



Comments to the Board

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CALIFORNIA LEGISLATIVE BLACK CAUCUS

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79th Assembly District

March 27, 2014

Mr. Peter V. Lee
Executive Director
Covered California
560 J Street, Suite 290
Sacramento, CA 95814

Dear Mr. Lee:

We, the undersigned, respectfully request that Covered California extend the March 31, 2014, enrollment deadline to April 15, 2014, in order to provide Californians with additional time to obtain health insurance.

As you may be aware, an article in this morning's Los Angeles Times titled – "California struggling to enroll African Americans in Obamacare" – revealed that African Americans, who comprise approximately 7 percent of California's population and 17 percent of the State's uninsured, make up fewer than 3 percent of Covered California's enrollees. This small number is extremely disappointing and we believe that it indicates a larger problem with Covered California's African American outreach strategy.

Covered California provided grants for statewide African American outreach to only two organizations – the California Black Health Network and the California NAACP. While we applaud your department's efforts to work with these two groups, we believe that the lack of additional support and inadequate funding hampered Covered California's overall efforts to reach the State's African American community. In addition to only having two groups for statewide outreach, Covered California only provided approximately \$1.6 million to these groups and prohibited them from using grant funds for paid and earned media. We believe that this minimal funding and media restrictions handicapped outreach to African Americans and limited their receipt of information and opportunities to obtain affordable health insurance at local outreach events.

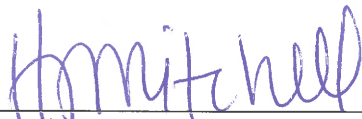
In addition to the inadequate strategy and funding for African American outreach, their poor enrollment numbers are also a result of the numerous and documented internal problems that have plagued Covered California for months. These problems, including the long wait-times for individuals who

call the customer service line, the ongoing website problems and the February outage that left people unable to enroll in Covered California for five days, have delayed or discouraged a number of Californians from obtaining affordable health insurance. As a result, millions of Californians will not have access to affordable health care on April 1st and will face a penalty for failing to acquire health insurance.

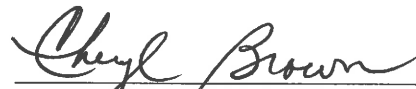
For these reasons, we ask that Covered California extend the March 31, 2014, enrollment deadline to April 15, 2014. While you have announced that those who begin an application by Monday, March 31st will be able to obtain health coverage through the exchange if they complete their application by April 15th, we believe that this is not enough time given the poor enrollment numbers of African Americans and the problems that continue to hamper your department's website and customer service line. We believe that this extra time will allow an additional push for enrollment and give Californians an additional 15 days to initiate and complete applications for health insurance.

We thank you for consideration of our request. If you have any questions or would like to discuss this request further, please feel free to contact Senator Holly Mitchell, Chair of the California Legislative Black Caucus, at (916) 651-4026 or Assemblymember Cheryl Brown, at (916) 319-2047

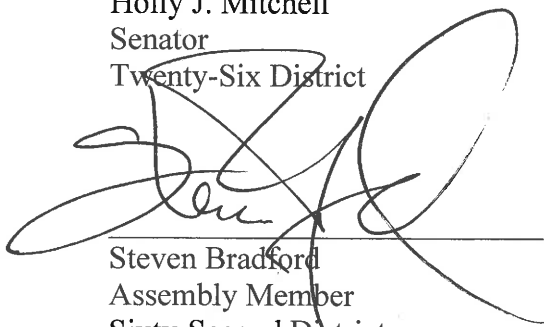
Sincerely,



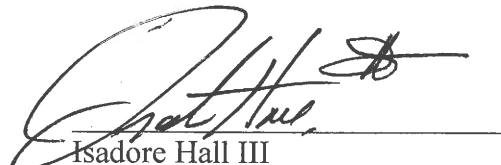
Holly J. Mitchell
Senator
Twenty-Six District



Cheryl Brown
Assembly Member
Forty-Seventh District



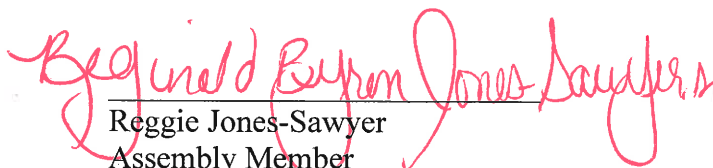
Steven Bradford
Assembly Member
Sixty-Second District



