CALIFORNIA HEALTH BENEFIT EXCHANGE BOARD
January 17, 2013
First 5 Los Angeles
750 N. Alameda Street
Los Angeles, CA 90012

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

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

Board members present during roll call:
Diana S. Dooley, chair
Susan Kennedy
Kimberly Belshé
Paul Fearer
Robert Ross, MD

Board members absent: None

Agenda Item II: Closed Session

A. Consideration of Contract-Related Matters per Government Code Section 100500(j)
B. Consideration of Personnel Issues per Government Code Sections 11126(a) and 100500(j)

Agenda Item III: Announcement of Closed Session Actions

Chairwoman Dooley reconvened the meeting in open session at 12:45 p.m. She introduced Senator Curren Price, author of SB 1088 which conformed California law to the Affordable Care Act provision extending dependent coverage up to age 26. Senator Price noted that many in his district and the region will be eligible for Covered California.

A conflict disclosure was performed prior to closed session; there were no conflicts from the board members that needed to be disclosed.

In the Executive Director's Report, Executive Director Peter Lee announced the Board considered a range of contractual and personnel matters but took no actions.

Public comments: None

Agenda Item IV: Approval of Prior Meeting Minutes

After asking if there were any changes to be made, Chairwoman Dooley asked for a motion to approve the minutes from the meeting held December 18, 2012.

Presentation: December 18, 2012, Minutes

Discussion: None

Public Comments: None

Motion/Action: Board Member Ross moved approval of the minutes. Board Member Fearer seconded the motion.

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

Agenda Item V: Executive Director's Report

Presentation: Executive Director's Report

A. Exchange Planning Calendar

Mr. Lee began the presentation by providing an overview of the size and diversity of the Los Angeles area, highlighting the region's broad-reaching health care system. This was followed by a month-by-month preview of Covered California's activities in 2013, including a goal to have 400,000 Californians pre-enrolled in Covered California by the end of December. Mr. Lee also pointed out the next Board meeting will be held February 26 rather than February 21, as originally planned.

Mr. Lee next announced the membership of four advisory groups that will serve to advise Covered California relative to Plan Management and Delivery System Reform, Marketing, Outreach and Enrollment Assistance, the Small Business Health Options Program, and Tribal consultation.

Mr. Lee also announced that the California Endowment has committed $225 million to support the implementation of health care reform in California. Mr. Lee noted Covered California's partnership with the Endowment is essential to the success of Covered California and its core values.

Mr. Lee's presentation next spotlighted the Choosing Wisely initiative of the American Board of Internal Medicine (ABIM) Foundation to help physicians and patients engage in conversations about the overuse of tests and procedures and support physician efforts to help patients make smart and effective care choices.

Mr. Lee also called out several documents in the Board materials, including a California HealthCare Foundation report showing that 22 percent of Californians under age 65, and 42 percent of employees of small businesses, are uninsured. The materials also included research on plan choice and architecture, as well as consumer marketing and outreach efforts in other states.

Several Covered California staff awards were announced. Chairwoman Dooley and Mr. Lee acknowledged the tremendous effort put forth by the entire staff.

Mr. Lee introduced John Hiber as the new Chief Financial Officer, and announced that Ken Wood has been retained as a consultant to serve as Senior Advisor for Products, Marketing and Health Plan Relationships. Mr. Lee also noted 11 new staff members have been hired, bringing Covered California's total staff 102.

B. Establishment Support and Blueprint Update

Presentation: Executive Director's Report, cont'd

Mr. Lee announced that Covered California was awarded a Level II Establishment Grant of $674 million, which will provide federal funding for start-up expenses before Covered California becomes self-sufficient in 2015.

Mr. Lee also announced that Covered California was conditionally certified by the federal government to operate as a state-based exchange beginning in 2014.

Discussion:

Following on Mr. Lee's announcement, Board Member Ross noted the California Endowment's commitment of a minimum of $225 million over the next three to four years will support health care reform and implementation of the Affordable Care Act. The funding will support Covered California outreach and enrollment, primary care provider workforce readiness, chronic disease prevention and cost control, and public and private efforts to enable undocumented Californians to receive quality health care.

