

CALIFORNIA HEALTH BENEFIT EXCHANGE BOARD
February 26, 2013
East End Complex Auditorium
1500 Capitol Ave.
Sacramento, CA 95814

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

Board Member Kennedy called the meeting to order at 10:01 a.m. She called roll and announced a quorum was present.

Board members present during roll call:

Susan Kennedy
Kimberly Belshé
Robert Ross, MD

Board members en route during roll call:

Diana S. Dooley, chair

Board members absent:

Paul Fearer

Agenda Item II: Closed Session

Closed session was held until 1:10 p.m. at which time Chairwoman Dooley reconvened the meeting in open session.

Chairwoman Dooley requested that Board Members disclose conflicts of interest that would prevent them from considering any agenda items. None were disclosed.

Agenda Item III: Approval of Board 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 January 17, 2013.

Presentation: January 17, 2013 Board Meeting minutes

Discussion:

Mr. Lee noted two revisions to the minutes. First, he clarified that there will be four advisory groups, not five. Second, he clarified that on p. 11, 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.

Public Comment:

Doreena Wong, Asian Pacific American Legal Center, requested her comments in the minutes of the January 17, 2013 meeting reflect that in addition to Covered California's website being displayed in the 11 threshold Medi-Cal languages, the Web portal with its online application in CalHEERS also be in those languages to ensure cultural and linguistic access. Ms. Wong expressed appreciation for Board Member Ross's suggestion that staff explore the feasibility of the additional Medi-Cal languages on the web portal.

Chairwoman Dooley noted the minutes would be revised to reflect Ms. Wong's request.

Motion/Action: Chairwoman Dooley called for a motion to adopt the minutes as amended. Board Member Ross moved to approve the January 17, 2013, minutes as amended. Board Member Belshé seconded the motion.

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

Agenda Item IV: Executive Director's Report

Presentation: [Executive Director's Report](#)

A. Announcement of Closed Session Actions

Mr. Lee noted the Board engaged in extended discussions on personnel and contracting matters in closed session, most of which will be disclosed in future announcements.

He added the Board resolved to update its procurement policies, which formerly required Board approval for all contracts exceeding \$150,000. Under the resolution adopted in closed session, that amount has been increased to \$1 million if the contract is competitively bid.

Mr. Lee reviewed a number of reports provided to the Board and available on the Covered California website and recommended them to the public.

Relative to the first report, Mr. Lee recognized that Chairwoman Dooley helped lead the state obtaining \$2.7 million from the Center for Medicare and Medicaid Services to develop a planning grant for a state innovation program. Mr. Lee noted Covered

California is a partner in that effort, which is well aligned with Covered California's efforts.

Mr. Lee also referenced the Choosing Wisely initiative, adding it would be brought before future Board meetings. The initiative is a joint endeavor involving medical specialty societies and Consumers Union to avoid wasteful and potentially harmful medical procedures.

Mr. Lee noted that Covered California staff recently met with colleagues from other states that are developing state-based exchanges. These states have developed an excellent partnership, and will meet on a regular basis and share strategies.

Covered California staff is proposing, and will take public comment on, the idea that all Board meetings be held in Sacramento. However, by limiting Board meetings to Sacramento, a number of town hall meetings would be held throughout the state and would include both Board members and senior staff. These town hall meetings would allow opportunity to publically discuss the progress of Covered California without the logistics associated with holding a Board meeting. Mr. Lee shared a tentative town hall schedule that will be announced through the Covered California listserv when finalized.

Board Member Belshé underscored that a benefit of the town hall approach, aside from the important benefit of helping staff manage resources, is that it gives the Board an undivided opportunity to listen to and engage with community stakeholders.

Chairwoman Dooley was struck by the number of people who have learned to navigate the web process of participating in Board meetings, and added the town hall meetings should be a helpful way to engage citizen participation.

Mr. Lee introduced new hires, noting as of February 28 Covered California has 138 staff.