Isadore Hall III
Assembly Member
Sixty-Fourth District



Chris R. Holden
Assembly Member
Forty-First District



Reggie Jones-Sawyer
Assembly Member
Fifty-Ninth District

S. Mr. Ridley-Thomas

Sebastian Ridley-Thomas
Assembly Member
Fifty-Fourth District

Shirley Weber

Shirley Weber
Assembly Member
Seventy-Ninth District

Legislative Black Caucus

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Mr. Peter V. Lee
Executive Director
Covered California
560 J Street, Suite 290
Sacramento, CA 95814



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Wednesday, April 02, 2014

The Honorable Holly Mitchell
Chair of the Legislative Black Caucus
State Capitol, Room 4082
Sacramento, CA 95814

Dear Senator Mitchell,

Thank you for your letter regarding extending the Covered California open enrollment deadline to April 15, 2014. We appreciate your concerns and share your commitment to the successful implementation of health reform. Although we are proud of our current enrollment numbers, which now exceed 1.2 million consumers, we share your goals of maximizing enrollment in the African American community. I am also looking forward to getting together with you and other Members of the Legislative Black Caucus next week to talk about our outreach efforts

Covered California is committed to helping all consumers who started an application get across the finish line. While our open enrollment period is set by both federal and state law providing for an initial open enrollment period from October 1, 2013 to March 31, 2014 (45 CFR § 155.410(b), Cal. Health & Saf. Code § 1399.849(c)(1) and Cal. Ins. Code, § 10965.3(c)(1)), because of the high interest in health coverage, especially towards the final days of open enrollment, we understand that many consumers have experienced delays in processing their applications. Covered California will offer additional help to consumers who attempted but were not able to select a Covered California health plan by the March 31 deadline. The following policies have been enacted:

- Consumers who created an online account and completed the first page of the application by 11:59 p.m. March 31, 2014, will be able to complete their application for the open-enrollment period, either by themselves online or with the help of a certified Covered California delegate. Consumers must complete the application and select a plan by 11:59 p.m. April 15, 2014 and submit payment to their health plan by April 25, 2014. Those enrollees will receive coverage effective May 1, provided they make their first premium payment by the deadline.

- Consumers who were unable to create an online account or start their online application because of technical difficulties can contact the Covered California Service Center, Covered California Certified Enrollment Counselors, Covered California Certified Insurance Agents, Certified Plan-Based Enrollers and County Eligibility Workers to explain that they attempted to get through on March 31 and experienced difficulties. Those consumers will have until 11:59 p.m. April 15 to work with the assister to complete their application and choose a Covered California health plan.

Taken together, these policies embody Covered California's consumer-centered approach to ensure that all Californians who seek coverage can enroll.

Again, thank you for raising your additional concerns about our African American enrollment efforts. I look forward to meeting with you, the Legislative Black Caucus and Secretary Dooley to discuss our efforts to reach this critical segment of our eligible population, and we look forward to working together as we move towards the next open enrollment period in the fall. Please let me know if I can be of further assistance.

Sincerely,



Peter V. Lee
Executive Director

cc: Assemblymember Cheryl Brown
Assemblymember Steven Bradford
Assemblymember Isadore Hall III
Assemblymember Chris R. Holden
Assemblymember Reggie Jones-Sawyer
Assemblymember Sebastian Ridley-Thomas
Assemblymember Shirley Weber



Congress of the United States
House of Representatives
Washington, DC 20515-0536

March 26, 2014

Peter V. Lee
Executive Director, Covered California
560 J Street, Suite 270
Sacramento, CA 95814

Dear Executive Director Lee:

Since the start of Covered California's open enrollment, more than 1 million Californians have enrolled in coverage through the state's health insurance exchange. However, I am concerned about individuals who made good-faith efforts to enroll in health insurance plans before the March 31, 2014 deadline, but were confused or unable to do so because of problems they encountered in the sign up process. We respectfully request that Covered California grant a special enrollment period for a limited time beyond the March 31, 2014 deadline for individuals who made a good-faith effort to buy health insurance before the enrollment deadline and were denied this opportunity through no fault of their own.

Hardworking families who are able to afford health insurance coverage but remain uninsured for a substantial portion of the year, may stand to pay a fee for not obtaining health insurance. These fees are an unfair burden if they apply to hardworking families who need insurance but, through no fault of their own, face barriers to enrollment. These barriers to enrollment include technical malfunctions and application processing delays by insurance companies, which can lead to confusion over the law and its requirements. While we understand that some individuals will qualify for a special enrollment period, we ask that you use your authority to protect those whose good-faith efforts would have led to the buying of health insurance if not for website outages in the month of February, delays in the certification process for enrollment counselors, and inadequate outreach to non-English speaking and rural communities. We ask that you put people first to give working families an opportunity to obtain the health insurance they need, rather than pay a fee they do not deserve.

