

CALIFORNIA HEALTH BENEFIT EXCHANGE BOARD

April 17, 2014

Department of Consumer Affairs

1747 North Market Blvd.

Room H2Q, Sacramento 95834

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

Chairwoman Dooley called the meeting to order at 10:30 a.m.

Board members present during roll call:

Diana S. Dooley, chair

Kimberly Belshé

Paul Fearer

Robert Ross, MD

Board members absent:

Susan Kennedy

Agenda Item II: Closed Session

Chairwoman Dooley called the meeting to order at 1:00 p.m. A conflict disclosure was performed; there were no conflicts from the Board members that needed to be disclosed.

Chairwoman Dooley celebrated that this meeting was the third anniversary for Covered California. It is gratifying to see how far it has come.

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 March 20, 2014.

Presentation: March 20, 2014, Minutes

Discussion: None

Public Comments: None

Motion/Action: Board Member Ross moved to approve the March 20, 2014, minutes. Board Member Fearer seconded the motion.

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

Agenda Item IV: Executive Director's Report

Discussion: Announcement of Closed Session Actions

The Board approved a Request for Proposal (RFP) with Enterprise Analytics. It also approved amendments to its contracts with: LanguageLine Solutions, Accenture, and First Data Government Solutions. The Board also approved an interagency agreement with the University of California for enrollment assessment.

Covered California is in the process of reviewing responses to its request for information regarding web-based entities. The Board has expressed its interest in having as many avenues for enrollment as possible. The issue will be discussed at the June meeting.

Peter Lee, Executive Director, discussed the various reports shared with the Board, which are posted online.

Discussion: Executive Director's Update

Presentation: Executive Director's Report

Mr. Lee presented slides with enrollment numbers and demographics.

Open enrollment was extended to allow those who were not quite done to complete their applications. More than two hundred thousand additional Californians were able to enroll after March 31. Almost 1.4 million Californians have enrolled in Covered California during the first open enrollment period. An additional 1.9 Californians have enrolled in Medi-Cal. 800,000 people are likely eligible for Medi-Cal. 87% of those enrolled through Covered California get a subsidy.

Enrollment continued to get more diverse in the last two weeks of enrollment. 39% of our enrollment in Covered California was Latino. It was only 18% in the last three months. The base projections for enrollment have more than doubled. In every area (ethnicity and race, age, region etc.), we have surpassed the base projections.

When it comes to service channel data, it was shown that the majority of people enrolled online on their own (41%). The next largest percentage of people enrolled with agents (40%). 9% of people enrolled with Service Center Representatives and 9% enrolled with Certified Enrollment Counselors. Only 1% of people enrolled with Plan Based Enrollers and County Eligibility Workers.

Mr. Lee briefly went over slides breaking down race by service channel, and service channel by race. He recommended that people go online to look at the data breakdown in more detail.

Covered California is currently transitioning to Special Enrollment in which Medi-Cal is open for business all the time. Covered California is continuing to coordinate with partners on protocols and processing applications for various consumer household compositions during the Special Enrollment Period. It is also coordinating with Department of Health Care Services and County Welfare Directors Association on pending Medi-Cal cases and Medi-Cal re-determinations in order to develop seamless processes to assist consumers who are found eligible for Covered California to enroll without a tax penalty.

Covered California is using a variety of formal and informal listening opportunities to understand the consumer experience, barriers to enrollment and what works for enrolling Californians.

Board Member Ross voiced appreciation for the extraordinary team effort in California. He hopes there is a meaningful, deep analysis of the data. This could be the focus of a Board meeting or webinar. Many people struggled when trying to enroll, and there was a mixture of quality and satisfaction with the experience.

Leesa Tori, Senior Advisor, presented on Plan Management. Staff will be refocusing on the next open enrollment period. While there is a constant need to operate and effectuate coverage for those who have purchased, staff be doing a cycle of making sure the right products and right portfolio are maintained every year. Goals looking ahead include: Maturing the program, retaining members, and implementing a multi-year strategic plan.

Jeff Rideout, Senior Medical Advisor, presented on Timely Access to Care. . To ensure timely access to care, Covered California has: Established an affordable market with broad provider access when viewed across the entire portfolio; implemented strong contractual expectation for quality and access; created strong relations with the regulators; encouraged individual consumer issue resolution by Covered California, the plans and the regulators; and implemented longer term access and quality assessment methods. Dr. Rideout also outlined various concerns regarding timely access that Covered California is hearing from its stakeholders..