C. CalHEERS Update

Presentation: Executive Director's Report, cont'd

Juli Baker, Chief Technology Officer, provided a CalHEERS project status update.

D. Federal Proposed Rules

Presentation: Executive Director's Report, cont'd

David Panush, Director of External Affairs, provided an overview of several federal rulemakings implementing the Affordable Care Act. Mr. Panush and Mr. Lee both expressed appreciation for Covered California's state partner entities, the Department of Managed Health Care and the California Department of Insurance, for their work toward submitting comments to the federal government.

Mr. Panush noted the Office of Personnel Management's (OPM) rulemaking implementing the Multi-state Plan Program raised some issues. The comments on the rules suggested the federal government phase in multi-state plans (MSPs) in California.

Mr. Lee noted he and Mr. Wood had a positive meeting with OPM officials that put a lot of concerns regarding MSPs to rest. Mr. Lee was assured if MSPs enter the California market, they will operate under California rules.

Motion/Action: Board Member Ross moved to adopt Resolution 2013-04 authorizing the Executive Director to submit comments on the Board's behalf in the event of a comment deadline for a new rulemaking falling between board meetings. Board Member Fearer seconded the motion.

E. Legislative Update

Presentation: Executive Director's Report, cont'd

David Panush, Director of External Affairs, noted the upcoming special session on health care reform will address many issues including the individual market rules and geographic rating regions.

F. Marketing and Branding Update

Presentation: Executive Director's Report, cont'd

Oscar Hidalgo, Director of Communications and Public Relations, announced Covered California's new website (www.CoveredCA.com) will be launched at the end of the month. The website will be in English and Spanish with fact sheets in the 13 Medi-Cal threshold languages.

G. Eligibility and Enrollment Policy Update

Presentation: Executive Director's Report, cont'd

Thien Lam, Director of Eligibility and Enrollment, noted staff will be providing recommendations on key policy issues at the February Board meeting and will seek stakeholder input on the recommendations.

Public comment:
A nurse representing herself (name unintelligible) said she was concerned that she didn't see any registered nurses (RNs) named as part of the advisory groups.

Mari Lopez, Policy Director, Visión y Compromiso, asked if the materials posted online could be posted earlier since they have to be translated. She observed the Outreach and Enrollment Assistance Advisory Group doesn't seem to include any grassroots organizations.

Doreena Wong, Project Director of the Health Access Project, Asian Pacific American Legal Center, suggested the website include all 13 Medi-Cal threshold languages since

many of the eligible uninsured will be accessing it. They would also like a more comprehensive marketing plan for the Asian Pacific Islander community.

Rowena Robles, Orange County Asian Pacific Islander Community Alliance, agreed with Ms. Wong's comments.

Ellen Israel, OneLA, thanked Covered California for meeting in Los Angeles and thanked the Board for previewing the website. They have submitted recommendations from both individuals and small businesses.

Skip Koenig, Co-chair, OneLA, stated that they have been meeting with small businesses through Los Angeles and want to see plans with multi-year contracts offered within the SHOP. Costs would be guaranteed for several years so businesses can budget for insurance costs.

Robert Williams, OneLA, noted that last September, the director of Los Angeles County Health Department and OneLA, agreed to work together on a mobile enrollment strategy, which creates the opportunity for thousands of people to sign up for Medi-Care, Medicaid, and other programs in churches and synagogues in the communities where they live. Teams of volunteers at churches and schools will be trained to do outreach and enrollment.

Bernice Onofre, retired registered nurse, expressed concern that Spanish speaking patients who don't know the culture of health care lack knowledge about their primary issues, illnesses, and treatment, as well as the ability to advocate for themselves. They often have their children act as interpreters.

Betsy Imholz, Director of Special Projects, Consumers Union, expressed support for Covered California evaluating how to work with Choosing Wisely.

On phone: Lisa Nelson, Senior Director of State Government Affairs, Leukemia and Lymphoma Society, voiced concern that in the draft benefit design, all of the metal tiers in the draft plans show patient responsibility for specialty drugs, with coinsurance ranging from 10 to 30 percent. In the case of oncology products, this means daunting costs for patients.

Chairwoman Dooley noted this is on the Board's agenda and has received many letters on the subject.