Larry Bye of NORC presented the results of a qualitative study of the small business market done by NORC. Interviews and focus groups were held in Sacramento, San Diego, and San Francisco. They found that many smaller businesses viewed providing health care as a goal and the vast majority of respondents expressed a desire to explore and use Covered California to shop for insurance. Respondents were split about their likelihood of purchasing insurance through Covered California, with cost being the major consideration. Though insurance agents were not viewed particularly favorably by respondents, some expressed a desire to work with an agent; many said they would shop on their own.

B. CalHEERS Update

Presentation: [Executive Director's Report](#), cont'd

Jim Brown, CalHEERS Project Manager, and Keith Ketcher, Accenture Project Manager, jointly presented a CalHEERS update noting some adjustments to the project's aggressive timeline. Mr. Brown noted there would not be sufficient time for testing supplemental plans and to align functionality of Medi-Cal and Bridge Plans with the Department of Health Care Services Medi-Cal Eligibility Data System.

Mr. Lee noted that CalHEERS is a joint project of Covered California and DHCS. They meet regularly, and periodically the CalHEERS team brings up issues for potential adjustment; some of these affect DHCS more, and some more strongly affect Covered California.

Mr. Lee noted the adjustments will affect supplemental vision and dental plans that have expressed an interest participating in Covered California; notice has been provided to those plans expressing interest in bidding.

Mr. Brown noted that workload adjustments are necessary because the project timeline cannot be altered to move critical milestone dates, adding that all functionality will still be developed and delivered.

Board Member Ross voiced hope that the workgroup isn't recreating work that has already been done by UX 2014, who has done a lot of research on user experience. In the past, Accenture has relied upon using some of the UX 2014 experience. He asked for confirmation that this work is in addition to the UX 2014 efforts, and is not a duplicated effort.

Mr. Brown clarified UX 2014 has been utilized in the CalHEERS design.

Board Member Ross asked what is of most concern relative to the CalHEERS schedule.

Mr. Brown noted concern over the aggressive schedule, and noted they have carefully crafted contingency plans accordingly. The second biggest concern is the number of decisions left to be made. They are working to finalize design decisions but worry about all the outstanding decisions that could affect their ability to meet deadlines. They are doing their best to work with all the different decision-making groups, but there are some things outside of that, like legislation and federal guidance. As regulations come in, they try and ascertain whether change to CalHEERS is necessary or if the system can be adjusted later.

Board Member Belshé thanked Mr. Brown and Mr. Ketcher for their leadership and presentation. She echoed Board Member Ross's comments about the UX 2014 being used as the foundation for user experience, because many state partners collaborated to do a lot of good work on UX 2014. Board Member Belshé praised the important work that has been done on this critical, public-facing element.

Mr. Lee also thanked them, adding his appreciation of the Board's attention to the details.

B. Federal Proposed Rules

Presentation: [Executive Director's Report](#), cont'd

Katie Ravel, Director of Program Policy, presented the status of various federal rulemaking proceedings affecting Covered California and its state partners. Ms. Ravel noted the final version of the rulemaking concerning the health insurance premium tax credit using an affordability test based on employee coverage only (and not the cost of a family plan). Accordingly, she noted this affordability test will have to be incorporated into the eligibility and enrollment process and the CalHEERS design. Comments were submitted to the federal government in collaboration with DHCS. Comments are due in March on the IRS rules.

D. Employee and Volunteer Background Checks

Presentation: [Executive Director's Report](#), cont'd

Mr. Lee informed the Board that the proceeding agenda item relates to the thorough vetting that will be done on all Service Center staff hires, as well as assisters, adding the Department of Insurance provided helpful and thoughtful input.

Katie Ravel, Director of Program Policy, continued with an overview of employee and assister background checks required for compliance with federal requirements, and designed to protect consumers from unauthorized and illegal access to sensitive personal identifying, health, and financial information. Staff proposed a fingerprint-based background check to which all Service Center, IT, Eligibility and Enrollment staff and assisters would be subject to prior to hiring and subject to periodic rescreenings. Legislative authority and regulations will be needed to implement this program. Technical assistance will be provided to the Legislature to draft statute and the proposed regulations for adoption at the March Board meeting.