Granting this request will achieve two very important goals: It will maximize enrollment efforts that are currently accelerating, and it will allow those who seek affordable health insurance adequate time to overcome the barriers they encountered during the enrollment process and make the important health care decisions that are right for their families. We strongly urge you to grant a special enrollment for these working families for a limited time to ensure they have access to quality, affordable health care.

Sincerely,

A handwritten signature in blue ink that reads "Raul Ruiz".

Raul Ruiz, M.D.
Member of Congress



April 11, 2014

The Honorable Raul Ruiz
House of Representatives
1319 Longworth HOB
Washington, DC 20515

Dear Congressman Ruiz,

Thank you for your letter regarding granting a special open enrollment period to individuals who made a good-faith effort to enroll before the March 31, 2014 deadline.

We agree on this need, and have enacted the following policies to assist consumers who started an application get across the finish line:

- Consumers who were unable to create an online account or start their online application because of technical difficulties can contact Covered California Service Center Representatives, Covered California Certified Enrollment Counselors, Covered California Certified Insurance Agents, Certified Plan-Based Enrollers and County Eligibility Workers to explain that they attempted to get through on March 31 and experienced difficulties. Those consumers will have until 11:59 p.m. April 15 to work with the assister to complete their application and choose a plan.
- Consumers who created an online account and completed the first page of the application by 11:59 p.m. March 31, 2014, will be able to complete their application for the open-enrollment period, either by themselves online or with the help of a certified delegate. Consumers must complete the application and select a plan by 11:59 p.m. April 15, 2014. Coverage for these enrollees can become effective May 1.

These policies will provide our consumers with an extra window of time to select a plan and give them the appropriate opportunity to enroll in affordable coverage. Again, thank you for your suggestions and your commitment to health care reform.

Sincerely,

Peter V. Lee
Executive Director



CALIFORNIA LATINO LEGISLATIVE CAUCUS

April 10, 2014

Board of Directors
Covered California/CA Health Benefit Exchange
560 J Street, Suite 290
Sacramento, CA 95814

Dear Board of Directors:

On behalf of the CA Latino Legislative Caucus, we would like to congratulate you on completing the inaugural enrollment period of Covered California. Thanks to your hard work and that of hundreds of staff, partners and stakeholders, the launch of the exchange was an overall success.

We continue to support the work of Covered California, particularly with regards to enrolling the Latino community. Although we have expressed concerns about the under enrollment of Latino consumers, we are confident that these numbers can improve in the next enrollment period. The latest figures show that Covered California made significant progress in this area over the final month. We find this news encouraging, and urge you to continue your work to increase the number of Latinos signing up for health care coverage.

Now that the initial enrollment period is over, we would like Covered California to identify lessons learned and develop and share its plan to improve Latino outreach for the next enrollment period. In developing this plan we encourage Covered California to obtain feedback from certified enrollment entities, counselors, insurance agents, service center representatives, and staff. The goal being to learn how Covered California can be more effective in providing support to, and helping these key partners enroll and retain Latino consumers.

We look forward to working with you to help plan for the next enrollment period. In the meantime, we would like to schedule a meeting with Executive Director Peter Lee to discuss the next steps of our partnership to enroll more Latino consumers in the exchange.

Sincerely,

RICARDO LARA
Chair, CA Latino Legislative Caucus
Senator, 33rd District

LUIS ALEJO
Vice Chair, CA Latino Legislative Caucus
Assembly Member, 30th District

NORMA TORRES
Senator, 32nd District

ED HERNANDEZ, O.D.
Senator, 24th District

Chair: Senator Ricardo Lara

Vice Chair: Assemblymember Luis Alejo

Senators: Ron Calderon, Lou Correa, Kevin de León, Ed Hernández, Ben Hueso, Alex Padilla, Norma J. Torres

Assembly Members: Raul Bocanegra, Ian Calderon, Nora Campos, Cristina Garcia, Lorena Gonzalez, Jimmy Gomez, Roger Hernández, Jose Medina, Henry T. Perea,

Speaker John A. Pérez, V. Manuel Pérez, Sharon Quirk-Silva, Anthony Rendon, Freddie Rodriguez, Rudy Salas, Susan Talamantes Eggman

