

Outreach and Education Grant Program Application



**DRAFT for Discussion
January 17, 2013**

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1 EXECUTIVE SUMMARY

The California Health Benefit Exchange (the Exchange), hereafter referred to as Covered California, in collaboration with the Department of Health Care Services (DHCS) and the Managed Risk Medical Insurance Board (MRMIB), are pleased to announce the availability of grant funds for qualified organizations to conduct public awareness through outreach and education activities to California's uninsured population eligible for Covered California programs as authorized under the Patient Protection and Affordable Care Act of 2010 (the "Affordable Care Act"). Covered California will operate a marketplace for individual consumers and small businesses to enroll in affordable health insurance plans.

The Affordable Care Act provides California with the opportunity to significantly reduce the millions of uninsured individuals and to transform the health insurance marketplace. Eligible uninsured individuals and small businesses must understand their health care coverage options and be able to easily enroll into coverage. A meaningful Outreach and Education Grant Program which targets California's diverse populations, including a "no wrong door" enrollment approach where health care programs are easy for consumers to understand and seamlessly navigate, will be a key component of achieving the goals of Covered California. The promotion and awareness of a "culture of coverage" in California can convey the importance that millions of individuals and families can obtain coverage to protect themselves from unexpected expense and start to improve their health status. A multi-faceted coordinated media, marketing, outreach and education strategy to target communities and populations at the local level will ensure that consumers and small businesses know about the affordable health care options that will be available to them.

Activities included in the Outreach and Education Grant Program consist of informing consumers and small businesses about the availability and benefits associated with obtaining health care coverage, establishing trusted messengers in communities to help address barriers that prevent consumers and small businesses from purchasing coverage, referring consumers and small businesses to all available enrollment resources and assistance, and ultimately, motivating eligible consumers and small businesses to take the next step to enroll in Covered California programs.

Covered California will provide opportunities for consumers and their families to access affordable health care coverage; small businesses will be able to enroll in group plans that provide affordable health insurance to employees, known as the Small Business Health Options Program (SHOP). The new health insurance marketplace will be consumer-focused and will allow Californians to shop online, over the phone, by mail or receive in-person assistance, in order for them to find the right health insurance plan. In a consumer-friendly manner, individuals will be able to compare different health insurance plans, to determine which will be affordable to them. In addition, consumers can learn if they qualify for Covered California Program tax credits and cost sharing reductions, collectively known as subsidies. If a consumer is not eligible for subsidies, they will be informed of other available programs. Small businesses will also be able to shop and compare different health insurance plans to determine which will be affordable to them and their employees. They will also be able to learn whether they qualify for tax credits.

Californians will be offered access to competitively priced health plans. It is anticipated that increased competition will drive down health care costs overall. With health care coverage now being more affordable, our state will experience an increase in the number of insured Californians, which will reduce health disparities in our state. The reduction of health disparities

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will also contribute to lower health care costs in our state. Covered California is committed to ensure that millions of Californians are aware of their health coverage options and can easily compare health plans to choose the right plan that best meets their needs.

Beginning on October 1, 2013, and continuing through March 31, 2014, Covered California will be open to enrollment; this is referred to as the “Open Enrollment” period. Consumers will begin receiving health care coverage through Covered California’s programs on January 1, 2014.

\$43 million is allocated for the Outreach and Education Grant Program during a 2-year period, contingent on approved federal funding. Covered California anticipates the Notification of Intent to Award occurring on April 26, 2013. After this grant award process, Covered California will conduct a thorough analysis to determine whether or not there are any gaps in the Grant Program’s capacity to reach specific geographic areas and/or target populations. In the event gaps are identified, Covered California will administer a Cycle 2 grant award process. The Cycle 2 process will focus on specific geographic areas and/or target populations that were not awarded during the Cycle 1 process. The anticipated date of the Cycle 2 Grant Application release is May 24, 2013. The Cycle 2 Notification of Intent to Award would occur on July 15, 2013.

Covered California will support organizations interested in promoting Covered California that are not awarded grants by providing access to free training materials, free collateral materials (in 13 languages), support for communications outreach and education activities.

2 BACKGROUND AND INFORMATION

2.1 BACKGROUND

Soon after the passage of national health care reform through the Patient Protection and Affordable Care Act of 2010 (the “Affordable Care Act”), California initiated a multi-agency, coordinated effort to actively implement its provisions and establish a new health care marketplace. Agencies within state government began coordinated planning to implement the requirements of the Affordable Care Act and to take advantage of the opportunities it offers. California enacted the first state legislation to establish a health benefit exchange (Chapter 655, Statutes of 2010-Perez and Chapter 659, Statutes of 2010-Alquist). The California state law is referred to as the California Patient Protection and Affordable Care Act and it established the California Health Benefit Exchange. The Exchange is a public entity within state government with a five-member board appointed by the Governor and the Legislature. The Exchange administers Covered California, the public name of the new health care marketplace.

Starting in 2014, a range of health care coverage opportunities will be available throughout California that will make it easier for individuals and small business to afford health coverage. Covered California has been working in close collaboration with the Department of Healthcare Services and the Managed Risk Medical Insurance Board to implement the health care coverage expansions offered by the Affordable Care Act. These agencies administer a number of health care programs.

The Department of Healthcare Services (DHCS) oversees and administers the California's Medicaid Program (Medi-Cal), which will increase the pool of their eligible population under the Affordable Care Act by changing income definitions and other eligibility rules and streamlining the application processes.

The Managed Risk Medical Insurance Board (MRMIB) currently oversees and administers California's Children's Health Insurance Program (Healthy Families Program) and the Access for Infants and Mothers (AIM) Program, which will experience similar changes in eligibility rules and application processes as Medi-Cal. MRMIB also oversees California's two high risk pools, the Major Risk Medical Insurance Program and the Pre-Existing Condition Insurance Plan.

The California Health Benefit Exchange administers Covered California. Covered California will offer subsidized health care coverage in the form of tax credits and cost sharing reductions to individuals and families with incomes above the upper limits for the programs offered by DHCS and MRMIB. Tax credits and/or cost sharing reductions will only be available to consumers through Covered California's subsidized program. Consumers will not be able to obtain tax credits and/or cost sharing reductions through the private health insurance market. In addition, Covered California will offer access to coverage for individuals who are not subsidy eligible. Through Covered California these individuals will have access to coverage and premiums at the same rates as they would get in the individual market outside of Covered California.

Covered California will operate a Small Business Health Options Program (SHOP) that offers small businesses and their employees new health insurance choices. SHOP is designed specifically for employers with between 2 and 50 employees and it offers unprecedented

opportunities of a variety of Qualified Health Plans. Through SHOP, both employers and their employees can choose the plans that fit their needs and their budgets. SHOP lets businesses easily compare and contrast a variety of Qualified Health Plans offered by private insurers that will be rated and underwritten by a new set of consumer-friendly rules. Everything will be available online, by phone or in person. SHOP levels the playing field by giving small businesses access to more plans, including creation of small business insurance pools with many of the advantages of large business insurance pools, including purchasing power, lower cost, reduced premiums and more policy choices. SHOP also will provide expert counsel to help small businesses identify the policies that work best for them and their employees.

The Affordable Care Act does not require employers with fewer than 50 employees to provide health insurance for their employees. However, businesses that provide healthcare coverage are eligible for tax credits if they have fewer than 25 full-time equivalent employees for the tax year who are paid an average annual salary of less than \$50,000.

Employers with 10 or fewer employees paying an annual wage of \$25,000 or less qualify for the maximum credit. Non-profit or tax-exempt employers must meet the same criteria as other small businesses and their tax credits will be lower.

Health plan enrollment through the SHOP is scheduled to open October 2013 for coverage that will begin in January 2014.

California health insurance agents are expected to be an important outreach and enrollment channel for the SHOP. The Exchange is working closely with insurance agents and brokers to make sure they can continue to serve small businesses in the best, most informed way possible. Insurance agents will play an important role in enrolling businesses in Covered California.

To view the Exchange briefing on SHOP visit:

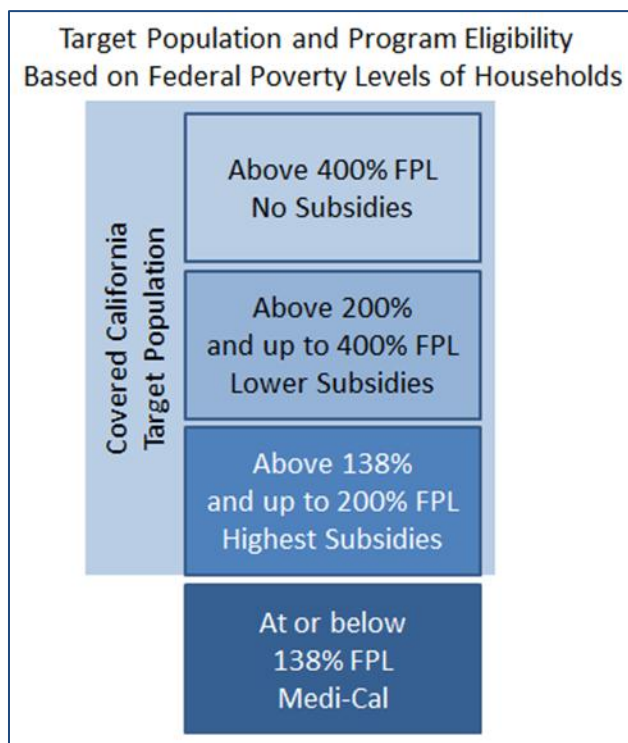
http://www.healthexchange.ca.gov/BoardMeetings/Documents/July_19_2012/VIII-A_CHBE-SHOPExchangeBoardRecommendationsBriefs_7-19-12.pdf, or visit the Exchange's website at www.healthexchange.ca.gov.

2.1.1 California's Uninsured Population Data

U.S. citizens, nationals and individuals lawfully present in the U.S. who meet eligibility requirements may enroll in the coverage available through Covered California. Federal health care reform provides tax credits and cost sharing reductions to consumers with incomes above 138% and up to 400% of the Federal Poverty Level. In 2012, a family of four's annual income would range from approximately \$31,000 to \$92,000 to qualify for Covered California's subsidized program. The Grant Program will focus on consumers with incomes above 138% of the Federal Poverty Level who qualify for enrollment in Covered California's subsidized and non-subsidized health coverage options.

Covered California commissioned UCLA's Center for Health Policy Research and UC Berkeley's Center for Labor Research to use the California Simulation of Insurance Markets (CalSIM) model. The model is designed to estimate the impacts of various elements of the Affordable Care Act on employer decisions to offer insurance coverage and individual decisions to obtain coverage in California. Refer to Appendix A which details Covered California enrollment projections from the CalSIM Model Version 1.8.

The diagram below depicts the Covered California target populations based on Federal Poverty Levels (FPL) of households. The Affordable Care Act allows for an optional expansion of Medi-Cal to adults with incomes up to 138 percent of the FPL.



The California Healthcare Foundation released the 2011 California Employer Health Benefits Survey which tracks changes in employer-based health benefits in the state over time. This study found that small firms with fewer than 50 employees were less likely to provide their employees with coverage than larger firms. Many small businesses currently provide coverage to their employees; however, the insurance is very costly which makes it difficult for businesses to continue to provide insurance to their employees. An additional barrier identified in this study, was a lack of awareness among small business owners of the tax credits that will be available in 2014 as a result of the Affordable Care Act to help offset the cost of coverage. The 2011 California Employer Health Benefits Survey study is included as Appendix B.

The primary target population of Covered California's marketing and outreach efforts are the 5.3 million California residents projected to be uninsured or eligible for tax credit subsidies in 2014: 2.6 million who qualify for subsidies and are eligible for Covered California qualified health plans; and 2.7 million who do not qualify for subsidies, but now benefit from guaranteed coverage and can enroll inside or outside of Covered California.

2.1.2 Covered California

2.1.2.1 *Vision, Mission and Values*

The vision of Covered California is to improve the health of all Californians by assuring their access to affordable, high quality care. Beginning in 2013, individuals and small businesses will be able to compare plans and buy health insurance in a new marketplace, Covered California. A successful marketplace will provide purchasers with a more stable risk pool, greater purchasing power, more competition among insurers and detailed information regarding the price, quality and service of health coverage. It will also streamline access, for eligible individuals, to programs that provide subsidies for health coverage. Covered California will increase the number of insured Californians, improve health care quality, lower costs and reduce health disparities, and it will empower consumers to choose the health plan and providers that give them the best value.

- **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 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.
- **Values** – Covered California is guided by the following values:
 - **Consumer-focused** – At the center of Covered California's efforts are the people it serves, including patients and their families, and small business owners and their employees. Covered California 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** – Covered California will provide affordable health insurance while assuring quality and access.
 - **Catalyst** – Covered California 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** – Covered California will earn the public's trust through its commitment to accountability, responsiveness, transparency, speed, agility, reliability and cooperation.
 - **Partnership** – Covered California 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 Covered California 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.

The California Health Benefit Exchange previously received a \$1 million federal Planning Grant to fund preliminary planning efforts related to the development of Covered California.

The Exchange was then awarded an additional \$39 million federal Level I.1 Establishment Grant to fund ongoing planning and pre-implementation activities.

The Exchange is currently funded through a \$196 million federal Level I.2 Establishment Grant to continue its start-up, planning and developmental activities through June 30, 2013.

In November 2012, the Exchange applied for additional federal funding through a Level II grant to fund the final phases of Covered California implementation. Federal funding includes all of the Exchange's activities through December 2014. Once the Exchange is fully operational, beginning in 2015, Covered California must be self-sustainable without the use of federal funding.

2.1.3 Statewide Marketing, Outreach and Education Program and Assisters Program

In June 2012, the Board of the California Health Benefit Exchange approved the comprehensive Statewide Marketing, Outreach and Education Program and the Assisters Program strategies. The strategies included the following:

- Creative development and advertising production in multiple languages (e.g., television, radio, bulletins, posters, print ads, digital/mobile, direct mail and grass roots);
- Paid media planning;
- Public relations efforts;
- Social media efforts;
- Outreach and Education Grant Program; and
- A Community Outreach Network that will serve as the community relations arm of Covered California helping to coordinate public and private partnerships, Outreach and Education grantees and Assisters.

The Community Outreach Network is a critical way for Covered California to proactively engage organizations that represent the strategic entry points of where the target markets work, live, shop and play. The Community Outreach Network will help to ensure all grantee and assister activities are working in a coordinated fashion towards consumer enrollment. For organizations that may not qualify for either program there will still be opportunities through the Community Outreach Network to stay involved in the campaign to ensure all eligible Californians have affordable health care coverage.

The Assisters Program was developed to provide in-person assistance to help eligible individual consumers apply for health care coverage through Covered California. Some consumers and small businesses will be reached through traditional marketing campaigns and will enroll on their own; others will need in-person assistance. In-person assistance to help small businesses provide coverage to their employees will be through the help of the insurance agent community.

In-person assistance is necessary to help serve California's diverse population, since the ability to apply for coverage through Covered California will be new to consumers. The Assisters Program will reflect the cultural and linguistic diversity of the target populations. Assisters will be properly trained and certified, in order to ensure that they are equipped with expertise and information to successfully help consumers enroll into coverage.

The Guiding Principles for the “Statewide Marketing, Outreach and Education Program” and Assisters Program are to:

- Promote maximum enrollment of individuals into health coverage by providing a one-stop shop marketplace for affordable, quality health care options and health insurance information.
- Build on and leverage existing resources, networks and channels to maximize enrollment, including close collaboration with state and local agencies, community organizations, businesses and other stakeholders with common missions.
- Consider where the eligible populations live, work, play and shop; and select tactics and channels that are based on research and evidence of how different populations can best be reached and encouraged to enroll (and once enrolled, retain coverage).
- Marketing and outreach strategies will reflect and target the mix and diversity of those eligible for coverage.
- Establish a trusted statewide Assisters program that reflects the cultural and linguistic diversity of the eligible populations.
- Ensure that Assisters are knowledgeable of both subsidized and non-subsidized health care options.
- Continue to learn and adjust strategies and tactics based on input from national partners, California stakeholders, on-going research, evaluation and measurement of the programs’ impact on awareness and enrollment.

To obtain a copy of the “**Statewide Marketing, Outreach and Education Program**,” click [here](#). Or, visit the Exchange’s home page at: www.healthexchange.ca.gov. On the home page, scroll down to the link titled, “*Project Sponsors Release Final Draft of the Statewide Marketing, Outreach and Education Program Final Design Options, Recommendations and Work Plan*,” dated June 26, 2012.

To obtain a copy of the **Assisters Program** work plan, click [here](#). Or, visit the Exchange’s home page at: www.healthexchange.ca.gov. On the home page, scroll down to the link titled, “*Project Sponsors Release Final Draft of Phase I and II Statewide Assisters Program Design Options, Recommendations and Final Work Plan*,” dated June 26, 2012.

2.1.4 Outreach and Education Grant Program

In the comprehensive “Statewide Marketing, Outreach and Education Program,” a critical strategy to reach California’s diverse population is to implement an Outreach and Education Grant Program. **The Grant Program will complement (and will not supplant) other strategies identified in the “Statewide Marketing, Outreach and Education Program” and the Assisters Program.** Instead, the Grant Program will have distinctive, independent activities, which leverage and align with the Statewide Marketing and Assisters Program strategies that are implemented.

Activities that will occur under the Grant Program include conducting public awareness, outreach and education activities at the local level (including strong participation at community events) and leveraging partnerships with community groups. The Grant Program will fund activities that increase awareness of programs available through Covered California, including the Small Business Health Options Program (SHOP) through which small businesses can provide health care coverage to their employees.

The intent of the Outreach and Grant Program is to ensure participation of a wide range of organizations that are interested in providing public awareness, outreach and education activities to targeted communities and populations eligible for Covered California health care coverage. These organizations may not currently have the resources (and/or funding) necessary to participate in these activities. Therefore, Covered California will be awarding \$43 million in grants to organizations to help support outreach and education activities.



2.2 PURPOSE OF THIS GRANT APPLICATION

The purpose of this Grant Application is for Covered California to request applications from interested organizations to participate in the Outreach and Education Program Grant Program. Covered California plans to allocate up to \$43 million (May 2013 through December 2014) contingent on federal funding. The \$43 million Grant Program allocates funding for the following aspects of Covered California:

- **\$40 million** to promote public awareness through outreach and education activities to individual consumers who are newly eligible for the coverage through Covered California.
- **\$3 million** to promote public awareness, outreach and education activities to small business who are eligible to provide coverage to their employees through the Small Business Health Options Program (SHOP).

The guiding principles of the Outreach and Education Grant Program are:

- Target resources based on the greatest opportunity to reach the highest number of uninsured and subsidy eligible individuals where uninsured and subsidy eligible individuals live, work, play and shop.
- Ensure that all regions and markets in the state, including the hard to move (e.g. rural and limited English proficient populations) are reached.
- Complement the Assisters Program and the broader marketing strategy, including Covered California's Qualified Health Plan marketing efforts.
- Provide consumers and small businesses with information and tools where individuals and employers can enroll on their own.

The Assisters Program will be comprised of trained individuals who will provide help to the public in completing the Covered California application for health care coverage.

Grant Applications from organizations that intend to serve as Assisters or intend to make referrals to Assisters are highly encouraged.

Organizations that do not intend to apply for funding through this Grant Program, but are interested in finding out more about serving as an Assister Entity, may complete the Assister Interest Form located in Appendix C. Applicants that do not receive funding will also receive additional information from Covered California on the opportunity to participate in the Assisters

Program and the Outreach Network in 2013. **Please note that the Assister Program eligibility rules are not included in this grant application and will be provided in future documents to stakeholders.**

2.2.1 Goals and Objectives of the Outreach and Education Grant Program

The broad overall goal of Covered California is to increase the number of insured Californians by creating an organized, transparent marketplace for Californians and small businesses to obtain affordable, quality health care coverage in order to meet the personal and employer responsibility requirements required under federal law.

A major component of the overall statewide marketing strategy is the launch of an aggressive public education and awareness campaign to inform Californians about Covered California, where affordable coverage programs are easy for consumers and small businesses to understand and navigate, with enrollment as the end goal.

The main goal of the Outreach and Education Grant Program is to generate leads for Assisters and the Covered California Service Center who will perform application assistance for those consumers or small businesses interested in coverage. A lead is defined as collecting the individual's name, preferred method of contact (i.e., e-mail, mail, or phone) and respective contact information, and language preference.

The objectives of the Outreach and Education Grant Program are as follows:

1. Ensure participation of organizations with trusted relationships with the uninsured markets that represent the cultural and linguistic diversity of the state.
2. Deliver a cost-effective program that promotes and maximizes enrollment.
3. Disseminate clear, accurate and consistent messages to target audiences that eliminate barriers, increase interest and motivate consumers and small businesses to enroll into coverage.

| | Individual Exchange | Small Business Health Option Program |
|-------------------------|---|--|
| Target Markets | Individual consumers newly eligible for Covered California's subsidized and non-subsidized programs (above 138% of the Federal Poverty Level). See Page 15 – Federal Poverty Level Chart. | Small businesses eligible for enrollment in small group plans offered by SHOP (2-50 employees). |
| Enrollment Goals | Year-end estimates: 2014 – 1.4 million Californians 2015 – 1.9 million Californians 2016 – 2.3 million Californians | Year-end estimates: 2014 – 8,000 groups; 96,000 Californians 2015 – 11,000 groups; 161,000 Californians 2016 – 12,000 groups; 218,000 Californians |

While Covered California has articulated specific goals, it is our aspiration to get all eligible Californians covered as quickly as possible.

2.2.2 Populations Targeted by the Outreach and Education Grant Program

Covered California is seeking to engage organizations with trusted and established relationships with the following target populations to conduct outreach and education campaigns on affordable health insurance options:

1. **Individual Consumers Eligible for Affordable Health Insurance Programs through Covered California**, including Covered California's affordable coverage program for individuals with or without subsidies.

Or

2. **Small Businesses eligible for the Small Business Health Options Program (SHOP)**

Applicants should propose to either target consumers eligible for affordable health insurance programs through Covered California or small businesses eligible for SHOP; if an applicant wants to propose to target both they must submit two separate proposals. One proposal should describe the outreach and education approach to reach individuals, the second proposal describing the approach for outreach and education to small business.

Covered California anticipates that Grantees, during the course of their outreach and education activities, will come into contact with individuals who may be interested in learning about opportunities for coverage through both the individual Exchange and SHOP. Grantees should be prepared to provide general information on both options, regardless of the primary focus of their campaign. All Grantees will be required to maintain expertise in effective messaging points about the opportunities for insurance coverage available through SHOP and the individual Exchange.

Applicants must propose to target consumers who are likely to be eligible for enrollment in a Qualified Health Plan with subsidies in the form of cost sharing or a tax credit, as well as those who may be eligible for enrollment in a Qualified Health Plan without subsidies through Covered California. Individuals with a total household income above 138% of the Federal Poverty Level (FPL) will be eligible for enrollment in these coverage options.

| 2012 Monthly Income by Household Size* | | |
|--|-------------|----------|
| Household size (number of persons living within) | 138% FPL ** | 400% FPL |
| 1 | \$1,300 | \$3,723 |
| 2 | \$1,761 | \$5,043 |
| 3 | \$2,222 | \$6,363 |
| 4 | \$2,682 | \$7,683 |
| 5 | \$3,143 | \$9,003 |
| 6 | \$3,604 | \$10,323 |
| 7 | \$4,065 | \$11,643 |
| 8 | \$4,526 | \$12,963 |

*FPLs are updated each year on or around April.

**Expanded Medi-Cal Program covers eligible individuals up to 133% FPL; after applying allowable income disregards (5%) the threshold is raised to 138%.

The primary target population of Covered California's marketing and outreach efforts are the 5.3 million California residents projected to be uninsured or eligible for tax credit subsidies in 2014:

- 2.6 million who qualify for subsidies and are eligible for Covered California qualified health plans; and
- 2.7 million who do not qualify for subsidies, but now benefit from guaranteed coverage and can enroll inside or outside of Covered California.

The Outreach and Education Grant Program will support Covered California's goal of increasing the number of Californians that access and retain affordable health insurance. Covered California is particularly interested in receiving proposals to serve specific markets or communities that have a high number of uninsured individuals, as well as those that experience disproportionate barriers to accessing affordable health insurance programs. Examples of target markets, for either individuals or small businesses, include, but are not limited to, the following:

- Geographic areas, including rural areas, where eligible uninsured individuals reside, refer to Section 4.1.2 for a list of counties and their expected enrollments for 2014;
- Hard-to-move populations (e.g., young invincible) who are unlikely to obtain health care coverage because they do not understand the importance of having coverage;
- College students;
- Populations with Limited-English Proficiency (e.g., Spanish, Cantonese, Mandarin, Vietnamese, Korean, Cambodian/Khmer, Hmong, Tagalog, Russian, Armenian, Farsi, Arabic, etc. speaking populations);
- Culturally diverse populations and communities, such as Native American Indians, Latinos, Asian Pacific Islanders, African Americans, etc., including mixed immigration status households;
- Target priority employment sectors in which there are high numbers of uninsured workers. These include:
 - Construction
 - Restaurant and other food services
 - Crop Production
 - Elementary and secondary schools
 - Services to buildings and dwellings (except construction)
 - Grocery stores
 - Truck Transportation
 - Real Estate
 - Automotive Repair and Maintenance
 - Child day Care services
 - Traveler Accommodation
 - Hospitals
 - Investigation and security services
 - Independent artists, performing arts, spectator sports and related industries.
- Small businesses;
- Geographic areas with a high number of small businesses, including minority business owners, that are eligible to purchase health insurance for their employees; and
- Other markets defined by gender, income, sexual orientation, age, etc. likely to benefit from affordable health insurance options.

Covered California will award grants to a variety of organizations, in which the funding allocation collectively reflects and represents the mix and diversity of those eligible for coverage.

2.3 SERVICES SOLICITED AND SUPPORT FROM COVERED CALIFORNIA

The Outreach and Education Program will **engage organizations and entities** with trusted relationships with California's uninsured consumers and small businesses to:

- Generate leads for Assisters and the Covered California Service Center who will perform application assistance for those consumers or small businesses interested in coverage;
- Increase awareness and understanding of health care options;
- Promote a culture of coverage;
- Communicate the importance of having health coverage;
- Remove barriers to enrollment; and, ultimately,
- Motivate Californians to take the action and enroll.

Grantees are expected to utilize inter-personal approaches to conduct public awareness, outreach and education activities, which emphasize personalized and one-on-one interactions. Grantees will be responsible for delivering outreach messages, which are brief messages designed to raise awareness. The majority of effort will be spent on delivering in-depth program information to eligible consumers through education messages. Each Applicant will have to articulate and provide support for their proposed allocation of time towards outreach and education messages. Covered California recommends the following allocation of time:

- 70% of grant activities will be allocated towards the delivery of in-depth Education messages designed to provide eligible consumers or small businesses with program information, eliminate barriers, link them to enrollment and assistance resources and motivate them to enroll in coverage. For example, a grantee leading an individual eligible for the Covered California health plans through and eligibility calculator or a shop and compare process using information specific to the individual's needs and household would constitute an education. The education session will last approximately 10-15 minutes.
- 30% of grant activities will be allocated towards the delivery of brief Outreach messages designed to raise awareness of the opportunities for affordable health insurance offered by Covered California and promoting the value of having coverage. For example, a grantee handing out brochures at an event and articulating to attendees that "Covered California is coming" and encourage the person to sign up for upcoming information would constitute outreach. Outreach activities will last between 1-5 minutes on average.

Applicants will need to develop a plan to deliver outreach and education messages, including monitoring and evaluation tools that measure the total number of households or businesses they plan to reach. Organizations have flexibility in the channels, venues or formats in which outreach and education messages are delivered, as well as their mode for reaching their target population(s), which must be specifically explained in the Grant Application. Applicants are required to submit innovative plans to conduct outreach and education in accordance with established guidelines. Innovative plans give Applicants the opportunity to present creative strategies that will result in more effective approaches to reach their target population(s). Collaboration with other eligible entities is highly encouraged. Covered California will only

consider plans that are effective, measurable and evidence-based. When presenting plans, the Applicant must:

- Describe the plan's strategies, tactics, target goals and objectives;
- Describe how the plan will be monitored, evaluated, and adjusted as necessary to meet target goals;
- Explain why the proposed approach is a proven and effective one; and
- Provide details and demonstrate the Applicant's prior success in effectively reaching the target populations.

Interested organizations are highly encouraged to submit a Letter of Intent to Respond and Response to Collateral Materials Request Form. Please refer to **Section 3.2.2** for more details. Collateral materials will be made available after organizations are trained.

Interested organizations applying for the Grant Program must comply with the instructions and agree with the Model Contract's terms and conditions. Covered California shall accept only one application per interested entity as a lead and one additional application if the entity is listed as a subcontractor as part of a collaborative, for the purposes of targeting individual consumers. Applicants may also submit a separate application for the purposes of targeting small businesses eligible for SHOP. The entity must reach different target groups, not overlap activities and detail their approach in the application. Additional monitoring and quality assurance of grantees will be enforced to prevent duplication of efforts.

During the Grantee selection process, Covered California will evaluate all Applications as described in **Section 7 – Evaluation Process and Criteria**.

All Grantees will be required to receive Grantee Training prior to implementing their Outreach and Education plan which will be provided to organizations free of charge:

- In-depth training, available in English and Spanish, on Covered California and the health insurance offerings offered in strategic regional locations and online;
- Standard message points for each Phase of the Outreach and Education campaign;
- General message points for small businesses and individual consumers; and
- Collateral materials (available in 13 languages)
- Designated staff must be trained and may need to be staggered based on demand and availability.

All Grantees will be required to participate in on-going meetings coordinated by the State with other grantees and share lessons-learned, best practices. Grantees will also be required to coordinate with media and marketing events that will take place in the Grantee's geographic area.

2.3.1 Outreach and Education Plan Phases

Outreach and education activities designed to raise public awareness will begin in May 2013 and continue through December 2014. The Grant Program will align with the six phases of the statewide Marketing, Outreach and Education planned over the 19-month award period. Grantees will be required to align their activities, messaging, and approach with each Marketing, Outreach and Education plan phase. Grantees will be provided, through Covered California or

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its official designees, training, collateral materials, and message points for each phase to ensure that activities complement the statewide campaign.

| | Outreach and Marketing Phase | Start | End | Purpose |
|----|--------------------------------------|-----------------|--------------------|--|
| 1. | Consumer Outreach and Education | May 1, 2013 | June 30, 2013 | Raise awareness about the new consumer-friendly health insurance marketplace. |
| 2. | Get Ready, Get Set | July 1, 2013 | September 30, 2013 | Inform eligible Californians or small businesses that opportunities for coverage are “coming” in 2014. |
| 3. | Enroll! | October 1, 2013 | March 31, 2014 | Guide consumers or small businesses to their enrollment options and to shop and compare qualified health plans. Deliver the message that the time to enroll has come and it is easy to apply. |
| 4. | Reinforcement and Special Enrollment | April 1, 2014 | July 31, 2014 | Promote enrollment of those who did not enroll during year one during the Open Enrollment period. Promote the Special Enrollment period when consumers experience a change of circumstances (e.g., marriage, birth, adoption, loss in health care coverage). |
| 5. | Get Ready, Get Set | July 1, 2014 | September 30, 2014 | Inform eligible Californians or small businesses of the opportunities to enroll in coverage during the upcoming Open Enrollment Period. |
| 6. | Enroll! | October 1, 2013 | December 31, 2014 | Guide consumers or small businesses to their enrollment options and to shop and compare qualified health plans. Deliver the message that the time to enroll has come and it is easy to apply. |

Grantees will be expected to conduct the following activities to promote public awareness among eligible consumers and small businesses:

- Raise awareness about the new consumer-friendly health insurance marketplace.
- Promote public awareness and inform consumers or small businesses about their options to obtain affordable health coverage through Covered California.
- Communicate the value of purchasing health coverage through outreach.
- Remove barriers to enrollment.
- Educate small businesses about available tax credits for purchasing coverage through Covered California.
- Conduct in-depth education that provides consumers or small businesses with detailed information about affordable health care coverage options.
- Educate the public about health coverage costs and options, including co-insurance, co-pays and benefit designs.

- Guide consumers or small businesses to their enrollment options and to shop and compare qualified health plans.
- Inform eligible Californians or small businesses that opportunities for coverage are “coming” in advance of open enrollment periods.
- Deliver the message to the consumer or small business that the time to enroll has come and it is easy to apply during open enrollment periods.
- Promote the Special Enrollment period when consumers experience a change of circumstances (e.g., marriage, birth, adoption, loss in health care coverage) in between open enrollment periods. Consumers who experience such change do not have to wait until the Open Enrollment period to apply.
- Provide consumers with information and tools where individuals can enroll on their own preferably, on-line.
- Educate small businesses about the opportunities to seek coverage directly with Covered California, or to find a licensed Agent who can assist the small employer with purchasing health coverage in person
- Drive consumers to Assistors Program resources if they prefer to receive in-person assistance.
- Collect leads for Covered California from individuals or small businesses that may be interested in purchasing coverage.
- Motivate Californians to take the action and enroll.

2.3.2 Approach to Conducting Outreach and Education

Covered California established guiding principles, goals, objectives to promote practices found to be effective at reaching the diverse consumers and small businesses likely to benefit from health care coverage available through the new health insurance marketplace. Grantees are expected to utilize inter-personal approaches to conduct public awareness, education and outreach activities, which rely on trusted messengers to deliver personalized, culturally responsive and in-language messages to the target audience.

Grantees shall be responsible for completing the following outreach and education activities:

- Collecting consumer contact information to make referrals to Assistors, in-house Assistors provided within the Grantee organization or consumer referrals that are provided directly to Covered California;
- Providing information about Covered California, including informing consumers of available no-cost, subsidized and non-subsidized programs, providing information on how to enroll both on-line and in-person and answering questions;
- Informing consumers or small businesses of the potential benefits to enrolling in Covered California’s coverage options, including tax credits and cost sharing subsidies;
- Providing basic information and directing consumers or small businesses to tools and resources to assist in comparing cost, benefits and coverage options;
- Educating consumers about open enrollment in subsequent years;
- Referring consumers or small businesses to in-person assistance resources, including Assister organizations or health insurance agents;
- Changing attitudes and behaviors that have prevented consumers or small businesses from enrolling in coverage;
- Collaborating and coordinating with other grantees, as well as establishing and participating in public and private partnerships in the target community;

- Attending additional community events at the request of Covered California;
- Encouraging consumers to visit Covered California website, sign up for Facebook, Twitter and other Social Media channels established by Covered California;
- Follow-up with consumers on at least one occasion to offer assistance in answering any questions and to gauge effectiveness of the outreach message;
- Continually assess the effectiveness of the outreach tactics and messages to adjust strategies to ensure target goals are met; and
- Asking consumers for feedback on the Marketing and Media campaign.