Mr. Lee mentioned that the cost for fingerprinting would be approximately \$65 per person. Staff has proposed that enrollment entities cover this cost for their assisters.

Board Member Belshé asked for clarification on whether the federal government gives Covered California flexibility on how to comply with this requirement. She also underscored that this is not a new policy objective on the state's part, and asked how Healthy Families manages the issue.

Thien Lam, Director of Eligibility and Enrollment, responded that the answer to the first question is that the federal government has been fairly explicit. Covered California must exercise diligence to protect information and must do formal background checks. There is not much flexibility, She clarified the Managed Risk Medical Insurance Board does not require any background checks or fingerprinting. However, Covered California applicants will be required to provide Social Security numbers and some Covered California staff will have access to individual federal tax information, unlike MRMIB.

Board Member Ross questioned whether the cost of fingerprinting is justified, adding it could hinder grassroots organizations doing outreach work in Salinas, Fresno, or South Los Angeles, for example, where people have misdemeanors on their records but are trying to make a comeback.

Mr. Lee highlighted the importance of communicating to the entire state and those using assisters that Covered California staff and assisters are people they can rely on with sensitive personal information, which can be subject to fraud. The cost is substantial, but he reminded the Board that Covered California is not charging for training. Organizations would receive an income stream from their assisters, and this would be the one direct financial barrier.

Mr. Lee noted public comment is requested and the issue will be brought back at the March Board meeting as an action item.

E. Legislative Update

Presentation: [Executive Director's Report](#), cont'd

David Panush, Director of External Affairs, presented a legislative update covering measures introduced in the First Extraordinary Session including two Medi-Cal expansion bills and two individual market reform bills. Mr. Panush noted that one bill relates to the Bridge Plan QHP, which would be discussed later in the agenda.

F. Outreach & Education Grants and Partnership Program Updates

Presentation: [Executive Director's Report](#), cont'd

Sarah Soto-Taylor, Deputy Director of Stakeholder Engagement, provided an overview and update on the Outreach & Education Grants and Partnership Program. She noted its objective and goal is to educate eligible Californians and collect leads for assisters and the Service Center. Covered California is looking for cost-effective programs to promote and maximize enrollment, which can disseminate clear, accurate, and consistent messages to the target audience. Ms. Soto-Taylor noted the Outreach and Education

Grant RFP was released on January 25, 2013 with proposals due March 4, 2013. Covered California hopes award 100 to 150 grants ranging from \$250,000 to \$1 million.

Mr. Lee noted staff examined a proposal to revise the program to treat as assisters those who had retail clinics. Staff withdrew the idea after consideration and it will not be brought forward for action.

Mr. Lee noted that if an organization does not receive a grant it does not mean those are groups Covered California isn't interested in working with actively.

Board Member Kennedy asked if the Board would hear further discussion of partnership with retailers.

Mr. Lee replied no, adding that staff didn't see the need to revisit the Board's former recommendation. A partnership with providers including pharmacies had been under consideration.

Board Member Kennedy inquired if there could be future discussion about ways to partner with retailers.

Mr. Lee replied affirmatively. The community-based-organization grants program will anchor that, but outreach will be broader including technology companies and retail sites.

Mr. Lee noted that staff had a good discussion with eight foundations, mostly regional, who were interested in partnering with the Covered California and may want to be involved in a second cycle.

Public comment:

Micah Weinberg, Senior Policy Advisor, Bay Area Council, noted difficulty reconciling NORC's evidence with the quantitative evidence he has seen on these topics. Although there are exceptions, most research shows that most businesses want to, and do work with, agents.

Byron Gross, Counsel, National Health Law Program, noted that they have been working with other advocates to comment on CalHEERS details and that they appreciate having the opportunity to do that. Mr. Gross expressed concern about the deferment of some of the elements listed, especially online appeals and authorized representatives.

