
Covered California Executive Director's Report

Peter V. Lee
Executive Director

California Health Benefit Exchange Board Meeting
January 17, 2013

Covered California's Vision and Mission

Vision

The vision of Covered California is to improve the health of all Californians by assuring their access to affordable, high quality care.

Mission

The mission of the Covered California is to increase the number of insured Californians, improve health care quality, lower costs, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and providers that give them the best value.



Covered California's Values

Consumer-focused

At the center of the Exchange's efforts are the people it serves, including patients and their families, and small business owners and their employees. The Exchange will offer a consumer-friendly experience that is accessible to all Californians, recognizing the diverse cultural, language, economic, educational and health status needs of those we serve.

Affordability

The Exchange will provide affordable health insurance while assuring quality and access.

Catalyst

The Exchange will be a catalyst for change in California's health care system, using its market role to stimulate new strategies for providing high-quality, affordable health care, promoting prevention and wellness, and reducing health disparities.

Integrity

The Exchange will earn the public's trust through its commitment to accountability, responsiveness, transparency, speed, agility, reliability, and cooperation.

Partnership

The Exchange welcomes partnerships, and its efforts will be guided by working with consumers, providers, health plans, employers and other purchasers, government partners, and other stakeholders.

Results

The impact of the Exchange will be measured by its contributions to expanding coverage and access, improving health care quality, promoting better health and health equity, and lowering costs for all Californians.



Covered California Board Calendar 2013

Month / Date	Location
January 17	Los Angeles
February 21	Sacramento
March 21	Sacramento
April 25	Inland Empire
May 23	Sacramento
June 20	Sacramento
July 25	Tentative
August 22	Sacramento
September 19	Sacramento
October 24	Bay Area
November 21	Sacramento
December 19	Tentative

All meetings scheduled for Thursdays

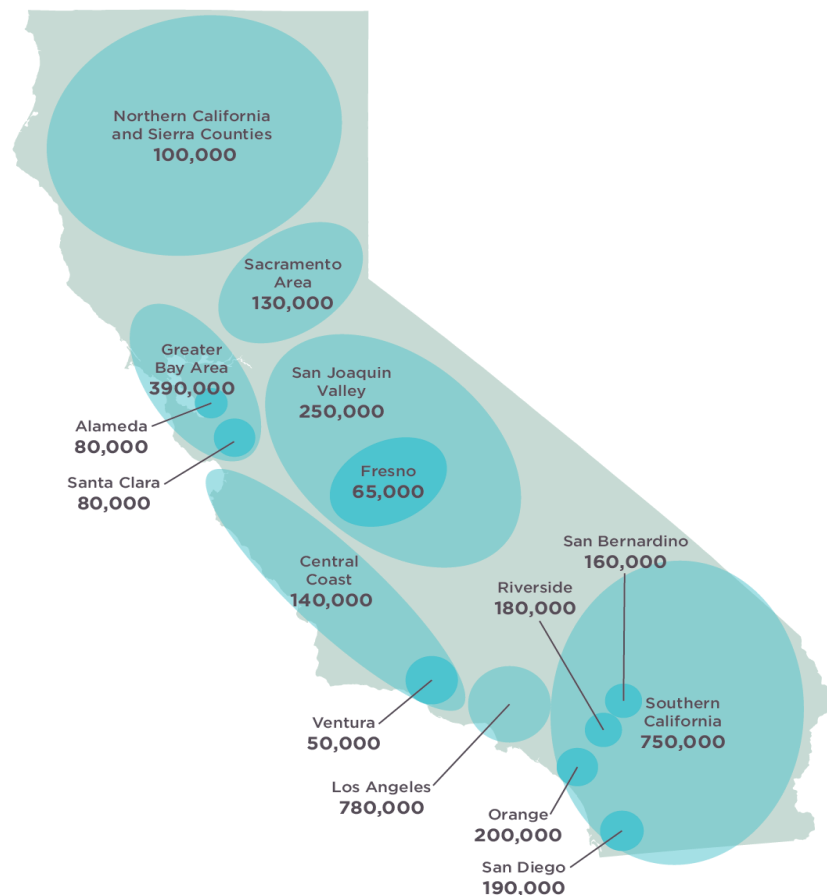
“Tentative” meetings identify potential dates that the Board may determine are unnecessary



California's Subsidy Eligible Population is Spread Throughout the State

California's expanse, diverse geography and mix of rural and urban areas are unique and present outreach challenges.

Exchange Eligible Population by Region

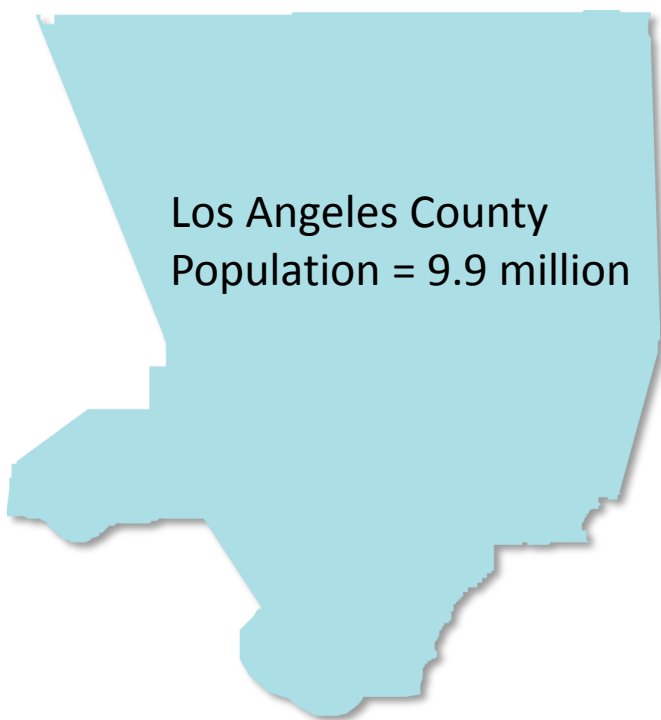


Source: CalSIM model, Version 1.8



Los Angeles County is larger than the ten smallest states in the U.S. COMBINED...