Overall, plans and Covered California have been very responsive to individual timely access cases. For example, accommodations were made during open enrollment to allow people to switch plans. DMHC and the Department of Insurance have been good partners when it comes to taking on individual cases. Covered California has also enlisted the help of the Health Consumer Alliance to help consumers that need legal aid.

Furthermore, Covered California has done a lot with its colleagues at the CMA, as well as other provider organizations to get a clear word out. This has been done in conjunction with the key plans. Covered California is working hard to coordinate with the regulators on what it means for network adequacy.

Additionally, an analytics infrastructure is being built which will include capabilities for network analysis and enrollee access to services. The CAHPS survey is a year ahead of

schedule, and will have access information available in 2015. Staff is doing an exhaustive zip code match to low income communities to match the provider availability in those communities. Staff is also making changes to the CRM system that our customer service representatives use to make sure we can attribute issues specifically to plans.

Dr. Rideout concluded by outlining potential additional steps regarding timely access to care.

Board Member Belshé thanked staff for their work. She wondered when the Board can expect to hear from staff with regards to specific recommendations.

Dr. Rideout said that will be up to Mr. Lee. The recommendations presented are in addition to efforts already underway, and it is likely that staff would focus first on the more near-term goals.

Board Member Belshé noted that informed choice matters. Building a provider directory is a difficult task, but if Covered California relies on the plans, then ensuring greater accuracy will be important. There are strong contractual requirements regarding quality and access to care, so some of those may need to be accelerated.

Board Member Ross thanked the staff for the thoughtful presentations. He liked all of the potential additional steps. He would like to hear which steps are more feasible and see if there are some that can be employed without Board approval.

Mr. Lee thanked the plan team who has been working on these issues. Customer service members are working on case issues, collecting information, and getting plans to keep reaching out to their physicians and get better information. He does not believe he needs to get additional authorization from the Board. It comes down to a resource issue. Staff is reaching out to the plans to see what they are doing in terms of surveys and data. If the recommended actions are within the scope of the budget up for approval, no further resources are necessary.

Board Member Ross noted there has been excellent cooperation from the plans.

Dr. Rideout said it isn't that Covered California can't solve problems as they come up, but it would be good to build a structural or systematic process rather than reacting to problems.

Public Comments:

Beth Capell, Health Access California, noted that California has had a high proportion of uninsured residents. That number has been cut in half. They thanked Covered California and everyone involved with the Medi-Cal expansion. They commended the need for marketing, pointing out that if 50 percent of the market will turn over this year, there is a big job ahead.

Elizabeth Landsberg, Director of Legislative Advocacy, Western Center on Law & Poverty and the Health Consumer Alliance, appreciated the quick response to their comments about the website. People don't know ahead of time what they are eligible for, so the message should be, "Come apply, and you'll get covered now or later based on income and life circumstances." There have been provider directory confusions. They strongly support testing of the provider directories. Plans did not expect huge enrollments either, but the problems need to be solved and we must move toward uniform out-of-network policies.

Cary Sanders, Director of Policy Analysis, California Pan-Ethnic Health Network (CPEHN), thanked staff for talking about timely supports assessment of provider availability in vulnerable communities; people need to know who speaks their language. There's an opportunity to strengthen some of the data collection. These are optional questions and they want to increase the number of respondents. A lot of data is not being captured. In terms of the enrollment channel conversation, it would be helpful to see how language impacts where people go because that can give a fuller picture of how the channels are working. She hopes staff will talk to certified enrollment counselors (CECs) and agents about their experiences.

On Phone: Denise Corneo, Dental Health Services, noted it was hard to hear.

On Phone: Cliff Call, Private Citizen, said Dr. Rideout's presentation was good and addressed a lot of issues. Mr. Call is a homeowner in Fremont, California. He and his spouse have not been able to keep their doctors through Anthem Blue Cross. They cannot find any insurance that includes their doctors, and his wife is ill. There are no Covered California plans that include their doctors. Those who need long-term care are suffering. Only two plans are still available in their county.