Carla Saporta, Health Policy Director, the Greenlining Institute, voiced support for the town hall suggestion, but asked that Covered California ensure that the times and locations are best for the community and that they provide translation services. She also expressed support for consumer protections and disqualifying dishonest individuals, but

asserted that the proposed requirements will not meet those goals or the goal of having a diverse staff.

Autumn Ogden, policy coordinator, California Coverage & Health Initiatives, recognized the need to ensure integrity and public safety, but stated that does not require fingerprinting of assisters. Ms. Ogden commented that fingerprinting assisters is expensive, and is an additional barrier and slows down the process. She recommended Covered California assume the cost of the first-year background checks if they are required, and then evaluate their effectiveness after first year.

Hellan Roth Dowden, SEIU Local 1000, noted they have engaged in discussions with staff about background checks and suggested that there are already a number of areas where these are required per the Government Code. Looking at current policies and replicating what is already required would cause the least disruption.

Fatima Morales, Policy Analyst, Community Health Councils, the LA Access to Coverage Coalition and the Covering Kids and Families Coalition, echoed California Coverage & Health Initiative's and the Greenlining Institute's concerns about fingerprinting assisters. They have worked with certified application assisters (CAAs), who are not currently required to do this. Thus, this is a new process that many organizations would have to implement and it could pose a barrier to those who might otherwise want to be assisters.

Nicette Short, Policy Analyst of Government Affairs, California Dental Association, addressed the decision to delay the adult supplemental benefit offering. Ms. Short recommended that the Board and staff talk to stakeholders about some of the decisions that still need to be made and implementation, noting that the decision's impact to consumers and consumer behavior. Stakeholders should be brought in to provide input.

Steve Young, General Counsel, Independent Insurance Agents & Brokers of California, expressed support for the background check recommendation, commenting that the requirements discussed are already applicable to all agents and brokers. Mr. Young suggested that Covered California consider another requirement as well: an affirmative duty is placed on every agent and broker to immediately notify the Department of Insurance if there are changes in background information.

Lynne Kersey, Executive Director, Maternal and Child Health Access, stated she has seen nothing that justifies the need for fingerprinting assisters, and asserted that Covered California can obtain any federal-, state-, or county-level information through the background checks.

Niag Voo, Hmong Health Collaborative, noted that for organizations that have operating budgets of less than \$100,000, the cost of fingerprinting could be prohibitive. Some organizations don't even have unrestricted funding, only grants. For many critical

organizations serving refugees and immigrants, this might delay or prohibit their participation.

Doreena Wong, Asian Pacific American Legal Center, supported the prior comments expressing concern about fingerprinting and the cost of liability insurance. Many of their Health Justice Network partners, who are smaller agencies, would find this a burden.

Cary Sanders, Director of Policy Analysis, California Pan-Ethnic Health Network, supported the town hall process. It will help to open access to groups who want to participate. Ms. Sanders congratulated Covered California on the launch of the website and the availability of materials in the Medi-Cal threshold languages. She also echoed the comments of others relative to fingerprinting costs.

Cathy Senderling-McDonald, Deputy Executive Director, County Welfare Directors Association of California, requested a link on the Covered California website to their online portal so applications can be submitted now to Medi-Cal, CalFresh, and CalWorks. Ms. Senderling-McDonald expressed that there is a critical need for the CalHEERS-SAWS interface to be up by October 1 and asked that Covered California not delay it.

Melinda Bitney, Liberty Dental Plan, noted their intent to apply as a standalone bidder. Because of the pediatric dental component being submitted by March 31, if the other components were submitted after the first, she inquired if there would be a penalty.

Julianne Broyles, California Association of Health Underwriters, noted that as Mr. Young pointed out, there are requirements for licensed insurance sales people to have background checks and ethical training. It is an all hands on deck issue and there is the need to enroll people, but in order to deter those with bad intentions, Ms. Broyles suggested that Covered California set some standards for those they have helping consumers. She stated that when money is involved there are incentives for bad behavior.