10 Smallest States by Population

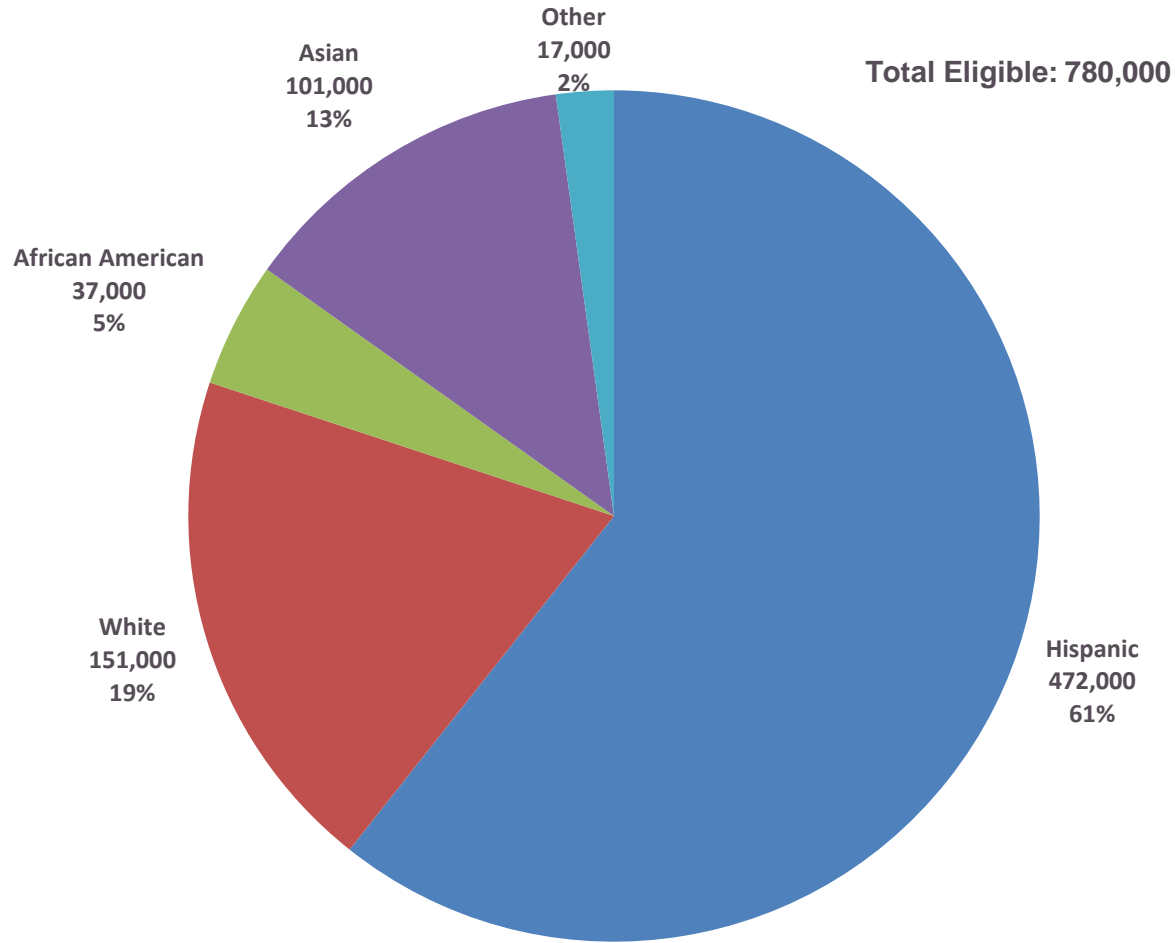


State	Population
Wyoming	544,270
Vermont	621,760
North Dakota	646,844
Alaska	698,473
South Dakota	812,283
Delaware	885,122
Montana	974,989
Rhode Island	1,053,209
Hawaii	1,295,178
Maine	1,318,301
TOTAL	8,850,429

Source: US Census



Subsidy Eligible Residents of Los Angeles: Diversity, Diversity, Diversity



Source: CalSIM model, Version 1.8

Covered California: Building for Launch AND the Long-Term

“We take as an article of faith that if we put customers first, other stakeholders will also benefit, as long as they’re willing to take the long view. And a long-term approach is essential for invention, because we’re going to have a lot of failures along the way.”

“We don’t make money when we sell things, we make money when we help customers make purchase decisions.”

Jeffrey Bezos, CEO Amazon
Harvard Business Review, January 2013



Covered California Walk The Talk Award: Individual 2012

This award is given to the employee that models, exemplifies, and promotes Covered California's Primary Values: Consumer-focused, Affordability, Catalyst, Integrity, Partnership, Results including:

- Demonstrates significant organizational commitment.
- Leads by example in contributing to the teams or units productivity and outcomes.
- Shares resources and collaborates with others to help the team succeed.
- Suggests and/or implements new ideas that reduce costs or increase revenue.
- Suggests and/or implements new ideas that increase quality or enhance customer satisfaction.
- Suggests and/or implements new ideas that increase efficiency by saving time or increasing productivity.
- Suggests and/or implements new ideas that enhance internal or external communications.
- Suggests and/or implements ideas for new products or services that meet different customer needs.
- Exceptional contributions and exceeds expectations in delivering services to internal and/or external customers.

Jessica Abernethy
Manager, Policy

Covered California Walk The Talk Award: Team 2012

This award is given to the team that models, exemplifies, and promotes Covered California's Primary Values: Consumer-focused, Affordability, Catalyst, Integrity, Partnership, Results including:

- Demonstrates significant organizational commitment.
- Leads by example in contributing to the teams or units productivity and outcomes.
- Shares resources and collaborates with others to help the team succeed.
- Suggests and/or implements new ideas that reduce costs or increase revenue.
- Suggests and/or implements new ideas that increase quality or enhance customer satisfaction.
- Suggests and/or implements new ideas that increase efficiency by saving time or increasing productivity.
- Suggests and/or implements new ideas that enhance internal or external communications.
- Suggests and/or implements ideas for new products or services that meet different customer needs.
- Exceptional contributions and exceeds expectations in delivering services to internal and/or external customers.

The Move Team
Becky Patchen
Judy Michel
Jacoby Jorgensen
AJ Meza

Covered California Extra Mile Award: 2012

This award is given to the employee who consistently provided extra effort and uses positive behaviors to make the division/department a better place including:

- Given to an employee who consistently provides extra effort and uses positive behaviors to make the division/department a better place.
- Recognizes needs and consistently contributes whenever and wherever needed.
- Consistently shows support to colleagues.
- Encourages teamwork and unity.
- Displays outstanding judgment, courage, or ability.
- Provides outstanding service at a consistently high level in working with and communication with customers.

Kelly Long
Contracts, Analyst

Jacoby Jorgensen
Business Services Analyst

Alex Kemper McCall
Policy Analyst



Covered California: New Hires

Ken Wood-Senior Advisor for Products, Marketing, and Health Plan Relationships

John Hiber-Chief Financial Officer

Deborah Cunningham- CalHEERS Data Processing Manager II

Tara Graham-Office Assistant

Dustin Lyda-Outreach Analyst

Susan Oliver-QHP Staff Services Manager I

Kara Poole-CalHEERS Senior Information Systems Specialist

Kathryn Solorzano- E&E Health Program Specialist

Jonathan Victor-Systems Software Specialist II

Sharlene Ellis- Personnel Analyst

Tim De Herrera- Contracts Analyst

As of January 17th, Covered California has 102 employees and many more partners and consultants.