On Phone: Julianne Broyles, California Association of Health Underwriters, added her congratulations. Agents are a major contributor. They stand ready to take on the next steps of keeping people in their plans and keeping them healthy.

Julie Silas, Senior Policy Analyst, Consumers Union, voiced appreciation for good results and transparent data. She was happy to see the influx of Latino enrollment. Special enrollment periods are here. She knows from the California Health Care Foundation that one of the biggest challenges is documentation, and it's important to ensure that is not a hurdle. Network adequacy, satisfaction, and low rates will be key for consumers. They appreciate the close collaboration between Covered California and the regulators. The provider directories must be accurate. They appreciated the presentation elements focusing on what is wrong right now, and they appreciate the early CAHPS data.

Sonal Ambegaokar, Senior Attorney, National Health Law Program, said they appreciate the staff's work, and congratulated Covered California on the numbers. They would like to see a frequently asked questions section on the special enrollment period and could help with that. They appreciate being engaged with the website. They really want the special enrollment period to be as broad and easy as possible. People who have difficulty

with special enrollment need to be helped along, including those who have Medi-Cal with a share of costs. She recognized the CECs who helped troubleshoot and manage enrollment cases. In terms of plan management, Covered California should use its contract authority to enforce contractual obligations.

Brett Johnson, Associate Director of Medical and Regulatory Policy, California Medical Association, thanked Dr. Rideout and the plans for working hard to sort through network confusion. It has been significant. He echoed Ms. Capell's and Ms. Landsberg's comments regarding timely access. A lot of confusion has arisen because of networks. Physicians can't tell which products their patients have either. It's not enough to rely on complaint numbers for DMHC because consumers don't call the regulator when they have difficulty. They think a reliable centralized database is critical to getting patients the information they need. Having a central data hub for this information would be helpful. Quarterly updating may not be enough.

Carla Saporta, Health Policy Director, The Greenlining Institute, was happy to see the data and demographics. She wanted to hear about SHOP enrollment numbers, which are not great. They have concerns about the marketing and outreach proposals, and they do not feel their concerns have been heard. A lot of microbusinesses are ethnic-owned, and they need to be reached through trusted outlets such as ethnic media.

Beth Malinowski, Associate Director of Policy, California Primary Care Association, urged continuing to maximize stakeholder engagement. They appreciate the data and would like to look more closely at in-person assistance. Holding CEC focus groups could be very helpful. When they think about improvements to the system, especially CoveredCA.com, they appreciate Mr. Lee's acknowledgement of the role that this software will play in Medi-Cal re-determinations.

Sonya Vasquez, Policy Director, Community Health Councils and California Coverage and Health Initiatives, voiced excitement about the data and numbers, and noted that if the information were posted on the website, people could see it on an ongoing basis. They would like to see data compared to the enhanced projections, not just the baseline ones. It's important to remember that these enrollment channels will be critical to retaining members. It would be helpful to hear what CECs are hearing in terms of access issues.

David Chase, California Director, Small Business Majority, was pleased to have met with staff and appreciated their time and Pinnacle's hard work. The best marketing plan would be to get agents in front of small-business owners. They have a lot of concerns about the outreach plan, and do not feel sure it is an effective way to approach a limited budget. It would be more effective to use ethnic media, newsletters, chambers of commerce, etc.

Brian Burell, Young Invincibles, noted the importance of telling young adults not to miss special enrollment periods; many of the unique challenges will *only* affect them. Covered California must also ensure they truly understand how to use their health insurance.

Doreena Wong, Project Director, Asian Americans Advancing Justice and Health Justice Network, stated the importance of including the whole stakeholder community (including CECs and outreach and education partners) when discussing what has been learned about best practices. Disaggregated data showed high enrollment numbers in some communities and really low numbers for others, such as the Southeast Asian community. There were gaps even in the successful API populations. A lot of people in the Asian community who went to agents were likely English speakers. Many of their clients who have agents had problems with the agents who weren't providing correct information or enrolling clients into the right plans. Thus her organization provided a lot of supplemental information.

Micah Weinberg, Bay Area Council, suggested that almost 90 percent of consumers are not exposed to the absolute cost of the health plan. They pay based on their income and the relative cost of the second-lowest-price silver plan. That means if there are changes in the relative ordering of the plans, consumers could see a giant increase in their cost. As an active purchaser, Covered California can focus on what the implications will be for consumers if the relative ordering changes.