Grantees will be required to conduct outreach and education activities in-person. Outreach and education activities must be delivered “in language” (in the preferred language of the target audience).

Grantees will be required to utilize messaging and collateral materials (provided free and in 13 languages) approved by Covered California when acting on behalf of the program. To the extent a grantee develops their own material in so far as it references Covered California and is distributed with Covered California resources, it will be subject to review and approval.

Grantees will be required to attend additional community events at the request of Covered California. Covered California has identified potential community events that will need grantee presence and support. Applicants are encouraged to specify their proposed events to support Covered California’s goals in their proposal. **Please refer to Appendix E for the list of events.** Covered California will make every effort to provide as much advanced notice as possible and will select a local Grantee that reaches the target population expected to attend the event.

In the event Grantees make formal presentations and represent Covered California at local, ethnic media events, community and/or trade events, or other approved venues, Grantees must represent themselves in professional attire and shall ensure that standard messages that have been approved by Covered California are conveyed. The Grantee shall not make any political comments in any presentation.

Grantees shall **not** use grant funds to conduct mass marketing campaigns or to contract for paid media, but rather are required to complement and align efforts with Covered California’s Statewide Marketing, Outreach and Education Program (for more information, refer to **Section 2 – Background and Information**, including local and regional marketing and outreach efforts.

2.3.2.1 Outreach and Education Delivery Channels

Channels and venues in which outreach and education activities will be delivered include where the target populations live, work, go to school, play and shop. In order to perform the public outreach and education activities under this Grant Program, Applicants may consider using the following delivery channels:

- Partnering with community/local officials and/or leaders;
- Partnering with other community-based organizations and/or community groups, including community businesses who serve the target populations and who are not recipients of grant funding. Some examples of community businesses include local/ethnic supermarkets, health and fitness clubs, and service clubs (e.g., Kiwanis, Elks, Lions, etc.);

- Using a community organizing or canvassing approach (including Promotoras models and door-to-door outreach in targeted neighborhoods);
- Attending and/or presenting at ethnic media events;
- Attending and/or presenting at community events (including health fairs, festivals, popular sports events etc.) using Project Sponsor-approved messages and information;
- Leveraging existing intake processes where a service/product is already provided to deliver outreach and education messages;
- Making presentations to existing groups, classes, meetings, workshops, or professional conferences where the target populations are known to frequent;
- Distributing brochures, flyers and collateral materials to target populations likely to be eligible;
- Facilitating outreach with local chambers of commerce, industry and professional associations, and other employer-based organizations to educate small businesses about purchasing coverage through Covered California;
- Leveraging online channels and social media to support reaching targeted populations;
- Supporting the Community Outreach Network team member, Public Information Officer, as a guest on local or ethnic media, radio or TV stations to describe the upcoming opportunities and answer questions, utilizing Covered California-approved messages.

2.3.2.2 Outreach Messaging

Outreach messaging is defined as the provision of a brief set of information and message points intended to increase awareness among the target audience. Outreach messages are expected to take five minutes or less to complete, depending on the delivery channel and materials used. In general, outreach messages promoting awareness are the first step in preparing consumers and small businesses for being ready to act and can often lead to the provision of more in-depth information regarding program benefits and opportunities (described in the subsequent Section under Education Messaging). Covered California will provide Grantees with Outreach messaging points and collateral materials that promote a culture of coverage, deliver general information about the opportunities for affordable coverage and raise awareness.

Applicants must identify the channels in which outreach messaging will be delivered and are encouraged to consider which venues target audiences both frequent and will be receptive to receiving program information. Examples of appropriate channels for delivering outreach include, but are not limited to: local or ethnic media events, community events, workshops and presentations, or leveraging an existing service delivery forum to deliver outreach messages to increase awareness. The outreach activity must include a request to fill out a form to receive upcoming information.

2.3.2.3 *Education Messaging*

Education messaging is defined as the provision of in-depth program information and message points to increase understanding of health insurance opportunities offered by Covered California, eliminate barriers, link target audiences to enrollment and assistance resources and motivate them to enroll in coverage.

Education often builds on outreach messaging, but is more in-depth and focuses on educating the consumer about specific program opportunities, removing perceived barriers and encouraging target audiences to take the next step and enroll. During education sessions, a trusted source engages potential consumers or small businesses in one-on-one or small group information sessions. Educations may take up to 15 minutes to complete, depending on the message points, format and collateral materials used.

The education consists of three primary components:

- **Providing Information:** In-depth program information and key messages about the program benefits and opportunities are provided in-person using message points and collateral materials approved by Covered California.
- **Checking for Understanding:** A trusted source answers consumers' or small businesses' questions and checks/confirm their understanding of health care options that will be available in the new insurance marketplace. For example, Grantees may conduct a verbal survey at the time the education occurs or ask the consumers a brief set of questions to confirm their understanding.
- **Call to Action:** The consumer or small business is called to action. The Call to Action is where the trusted source provides the target audience with next steps they can take on their own, facilitates access to enrollment resources and asks for the consumer's or small business's commitment to take a next step to shop and compare or access enrollment resources. The Call to Action includes the delivery of key messages designed to motivate consumers and small businesses to take the next step. For example, techniques may include collecting consumer contact information to make referrals to customer service support, including the Assistors Program, or small business referrals to the SHOP Administrator or to a certified insurance agent, etc., directing those who wish to enroll on their own to the CalHEERS website or Service Center, or providing consumers with collateral materials that they can use at a later point to access enrollment resources.

As a guideline, education messaging should comprise 70% of the Applicant's proposed scope of work. Applicants must propose to deliver in-depth education messages tailored to their target population and should adjust the ratio of outreach and education messaging accordingly. Grantees will be expected to conduct education throughout the grant period.

Applicants must identify the channels in which education messaging will be delivered and are encouraged to consider which venues target audiences both frequent and will be receptive to receiving in-depth program information. Unlike outreach messaging, education requires a venue in which target audiences will be engaged in a one-on-one or small group format for up to 15 minutes. Examples of appropriate channels for

delivering education include, but are not limited to: community events where target audiences are seeking information, workshops and presentations, or leveraging an existing service delivery forum to deliver education messages.

2.3.2.4 Approach to Working with Assisters and Enrollment Resources

A main goal of the Outreach and Education Grant Program is to generate leads for the Assisters Program and the Service Center to assist consumers with enrollment. Grantees will be required to provide Covered California with leads for follow up with consumers or small businesses that are potentially eligible and interested in receiving more information about enrolling. A lead is defined as collecting the individual's name, preferred method of contact (i.e., e-mail, mail, or phone) and respective contact information and language preference. This will be accomplished by encouraging the consumer to go on-line to fill out a form to receive upcoming enrollment information or by providing the consumer a form to complete.

Applicants must describe their approach to perform this activity, as described in Exhibit A, Statement of Work, including:

- Consumer leads for Qualified Health Plans (e.g., integrate the Assisters Program into the Applicant's strategies – such as, referrals to Assisters; in-house Assisters provided through the Applicant's organization, or consumer referrals that are provided directly to Covered California.); and
- Small business leads for the Small Business Health Options Program (SHOP). Examples include collecting leads from interested businesses and providing those leads directly to Covered California, or partnering with business groups or chambers of commerce to execute outreach campaigns to educate small businesses about Covered California.

If proposing to serve individual consumers, Applicants must specify whether they plan to:

- Serve as an Assister organization; or
- Establish a referral relationship with Assister organizations in their community; or
- Refer consumers to on-line enrollment resources such as the Covered California website.

If proposing to serve SHOP eligible small businesses, Applicants must specify whether they intend to refer small businesses to the Covered California SHOP directly or insurance agents.

2.3.3 Recruitment and Training

Grantees are required to recruit outreach workers that reflect the cultural, linguistic and consumer preferences of the markets or populations targeted through the Outreach and Education Plan. The Grant Application must clearly demonstrate dedicated resources to the services solicited through this Grant Program. Applicants proposing to serve specific cultural and linguistic target markets must demonstrate their capacity to provide in-language outreach and education activities.

All Grantees will be required to receive Grantee Training from Covered California prior to implementing their Outreach and Education Plan. Grantees must participate in updates and special topic trainings, webinars, forums and meetings provided throughout the grant contract period. Grantees shall ensure that outreach workers are knowledgeable of effective education and outreach techniques, the Affordable Care Act, affordable coverage options offered through Covered California, other content areas identified by Covered California, and program standards, policies and procedures.

2.3.4 Program Monitoring and Quality Assurance

Performance of Grantees will be closely monitored. Grantees must comply with monitoring and evaluation requirements established by Covered California. This includes, but is not limited to, completing required reports on a monthly, quarterly and annual basis, as described in the subsequent section, cooperating with all mandated monitoring and evaluation activities, including monthly site visits by grant monitors, providing requested data to Covered California in a timely matter, and participating in research projects related to the effectiveness of the Covered California Statewide campaign. Grantees must attend regional quarterly Grantee and annual meetings organized by Covered California. Grantees must submit performance-monitoring reports to the State documenting their progress towards meeting agreed upon deliverables and established program outcomes according to agreed upon timelines. Grantees must maintain comprehensive records of program expenditures and activities throughout the period of the grant and provide them to Covered California upon request.

Grantees that are not performing their scope of work or meeting pre-established goals and deliverables will be provided re-training and asked to correct the deficiency within 30 days or risk grant termination. Failure to deliver the agreed upon targets for number of households or small businesses reached with outreach and education messaging may result in a modification to the Grantee's scope of work and award level.

Grantees must also establish an internal system for overseeing and managing program quality, including evaluating the performance of individuals responsible for conducting grant-funded outreach and education activities (Outreach Workers). This includes verifying that: outreach and education activities are delivered as planned, accurate messages and information are provided to consumers and small businesses, and overall compliance with program standards and guidelines is maintained. Grantees must immediately report instances of non-compliance and specify their plans for corrective action to Covered California.

Covered California seeks to use monitoring and evaluation data to learn about what strategies and approaches most effectively increase awareness amongst California's uninsured consumers and small businesses and motivate them to enroll in coverage.

Examples of criteria that could be used to measure Grantee success include:

- The number and percentage of consumers or small businesses referred to enrollment resources, including Assisters, agents or Covered California website.
- The number and percentage of consumers reached by Grantee that sign up for Covered California Facebook or Twitter.
- Consumer or small business satisfaction surveys administered through the Assisters Program, Covered California website or other methods that measure Grantee's ability to provide accurate information and rate overall usefulness.
- Mystery shoppers that rate the Grantee's ability to provide accurate information.

2.3.5 Reporting

Grantees must maintain compliance with established reporting requirements. At a minimum, Grantees will be required to submit monthly, quarterly and annual reports on their activities, progress towards deliverables and program outcomes in a web-based information management system managed by Covered California. If project benchmarks are not met, Grantees may be required to submit additional ad hoc reports upon Covered California's request. Grantees will also be required to report any proposed adjustments to their approved outreach and education plan using the information management system.

Monthly Reports: Grantees will be required to enter outreach and education activities on a monthly basis in the information management system. At a minimum, Grantees will be required to report on scheduled events, outreach and education activities, and demographic profile of consumers reached.

Quarterly Reports: Grantees will be required to produce quarterly progress reports documenting progress towards meeting program deliverables and outcomes, challenges and successes and any changes to an approved Outreach and Education Plan.

Annual Reports: Grantees will be required to submit an annual report to Covered California, outlining their progress and impact during the funding period, documenting successes and challenges, and describing the proposed Outreach and Education Plan for the subsequent year.

The table below documents the minimum data elements Grantees will be responsible for reporting. Grantees will be responsible for collecting and submitting additional data elements identified by Covered California.

| Reporting Requirements | Frequency |
|--|----------------------------------|
| Outreach and Education Activities <ol style="list-style-type: none"> 1. Number of outreach and education sessions held (one-on-one, small group or events) <ul style="list-style-type: none"> • Number of households or small businesses reached through education messages • Number of households or businesses reached through outreach messages 2. Format for outreach and education sessions (one-on-one, small group, or events) 3. Location of outreach and education sessions 4. Ethnicity of populations reached 5. Languages of outreach and education sessions 6. Number and type of collateral materials used | Monthly Quarterly Annually |
| Other Events and Partnerships <ol style="list-style-type: none"> 1. Number of ethnic or local media events <ul style="list-style-type: none"> • Number of attendees at ethnic or local media events 2. Number of events attended at the request of Covered California <ul style="list-style-type: none"> • Number of attendees at events attended at the request of Covered California 3. Number of partnerships developed <ul style="list-style-type: none"> • Description of partnerships and key activities | Monthly Quarterly Annually |
| Coordination with Enrollment Resources and Assistors <ol style="list-style-type: none"> 1. Number of referrals to Assistors, Agents or other enrollment resources 2. Number of internal referrals to Assistors (if applicable) 3. Number of consumer leads provided to Covered California | Monthly Quarterly Annually |
| Other <ol style="list-style-type: none"> 1. Progress towards meeting agreed upon Outreach and Education Plan deliverables 2. Description of barriers, challenges and success 3. Description of changes to the Outreach and Education plan 4. Identification of support, information or additional training needs 5. Feedback received from consumers and small businesses on the Marketing and Media Campaign 6. Feedback on the effectiveness of the Social Media Campaign, if applicable | Monthly Quarterly Annually |

2.3.5.1 Sub-award Reporting and Executive Compensation

This cooperative agreement is subject to the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282), as amended by section 6202 of Public Law 110-252 and implemented by 2 CFR Part 170. Grant and cooperative agreement recipients must report information for each first-tier sub-award of \$25,000 or more in Federal funds and executive total compensation for the recipient's and sub-recipient's five most highly compensated executives as outlined in Appendix A to 2 CFR Part 170. For the full text of the award term, go to <http://ccio.cms.gov/resources/fundingopportunities/ffata.html>. For further assistance,

please contact Iris Grady, the Grants Management Specialist assigned to monitor the sub-award and executive compensation requirements at divisionofgrantsmanagement@cms.hhs.gov.

2.3.6 Management of Materials

Covered California will provide organizations with Grantee training, standard message points for each phase of the Outreach and Education campaign and collateral materials free of charge. Grantees will be required to order and track collateral materials from Covered California or their designated entity.

Grantees must utilize approved materials and non-consumables with Covered California's branding (i.e. tablecloths, banners and signs) when conducting outreach and education activities during the contract period.

Grantees must maintain adequate supply levels of collateral materials at all times. Grantees must maintain compliance with established policies regarding the ordering and use of collateral materials. At the end of the contract period, Grantees will be required to return all non-consumables to Covered California.

2.3.7 Equipment

Grantees may procure equipment with grant funding needed to carry out the outreach and education activities funded through the Outreach and Education Grant Program. Examples of types of equipment that may be necessary to carry out program activities include, but are not limited to: tablets, laptops, desktop computers or printers. These types of technology enable Grantees to show consumers how to access enrollment resources, show videos or other online media promoting affordable health coverage, and provide Grantees with access to web-based Grantee information management systems where required reporting is completed.

Equipment expenditures shall not exceed 5% of Grantee's funding award. In no instances shall total equipment expenditures exceed \$25,000. Grant funds shall be used to procure minor equipment or miscellaneous property only, according to the following definitions:

- **Capitalized equipment:** A tangible or intangible item having a base unit cost of \$5,000 or more with a life expectancy of one (1) year or more and is either furnished by Exchange or the cost is reimbursed through this agreement. Software and videos are examples of intangible items that meet this definition.
- **Non-Capitalized equipment:** A tangible item having a base unit cost of less than \$5,000, with a life expectancy of one (1) year or more that is listed on the Exchange Asses Management Unit's Minor Equipment List and is either furnished by Exchange or the cost is reimbursed through this agreement. Contractors may obtain a copy of the Minor Equipment List by making a request through the Exchange program contract manager.
- **Other Capitalized and Non-Capitalized property:** A specific tangible item with a life expectancy of one (1) year or more that is either furnished by Exchange or the cost is reimbursed through this agreement. Examples include, but are not limited to; furniture

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(excluding modular furniture), cabinets, typewriters, desktop calculators, portable dictators, non-digital cameras, etc.

All agreements in which equipment is procured with Outreach and Education Grant Program funds must be in compliance with federal and state laws. The Model Contract Exhibit A provides additional contract language regarding the purchase of equipment and other supplies and will be part of the Standard Agreement. Unless Covered California has approved the continued use and possession of equipment purchased with Outreach and Education Grant Program funds in connection with another Covered California agreement, or it is determined that the equipment is no longer useful, the equipment must be returned.

2.4 GRANTEE RESOURCES

Applicants are required to review the CalSIM 1.8 Model and the 2011 California Employer Health Benefits Survey in order to obtain a better understanding of the eligible populations that qualify for health care coverage. This information is very important for Applicants to understand when identifying their geographic areas and/or target populations in their Grant proposal. The UCLA CalSIM 1.8 model is included as Appendix A. The 2011 California Employer Health Benefits Survey study is included as Appendix B. Applicants are also highly encouraged to use data analytics found on www.HealthyCity.org to identify areas within their communities that should be targeted based on high levels of uninsured residents. **Applicants are required to articulate in their application data sources used to support their outreach and education goals.**

Table 1 – Grantee Resources

| Description | Source |
|---|---|
| Federal health care reform | www.healthcare.gov www.healthcare.gov/center/regulations/index.html |
| The Centers for Medicare and Medicaid Services' Center for Consumer Information and Insurance Oversight | http://cciio.cms.gov/ |
| California state law enabling a California Health Benefit Exchange (CA-ACA,) and the current status of the Exchange operation California Health Benefit Exchange Planning and Establishment Grants | www.healthexchange.ca.gov |
| Healthy City | http://www.healthycity.org |
| California Healthcare Foundation released the 2011 California Employer Health Benefits Survey | http://www.chcf.org/publications/2011/12/employer-health-benefits |
| California Statewide Marketing, Outreach and Education Program and Assisters Program Work Plans (dated June 26, 2012) | “Statewide Marketing, Outreach and Education Program” click here . Or, visit the Exchange's home page at: www.healthexchange.ca.gov . On the home page, scroll down to the link titled, “ <i>Project Sponsors Release Final Draft of the Statewide Marketing, Outreach and Education Program Final Design Options, Recommendations and Work Plan.</i> ” “Assisters Program” work plan click here . Or, visit the Exchange's home page at: www.healthexchange.ca.gov . On the home page, scroll down to the link titled, “ <i>Project Sponsors Release Final Draft of Phase I and II Statewide Assisters Program Design Options, Recommendations and Final Work Plan.</i> ” |
| California Health Benefit Exchange Small Business Health Options Program (SHOP) | “Small Employer Health Options Program Final Board Recommendations July 19, 2012” click here . Or visit the Exchange's home page at www.healthexchange.ca.gov . Go to the Board Meeting tab. Scroll down to the July 19 Board meeting materials, click on Agenda Item VIII Small Employer Health Options Program; click on the link entitled “ <i>Board Recommendations Briefs – Small Employer Health Options Program.</i> ” |

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| Description | Source |
|--|--|
| Department of Health Care Services (DHCS) and its programs | www.dhcs.ca.gov |
| Medical Risk Management and Insurance Board (MRMIB) and its programs | www.mrmib.ca.gov |
| Information about health reform and its impact on health plans regulated by the Department of Managed Health Care and the Department of Insurance can be found at: | |
| Department of Managed Health Care | www.dmhc.ca.gov |
| Department of Insurance | www.insurance.ca.gov |

3 GRANT APPLICATION PROCESS, INSTRUCTIONS AND SCHEDULE

Enabling statutes exempt the California Health Benefit Exchange from certain provisions of the state law related to competitive bidding. While this is the case, the Exchange is committed to assuring a fair, open and rigorous competition for the awards of grants and will use a competitive process to select Grantees. Grant application process is a competitive process through which Covered California can evaluate and test, the strengths and weaknesses of the Applicants and their proposals, and make final selections based on the criterion contained in this Grant Application document. The goal of the competitive grant application process is to identify Grantees that provide the maximum levels of activities to successfully provide cost-effective plans which meet the goals, objectives and guiding principles of the Outreach and Education Grant Program. The goal of the competitive grant application process is to ensure that Covered California obtains the overall best value.

All Applicants are encouraged to offer their best method of how to provide services in order to achieve Covered California's desired outcomes and make use of their best individual business practices and knowledge of tactics to target their proposed populations. Covered California reserves the right to:

- Accept Grant Applications as submitted;
- Reject a part or all of a Grant Application; and/or
- Reject all Grant Applications.

Applicants who have demonstrated their ability and experience to effectively and successfully provide the services as described in the Outreach and Education Plan and Model Contract's Exhibit A with a competitive price will be considered for grant funding.

Applicants applying as a lead agency for a collaborative may subcontract with other entities to provide services under this contract. The use of any subcontractor must be fully explained in the Grant Application. Any and all subcontracts entered into by the Grantee for the purpose of meeting the requirements of the contract are the responsibility of the Grantee. Covered California will hold the Grantee responsible for assuring that subcontractors meet all of the requirements of the negotiated contract for services.

To submit a Grant Application to provide public awareness, outreach and education activities, Applicants must:

- Comply with the instructions contained in this Grant Application document;
- Submit the Grant Application by the due date;
- Meet the organizational eligibility and minimum qualification requirements;
- Comply with and propose approaches to target population(s) who are eligible for health care coverage through the new health insurance marketplace, as set forth in this Grant Application document and in the Model Contract's, Exhibit A, Statement of Work; and

- Agree to the Contract Terms and Conditions, which are set forth in the Model Contract's Exhibits B, C, D, and E.

3.1 SINGLE POINT OF CONTACT

Applicants may only contact the Single Point of Contact as noted in Table below for any matters related to this Grant Application. Comments or questions must be submitted in writing.

Table 2 - Grant Application Single Point of Contact

| | |
|-------------------------|--|
| Physical Address | Richard Heath and Associates, Inc. 590 W. Locust Ave., Suite 103 Fresno, CA 93650 |
| Mailing Address | Richard Heath and Associates, Inc. Julie Weigand, Senior Program Manager 590 W. Locust Ave., Suite 103 Fresno, CA 93650 |
| Phone | (866) 622-5252 (Grants Help Desk) |
| Fax | (559) 447-7099 |
| E-mail | grantinfo@ccgrantsandassistors.org |

3.2 GRANT APPLICATION PROCESS

A multi-step Grant Application process will be used to select the Outreach and Education Grantees. The major steps include:

- Letter of Intent to Respond
- Grant Applicant Conference/Webinar (optional)
- Grant Application Submission (required step)
- Grant Application Evaluation and Selection Process (required step)
- Grant Award (required step)

To learn more about the **Grant Application Schedule**, please refer to **Section 3.2.1**.

To learn more about the **Grant Application Content Requirements**, please refer to **Section 6.5**.

3.2.1 Grant Application Schedule

The following table outlines the schedule for important Activities and Dates. Unless otherwise stated, **the deadline for all scheduled Activities is 5:00 p.m. (PST)** on the specified date. If the Exchange finds it necessary to change any of the dates prior to the Final Application submission, it will be accomplished through an addendum to this Grant Application. Addendums will be posted on the Exchange website. All dates subsequent to the Final Application submission date are approximate and may be adjusted as conditions dictate without an addendum to this Grant Application. The Grant Application Schedule is as follows:

Table 3 – Grant Application Schedule

| Activity | Date |
|--|--|
| Release of Request for Applications | Tuesday, January 22, 2013 |
| Grant Applicant Conference (in person in Sacramento)/Webinar | Tuesday, February 5, 2013 |
| Letter of Intent to Respond Due | Thursday, February 7, 2013 |
| Last Day to Submit Inquiries and Questions | Tuesday, February 19, 2013 |
| Responses to Questions Posted on the Exchange's website | On Flow Basis / by Friday, February 22, 2013 (8:00 p.m. PST) |
| Applications Due from Applicants | Monday, March 4, 2013 |
| Grant Application, Evaluation and Selection Process | March 5, 2013 – April 25, 2013 |
| Notification of Intent to Award Posted on the Exchange's Website | April 26, 2013 |
| Last Day to Submit Protest | May 6, 2013 |

3.2.2 Letter of Intent to Respond

Potential Applicants should submit the Letter of Intent to Respond to the Project Sponsor's **Single Point of Contact identified in Section 3.1**, by **Thursday, February 7, 2013 (5:00 p.m. PST)** as specified in **Section 3.2.1 – Grant Application Schedule**. The Letter of Intent to Respond should conform to the following guidelines:

- Provided on the organization's letterhead;
- Identify a single contact person, including their first and last name, title, email address and direct phone number;
- Signed and sent from a person who is authorized to contractually bind the organization in a potential future contract engagement;
- Indicate the organization's intent to apply to reach either consumers eligible for individual health programs offered by Covered California or small businesses eligible for SHOP;
- Indicate the number of estimated households to be reached by language per year; and
- Indicate the intent to apply on-line or by mail.
- Complete the Collateral Materials Need Form, located in Appendix D and attach.

The Letter of Intent to Respond may be submitted via e-mail or by mail to the Single Point of Contact. Organizations should send a Letter of Intent to Respond to demonstrate their interest in submitting a Grant Application. Covered California encourages organizations to send the letter, as soon as the entity believes that they will be applying for the Grant Program to aid in Covered California's administrative planning purposes. **In addition, Applicants that submit a Letter of Intent to Respond will receive updates via email to any changes to the Request for Applications, addendums or modifications to the timeline.**

Organizations intending to order free Covered California outreach materials are also encouraged to submit the Collateral Materials Need Form with the Letter of Intent to Respond to allow Covered California to gauge the demand for collateral materials. This form is located in Appendix D.

3.2.3 Optional Grant Applicant Conference/Webinar

A Grant Applicant Conference/Webinar will be held, and potential Applicants are strongly encouraged to attend; however, attendance is not required.

| | |
|------------------|------------------|
| Date: | February 5, 2013 |
| Time: | TBD |
| Location: | TBD |

Covered California strongly encourages Grant Applicants to submit questions prior to the Conference/Webinar date on a flow basis as questions arise.

Covered California will:

- Make reasonable attempts to provide answers to written questions that were received prior to the conference/webinar (these questions will also receive a written response);

Covered California Outreach and Education Grant Application

- Accept oral questions during the conference/webinar, and will make reasonable attempts to provide answers during the conference; and
- Post responses to questions asked during the conference/webinar on Exchange website by February 22, 2013.

Covered California will provide reasonable accommodations, including the provision of informational material in an alternative format, for qualified individuals with disabilities upon request. Requests for such accommodations shall be made at info@hbex.ca.gov in advance of the conference/webinar.

3.2.4 Grant Application Submission

The Application must be completed in its entirety and must include required signatures. **Refer to Section 6 – Grant Application Submission** for more details on requirements of the Grant Application process. Grant Applications are due and must be received by March 4, 2013 (by 5:00 p.m. PST).

In the event an organization submits their Grant Application prior to the due date, the organization may revise their Application, **so long as the revision is received by the due date.** When submitting the revised Grant Application, the revised document will completely replace the prior submission. Organizations must re-submit their Grant Application in its entirety. Replacement pages will not be accepted.

3.2.5 Grantee Questions and Clarification

Covered California will accept written questions or concerns related to this Grant Application and/or its accompanying materials, instructions, or requirements, until the date and time specified in **Section 3.2.1– Grant Application Schedule.** Applicants are encouraged to send questions on a flow basis. The question and answer period will be ongoing until the question period ends.

Organizations may submit questions by completing the Grant Program Question Submission Form, located in Appendix F, and sending via e-mail or by mail, to the Single Point of Contact listed in Section 3.1. The last day to submit inquiries is **February 19, 2013, by 5:00 p.m. PST.** During the Grant Application process, the Single Point of Contact will coordinate responses with staff. When submitting inquiries, please reference the “Outreach and Education Grant Program Application” in the subject line.

All questions and comments regarding this Grant Application must be submitted by completing the Grant Program Question Submission Form, located in Appendix F. Applicants are responsible for confirming that their questions have been received by Covered California. Covered California will not accept or respond to inquiries outside of the question and answer timeframes outlined in the Grant Application Schedule.

During this period, Covered California will provide continual feedback. Covered California will not respond to questions received after the deadline, unless it is in the best interest of Covered California to do so. Covered California will post responses to inquiries on the Exchange’s website on a flow basis and by February 22, 2013 (8:00 p.m. PST), as set forth in **Section 3.2.1– Grant Application Schedule.**

Applicants must notify the Single Point of Contact of any ambiguity, conflict, discrepancy, exclusionary specification, omission, or other error in this Grant Application by the deadline for submitting questions and comments. If an organization fails to notify Covered California of these issues, the organization will submit an application at their own risk, and if awarded a Grant:

1. Shall have waived any claim of error or ambiguity in this Grant Application or resultant Contract;
2. Shall not contest the Exchange's interpretation of such provision(s); and
3. Shall not be entitled to additional compensation, relief, or time by reason of the ambiguity, error, or later correction.

If questions or concerns indicate significant problems with the requirements of this Grant Application, Covered California may, at its sole discretion, amend this Grant Application accordingly through a formal written Addendum.

3.3 DARFUR CONTRACTING ACT CERTIFICATION

All Applicants must address the requirements of the Darfur Contracting Act of 2008 for the reason described in the Public Contract Code Section 10475. Complete and sign Attachment C-2. Any scrutinized companies are ineligible to, and cannot, submit a proposal for contract with a State agency for goods or services. A scrutinized company is defined in the Public Contract Code Section 10476. However, proposals may be submitted by scrutinized companies if permission is obtained first from the Department of General Services, according to the criteria set forth in the Public Contract Code Section 10477(b).

3.4 PROTEST PROCESS

A protest may be submitted according to the procedures set forth below. If an organization has submitted an application which it believes totally to be responsive to the requirements of the solicitation process and believes the Applicant should have been selected, according to Section 7.1 – Grant Application Evaluation Overview and Criteria, and the Applicant believes Covered California has incorrectly selected another Applicant for the award, the Applicant may submit a protest of the selection as described below. Protests regarding selection of the “successful Grantee” will be heard and resolved by the California Health Benefit Exchange’s Executive Director.

All protests must be made in writing, signed by an individual who is authorized to contractually bind the proposer, and contain a statement of the reason(s) for protest, citing the law, rule, regulation or procedures on which the protest is based. The protester must provide facts and evidence to support their claim. Certified or registered mail must be used unless delivered in person, in which case the protester should obtain a receipt of delivery. The final day to receive a protest is five business days after the date on the Letter of Notification of Intent to Award. Protests must be mailed or delivered to:

| | |
|-------------------------|--|
| Physical Address | Richard Heath and Associates, Inc. 590 W. Locust Ave., Suite 103 Fresno, CA 93650 |
| Mailing Address | Richard Heath and Associates, Inc. Julie Weigand, Senior Program Manager 590 W. Locust Ave., Suite 103 Fresno, CA 93650 |

4 OUTREACH AND EDUCATION GRANT FUNDING

As noted in Section 2.2 – Purpose of this Grant Application, Covered California plans to allocate up to \$43 million (from May 2013 through December 2014) in Outreach and Education Grant awards. Grant awards are contingent on federal funding and will be awarded based on **Section 7 – Evaluation Process and Criteria**.

The term of the award under this Grant Application is from May 2013 through December 2014. Applicants are instructed to make one total grant funding request for the entire lifespan of the grant program and provide budget detail by month.

The \$43 million Grant Program includes funding for the following health care programs:

- **\$40 million** to conduct outreach and education activities to individual consumers who are newly eligible for the coverage through the new health insurance marketplace (Exchange's individual subsidized and non-subsidized programs).
- **\$3 million** to conduct outreach and education activities to small businesses that are eligible to provide coverage to their employees through the new Small Business Health Options Program (SHOP).

Covered California may consider releasing two (2) Grant Application award cycles: Cycle 1 awards and Cycle 2 awards. This Outreach and Education Grant Program Application is for the Cycle 1 awards. Covered California's goal will be to award all grant funding during the Cycle 1 process.

Covered California strongly encourages all interested parties to submit their applications during the Cycle 1 process. Covered California anticipates the Notification of Intent to Award occurring on April 26, 2013. After the Cycle 1 grant award process, Covered California will conduct a thorough analysis to determine whether or not there are any gaps in conducting outreach and education activities in specific geographic areas and/or target populations.

In the event gaps are identified, Covered California will administer a Cycle 2 grant award process. The Cycle 2 process will focus on specific geographic areas and/or target populations that were not awarded during the Cycle 1 process. Should a Cycle 2 grant award occur, the anticipated date of the Grant Application release date would be May 24, 2013. The Cycle 2 Notification of Intent to Award would occur on July 15, 2013.

4.1 FUNDING POOLS

Covered California has established three funding pools for the Outreach and Education Grant Program for Applicants proposing to conduct campaigns to consumers eligible for the individual Exchange or to small businesses eligible for SHOP:

- Single County-Funding Pool
- Multi-County Funding Pool
- Targeted Populations or Statewide Funding Pool.

| Funding Pool | Purpose | Target Populations | Estimated Allocation |
|---|--|---|----------------------|
| Single County Funding Pool | For Applicants proposing to conduct outreach to target market(s) located in <u>one</u> county only. | <ul style="list-style-type: none"> • One population only • Two or more populations • All uninsured individuals in one County • Small businesses in one County | \$25 million |
| Multi-County Funding Pool | For Applicants proposing to conduct outreach to target market(s) located in <u>two or more</u> counties | <ul style="list-style-type: none"> • One population only • Two or more populations • All uninsured individuals in two or more Counties • Small businesses in two or more Counties | |
| Targeted or Statewide Funding Pool | For Applicants proposing to conduct statewide efforts or campaigns to target populations <u>not</u> defined by geography. | <ul style="list-style-type: none"> • One population only • Two or more populations • Statewide campaigns to target populations • Small businesses of one or more types or statewide | \$15 million |

The primary target markets for all funding pools are individuals or small businesses eligible for Covered California's coverage options through the individual Exchange or SHOP. Applicants must have trusted relationships with California's uninsured and eligible populations and communities. Please refer to the CalSIM's model (Appendix A) of enhanced projected enrollment figures, which identify the number of eligible individuals. In addition, please refer to the survey conducted by the California Healthcare Foundation regarding the number of eligible small business that can obtain insurance for their employees through the SHOP. Please refer to **Section 2.1.1 – California's Uninsured Population Data** for more details.

Applicants proposing to primarily reach the individual consumer or the SHOP are eligible to request funds from any of the three funding pools. As noted in **Section 2.2.2** Grantees are expected to maintain expertise in messaging for both consumers eligible for enrollment in the individual health plans through Covered California, as well as SHOP, but must indicate whether they intend to reach:

1. **Individual Consumers Eligible for Affordable Health Insurance Programs through Covered California**, including enrollment in health plans for individuals with subsidies and without subsidies.