1020 N Street, Room 511 • Sacramento, CA 95814 • Phone (916) 651-1535 • Fax (916) 651-4933



April 7, 2014

Peter V. Lee, Executive Director, Covered California
Diana S. Dooley, Covered California Chair
Kimberly Belshe, Covered California Board
Paul E. Fearer, Covered California Board
Susan P. Kennedy, Covered California Board
Robert K. Ross M.D., Covered California Board

Re: Anthem Blue Cross “Narrow Networks” and Out-of-Network Penalties Screw Consumers in the Individual Market

Dear Mr. Lee and Board of Covered California:

I am writing to you to complain about the new provider networks and penalties associated with new health plans purchased in California under ACA and state law.

I am one of the two million Californians who paid (with unsubsidized after-tax dollars) for health insurance on the individual market prior to ACA and the Covered California health benefit exchange. I am one of the reportedly 900,000 California residents with canceled coverage who was forced to enroll in a new plan on January 1, 2014. I purchased a non-subsidized “comparable” replacement PPO plan (“Bronze”) from Anthem Blue Cross.

The new Anthem Blue Cross individual health plans (purchased on or off the exchange) offer restrictive, “second-class” provider networks and draconian financial penalties for going “out-of-network,” that do not serve the purpose of either insuring consumers against high or unexpected medical catastrophes or providing quality health care. Going out-of-network is financially prohibitive: a family deductible doubles (to \$20,000) and out-of-pocket maximum more than doubles (to \$30,000), not including our annual premium of \$14,000 (after-tax).

Anthem’s “Pathway” PPO network drastically more limited than “standard” PPO network

My cardiologist and local medical facility were providers under my Anthem PPO plan last year. But they are no longer part of the new Anthem “Pathway” network. I just learned that my annual visit to my cardiologist is now “out-of-network” and none of the office visit was covered. A mammogram and bone density test (ACA Adult Preventive Care) were done at a facility that Anthem now says is now “out-of-network”—so I am supposed to pay 50% of the over \$1500 billed.

I was surprised to learn that starting in 2014 Anthem Blue Cross has created a new, statewide, separate network of providers (called “Pathway”) for all plans for the individual health care market whether purchased on or off the exchange. This was not disclosed in the electronic sign up for new coverage.

The following excerpt is from an Anthem Blue Cross document (“New provider networks will support health plans sold on and off the Health Insurance Marketplace,” October 2013):

“Anthem’s Pathway and Pathway X networks are statewide networks. **What makes these networks unique as compared to Anthem’s standard HMO and PPO networks is the networks will:**

- **Be limited to a subset** of PCPs and specialists in the current network;
- **Limited subset** of Hospitals, LTAC’s, Rehab, and Ambulatory Surgery Centers...”

Moreover, a recent Associated Press survey found that only four of 19 nationally recognized comprehensive cancer centers said patients have access through health plans in their states’ exchanges. A letter to the Covered California Board on 3/5/2014 from the California Academy of Family Physicians (representing over 8,700 physicians) states that insurers are reducing rates between 20 and 40 percent resulting in physicians rejecting the contracts. The letter continues, “Our physicians describe these payment reductions as unaffordable to their practices.” Quality doctors and facilities are opting NOT to be associated with these low-cost, low-reimbursement networks.

Not only is the set of Anthem’s Pathway providers limited, under California law, the list of providers can change without notice and health plans need only update it quarterly according to Marta Green, of the California Department of Managed Care. The ways that Anthem could manipulate the provider list to their own economic advantage are limitless and apparently legal.

I don’t want to decide on cancer treatment, heart surgery, a hip replacement, or the medical consequences of being hit by a bus by going to the Anthem (largely inaccurate and unreliable) website to find out which provider will treat my medical problem with the least cost to Anthem. This is how Anthem is reducing costs and maintaining profitability.

“Affordable care” plans can bankrupt you if you go out-of-network

For those of you on the board of Covered California lucky enough to have employer subsidized health plans (and most Californians do), your employer no doubt pays the bulk of the your premium.

In contrast, we have not had employer provided health care for ten years. We have paid Anthem Blue Cross \$14,000 to \$18,000 per year (in after-tax dollars) with a \$5,000/\$10,000 deductible for the past ten years. We erroneously thought our new (“bronze”) policy was comparable with \$14,000 in annual premiums with a \$5,000/\$10,000 deductible.