January: Launch Covered California Website

COVERED CALIFORNIA

HOME ABOUT US GETTING COVERED RESOURCES LANGUAGE: ENGLISH ▾

COVERING CALIFORNIA FAMILIES

Individuals and families will have many new options for health insurance through Covered California. For families that qualify, financial assistance will help make insurance more affordable. [Read More](#) ▶

271 DAYS 10 HRS 37 MINS
UNTIL ENROLLMENT BEGINS OCT. 1, 2013
Health care coverage begins January 1, 2014

FOR INDIVIDUALS

For Individuals

Whether you are healthy or have health conditions, you need insurance. Covered California will help individuals compare and choose their own health plans, and get access to federal tax credits to make coverage more affordable.

[LEARN MORE](#)

FOR SMALL BUSINESSES

For Small Business

If you are a small business owner, you can learn how Covered California's Small Business Health Options Program can help simplify employee health insurance.

[LEARN MORE](#)

COST-ESTIMATE CALCULATOR

Starting in 2014, most people will be required to have health insurance. Find out if you are eligible for tax credits and your approximate cost of health insurance by using our calculator.

[ESTIMATE YOUR COST](#)

February: Administrative Vendor for SHOP



March: Covered California hits 200 Staff



April: Outreach Grantees Announced



May: Assister Selection Begins

Please,
help me!



June: Qualified Health Plans Selected

Covered California to select private plans that offer the best value for consumers.

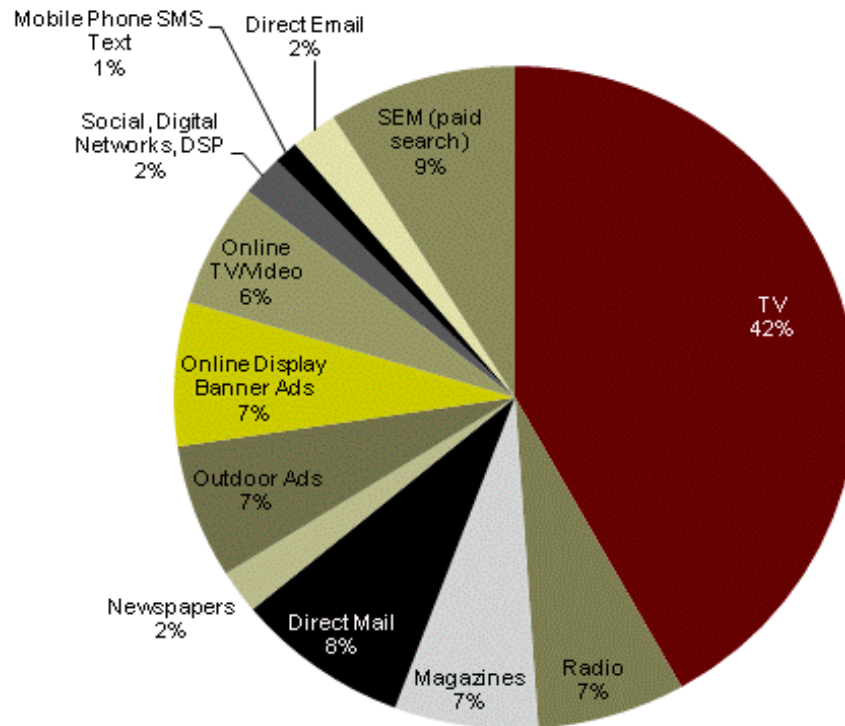


July: Service Center Launch



August: Paid Media and Outreach Hits Stride

2013/2014 Channel Mix



September: Pause...Deep Breath...



October: Open Enrollment and CalHEERS Launch

COVERED CALIFORNIA

Welcome to Covered California

Sign In | Create Account

Reducing Healthcare Cost

Do I qualify for assistance in reducing the cost of healthcare coverage?

Your answers to a few short questions is a quick way to find out if your household MAY qualify for coverage programs or reduced cost health insurance. In order to determine your actual benefit eligibility – you will need to APPLY NOW and submit a full application.

Notes: You may or may not qualify for free or low-cost coverage for reasons not shown here. For example, your choices may depend on your citizenship or immigration status, or you may have access to affordable coverage through an employer or another government program.

What is your Zip code? ?

How many people are in your household? ? Includes a child under 19. ?

Is anyone in your household: Pregnant Blind Disabled ?

What is your total household income? (U.S. dollars per year) ?
Enter a number, or move the slider.

Check My Eligibility

Available Programs

Free Coverage	Low-Cost Coverage	Discounts	Negotiated Prices
Through Medi-Cal	Through Medi-Cal for Children (CHIP & AIM)	On health plans offered through Covered California	On health plans offered through Covered California
Learn More	Learn More	Learn More	Learn More

November: Covered California Rated “Best Employer” by Staff



December: Covered California Pre-enrolls Over 400,000 Eligible Californians for Coverage



Covered California Advisory Groups

California Health Benefit Exchange Board Meeting
January 17, 2013

Plan Management and Delivery System Reform Advisory Group

Irma Cota
North County Health Service

Jerry Fleming
Kaiser Permanente

Brad Gilbert, MD
Inland Empire Health Plan

Elizabeth Gilbertson
Unite Here Health

Dana Goldman, Ph.D.
USC Leonard D. Schaeffer
Center for Health Policy & Economics

Shelley Horwitz
Bay Valley Medical Group

Abdul Kassir
Community Medical Centers

Deborah Kelch
Kelch Policy Group

Alana Ketchel
Pacific Business Group and Health

Steven Larson, MD
Riverside Medical Clinic,
California Medical Association

Ruth Liu
Blue Shield of California

Lynn Quincy
Consumers Union

Lisa A. Rubino
Western Region & Medicare
Molina Healthcare, Inc.

Victoria Sorlie-Aguilar, MD
California Academy of Family
Physicians, National Hispanic Medical
Association

Valerie Yv. Woolsey
Bay Area Addiction Research and
Treatment

Ellen Wu (Chair)
California Pan-Ethnic Health Network

**Covered California Board
Participants**
Kim Belshé
Paul Fearer



Marketing, Outreach and Enrollment Assistance Advisory Group

James Araby

Executive Director
Western States Council
United Food and Commercial Workers

Bill Lan

Head of Industry
Health Insurance & Services
Google Inc.