Or

2. **Small Businesses eligible for the Small Business Health Options Program (SHOP)**

Covered California expects to allocate funding to these target markets as follows:

- Individual Consumers (County and Multi-County Funding Pools): \$25 million over the grant program period.
- Individual Consumers (Targeted Populations and Statewide Funding Pool): \$15 million over the grant program period.
- Small Businesses Eligible for SHOP (all funding pools): \$3 million

Covered California reserves the right to adjust funding allocations across three funding pools during the evaluation and selection period.

Covered California will accept only one application from each entity as a lead and one additional application with the entity as a subcontractor of a collaborative, for the purposes of targeting individual consumers. Applicants may also submit a separate application for the purposes of targeting small businesses eligible for SHOP. **Applicants must select one funding pool per application. Applicants submitting applications as both a lead and a subcontractor must select different funding pools for each application.**

4.1.1 Grant Award Size

Covered California has established a minimum grant request of \$250,000 for the grant program period beginning May 2013 through December 31, 2014 for all funding pools. **Counties with anticipated funding below the \$250,000 minimum are encouraged to partner with other counties to submit a proposal under the multi-county funding pool.** The table below depicts potential award amounts in the Individual Consumer Grant Program, and the suggested number of households to be contacted through outreach and education activities. Applicants are not required to utilize these figures to define their grant proposals, but are encouraged to refer to them when considering the cost effectiveness of their plans.

Table 4–Award Sizes and Suggested Number of Individual Contacts

| Total Award Size | Suggested Number of Individual Contacts |
|--------------------|---|
| \$250,000 | 33,113 |
| \$500,000 | 66,225 |
| \$750,000 | 99,338 |
| \$1,000,000 | 132,450 |

The figures were determined by using the primary target population of Covered California’s marketing and outreach efforts (5.3 million California residents projected to be uninsured or eligible for tax credit subsidies in 2014: 2.6 million who qualify for subsidies and are eligible for Covered California qualified health plans; and 2.7 million who do not qualify for subsidies, but now benefit from guaranteed coverage and can enroll inside or outside of Covered California.) and Covered California’s \$40 million investment.

4.1.2 Anticipated Funding Allocation by County and Maximum Award Size for County and Multi-County Applicants

Covered California developed the following Grant funding allocation for each county based on the number of consumers likely to enroll. These are only estimates and Covered California reserves the right to modify these estimates during the Grant evaluation and selection process.

The table below summarizes the anticipated funding allocation by County and maximum award size per Applicant for each County. Applicants to the County Funding Pool or the Multi-County Funding Pool should review this information carefully. **Applicants proposing to target populations within a particular county may not request more than the maximum available funds for that county. Covered California** intends to award funds to multiple entities within each County (when applicable).

Counties with an anticipated funding amount that is less than \$250,000 are not eligible to apply for the Single County Funding Pool. Applicants proposing to serve such counties should apply under the Multi-County Funding Pool and are encouraged to propose to reach multiple counties through Collaborative applications. The minimum funding request and total available funding for such proposals should amount to at least \$250,000.

Applicants are encouraged to review the below table and submit proposals that are aligned with the distribution of the target Outreach and Education uninsured population and the anticipated 2014 Qualified Health Plan (QHP) enrollment numbers by county.

| Estimated Funding Pools (excluding SHOP) by County Grant Period May 2013 – December 2014 | | | |
|---|--|--|----------------------------------|
| County | QHP Uninsured Population (% of State Total) | Anticipated 2014 QHP Enrollment | Estimated Grant Funds |
| Alameda | 2.93% | 40,969 | \$1,170,400 |
| Alpine | 0.00% | 36 | \$1,200 |
| Amador | 0.08% | 1,183 | \$33,600 |
| Butte | 0.72% | 10,118 | \$289,200 |
| Calaveras | 0.10% | 1,416 | \$40,400 |
| Colusa | 0.08% | 1,089 | \$31,200 |
| Contra Costa | 1.89% | 26,493 | \$756,800 |
| Del Norte | 0.06% | 796 | \$22,800 |
| El Dorado | 0.50% | 7,029 | \$200,800 |
| Fresno | 2.53% | 35,466 | \$1,013,200 |
| Glenn | 0.10% | 1,434 | \$40,800 |
| Humboldt | 0.56% | 7,824 | \$223,600 |
| Imperial | 0.45% | 6,246 | \$178,400 |
| Inyo | 0.04% | 571 | \$16,400 |
| Kern | 2.44% | 34,151 | \$975,600 |
| Kings | 0.35% | 4,940 | \$141,200 |
| Lake | 0.24% | 3,338 | \$95,200 |
| Lassen | 0.07% | 975 | \$28,000 |
| Los Angeles | 30.50% | 426,948 | \$12,198,400 |
| Madera | 0.31% | 4,281 | \$122,400 |
| Marin | 0.35% | 4,908 | \$140,400 |
| Mariposa | 0.04% | 566 | \$16,000 |
| Mendocino | 0.32% | 4,537 | \$129,600 |
| Merced | 0.70% | 9,796 | \$280,000 |
| Modoc | 0.02% | 267 | \$7,600 |
| Mono | 0.03% | 434 | \$12,400 |
| Monterey | 0.66% | 9,188 | \$262,400 |
| Napa | 0.32% | 4,412 | \$126,000 |
| Nevada | 0.30% | 4,231 | \$120,800 |
| Orange | 7.45% | 104,325 | \$2,980,800 |
| Placer | 0.65% | 9,081 | \$259,600 |
| Plumas | 0.06% | 868 | \$24,800 |
| Riverside | 7.41% | 103,762 | \$2,964,800 |
| Sacramento | 3.51% | 49,144 | \$1,404,000 |
| San Benito | 0.09% | 1,195 | \$34,000 |
| San Bernardino | 7.26% | 101,609 | \$2,903,200 |

| Estimated Funding Pools (excluding SHOP) by County Grant Period May 2013 – December 2014 | | | |
|---|--|--|----------------------------------|
| County | QHP Uninsured Population (% of State Total) | Anticipated 2014 QHP Enrollment | Estimated Grant Funds |
| San Diego | 8.04% | 112,501 | \$3,214,400 |
| San Francisco | 1.42% | 19,913 | \$568,800 |
| San Joaquin | 1.73% | 24,262 | \$693,200 |
| San Luis Obispo | 0.75% | 10,563 | \$301,600 |
| San Mateo | 1.30% | 18,127 | \$518,000 |
| Santa Barbara | 0.98% | 13,766 | \$393,200 |
| Santa Clara | 3.20% | 44,809 | \$1,280,400 |
| Santa Cruz | 0.55% | 7,640 | \$218,400 |
| Shasta | 0.46% | 6,449 | \$184,400 |
| Sierra | 0.01% | 141 | \$4,000 |
| Siskiyou | 0.09% | 1,245 | \$35,600 |
| Solano | 0.86% | 11,994 | \$342,800 |
| Sonoma | 1.16% | 16,290 | \$465,600 |
| Stanislaus | 1.24% | 17,368 | \$496,400 |
| Sutter | 0.36% | 4,971 | \$142,000 |
| Tehama | 0.23% | 3,221 | \$92,000 |
| Trinity | 0.05% | 702 | \$20,000 |
| Tulare | 1.30% | 18,147 | \$518,400 |
| Tuolumne | 0.12% | 1,724 | \$49,200 |
| Ventura | 2.41% | 33,762 | \$964,800 |
| Yolo | 0.36% | 4,987 | \$142,400 |
| Yuba | 0.27% | 3,790 | \$108,400 |
| | | | |
| Total | 100.00% | 1,399,998 | \$40,000,000 |

4.1.3 County Funding Pool

Covered California established a **County Funding Pool** to support outreach and education campaigns targeting communities and small businesses in specific geographic areas, based on UCLA CalSIM's enhanced projected enrollment figures and the study conducted by the California Health Care Foundation on employer based health coverage. The County funding pool ensures that all counties benefit from Outreach and Education on affordable coverage options, while also directing resources to those counties with the greatest number of Californians eligible to enroll. The purpose of the County Funding Pool is to support outreach and education efforts to target markets or communities located within a specific County.

The County Funding Pool is intended for Applicants that propose to leverage their established relationships for the purpose of conducting outreach and education to target populations located within a single county only.

Applicants applying under the County Funding Pool may propose to:

- Serve a single specific target population within one County only (based on ethnicity, language, residence within a particular neighborhood or city within the county or other shared characteristics);
- Serve two or more specific target populations within one County only; or
- Reach all uninsured communities within one County only.

Target markets or populations must share a common characteristic, such as ethnicity, language, residence within a particular neighborhood or city, employment or business sector, or other shared criteria. Covered California is particularly interested in proposals that demonstrate an established and trusted relationship with consumers or businesses likely to be eligible to enroll in affordable health insurance options offered by Covered California.

- Applicants must clearly describe the characteristics of their target markets and demonstrate established relationships with each target population they propose to serve in the Grant Application.

Applicants to the County Funding Pool must also describe the nature of their relationship with the target markets. Applicants must demonstrate knowledge of the barriers, motivators, and preferences of their target market(s) and the Applicant's capacity to deliver outreach and education in-language to those markets.

Covered California seeks to engage entities that maintain access to small, hard-to-reach populations, as well as those with broad reach in their communities and encourage applications from a range of entities. Applicants to the County Funding Pool may apply as a single entity or as a collaborative (lead agencies with sub-contractors) provided they meet other eligibility criteria.

Applicants proposing to reach communities in multiple counties, an entire region, or statewide should apply under the Multi-County or Targeted Populations/Statewide Funding Pools below. Applicants proposing to serve Counties whose total anticipated funding allocation is less than \$250,000 are ineligible to apply for the County Funding Pool and should apply under the Multi-County Funding Pool under a collaborative application.

4.1.3.1 County Funding Pool Funding Request Guidelines

Funding amounts vary by County. Applicants applying to the County Funding Pool should refer to **Section 4.1.2 for information on the anticipated funding allocation per county.**

Covered California will not consider proposals whose funding request exceeds the maximum award size for the target County. Covered California anticipates making awards to multiple Applicants within each county.

Total funding requests should conform to guidelines on the number of households or businesses Grantees are expected to reach per award size. Please see Section 4.1.1 for

anticipated number of contacts suggested to be reached by award size for additional information.

Administrative overhead costs must not exceed 15% of the total funding request.

Equipment requests must not exceed 5% of the total funding request.

The minimum funding request is \$250,000.

4.1.4 Multi-County Funding Pool

Covered California established a **Multi-County Funding Pool** to make funds available to Applicants that have established and trusted relationships in specific regions of the state with target populations located within two or more counties. The purpose of the Multi-County Funding Pool is to engage entities that maintain access to consumers or businesses that are likely to be eligible for the affordable health coverage options offered through Covered California. The Multi-County fund is appropriate to those Applicants that demonstrate trusted relationships with target populations located within more than one county that they propose to leverage to deliver regional outreach and education campaigns. Covered California encourages Multi-County applications from organizations or collaboratives that propose to reach two or more rural counties in the state where the anticipated funding allocation and total request for the proposed counties is at least \$250,000.

Applicants proposing to serve target markets or populations located within two or more counties or within a specific region of the state spanning two or more counties must apply under the Multi-County Funding Pool.

Applicants applying under the Multi-County Funding Pool may propose to:

- Serve a single specific targeted population within two or more Counties (based on ethnicity, language, employment sector or other shared characteristics);
- Serve two or more specific target population within two or more Counties; or
- Reach all uninsured populations within two or more Counties

Target markets or populations must share a common characteristic, such as ethnicity, language, residence within a particular neighborhood, employment or business sector, or other shared criteria.

- Applicants proposing to serve multiple counties must clearly describe the characteristics of their target markets and demonstrate established relationships with each target population in each county they propose to serve.

Applicants to the Multi-County Funding Pool must clearly describe the nature of their relationship with the target markets or populations they are proposing to reach. Applicants must also demonstrate knowledge of the barriers, motivators, and preferences of their target market(s) and the Applicant's capacity to deliver outreach and education in-language to those markets.

Covered California seeks to engage entities that maintain access to small, hard-to-reach populations, as well as those with broad reach in their communities and encourage applications from a range of entities. Applicants to the Multi-County Funding Pool may apply as a single entity or as a collaborative (lead agencies with sub-contractors) provided they meet other eligibility criteria.

Applicants proposing to conduct statewide campaigns or reach target populations that are not defined by their residence within a particular geographic area should apply under the Targeted Populations and Statewide Funding Pool described below.

4.1.4.1 ***Multi-County Funding Pool Funding Request Guidelines***

Multi-county Funding Pool Applicants must conform to the following guidelines:

- The Grant Application must clearly demonstrate the requested funding per County the Applicant proposes to reach and the total combined program funding request for all Counties the Applicant proposes to reach.
- The funding request per County may not exceed the anticipated funding amounts outlined in Section 4.1.2 for each County the Applicant proposes to serve.
- An Applicant may propose to serve two or more Counties.
- The minimum total funding request is \$250,000. The maximum total funding request shall not exceed \$1,000,000 for Multi-County Applicants.

Covered California will not consider Multi-County Funding Pool proposals whose total combined funding request exceeds \$1,000,000. Covered California will not consider Multi-County proposals whose funding request for each County exceeds the anticipated funding allocation for each target County.

Total funding requests should conform to the guidelines on the number of households or businesses Grantees are expected to reach per award size. Please see Section 4.1.1 for anticipated number of contacts suggested to be reached by award size for additional information.

Administrative overhead costs must not exceed 15% of the total funding request.

Equipment costs must not exceed 5% of the total funding request.

4.1.5 Targeted Populations and Statewide Funding Pool

Covered California established a **Targeted Populations and Statewide Funding Pool** to reach those market segments and populations that experience significantly high rates of uninsured individuals, based on non-geographic factors. Some examples of efforts Covered California is interested in funding include: campaigns to reach cultural or linguistic communities student populations, or employment sectors (e.g., truckers, construction, restaurant workers, janitors, etc.) experiencing disproportionately high rates of un-insurance that are not defined by county or geography. Applicants under this funding pool may, but are not required to, propose statewide campaigns. However, **Applicants who propose to provide statewide activities to target populations will be highly considered.**

The Targeted Populations and Statewide Funding Pool is intended for Applicants with trusted relationships with target populations that are either defined by non-geographic factors, such as employment or language, or statewide in reach.

Applicants applying under the Targeted Populations and Statewide Funding Pool may propose to:

- Serve a single specific targeted population (based on non-geographic factors such as ethnicity, language, employment sector or other shared characteristics);
- Serve two or more specific target populations; or
- Conduct statewide campaigns to reach target populations.

Target markets or populations must share a common characteristic, such as ethnicity, language, employment, business sector, or other shared criteria.

- Applicants proposing to serve multiple target populations must clearly describe the characteristics of their target markets and demonstrate established relationships with each population.

Applicants to the Targeted Populations and Statewide Funding Pool must clearly describe the nature of their relationship with the target populations they are proposing to reach in their Grant Application. Applicants must also demonstrate knowledge of the barriers, motivators, and preferences of their target market(s) and the Applicant's capacity to deliver outreach and education in-language to those markets. **Please see Sections 5.3 and 5.4 for additional information on minimum and desirable qualifications.**

Applicants to the Targeted Populations and Statewide Priorities Funding Pool may apply as a single entity or as a collaborative (lead agencies with sub-contractors) provided they meet other eligibility criteria. **Please see Section 5.1 on Eligible Entities.**

Applicants focusing on specific populations that are defined primarily by their residence in a particular county or counties should apply under the County or Multi-County Funding Pools explained above.

4.1.5.1 *Targeted Populations and Statewide Funding Pool Funding Request Guidelines*

The minimum funding request is \$250,000. The maximum funding request for the Targeted Populations and Statewide Funding Pool is \$1,000,000. Covered California will not consider proposals whose total funding request exceeds 1,000,000.

Total funding requests should conform to the guidelines on the number of households or businesses Grantees are expected to reach per award size. Please see Section 4.1.1 for anticipated number of contacts suggested to be reached by award size for additional information.

Administrative overhead costs must not exceed 15% of the total funding request.

Equipment costs must not exceed 5% of the total funding request.

4.1.6 Foundation Partnership Opportunity Program

Covered California is establishing a **Foundation Partnership Opportunity Program**, in order to leverage outreach and education investments and to build partnerships with philanthropic

foundations that share a commitment to promoting a culture of coverage in assisting millions of Californians to obtain health insurance.

Applicants interested in applying for matching funds from this program should indicate this in Attachment A.6 of the Grant Application.

Foundations have been invited to express their interest and commitment to help fund the Outreach and Education Grant Program using their own foundation funding. Foundations would identify the specific geographic areas and/or target populations in which their funding would be allocated towards and identify their priorities for funding, such as the types of organizations they wish to fund and any other preferences (e.g. such as a preference towards statewide foundation funding.)

Covered California will provide the foundations with a list and summary of the activities provided by awardees, based on the priorities identified by the foundations. The foundations will then disperse their funding to their selected grant awardee. Covered California anticipates implementing this component of the program during Cycle 2 of the Grant Program.

Grantees who receive foundation funding will be required to comply with reporting requirements specified by the foundation.

4.2 APPROPRIATE USE OF FUNDS

Grantee's award funding shall only be used to conduct the Outreach and Education activities and services contained within the Standard Agreement (Exhibit A of the Model Contract). Funds may be used to perform the following activities: outreach and education to uninsured, eligible consumers and small businesses.

No more than 5% of Grantee's total awarded funding may be used to acquire equipment.

Equipment expenditures shall in no instance exceed \$50,000. Equipment acquired through grant funding shall be used solely to carry out the activities and services contained within the Standard Agreement (Exhibit A of the Model Contract). Use of equipment shall conform to Equipment Use Policies established by the Exchange.

Administrative overhead shall not exceed 15% of Grantee's total awarded funding.

Administrative overhead shall in no instance exceed \$150,000.

Grantees must use award funding to supplement and not supplant currently established investments and public/private partnerships in promoting affordable health coverage. Grantees in receipt of additional private or public funds to conduct outreach and education activities must ensure that Outreach and Education Grant Program funds are used to leverage and enhance, but not supplant, these investments.

4.3 INAPPROPRIATE USE OF FUNDS

Grantees shall not claim payment for any services not contained within the Standard Agreement (Exhibit A of the Model Contract). Funds shall not be used to enroll eligible consumers or small businesses in Covered California. Grantees shall not use grant funds to conduct mass marketing campaigns or to contract for paid media.

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Grantees shall not claim reimbursement for any services claimed under any other State and federal agency or other governmental entity contract or grant, any private contract or agreement, or from the Medi-Cal program. Any acquisitions made with grant funding shall be in compliance with federal law.

Notwithstanding Welfare and Institutions Code §10744, the State shall recoup or withhold all or part of a Grantee's funding for failure to comply with the standards set forth in the Standard Agreement (Exhibit A of the Model Contract) upon which the award was based.

Outreach and Education Grant funds shall not supplant federal, state or private funds allocated to conduct the same Statement of Work contained within this Agreement.

5 GRANTEE QUALIFICATIONS

5.1 ELIGIBLE ENTITIES

Grant Applications will be accepted from Applicants who meet the organizational eligibility requirements and minimum qualifications.

Applicants should propose to either target consumers eligible for affordable health insurance programs through Covered California or small businesses eligible for SHOP; if an applicant wants to propose to target both they must submit two separate proposals.

For Applicants proposing to target individual consumers, Applicants may apply as a single entity or as a collaborative (lead agency with subcontractors). Covered California will accept only one application per eligible Applicant entity as a lead, and one additional application with the entity as a subcontractor as part of a collaborative, for the purposes of targeting individual consumers. Applicants may also submit a separate application for the purposes of targeting small businesses eligible for SHOP.

Entities applying as subcontractors as a part of a Collaborative are eligible to submit a separate application as a lead Applicant, but the scope of work and target population(s) must be unique on each application. Applicants submitting two applications may only submit one application per funding pool.

Covered California encourages Applications from organizations and entities with established relationships and access to the target uninsured- specifically, the newly eligible for enrollment into the health care programs available through Covered California, including subsidized and non-subsidized programs for individuals and SHOP for small businesses employing between 2-50 employees. Only organizations who conduct outreach and education activities targeting populations who are eligible for programs offered through Covered California will be considered for grant funding. Please refer to **Section 2.1.1 – California’s Uninsured Population Data for more details.**

Covered California is seeking applications from a range of entities including:

| Organization Type |
|---|
| Community or Consumer-focused non-profit organization; Consumer Advocacy, community-based organization, or faith-based organization |
| Trade, industry or professional association, labor union, employment sector, Chamber of Commerce targeting specialty populations |
| Commercial fishing industry organization, ranching or farming organization |
| Health Care Provider: such as hospital, provider, clinic or county health department |
| Community College, University, School, or School Districts |

| |
|---|
| Native American tribe, tribal organization, or urban Native American organization |
|---|

| |
|---|
| City Government Agency or Other County Agency |
|---|

For-profit organizations whose missions, activities, and reach align with Covered California's goal of promoting a culture of coverage to the target populations are eligible to apply as a subcontractor as part of a collaborative, but will not be considered as a lead applicant.

State departments are not eligible to receive funds through this grant program. Entities with a conflict of interest, such as insurance agents, health insurers, or those acting on their behalf, are not eligible to receive funds through this Grant Program. Applicants are responsible for complying with the Conflict of Interest standards and requirements.

5.2 CONFLICT OF INTEREST

Entities with a direct or non-direct pecuniary or proprietary interest in the Exchange are deemed to have a conflict of interest and are not eligible for the Outreach and Education Grant. Entities who receive funds from third-party sources for the purpose of conducting outreach and education relative to healthcare and/or to perform a related scope of work are deemed to have a conflict of interest and are not eligible for this program. **It is the responsibility of each Applicant to consult with their Legal Advisors to determine if a conflict of interest exists, as identified in Section 9 – Model Contract.** Eligible entities seeking to apply to the Exchange must provide a signed attestation to the Exchange certifying that there is not a conflict of interest. Grantee, by entering into the Agreement with the Exchange to perform or provide work, services or materials, has thereby covenanted that it has no direct or indirect pecuniary or proprietary interest, and that it shall not acquire any interest, which conflicts in any manner or degree with the work, services or materials required to be performed and/or provided under the Agreement and that it shall not employ any person or agent having any such interests. In the event that Grantee or its agents, employees or representatives hereafter acquires such a conflict of interest, it shall immediately disclose such interest to the Exchange and take action immediately to eliminate the conflict or to withdraw from the Agreement, as the Exchange may require.

The Grantee acknowledges that, in governmental contracting, even the appearance of a conflict of interest is harmful to the interest of the State. Thus, the Grantee agrees to refrain from any practices, activities or relationships that could reasonably be considered to be in conflict with the Grantee fully performing his/her obligations to the State under the terms of this Contract. The Grantee shall inquire about and require disclosure by its Staff and Subcontractors of all activities that may create an appearance of conflict. In the event that the Grantee is uncertain whether the appearance of a conflict of interest may reasonably exist, the Grantee shall submit to the State Project Manager a full disclosure statement setting forth the relevant details of any activity which the Grantee reasonably believes may have the appearance of a conflict of interest for the State's consideration and direction. Failure to promptly submit a disclosure statement setting forth the relevant details for the State's consideration and direction shall be grounds for termination of the grant.

Consistent with the Public Contract Code Section 10365.5, no person, firm or subsidiary who has been awarded a consulting services contract may submit a bid, nor be awarded a contract, for the provision of the services, procurement of goods or supplies, or any other related action that is required, suggested, or otherwise deemed appropriate in the product of the consulting service contract. This does not apply to:

- (A) Any person, firm, or subsidiary thereof who is awarded a subcontract of a consulting services contract which amounts to no more than 10 percent of the total monetary value of the consulting services contract.
- (B) Consulting services contracts subject to Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code.

All financial, statistical, personal, technical, and other data and information related to the California Health Benefit Exchange's operations that are not publicly available and that become available to the Grantee shall be protected by the Grantee from unauthorized use and disclosure. The Grantee agrees that it shall not use any non-public information for any purpose other than carrying out the provisions of the Agreement.

5.3 MINIMUM QUALIFICATIONS

- Prior experience and demonstrated success with providing in-person outreach and education activities that serve similar target populations who will be newly eligible for coverage through Covered California;
- An established presence and demonstrated trusted source for information to the target populations and communities;
- Established relationships with the target populations (individual consumers or small businesses) and a demonstrated capacity to leverage these existing relationships;
- Knowledge of the cultural, linguistic and other preferences of the target populations and communities that the Applicant proposes to reach through this Grant; prior experience and success developing and implementing outreach and education programs;
- Staffing reflects the cultural and linguistic background(s) of the target uninsured population(s) the Applicant proposes to serve through this Grant;
- Demonstrated ability to deliver cost-effective grant activities which are in line with the purpose of the Grant Program and established goals, objectives and guiding principles;
- Demonstrated management, administrative and fiscal infrastructure to implement a complex, federally funded project as planned;
- Basic knowledge of the Affordable Care Act and the new health care coverage options that will be available to Californians; and
- Knowledge and experience with measuring the impact and success of outreach and education campaigns.

5.4 DESIRED QUALIFICATIONS

- Direct experience in prior projects involving successful outreach, education and enrollment efforts for public and private health insurance programs;
- Direct experience in prior projects that resulted in increased awareness of a new program, a change of attitudes and behaviors, and motivated consumers to act;

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- Prior experience and success developing and implementing outreach and education programs for other public or private programs for target populations;
- Direct experience with public information and outreach campaigns tailored to California's diverse populations;
- Knowledge of and experience with conducting outreach and education activities to Californian's diverse populations, with an emphasis on reducing and removing barriers to enrollment.
- Direct experience conducting outreach and education activities to limited English proficient populations whose primary language is one of the following languages: Spanish, Arabic, Armenian, Chinese, Farsi, Hmong, Khmer (Cambodian), Korean, Lao, Russian, Tagalog and Vietnamese;
- Established relationship with businesses or consumers in employment sectors with high rates of uninsured individuals (e.g., truckers, construction, service, hospitality etc.);
- Knowledge of the barriers that prevent consumers from enrolling in or purchasing health coverage; and/or
- Interest in serving as an Assister Organization or coordinating with enrollment resources, the Service Center and insurance agents (if proposing to target small businesses).

6 GRANT APPLICATION SUBMISSION

All interested Applicants are invited to submit a Grant Application for consideration. Responses to this Grant Application require thoroughness, the ability to recognize and understand all the details necessary for performing the required work, and a detailed evaluation of the personnel requirements and costs for performing public awareness, outreach and education activities on behalf of Covered California. Submission of an Application indicates that an Applicant has read and understands this entire Grant Application, including the Grant Program's purpose, goals, objectives, guiding principles, all schedules, requirements, attachments, and addenda (if applicable).

Applications must ensure that their proposal complies with the instructions contained in this Grant Application document. Materials submitted by proposed Applicants will be kept confidential to the extent provided by law. Requests to view and/or obtain copies of Applications submitted by other organizations are exempt from disclosure under the Public Records Act. In addition, Government Code Section 100508(a)(1) exempts from disclosure under the Public Records Act all deliberative processes, communications, or portions of negotiations with entities contracting or seeking to contract with the Exchange and entities with which the Exchange is considering a contract. Included within the exemption are evaluation materials, forms and score sheets which are produced during the evaluation process.

Content that is provided beyond the stated page limits for each section will not be reviewed or scored.

Applicants must respond to each narrative question completely, and should not reference other sections of the application to supplement their responses, as each section will be scored independently.

Applicants must respond to each section (and questions contained therein) in the order in which they are asked and label each response according to the specific section and question number.

Information included as part of Attachment A will be referenced when evaluating narrative responses in applicable sections.

Applicants may submit their proposal electronically or deliver hard copies to Covered California. Applicants must elect one form of submission. Do not submit both electronic and hard copies.

Applications (electronic or hard copy) must be received by **March 4, 2013 (5:00 p.m. PST)**. Late Applications will not be accepted.

In the event an organization submits their Grant Application prior to the due date, the organization may revise their Application, **so long as the revision is received by the due date**. When submitting the revised Grant Application, the revised document will completely replace the prior submission. Organizations must re-submit their Grant Application in its entirety. Replacement pages will not be accepted.

6.1 SUBMISSION METHODS

6.1.1 Electronic Submission

Covered California strongly encourages Applicants to submit their Application electronically. Electronic submission reduces waste and includes safeguards to help ensure that the Application includes all materials outlined in the Grant Application Submission Structure identified in Section 6.4.2.

Applicants will need to refer to this document for direction on providing narrative elements, as outlined in Section 6.5 Grant Application Content Requirements.

The electronic Grant Application link and an electronic copy of this document is available on the Exchange's website at www.healthexchange.ca.gov.

6.1.2 Paper Copy Submission

Covered California will accept paper copy submissions of proposals consistent with Section 6.4. When submitting proposals, Applicants must provide eight (8) separately bound copies of their Application. Proposals must be bound with staples, paper/binder clips or rubber bands. Applications must be completely sealed in accordance with section 6.4.1.

Mailed-in applications must be sent to the **Single Point of Contact** identified in **Section 3.1**.

6.2 GUIDELINES ON MULTIPLE APPLICATION SUBMISSIONS

Applicants are encouraged to submit **one** comprehensive proposal that they are best positioned to deliver.

Applicants should propose to either target consumers eligible for affordable health insurance programs through Covered California or small businesses eligible for SHOP; if an applicant wants to propose to target both they must submit two separate proposals. One proposal should describe the outreach and education approach to reach individuals, the second proposal describing the approach for outreach and education to small business.

Applicants applying to target individual consumers are permitted to apply as a lead Applicant on one application and on a second application as a subcontractor as part of a collaborative provided certain conditions are met. Applicants applying as a lead and as a subcontractor must apply to different funding pools. Covered California will not accept multiple applications to the same funding pool from a single Applicant. Covered California will not fund directly, or indirectly, the same organization in conducting efforts that are deemed duplicative. In the event that the two applications are submitted where the same organization is named as primary applicant and subcontractor, that organization will be required at the time of submission to distinguish how the scope of work would vary from one proposal to the other. In the event that the scope of work is duplicative, only one of the applications may be accepted.

In the event that one organization is successful as a primary on one application and a secondary partner on another, additional rigor may be required during the monitoring and reporting phase to ensure that efforts are in fact distinct and evidenced as non-duplicative.

6.3 USE OF SUBCONTRACTORS

Applicants may apply as a single entity and separately as part of a Collaborative (lead agency with identified subcontractors). If a prospective Applicant plans to subcontract any part of this effort, the Grant Application must include the information detailed in Attachment A.4. There is no provision for re-granting.

The use of any subcontractor(s) must be fully explained in the Grant Application. Any and all subcontractors employed for the purpose of this contract must meet all of the same standards as the Grantee. It is the sole responsibility of the Grantee to ensure that such standards are met. Covered California will hold the Grantee responsible for ensuring that all subcontractors satisfy the requirements of this contract.

The tasks, or portions thereof, that are intended to be subcontracted must be identified and defined. The subcontractor(s) responsible shall be identified by name, responsible point of contact, address and phone number. The rationale for selection of the subcontractor(s) must be stated. The exact type and amount of work to be done by each subcontractor must be identified and defined. Copies of the subcontract(s) are to be submitted within ten (10) business days of their execution.

6.4 GRANT APPLICATION ORGANIZATION AND FORMAT

Covered California strongly encourages Applicants to submit their Application electronically. This section prescribes the required organization and format for the Grant Application. The Grant Application must adhere to the format described in the following subsection. Grant Applications should be prepared in such a way that provides a straightforward, concise description of the proposing Applicant's capabilities and target populations, in order to satisfy the requirements of this Grant Application.

The Grant Application shall be secured with staples, clips or rubber bands. Expensive bindings, colored displays or promotional materials are not necessary or desired. Emphasis should be concentrated on conformance to the instructions contained in this Grant Application, responsiveness to the requirements contained in this Grant Application and completeness and clarity of content.

6.4.1 Paper Copy Grant Application Formatting Requirements

Table 7 – Paper Copy Grant Application Formatting Requirements

| Subject | Requirement |
|-------------------------|---|
| Paper Size (Paper Copy) | 8 ½ X 11 inch paper (letter size) |
| Margins | 1 inch margins |
| Font | 12 point Arial font |
| Spacing | Proposals must be single-spaced |
| Page Limit | 16 pages single spaced <u>excluding</u> attachments and forms |
| Number of copies | 8 bound copies |

| Subject | Requirement |
|-----------------|--|
| Shipment | All Grant Applications must be sealed and addressed to the Single Point of Contact. |
| Delivery Method | The following paper copy Grant Application delivery methods are acceptable: <ul style="list-style-type: none"> ▪ US Mail ▪ Express Delivery ▪ Hand Delivery |
| CD-ROM | A CD Rom containing a scanned version (in PDF format) of the entire application package, <u>in addition</u> to the 8 bound paper copies. |
| | |

6.4.2 Grant Application Submission Structure

This section identifies the prescribed Applicant Submission Structure and maximum page numbers allowed by section. Covered California is interested in receiving thorough, yet concise, responses. Applicants are advised to adhere to the maximum page count per section as noted in the following table. Sections submitted that exceed the page count may be rejected. Applicants completing electronic submission will be required to conform with character counts that correspond to the established page limit.

The Applicant must submit Proposals in accordance with the outline structure reflected in the following table.

Table 8 – Grant Application Submission Structure

| Section # | Title | Maximum Page Count By Section |
|--------------------|---|----------------------------------|
| | Table of Contents | N/A |
| 1.0 | Cover Letter | 1 |
| 2.0 | Qualifications and References | 7 |
| 3.0 | Project Personnel | 2 |
| 4.0 | Approach to Statement of Work | 5 |
| 5.1 | Target Population | N/A |
| 5.2 | Outreach and Education Plan | N/A |
| 5.3 | Approach to Monitoring, Quality Assurance and Reporting | N/A |
| 6.0 | Project Costs | 1 |
| Attachments | | |
| A | Applicant Worksheets | |

| Section # | Title | Maximum Page Count By Section |
|-----------|--|-------------------------------|
| A.1 | Applicant Background Information Worksheet | N/A |
| A.2 | Applicant Funding Information Worksheet | N/A |
| A.3 | Applicant Experience with Target Population Worksheet | N/A |
| A.4 | Subcontractor Information Worksheet (If applicable) | N/A |
| A.5 | Coordination with Assister Program Questionnaire | N/A |
| A.6 | Foundation Matching Questionnaire | N/A |
| A.7 | Budget Worksheet | N/A |
| A.8 | Outreach and Education Method Worksheet | N/A |
| B | Applicant Forms | |
| B.1 | Signed Contractor Certification Clauses (CCC-307) | N/A |
| B.2 | Certification regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions | N/A |
| B.3 | Darfur-Contracting Act Form | N/A |
| B.4 | Evidence of Eligibility | N/A |
| B.5 | Conflict of Interest Certification | N/A |

6.5 GRANT APPLICATION CONTENT REQUIREMENTS

This section describes the content Applicants must include in their proposal. The content follows the structure defined in the Grant Application Submission Structure. Applicants proposing to target small businesses shall interpret target populations to mean the sectors or businesses the applicant proposes to reach through outreach and education activities.