However, Anthem has added a new twist to the plans--if **one goes out of network**, the deductible DOUBLES to \$10,000/\$20,000 and the out-of-pocket maximum more than DOUBLES from \$6,350/\$12,700 to \$15,000/\$30,000. If my spouse and I encounter multi-year medical issues and do not find a provider in the Pathway network, we could be out \$44,000 year after year (\$30,000 max OOP plus annual premiums—all this after-tax). This is not acceptable “insurance.”

Californians in the private individual health care market were never the problem

Under the California Health Benefit Exchange, Anthem Blue Cross (who insures 47% of the individual market according to the California Healthcare Foundation) has developed a business model of narrow networks recruiting low cost providers who are willing to discount their prices. Consumers are forced to choose from limited options or face huge financial consequences—excessive deductibles and out-of-pocket maximums in addition to annual premiums.

The Californians who already pay “full freight” (premiums, deductibles, out-of-pocket with their own after-tax dollars) for health care coverage on the individual market are being served up provider networks that offer less choice than Medicare or employer plans. We’re a minority (6% of non-elderly Californians) who actually receive NO subsidies from employers or government and actually pay for all of the health care we get. We’re getting screwed and have no recourse.

What can be done? The following are corrective actions I am requesting:

- 1) Expand “narrow” networks to conform to prior year networks. Require Anthem Blue Cross (and other insurers) to provide prior policyholder/members with the standard PPO network NOT the new Pathway or other narrow networks.
- 2) Eliminate separate deductible and out-of-pocket maximums for “out-of-network” providers. Require Anthem Blue Cross (and other insurers) to drop the ILLEGAL “out-of-network” out-of-pocket maximum of \$15,000/\$30,000 and “out-of-network” deductible of \$10,000/\$20,000.
- 3) Provider networks should be reviewed for quality and adequacy; reliable provider network lists should be transparent and must remain stable each year. Consumers should be able to access lists of providers BEFORE enrolling/purchasing a health plan. If a network is “narrow,” that should be disclosed to the consumer. Consumers should be able to compare provider networks among plans.
- 4) Covered California should represent Californians with unsubsidized exchange plans. At least one member of the Covered California Board should use non-subsidized health care and provider networks offered on the exchange. In the interest of transparency, all members of the Covered California board should disclose the financial parameters of their own health care coverage and the networks they are required to use.

I hope to hear a response of how Covered California intends to address these issues.

Respectfully,
Priscilla Myrick
Berkeley, CA
Pamyrick@aol.com

Copies:

Dave Jones, California Insurance Commissioner
300 Capital Mall Suite 1700
Sacramento, CA 95814
VIA FACSIMILE

Julie Watts, ConsumerWatch KPIX 5
VIA EMAIL

Marta Green, Deputy Director, Communications & Planning
Department of Managed Care
980 9th St., Suite 500
Sacramento, CA 95814
VIA EMAIL



March 28, 2104

Ms. Anne Gezi
Ms. Leesa Tori
Mr. Dan Frey
Covered California
560 J. Street, 2nd Floor
Sacramento, CA 95814

Dear Ms. Gezi, Ms. Tori and Mr. Frey:

We write regarding the recently issued Request for Information (“RFI”) to determine the potential benefits and feasibility of web-based entities, as well as the cost to Covered California and the Department of Health Care Services (DHCS). We understand this RFI is a precursor to a potential Request for Proposals (RFP) and offer these comments as you consider crafting such an RFP. As you know from our earlier comments when the issue of web-based brokers first arose in California, we seek to ensure that the key consumer features we have successfully achieved in California, which make us stand out among the states as consumer-friendly, are preserved if such entities are permitted to participate as partners in enrollment.

Consumers Union appreciates that Covered California and DHCS state as foundational conditions that any web-based entity responding to the RFI will be required to display all available QHP products offered by Covered California and plans offered through Medi-Cal. We also appreciate that the proposed *default* design framework for web-based brokers would be using iFrame technology to ensure that consumers experience the same application, display of health plan choices and tools as they would if they applied directly through CoveredCA.com, including displays in both English and Spanish.

If Covered California and DHCS move forward with an RFP, we recommend that you institute stronger consumer protections in it. Below are a number of suggestions to ensure that consumers have access to fair and impartial information, have a positive shopping experience that makes the choice of health plans accessible and easy, and that minimize the risk of adverse selection and discrimination.

Core Principles

We support articulating strong Core Principles as part of the RFI and incorporating them into any RFP if one is issued. Vendor candidates should be held to the highest standards and should be required to meet all the Core Principles as a condition of participation, in order to ensure consumer protections are adhered to throughout the entire application, eligibility, and enrollment process.

