



EXECUTIVE DIRECTOR'S REPORT

Peter V. Lee, Executive Director | January 21, 2016 Board Meeting

ANNOUNCEMENT OF CLOSED SESSION ACTIONS

OVERVIEW

Executive Director's Report

- Open Enrollment Update
- Delivering on the Promise of Care
- Tax Form 1095 Update and Lessons Learned
- Covered California's Comments on Federal Regulations
- 1332 Waiver Process Update

Covered California Policy and Action Items

- 2017 QHP Recertification, New Entrant and Benefit Design Framework

OPEN ENROLLMENT UPDATE

2016 OPEN ENROLLMENT

Through January 18, 2016:

290,137

New Individuals Selected a Qualified Health Plan for 2016

2016 DENTAL PLAN SELECTIONS

Through January 18, 2016:

142,552

Individuals Selected a Dental Plan for 2016

DELIVERING ON THE PROMISE OF CARE

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Care Provided to Covered California Enrollees from 111 Reporting Hospitals (January 2014 to June 2015)

	Emergency room visits	65,040		Cancer treatments	10,928
	Labor and deliveries	5,272		Joint replacements	692
	Babies receiving treatment in a NICU	473		Transplants	89
	Trauma and broken bones	3,741			

TAX FORM 1095 UPDATE AND LESSONS LEARNED

1095 UPDATE FOR 2015 TAX YEAR – APPLYING LESSONS LEARNED

- Covered California 1095-A generation process highlights:
 - 1,062,747 1095-A's have been successfully issued via Secure Mail
 - 634,184 1095-A's have been mailed to consumers, with 100% expected to be mailed by January 31st
 - Form 1095-A corrections will begin in February, as necessary
 - Ongoing coordination with DHCS for Medi-Cal Form 1095-B and tax households who may be receiving both forms
- Extensive review of the 1095-A process identified key areas for refinement:
 - Continued fine-tuning of ongoing efforts to efficiently reconcile member effectuation data with Issuers
 - Maturing Agency-wide project plan, inclusive of 1095-A monthly and annual operational deliverables, to proactively stage system functionality and resources, including test environments, to better cycle converging priorities
 - Opportunities for additional consumer outreach and education

1095 UPDATE AND PROCESS IMPROVEMENTS

- Key process improvements and strategic implementations:
 - Standardization of the reconciliation process materially increased the operational efficiency between all Issuers and Covered CA. Consequently, 3 cycles of comprehensive enrollment reconciliation was completed with Issuers prior to form generation.
 - 1095-A Project plan included Agency-wide coordination for resource allocation and information sharing. IT infrastructure improvements and test environments facilitated diverse scenario testing and data staging for analysis.
 - The dispute process has been transformed into a consumer facing online form. Leveraging standard field layouts for the consumer, or an assisting Service Center Representative, will translate into efficient processing, tracking, and case research.
 - In concert with DHCS, we have improved notices and consumer facing Q&A documents to reflect the importance of consistent messaging. Additionally, comprehensive service center training and specialized teams have been assigned to handle dispute resolution.

COMMENTS ON FEDERAL REGULATIONS

COVERED CALIFORNIA COMMENTS ON HHS NOTICE OF BENEFIT AND PAYMENT PARAMETERS FOR 2017

- HHS published Proposed Rules on December 2, 2015, with comments due by December 21, 2015*
- Covered California submitted four comment letters on a variety of topics. The comment letters can be found online at <http://hbex.coveredca.com/regulations/>

*The proposed federal rules are located here: <https://www.federalregister.gov/articles/2015/12/02/2015-29884/patient-protection-and-affordable-care-act-hhs-notice-of-benefit-and-payment-parameters-for-2017>

COVERED CALIFORNIA COMMENTS ON HHS NOTICE OF BENEFIT AND PAYMENT PARAMETERS FOR 2017

User Fee for State-Based Marketplaces using the Federal Platform

- Summary - The proposal details two related fee structures: one for the Federally Facilitated Marketplace (FFM) (with a fee of 3.5% of premium) and one for State-Based Marketplace on a Federal Platform (SBM –FP) (with a fee of 3% and allowance for the state to add any fee amount on top of that for its functions).
- Comment - Although Covered California does not use, or have plans to use, the Federal Platform (healthcare.gov), the comment letter reflects California's lessons learned about the user fee that is charged to the qualified health plan carriers. One of the most important elements of a successful Exchange is enrolling enough individuals in order to obtain a strong health risk mix. HHS' proposed SBM-FP user fee is too low for adequate investments in marketing, outreach, plan oversight, and other critical functions of an Exchange, all of which are necessary to enroll healthy consumers.