6.5.1 Table of Contents

The Grant Application shall contain a table of contents, which shows how the entire Grant Application is organized and presented.

6.5.2 Cover Letter (Maximum 1 page)

Include a cover letter (on company letterhead) with the following information:

- A. Title of this Grant Application;
- B. Submission date of the proposal.
- C. Applicant's company name, mailing address, telephone number and website (if applicable);
- D. Name, telephone number, fax number, e-mail address and title of the main contact person;

- E. Funding pool and requested funding amount;
- F. A brief summary of proposed project, including a description of the populations and communities targeted by the project, proposed approach and likely impact.
- G. Signature of an individual authorized to enter into contracts on behalf of the proposer.

6.5.3 Qualifications and References (Maximum 7 pages)

The following sections shall be provided in a written narrative in a succinct manner that demonstrates that the Applicant meets the minimum and desired qualifications identified in Section 5.3 and 5.4 by addressing the following criteria. For lead agencies applying as a collaborative with subcontractors, please provide a response that addresses the qualifications of each partner for each question below. Please order and number your responses as follows:

6.5.3.1 Qualifications

1. Provide an overall description of the Applicant's organization, its length of operation, mission, how the Applicant's location facilitates access to the targeted communities, and nature of relationships with the communities targeted by this project. If the Applicant is applying as a collaborative, lead agency with subcontractors, describe the nature of the collaborative, the mission, qualifications, and role of each partner in this project.
2. Describe experience and provide examples of the Applicant's success with providing in-person outreach and education activities that serve similar target populations who will be newly eligible for coverage through the new insurance marketplace.
3. Describe and provide examples of how the Applicant has established presence/relationships to the target populations and communities. This also includes the Applicant being viewed as a trusted source for information.
4. Describe and provide examples of the Applicant's experience in successfully targeting populations to change their attitudes and beliefs in order to motivate them to act.
5. Describe and provide examples of the Applicant's experience and knowledge of the cultural, linguistic and other preferences of the target populations and communities for whom they propose to serve through this Grant Application.
6. Describe the Applicant's ability to deliver a cost-effective grant activities program in line with the established goals, objectives and guiding principles of the Outreach and Education Grant Program.
7. Describe the Applicant's knowledge of the Affordable Care Act, the expansion of Medicaid as it pertains to California, and the role of Covered California.
8. Describe the Applicant's prior success as a recipient of local, state, federally and/or privately funded grants and administrative and fiscal capacity to manage a project of this scope.
9. Describe the Applicant's experience with measuring the impact and success of outreach and education campaigns.

Complete the ***Applicant Background Information Worksheet***, Attachment A.1; and

Complete the ***Applicant Experience with Target Population Worksheet***, Attachment A.3.

If the Applicant is applying as the lead agency for a Collaborative, complete and submit the Subcontractor Information Worksheet, Attachment A.4. This worksheet is not included in 2 page limit for this Section.

These worksheets are not included in the page limit for this Section.

6.5.3.2 *References*

1. In the Prior Applicant Experience section of the ***Applicant Background Information Worksheet***, Attachment A.1: provide up to 3 examples of relevant experience on the Applicant's work on current or recent contracts and/or grants, if applicable. The examples should be selected for contracts/grants that are related to the outreach and education activities, which are identified in this Grant Application.
2. Attached two (2) letters of recommendation from organizations that have successfully collaborated in the past with the Applicant. The letter should address the nature of the collaborative relationship and the Applicant's strengths along with a statement recommending the Applicant for Covered California's Outreach and Education Grant Program. These letters must be on presented on the referring organization's letterhead and contain the name and contact information of the person signing the letter.

This worksheet and two reference letters are not included in the page limit for this Section.

6.5.4 Project Personnel (Maximum 2 pages)

1. Describe the Applicant's staffing plan and how it is appropriate to meet the goals and objectives of the proposed project. Include biographical statements for the project manager and senior staff members who will be responsible for oversight of the staff who will be conducting outreach and education activities. Indicate the title of each project lead and staff member, their role on this project, what languages they speak, and the percentage of effort (FTE) that will be dedicated to this project. If the Applicant is applying as collaborative, lead agency with subcontractors, describe the role of each partner in this project; each partner's percentage of effort and how the collaborative will contribute to the achievement of project goals and objectives.
2. Describe how the proposed staffing for this project reflects the cultural, linguistic, and other characteristics/preferences of the target populations that the Applicant proposes to serve.
3. Describe the Applicant's approach to recruiting staff to perform the outreach and education activities identified in the Applicant's work plan and in the Statement of Work, Exhibit A.

4. Describe any special or relevant training related to health care, the Affordable Care Act, and/or outreach and education that the Applicant's staff members have undergone and how this preparation will further the goals and objectives of the project.
5. Describe the Applicant's plan for managing and monitoring outreach and education staff, including organizational practices related to employee screening, evaluation and due diligence.

6.5.5 Approach to Statement of Work (Maximum 5 pages)

6.5.5.1 Target Population

1. Describe the target populations that the Applicant is proposing to conduct outreach and education activities, including whether the Applicant proposes to target small businesses or individual consumers. Refer to **Section 2.2.2** for more details and examples about target populations. Specifically: describe the characteristics of the target population(s) in terms of age, ethnicity, culture, language proficiency, income, geography, proportion in need of affordable health care coverage and other defining characteristics.
2. Describe the need for outreach and education to this population, including the barriers that prevent the target populations from accessing affordable coverage. Describe the decision-makers in the target community or population and what motivators are likely to compel them to act to enroll in affordable coverage.
3. Describe the nature of the Applicant's relationship with the target population, how many households are reached annually and how the Applicant proposes to leverage these relationships for the proposed project.

6.5.5.2 Outreach and Education Plan

1. Describe the Applicant's proposed approach and strategy for conducting Outreach and Education and how this approach will increase awareness and understanding, decrease barriers, and motivate consumers to enroll in affordable coverage options.
2. Describe the Applicant's proposed outreach and education activities for this Grant Program.
3. Describe the channels and venues in which outreach and education activities will be delivered (e.g., where consumers live, work, play and shop). Describe why these channels and venues are appropriate to reach the target populations.
4. Describe the messenger for outreach and education activities and why this type of messenger is appropriate to motivate consumers to take the next step to act and enroll.
5. Describe the Applicant's plan for accomplishing the outreach and education Program goals and objectives over the grant program award period (refer to **Section 2.2.1 – Goals and Objectives of the Outreach and Education Grant Program**). In addition, describe how the Applicant's plan supports Covered California's guiding principles (refer to **Section 2.2 – Purpose of this Grant Application**). Include: key activities, number and type of outreach events and educations, and number of

households or businesses reached for each phase. Describe why the Applicant's plan is appropriate to accomplishing the objectives for the Outreach, Education and Marketing Plan Phases outlined in Exhibit A Statement of Work. For more information about Phases 1 – Phase 6, refer to **Section 4 – Outreach and Education Grant Funding**.

6. Describe the Applicant's plan for coordinating with Assistants, health insurance agents (SHOP) or other enrollment resources. **Please see Section 2.3.2.4 for additional information.**

6.5.5.3 *Approach to Monitoring, Quality Assurance and Reporting*

1. Describe how the Applicant will monitor the performance, quality and impact of the program. Specifically, describe how the Applicant will ensure that accurate message points and information about Covered California are delivered, that high touch and personalized education and outreach activities are delivered, that Exchange provided tools are used, and that Exchange branding requirements for outreach activities are met. If the Applicant is applying as a collaborative, lead agency with subcontractors, describe how the lead agency will monitor progress towards accomplishing project goals; also describe any anticipated challenges and how the applicant proposes to overcome them.
2. Describe the Applicant's capacity and experience complying with monitoring, evaluation and reporting requirements of funders on similar projects.
3. Describe the Applicant's experience with and proposed approach to addressing instances of non-compliance with established program standards and guidelines.

6.5.6 Project Costs (Maximum 1 page)

1. Provide a budget narrative, describing the cost-effectiveness of the proposed outreach and education plan and why the costs are appropriate to accomplishing the goals and objectives.
2. Complete and submit the ***Budget Worksheet***, Attachment A.7.
 - A. Identify the costs for the project by the following categories: personnel, benefits, travel, equipment and other expenses required to complete the activities identified in the Applicant's work plan and Exhibit A, Statement of Work.
 - B. The project cost must identify the requested funding for each month of the grant program
 - C. The administrative overhead indirect rate shall not exceed 15%. Equipment expenditures shall not exceed 5%. Grant funds shall not be used to enroll consumers in coverage options offered by Covered California. **Please refer to Sections 4.2 Appropriate Use of Funds and 4.3 Inappropriate Use of Funds for more information.**

6.5.7 Attachment A - Applicant Worksheets

The Applicant shall complete and submit all applicable Applicant Worksheets as described in this section. The Applicant Worksheets shall include:

- Applicant Background Information Worksheet
- Applicant Funding Information Worksheet
- Applicant Experience with Target Population Worksheet
- Subcontractor Information Worksheet (If applicable)
- Outreach and Education Method Worksheet
- Coordination with Assister Program Questionnaire

6.5.8 Attachment B – Applicant Forms

The Applicant shall complete and submit all applicable Application Forms including the following:

6.5.8.1 Contractor Certification Clauses (CCC-307)

The Contractor Certification certifies that the Applicant is in compliance with State required Contractor Certification Clauses. This must be signed by a person authorized to sign contracts, preferably the individual signing the cover letter.

6.5.8.2 Certification regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions

A completed and signed Certification regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions is required as a condition for receiving Federal Funding.

6.5.8.3 Darfur-Contracting Act Form

The Darfur Contracting Act Form is required as a condition to submit a proposal. This form must be signed by a person authorized to sign contracts, preferably the individual signing the cover letter.

6.5.8.4 Conflict of Interest Certification

A completed and signed Conflict of Interest Certification is required as a condition to submit a proposal.

7 EVALUATION PROCESS AND CRITERIA

7.1 GRANT APPLICATION EVALUATION OVERVIEW AND CRITERIA

Covered California will select Grantees based on an assessment of the best overall value to implement outreach and education activities to the target populations. Covered California is not required to select the lowest priced application submitted.

Covered California will thoroughly review responses to this application. During the evaluation process, Covered California will consider the following:

- Covered California will award grants to a variety of organizations, in which the funding allocation collectively reflects and represents the mix and diversity of those eligible for coverage in California.
- Applications will be evaluated based on approaches that align with the Grant Program's purpose, goals, objectives and guiding principles.
- Approaches that complement other strategies identified in the "Statewide Marketing, Outreach and Education Program" and Assistors Program will be highly considered.
- Outreach and Education Grant Program activities must be distinctive activities which leverage and align with the Statewide Marketing and Assister Program strategies.
- Only organizations who conduct public awareness, outreach and education activities to populations who are newly eligible for coverage available through Covered California's programs will be considered for grant funding.
- Statewide strategies will be highly considered.

The evaluation process will use the following factors as noted below:

- A. Minimum Qualifications;
- B. Desired Qualifications;
- C. Targeted populations (e.g., geographic and/or non-geographic populations) that the Applicant will serve; Approaches to Performing Outreach and Education Activities (including venues and channels where eligible consumers **live, work, play and shop and innovative, creative approaches**). Covered California **will only consider innovative plans that are effective, measurable and evidence-based**. When presenting innovative plans, the Applicant must:
 - describe the plan's strategies and tactics;
 - explain how the plan will be measured; and
 - provide details and demonstrate the Applicant's prior success in effectively reaching the target populations.
- D. Approach to Working with Assister Organizations, if applicable;
- E. Approach to Working with insurance agents (for small businesses), if applicable;
- F. Approach to Recruitment and Training of Grantee Staff;
- G. Approach to Monitoring, Quality Assurance, Reporting; and
- H. Proposed Project Costs

7.2 GRANT APPLICATION EVALUATION TEAM

Covered California will establish a formal Evaluation Team to assist in completing all steps of the evaluation process and in making a final recommendation for selection to Covered California. The Evaluation Team will be responsible for reviewing and evaluating the Application and preparing the final report that recommends funding allocation for Grantees. To bring the appropriate expertise to the selection process, the Evaluation Team will be comprised of management, program, procurement, and technical staff designated by Covered California. Covered California reserves the right to designate other appropriate experts to assist in the process or to alter the composition of the Evaluation Team, as deemed necessary.

7.3 GRANT APPLICATION EVALUATION PROCESS

The following subsections describe the key steps of the proposal evaluation process:

- Stage 1 - Mandatory Requirements Review
- Stage 2 – Priority Level Review
- Stage 3 – Target Population Review
- Stage 4 – Detailed Approach Review
- Stage 5 – Project Cost Review

7.4 GRANTEE SELECTION AND NOTIFICATION

Awards shall be based on a thorough review of all Grant Applications, based on the evaluation criterion identified in Section 7. Notification of Intent to Award for Cycle 1 will occur on April 26, 2013 (by 8:00 p.m.). The Notification of Intent to Award will be posted on the California Health Benefit Exchange's website at www.healthexchange.ca.gov.

Appendix A:

Extract from

CalSIM 1.8 DATA BOOK

- 1. Characteristics of Californians under Age 65 Eligible for Exchange Subsidies**
- 2. Characteristics of Californians under Age 65 who Take Up Coverage without Subsidies in the Exchange and Individual Market**
- 3. REGION: Northern California and Sierra Counties**
- 4. REGION: Greater Bay Area**
- 5. REGION: Sacramento Area**
- 6. REGION: San Joaquin Valley**
- 7. REGION: Central Coast**
- 8. REGION: Los Angeles**
- 9. REGION: Other Southern California**

Source: UC Berkeley / UCLA CalSIM version 1.8

1. Characteristics of Californians under Age 65 Eligible for Exchange Subsidies

| 2014 | |
|---|-----------|
| Exchange Subsidy Eligible | Eligible |
| All | 2,600,000 |
| Race and Ethnicity | |
| Latino | 1,190,000 |
| Asian | 370,000 |
| African American | 100,000 |
| White | 870,000 |
| Other | 70,000 |
| Gender | |
| Male | 1,390,000 |
| Female | 1,200,000 |
| Age | |
| 0-18 years | 140,000 |
| 19-29 years | 690,000 |
| 30-44 years | 760,000 |
| 45-64 years | 1,010,000 |
| Income | |
| 138% FPL or less | 140,000 |
| 139-200% FPL | 840,000 |
| 201-250% FPL | 580,000 |
| 251-400% FPL | 1,030,000 |
| Limited English Proficiency (18 and older) | |
| 18+ Limited English Proficiency | 1,030,000 |
| 18+ Speaks English Very Well | 1,430,000 |

| 2015 | |
|---|-----------|
| Exchange Subsidy Eligible | Eligible |
| All | 2,680,000 |
| Race and Ethnicity | |
| Latino | 1,220,000 |
| Asian | 370,000 |
| African American | 100,000 |
| White | 910,000 |
| Other | 70,000 |
| Gender | |
| Male | 1,440,000 |
| Female | 1,240,000 |
| Age | |
| 0-18 years | 150,000 |
| 19-29 years | 700,000 |
| 30-44 years | 790,000 |
| 45-64 years | 1,040,000 |
| Income | |
| 138% FPL or less | 140,000 |
| 139-200% FPL | 870,000 |
| 201-250% FPL | 600,000 |
| 251-400% FPL | 1,070,000 |
| Limited English Proficiency (18 and older) | |
| 18+ Limited English Proficiency | 1,050,000 |
| 18+ Speaks English Very Well | 1,480,000 |

Source: UC Berkeley / UCLA CalSIM version 1.8

2. Characteristics of Californians under Age 65 who Take Up Coverage without Subsidies in the Exchange and Individual Market

| | 2014 | 2015 |
|------------------------------------|-----------|-----------|
| Race and Ethnicity | | |
| Latino | 430,000 | 480,000 |
| Asian | 220,000 | 230,000 |
| African American | 80,000 | 90,000 |
| White | 930,000 | 940,000 |
| Other | 60,000 | 60,000 |
| Gender | | |
| Male | 890,000 | 940,000 |
| Female | 830,000 | 850,000 |
| Age | | |
| 0-18 years | 280,000 | 300,000 |
| 19-29 years | 640,000 | 700,000 |
| 30-44 years | 290,000 | 280,000 |
| 45-64 years | 510,000 | 510,000 |
| Income | | |
| 138% FPL or less | 210,000 | 220,000 |
| 139-200% FPL | 120,000 | 110,000 |
| 201-250% FPL | 100,000 | 100,000 |
| 251-400% FPL | 310,000 | 300,000 |
| 401%+ FPL | 970,000 | 1,070,000 |
| Limited English Proficiency | | |
| 18+ Limited English proficiency | 190,000 | 210,000 |
| 18+ Speaks English very well | 1,320,000 | 1,370,000 |

Source: UC Berkeley/UCLA CalSIM version 1.8

3. REGION: Northern California and Sierra Counties

| 2014 | |
|--|----------|
| Exchange Subsidy Eligible | Eligible |
| All | 99,000 |
| Gender | |
| Male | 52,000 |
| Female | 47,000 |
| Race and Ethnicity | |
| Latino | 16,000 |
| Asian | 5,000 |
| African American | 0 |
| White | 73,000 |
| Other | 5,000 |
| Age | |
| 0-18 years | 4,000 |
| 19-29 years | 32,000 |
| 30-44 years | 19,000 |
| 45-64 years | 45,000 |
| Income | |
| 138% FPL or less | 2,000 |
| 139-200% FPL | 39,000 |
| 201-250% FPL | 27,000 |
| 251-400% FPL | 31,000 |
| Limited English Proficiency (18+) | |
| 18+ Speaks English Very Well | 82,000 |
| 18+ Limited English Proficiency | 13,000 |
| Employment Status | |
| Not Employed | 23,000 |
| Employed | 76,000 |

Source: UC Berkeley/UCLA CalSIM version 1.8

Includes the following Counties: Butte, Shasta, Humboldt, Lake, Mendocino, Yuba, Nevada, Sutter, Colusa, Glenn, Tehama, Del Norte, Lassen, Modoc, Plumas, Sierra, Siskiyou, Trinity, Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, Tuolumne

4. REGION: Greater Bay Area

| 2014 | |
|--|----------|
| | |
| Exchange Subsidy Eligible | Eligible |
| All | 393,000 |
| Gender | |
| Male | 197,000 |
| Female | 196,000 |
| Race and Ethnicity | |
| Latino | 126,000 |
| Asian | 100,000 |
| African American | 16,000 |
| White | 134,000 |
| Other | 15,000 |
| Age | |
| 0-18 years | 23,000 |
| 19-29 years | 101,000 |
| 30-44 years | 118,000 |
| 45-64 years | 150,000 |
| Income | |
| 138% FPL or less | 27,000 |
| 139-200% FPL | 115,000 |
| 201-250% FPL | 90,000 |
| 251-400% FPL | 161,000 |
| Limited English Proficiency (18+) | |
| 18+ Speaks English Very Well | 217,000 |
| 18+ Limited English Proficiency | 155,000 |
| Employment Status | |
| Not Employed | 141,000 |
| Employed | 252,000 |

Source: UC Berkeley/UCLA CalSIM version 1.8

Includes the following Counties:

Santa Clara, Alameda, Contra

Costa, San Francisco, San Mateo,

Sonoma, Solano, Marin, Napa

5. REGION: Sacramento Area

| 2014 | |
|--|----------|
| Exchange Subsidy Eligible | Eligible |
| All | 126,000 |
| Gender | |
| Male | 65,000 |
| Female | 61,000 |
| Race and Ethnicity | |
| Latino | 35,000 |
| Asian | 18,000 |
| African American | 6,000 |
| White | 62,000 |
| Other | 5,000 |
| Age | |
| 0-18 years | 6,000 |
| 19-29 years | 40,000 |
| 30-44 years | 30,000 |
| 45-64 years | 50,000 |
| Income | |
| 138% FPL or less | 8,000 |
| 139-200% FPL | 41,000 |
| 201-250% FPL | 32,000 |
| 251-400% FPL | 44,000 |
| Limited English Proficiency (18+) | |
| 18+ Speaks English Very Well | 84,000 |
| 18+ Limited English Proficiency | 36,000 |
| Employment Status | |
| Not Employed | 32,000 |
| Employed | 94,000 |

Source: UC Berkeley / UCLA CalSIM version 1.8

Orange text indicates data that may be unreliable due to data limitations

Includes the following Counties: Sacramento, Placer, Yolo, El Dorado

6. REGION: San Joaquin Valley

| 2014 | |
|--|----------|
| Exchange Subsidy Eligible | Eligible |
| All | 255,000 |
| Gender | |
| Male | 147,000 |
| Female | 108,000 |
| Race and Ethnicity | |
| Latino | 142,000 |
| Asian | 23,000 |
| African American | 5,000 |
| White | 78,000 |
| Other | 6,000 |
| Age | |
| 0-18 years | 12,000 |
| 19-29 years | 82,000 |
| 30-44 years | 58,000 |
| 45-64 years | 102,000 |
| Income | |
| 138% FPL or less | 16,000 |
| 139-200% FPL | 91,000 |
| 201-250% FPL | 58,000 |
| 251-400% FPL | 89,000 |
| Limited English Proficiency (18+) | |
| 18+ Speaks English Very Well | 132,000 |
| 18+ Limited English Proficiency | 112,000 |
| Employment Status | |
| Not Employed | 67,000 |
| Employed | 187,000 |

Source: UC Berkeley / UCLA CalSIM version 1.8

Orange text indicates data that may be unreliable due to data limitations

Includes the following Counties: Fresno, Kern, San Joaquin, Stanislaus, Tulare, Merced, Kings, Madera

7. REGION: Central Coast

| 2014 | |
|--|----------|
| Exchange Subsidy Eligible | Eligible |
| All | 143,000 |
| Gender | |
| Male | 75,000 |
| Female | 69,000 |
| Race and Ethnicity | |
| Latino | 72,000 |
| Asian | 9,000 |
| African American | 2,000 |
| White | 57,000 |
| Other | 3,000 |
| Age | |
| 0-18 years | 9,000 |
| 19-29 years | 46,000 |
| 30-44 years | 35,000 |
| 45-64 years | 54,000 |
| Income | |
| 138% FPL or less | 11,000 |
| 139-200% FPL | 44,000 |
| 201-250% FPL | 33,000 |
| 251-400% FPL | 56,000 |
| Limited English Proficiency (18+) | |
| 18+ Speaks English Very Well | 81,000 |
| 18+ Limited English Proficiency | 54,000 |
| Employment Status | |
| Not Employed | 47,000 |
| Employed | 97,000 |

Source: UC Berkeley / UCLA CalSIM version 1.8

Orange text indicates data that may be unreliable due to data limitations

Includes the following Counties:

Ventura, Santa Barbara, Santa Cruz,

San Luis Obispo, Monterey, San

Benito

8. REGION: Los Angeles

| 2014 | |
|--|----------|
| Exchange Subsidy Eligible | Eligible |
| All | 779,000 |
| Gender | |
| Male | 430,000 |
| Female | 349,000 |
| Race and Ethnicity | |
| Latino | 472,000 |
| Asian | 101,000 |
| African American | 37,000 |
| White | 151,000 |
| Other | 17,000 |
| Age | |
| 0-18 years | 40,000 |
| 19-29 years | 200,000 |
| 30-44 years | 241,000 |
| 45-64 years | 297,000 |
| Income | |
| 138% FPL or less | 44,000 |
| 139-200% FPL | 262,000 |
| 201-250% FPL | 172,000 |
| 251-400% FPL | 301,000 |
| Limited English Proficiency (18+) | |
| 18+ Speaks English Very Well | 324,000 |
| 18+ Limited English Proficiency | 418,000 |
| Employment Status | |
| Not Employed | 238,000 |
| Employed | 541,000 |

Source: UC Berkeley / UCLA CalSIM version 1.8

9. REGION: Other Southern California

| 2014 | |
|--|----------|
| Exchange Subsidy Eligible | Eligible |
| All | 749,000 |
| Gender | |
| Male | 399,000 |
| Female | 350,000 |
| Race and Ethnicity | |
| Latino | 372,000 |
| Asian | 87,000 |
| African American | 22,000 |
| White | 249,000 |
| Other | 18,000 |
| Age | |
| 0-18 years | 49,000 |
| 19-29 years | 206,000 |
| 30-44 years | 208,000 |
| 45-64 years | 286,000 |
| Income | |
| 138% FPL or less | 34,000 |
| 139-200% FPL | 249,000 |
| 201-250% FPL | 158,000 |
| 251-400% FPL | 308,000 |
| Limited English Proficiency (18+) | |
| 18+ Speaks English Very Well | 397,000 |
| 18+ Limited English Proficiency | 307,000 |
| Employment Status | |
| Not Employed | 236,000 |
| Employed | 513,000 |

Source: UC Berkeley / UCLA CalSIM version 1.8

Include the following Counties: San
Diego, Orange, San Bernardino,
Riverside, Imperial

CALIFORNIA HEALTH CARE ALMANAC

Appendix B



California Employer Health Benefits Survey

DECEMBER 2011

Introduction

Employer-based coverage is the leading source of health insurance in California and nationally. Changes in coverage offerings, worker cost sharing, and benefits have major implications for millions of Californians. This report presents the highlights of the 2011 *California Employer Health Benefits Survey*, annual research that tracks changes in employer-based health benefits in the state over time.

KEY FINDINGS INCLUDE:

- Since 2002, premiums rose 153.5%, more than five times the 29.3% increase in California's inflation rate.
- The proportion of California employers offering coverage declined from 73% to 63% over the last two years.
- Premiums were higher in California than nationally for both single and family coverage. However, the employer contribution in California was significantly higher than the national average.
 - Annual premiums for single coverage in California were \$5,970, compared to \$5,429 nationally. Family coverage premiums were \$15,724 in California and \$15,073 nationally.
 - Employers in California contributed \$5,213 annually for single coverage and \$11,921 for family coverage.
- Workers in small firms in California were significantly more likely to cover at least half of the premium for family coverage than workers in large firms.
- Enrollment in plans with a deductible of \$1,000 or more for single coverage leveled off for California workers in 2011, but has increased considerably in recent years for small firms. Twenty-seven percent of workers in small firms have a deductible of \$1,000 or more, up from just 7% in 2006.
- Twenty-five percent of California firms either reduced benefits or increased cost sharing for employees in the past year, while 22% increased employees' share of the premium (compared to 15% in 2010).
- Thirty-six percent of California firms say they are "very" or "somewhat" likely to increase the amount workers pay for premiums in the coming year.

Additional information on the project methodology is available at the end of the presentation on page 41.

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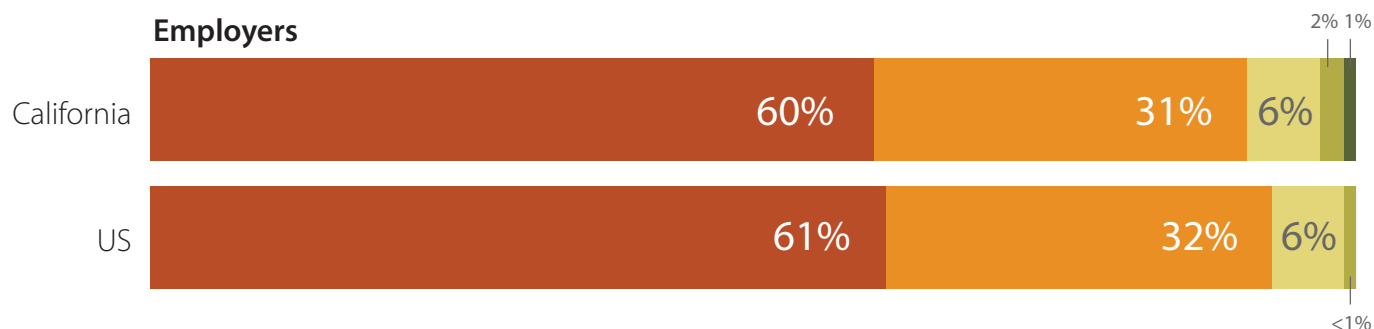
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| Plan Enrollment and Choice | 27 |
| Employer Views and Practices | 31 |
| Methodology | 41 |

Employers, Workers, and Covered Workers, by Firm Size, California vs. the United States, 2011*

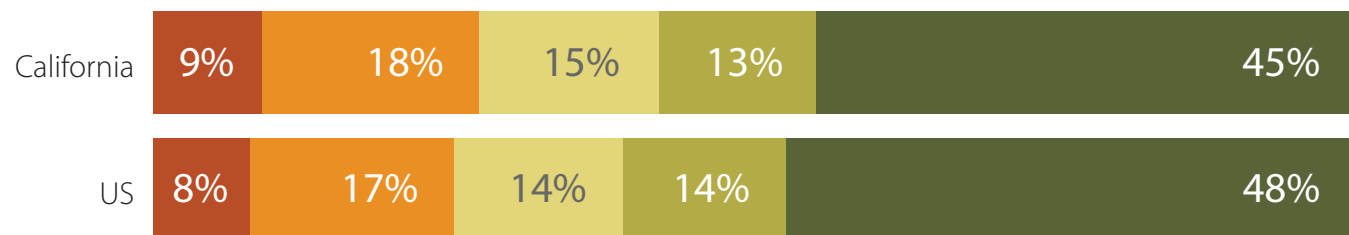
NUMBER OF WORKERS

3 to 9 10 to 49 50 to 199 200 to 999 1,000+

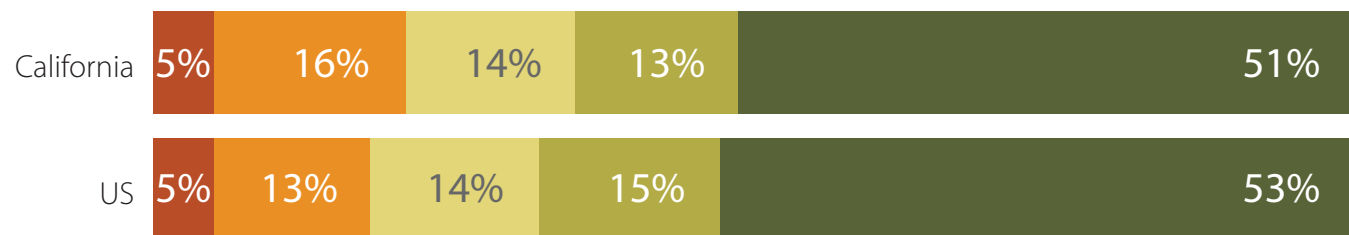
Employers



Workers



Covered Workers



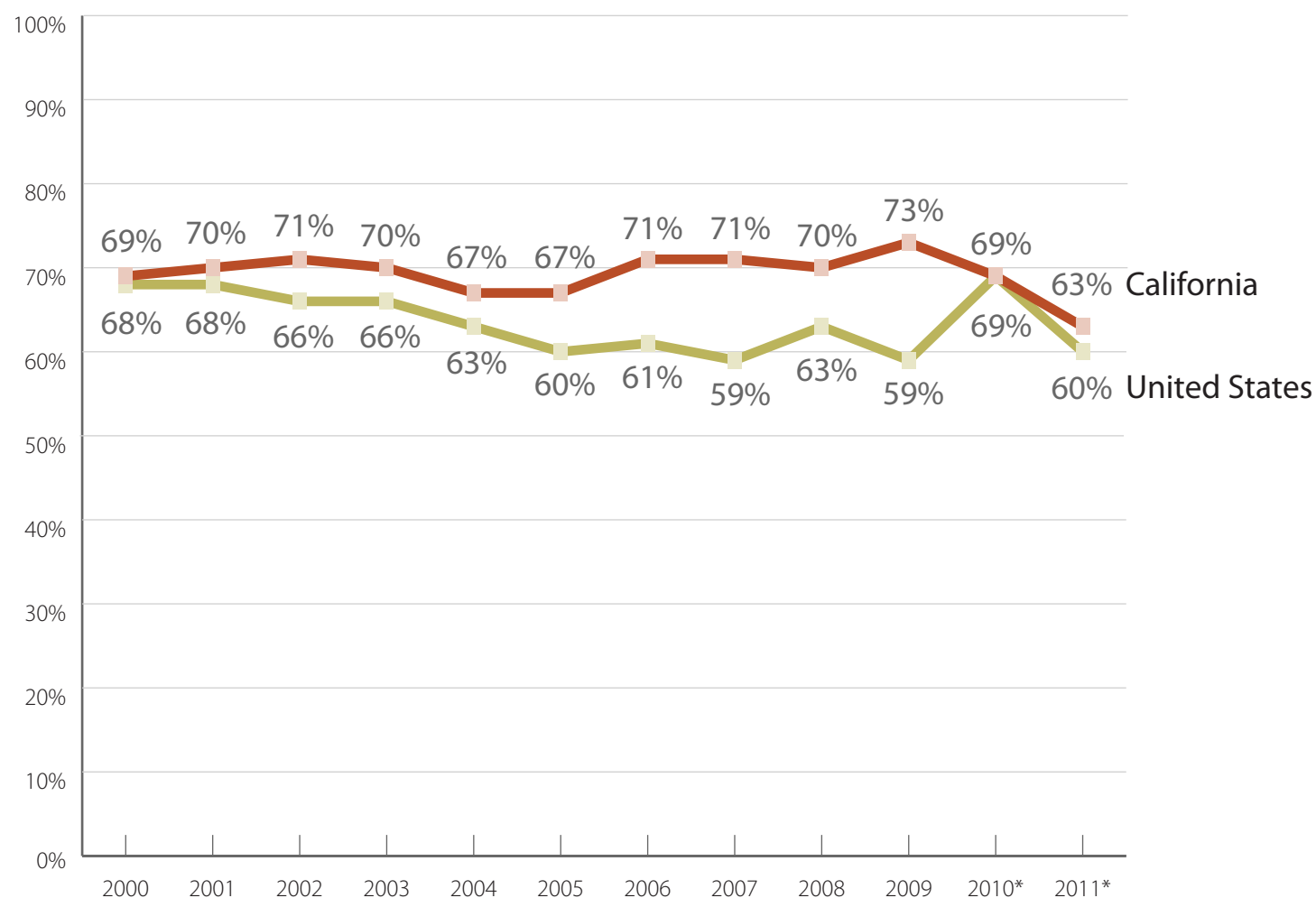
*Tests found no statistically different distributions between California and the United States.

Note: In this report, numbers may not add up to 100% due to rounding.

Sources: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011. Author analysis of data from the Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2011.