Subsection (c) of the RFI Core Principles reads as though the web-based entity will use a different application for consumers than what is used for Covered California and DHCS: “Assure the application is *consistent with* state and federal requirements regarding the determination of eligibility for Medi-Cal, tax credits in Covered California and for participating in the Exchange” (emphasis added). We believe that web-based entities should be using the same application,

i.e., the single streamlined application that Covered California and DHCS are already using. A great deal of time and thought has gone into the current application and consistency in using it is important for consumer familiarity, trust and uniform eligibility decision making. For any RFP, we suggest this subsection be redrafted to state: “~~Assure the~~ Use of the same single, streamlined application through CallHEERS is consistent with that is required by state and federal requirements and used by Covered California and DHCS regarding the determination of eligibility for Medi-Cal, tax credits in Covered California and for participating in the Exchange.”

Subsection (d) also seems to allow for variation from the consumer choice experience with Covered California and DHCS. For the RFP, we urge you to add language to ensure that the shopping experience mirrors the experience a consumer would have going directly through the Covered California website application process. Language should include: “Preserve the “apples-to-apples” shopping experience, when choosing among QHPs, including the same search functions, filters, and displays which is central to as are used by Covered California, including prominent display of all consumer choice tools that the Covered California website makes available, such as the Shop & Compare tool, the Preview Plan functionality, the ability to filter by tier level or plan type, presentation of potential total cost of care (out-of-pocket and premium), display of premium tax credits available, information on plans, plan’s network providers, and benefit designs, quality ratings and enrollee satisfaction surveys .” It must be made clear to consumers which plans will provide them the most affordability assistance and best value. Consumers must be able to view the premiums and cost-sharing amounts for each plan based on what their individual costs would be (after their premium and cost-sharing assistance is accounted for).

In subsection (e), the language should be clarified to ensure that “all available QHPs” means all products available on the Covered California website, not just what is available through any contract between the web-based entities and the QHP issuers: “Present all available Covered California QHP products and all Medi-Cal health plan options, along with including the applicable premium rates, benefits, limitations and exclusions.”

In subsection (l), the language should be strengthened to ensure carrying over both *privacy* (assuring protection of personal information collected, accessed, used, disclosed or retained) and security protections (those policies and technologies used to protect privacy) and that they include not just those protections applicable to CalHEERS, but also those required under federal and state laws, as follows: “Adhere to the privacy and security policies, protections, and infrastructure enforced by CalHEERS and required by federal and state statutes and regulations.”

In subsection (n), the language should be adjusted to be proscriptive. Web-based entities should certainly refrain from copying or keeping any personal information on behalf of consumers; we urge a clear prohibition of this activity. Changes should include: “In no instance shall the web-based entity retain. Refrain from retaining or copying personally identifiable information entered by consumers or certified insurance agents.”

Additional points that should be incorporated as Core Principles or other commitments in the RFP:

- Provide consumers with the ability to anonymously explore or search the website to

learn more about the health coverage programs and plans available to them, including insurance affordability programs. Consumers should be able to explore the website without being required or prompted to share information beyond the minimum information needed to generate a premium: ZIP code, or age for each family member seeking coverage.

- Prior to requesting personal information, inform consumers how individually identifiable information is collected, used and disclosed; for how long it is retained by Covered California; and whether and how they can exercise choice over such collection, use, and disclosure. Consumers should be informed when they have the option to provide personal information directly to the Covered California and DHCS. Further, no information regarding such browsers or explorers (including her/his internet provider address) should be collected or saved (a.k.a. “cached”) without the person affirmatively consenting to begin the enrollment process.
- Commitment that entities will not use confusing, look-alike data elements such as “customer reviews,” “quality ratings” or “best seller” designations that are less robust than or contradictory to similar items found on the Covered California website (such as the results from user experience surveys, standardized quality ratings and other data that Covered California provides.
- Post a clear and prominent statement on every page that indicates to consumers that they may return to the Exchange’s website at any time to complete enrollment.
- Provide notice that the vendor, including any certified agents using the web-based entity, are paid for enrollment by carriers and Covered CA. Agents and brokers owe a fiduciary duty solely to the carrier, not to the consumer; consumers are often not aware of this. It important that consumers understand the compensation scheme in light of the fiduciary relationships
- Ensure there is no marketing of other products to consumers applying for Covered California or Medi-Cal products.
- At a minimum, commit to the same nondiscrimination requirements as the Exchange, including access for Limited English-Proficient consumers and persons with disabilities. Covered California has a Spanish language web site and telephone assistance in any language. WBEs should be held to the same standard, thus making available their websites and customer service in English and Spanish and telephone assistance in any language, including American Sign Language. At a minimum, the list of Covered California’s dedicated 800 telephone numbers for each of the threshold languages should be prominently displayed on the WBE site along with links to translated applications in those languages. Additionally, applications should be provided in alternative formats including Braille and large print font for those with visual impairments.
- Prohibit web-based entities from gathering or storing data beyond that necessary for Covered California and Medi-Cal eligibility and enrollment via “cookies” or other tracking tools. Also, bar web-based entities from storing or using information gathered from