Carlos Lopez, Director of Government Relations, Center for Employment Training and La Cooperativa, expressed concern for eligibility and enrollment of Hispanic seasonal and migrant farm-working population consisting of tens of thousands of workers. It will be important to look at policies and marketing campaigns and how they reach out to the Latino community, examining the issue of how they might qualify and reaching into that low-income community.

Sonia Vasquez, Community Health Councils, said the new website looks comprehensive and expressed hope that there would be a stakeholder webinar where people could give more detailed input. She thanked the Board for revising the website to make it easier to find information.

Anita Hong-Ha Le, Program Director, PALS for Health, noted the Affordable Care Act adopts Title 6 of the Civil Rights Act, which guarantees interpretation or oral language assistance for health care services. Thus, Covered California needs to provide interpretation services to all limited English proficiency consumers above and beyond the 13 Medi-Cal threshold languages.

Sara Pol-Lim, Executive Director, United Cambodian Community of Long Beach, expressed hope that Covered California has not decided to just put English and Spanish on the web portal, noting the language barriers in the Asian Pacific Islander community.

Luis Pardo, Executive Director, Worksite Wellness L.A., expressed support for the advisory boards and participants. He noted garment, industrial, and factory workers need assistance to get and stay enrolled. He also strongly encouraged Covered California provide weekend and evening hours to serve this population.

Karen Blakeney-Granado, Executive Director, Chinatown Service Center, emphasized Covered California should consider working with the Health Justice Network. They have over 42 years working with Chinese and Chinese-Vietnamese communities in Los Angeles and were founded to assist with Medi-Cal and Medi-Care applications. They are familiar with what it takes to do interpretation and translation.

Eileen Ma, API Equality-LA, noted they represent Asian Pacific Islander as well as LGBT community members. They are part of the Health Justice Network. She echoed concerns about culturally and linguistically appropriate access. She also reiterated that the LGBT community is a hard to reach community and must be targeted as such.

Raymond Chavaria, Social Project Director, United Cambodian Community, and Chair, Building Healthy Community of Long Beach, addressed the application payment fee for assisters. Covered California should adequately compensate everyone who is doing those enrollments so they don't make mistakes. He asked for reconsideration of the amount paid assisters per completed enrollment.

Tamika Butler, California Director, Young Invincibles, explained many young people do want health insurance and can't afford it and don't know what's out there. Young people require tools like smartphone applications particularly in communities of color where smartphones are a primary means of Internet access.

Reshma Shamasunder, Executive Director, California Immigrant Policy Center, seconded the comments about culturally and linguistically appropriate outreach and care. Half of all children in Los Angeles have a non-citizen parent and there is a lot of fear about

deportation. It is critical that outreach and enrollment address mixed immigration status families.

Hyepin Im, President, Korean Churches for Community Development, said Covered California should not just reach out through ethnic media, but also reach out to the faith community.

Kristine Toppe, Director of State Affairs, National Committee for Quality Assurance (NCQA), mentioned an issue brief by the California Health Care Foundation revealed that data on cost and quality can be presented in a meaningful way to consumers. It's important to change the understanding about the connection between cost and quality and that they are not tied together.

Vanessa Aramayo, Director, California Partnership, echoed comments about how helpful it would be to get materials posted online earlier. That would help them to bring out people who would be interested in providing testimony and comments.

Justin Rausa, Health Program Manager, Greenlining Institute, noted appreciation that Covered California's website will be in Spanish but stated that it should be in other Medi-Cal threshold languages as well. Their research also has shown that young communities of color depend on smartphones for internet access. Covered California should have a good mobile version of the website.

Kerry Wright, President and broker, Wright-Way Financial Insurance Services, would like the Board to keep in mind education requirements that agents and brokers working in Medicare advantage currently must recertify every year. This involves a class and substantial test.

An individual represented by an interpreter from the South Asian Network and the Health Justice Network noted that in the Asian community, and especially among senior citizens, there is difficulty in communicating their health problems to health care professionals. They need resources such as a grant to assist the senior citizens in communicating their health problems and get these issues resolved more effectively.

Maria Felix Ryan, Promotoras Y Promotores Foundation said working with Visión y Compromiso and other health agencies, they hope to receive funds to continue educating and enrolling Latino populations, immigrants, agricultural workers, and small businesses.