California firms with three to 49 workers accounted for 91% of employers but just 27% of all workers and 21% of covered workers.

Employers Offering Coverage, California vs. the United States, 2000 – 2011



The offer rate for employers declined significantly from 73% to 63% over the last two years. This is a departure from previous years and could be an early sign of future changes.

*US estimates are statistically different from the previous year shown.

Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2007–2011. CHCF/HSC California Employer Health Benefits Survey: 2005–2006. CHCF/HRET California Employer Health Benefits Survey: 2004. Kaiser/HRET California Employer Health Benefits Survey: 2000–2003. Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2000–2011.

Employers Offering Coverage, by Firm Characteristics, California, 2011

All Firms

63%

Lower-Wage Firms*

42%

Higher-Wage Firms*

66%

Many Part-Time Workers*

41%

Fewer Part-Time Workers*

70%

At Least Some Union Workers

84%

No Union Workers

61%

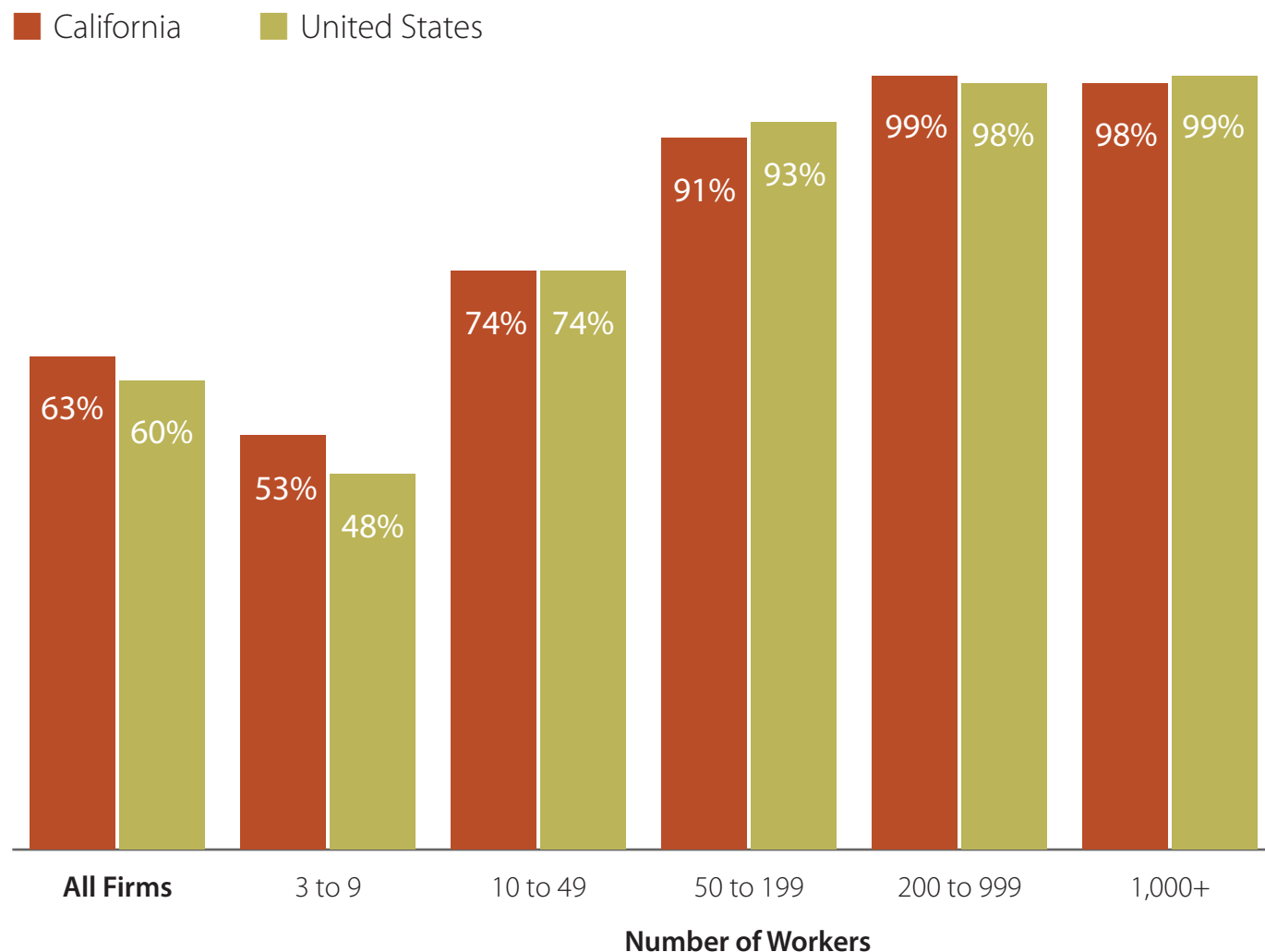
The probability of employers offering coverage varied widely by firm characteristics. Only 42% of lower-wage firms offered health benefits in 2011, versus 66% of higher-wage ones.

*Estimates are statistically different between lower- and higher-wage firms, and between many and fewer part-time workers.

Notes: Lower-Wage Firms are defined as those in which at least 35% of workers earn \$23,000 or less per year. Higher-Wage Firms are those in which less than 35% of workers earn \$23,000 or less. Many Part-Time Workers are firms in which at least 35% of workers work part-time. Fewer Part-Time Workers are firms in which less than 35% work part-time.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Employers Offering Coverage, by Firm Size, California vs. the United States, 2011*



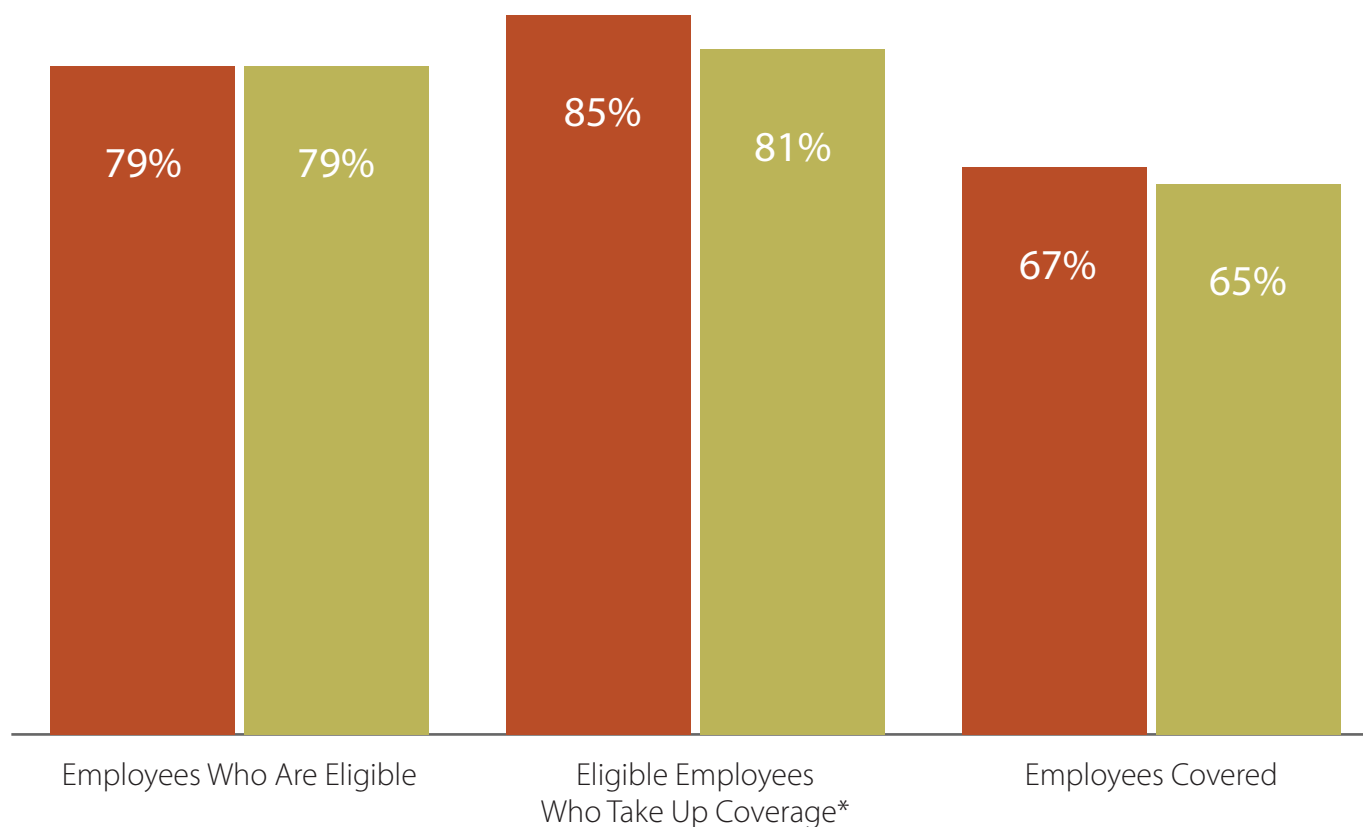
Slightly more than half of California's smaller firms (three to nine workers) provided coverage in 2011, while the vast majority of larger firms did so. Offer rates were generally comparable in California and the nation.

*Tests found no statistically different estimates between California and the United States.

Sources: California HealthCare Foundation/NORC California Employer Health Benefits Survey; 2011. Author analysis of data from the Kaiser/HRET Survey of Employer-Sponsored Health Benefits; 2011.

Employee Eligibility, Take-Up Rates, and Coverage, California vs. the United States, 2011

■ California ■ United States

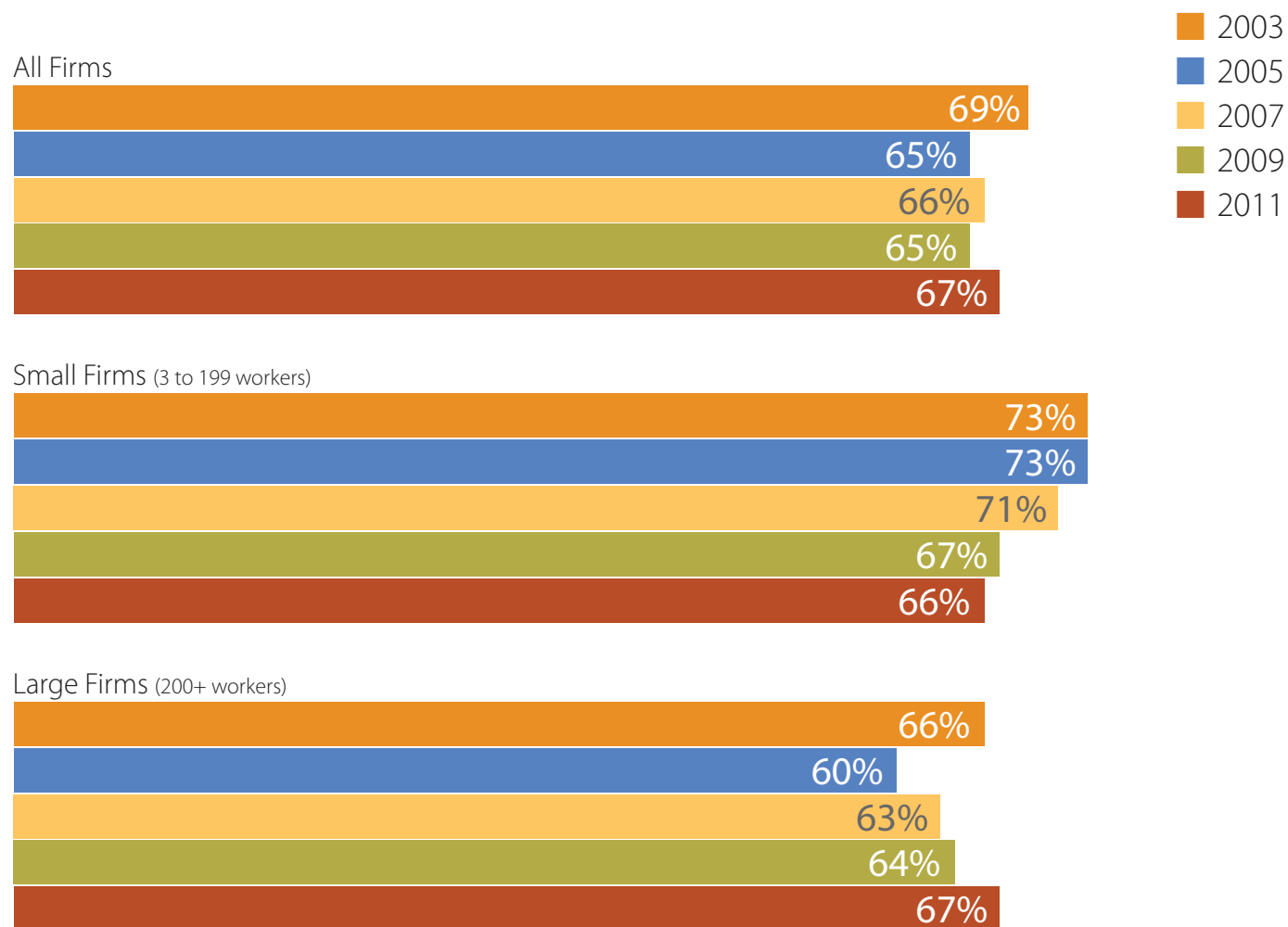


*Estimates are statistically different between California and the United States.

Sources: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011. Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2011.

Nearly 80% of California employees working in firms offering coverage were eligible for health benefits, and 85% of those elected to enroll. Overall 67% of all employees received coverage from their firm.

Worker Coverage Rates, Among Offering Firms, by Firm Size, California, 2003–2011, Selected Years*

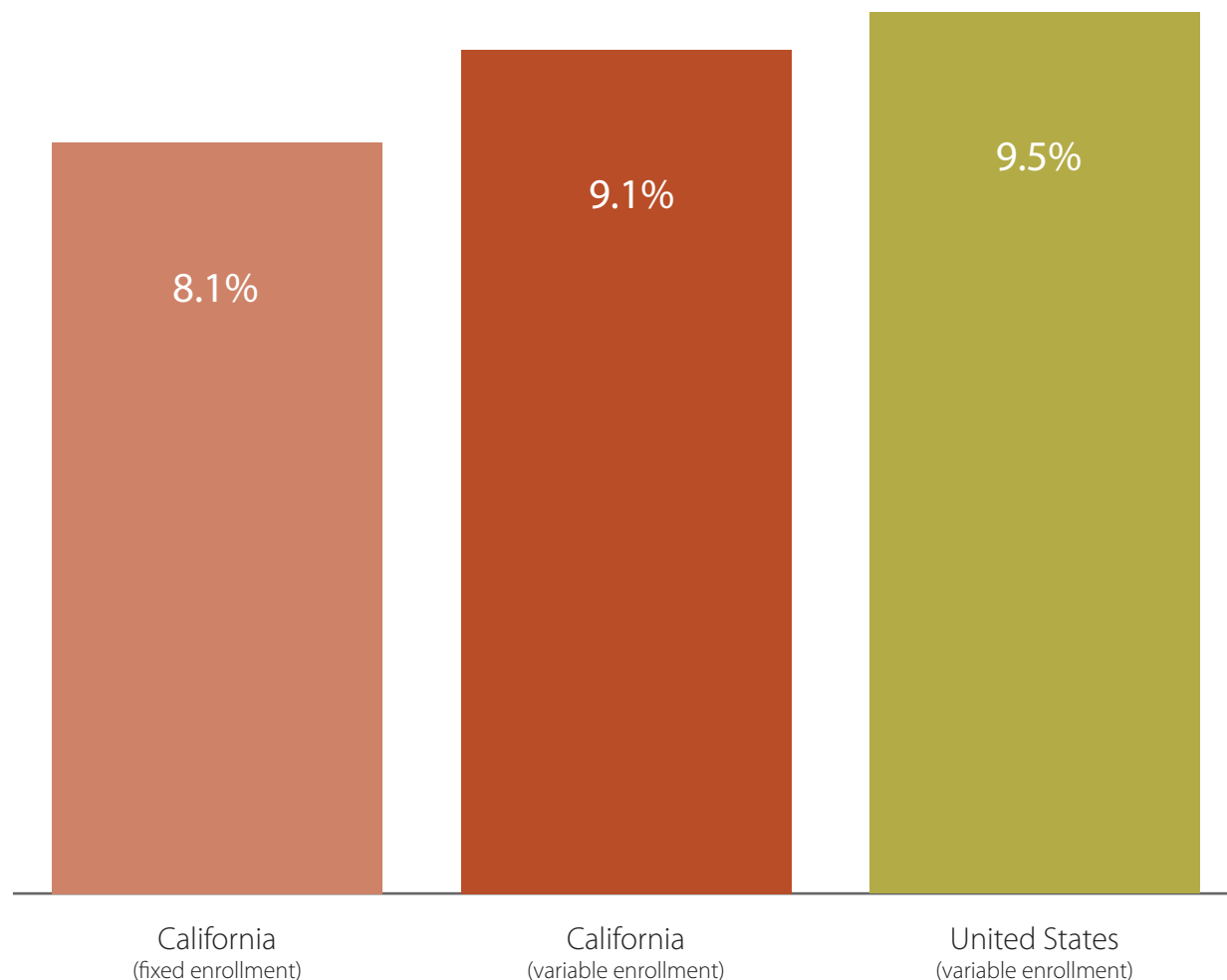


Insurance coverage rates
have been fairly stable
since 2003.

*Tests found no statistically different estimates from previous year shown within Firm Size.

Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2007, 2009, and 2011. CHCF/HSC California Employer Health Benefits Survey: 2005. Kaiser/HRET California Employer Health Benefits Survey: 2003.

Average Increases in Premiums, Family Coverage, by Product Enrollment Status, California vs. the United States, 2011

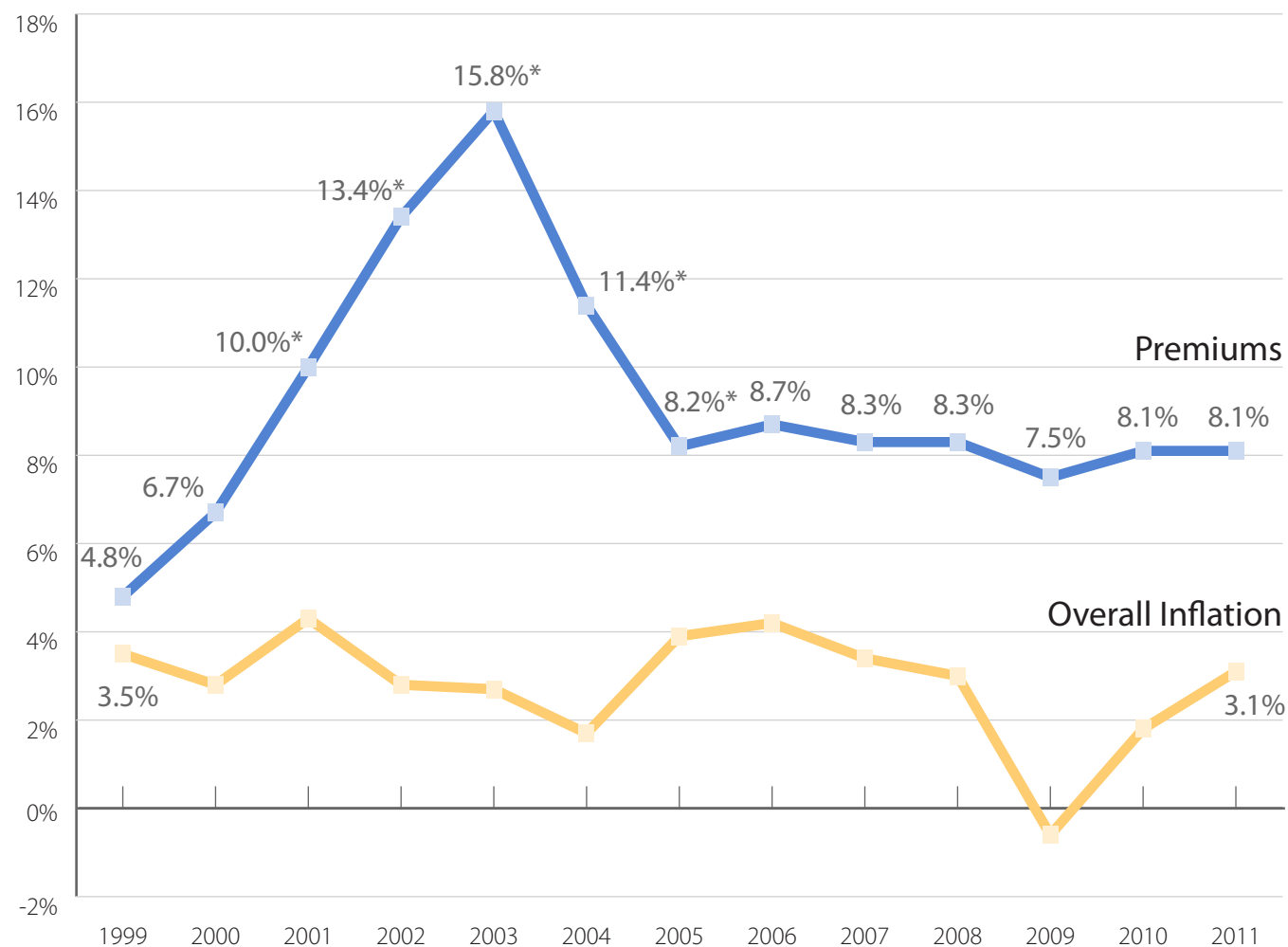


Among California firms that offered the same health plan or plans in 2010 and 2011 (fixed enrollment), the average family coverage premium increase for those plans was 8.1%.

When the calculation includes California firms that changed plans or had workers who switched plans (variable enrollment), the average family premium increase was 9.1%.

Sources: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011. Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2011.

Premium Increases Compared to Inflation, Family Coverage, California, 1999–2011

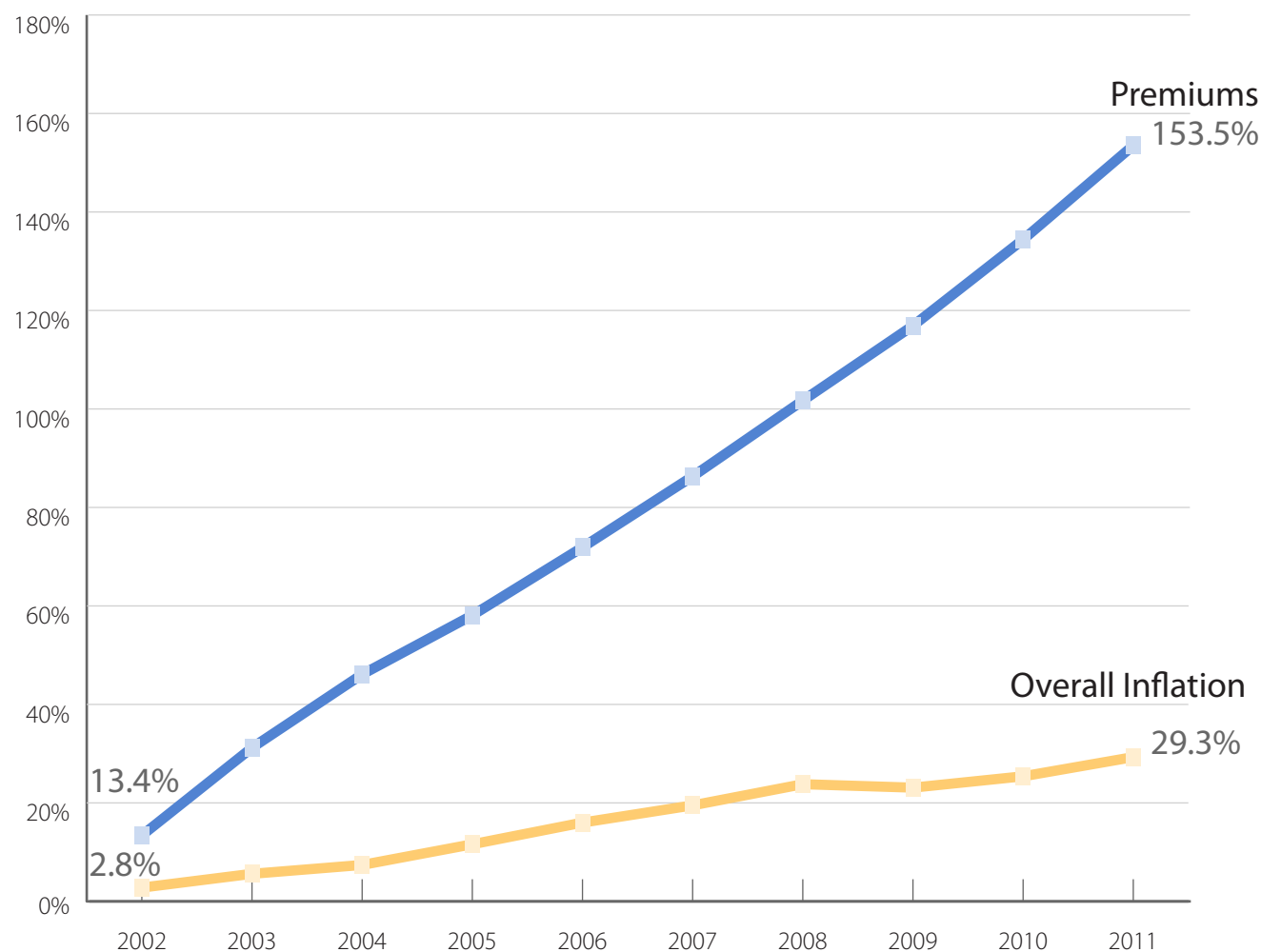


*Estimates are statistically different from the previous year shown.

Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2007–2011. CHCF/HSC California Employer Health Benefits Survey: 2005–2006; CHCF/HRET California Employer Health Benefits Survey: 2004. Kaiser/HRET California Employer Health Benefits Survey: 1999–2003. California Division of Labor Statistics and Research, Consumer Price Index, California Average of Annual Inflation (April to April) 1999–2011.

Health insurance premiums for family coverage in California grew by 8.1% in 2011, statistically unchanged in recent years. Premiums continue to rise much faster than the California inflation rate.

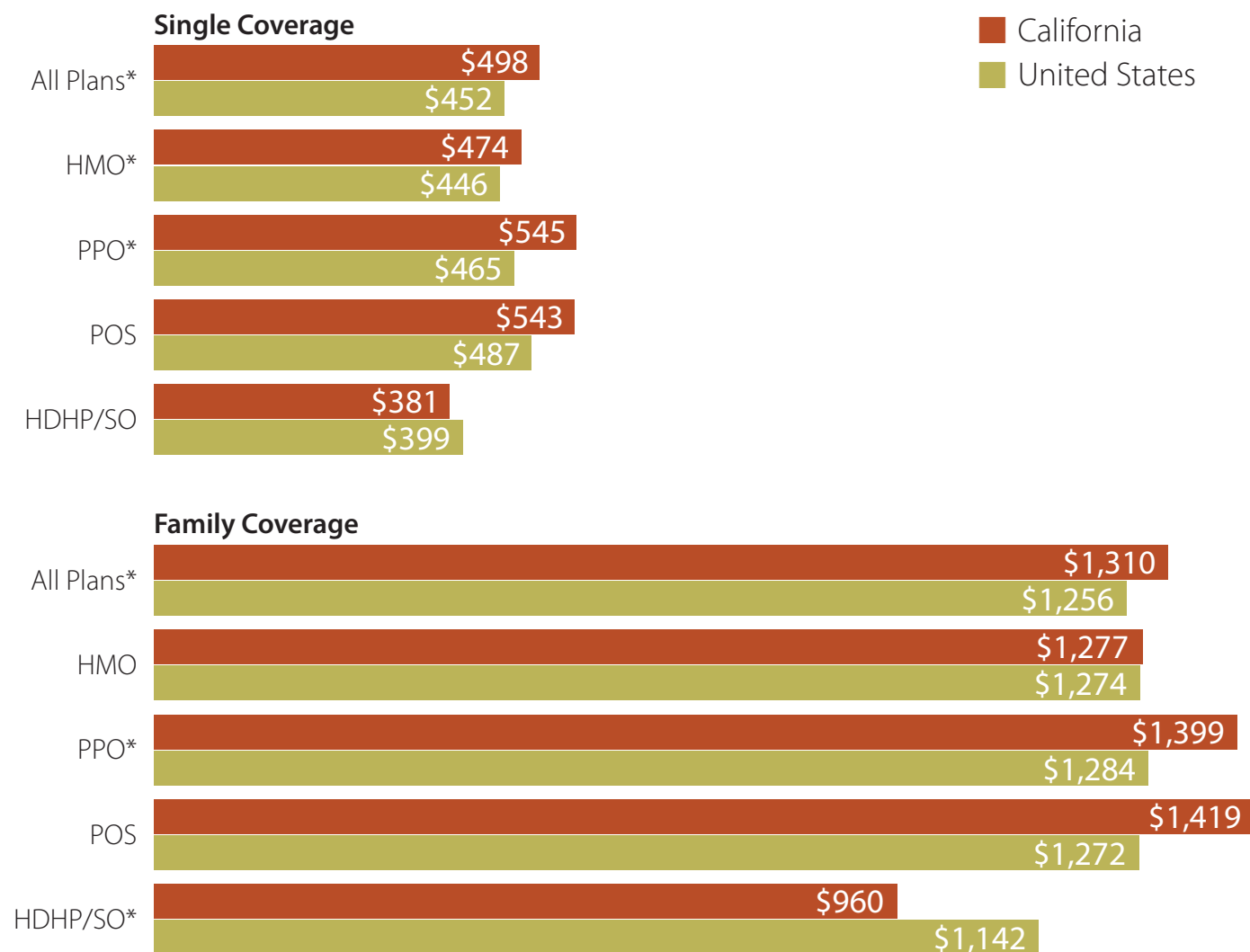
Cumulative Premium Increases Compared to Inflation, Family Coverage, California, 2002–2011



Since 2002, health insurance premiums in California have increased by 153.5%, more than five times the 29.3% increase in the state's overall inflation rate.

Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2007–2011. CHCF/HSC California Employer Health Benefits Survey: 2005–2006. CHCF/HRET California Employer Health Benefits Survey: 2004. Kaiser/HRET California Employer Health Benefits Survey: 2002–2003. California Division of Labor Statistics and Research, Consumer Price Index, California Average of Annual Inflation (April to April) 2002–2011.

Average Monthly Premiums, by Plan Type, California vs. the United States, 2011

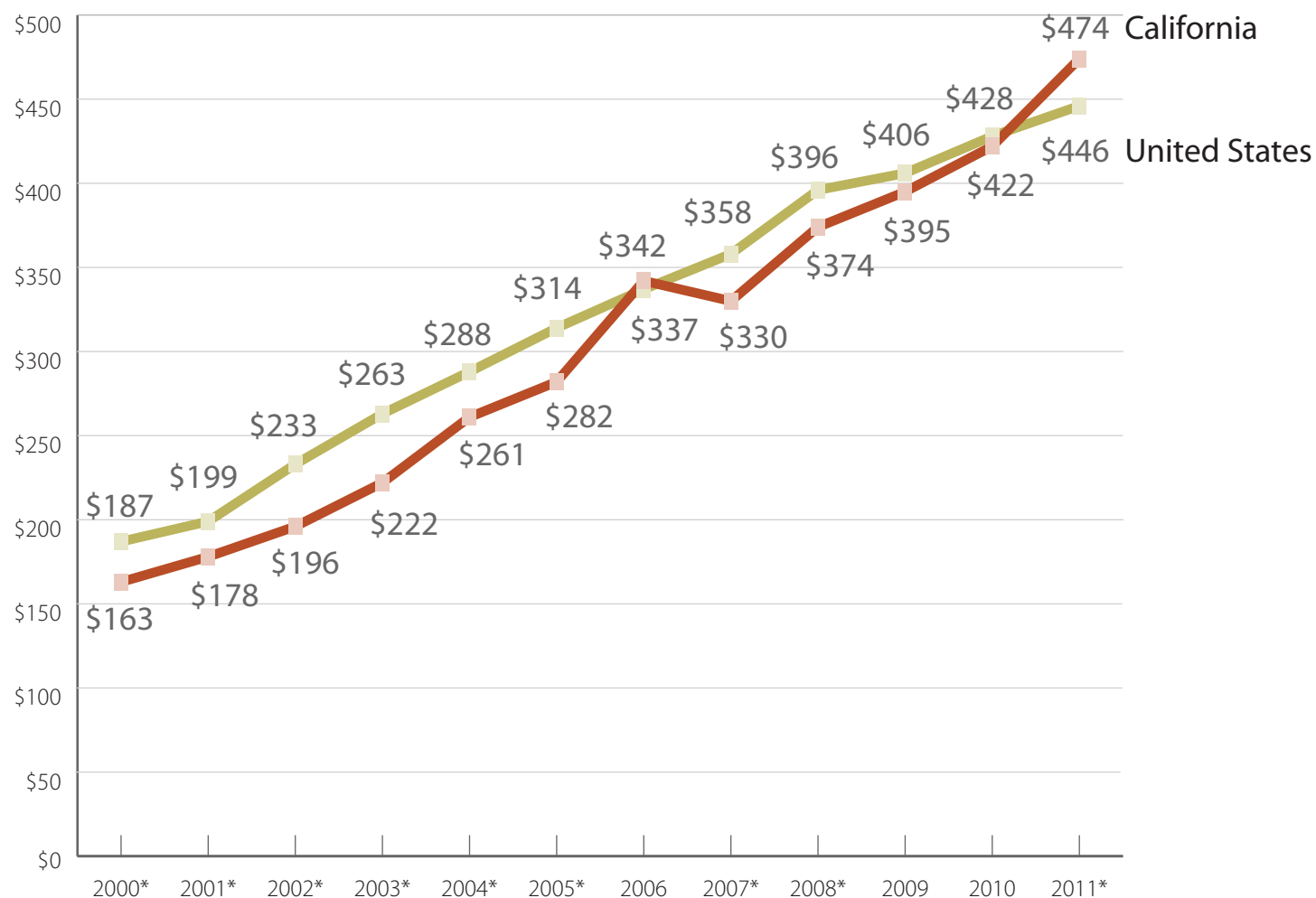


*Estimates are statistically different between California and the United States.

Sources: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011. Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2011.

Average monthly premiums for both single and family coverage were significantly greater in California than nationally.