consumers in the application process for marketing products.

Potential Design Framework

If Covered California and DHCS will allow web-based entities to take on the functions that are currently successfully handled through Covered California's own website, we urge requiring the use of iFrames as the design framework. Because of the unique and potentially complex technology in this area, we urge Covered California to seek out specialized expertise before settling on any technological solutions to ensure the consumer principles and goals are met.

An iFrame embeds another HTML page into the current page. In this case, the web-based entity "frame" would surround and display Covered California website content, including premium rates, alleviating some of the concerns about proprietary, intermediate ranking factors. Each page has its own history and content. Depending on how it is used, the iFrame approach can be consumer-friendly. However, if not carefully designed, iFrames can inappropriately steer consumers, for example by:

- Embedding other links in the frame, with design elements that seek to have consumers click on the embedded HTML, redirecting them to new content; or
- Directing them to the phone instead of web.

If iFrames are required, the design should incorporate consumer protections to ensure that inappropriate steering tactics are not permissible. Thus, Covered California and DHCS should require that web-based entities use iFrames in such a manner that their displays of QHP products provide consumers with complete information. Appropriate consumer protections should be included, such as requiring the prominent display of a link that allows the consumer to click through and use the CoveredCA.com website directly, without the frame.

In subsection (a)(5), we urge that the design standards be revised to state: "Display of plans in a fair and balanced presentation of all options, regardless of whether the vendor contracts with the issuers or the compensation due vendor or agents conducting business through vendor."

We also recommend that Covered California and DHCS add to the list under subsection (a) the following new provisions:

9. Consumer tools to help the shopping experience, including the filter tools available through CoveredCA.com, the Shop & Compare tool, the Preview Plan tool, and the Learn More functionality.

10. The web-based entity should use a default sort order for QHP choices that is the same default sort order as CoveredCA.com and allows consumers to easily alter the sort order by the same options available at CoveredCA.com. When the consumer hides or filters out choices, there must be a clear indicator that not all choices are currently displayed.

11. Prominently display language notifying consumers that (a) this [Web-broker's] Web site is neither the Covered California nor the DHCS website for California; (b) this agent or broker has agreed to comply with federal and state standards governing the display of

Covered California and Medi-Cal health plans; and (c) provide the option for consumers to email or phone Covered California or DHCS to report any complaints about the site, including its non-compliance with the terms of agreement with Covered CA and DHCS.

Under subsection (b), Covered California and DHCS should ensure that the vendor's staff providing support should be registered and certified by Covered California to provide assistance. The subsection should be revised to state: "Require Vendors to provide in-person Chat or phone support for consumers enrolling through their service under the same standards that apply to certified licensed agents, with staff providing that support registered and certified with Covered California."

In terms of compensation arrangements, language needs to be included that would require the vendor to track enrollment activity and data so that Covered California and DHCS can monitor and evaluate whether any certified agent is participating in any way that would violate their legal requirements under federal and state law.

Perhaps most importantly, regarding the Core Design Framework question (b) on page 5 posed to vendors, it is unclear which "elements" you are asking vendors might wish to see modified. Such modifications to the Design Framework affecting "consumer services or consumer protection" could eviscerate the requirement to display all options fairly. We urge a strict justification standard for the vendor to allow overriding of any of the Core Design framework elements. Covered California and DHCS should require a detailed analysis from the vendor why the consumer protections cannot be met and a step-by-step breakdown of how any alternative proposal will satisfy consumer protection requirements.