COVERED CALIFORNIA COMMENTS ON HHS NOTICE OF BENEFIT AND PAYMENT PARAMETERS FOR 2017

Standardizing Health Benefits

- Summary – HHS proposed to promote a standard health benefit design for all Federally Facilitated Marketplaces.
- Comment - Covered California commented on four areas of this proposal: (1) the structure of the Proposed 2017 Standardized Options; (2) how the standardized cost-sharing plans are displayed to consumers compared to non-standardized plans; (3) future standardization; and (4) the need for ongoing analysis of the implications of plan design for consumer access to care.

COVERED CALIFORNIA COMMENTS ON HHS NOTICE OF BENEFIT AND PAYMENT PARAMETERS FOR 2017

Direct Enrollment and Web-Based Entities

- Summary – HHS’ proposed to provide “eligibility determination” as a service to web-based entities (“WBEs”) supporting enrollment in the Federally Facilitated Marketplace.
- Comment – Although Covered California is not in the Federally Facilitated Marketplace, the comment letter was based on our extensive experience working with agents and structuring a positive consumer experiences. Covered California noted that the lack of standards regarding the choice architecture should be of great concern for consumers being served by the FFM. Covered California believes that having clear standards and expectations of WBEs’ choice architecture is of critical importance to ensuring consumers are well served. In the absence of clear standards, consumers may experience confusing displays of health plan options, make less optimal plan and product choices, be routed to off-exchange products, or not get appropriate in-person support when it is needed. Having poor or confusing plan choice display runs the risk of resulting in smaller enrollment and a worse risk pool.

COVERED CALIFORNIA COMMENTS ON HHS NOTICE OF BENEFIT AND PAYMENT PARAMETERS FOR 2017

Other Topics in the Proposed Rules

- Summary – The proposed rules outlined many different areas other than the three topics discussed above.
- Comment – Covered California commented on a range of topics including contiguous rating areas, navigator standards, employer notification requirements, income verification standards, health plan rate submission timelines, and out-of-network providers working in in-network facilities.

COVERED CALIFORNIA COMMENTS ON 2017 LETTER TO ISSUERS IN THE FEDERALLY FACILITATED MARKETPLACE

- Summary - HHS also published draft letter issuers in the FFM. Although the letter to issuers does not apply to California, Covered California submitted comments to offer technical assistance.
- Comments – Covered California offered comments on network adequacy by encouraging HHS to adjust for market characteristics, including state-specific demographics. Secondly, Covered California commented on agent compensation and suggested 1) parity for open and special enrollment, 2) compulsory compensation for agent enrollment, and 3) researching the value of setting minimum commission amounts.
- The letter can be found here:
<http://board.coveredca.com/meetings/2016/1-21/index.html>

COVERED CALIFORNIA BOARD CALENDAR 2015 AND 2016

2015 BOARD MEETING DATES / UPCOMING ADVISORY COMMITTEES

- Thursday, January 21
- Thursday, February 18
- Thursday, March 17
- **Tentatively no April meeting (Proposed)**
- Thursday, May 19, 2016 (Proposed)
- Thursday, June 16
- **Tentatively no July meeting**
- Thursday, August 18, 2015
- Thursday, September 15
- **Tentatively no October meeting**
- Thursday, November 17
- Thursday, December 15

Marketing/Outreach Advisory

- TBD

Plan Management Advisory

- Thursday, February 11, 2016
- Thursday, March 10, 2016
- Thursday, April 14, 2016

Small Business (SHOP) Advisory

- TBD

Please note the proposed changes to the April and May Board meetings.

1332 STATE INNOVATION WAIVER

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- 1332 State Innovation Waiver proposals can take effect no sooner than January 1, 2017. The Federal review of a state's waiver application may take up to 6 months.
- Covered California is committed to engaging the public and stakeholders about potential 1332 waiver proposals.
- In the coming months, proposals will be discussed in forums that will be open to the public.

1332 STATE INNOVATION WAIVER TIMELINE

Tuesday, January 26 (3-4pm) - Covered California hosts webinar to discuss the 1332 waiver process and recent Federal guidance and initial input process.

- Visit <http://hbex.coveredca.com/stakeholders/> for details and link to webinar

Late February (exact date TBD) - Public meeting to discuss possible waiver options. A panel of speakers will present topics, followed by public comment and discussion.