Jonathan Tran, California Policy and Program Manager, Southeast Asia Resource Action Center and Health Justice Network, said Covered California should consider the role of community based organizations as frontline users of the CalHEERS system. It will be important for them to be able to adapt to the new system.

Maria Olidin, promotora, works in the community giving information to parents. She asked if there was something concrete to help her community understand the reforms and changes.

Beth Capell, Health Access California, noted they are happy to hear about Covered California's progress with the Office of Personnel Management on multi-state plans. They strongly support 3 to 1 age rating. Young people take up coverage as much as older people when it is offered and affordable. Senator Price's bill providing coverage for people up to age 26 and the take-up rates of people in their 20s in employment-based coverage are evidence of that.

Chairwoman Dooley noted Covered California is moving as fast as possible. A lot of material is posted in a timely way but the board meetings are monthly and Board members often get materials the night before. The ambitious timeline requires this. If everything was provided weeks in advance, Covered California would be unable to meet deadlines.

Board Member Ross asked staff to look into the feasibility of having the website translated into all 13 Medi-Cal threshold languages. Mr. Lee said he would report back on that.

Vote: Roll was called on the pending motion to adopt Resolution 2013-04 authorizing the Executive Director to submit comments on the Board's behalf in the event of a comment deadline for a new rulemaking falling between board meetings. The motion was approved by unanimous vote.

Agenda Item VI: Qualified Health Plan Contracting

Presentation: Partner Plan Model Contract—Key Provisions

Andrea Rosen, Interim Health Plan Management Director, provided an overview of QHP model contract provisions. Consumer engagement is a high priority, and a fair number of requirements ask plans to be very clear and consumer friendly in their explanations and disclosures. Safety net providers and plans will be invited to a "mixer" for networking purposes.

Ken Wood, Senior Advisor for Products, Marketing and Health Plan Relationships, noted concerns were raised by plans about patient prescribed high-cost drugs. One way of addressing that would be to move prescription drugs into the out-of-pocket maximum, particularly in the bronze and silver plans.

Discussion:

Board Member Fearer noted that historically, most plans have been weak in instructing new enrollees on how to access services. Plans don't want a large percentage of new enrollees accessing care because it is expensive and can overwhelm networks. Mr. Fearer noted the importance of letting people know how to make their first doctor appointment or get their medication. Covered California will need to push hard and work in partnership with plans.

Mr. Lee stated that staff agrees with this assessment, noting that coverage for chronic conditions other significant health needs are included as terms in the model QHP contract. Staff is actively soliciting suggestions and is evaluating best practices from large employers and others.

Board Member Belshé discussed the notion of requiring plans to demonstrate that a certain percent of new enrollees get preventative care in the first 120 days and asked how Covered California can incentivize plans to do so.

Mr. Lee noted the goal of avoiding overuse of medical services, but added that for many that have not had coverage, actually having a doctor visit will help support retention. Getting coverage with Covered California will be a landing point for those who have not been in the system.

Board Member Belshé asked about the standards to which plans will be held accountable and if there will be time for the Board to hear more about how Covered California wants to monitor not as a regulator, but as a purchaser. She is particularly interested in provider network adequacy, and asked how Covered California can exercise its role in ensuring provider network adequacy to ensure there are no unreasonable patient delays and to monitor plan compliance.

Ms. Rosen explained that part of the idea of emphasizing preventative services is having new enrollees given the option get a health assessment. There are three approaches to monitoring provider networks: the more traditional complaint-based approach (not ideal), regular reporting, and spot-checking of networks. There will be reporting, spot checking/auditing, and built-in feedback to Covered California from regulators.

Mr. Lee said there will be more information on these options. This is part of Covered California's obligation.

Discussion: Affordability/Continuity of Care Options

David Panush, Director of External Affairs, provided a presentation accompanying a board recommendation brief and related Resolution 2013-05. Staff recommends that: 1) Covered California contract with Medi-Cal managed care "bridge" plans to allow enrollees whose incomes rise to qualify them to purchase commercial coverage through Covered California while remaining in their existing Medi-Cal Managed Care Plan; 2) Covered California seek federal approval and investigate state legislation to allow other low income consumers between 138 and 200 percent of Federal Poverty Level (FPL) to participate in the bridge plans; and 3) QHP certification be streamlined for these plans.