Srija Srinivasan

Director of Strategic Operations
San Mateo County Health System

Bryan Blum

Political Director
California Labor Federation

Pattie McCann

Marketing Director
Anthem Blue Cross

Pedro Toledo

Director
Community and Government Relations
Redwood Community Health Coalition

Kathy Bowler

President
KBG (K Bowler Group)

Alexandra Morehouse

Vice President
Permanente Brand Experience &
Advertising
Kaiser Permanente

Sonya Vasquez

Policy Director
Community Health Councils

Verne Brizendine

Director of State Programs
Blue Shield of California

Dale Reinert

Coordinator
Healthy Start Program
Los Angeles Unified School District

Anthony Wright

Executive Director
Health Access California

Lilian Coral

Director
2-1-1 California

Christina Sanchez

Senior Partner
Milagro Strategy Group

Covered California Board**Participants**

Diana Dooley
Robert Ross

Frank Gilliam (Chair)

Dean
UCLA Luskin School of Public Affairs



Small Business Health Options Program Advisory Group

Jeanne Cain

Executive Vice President, Policy
California Chamber of Commerce

David Chase

California Outreach Director
Small Business Majority

Jorge C. Corralejo (Chair)

Chairman, Founding Member
Latino Business Chamber of Greater
Los Angeles

Virginia Donohue

Camp Director
Small Business Owner (Pet Camp)

Tana Elizondo

Insurance Agent
Central Valley Life & Health Benefits

Kathy Hamilton

Director, Government Affairs
The Children's Partnership

Brent Hitchings

Vice President
Sales and Account Management
Blue Shield of California

Alan Katz

Executive Vice President
SeeChange Health Insurance

Emily Lam

Senior Director
Healthcare & Federal Issues
Silicon Valley Leadership Group

Gohn Marie McFadden

President and Founder
McFadden & Associates

Mark Morgan

Vice President and General Manager
Small Group Business
Anthem Blue Cross of California

John Newman

Executive Director
California Exchange Operations
Kaiser Permanente Health Plan

Carla Saporta

Policy Director
Greenlining Institute

M. Sam Smith

President Elect of CAHU
Independent Broker & CAHU

Micah Weinberg, Ph.D.

Senior Policy Advisor
Bay Area Council

**Covered California Board
Participants**

Paul Fearer
Susan Kennedy



Tribal Advisory Group

Brenda Adams

Shingle Springs Band of Miwok Indians

Margaret Alaspaugh, M.D.

Greenville Rancheria

Jacque Archambeau

Cherokee Nation

Scott Black

American Indian Health and Services

Andrea Cazares-Diego

Greenville Rancheria

Lisa Davies

Chapa De Indian Health Program, Inc.

Chris Devers

Pauma Band of Mission Indians

Britta Guerrero

Sacramento Native American Health Center

Liz Hunt

Indian Health Center of Santa Clara Valley

Yolanda Latham

M.A.C.T. Health Board, Inc.

Kasey Lonbaken

Shingle Springs Band of Miwok Indians

Vickey Macias

Cloverdale Rancheria

Molin Malicay (Chair)

Sonoma County Indian Health Project

Jess Montoya

Riverside-San Bernardino County Indian Health, Inc.

Nelson Pinola

Manchester-Point Arena Band of Pomo Indians

Joleen Robles

Susanville Indian Rancheria

Mark Romero

Mesa Grande Band of Mission Indians

Jennifer Ruiz

Fresno American Indian Health Project

Ronald Sisson

Santa Inez Tribal Health Clinic

Charlene Storr

Tolowa Nation

Charlie Wright

Cortina Indian Rancheria



Federal Establishment Support and Blueprint

California Health Benefit Exchange Board Meeting
January 17, 2013



Covered California: Establishment Support and Blueprint Update

Level 2 Grant

- \$674 Million Award
- Submitted November 15, 2012
- Awarded January 17, 2013

Blueprint Application

- Submitted December 14, 2012
- Conditional certification received on January 3, 2013



Covered California: Level 2.0 Grant – Organization Summary

Expenditure Category	2013	2014	Total Grant Request Jan 2013- Dec 2014
Personnel Expenses	43,518,337	96,631,314	140,149,651
Travel	447,058	489,540	936,598
Sub-Total	43,965,395	97,120,854	141,086,249
Contractual			
<i>Outside vendor services</i>	201,369,960	257,106,031	458,475,992
<i>Operational & IAA</i>	59,388,618	42,576,314	101,964,932
Sub-Total	263,566,006	304,543,971	560,440,924
Total prior to Medicaid/SCHIP Cost Allocation	307,531,401	401,664,825	701,527,173
CalHEERS 18% Medicaid/SCHIP Cost Allocation	(11,108,908)	(16,712,908)	(27,821,815)
GRAND TOTAL	\$296,422,494	\$384,951,918	\$673,705,358



Covered California: Level 2.0 Grant – Budget by Core Area

Budget by Core Area					
CORE AREA	Personnel Expenses	Contractual Services	Travel	Medicaid/SCHIP Cost Allocation	TOTAL
Consumer and Stakeholder Engagement and Support	\$94,628,841	\$346,877,522	\$370,603		\$441,876,966
<i>In Person Assisters Program</i>	\$3,046,838	\$49,260,701	\$30,320		\$52,337,859
<i>Outreach</i>	\$5,216,086	\$190,497,302	\$119,570		\$195,832,958
<i>Stakeholder Consultation</i>	\$321,894	\$3,400,000	\$220,713		\$3,942,607
<i>Service Center</i>	\$86,044,023	\$103,719,519	\$0		\$189,763,542
Plan Management	\$2,468,317	\$5,710,315	\$129,200		\$8,307,832
SHOP	\$1,127,093	\$30,500,000	\$102,740		\$31,729,833
Eligibility & Enrollment	\$3,530,258	\$1,992,500	\$30,320		\$5,553,078
Technology	\$10,669,377	\$151,556,587	\$136,570	(\$27,821,815)	\$134,540,719
Oversight, Monitoring and Reporting	\$944,334	\$5,705,000	\$0		\$6,649,334
Legal Authority and Governance	\$9,667,610	\$1,810,000	\$93,560		\$11,571,170
Organization and Human Resources	\$4,933,429	\$1,668,000	\$62,160		\$6,663,589
Finance and Accounting	\$12,180,392	\$14,621,000	\$11,445		\$26,812,837
OVERALL TOTALS	\$140,149,651	\$560,440,924	\$936,598	(\$27,821,815)	\$673,705,358