On Phone: Rachaun Raymond, PFN Insurance, noted that it would be helpful to have a report generator so agents can manage and look at the work they are inputting.

On Phone: Regina Wilson, California Black Media, noticed that there wasn't a compressive plan when it came to African American outreach, and they were disappointed in the number of African Americans enrolled. The contractors don't have experience with the African American community. They believe there is no real engagement with the African American advisory committees.

Mr. Lee noted that this is a work in progress. They already have conducted focus groups and they will do more of that.

Discussion: Legislative Update

David Panush, Director of External Affairs, presented on the Legislative Update. Four bills address privacy issues. Covered California is committed to the protection of individual privacy.

Mr. Panush stated that several bills addressed new requirements and governance issues, including one bill that required Covered California to implement performance-based budgeting and report it. Another relates to criminal records. One bill relates to a charge relating to fees on health plans. The proposal is that, after January 2016, the Board could not enact an administrative fee; that would be set by statute. Another bill changes the membership of the Board from five to seven members. The last bill would require Covered California to post a formulary list and would require a searchable tool for formularies.

Additionally, some bills addressed individual and small group market issues. The last bill Mr. Panush addressed relates to CalHEERS, codifying responsibility for sending out notices of action for MAGI Medi-Cal cases.

Discussion: Federal Rules Update

Katie Ravel, Director of Program Policy, presented on the Federal Rules Update. She went over exchange and insurance market standards for 2015 and beyond. Key Exchange provisions for tracking and incorporation into program rules include: Proposed discontinuation of federal HHS service for processing individual mandated exemptions beginning on November 15, 2014, additional standards regarding Navigators and non-Navigator assistance personnel including Certified Application Counselors, clarifications and modifications to Special Enrollment Periods, and quality reporting and enrollee satisfaction requirements. Covered California is requesting that federal HHS provide additional time for states to transition from use of federal exemption service to state-based service.

Resolution 2014-30 would allow Mr. Lee to submit comments on the proposed federal rule entitled “Patient Protection and Affordable Care Act; Exchange and Insurance Market Standards for 2015 and Beyond.”

Motion/Action: Board Member Ross moved to pass Resolution 2014-30. Board Member Belshé seconded the motion.

Public Comments: None

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

Agenda Item V: Covered California Policy and Action Items

Presentation: Covered California Policy and Action Items

Discussion: Covered California Budget

Yolanda Richardson, Chief Deputy Executive Director, presented on the Covered California Budget. She appreciated her team. Enrollment has exceeded the enhanced scenario which is what the budget was based on.

Discussion: Fiscal Year 2013–14 Budget Revision

In 2013-14, Covered California continued the establishment process of launching a new marketplace incurring numerous one-time costs to build the necessary infrastructure to maximize enrollment and provide coverage. Enrollment has exceeded early estimates. Enrollment reached approximately 1.4 million in April, 2014, about 1.2 million of whom are estimated likely to pay their premiums. Projected spending in 2013-14 is 16 percent or \$60 million higher than adopted last June. Federal funding remains available to continue to support the

establishment of Covered California next fiscal year. Ms. Richardson next outlined and discussed the many reasons that accounted for the 2013-14 CalHEERS costs increasing more than \$112.6 million dollars over the 2013-14 Board approved budget.

The preliminary budget is based on enrollment forecasts and experience thus far. Resolution 2014-31 approves the budget as submitted.

Discussion: Proposed Fiscal Year 2014–15 Budget

Covered California’s focus in 2014-15 will be to complete the establishment process for the marketplace, stabilize the program, and prepare for the first renewal and second open enrollment cycle. By the end of 2014-15 Covered California will move into its ‘sustainability’ phase, and funding will be supported with assessment revenue. The 2014-15 preliminary budget was developed based on Covered California’s experience to date, projections for future enrollment, and anticipated work in the coming year. It is designed to: Retain current enrollees, continue to build enrollment, provide a better consumer experience to applicants and enrollees, and continue to provide the foundation for Covered California’s work as an active health purchaser. The enrollment and revenue projections, as well as the 2014-15 preliminary budget will be subject to Board consideration and approval in May and June.