John Glynn, California Education Coalition for Health Care Reform, noted that as a statewide labor and management organization representing community colleges and school districts, they are committed to ensuring all of the school families, students, and staff and faculty are covered. They are in a position to deploy a pre-fingerprinted, multicultural workforce to make sure every school employee and student is enrolled. Also, he noted that a surprising number of districts will be eligible to participate in SHOP.

Janice Rocco, Deputy Commissioner of Health Policy and Reform, California Department of Insurance, expressed support for the staff recommendations about fingerprinting and background checks given the type of personal, financial, and medical information staff and assisters will have access. Based upon Commissioner Jones's

experience in the oversight role, they note that oversight and monitoring to be done after initial certification will also be critical.

Elizabeth Landsberg, Director of Legislative Advocacy, Western Center on Law and Poverty, noted it is important to protect private information, but they are concerned about the fingerprinting. She highlighted the importance of the interface between CalHEERS and MEDS and ensuring it's live before January 1.

Nahla Kayali, Founder and Executive Director, Access California Services, stated support for background checks, but stated that fingerprints will be difficult for assisters. Ms. Kayali stated that they try to employ refugees in Los Angeles County and many refugees who work for them have skin diseases and aren't passing the checks because of this.

Mari Lopez, Policy Director, Visión y Compromiso, stated fingerprinting sends a message to communities of color who will be concerned about such processes, stating it sends a message to immigrant communities. They hope the Board will consider that. With regard to town hall meetings, they support Ms. Saporta's comments about holding these in the evening and providing translation.

Betsy Imholz, Director of Special Projects, Consumers Union, offered assistance in usability testing and noted the new website looks great. She seconded Ms. Senderling-McDonald's comments about putting a Medi-Cal link up on the site.

Chad Silva, Policy Director, Latino Coalition for a Healthy California, hoped there is benefit in fingerprinting in terms of the cost-benefit analysis. It would be burdensome for many engaging in the process. There is no clear indication that would-be assisters should be called out as a population needing this level of background check. They understand the need to protect consumers, but suggested Covered California use less burdensome background checks.

Beth Capell, Health Access California, appreciated the report on NORC's research. They suggest having a monthly report on ongoing research would benefit those who are trying to help reach out and educate. She echoed others on the importance of having Medi-Cal plan selection live as early as possible, preferably in October.

Agenda Item V: Service Center Status Update

Presentation: [Service Center \(Updated\)](#)

Juli Baker, Chief Technology Officer, updated the Board on stakeholder input from the January 31st webinar, which nearly 300 people participated in. Participants strongly

focused on ensuring protocols developed include the same performance standards for all callers.

Discussion:

Board Member Belshé acknowledged that Covered California staff has done much work and made progress on the Service Center. She asked about the contingency protocols that will enable them to know if the warm handoff for Medi-Cal eligibles is working well.

Ms. Baker responded that is part of this protocol. If one county isn't meeting the standards, they will have backup plans for what will happen, whether it should kick over to another consortium, or if the assessment should be done by the Service Center.

Board Member Belshé reiterated that the hope is that this would only happen in a small number of cases, but some backup is necessary.

Board Member Ross thanked Ms. Baker and commended the staff on its work. He noted movement in a positive direction on defining the terms and beginning to put standards around these expectations. He said he would like hear more relative to county readiness, staffing capacity and training.

Mr. Lee noted staff has shared Service Center protocols with the Center for Consumer Information and Insurance Oversight and is engaged in active and ongoing discussions with CCIIO. One topic of continued discussion is the need for protocols to assure each applicant is handled uniformly and that applicants don't end up being ping ponged.

Public comment:

Beth Abbott, Director of Administrative Advocacy, Health Access, stated Health Access will submit comments on the Service Center protocols, definitions and questions for expansion and discuss them with Ms. Baker.

Betsy Imholz, Director of Special Projects, Consumers Union, noted it appears Covered California will enter interagency agreements before readiness assessments are performed and service level standards are set. She also questioned the employment of memoranda of understanding versus contracts with state partner entities.