Vendor Response Items

In addition to the issues you have listed for vendors to respond to in the RFI, for the RFP we suggest the following edits:

g) Would Is your company committed to collect accessing any only consumer information relevant to the eligibility and enrollment process during the consumer's shopping process? If so your intention is to collect consumer information, what information would be collected and what would it be used for?

p) Is your company currently contracted to provide web-based entity services to the federal Exchange, or to any other state-based Exchanges? If so, please identify which exchange(s) and services performed. If so, does your company use iFrame technology for any or all of those contracts? If not, please describe how those arrangements would satisfy the Core Principles if they were replicated in California. Please indicate which Core Principles those current arrangements would not meet.

Additional questions to ask of vendors in the Response Items:

- Please indicate whether you have any contracts, within or outside California, with Navigators, non-Navigator personnel, certified application counselors or others that require those entities to exclusively refer consumers to your web-based system, and if so please describe. If any of these arrangements are exclusive, please identify which ones and why.

- Do you have any adverse findings against your company or any employees thereof by any government entity?

Conclusion

Should Covered California and DHCS, upon considering the responses to the RFI, decide to pursue a Request for Proposals, we recommend that it include an explicit, dedicated monitoring effort, led by Covered California and DHCS during the first open enrollment period in which a vendor is undertaking web-based enrollment, with a publicly available report published mid-year the first year and each year thereafter. This report should include results from the QHP product displays used by web-based entities, so the impact of differences in rules, if any are finally permitted, can be assessed. Well-understood principles of choice architecture should be applied so that any impacts, such as inappropriate steering, can be identified.

We hope to have the opportunity to review any draft RFP regarding web-based entities, with ample time to provide comments before it is issued, to ensure strong consumer protections are included. If you have any questions or concerns, please contact Julie Silas or Betsy Imholz at Consumers Union (415) 431-6747.

Thank you for your consideration.



Elizabeth Imholz
Consumers Union



Cary Sanders
California Pan-Ethnic Health Network



Anthony Wright
Health Access



Vanessa Cajina
Western Center on Law and Poverty



April 1, 2014

Anne Gezi
Covered California
560 J St., Suite 290
Sacramento, CA 95814

**SUBJECT: RESPONSE TO REQUEST FOR INFORMATION
WEB BASED TECHNOLOGY OPTIONS
OPTION 2: WEB –BASED TECHNOLOGY PLATFORM - SUPPORT**

Dear Ms. Gezi:

The California Association of Health Underwriters (CAHU), the Independent Insurance Agents and Brokers of California (IIABCal) and the National Association of Insurance and Financial Advisors of California (NAIFA California) all work to ensure that independent, community-based licensed agents have multiple avenues available to enroll clients in the Individual Exchange.

We are contacting following a Request for Information (RFI) that was posted by the California Health Benefit Exchange Board looking for input on two options. The Options listed in the March 18, 2014 RFI are whether Covered California should: (1) use a web-based partner/entity; or (2) use a web-based technology platform that all independent, community-based agents can use.

Our three organizations would like to take this opportunity to urge you and the California Health Benefit Exchange Board--as they evaluate possible action on web-based technologies, internet platforms, software or entities--to select an option that supports the broadest possible access by California's certified health insurance agents. Our organizations believe that the RFI's Option 2 ensures the best possible access by local, community based agents occurs and best meets the overall goal of the Exchange to provide the best possible consumer experience for those looking to purchase health insurance.

Option 2, in our view, allows for a platform and/or software that enable independent agents to obtain web-based quotes for clients or prospective clients, while meeting program, state, and federal privacy compliance requirements of the California Health Benefit Exchange.

Recommendation:

Our organizations recommend Option 2. Option 2 will help community-based, independent agents to seamlessly walk Individual Market clients through the subsidy qualification, shop and compare, and enrollment processes, and also ensure security and privacy standards are met.

**Response to March 18, 2014
Request for Information
Page 2**


We believe the Board should select this approach, as it is the most inclusive and allows all certified independent, community-based agents who utilize WBE-certified technology to participate. Option 2 ensures that agents can help their individual clients review and select their health coverage options as efficiently and effectively as possible.

Please do not hesitate to contact us if you require further information: Juli Broyles (CAHU) at 916-441-5050; John Norwood (IIABCal) at (916) 447-5053, or Shari McHugh (NAIFA California) at (916) 930-1993.

Sincerely,



Julianne Broyles
CAHU



Shari McHugh
NAIFA-CA



John A. Norwood
IIABCal

cc: Members, California Health Benefit Exchange Board
Peter Lee, Executive Director, California Health Benefit Exchange Board
Herb K. Schultz, Regional Director, U.S. Health and Human Services, Region IX