Presentation: Bridge Plan—A Strategy to Promote Safety Net Continuity and Affordability

Mr. Lee noted the resolution would be amended to clarify the intent is to authorize staff work on the plan to identify elements of state law that would have to be changed to implement the plan as well as to explore federal feasibility and administrative issues – and not to authorize execution of the plan.

Board Member Fearer asked if legislative approval was actually required. He also was unclear on what the Board was deciding and whether staff is seeking definitive authorization to execute these options. While supportive of the intent, Mr. Fearer expressed concern about potential adverse consequences due to the complexity of the proposal.

Mr. Lee clarified that the intent is to authorize staff to explore the feasibility of the bridge plan options. Staff needs to come back with a report on administrative issues.

Board Member Belshé noted concerns about affordability and continuity of care, and how affordability is defined.

Board Member Kennedy said she would like to know more about the plans' concerns and the impact on them.

Chairwoman Dooley commented that she has long been interested in the Basic Health Plan under the federal Affordable Care Act, both from an affordability perspective as well as for the engagement of Medi-Cal plans and providers with Covered California. It became clear this past fall that the federal government was not going to develop regulations for the Basic Health Program in time for open enrollment 2013. Now that the federal government has issued guidance on Medi-Cal bridge plans, there is a way to provide continuity and affordability to participants in Medi-Cal whose incomes rise enough to qualify them for commercial Covered California plans, as well as those who have never been Medi-Cal eligible but whose incomes are below 200 percent FPL.

She noted that the Governor proposed in his budget, and she is interested in, Covered California's commitment to working on a bridge program and partnering with Medi-Cal. The administration's position is now clarified in terms of meeting this need for continuity of care and affordability.

Chairwoman Dooley noted she does not normally make motions and entertained a motion that would direct the staff to pursue all three parts of its recommendation.

Board Member Ross said he appreciates the Governor's forward thinking on the Affordable Care Act implementation and Medi-Cal expansion. If the suggestion is a revised motion to get this work going to produce a report to the Board, he'd like to do that.

Board Member Belshé expressed concern regarding implementation of the bridge plans and their implications, and expressed the desire for more information before proceeding.

Chairwoman Dooley said Covered California staff has to work with the federal government to determine if a bridge program is a feasible option, and report back to the Board in February.

Board Member Belshé stated she is very uncomfortable with a definition of affordability in the plan as zero. There are a lot of unanswered questions and complexities, adding she is eager to learn more but what has been presented does not provide enough information.

Board Member Fearer said it's clear staff wants authority to advocate the bridge plan concept with the federal government in order to get leeway to explore the concept, but that the Board has not settled the various pros and cons of the concept.

Chairwoman Dooley asked Mr. Fearer if that was a motion.

Motion/Action: Mr. Fearer replied affirmatively. There was no second to the motion.

Public Comment:

Jeff Shelton, Vice President of Government Relations, Regulatory Affairs, and Compliance, Health Net, noted Health Net has hundreds of comments on the draft QHP contract and does not understand many provisions. They have some substantial disagreements with some, and some confusion about others.

Cherie Fields, Director of Government Relations for L.A. Care Health Plan, voiced support for the bridge plan noting that they are exploring options one and two. She also stated that the bridge plan will help reduce churning, as well as address the concerns of those who previously expressed opposition of the Basic Health Program because it took enrollees out of the Exchange.

Shelly Shlenker, Vice President of Public Policy, Advocacy and Government Relations, Dignity Health, noted the bridge plan concept appears to be based on an assumption that Medi-Cal plans had the same networks at the same rates. Ms. Shlenker stated that Dignity Health can't take on another underfunded population.

John Ramey, Executive Director, Local Health Plans of California, supports the bridge plan concept but hopes for one-way traffic only.

Byron Gross, National Health Law Program, noted that since the Basic Health Plan isn't going anywhere, they support affordability options. They have concerns about the cost-sharing amounts people will still have to bear.

Elizabeth Landsberg, Director of Legislative Advocacy, Western Center on Law and Poverty, urged the Board to let the staff explore the bridge concept in its entirety. They support a Basic Health Program and don't want their support for the bridges to undermine that.