* includes additional contract not listed within breakout chart



The Choosing Wisely® Campaign

www.choosingwisely.org



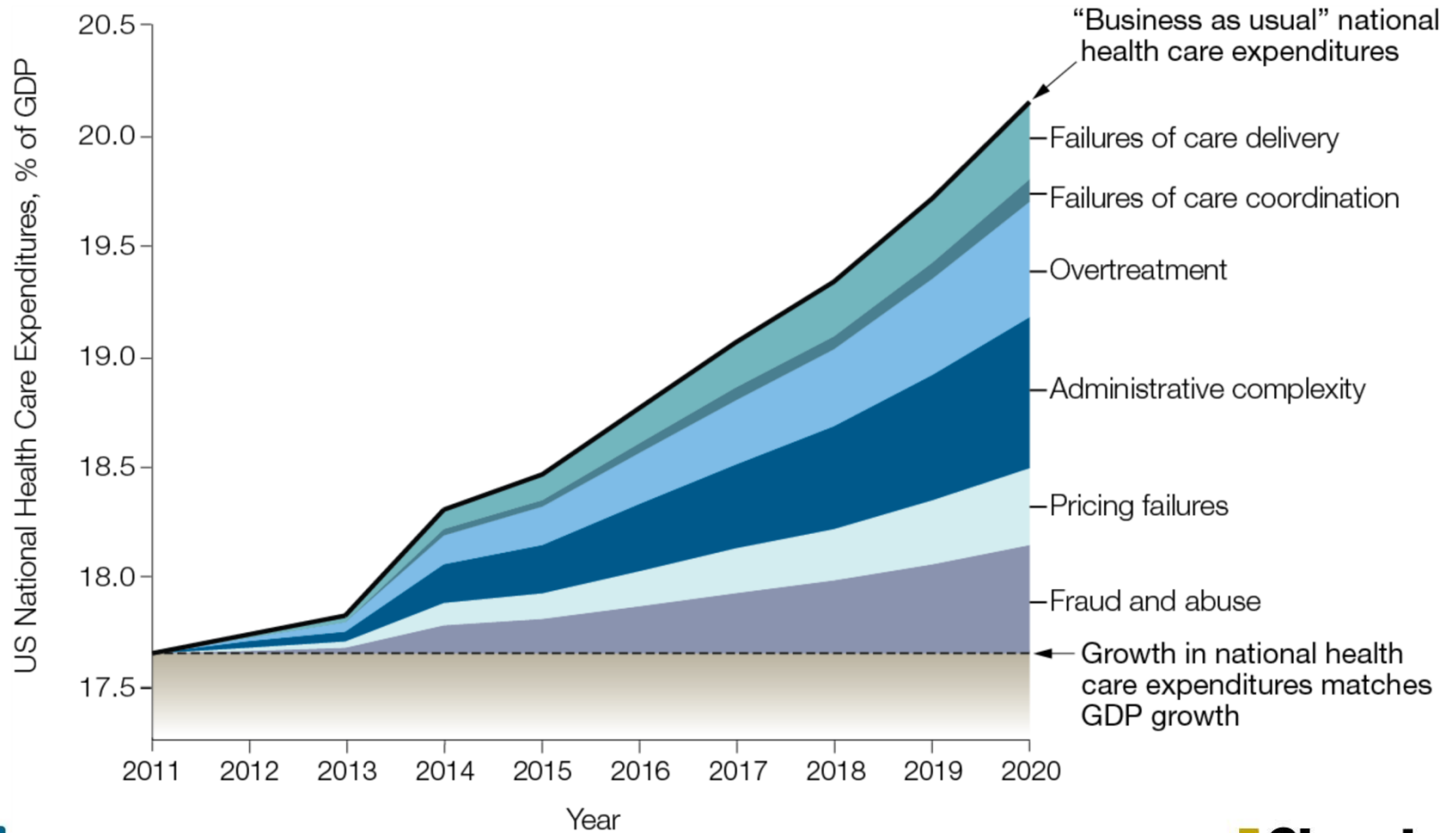
510 Walnut Street | Suite 1700
Philadelphia, PA 19106-3699
215.446.3530 | 1.800.441.2246 x 3530
www.abimfoundation.org



Choosing Wisely is an initiative of the ABIM Foundation to help physicians and patients engage in conversations about the overuse of tests and procedures and support physician efforts to help patients make smart and effective care choices.



Waste in US Health Care



Donald M. Berwick, MD, MPP; Andrew D. Hackbarth, MPhil

JAMA. 2012;307(14):1513-1516. doi:10.1001/jama.2012.362



An initiative of the ABIM Foundation

Components of the Campaign

- ***Messengers and Collaborators***
 - 34 specialty societies and Consumer Reports—and growing
- ***Communicate Messages***
 - Specialty societies, Consumer Reports, consumer organizations and ABIM Foundation
- ***Activate***
 - Concrete action around unnecessary tests and procedures





An initiative of the ABIM Foundation

American Gastroenterological Association



Five Things Physicians and Patients Should Question

1

For pharmacological treatment of patients with gastroesophageal reflux disease (GERD), long-term acid suppression therapy (proton pump inhibitors or histamine2 receptor antagonists) should be titrated to the lowest effective dose needed to achieve therapeutic goals.

The main identifiable risk associated with reducing or discontinuing acid suppression therapy is an increased symptom burden. It follows that the decision regarding the need for (and dosage of) maintenance therapy is driven by the impact of those residual symptoms on the patient's quality of life rather than as a disease control measure.

2

Do not repeat colorectal cancer screening (by any method) for 10 years after a high-quality colonoscopy is negative in average-risk individuals.

A screening colonoscopy every 10 years is the recommended interval for adults without increased risk for colorectal cancer, beginning at age 50 years. Published studies indicate the risk of cancer is low for 10 years after a high-quality colonoscopy fails to detect neoplasia in this population. Therefore, following a high-quality colonoscopy with normal results the next interval for any colorectal screening should be 10 years following that normal colonoscopy.

3

Do not repeat colonoscopy for at least five years for patients who have one or two small (< 1 cm) adenomatous polyps, without high-grade dysplasia, completely removed via a high-quality colonoscopy.

The timing of a follow-up surveillance colonoscopy should be determined based on the results of a previous high-quality colonoscopy. Evidence-based (published) guidelines provide recommendations that patients with one or two small tubular adenomas with low grade dysplasia have surveillance colonoscopy five to 10 years after initial polypectomy. "The precise timing within this interval should be based on other clinical factors (such as prior colonoscopy findings, family history, and the preferences of the patient and judgment of the physician)."

4

For a patient who is diagnosed with Barrett's esophagus, who has undergone a second endoscopy that confirms the absence of dysplasia on biopsy, a follow-up surveillance examination should not be performed in less than three years as per published guidelines.