Average Monthly HMO Premiums, Single Coverage, California vs. the United States, 2000–2011



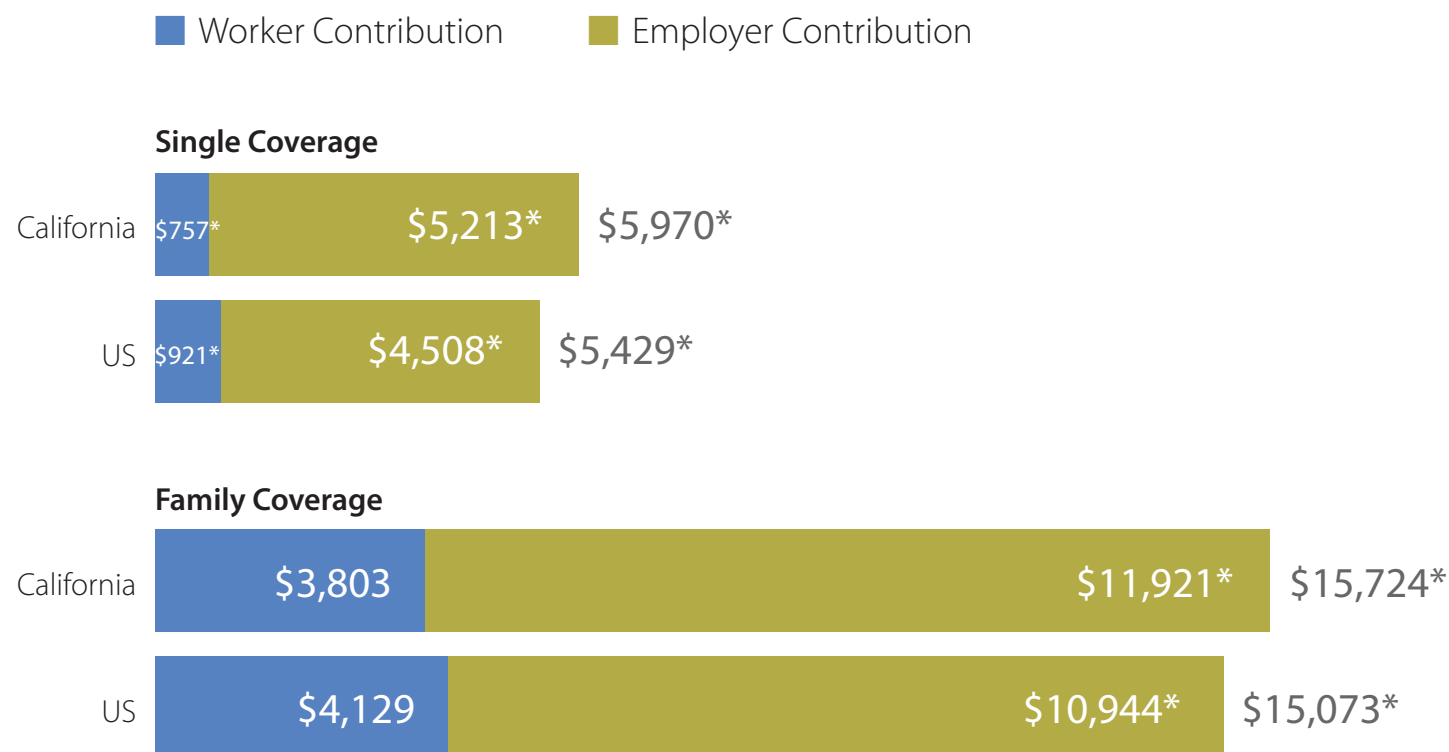
*Estimates are statistically different between California and the United States.

Note: Annual rate of change for HMO single premiums should not be calculated by comparing dollar values from one year with the previous year, due to both the survey's sampling design and the way in which plan information is collected. Rates of change in family premiums are collected directly as a question in the survey (no change data for single premiums are collected).

Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2007–2011. CHCF/HSC California Employer Health Benefits Survey: 2005–2006. CHCF/HRET California Employer Health Benefits Survey: 2004. Kaiser/HRET California Employer Health Benefits Survey: 2000–2003. Kaiser/HRET Employer Health Benefits Survey: 2000–2011.

Between 2010 and 2011, the monthly HMO premiums for single coverage increased in California. Premiums in California now exceed the national figure.

Annual Worker and Employer Premium Contributions, California vs. the United States, 2011



While annual premiums for both single and family coverage were higher in California than the nation, employers in the state contributed more toward the premiums

Employers in California contributed \$5,213 annually for single coverage and \$11,921 for family coverage.

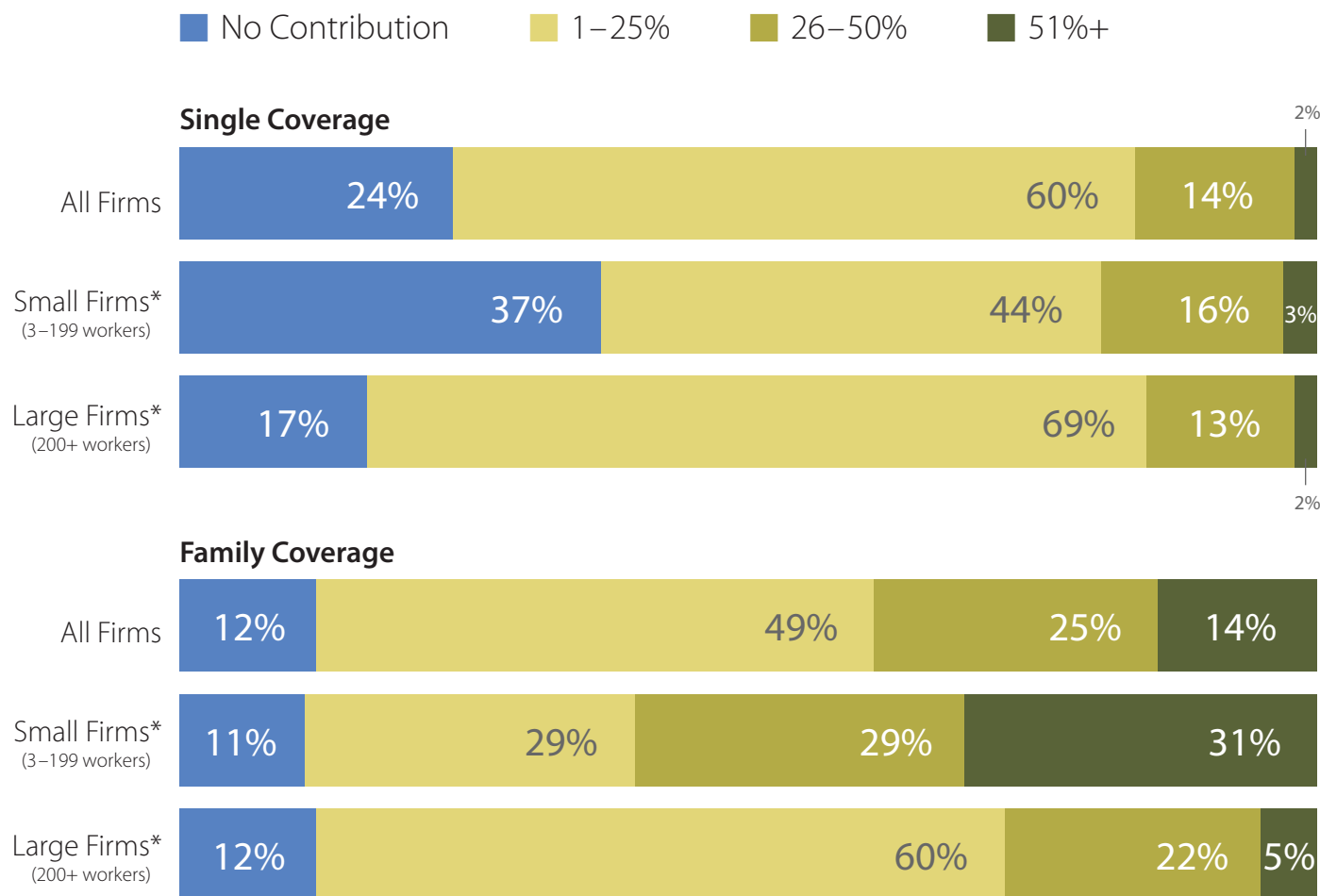
*Estimates are statistically different between California and the United States within coverage type.

Sources: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011. Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2011.

Worker Share of Premium, by Firm Size, California, 2011

In 2011, almost one in four covered California employees worked for firms that paid the full premium for single coverage.

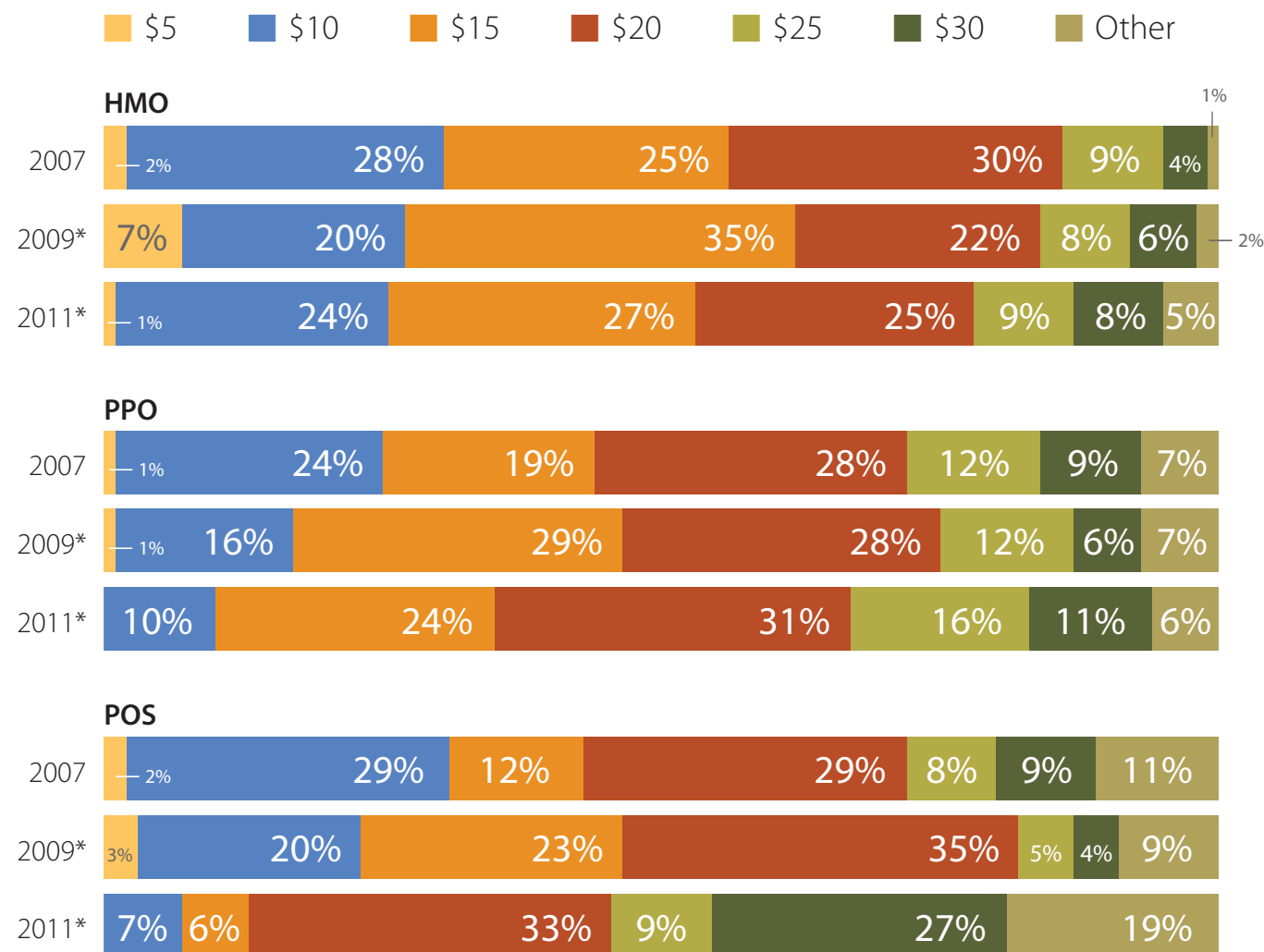
Employees of small firms were more likely to cover half of the family premium than workers in large firms.



*Distribution is statistically different from All Firms.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Workers with Specified Office Visit Copayments, by Plan Type, California, 2007–2011, Selected Years



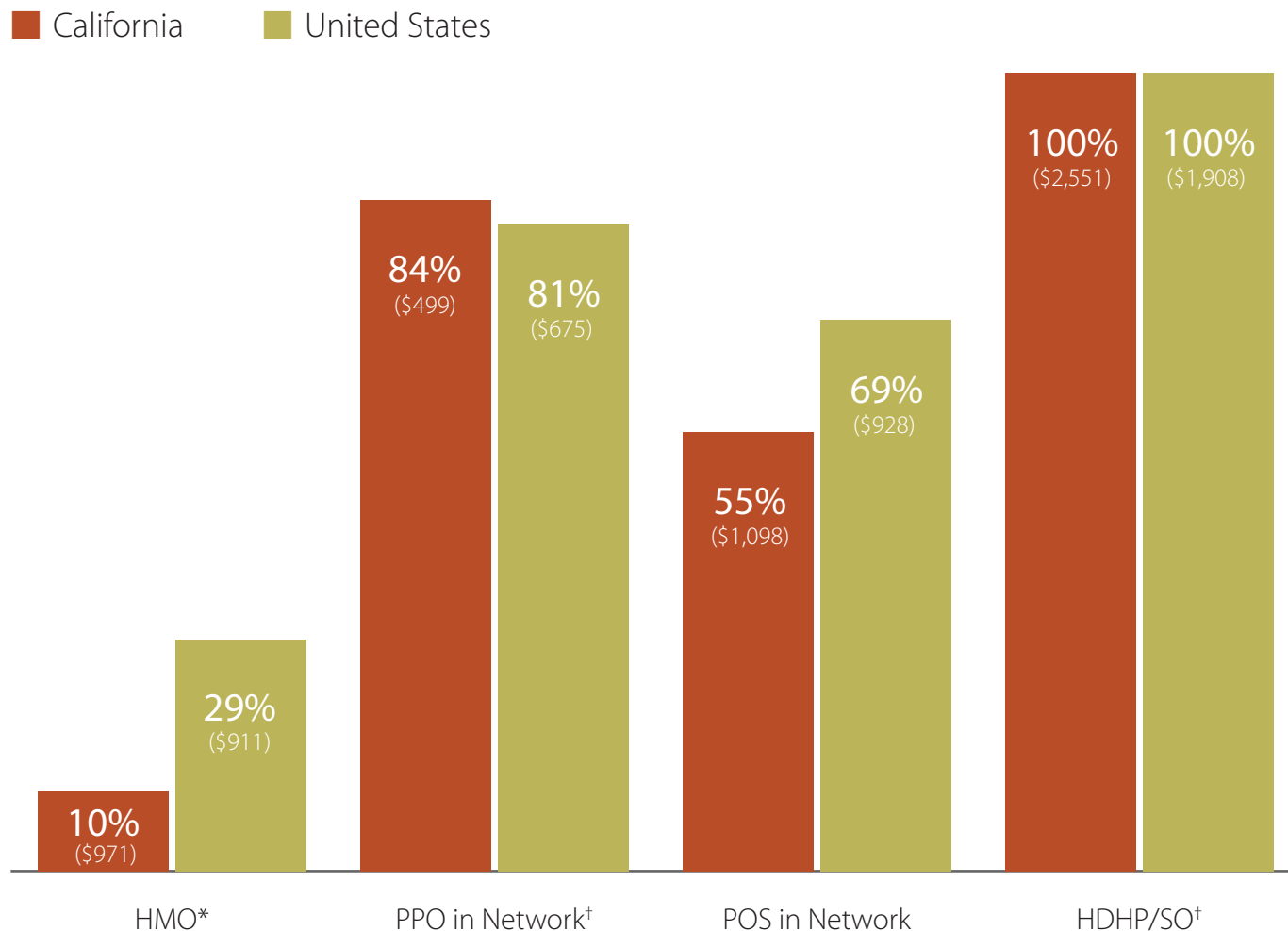
*Distribution is statistically different from previous year shown.

Note: Segments may not add to 100% due to rounding.

Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2007, 2009, and 2011.

Copayments for office visits increased substantially for all types of plans from 2007 to 2011, with \$15 the most common amount for HMO plans and \$20 the most common amount for PPO and POS plans.

Workers with Annual Deductible, Single Coverage, by Plan Type, California vs. the United States, 2011



*Percentages are statistically different between California and the United States.

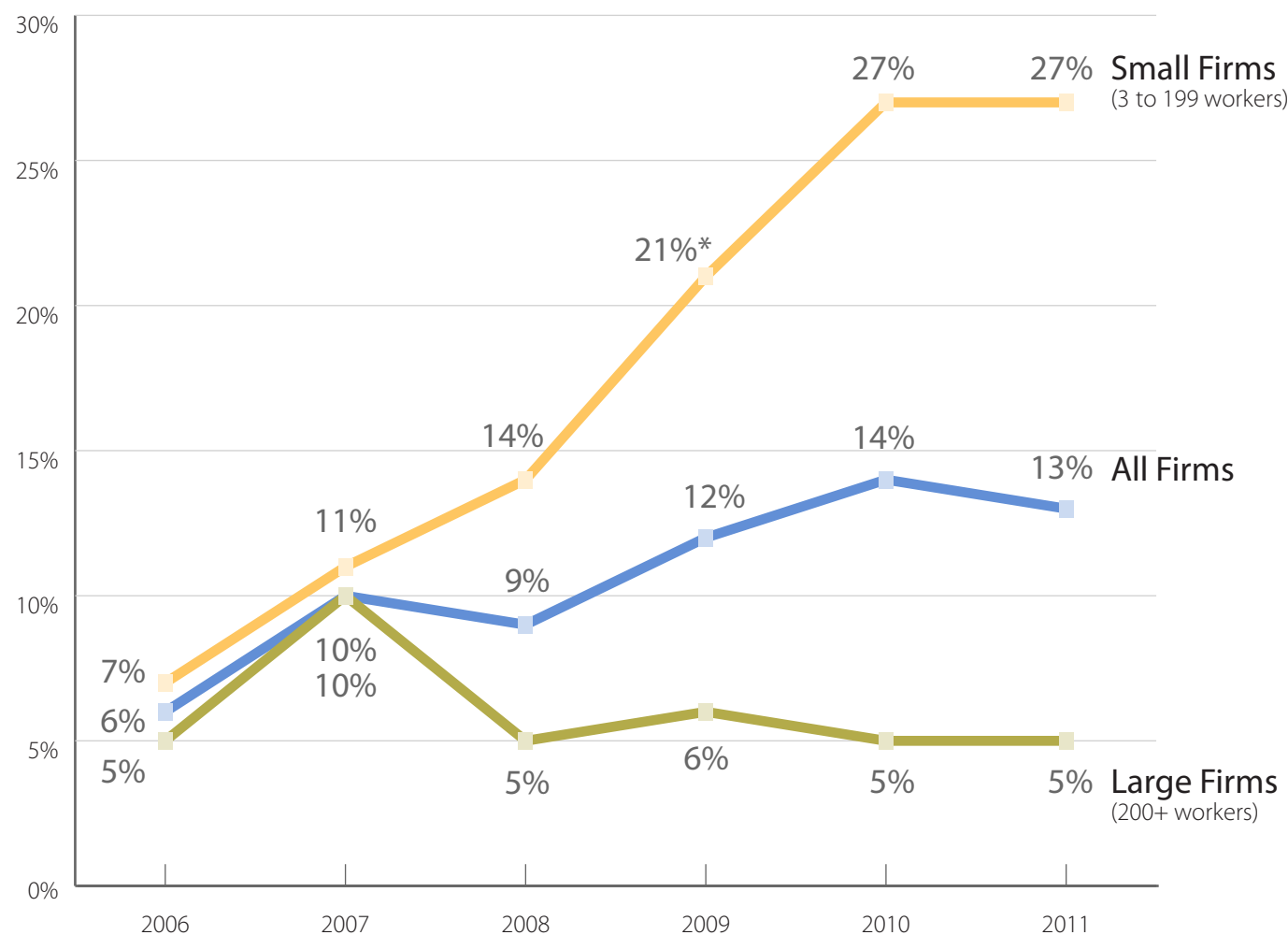
†Average deductibles are statistically different between California and the United States.

Sources: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011. Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2011.

Workers enrolled in PPOs were much more likely to have an annual deductible than those in HMOs or POS plans.

Deductibles averaged \$499 for PPO single coverage in California, versus \$675 in the nation.

Workers with a Large Deductible (\$1,000+), Single Coverage, by Firm Size, California, 2006–2011

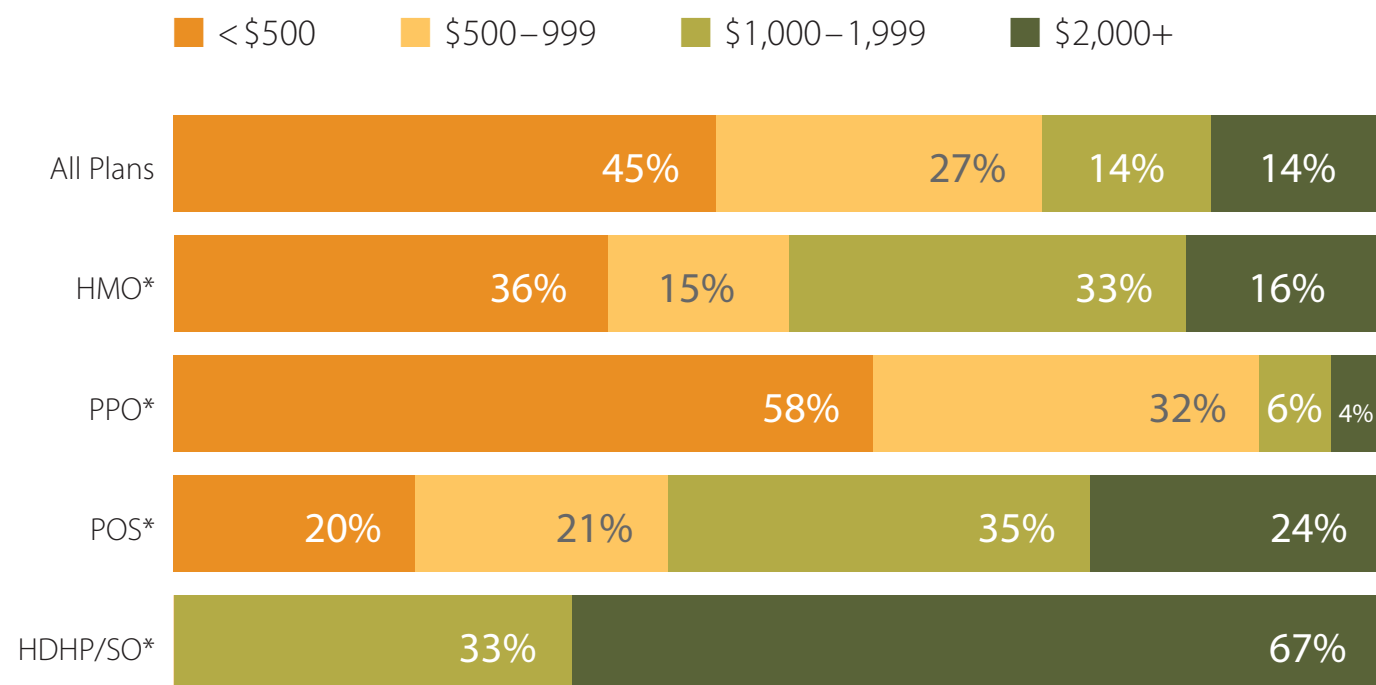


*Estimate is statistically different from previous year shown by firm size.

Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2007–2011. CHCF/HSC California Employer Health Benefits Survey: 2006.

Twenty-seven percent of covered California workers in small firms had a deductible of \$1,000 or more for single coverage in 2011, compared with just 7% in 2006. In large firms, only 5% of covered workers had a deductible of \$1,000 or more.

Workers with Deductible for Single Coverage, by Plan Type, California, 2011



Among California workers with a deductible for single coverage, 45% had a deductible of less than \$500, while 28% had a deductible of \$1,000 or more.

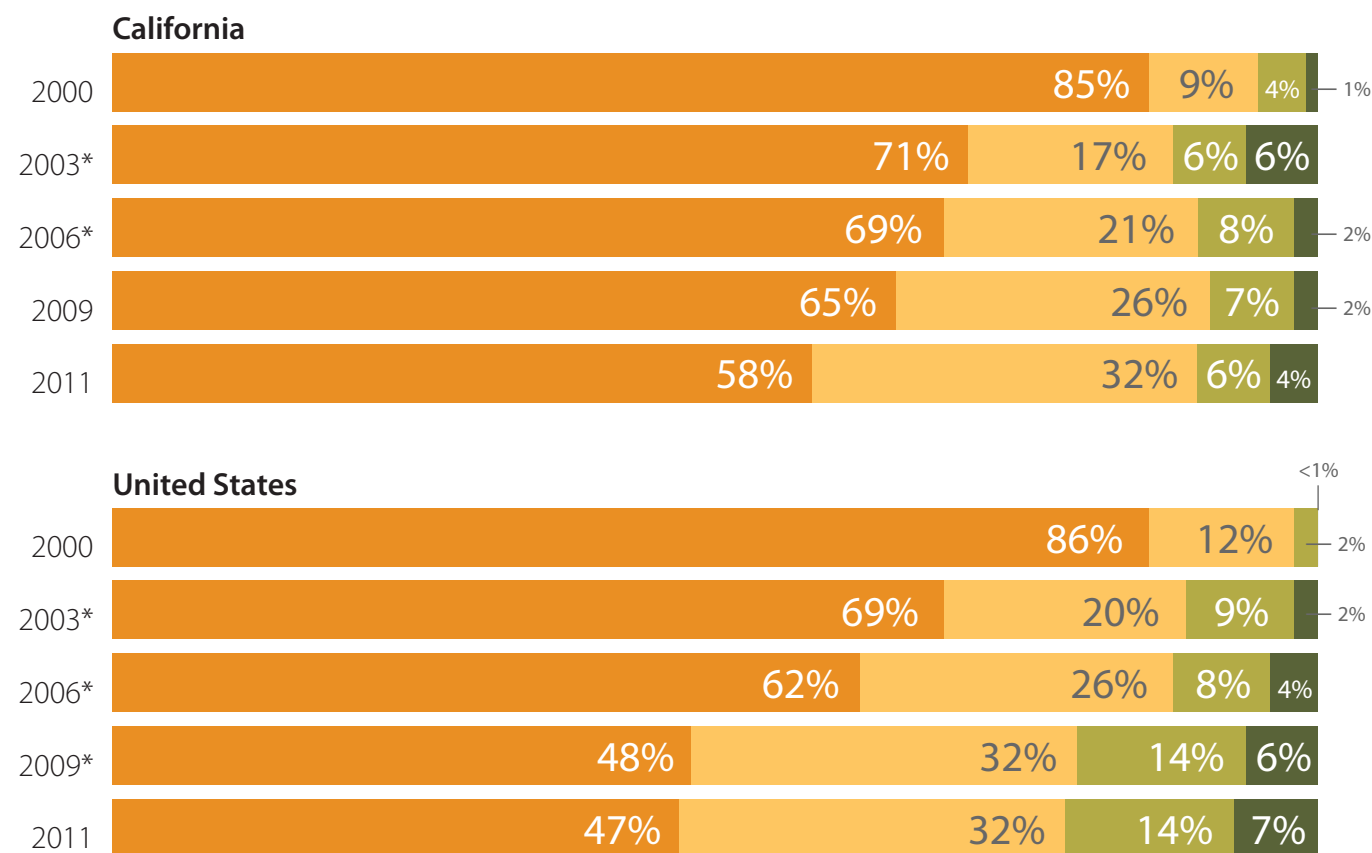
*Distribution is statistically different from All Plans.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Deductible for Single PPO Coverage, California vs. the United States, 2000–2011, Selected Years

PERCENTAGE OF WORKERS WITH SPECIFIED DEDUCTIBLE RANGES

■ <\$500 ■ \$500–999 ■ \$1,000–1,999 ■ \$2,000+



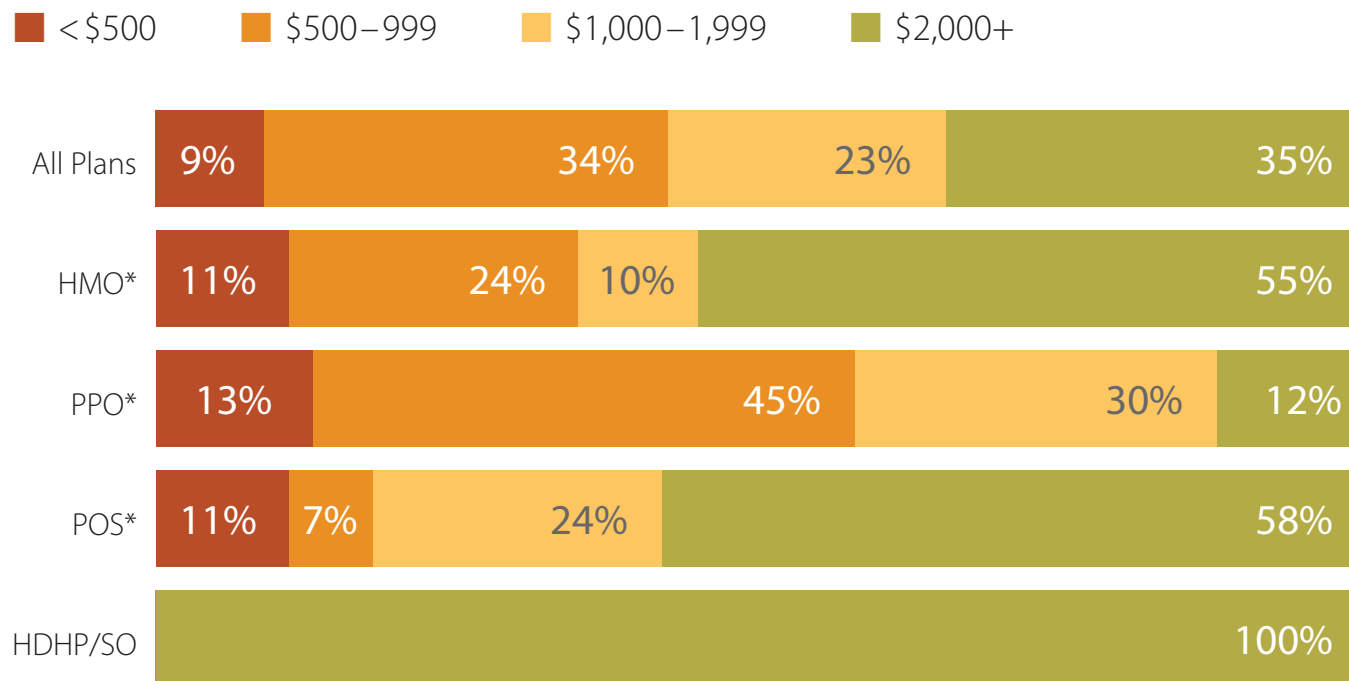
*Distribution is statistically different from previous year shown.

Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2009, 2011. CHCF/HSC California Employer Health Benefits Survey: 2006. Kaiser/HRET California Employer Health Benefits Survey: 2000, 2003. Kaiser/HRET Employer Health Benefits Survey: 2000, 2003, 2006, 2009, and 2011.

Since 2000, workers in California and the nation have experienced significant increases in deductibles for PPO coverage.

Deductible for Family Coverage, by Plan Type, California, 2011

AMONG WORKERS WITH AN AGGREGATE DEDUCTIBLE, PERCENTAGE WITH SPECIFIED DEDUCTIBLE RANGES



*Distribution is statistically different from All Plans. No test was done comparing HDHP/SO with All Plans.

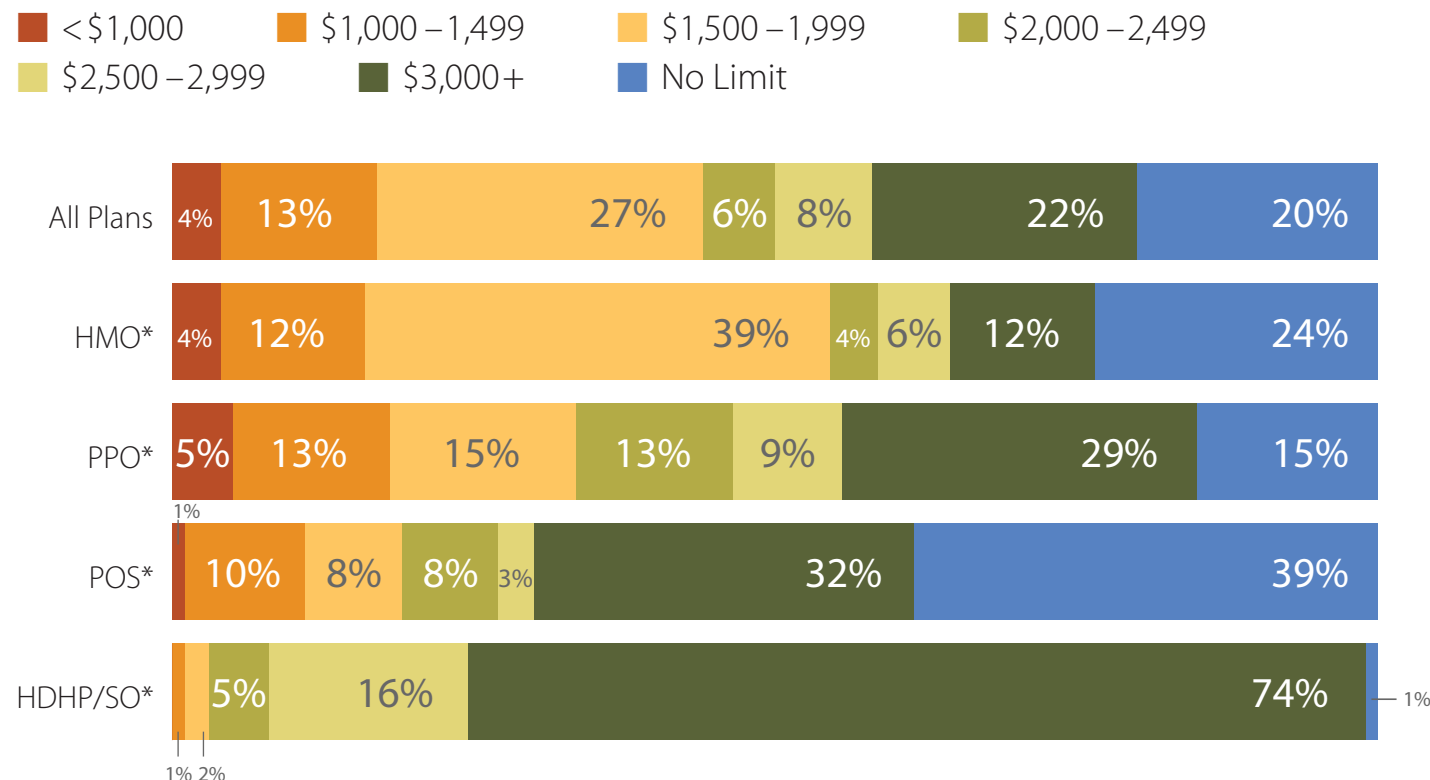
Notes: An aggregate deductible counts all family members' out-of-pocket expenses toward the deductible limit. Separate deductibles count each family member's expenses separately toward per-person limits. Segments may not add to 100% due to rounding.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Among California workers with an aggregate family deductible, 43% had a deductible of less than \$1,000 for family coverage, while 35% of workers faced an annual family deductible of \$2,000 or more.