Anne McLeod, Senior Vice President of Health Policy, California Hospital Association, acknowledged the need for a bridge plan to cover those churning between Medi-Cal and Covered California. Network adequacy must be guaranteed for this population, or Covered California will fall short of its goals.

Fe Seligman, Operation Samahan Community Health Center, asked the Board to keep in mind community health centers, particularly the section 330s and the look-alikes. The look-alikes are often overlooked. There is good research on the day-to-day issues confronting their populations.

Brett Johnson, Associate Director of Medical and Regulatory Policy, California Medical Association (CMA), voiced concern about a conflict in the model contract. He noted it could cause some doctors to opt not to contract with Covered California products. Term 87, "grace period," states the state Insurance and Health and Safety Code grace periods will apply. However Term 84, "consequences of non-payment of premium," states that the federal 90-day period would apply. This would put patients and providers at risk for paying 60 days' worth of claims. CMA would like the state period to apply.

Bill Wherle, Vice President of Health Insurance Exchanges, Kaiser Permanente, noted that a lot is up to the federal government relative to the bridge plan rather than being California's decision because of the details about how the subsidy calculations work.

Kathy Ochoa, SEIU United Healthcare Workers West, noted that the Board has at hand a value question, a problem, and an opportunity to create affordability for working families. She is confident that industry partners can solve providing affordable care through Covered California for low-income Californians. Covered California has the opportunity to exercise authority and lead the country.

Albert Carlson, SEIUs 221, 1021, 721, and 521, believes Covered California must provide affordable health care to everybody who is eligible. It is important that public plans, hospitals and community clinics be able to provide that care, and this goes a long way toward doing that. If there are populations between 139 and 200 percent FPL that remain without coverage, they will become part of the residually uninsured population, will require more subsidies and will go to the public hospitals and community clinics.

John Connolly, Associate Director, Insure the Uninsured Project, said it is reasonable to have concerns about sustainability of the bridge plan and the effect it will have on Covered California overall, but the potential opportunities in terms of affordability, continuity and consumer choice warrant moving forward to explore it.

Francene Mori, California Exchange Director, Anthem Blue Cross, said that Covered California is addressing a legitimate public policy issue with the bridge plan concept and ABC is very interested in contributing. She expressed concern, however, regarding the timing given all of the other Covered California tasks before 2014. ABC also concerned how the bridge plan would impact the ongoing RFP process, specifically relating to risk assumptions.

Cary Sanders, Director of Policy Analysis, California Pan-Ethnic Health Network (CPEHN), supports the bridge plan concept but prefers the Basic Health Plan. They understand the pros of a streamlined qualified health plan certification process, but it will be important not to lose invaluable health disparity data.

Sarah Muller, Director of Government Affairs and Communications, California Association of Public Hospitals and Health Systems, encouraged the Board to continue exploration of the bridge plan concept. Recommendations around essential community providers should be strengthened; given the network and the targeted population, there should be stronger requirements than currently exist.

Katie Murphy, Managing Attorney, Neighborhood Legal Services of Los Angeles County and the Health Consumer Alliance, echoed the comments on affordability and the Basic Health Plan. With the county Medi-Cal realignment proposal on the table there are a lot of unknowns about how that system will work.

Betsy Cardenas, Public Affairs Manager, Planned Parenthood Los Angeles, stated that she understands the need to streamline action on the bridge plan concept, but noted that Medi-Cal managed care plans are required to fulfill the essential community provider network requirements to ensure safety net providers participate.

Ruth Liu, Blue Shield, voiced support a bridge plan to serve those in Medi-Cal whose incomes exceed eligibility. This has been approved by the federal government but allowing it for those not in Medi-Cal with low incomes does not seem to be allowed.

Mark Masaoka, Asian Pacific Policy and Planning Council, recognized the benefits of the integration of primary and behavioral care in the Affordable Care Act. With the advantaging of large-scale comprehensive providers, they are concerned that Asian Pacific Islanders will be unable to access specialty services, including substance abuse, gambling, and mental health in specific age categories.