In patients with Barrett's esophagus without dysplasia (cellular changes) the risk of cancer is very low. In these patients, it is appropriate and safe to exam the esophagus and check for dysplasia no more often than every three years because if these cellular changes occur, they do so very slowly.

5

For a patient with functional abdominal pain syndrome (as per ROME III criteria) computed tomography (CT) scans should not be repeated unless there is a major change in clinical findings or symptoms.

There is a small, but measurable increase in one's cancer risk from x-ray exposure. An abdominal CT scan is one of the higher radiation exposure x-rays — equivalent to three years of natural background radiation. Due to this risk and the high costs of this procedure, CT scans should be performed only when they are likely to provide useful information that changes patient management.

These items are provided solely for informational purposes and are not intended as a substitute for consultation with a medical professional. Patients with any specific questions about the items on this list or their individual situation should consult their physician.

Choosing Wisely Partners

Societies Developed Lists

- American Academy of Allergy Asthma & Immunology
- American Academy of Family Physicians
- American College of Cardiology
- American College of Physicians
- American College of Radiology
- American Gastroenterological Association
- American Society of Nephrology
- American Society of Nuclear Cardiology
- American Society of Clinical Oncology
- National Physicians Alliance

Consumer Groups

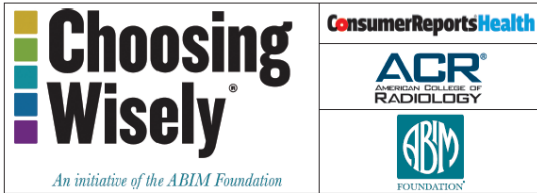
Through Partnership with Consumer Reports

- AARP
- Alliance Health Networks
- Leapfrog Group
- Midwest Business Group on Health
- Minnesota Health Action Group
- National Business Coalition on Health
- National Business Group on Health
- National Center for Farmworker Health
- National Hospice and Palliative Care Organization
- National Partnership for Women & Families
- Pacific Business Group on Health
- SEIU
- Union Plus
- Wikipedia

Societies Developing Lists

- American Academy of Hospice and Palliative Medicine
- American Academy of Neurology
- American Academy of Ophthalmology
- American Academy of Orthopaedic Surgeons
- American Academy of Otolaryngology-Head and Neck Surgery
- American Academy of Pediatrics
- American College of Chest Physicians
- American College of Obstetricians and Gynecologists
- American College of Rheumatology
- American College of Surgeons
- American Geriatrics Society
- American Headache Society
- AMDA
- American Society for Clinical Pathology
- American Society of Echocardiography
- American Society of Hematology
- American Society for Radiation Oncology
- American Urological Association
- North American Spine Society
- Society of Cardiovascular Computed Tomography
- Society of General Internal Medicine
- Society of Hospital Medicine
- Society of Nuclear Medicine and Molecular Imaging
- Society of Thoracic Surgeons
- Society of Vascular Medicine

Consumer Reports



Chest X-rays before surgery

When you need them—and when you don't

If you're scheduled for surgery, a pre-operative chest X-ray can sometimes help make it safer by identifying medical problems that might make it a good idea to delay or even cancel the procedure. But if you don't have signs or symptoms of heart or lung disease, you should think twice about having the X-ray. Here's why.

The test usually isn't helpful for low-risk people without symptoms.

Many people automatically receive a chest X-ray to "clear" them before surgery, and some hospitals even require the test for almost all patients who are admitted. But serious abnormalities found through chest X-rays are uncommon in low-risk people, so most of the time all that's needed is a careful medical history and physical examination. A chest X-ray doesn't add much useful information for people without risk factors for heart or lung problems and rarely changes their treatment or helps the anesthesiologist and surgeon manage their care. In fact, in those people the test can produce false alarms that require follow-up tests that usually aren't necessary and can add needless risk and expense.



It can pose risks.

A chest X-ray exposes you to a small amount of radiation. While the risk from any single exposure is uncertain, the harmful effects of radiation might be cumulative, so it's best to avoid exposure whenever you can. Also, most abnormal test results from the X-ray must be followed up with additional tests to rule out a serious prob-

- Consumer Reports is a partner in Choosing Wisely and will support the effort by creating patient-friendly materials based on the society recommendations and engaging a coalition of consumer communication partners to disseminate content and messages about appropriate use to the communities they serve.

- Tools and resources can be found at: www.consumerhealthchoices.org.

What's Next for Choosing Wisely?

- Scheduled announcement February 21, 2013 of lists from 17 specialties
- Nine additional specialties have joined the campaign and will release lists in mid-2013
- Continue the conversations among physicians and between physicians and patients
- Rollout of Consumer Reports patient-focused materials
- Fostering projects focused on physician communication skills related to appropriate care (Drexel, National Physicians Alliance and others)
- Catalyze others to advance the campaign
 - Office practices
 - Health systems
 - Residency and medical training programs
 - State and local medical societies
 - Additional specialty societies



What's Next for Covered California AND Choosing Wisely?

- **Develop a Covered California partnership with Choosing Wisely**
- **Potential Board action in February 2013**