Discussion:

Board Member Ross said the CalHEERS budget increase is significant. If the Board directed staff to live within what has already been approved, what would consumers lose?

Ms. Richardson said that is hard to answer. They are focused on fulfilling requirements, and they have learned a lot more about what it costs to administer the Medi-Cal and Covered California programs.

Board Member Ross stated that it’s fair to say we did our best at guessing what we need, and now we know a lot more.

Ms. Richardson next presented on Program Strategies for 2014-15. Our budget planning is focused on that transition to sustainability, and our programmatic activities have to match that goal. We have to have stable operations and be able to deliver services that the public expects from us, so we are looking forward to focusing on the consumer experience. We are also looking at working with our community partners on how we reach the people we didn’t reach. We want to make sure the CalHEERS project is an effective tool for people to use to get information and enroll. We want to do a lot of evaluation in this upcoming year on: How we are reaching people, how are people coming into the organization, what types of products are we offering and their values, and delivery of timely and accessible care. Overall, we are really focused on making changes and adjustments to our programmatic strategies to make sure that we are operating

Covered California in the most effective, efficient, and lowest-cost manner possible.

Ms. Richardson went on to discuss Plan Management. The plan management area will be focused on: The recertification and selection process for the upcoming year, looking at the broader assessment of plan design and making sure that we have affordable and valuable products on the marketplace for consumers to access, making some steps toward some significant analysis of the care that's provided by our contracts with our plans, and coordinating evaluation across all the elements of care delivery, outreach, and enrollment.

Katie Ravel, Director of Program Policy, presented on Analytic and Evaluation Capacity. She will be working with Dr. Rideout to implement analytic strategies to have real-time short-term analysis as well as long-term evaluation of how we are: Meeting our goals, contributing to long-term achieving the triple aim, and how we are doing in the short term on enrollment, access, and providing quality care.

Garrison Rios, Communications and Marketing Director, presented on Enrollment Activities. In the first quarter, certified enrollment educator (education and enrollment) efforts were combined. Marketing was also shifted to promote enrollment at the local level. Mr. Garrison then outlined the revised marketing strategy for next year, including a shift in strategy away from bifurcated outreach and enrollment expenditures, maintain strong support and referral for certified agents, and use marketing to support individuals who want to do self-service enrollment.

Thien Lam, Eligibility and Enrollment Director, presented on Outreach and Enrollment Assistance. Based on early results from data, listening, learning and testing in the initial open enrollment period, Ms. Lam detailed the Outreach and Enrollment strategy for the upcoming year and recommended supporting Certified Enrollment Counselors transition from a per application payment construct to a grant construct, transitioning from bifurcated funding for outreach and enrollment activities to combined payment for the full spectrum of outreach, education and enrollment, and reducing administrative costs by combining outreach and enrollment programs to maximize available funding for enrollment activities. Covered California will ensure availability and stability of the existing community-based enrollment structure through the continued support of Certified Enrollment Entities and Outreach Grantees through open enrollment 2014 during stand up of the Navigator grant program. It will also allow both current Certified Enrollment Entities and Outreach Grantees to apply for Navigator grants through a competitive process in summer 2014. Outreach Grantees will be able to shift remaining grant funds to their Navigator grant budget at the time of award.

Ms. Lam next presented on the Service Center Budget. The 2014-15 service center budget reflects the retention of the ability to retain trained staff to help

improve the services we provide to consumers. It also includes the ability to convert permanent intermittent staff to limited term positions to help with our staff retention process. It continues to fund these staff during that timeframe where there's higher peak volume.

Juli Baker, Chief Technology Officer, presented on the CalHEERS budget. The total project costs are decreasing by \$30 million. The 2014-15 proposed budget recommendation is to: Strengthen project governance to increase efficiency and contain costs, modify cost allocation to more appropriately reflect costs across programs, and implement system improvements.

Board Member Belshé asked about strengthening the project governance.

Ms. Baker said our governance includes Covered California and DHCS as project sponsors, and OSI as a contract manager. Governance process has been well-spelled-out and has supported us contributed to success. However we need to continue to observe that project governance around scope control for the project. With OSI's continued and strengthened involvement in the project, it will be helpful.

Ms. Baker clarified that the presentation was for the 2013-14 budget year, and this was the difference for the 2014-15 year.