Cary Sanders, Director of Policy Analysis, California Pan-Ethnic Health Network, appreciated the staff's acknowledgement of the needs of limited English proficient callers and the clarification that standards will apply to everyone, including hearing-impaired and LEP callers. She suggested input from consumer stakeholders, particularly for the discussion of protocols like the warm handoff for Medi-Cal eligibles.

John Connolly, Associate Director, Insure the Uninsured Project, expressed support for the development of call handling standards for the Service Center. He added a unique ID

for calls will be essential to include in the interagency agreements. He suggested an update about Service Center performance reviews and contingency plans at the next meeting.

Kathleen Hamilton, Director of Sacramento Governmental Affairs, the Children's Partnership, questioned the timeline for the development of Service Center policies, asking how a memorandum of understanding can be in place before a readiness consultation with the involved state entity. As a contingency plan, it is important for the Service Center to retain callers who are not given a warm handoff and be prepared, from a staffing perspective, to complete the application.

Tia Orr, Service Employees International Union, thanked the Board and staff for a well-thought-out process for the Service Center, adding eligibility workers and state employees are eager to start. The defined roles and responsibilities will help them prepare and train. SEIU would like to reiterate that it is committed to providing a first-class customer service experience.

Kathy Senderling-McDonald, Deputy Executive Director, County Welfare Directors Association of California, noted that counties are working on implementation of the Service Center structure being presented.

Agenda Item VI: Qualified Health Plan Contracting

A. Qualified Health Plan Selection Process and Contracting

B. Final Standard Benefit Plan Designs

Andrea Rosen, Interim Health Plan Management Director and Ken Wood, Senior Advisor for Products, Marketing and Health Plan Relationships, provided an update on the Qualified Health Plan selection and contracting process. Ms. Rosen noted staff received many comments on the model contract and are reviewing them. Many of the 33 plans that expressed interest in participating in the Covered California marketplace are bidding, including some new market entrants.

Presentation: [Qualified Health Plan Contracting](#)

Discussion:

Mr. Lee commented that Covered California's recently issued standard benefit design is the product of months of hard work and collaboration among staff and stakeholders. He added the goal is to place patients at the center of care and have benefit designs that encourage people to get the right care at the right time and are transparent. California is leading the nation in this area. Mr. Lee noted that the benefit designs have gone out to the plans and they are aware they are bidding based on them.

Board Member Belshé commented relative to standard benefit designs, Covered California needs to clear how they relate to federal and state law requirements and the value added by Covered California requiring them for QHPs.

C. Bridge Program

Board Recommendation Brief: [Bridge Plan: A Strategy to Promote Continuity of Care & Affordability through Contracts with Medi-Cal Managed Care Plans](#)

David Panush, Director of External Affairs, presented staff's recommendations following January's preliminary proposals on the Bridge Plan. In developing the recommendations, he noted staff consulted with federal partners, state partners, managed health care plan partners and other stakeholders.

Mr. Panush noted the Bridge Plan target launch date would be April 2014 in order to give Medi-Cal managed care plans time to development their applications as QHPs and prepare more robust bids. The additional time will also be needed to incorporate Bridge Plans into CalHEERS.

Discussion:

Mr. Lee noted that the Eligibility and Enrollment discussion is being postponed, but there will be a webinar on this topic in early March. A first draft of Eligibility and Enrollment policy options will be presented at the March Board meeting and brought back at the April meeting for action on the staff recommendations.

Motion/Action: Board Member Ross moved to adopt the staff recommendation for the Bridge Program in the Board Recommendation Brief. (Resolution 2013-05). Board Member Kennedy seconded the motion. (Board Member Ross subsequently left the meeting at 4:04 p.m.)

Board Member Belshé commented the Bridge Plan is important work toward addressing affordability. She expressed support for the narrow bridge option and the fact that it is consistent with federal guidance, which allows Covered California to move forward. She also expressed support for the contribution it makes to safety net providers, who are critical players. Board Member Belshé inquired about the next steps relating to the broad bridge option relative to its implications.