CalHEERS Project Status Update

Juli Baker
Chief Technology Officer

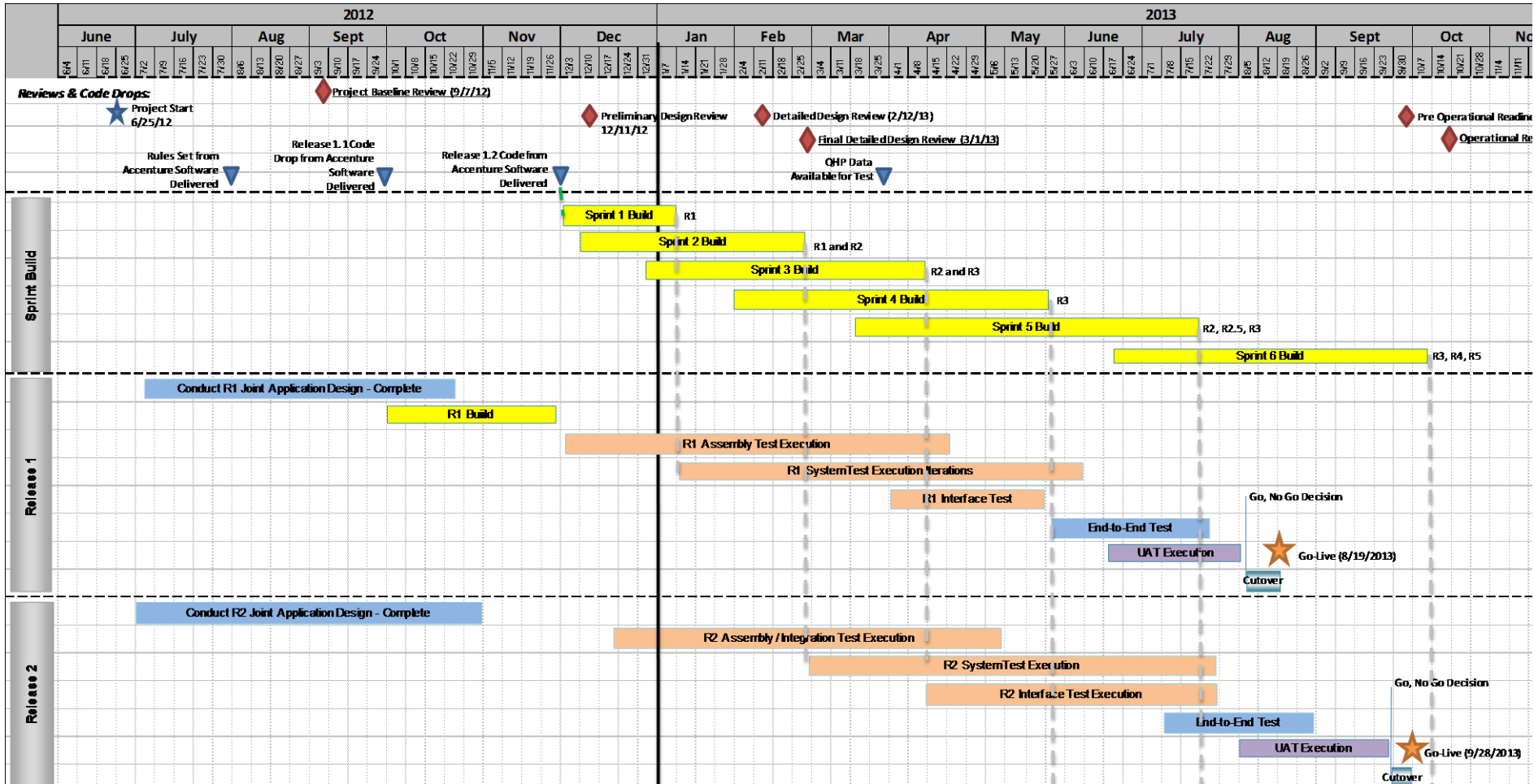
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CalHEERS Recent Accomplishments

- Federal IT Design Consult Completed
 - Received Progress Letter from CMS/CCIIO on January 2, 2013
 - Commended Covered California's progress to date including:
 - Completion of JAD sessions for CalHEERS build
 - Restructuring the release schedule
 - Initiating Release 1 design and development
 - Completion of Preliminary System Security Plan
 - Launch of the Service Center development
 - Defined list of action items to be worked jointly between CCIIO and CalHEERS
- Continued design approvals (Releases 1-3)
- Continued Release 1 and 2 development



CalHEERS Project Timeline



CalHEERS Stakeholder Engagement

- Public Comment Process Update
 - Requirements Process and Requirements Document
 - Additional feedback on comments posted to website on January 14, 2013
 - Next document for comment:
 - Business Service Definition for CalHEERS-SAWS-MEDS
 - Posted to website on January 11, 2013
 - Comments due on January 25, 2013



CalHEERS: Usability

- Research Activities Completed Thru December
 - Diary and Ethnographic Studies for Eligible and Self-employed Individuals and Uninsured Youth segments
 - Integration of Ogilvy / NORC marketing research data
- Research and Design Progress Updates
 - Diary and Ethnographic studies with Assisters and Agent segments [January, February]
 - Base product design reviews with consumers [January]
 - Personas Workshop Groups [February]
 - Information Architecture, Task Flows, Navigation Model design [February]



Federal Proposed Rules: Key Issues

Joint Comments Submitted by
Covered California, Department of Insurance
and Department of Managed Care

David Panush
Director, External Affairs

California Health Benefit Exchange Board Meeting
January 17, 2013



Draft Federal Rules and RFIs

Comment Deadline	Subject
December 26, 2012	Health Insurance Market Rules
December 26, 2012	Standards Related to Essential Health Benefits, Actuarial Value and Accreditation
December 27, 2012	RFI Regarding Health Care Quality for Exchanges
December 31, 2013	Notice of Benefit and Payment Parameters for 2014
January 4, 2013	Establishment of Multi-State Plans
January 25, 2013	Incentives for Wellness Programs in Group Health Plans
February 13, 2013	Exchange Eligibility, Appeals, and Assisters
March 18, 2013	Shared Responsibility for Employers Regarding Health Coverage



Covered California's Comments: Multi-State Program

- **Administrative Fee**
 - If the fee imposed by OPM is lower than the Covered California fee, California's QHPs will be at a competitive disadvantage that should depress QHP enrollment
- **Essential health benefit**
 - California law prohibits substitution of essential health benefits but proposed rule is unclear regarding state authority to prohibit substitution
- **Certification, Recertification & Decertification of QHP**
 - Proposed rule exempts MSPs from an Exchange's recertification and decertification processes
- **Cost Sharing and Coverage Levels**
 - Federal proposal does not require the MSP to adopt the same cost-sharing and standard plan designs that other issuers must meet as required by state law
- **State Regulatory Oversight**
 - State's role in the ongoing oversight of the MSPP is unclear
 - Risk consumers confusion on state regulation and state's regulatory role

Covered California's Comments: Geographic Rating Areas

- Limiting a state's geographic rating areas to seven would be disruptive to California's market, but rules allow for states to ask and receive okay for more regions.
- Risk of rate shock due to the size and health care market diversity in California if we were limited to seven regions.

Covered California's Comments: Risk Adjustment Methodology

- Recommend developing a risk adjustment methodology that reflects California's market that has substantial capitated delivery.
 - Excludes pharmacy data as an indicator in the risk adjustment model unintentionally and unfairly hurts capitated delivery systems.
 - Relies on skewed encounter data that appears to suggest that claims-based providers were serving relatively sicker patients. This skewed data is the product of capitated delivery systems providers who have not reported encounter data as accurately and completely as claims-based delivery systems.
 - Significantly underestimates the level of services provided by the capitated delivery system.



Covered California's Comments: Actuarial Value Calculator

- Covered California recommends working with HHS to be sure the Actuarial Value (AV) calculator assures that California consumers do not paying more for their health care
 - Calculator will be used to verify actuarial value of QHPs
 - AV calculator does not account for California's lower utilization of health care service
 - Costs vary by state, by region, by locality

Covered California's Comments: Qualified Health Plan Quality Management

- CMS requested recommendations on ways to effectively enhance and align the quality reporting and display requirements for QHPs starting in 2016, in conjunction with existing quality improvement initiatives
- Covered California submitted its policy guidelines for the selection and oversight of QHPs, including requiring QHPs assure access to quality care for consumers presenting with a range of health statuses and conditions.