Board Member Ross asked if the decrease is a "cost allocation thing."

Mr. Lee said the total project costs are decreasing by \$30 million. They are also shifting the allocation mix of who's bearing what cost. These are not final cost allocation numbers, but it was always anticipated that the original cost allocation would be adjusted as we move ahead. The presented number reflects those aspects.

Chairwoman Dooley noted that the part allocated to the Medi-Cal department has not yet been approved. This is the Covered California staff's recommendation of how much it should pay for Medi-Cal.

Mr. Lee noted that this is also based on federal approval.

Ann Gezi, SHOP Manager, presented on the SHOP budget and outlined recommendations for the 2014-15 proposed SHOP budget, including completing transition of operations to the new administrative platform.

Ms. Richardson presented on Operations, Finance, and Human Resources and discussed the 2014-15 proposed budget and operational recommendations.

Mr. Lee noted that the recommended changes are potentially significant changes philosophically. They are based on a lot of early engagement from the ground.

There has been a need to bring together the outreach and education funds and the enrollment functions. Some of these changes would take effect in the next open enrollment period. Covered California has a different pool of eligible people than it did a year ago. This population is more Latino and more African American, and new grants will be weighted toward those reaching out to this population. By bringing together outreach and enrollment functions, those efforts can be combined. This would provide continuity for groups that don't apply and then convert to continue through the open enrollment period. This would also reduce the relatively high costs involved in administering multiple programs, and thus allow more money to reach those working on the street. This directs resources to the community.

Board Member Belshé said there are some large policy issues embedded in this discussion. The current plan is to have the next Board meeting anchor the total numbers (with the final approval in June) with adjustments to the spending mix. In May the Board will decide on revenue, and in June it will decide on the whole budget. The cost allocation issue is a significant one. The changes contemplated with regards to enrollment are significant. It would be ideal to dedicate some time to stepping back and considering lessons learned about outreach and enrollment and how to apply those. The next enrollment period will be targeted at a different number of people and a different pool. She was surprised that it's a modest reduction in spending activities, given the lessons learned about pathways and channels to enrollment. She would expect to see a larger adjustment. Covered California should look at cost through any given service channel and opportunities to improve consumer experience. In terms of payment structure, she would appreciate hearing the rationale for pivoting from a per-enrollment approach to a grant-based approach.

Motion/Action: Board Member Belshé moved to approve Resolution 2014-31. Board Member Ross seconded the motion.

Public Comments:

Beth Capell, Health Access California, stated that they do not object to the current year's budget changes. Covered California would like to retain its members, but half of them will churn because of life changes. Covered California must replace those members and that must be budgeted for. They have been frustrated with the lack of ability to reach consumers in the way the consumers wanted to be reached, whether it was service center capacity or the ability of consumers to have face-to-face encounters.

Julie Silas, Senior Policy Analyst, Consumers Union, appreciated that they have been very involved with Covered California and DHCS. Federal regulations propose moving away from the current CEC plans. The materials show that the plan could start as early as summer 2014, and her organization supports getting more money into the community and streamlining the administrative costs, but Covered California should look at alternative proposals regarding the best way to

catch those who missed out. Covered California must create a different net to catch people who were not caught last time.

Sonya Vasquez, Policy Director, Community Health Councils and California Coverage and Health Initiatives, echoed the prior comments, noting that a consolidation of the outreach and education and enrollment program is the way to go. Covered California should evaluate the true cost of these channels in terms of how long it takes to get people into the system. It's important to remember that enrollment entities play a critical role in helping people use their services and in member retention.

Cary Sanders, Director of Policy Analysis, California Pan-Ethnic Health Network (CPEHN), echoed the comments of Ms. Vasquez and the other consumer advocates. They appreciate the budget discussion and that there will be opportunities for stakeholders to weigh in on what the next enrollment period will look like.

Kate Burch, Network Director, California LGBT Health and Human Services Network, echoed the prior comments. She agreed enrollment efforts and outreach and education should be combined. It's important to understand how to bring in subcontractors because a lot of the lead agency grantees won't want to be navigators, whereas subcontractors will have a difficult time transitioning if Covered California doesn't plan that in ahead of time.