Mr. Panush explained that, at a conceptual level, they acknowledge there is an underlying equity issue with the narrow bridge since people at the same income level who were never in a Medi-Cal managed care plan would be excluded in the narrow bridge option. The policy issue is whether or not to allow those with the same income as those participating in the narrow bridge (those who transitioning from Medi-Cal to a commercial Covered California plan) to have the benefit of participating in the broad

option. He added there is a strong policy case for a broad Bridge Plan. Covered California should continue discussions with federal partners, because the collective ability to implement the Affordable Care Act will depend strongly on enrollment of the very low income population. There may be options that would allow Covered California to maximize enrollment, and that is in everyone's interest.

Board Member Belshé commented the Board would benefit from a broader discussion of the Bridge Plan concept not only for equity issue – which is a real one – but also the implications for Covered California.

Mr. Lee explained the staff recommendation is not to move quickly ahead with action on the broad bridge option because there is a chance that federal approval would not be forthcoming; more research is needed. There is a lot to do to get just the narrow bridge up. Staff would ask for Board approval before proceeding on the broad bridge and is asking for approval to begin implementing of the narrow bridge.

Board Member Belshé commented that is the right approach and recommended the Board support it.

Chairwoman Dooley noted that the administration is in support of the broad bridge and is advocating with the federal government in support of extending the bridge up to 200 percent of the federal poverty level.

Mr. Lee noted that the Bridge Plan is another area in which California is a “pace car.” It is laying out a detailed plan providing continuity of care and affordability for people transitioning out of Medi-Cal. Covered California has a workable plan that can be accomplished soon and has a very good partnership with the administration.

Public Comments:

Beth Capell, Health Access California, supported the staff recommendation to proceed with the narrow bridge and noted her organization would support the concept of a broader bridge once implications have been thought through. This is an important option for the low-income population.

Lynne Kersey, Executive Director, Maternal and Child Health Access, expressed concern about the implications for pregnant women. Ms. Kersey is concerned about co-pays for pregnant women and low-income people. She noted the scope of benefits is different than Medi-Cal; there are no breastfeeding, comprehensive perinatal services program (CPSP), or dental benefits. She thanked staff for the Bridge Plan and wants to work with staff on details for pregnant women under 200 percent of the federal poverty level.

Micah Weinberg, Senior Policy Advisor, Bay Area Council, noted his organization has submitted principles to guide the creation of a Bridge Plan. The Council is glad to see a phased-in approach starting with the narrow Bridge Plan. Because of the resetting of the

subsidies for those eligible for a Bridge Plan, a commercial reimbursement plan would be unaffordable. This will funnel people into Medicaid managed care over time, and there will be a large number of people affected.

Brett Johnson, Associate Director, California Medical Association, asked about situations under the narrow bridge where one member of the family was Medi-Cal eligible and the rest were not. CMA is concerned about administrative difficulty.

Autumn Ogden, Policy Coordinator, California Coverage & Health Initiatives, spoke to the value of bridge options and their potential for making care more affordable to lower-income Californians, reducing churn, strengthening the safety net, providing continuity of care, and allowing families to use the same providers and plans. She expressed support for the narrow bridge recommendation and further research into the broad bridge.

Justin Garrett, March of Dimes, echoed Ms. Kersey's comments about co-pays for prenatal care and the scope of benefits for pregnant women. They do support the concept of the Bridge Plan.

Shannon Smith-Crowley, the American Congress of OB-GYNs, stated that Mr. Garrett said everything she was going to say.

Francene Mori, California Exchange Director, Anthem Blue Cross, is concerned that the Bridge Plan will take away from the core goal of Covered California, asserting that many outstanding technical issues need to be resolved. She further stated that having the bridge ready for the 2014 calendar year would be challenging.