Federal Regulation Next Steps

- Analyzing impact of wellness, employer responsibility, and eligibility rules for possible comment
- Coordinating analysis with State partners
- Comments will be posted on Covered California website



Legislative Update

David Panush
Director, Government Relations

California Health Benefit Exchange Board Meeting
January 17, 2013

Key Legislation

- Individual Market Reform
- Modified Adjusted Gross Income (MAGI)
 - Eliminating Asset Test
 - Redeterminations
- Medi-Cal Managed Care Plan Bridge*

*Pending decision by Covered California Board

Medi-Cal Expansion: Two Options Proposed in the State Budget

State-Based Expansion

Builds upon the existing state-administered Medicaid program and managed care delivery system. The state would offer a standardized, statewide benefit package comparable to that available today in Medi-Cal, but would exclude long-term care coverage.

Requires financing discussion with counties.

County-Based Expansion

Builds upon the existing Low Income Health Program (LIHP) . Counties would maintain their current responsibilities for indigent health care services. Counties would meet statewide eligibility requirements, and a statewide minimum in health benefits consistent with benefits offered through Covered California. Counties could offer additional benefits, except for long-term care. Counties would have operational and fiscal responsibility for designing and running the program.

Requires federal approval of waiver.



Marketing and Branding Update

Oscar Hidalgo

Director, Communications and Public Relations

California Health Benefit Exchange Board Meeting
January 17, 2013



Countdown to Coverage

CoveredCA.com Version 1.0

Objective

- Provide a destination for consumers and small business to find consumer friendly information concerning the ACA, Covered California and what that will mean to them.

Methodology

- Provide an introductory website with easy to understand information in all 13 languages and fact sheets on specific topics.
- Engage consumer with video and cost calculator
- Separate stakeholder information from pure consumer data. Stakeholder information will continue to live on healthexchange.ca.gov (i.e. Board Members, press releases, etc.). This site also will be redesigned.



CoveredCA.COM

HOME ABOUT US GETTING COVERED RESOURCES

LANGUAGE: ENGLISH ▾
ESPAÑOL
OTHER LANGUAGES
COMING SOON

COVERING CALIFORNIA FAMILIES

Individuals and families will have many new options for health insurance through Covered California. For families that qualify, financial assistance will help make insurance more affordable.
[Read More](#) ▶

264 DAYS 6 HRS 8 MINS
UNTIL ENROLLMENT BEGINS OCT. 1, 2013
Health care coverage begins January 1, 2014

FOR INDIVIDUALS

Covered California: Consumer Share ▾ More info

FOR SMALL BUSINESSES

Covered California: Small Business Share ▾ More info

coveredca.com/#

CoveredCA.com Content

- CoveredCA.com provides a concise overview of Covered California to key audiences.
- Written content falls into the following categories:
 - About Covered California – Background, purpose, benefits, functionality and features of CoveredCA.com
 - About health insurance
 - About the Affordable Care Act
 - Eligibility requirements, with specific language directed at varied groups, individuals and small business audiences
 - Support services, including the Customer Service Centers, the Assisters Program and Community Grants
 - Sign up for updates
 - 1-800 line for more information



Countdown to Coverage 2.0

Phase 2.0 Potential Updates

- **Videos:** Video descriptions of coverage that can be distributed through social media.
- **“Real People” stories and photos:** Adding true stories from real Californians on their experience with having or not having health care insurance.
- **Downloadable fact sheets:** Translate six fact sheets in all 13 languages, and will include all updated content; in addition a 7th fact sheet addressing American Indian and Alaskan Natives will exist in English.
- **Graphs and charts:** Additional visuals will be added to help illustrate complex concepts, particularly around SHOP.
- **Data form:** Once the Service Center is operational, the data form will be changed to allow users to leave questions requiring personal contact from staff members at Covered California.
- **Locator map:** A Google interactive map that allows users to search by zip code to find locations of Partners, Assistors and Community Grants.

Covered California: Marketing Updates

Brand Guidelines

- These guidelines detail logo usage, typography, color palette and a preliminary identity system--which includes email signature, stationery and business card design as well as PPT and Word template design.
- The next round of the Brand Guidelines will coordinate with creative development of the advertising campaign and detail photography style, layout and format for ad-like objects, including additional printed collateral.

Go-To-Market Strategy

- Integrated Marketing plans 1/31
- Media plans 2/28
- Creative Brief 1/31

Additional Research

- Quantitative Testing for Consumers
- Key Word Testing
- Tagline Testing
- Quantitative Testing for Small Business:
- Consumer Market Tracking Surveys



Eligibility and Enrollment Policy Update and Timeline

Thien Lam
Deputy Director, Eligibility and Enrollment

California Health Benefit Exchange Board Meeting
January 17, 2013

Covered California: Eligibility and Enrollment Policy Update

Key Policy Issues:

- **Staff are currently identifying and recommending key policy issues to the Board and Stakeholders for consideration.**
- **Board Recommendation Briefs will be presented at the February Board Meeting.**
- **Board and Stakeholder feedback on key policy issues will be incorporated into the draft Eligibility & Enrollment state regulations.**



Covered California: Eligibility and Enrollment Policy Update

Key Policy Issues

Processing time frames to conduct eligibility determinations

Special exceptions to maintain enrollment after 90-day reasonable opportunity period

Authorized Representative process

Periodic data matching process

Requirements for consumers to self-report changes

Other exceptional circumstances during the Special Enrollment period



Proposed Timeline

Description of Activity	Timeline
Stakeholder/Public Webinar on Key Policy Issues	Late-January 2013
Stakeholder/Public Feedback Due on Key Policy Issues	Mid-February 2013
Board Recommendation Briefs Presented at Board Meeting	February 21, 2013
Eligibility & Enrollment (E&E) Regulations First Webinar	Late-February 2013
Initial (1 st round) of Stakeholder/Public Feedback Due on E&E Regulations	1 st week of March 2013
Present 1 st Draft of E&E Regulations at Board Meeting	March 21, 2013
Second (2 nd round) of Stakeholder/Public Feedback Due on E&E Regulations	1 st week of April 2013
E&E Regulations Second Webinar	Mid-April 2013
Final E&E Regulations for Board Approval and Action	April 25, 2013
Submission of Final E&E Regulations to the Office of Administrative Law	Early-May 2013