Beth Malinowski, Associate Director of Policy, California Primary Care Association, voiced that organizations across the state have put a lot of resources and trust into becoming certified enrollment entities, and they take a lot of pride in their work. They agree with the concept of combining the programs, but feel Covered California must be cautious about how that should be done. They advise against making significant changes to the CEE/CEC program for the upcoming open enrollment period, since everyone is still learning what works. The work toward access and retention has not yet begun.

Linda Leu, California research and Policy Director, Young Invincibles, reiterated that young people will sign up if there's a lot of outreach. When transitioning to an integrated system, whether through a single organization or otherwise, having a pathway for a formalized partnership for that will be important. They appreciate that a robust social media campaign is in the budget.

Elizabeth Landsberg, Director of Legislative Advocacy, Western Center on Law & Poverty, agreed that it would be good to streamline the various programs. Their clients are harder to reach and a grant-based program would work well for them. An important part of the puzzle would be to have independent consumer assistance for those who have more complex problems. It makes sense to make some of the service center positions seasonal positions, and they hope that language spoken would be considered. They are supportive of the fact that the

application lists different numbers for different languages, but it hasn't always worked on the ground. Bilingual staff needs to be available. They hope there will be time and space to present CalHEERS architecture and designs ahead of time. They are concerned that those trying to enroll in the special enrollment period are being asked if they want to apply for Medi-Cal.

Jessica Haspel, Senior Associate, Children Now, also echoed the prior comments. Her focus is on the former foster youth population. As Covered California moves forward and examines the consumer experience, it should ensure that it improves for everyone, but also pay attention to smaller, very vulnerable populations. This would ensure outreach gets to them and also ensure there is adequate support to make needed programming changes.

Doreena Wong, Project Director, Asian Americans Advancing Justice, stated that they would like to see integrated programs. Covered California needs to ensure that the navigator grants are large enough to cover the range of activities that it wants done. In-person assistance is also important, especially the cultural and linguistic aspects. It is important that assisters be providing in-language assistance. It would also be helpful if some of the outreach and education grantees could help with the SHOP program; many in her community are small-business owners and there has been a dichotomy between the programs.

Kathy Ochoa, SEIU-UHW, stated that they enrolled over 11,000 people, and they are proud of that, but it took significant resources. There should be flexibility in terms of how the program is structured at the macro level, and how those resources are best utilized. Time will be critical to align with county efforts as they structure how to use Medicaid dollars. These decisions right now will affect the work through the next open enrollment on the Medicaid side.

On Phone: Julianne Broyles, California Association of Health Underwriters, agreed with Ms. Capell about the need to prepare for more than expected enrollments as in the next period. Depending on how consumers feel the experience has gone, that would be a wise point for the Board to acknowledge. Retention is the best indicator of success. The Board may want to revisit some policies limiting their ability to work with agent organizations in terms of their ability to reach out and help enrollments occur. They agree that using the media is fine, but Covered California must put the dollars where they will bring the most enrollment into the exchange.

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

Discussion: Proposed 2015 Standard Benefit Design

Leesa Tori, Interim Director of Plan Management, presented on Proposed Standardized Plan Designs. We are proposing that we don't make a lot of changes right now. Minor changes do need to be made to the 2015 Actuarial Value (AV) Calculator. When it comes

to design review, Covered California initiated public review through the advisory groups and they have had a lot of good feedback. Covered California also worked with regulators and debated policy and technical issues. Lastly, Covered California worked with dental partners to embed the pediatric dental benefit and also to create a family dental plan.

Plan designs were adjusted as needed to meet actuarial value requirements. Health plan out-of-pocket maximum was reduced to comply with Senate Bill 639 out-of-pocket maximum requirements. Covered California conducted independent actuarial analysis of dental plan designs and elements of health plan designs outside of the calculator.

In all cases of changes by metal tier, generic drug copay was lowered (except for Platinum Plans). Out-of-pocket maximum was lowered in Bronze and Silver Plans. Non-generic copays were increased in the Silver 73 Plan. Ms. Tori then discussed the range of cost sharing changes that have been made to the Silver 73 Coinsurance Plan since March 20th. She also noted that in the Silver 73 Co-pay Plan, there have been similar changes since March 20th.

Finally, Ms. Tori clarified that catastrophic coverage enrollees, with federally-set out-of-pocket maximum of \$6,600, cannot buy up to 10.5 dental coverage. Pediatric dental coverage is embedded in benefit as in all other medical benefit designs.