Annual Out-of-Pocket Limits, Single Coverage, by Plan Type, California, 2011

PERCENTAGE OF WORKERS WITH SPECIFIED LIMIT RANGES



The large majority of covered workers (80%) with single coverage had an annual out-of-pocket limit. Twenty-two percent had a limit of \$3,000 or more.

Those in a high-deductible health plan with a savings option (HDHP/SO) were the most likely to have a limit of \$3,000 or more (74%).

*Distribution is statistically different from All Plans.

Note: Since HMOs typically provide very comprehensive coverage, not having a limit on out-of-pocket expenditures does not expose enrollees to the same financial risk as it could in other plan types. Segments may not add to 100% due to rounding.

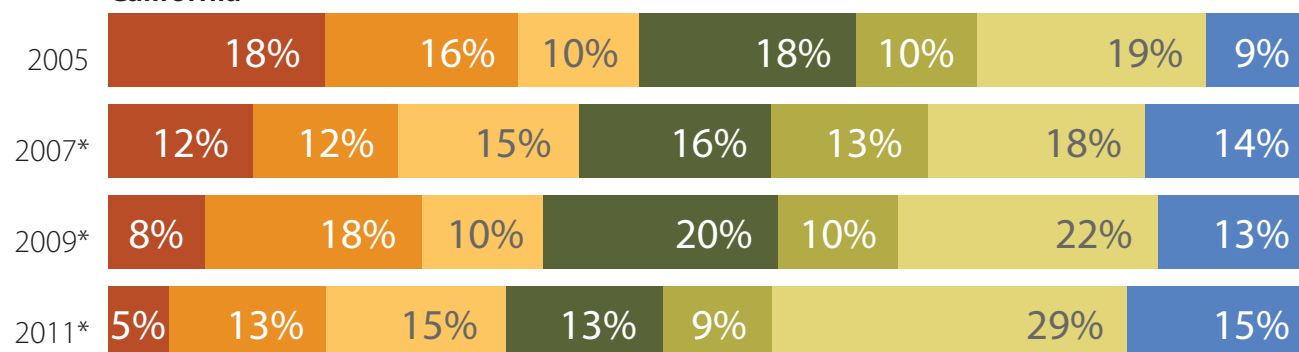
Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Annual Out-of-Pocket Limits, Single PPO Coverage, California vs. the United States, 2005 – 2011, Selected Years

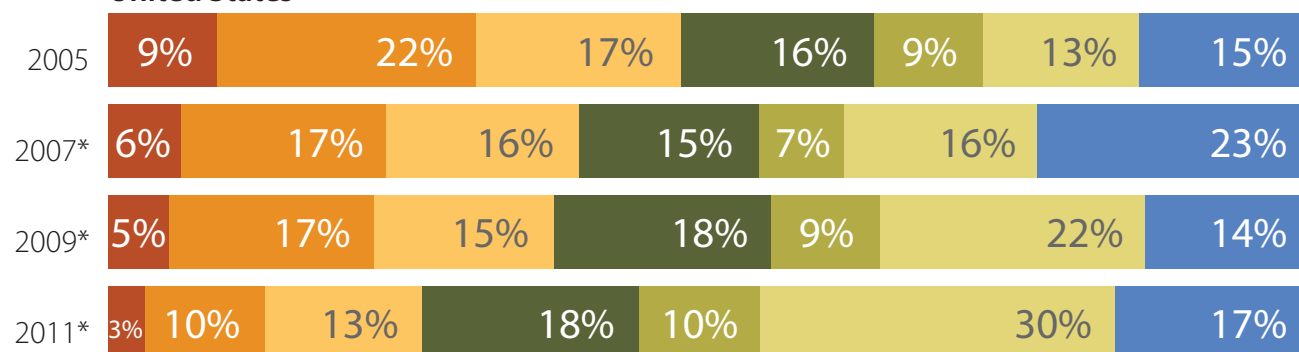
PERCENTAGE OF WORKERS WITH SPECIFIED LIMIT RANGES



California



United States



*Distribution is statistically different from previous year shown.

Note: Segments may not add to 100% due to rounding.

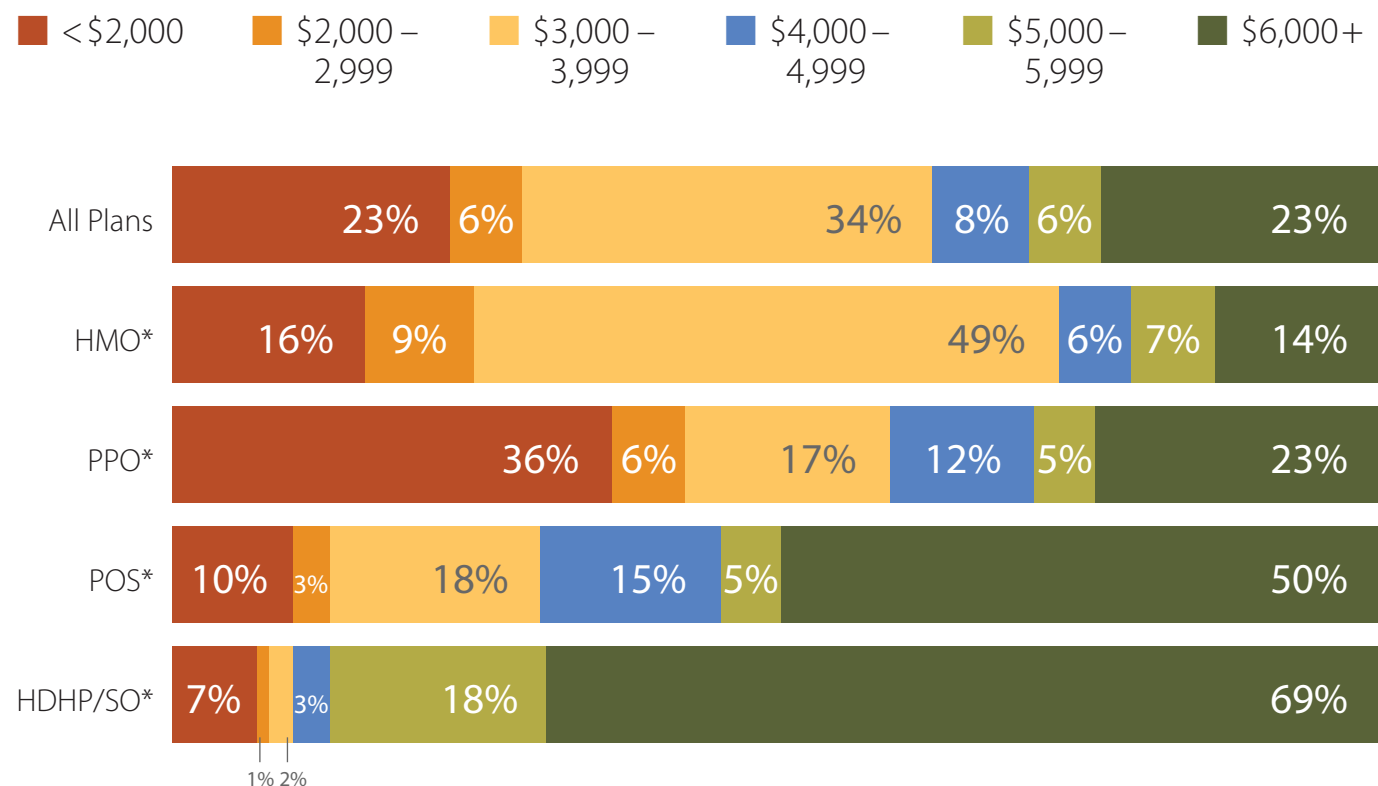
Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2007, 2009, and 2011. CHCF/HSC California Employer Health Benefits Survey: 2005. Author analysis of data from Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2005, 2007, 2009, and 2011.

The proportion of California workers in PPOs with an out-of-pocket limit under \$1,500 decreased from 34% in 2005 to 18% in 2011.

A similar pattern of higher out-of-pocket limits was observed nationally.

Annual Out-of-Pocket Limits, Family Coverage, by Plan Type, California, 2011

AMONG WORKERS WITH AGGREGATE LIMIT, PERCENTAGE WITH SPECIFIED RANGES



*Distribution is statistically different from All Plans.

Notes: Since HMOs typically provide very comprehensive coverage, not having a limit on out-of-pocket expenditures does not expose enrollees to the same financial risk as it could in other plan types. Segments may not add to 100% due to rounding.

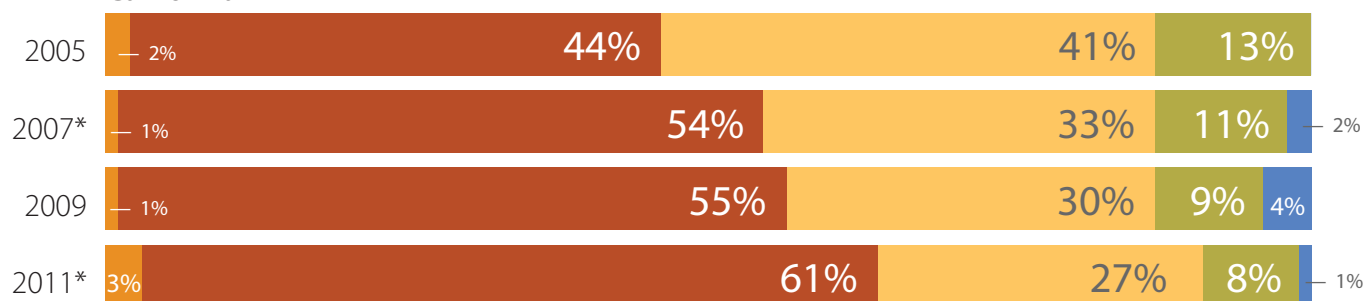
Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Only 23% of covered workers in California with an aggregate out-of-pocket limit for family coverage had an annual limit under \$2,000. Almost 30% of workers with family coverage had a limit of \$5,000 or more, compared with 21% in 2009 (not shown).

Workers' Cost Sharing for Prescriptions, California vs. the United States, 2005 – 2011, Selected Years

- Four-Tier (such as three-tier plus a fourth tier for lifestyle or other specified drugs)
- Three-Tier (such as one payment for generic drugs, another for preferred drugs, and a third for non-preferred drugs)
- Two-Tier (such as one payment for generic drugs and another for name brand)
- One-Tier (such as cost sharing the same regardless of drug type)
- Other

California



United States



*Distribution is statistically different from previous year shown.

Note: Segments may not add to 100% due to rounding.

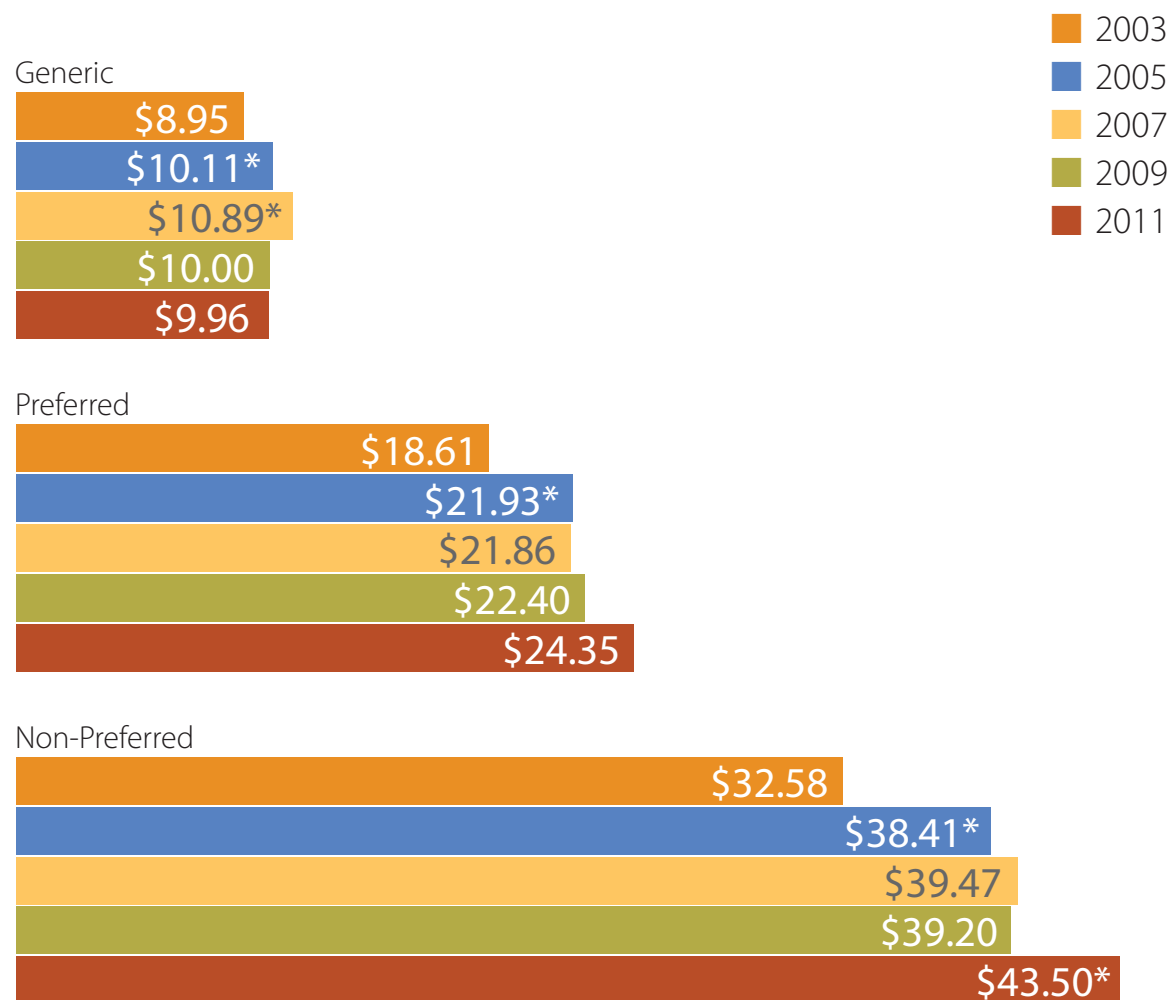
Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2007, 2009, and 2011. CHCF/HSC California Employer Health Benefits Survey: 2005.

Author analysis of data from the Kaiser/HRET Employer Health Benefits Survey: 2005, 2007, 2009, and 2011.

In 2011, 64% of covered California workers had a three- or four-tier cost-sharing formula for prescription drugs.

Nationally, more than three-fourths of covered workers were subject to three- or four-tier formulas.

Average Prescription Copayments, by Drug Type, California, 2003–2011, Selected Years

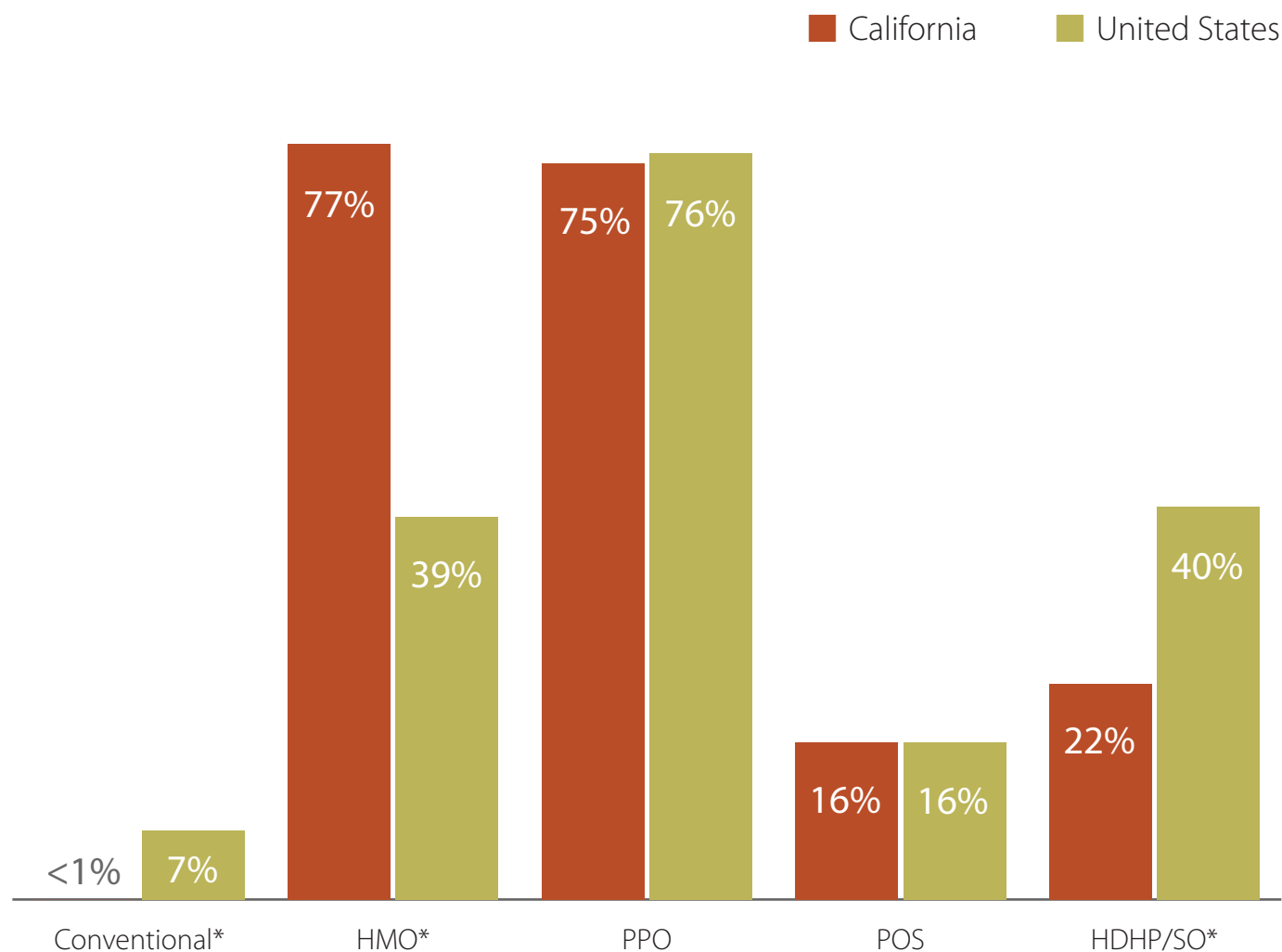


In 2011, average copayments for generic drugs were less than half what they were for preferred drugs, and less than one-fourth what they were for non-preferred drugs.

*Estimate is statistically different from previous year shown.

Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2007, 2009, and 2011. CHCF/HSC California Employer Health Benefits Survey: 2005. CHCF/HRET California Employer Health Benefits Survey: 2003.

Worker Choice of Health Plans, by Type, California vs. the United States, 2011



*Estimates are statistically different between California and the United States.

Sources: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011. Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2011.

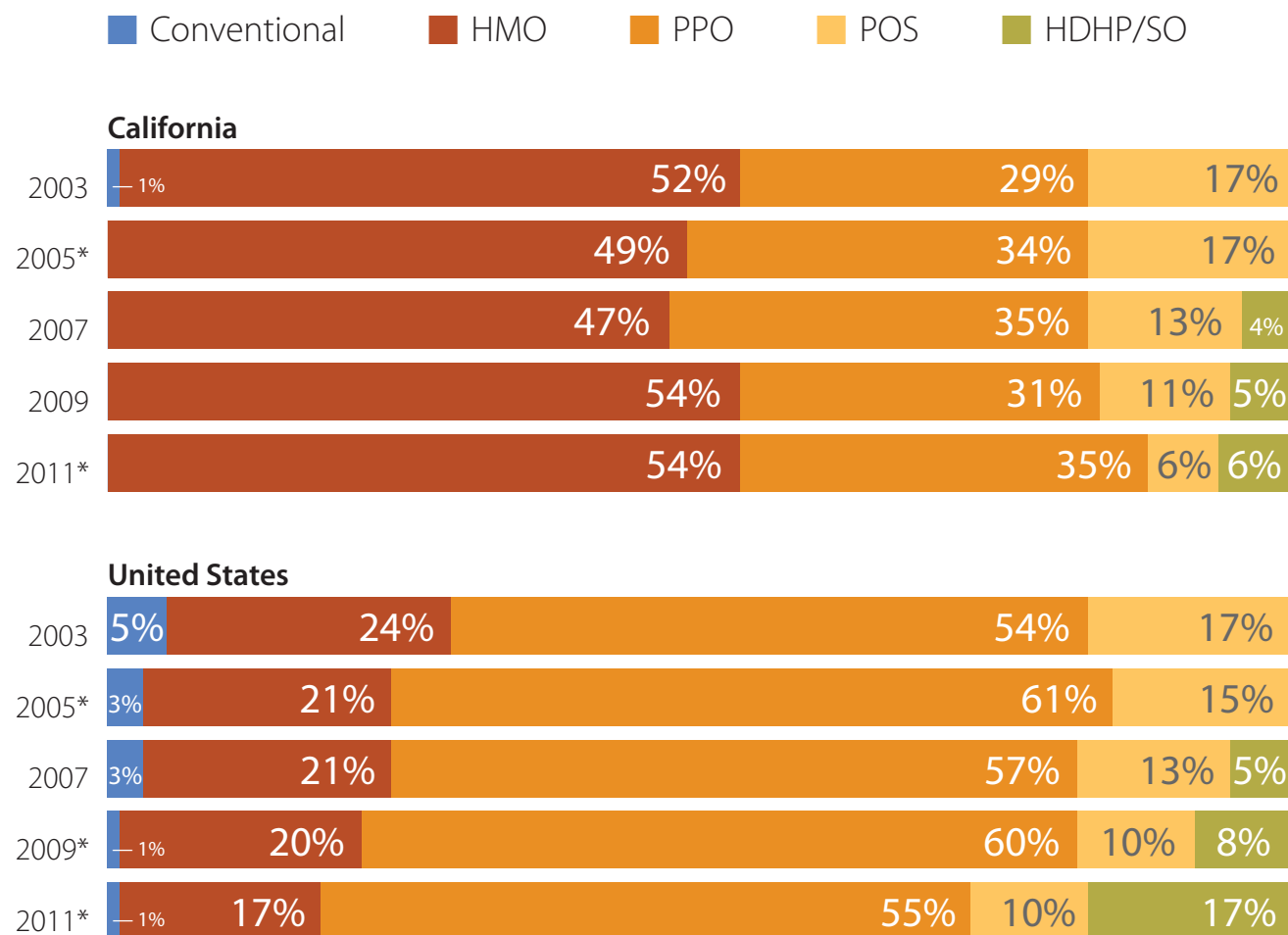
Seventy-seven percent of covered California workers had an HMO option, compared to only 39% nationally. Workers in California were less likely to have an HDHP/SO option.

The share of California workers able to choose most other types of plans was comparable to national figures.

Enrollment of Covered Workers, by Plan Type, California vs. the United States, 2003–2011, Selected Years

California workers have been consistently more likely to enroll in HMOs than covered workers nationally. Conversely, PPOs are more popular in the US than in California.

Enrollment in high-deductible plans with a savings option in California has been stable since 2007, contrary to the national trend.

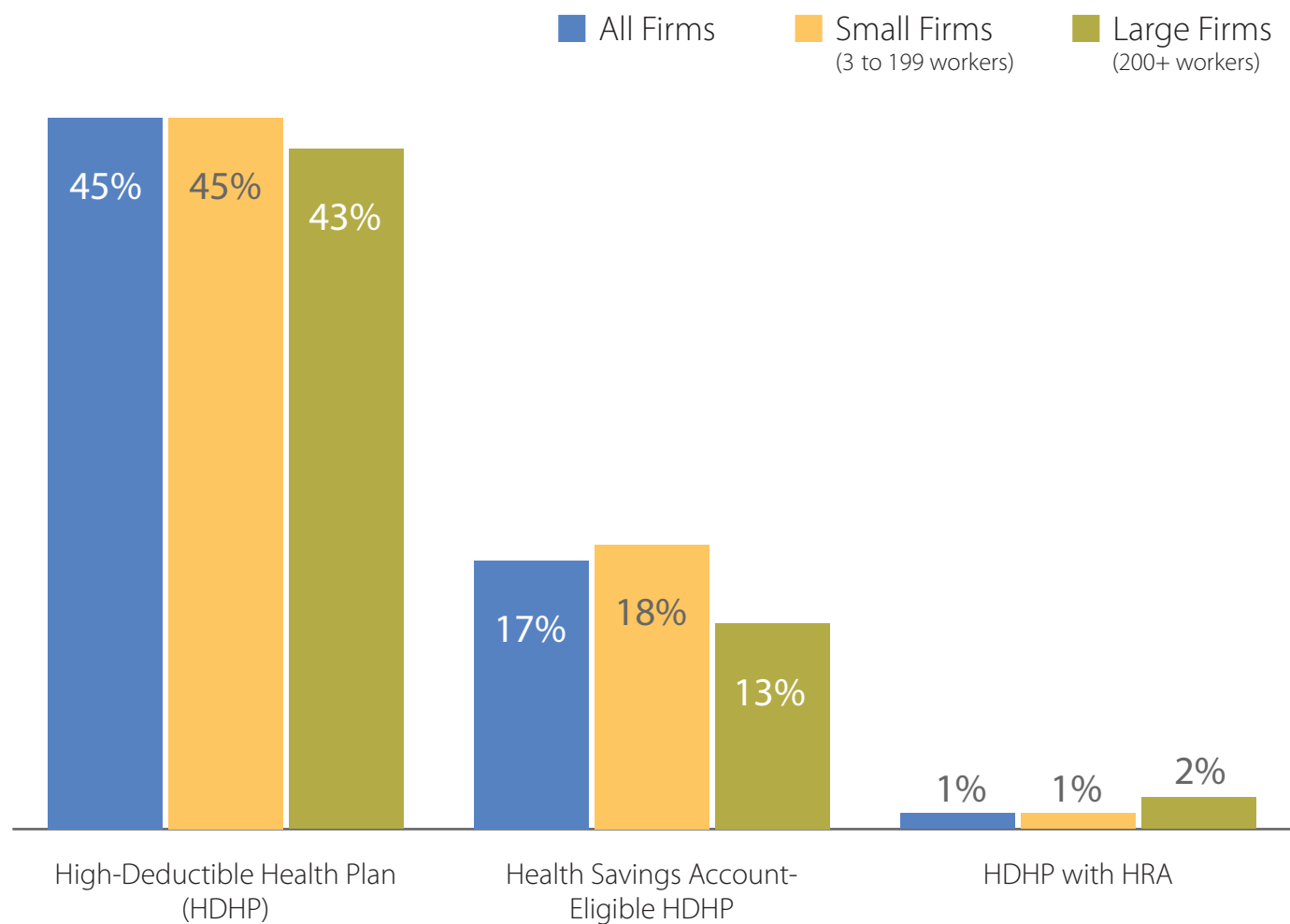


*Distribution is statistically different from previous year shown.

Notes: Conventional plan enrollment in California in 2008 was less than 1%. No test was conducted comparing 2007 with 2005 due to the addition of HDHP in 2006. Segments may not add to 100% due to rounding.

Sources: California HealthCare Foundation (CHCF)/NORC California Employer Health Benefits Survey: 2007, 2009, and 2011. CHCF/HSC California Employer Health Benefits Survey: 2005. CHCF/HRET California Employer Health Benefits Survey: 2003. Kaiser/HRET California Employer Health Benefits Survey: 2003, 2005, 2007, 2009 and 2011.

Firms Offering a High-Deductible Plan, by Firm Size, California, 2011*



Forty-five percent of all California firms offered a high-deductible plan in 2011.

*Tests found no statistically different estimates between Small Firms and Large Firms.

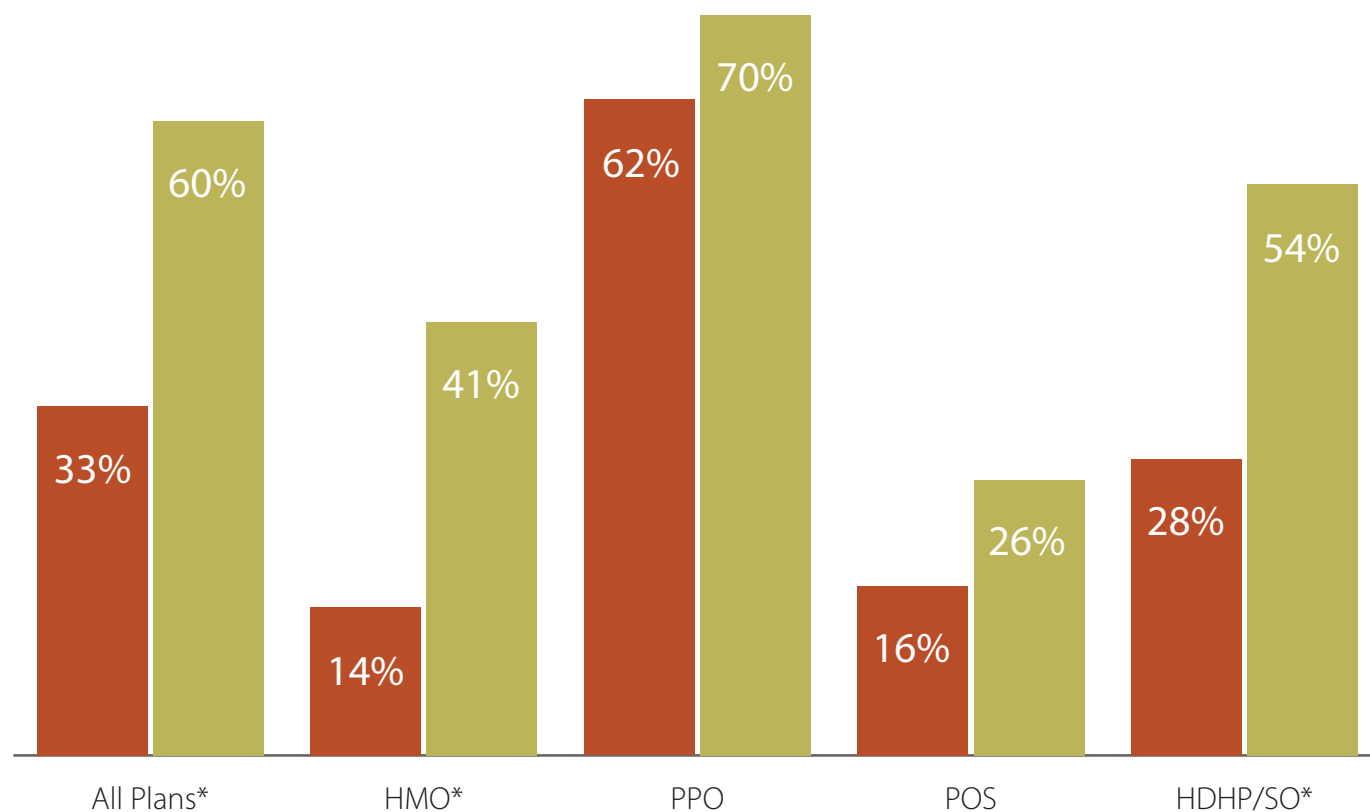
Notes: High-deductible plans have a deductible of at least \$1,000 for single coverage, and at least \$2,000 for family coverage. HRA stands for Health Reimbursement Arrangement.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Employees in Self-Insured Plans, by Plan Type, California vs. the United States, 2011

■ California

■ United States



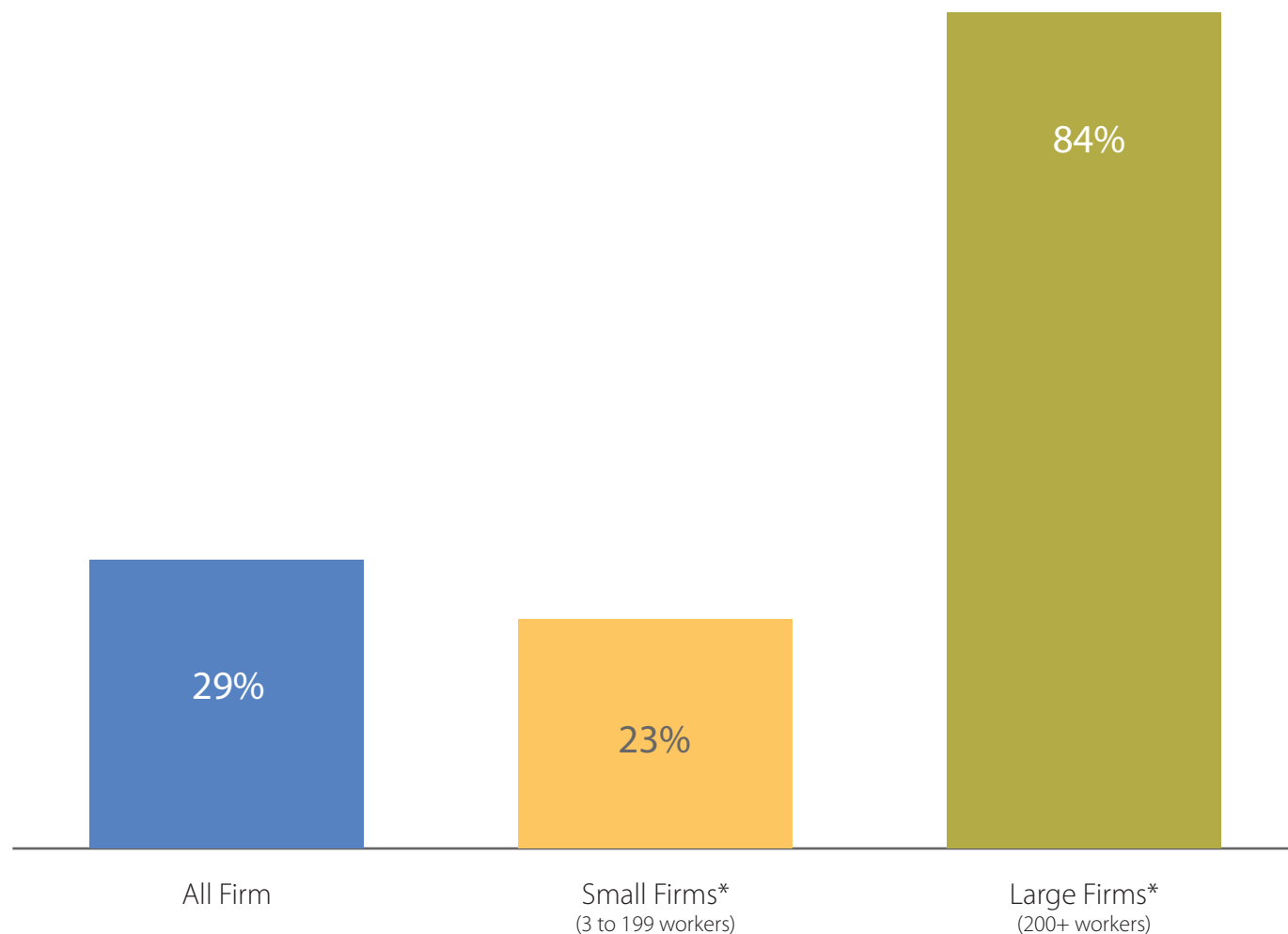
*Estimate is statistically different between California and the United States.