Ruth Liu, Blue Shield of California, understands the need for a narrow bridge as a way to promote affordability and continuity of care for individuals transitioning out of Medi-Cal. She emphasized that this should be a transitional program, not a long-term option. Ms. Liu stated that it's important that Covered California quickly endeavor to extend the same level of protection and quality assurance to Bridge Plan enrollees as they do commercial plan enrollees.

Bill Wherle, Vice President of Health Insurance Exchanges, Kaiser Permanente, reminded the Board if the broad bridge option does not seem feasible for 2014, they have selective contracting authority. Kaiser supports the proposal adopted so far.

Edie Ernst, Private Essential Access Community Hospitals, voiced support for the narrow bridge with the goal of greater affordability and access while supporting the safety net. There is concern regarding affordability of premiums and adequate provider networks. Establishing rates above Medi-Cal rates would be a great step, but since Medicare DRG rates are far below what care costs, they are concerned that safety net providers won't be

able to take on more patients at a loss. Ms. Ernst recommended that Covered California establish guidelines to be sure provider payments cover reasonable costs.

Jeff Shelton, Vice President of Government Relations, Regulatory Affairs, and Compliance, Health Net, expressed support for the Bridge Plan recommendation.

John Ramey, Executive Director, Local Health Plans of California, noted that all of the plans in their organization are Medi-Cal managed care plans. Mr. Ramey expressed gratitude to the staff Mr. Panush, Senator Hernandez, and the Governor for their commitment to affordability. They want affordable health care to be as widely available as possible.

Sara Nichols, Government Relations Advocate, SEIU California, supports a bridge strong enough and broad enough to provide a real solution for working families. She thanked the staff for their work to preserve affordability and continuity for the safety net.

Athena Chapman, Director of Regulatory Affairs, California Association of Health Plans supports the narrow bridge option. She noted that many details must be clarified. Plans have a lot of expertise and would like to offer their assistance to Covered California.

Sarah Muller, Director of Public Affairs and Government Communications, California Association of Public Hospitals and Health Systems, supports the Bridge Plan proposal as it presents an opportunity to target the population most at risk of not enrolling in coverage. Though there are significant subsidies aimed at them, this very low income population does not have much room in the family budget for a premium.

Elizabeth Landsberg, Director of Legislative Advocacy, Western Center on Law and Poverty, expressed strong support for the Bridge Program. She further commented that although she would love to see a “super bridge,” it is good to move forward on a narrow bridge.

Meaghan McCamman, Senior Program Coordinator, California Primary Care Association, thanked Mr. Panush and staff for their work on the narrow bridge proposal, and thanked them for removing the waiver of essential community provider requirements.

Byron Gross, Counsel, National Health Law Program, urged the Board to adopt the narrow bridge. He shared the concerns voiced about the impact on pregnant women in terms of cost and services available and looks forward to helping find solutions. In terms of applying income or duration limits, they want to be sure there is public vetting of that.

John Connolly, Associate Director, Insure the Uninsured Project, stated that standardized benefits is a great development as it gives consumers better apples-to-apples comparison.

It will also allow for innovation on quality and cost. He also supported the staff recommendation for the bridge.

Betsy Imholz, Director of Special Projects, Consumers Union, voiced strong support for the bridge recommendation and thanked the staff and Board for plan benefit standardization, a landmark move that will benefit consumers.

On phone: Cheryl Jantzen, Patient Services Manager, Leukemia and Lymphoma Society, pointed out that the finalized standard benefit design included patient responsibility for “specialty drugs” in the form of co-insurance percentages ranging from 10–40 percent. Many cancer patients will be unable to afford their medications.

Mr. Lee noted the last several pages of the Board Recommendation Brief notes DHCS will need to change its Medi-Cal contracts and the Department of Managed Health Care (DMHC) will be a critical partner in terms of evaluating network adequacy and capacity. Covered California has had and continued to have great relationships with these agencies, and they will be integral to making a Bridge Plan work.

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

Agenda Item VIII: Adjournment

The meeting was adjourned at 4:25 p.m.