Athena Chapman, Director of Regulatory Affairs, California Association of Health Plans, voiced support for the efforts to develop a solution for those who will churn on and off of Medi-Cal. She noted that there is value in a bridge plan, and its membership supports a plan serving those in Medi-Cal whose incomes exceed eligibility.

Christina Lay, Research Associate, National Asian Pacific American Families Against Substance Abuse (NAPAFASA) and the Health Justice Network, noted that NAPAFASA, the United States Substance Abuse and Mental Health Services Administration, and the California Department of Alcohol and Drug Programs, as well as other stakeholders, recommend the inclusion of pathological gambling services in Covered California.

Jongran Kim, Community Health Education Organizer, Korean Resource Center and the Health Justice Network, shared how problematic insurance can be for their community

members. In Korea town, Korean-speaking agents offer their clients only one HMO plan choice.

Misha Kim, Jongran Kim's client, testified that she came to the United States in 2000. She raised a son with a disability. It surprised her that it was so difficult to get health insurance and visit doctors due to high costs. Many immigrants who have been here for 10 or 20 years receive basic health services at health fairs because they don't have insurance.

Mayon Yen, APAET Health Center and the Health Justice Network, emphasized the need to prioritize mixed-status households. Covered California will need to remain flexible in terms of how to reach the most marginalized and hard-to-reach eligible populations. About 70 percent of their population is uninsured because of undocumented status, but many of these patients have relatives who would be eligible.

Lynn Christy, Maternal and Family Health Access, drew attention to an unspecified affordability study showing that families under 250 percent of the federal poverty level have no disposable income at all. They do a lot of work with continuity of care and it's not working with Medi-Cal managed care plans.

Mari Lopez, Policy Director, Visión y Compromiso, agreed with the comments made by CPEHN, MLS, and the Western Center on Law and Poverty, among others. Promotoras would fall into the same category as those seasonal farm workers and would fall into this bridge program as well.

On phone: Meaghan McCamman, Associate Director of Policy, noted that the Affordable Care Act requires a QHP to pay a Federally-Qualified Health Center (FQHC) at least the Medicaid Prospective Payment System (PPS) rate if the QHP does note have a contract with FQHC. Covered California should stipulate that QHPs must follow federal rules and that they have an obligation to pay PPS rates for out-of-network services.

On phone: Kate Birch, California LGBT Health and Human Services Network, noted in the model QHP contract, definition of "family member" only include spouse and dependent children. Excluding domestic partners is very problematic. California prohibits plans from treating registered domestic partners and spouses differently. Plans must issue benefits to spouses and domestic partners in an identical manner.

On phone: Edie Ernst, Private Essential Access Community Hospitals, voiced support for exploration of the bridge plan concept and for the goal of ensuring affordability and continuity of care while promoting a strong safety net. She shares Dignity Health's and the California Hospital Association's concerns about the effects on providers, especially essential community providers. She urged Covered California to establish guidelines that to ensure that bridge plan providers are paid enough to cover reasonable costs of service.

Beth Capell, Health Access California, supports the bridge plan concept. She noted many enrollees will not have been previously uninsured, and they want to work with Covered

California on acknowledging that in the contract requirements. They have serious questions about the impact of the fees on non-qualified health plan products in the outside market and concerns about adverse selection.

Discussion:

Board Member Belshé said she needs more detail on what would be brought to the federal government as a proposal. She would like to know how that approach would work where there are multiple Medi-Cal managed care plans within a county and how it would affect the subsidy's value.

Board Member Kennedy said staff would simply be asking the federal government what the parameters would be. She doesn't think staff needs permission to go ask the federal government what is possible. She noted the Governor's budget endorses the concept and wondered what more the staff needs, asking if that doesn't carry more authority than the Board's endorsement.

Chairwoman Dooley felt it wasn't necessary to take action for staff to do their work and come back with a proposal. The options have been discussed and commented on by the Board and public.

Board Member Fearer withdrew the motion.

Mr. Lee apologized to those who came for the discussions of Agenda Items VII and VIII which were tabled to the February 26 meeting. He expressed appreciation to the staff for their work and noted a webinar on the Service Center would be held the following week.

Chairwoman Dooley thanked Board Member Belshé and First 5 LA for hosting the meeting site.

Agenda Item IX: Adjournment

The meeting was adjourned at 4:47 p.m.