Note: Self-insured plans are those where an employer assumes some or most responsibility for paying health care claims rather than buying coverage from an insurer.

Sources: California HealthCare Foundation/NORC California Employer Health Benefits Survey; 2011 Kaiser/HRET Survey of Employer-Sponsored Health Benefits; 2011.

One-third of Californians were enrolled in a partly or completely self-insured plan in 2011, nearly half of the national average. The gap between the state and national figures is likely associated with California's high HMO enrollment, since HMOs are less likely than other plans to be self-insured.

Self-Insured Firms that Have Purchased Stop Loss Insurance, by Firm Size, California, 2011



Almost 30% of California employers with a self-insured plan purchased stop loss insurance in 2011 to protect them against large claims.

Large firms were significantly more likely than small firms to do so — 84% compared to 23%.

*Estimate is statistically different between Small Firms and Large Firms.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Likelihood of Firms Making Changes in the Next Year, by Type of Change, California, 2011

Very Somewhat Not Too Not at All Don't Know

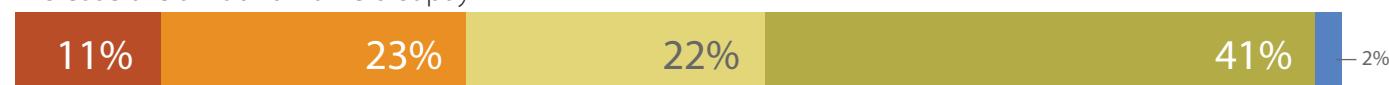
Increase the amount workers pay for premiums



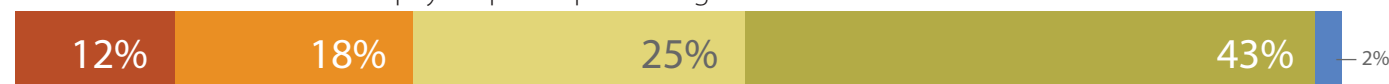
Increase the amount workers pay for deductibles



Increase the amount workers copay



Increase the amount workers pay for prescription drugs



Restrict employee eligibility for coverage



Drop coverage entirely



1%

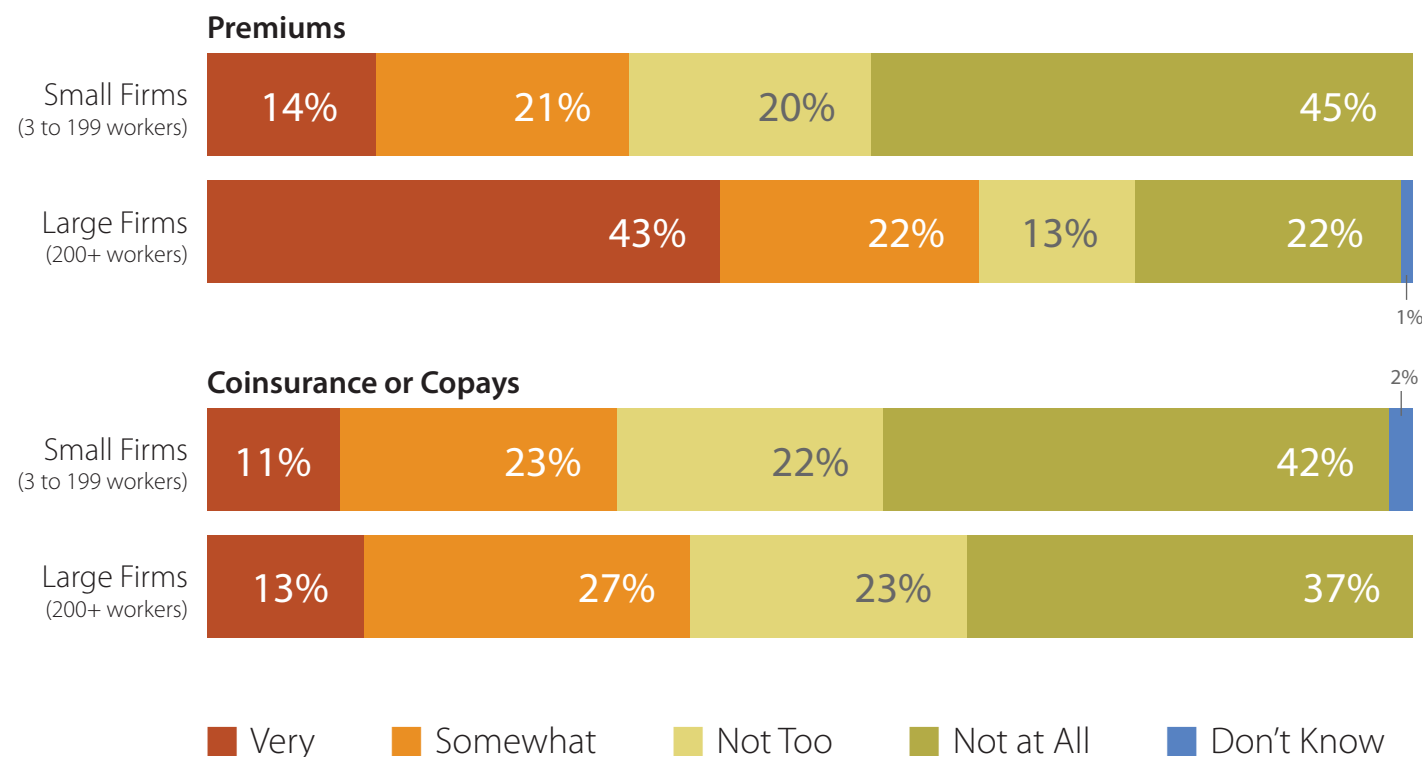
Note: Segments may not add to 100% due to rounding.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Fifteen percent of California firms said they are “very likely” to increase the amount employees pay for health insurance premiums in the coming year.

Likelihood of Firms Making Select Changes in the Next Year, by Firm Size, California, 2011

INCREASE THE AMOUNT EMPLOYEES PAY FOR...



Forty-three percent of large employers in California said they are “very likely” to increase the amount employees pay for health insurance premiums in the coming year, versus 14% of small firms.

Note: Segments may not add to 100% due to rounding.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Firms that Made Changes in the Past Year, by Firm Size and California Region, 2011

| | REDUCED SCOPE OF HEALTH BENEFITS OR INCREASED COST SHARING | INCREASED WORKERS' SHARE OF PREMIUM |
|---|---|---|
| FIRM SIZE | | |
| All Small Firms (3 to 199 workers) | 25%* | 21%* |
| All Large Firms (200+ workers) | 41%* | 50%* |
| • 200 to 999 workers | 40% | 43%* |
| • 1,000+ workers | 42%* | 61%* |
| REGION | | |
| Los Angeles | 26% | 18% |
| San Francisco | 25% | 7%* |
| Rest of State | 25% | 31% |
| All Firms | 25% | 22% |

Twenty-two percent of California firms increased workers' share of the premium in the past year, compared with just 12% in 2010 (not shown).

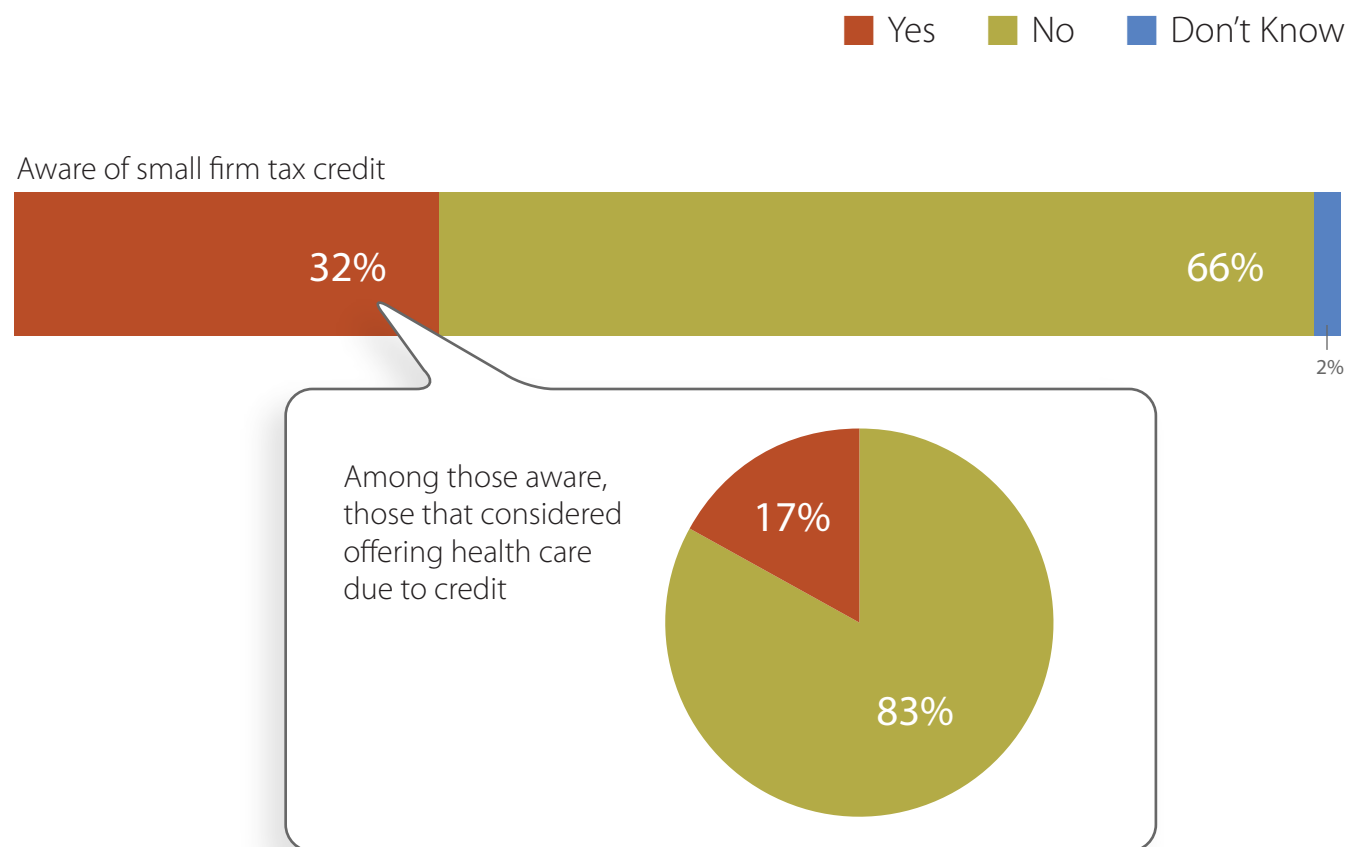
The San Francisco region had a significantly lower rate of firms that increased premiums than the rest of the state.

*Estimate is statistically different from all other firms or regions.

Note: Los Angeles and San Francisco are defined as the metropolitan statistical area (MSA).

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Awareness of Small Firm Tax Credit and Consideration of Offering Health Benefits as a Result, California, 2011



Just 32% of small California firms not currently offering health benefits were aware of the small firm tax credit that is part of the Affordable Care Act.

Of firms that were aware, 17% have considered offering health insurance due to the tax credit.

Notes: Figures apply to non-offering small firms only. The ACA provides a temporary tax credit for small firms (fewer than 25 FTEs) that offer health insurance and that have average annual wages of less than \$50,000.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

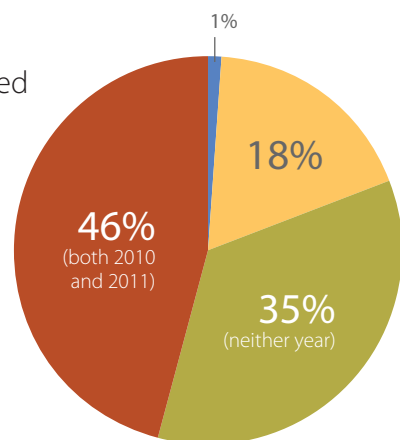
Small Firm Efforts to Determine Eligibility and Intention to Take Advantage of Tax Credit to Offset Premium Contributions, California, 2011

■ Yes ■ No ■ Not Sure Yet ■ Don't Know

Attempted to determine eligibility for small business tax credit



Among firms that attempted to determine eligibility, those that plan to take advantage of the tax credit



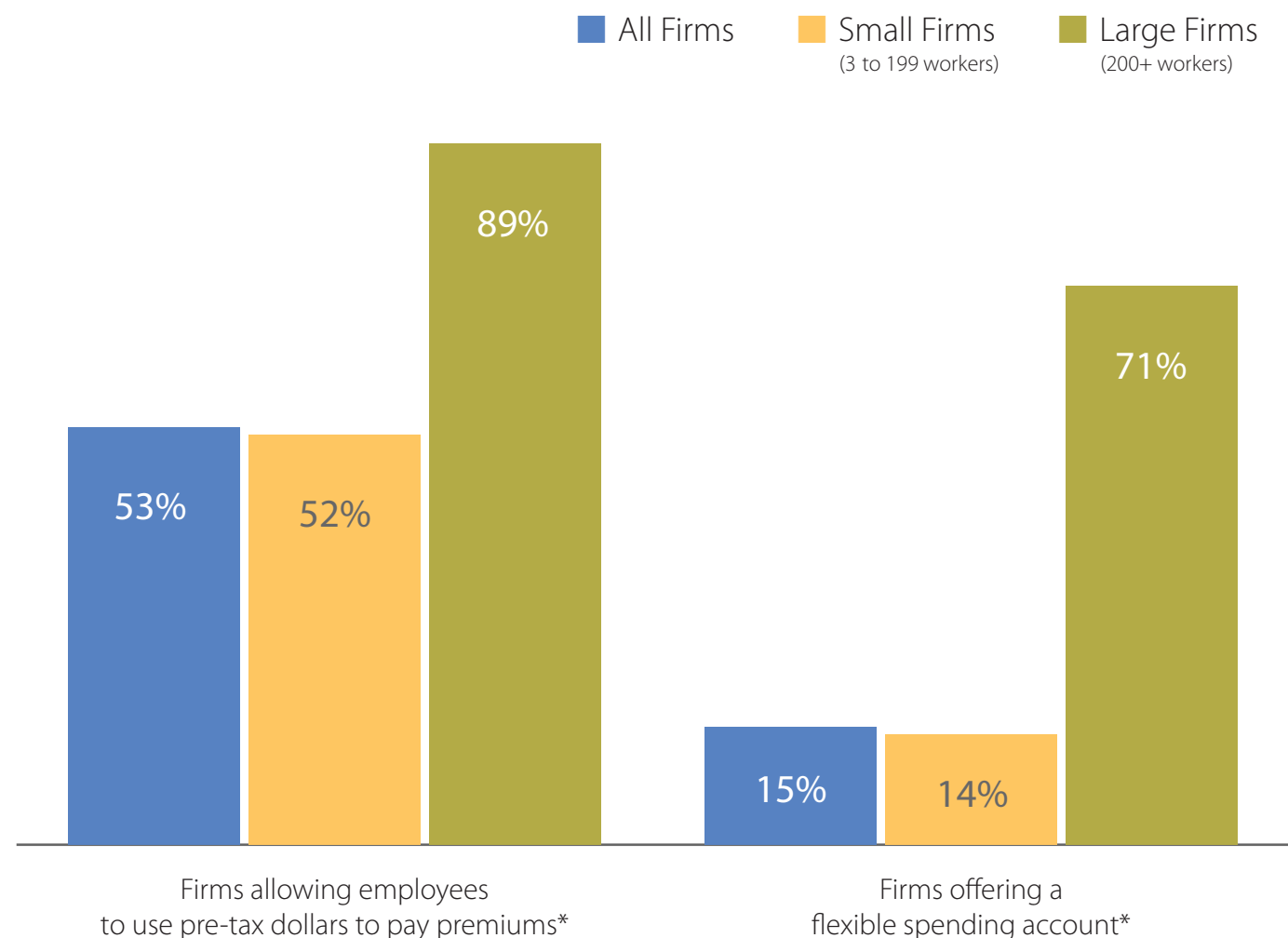
Twenty-one percent of California firms with fewer than 50 workers that offer health benefits attempted to determine whether their firm was eligible for the small business tax credit to offset firms' premium contributions.

Forty-six percent of those firms that attempted to determine eligibility are planning on taking advantage of the tax credit for 2010 and 2011.

Notes: This exhibit refers only to small firms offering health coverage. The ACA provides a temporary tax credit for small firms (fewer than 25 FTEs) that offer health insurance and that have average annual wages of less than \$50,000.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Firms Allowing Employees to Use Pre-Tax Dollars to Pay Premiums or Offering a Flexible Spending Account, by Firm Size, California, 2011



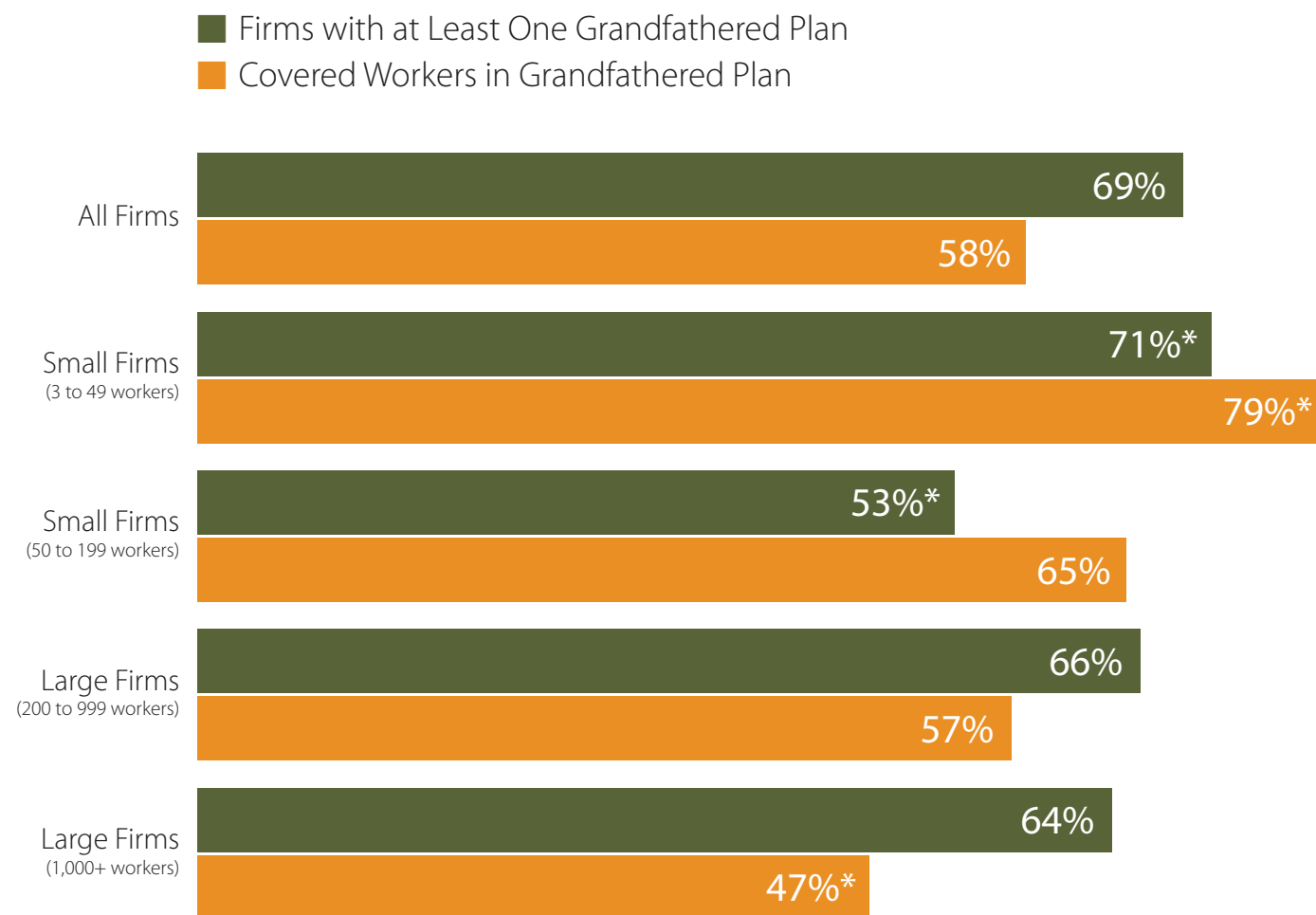
Slightly more than half of California firms allowed employees to use pre-tax dollars to pay for health insurance premiums.

Large firms were significantly more likely than small firms to allow the use of pre-tax dollars and to offer a flexible spending account.

*Estimates are significantly different between Small Firms and Large Firms.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Firms With at Least One Grandfathered Plan and Percentage of Covered Workers in Those Plans, by Firm Size, California, 2011



*Estimate is statistically different from all other firms.

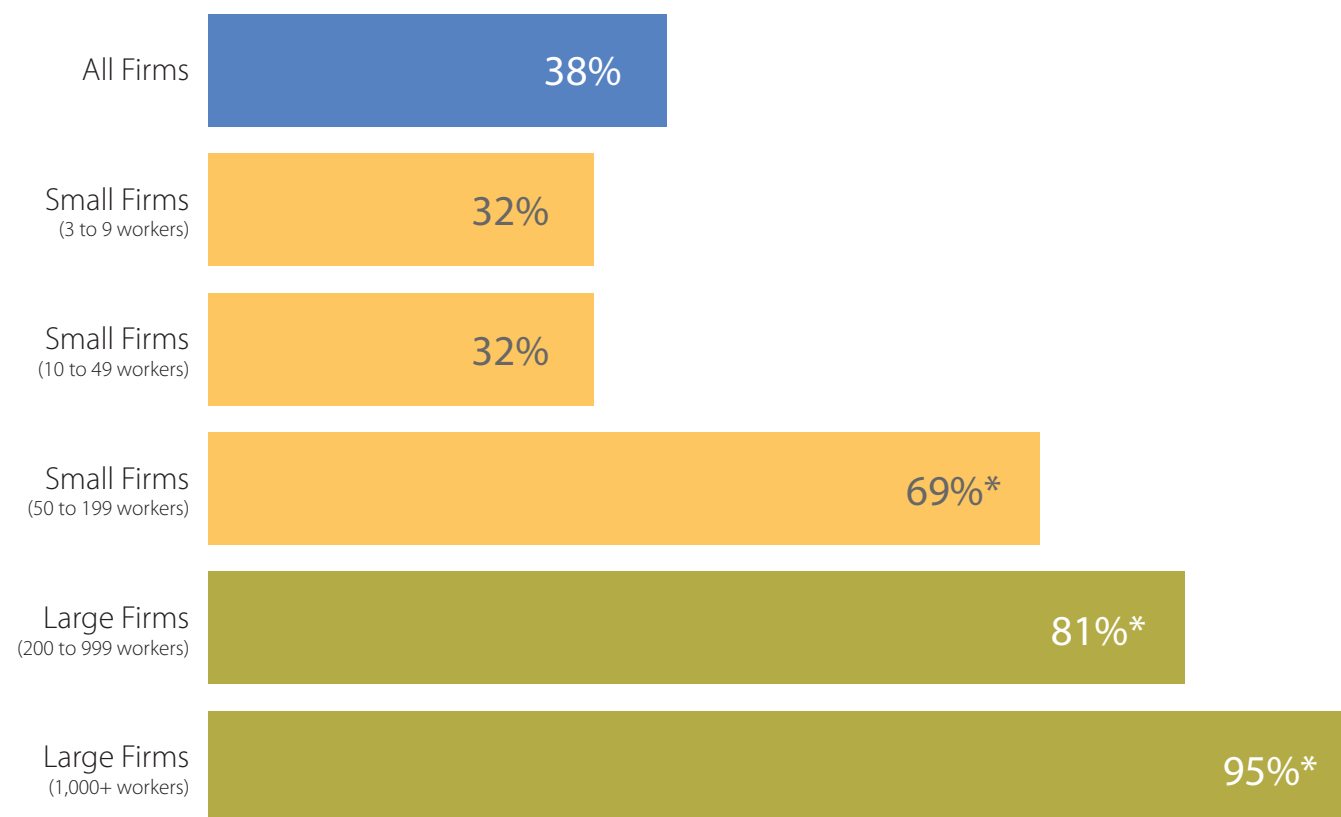
Note: A grandfathered health plan is one that was in effect on March 23, 2010 and to which the insurer or employer has not made significant changes since that time, such as benefit reductions or increases in cost sharing or employee premium contributions.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

More than two-thirds of California firms had at least one grandfathered health plan in 2011, with the smallest firms most likely to do so (71%).

Almost 60% of California workers covered by health insurance through their employers were in a grandfathered plan in 2011.

Firms that Enrolled Adult Dependents Up to Age 26, Who Would Not Previously Have Been Eligible, Through Their Parents' Policy, by Firm Size, California, 2011



*Estimate is statistically different from all other firms.

Source: California HealthCare Foundation/NORC California Employer Health Benefits Survey: 2011.

Thirty-eight percent of California employers offering health benefits enrolled adult dependents who would not previously have been eligible for coverage due to a provision of the Affordable Care Act.

The largest firms were significantly more likely to do so.

Employer Views of Effectiveness of Health Cost Control Measures, California, 2011

Very Somewhat Not Too Not at All Don't Know

Tighter managed care restrictions



Consumer-driven health plans



Higher employee cost sharing



Disease management program



Changes in care delivery and payment



California employers viewed disease management programs and changes in care delivery and payment as the most effective in controlling health costs.

Methodology

The *California Employer Health Benefits Survey* is a joint product of the California HealthCare Foundation (CHCF) and NORC at the University of Chicago (NORC). The survey was designed and analyzed by researchers at NORC, and administered by National Research LLC (NR). The findings are based on a random sample of 770 interviews with employee benefit managers in private firms in California. NR conducted interviews from July to October 2011. As with prior years, the sample of firms was drawn from the Dun & Bradstreet list of private employers with three or more workers. The margin of error for responses among all employers is $\pm 3.5\%$; for responses among employers with 3 to 199 workers it is $\pm 4.8\%$; among employers with 200 or more workers it is $\pm 5.3\%$. Some exhibits do not sum to 100% due to rounding effects.

The Kaiser Family Foundation sponsored this survey of California employers from 2000 to 2003. A similar employer survey was also conducted in 1999 in California, in conjunction with the Center for Health and Public Policy Studies at the University of California, Berkeley. The Health Research and Educational Trust (HRET) collaborated on these surveys from 1999 to 2004. The Center for Studying Health System Change collaborated on these surveys from 2005 to 2006.

This survey instrument is similar to a national employer survey conducted annually by the Kaiser Family Foundation and HRET. The US results in this study either are from the published reports or, in a few cases, from author calculations from the survey's public use files. A full analysis of the US dataset is available on the foundation's website at www.kff.org. Both the California and US surveys asked questions about: Health Maintenance Organizations (HMO), Preferred Provider Organizations (PPO), Point-of-Service (POS) plans, and High-Deductible Health Plan with a Savings Option (HDP). Conventional (fee-for-service) plans are generally excluded from the plan type analyses because they comprise such a small share of the California market.

Many variables with missing information were identified as needing complete information within the database. To control for item non-

response bias, missing values within these variables were imputed using a hot-deck approach. Calculation of the weights follows a common approach. First, the basic weight is determined, followed by a survey non-response adjustment. Next, the weights are trimmed in order to reduce the influence of weight outliers. Finally, a post-stratification adjustment is applied.

All statistical tests in this Almanac compare either changes over time, a plan-specific estimate with an overall estimate, or subcategories versus all other firms (e.g., firms with 3 to 9 workers vs. all other firms). Tests include t-tests and chi-square tests and significance was determined at $p < 0.05$ level. Due to the complex nature of the design, standard errors were calculated in SUDAAN.

An important note about the methodology: Rates of change for total premiums, for worker or employer contributions to premiums, and other variables calculated by comparing dollar values in this report to data reported in past CHCF or KFF publications should be used with caution, due to both the survey's sampling design and the way in which plan information is collected. Rates calculated in this fashion not only reflect a change in the dollar values but also a change in enrollment distribution, thus creating a variable enrollment estimate. However, rates of change in premiums are collected directly as a question in the California survey. This rate of change holds enrollment constant between the current year and the previous year, thus creating a fixed enrollment estimate. Because the survey does not collect information on the rate of change in other variables, additional rates are not reported. The national survey conducted by Kaiser/HRET, however, stopped directly collecting rates of change in premiums in its 2008 survey. Therefore, the rate of change in total premiums in the US provided in this report uses a variable enrollment estimate.

Please note that due to a change in the post-stratification methods applied in 2003, the survey data published in this Almanac may vary slightly from reports published prior to 2003.

FOR MORE INFORMATION



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FOUNDATION

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Bethesda, MD 20814
301.634.9300
www.norc.org



Assister Interest Form

If you or your organization is **not** interested in applying for an Outreach and Education Grant, but would like more information on how to serve as an Assister Enrollment Entity or non-funded general outreach network organization, please complete the following and submit to:

assisterinfo@ccgrantsandassisters.org

Please select the most applicable for your organization:

☐ My organization is interested in becoming an Assister Enrollment Entity. Please notify me when registration is available.

☐ My organization currently does not wish to be an Assister Enrollment Entity, but would like more information on helping spread the word about Covered California to my community.

Please complete the following information:

| | | | | | |
|---|--|-----------|--|------|--|
| Date: | | | | | |
| Organization Name: | | | | | |
| Contact Name: | | Position: | | | |
| Email: | | | | | |
| Phone Number: | | | | | |
| Street Address: | | City: | | Zip: | |
| Please list additional sites associated with this organization: | | | | | |

Please complete the organization information on the following page.

| Demographic Information | |
|---|--|
| List Counties this Organization is active in: | |
| List target markets for this organization: | |
| Number of households/family units reached per year: | |
| Number of Uninsured Served Annually: | |

Check ethnicity and assign an estimated percentage served for each category.

| Ethnicity: | X | Estimated Percentage Served | Ethnicity: | X | Estimated Percentage Served |
|-----------------|---|-----------------------------|---------------------|---|-----------------------------|
| African | | % | African American | | % |
| American Indian | | % | Armenian | | % |
| Cambodian | | % | Caucasian | | % |
| Chinese | | % | Filipino | | % |
| Hmong | | % | Japanese | | % |
| Korean | | % | Laotian | | % |
| Latino | | % | Middle Eastern | | % |
| Russian | | % | Ukrainian | | % |
| Vietnamese | | % | Other: | | % |
| Other: | | % | Other: | | % |
| Other: | | % | Total Percent: 100% | | |

Indicate the percentage of female and male served:

| | | | |
|---------|---|-------|---|
| Female: | % | Male: | % |
|---------|---|-------|---|

Please indicate population served for each Federal Poverty Limit (FPL) category:

| <u>Federal Poverty Limit (FPL)</u> | <u>Number</u> | <u>Percentage</u> |
|------------------------------------|---------------|-------------------|
| At or Below 138% of FPL: | | % |
| Above 138% and up to 200% of FPL: | | % |
| Above 200% and up to 400% of FPL: | | % |
| Above 400% of FPL: | | % |
| Totals: | | 100% |

Please indicate amount served for each age group:

| <u>Age Group</u> | <u>Number</u> | <u>Percentage</u> |
|---------------------------|---------------|-------------------|
| Under 18 years of age | | |
| 18-34 years of age | | |
| 35-64 years of age | | |
| 65 years of age and older | | |
| Total: | | 100% |

Staffing and Languages

| | |
|--|--|
| Number of staff to provide outreach and education and/or assistance: | |
|--|--|

Language spoken fluently by staff indicated above:

| Language | # of Staff | Language | # of Staff | Language | # of Staff |
|----------------------|-------------------|----------------------|-------------------|----------------------|-------------------|
| Arabic: | | Armenian: | | Cambodian: | |
| Cantonese: | | English: | | Farsi: | |
| Hmong: | | Korean: | | Mandarin: | |
| Russian: | | Spanish: | | Tagalog: | |
| Vietnamese: | | Other(): | | Other(): | |
| Other(): | | Other(): | | Other(): | |



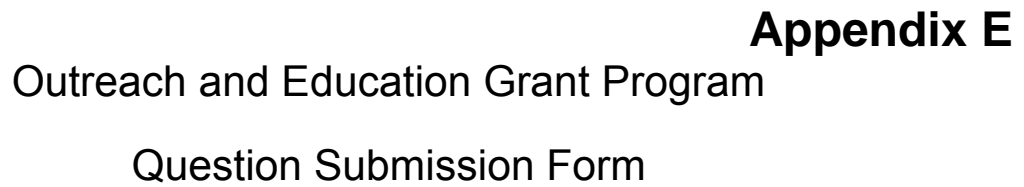
Please complete this form and return it with your Letter of Intent to Respond to:

Or email: grantinfo@ccgrantsandassisters.org

| BROCHURES | | | |
|-----------------|---|-----------------|---|
| <u>Language</u> | <u># of Packs</u> 1 Pack = 100 Brochures | <u>Language</u> | <u># of Packs</u> 1 Pack = 100 Brochures |
| English | | Spanish | |
| Arabic | | Armenian | |
| Chinese | | Farsi | |
| Hmong | | Khmer | |
| Korean | | Laotian | |
| Russian | | Tagalog | |
| Vietnamese | | | |


| POSTERS | | | |
|-----------------|---------------------|-----------------|---------------------|
| <u>Language</u> | <u># of Posters</u> | <u>Language</u> | <u># of Posters</u> |
| English | | Spanish | |
| Arabic | | Armenian | |
| Chinese | | Farsi | |
| Hmong | | Khmer | |
| Korean | | Laotian | |
| Russian | | Tagalog | |
| Vietnamese | | | |

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Please complete the following information:

Please provide a description of the subject or issue in question or discrepancy found and reference the specific section and page number:



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