materials presented. Board member Ross seconded the motion.

Public Comment:

Al Hernandez-Santana, director of policy, California State Rural Health Association and the California Consumer Advocates and Navigator (CCAN) work group, said the plan seems to illustrate the right mix of paid media outreach and small business outreach.

Ivana Krajinovic, Unite Here Health, was happy to see in the outreach document messaging reinforcing the importance of all employers offering insurance, and they would like to see that. She suggested shaming those who don't. Her organization remains skeptical messaging will overcome the incentives that employers have to dump employees onto the individual market.

Meaghan McCamman, associate director of policy, California Primary Care Association, stated strong support for option 2 for the navigator program options including the requirement that navigators enroll people in qualified health plans, Medi-Cal, and Healthy Families. Requiring full service enrollment at point of care, in clinics and hospitals, would remove barriers to enrollment for those with no transportation.

Susie Shupe, executive director, California Coverage and Health Initiatives and Consumer Advocates, found it evident that the board and staff looked closely at the comments they received. Her organization is pleased to see many of its suggestions acknowledged or incorporated. The option of giving assistants the option of targeting specific markets and populations is good. The modification made to increase the grants to organizations doing outreach and education is appreciated.

Judy Darnell, United Ways of California and the California Consumer Advocates Navigator work group, agreed with Ms. Shupe's and Mr. Hernandez-Santana's comments. The integration of human services programs is a crucial component of the Exchange

Christine Smith, community affairs coordinator, California Consortium for Urban Indian Health, supports health promotion and access for American Indians living in California's cities. She highlighted the explicit federal regulations for inclusion of Indian health centers as potential receivers of navigator grants.

Betsy Imholz, director of special projects, Consumers Union, understands the board intends that the outreach and education grants would become a bridge for organizations wanting to be navigators.

Eileen Schnitger, director of public policy, Women's Health Specialists: The Feminist Women's Health Centers of California, reminded the board that there is a reason why each of the variety of health centers exist: people from hard-to-reach populations need them and come to them. Their relationships are special and unique.

Cary Sanders, director of policy analysis, California Pan-Ethnic Health Network, thanked the board for choosing level 3 and for augmenting the money for outreach and education. Navigators enrolling people into public programs will be important to ensure a seamless, no-wrong-door process.

Leslie Toy, policy advocate of health access project, Asian Pacific American Legal Center and the Health Justice Network, recommends collection of granular data, including race, ethnicity, and primary oral and written languages at the time of enrollment, to help adequately measure education and outreach effectiveness. In addition to enrollment data, they hope utilization and retention data will also be collected. Board member Ross's proposal to increase grant funding to \$20 million a year is supported.

Vanessa Cajina, Western Center on Law and Poverty, appreciates the recommendation to enable enrollment across the spectrum. Enrollment does happen on a spectrum, and it's important to recognize that. She concurs with CPHEN and Consumers Union that the Exchange should figure out how to ensure organizations are properly funded, and use this to leverage additional federal funds.

Fiona Young, public affairs coordinator, California Family Resource Association, brought up the need for more data on community-based outreach. That data can be harder to mine because of varied capacities to collect and analyze, but it's worth putting a solicitation out.

Carla Saporta, health policy director, the Greenlining Institute, appreciates funding outreach at the top level. The organization shares the concern about the lack of up front funding making it hard for important community-based organizations to act in this function and appreciates the increase in grant funding.

On phone: Reverend Sophia Dewitt, Fresno Interdenominational Refugee Ministries, expressed support for the staff recommendation the Exchange contract directly with community based organizations who work with low-income and underserved populations. This will help make outreach effective and make the Exchange as financially viable as possible.

Alice Ricks, senior policy analyst, California School Health Centers Association, was pleased to see a focus on educational partners added to the marketing work plan. With 10,000 public schools and a proven track record of school-based outreach and enrollment, it makes sense to include them.

Mark LeBeau, health policy analyst, California Rural Indian Health Board, noted tribes serving as navigators can provide culturally and linguistically appropriate information and outreach focused on improving health care access to tribal members.

On phone: Kia Lor Xiong, citizen from Fresno—translation by Cy Lee, organizational representative, Fresno Interdenominational Refugee Ministries, noted that, in this economy, it is hard for young people and people in my community to earn wages. She has two sons who no longer qualify for Medicaid, and they have no health insurance. They have trouble finding jobs and can only pull in \$100–200 in weekly wages, so they don't have the money for medical bills. We need to make sure there is money to go toward helping them pay for health insurance. It's important to fund organizations such as Fresno Interdenominational Refugee Ministries, who serve in their community.

Beth Capell, Health Access California, appreciates the changes in the plan and also the recognition that this is a grant proposal, more of a process than a final plan. It is an improvement to increase the grants, but hope to see a more detailed budget; it will be important to think that through, revisiting the amount and effectiveness.

Proposed amendment to motion

Mr. Lee proposed modifying the motion with the following language at the end:

“to delegate to the executive director the authority to make changes as may be required to effectuate the board’s intent as reflected by this action.”

Chairwoman Dooley noted that that language was written into the board’s meeting materials. She announced the amendment was accepted “with a nod” by the Board..

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

Following the vote, Board member Belshé acknowledged Mr. Lee’s leadership in what has been a transparent, inclusive, and evidence-based process. It has been informed by presentations, verbal and written comments, and staff recommendations. It has been a very positive model. As Mr. Lee and the staff consider the next steps for the service

center, she encouraged them to employ a similar process for working through the options and tradeoffs.

Agenda Item VII: Federal Establishment Support—Level 1 Phase 2 Establishment Grant

Presentation: [Level 1.2 Establishment Grant—Draft Narrative and Work Plan](#)

David Maxwell-Jolly, the Exchange's chief Operating Officer, presented a draft of the Level 1.2 grant narrative and work plan that will be submitted to the federal government by June 29.

Discussion: Mr. Lee encourages stakeholders to read and comment on the document. The Exchange has been working with Deborah Kelch and her team on it, and it's also a reflection of work done by staff, consultants, and stakeholders. What has been done and what will be done are impressive. This work will help ensure that millions of people get insured. The various collaborators have made a mess into something clear and linear.

Resolution: Chairwoman Dooley noted staff has presented a resolution authorizing staff to proceed to complete the Level 1.2 grant and submit it by June 29. She asked for a motion. Mr. Lee clarified that this resolution requires the executive director to confer with a subcommittee, including Chairwoman Dooley and Board member Belshé.

Motion/Action: Board member Kennedy moved to authorize staff to proceed to complete the Level 1.2 grant and submit it by June 29. Ms. Belshé seconded the motion.

Public Comment:

Beth Capell, Health Access California, noted her organization has not reviewed the document in detail.

Elizabeth Landsberg, director of legislative advocacy, Western Center on Law and Poverty and the Health Consumer Alliance, appreciates the inclusion of the consumer assistance piece on pages 30–31; this is separate from outreach and education as well as eligibility and enrollment functions.

Kathleen Hamilton, Children's Partnership, noted that its recently released report on pre-enrollment strategies recommended that the Level 1.2 grant include a plan to reach out to Health Family program parents in the auto enrollment portion.

Judy Darnell, United Ways of California, offered congratulations on the evolution of assisters program. It is understood there is great work to be done, it's disappointing the grant application included no inclusion of horizontal integration other than the integration with other health programs.

Susie Shupe, executive director, California Coverage and Health Initiatives, echoed the United Way comments about horizontal integration because their organizations enroll people in both insurance and public and private benefit programs and services. .

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

Agenda Item VIII: Adjournment

The meeting was adjourned at 4:54 p.m.