

**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:  
Diana S. Dooley, chair  
Susan Kennedy  
Kimberly Belshé  
Robert Ross, MD  
Paul Fearer

**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 that 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 with 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).

**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 the results of a micro simulation model 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 by Kaiser Permanente and Small Business Majority, regarding the availability of insurance to small businesses through the Exchange 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, General Counsel, California Health Benefit Exchange, presented draft Exchange bylaws 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](#)

Andrea Rosen, Interim Health Plan Management Director, summarized the Qualified Health Plan (QHP) stakeholder report, released May 18, noting staff is 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, Center for Healthcare Decisions, who presented the results of individual consumer panels on cost-sharing relating to preventive, episodic, chronic and catastrophic care.

**Discussion:** Mr. Lee and Ms. Ginsberg had a discussion 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. 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 discussed 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, stating that navigators will play an important role, not just in enrollment, but also in utilization.

Eileen Schnitger, director of public policy, Women's Health Specialists urged the Board keep in mind those transitioning from the Family PACT program and other programs that women use.

Cindy Ehnes, president and chief executive officer, California Children's Hospital Association, said concerns about cost-sharing are profound and the implications regarding adding a coinsurance component should be taken seriously. 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 based on 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, California Health Benefit Exchange, 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, and representing county human services agencies, provided background on the current structure of county service centers and considerations for the Exchange.

Presentation: [Maximus Presentation](#)

Michael Lemberg, Maximus, contracted by MRMIB to run its service center, gave a presentation describing the services and operations.

Presentation: [Kaiser Presentation](#)

Jerry Coy, senior vice president, of customer service and program management and Trenita Ward, vice president, of 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 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, a five-week, very intensive training in content, accountability and responsibility, and customer service. Mr. Lemberg described Maximus' six-week training program 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 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 the Exchange's call center must demonstrate its greatest competency on day 1. She asked the panelists about planning 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 adequately at first, staff will have to be doubled later as those who can't get through call 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.

Mr. Fearer noted that whether Exchange service center is 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. She asked if panelists' performance standards and metrics are publically reported, and regarding 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 and he 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 rather than average call handling time to allow customer service representatives to focus on quality.

Ms. Casillas noted Healthy Families has public reporting of all performance standards each month and 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, but they strive to provide non-financial incentives to reward performance.

Mr. Lee noted the importance of Service Center to Exchange success and 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 many clients experience instability in their finances and employment, and eligibility workers are trained to deal with those circumstances.

Betsy Imholz, director of special projects, Consumers Union, noted the importance of the service center, as it 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 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 the outlined performance measures.

Sandra Wall, eligibility worker, Contra Costa County, SEIU 1021, said the Exchange must build on existing infrastructure to be successful as 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.

Brianna Lierman Hintze, Local Health Plans of California, reminded the Board that rapid enrollment should be done in a cost effective manner and through a process that is responsible and accountable to the Exchange and to the public.

Hellan Roth-Dowden, SEIU Local 1000, recognized the Exchange will sell insurance, subsidized and unsubsidized, and provide group insurance through the SHOP and agreed with the no wrong door concept, but noted 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 supported.

Elizabeth Landsberg, director of legislative advocacy, Western Center on Law and Poverty, said the Exchange should focus not 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, supported bilingual staff to help deliver quality service.

Kathleen Hamilton, Children's Partnership, emphasized the importance of using single rules engine, and insisted 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, recommended Option 1 but, given the real world limitations, Option 3 might be most successful.

Liz Garracola, eligibility worker, Los Angeles County and SEIU 721, recommended ensuring systems run smoothly as counties continue to add innovative ways to increase access to clients.

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.

Tom Williams, Integrated Healthcare Association, said the Exchange's call center has a unique position in doing front end enrollment, noting 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 Assisters Program.

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

Richard Heath and Associates presented to the Board updated recommendations related to assisters' roles, training, compensation, eligibility and standards and assister 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 assisters. 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:** Mr. 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 assisters program as recommended in the materials presented. Dr. 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 Krajcinovic, UNITE HERE Health, was happy to see messaging reinforcing the importance of all employers offering insurance, and noted her organization remains skeptical that 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, supported the option of giving assisters the option of targeting specific markets and population and appreciated modification made to increase the grants to organizations doing outreach and education.

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, supported 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, noted the Board intends for outreach and education grants to become a bridge for organizations wanting to be navigators.

Eileen Schmitger, 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.

Cary Sanders, director of policy analysis, California Pan-Ethnic Health Network, noted that 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, recommended collecting granular data, including race, ethnicity, and primary oral and written languages at the time of enrollment, to help adequately measure education and outreach effectiveness and hoped utilization and retention data would also be collected.

Vanessa Cajina, Western Center on Law and Poverty, noted that enrollment happens on a spectrum, and she concurred with CPEHN and Consumers Union that the Exchange should determine 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 and noted that data can be harder to mine because of varied capacities to collect and analyze it, but it's worth putting out a solicitation.

Carla Saporta, health policy director, the Greenlining Institute, shared her concern about the lack of up front funding that could make it hard for important community-based organizations to act in this function.

On phone: Reverend Sophia Dewitt, Fresno Interdenominational Refugee Ministries, expressed support for the staff recommendation that the Exchange contract directly with



community- based organizations who work with low-income and underserved populations.

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 and noted that 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 people to earn wages and therefore it's important to make sure there is money to help them pay for health insurance and to fund organizations such as Fresno Interdenominational Refugee Ministries, who serve in the community.

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.

Beth Capell, Health Access California, appreciated the changes in the plan and grant funds but hopes to see a more detailed budget.

#### **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.

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

Following the vote, Ms. 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 and 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, Chief Operating Officer, California Health Benefit Exchange, 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 encouraged stakeholders to read and comment on the document, noting that the work included will help ensure that millions of people get insured.

**Resolution:** Chairwoman Dooley presented a resolution authorizing staff to proceed to complete the Level 1.2 grant and submit it by June 29, 2012. Mr. Lee clarified that this resolution requires the executive director to confer with a subcommittee, including Chairwoman Dooley and Ms. 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, 2012. Ms. Belshé seconded the motion.

**Public Comment:**

Beth Capell, Health Access California, noted her organization would review the document in detail and provide comments.

Elizabeth Landsberg, director of legislative advocacy, Western Center on Law and Poverty and the Health Consumer Alliance, appreciated the inclusion of the consumer assistance as it 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 Families Program parents in the auto-enrollment portion.

Judy Darnell, United Ways of California, offered that it’s disappointing the grant application does not include any 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.

**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.