Mr. Lee noted that some changes had to be made to align the actuarial values. These designs are important because plans outside of the exchange must offer these designs too. The year 2016 will see more changes in the standard benefit design; 2015 includes few changes.

Resolution 2014-32 would enable the executive director to finalize and submit to the Office of Administrative Law an emergency regulations package concerning the 2015 Standard Benefit Plan Designs.

Motion/Action: Board Member Ross moved to adopt Resolution 2014-32. Board Member Fearer seconded the motion.

Discussion: None

Public Comments:

Beth Capell, Health Access California, neither supports nor does not support the design. Standard benefit designs help minimize consumer confusion. This proposal, which they do not oppose, is a \$1600 deductible, or \$3200 per couple, for those with modest incomes. That is way too high for them to afford.

Kathleen Hamilton, Director, The Children's Partnership and California Children's Health Coalition, noted that enormous time and thoughtfulness has been poured into pediatric dental. They appreciate the work of their colleagues. Families cannot buy dental for a single child; they must cover all children. This will usually be duplicative coverage,

so people should know what they are buying. Consumers must be given information about the challenges inherent in having a supplemental policy.

Kassie Donoghue, California Chiropractic Association, noted that the federal government meant to set a floor for required benefits, not a ceiling. The essential health benefits do not include a chiropractic benefit. Many of their patients lost coverage. Covered California should consider alternative design plans in the future because chiropractors provide important services.

Jen Flory, Senior Attorney, Western Center on Law & Poverty, echoed Ms. Capell's comments regarding the silver 73 coinsurance plans. There will be a lot of difficulties because they come with lower physician payments. They would like to see CSR plans that could have more benefit. They would appreciate Covered California's leadership at the federal level. Families with the 73 plans also have Medi-Cal children and must pay their premiums, and that cost is not included.

Julie Silas, Senior Policy Analyst, Consumers Union, expressed happiness with the embedded dental offering. It will be important to communicate that it's double coverage. CalHEERS should include stop signs to ensure people really acknowledge it. She echoed comments about the inaccessibility of a \$1600 deductible for those who with low or moderate income. Covered California must ensure that plans are improved and more affordable ASAP.

Stephanie Berry, Delta Dental California, expressed gratitude for staff's hard work and the availability of a family dental plan. Their experience in other states has been that over 90 percent of enrollees in dental products have been adults, not children.

Cary Sanders, Director of Policy Analysis, California Pan-Ethnic Health Network (CPEHN), appreciated the embedded dental plans. They are concerned about the changes to the enhanced silver plan, but know they have to be made.

Sonal Ambegaokar, Senior Attorney, National Health Law Program, noted that, while they are happy to see lower cost drugs in some cases, they are hearing that in some cases, the formulary a consumer saw when they bought a plan has changed. Now consumers are paying for more expensive drugs.

Doreena Wong, Project Director, Asian Americans Advancing Justice, voiced their happiness that a pediatric dental and family dental were included. It will be important to ensure that consumers understand the issue of double coverage. CECs also need education on the topic; a webinar training would help them know how this will impact the consumers.

Mr. Lee appreciated the Covered California team. There is only so much to work with. For example, the deductible does not apply in many areas, such as primary care visits, specialty care visits, urgent care, and mental health. Covered California is doing its best

to ensure care is affordable and having some services not subject to a deductible is a start. Staff will be doing a fuller review for 2016.

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

Discussion: Covered California Regulation Readoptions

Katie Ravel, Director of Program Policy, presented on Covered California Regulation Readoptions. Staff is requesting a 90-day readoption of the SHOP Appeals Process Regulations and Enrollment Assistance Regulations. No changes have been made to these regulations since the last adoption.

Discussion: Enrollment Assistance

Motion/Action: Board Member Belshé moved to pass Resolution 14-33. Board Member Fearer seconded the motion.

Discussion: None

Public Comments: None

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

Discussion: SHOP Appeals Process

Motion/Action: Board Member Belshé moved to pass Resolution 14-34. Board Member Fearer seconded the motion.

Discussion: None

Public Comments: None

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

Agenda Item VII: Adjournment

The meeting was adjourned at 4:01 p.m.