APPENDIX

SERVICE CHANNEL UPDATE

ENROLLMENT SUPPORT: COMPENSATION

Total CEE Payments through January 19, 2016

	# Certified Enrollment Entities Paid	Total Paid
Covered CA Plans	634	\$3,750,315
Medi-Cal Payments	901	\$13,039,299
Total Payments made to CEEs		\$16,789,614

Total Agent Commissions Paid through January 19, 2016

	# Certified Insurance Agents Paid	Total Paid
Medi-Cal Payments	~10,669	\$10,684,992
Total Medi-Cal Commissions paid to CIAs		\$10,684,992

OUTREACH & SALES ENROLLMENT SUPPORT: KEY METRICS

Data as of January 19, 2015

➤ **14,624** Certified Insurance Agents

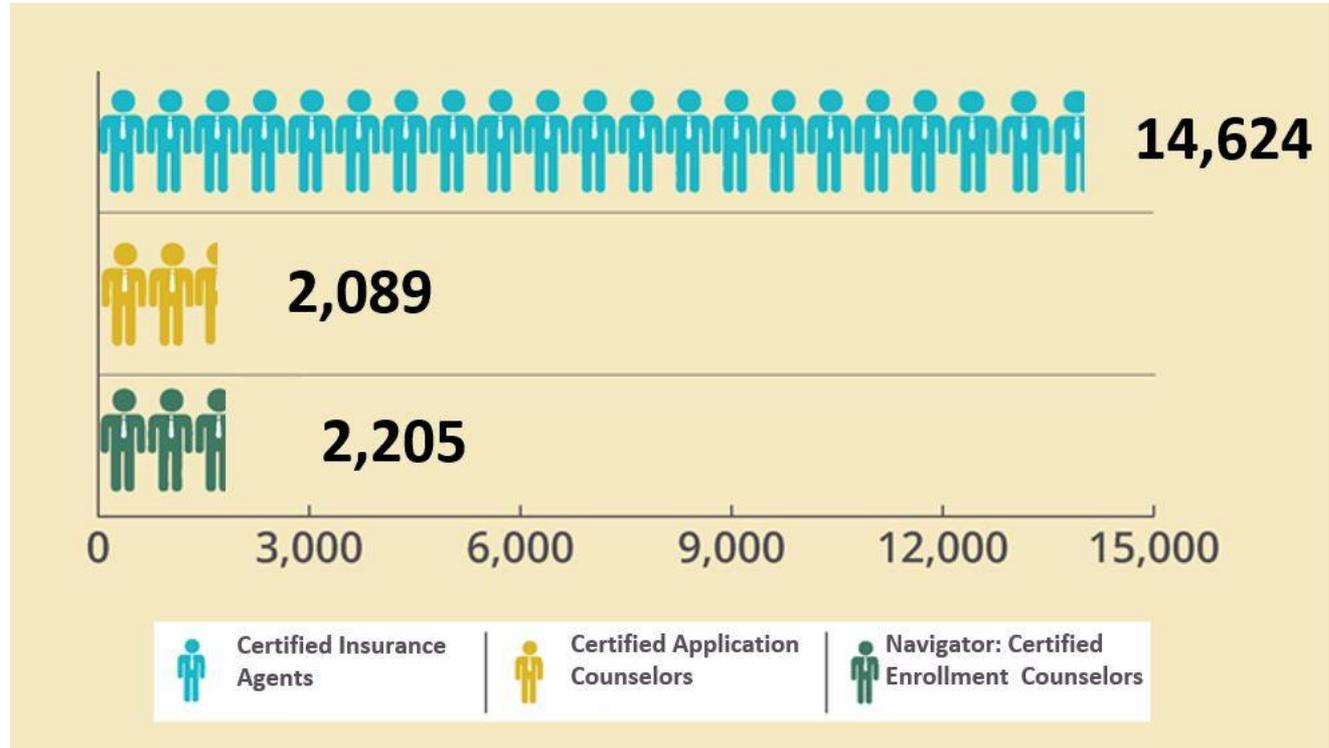
- 17% Spanish
- 7% Cantonese
- 7% Mandarin
- 4% Korean
- 4% Vietnamese

➤ **2,089** Certified Application Counselors

- 59% Spanish
- 5% Cantonese
- 4% Mandarin
- 1% Vietnamese
- 1% Korean

➤ **2,205** Navigator: Certified Enrollment Counselors

- 63% Spanish
- 4% Cantonese
- 3% Mandarin
- 3% Vietnamese
- 2% Korean



ENROLLMENT ASSISTANCE PROGRAMS

Uncompensated partners supporting enrollment assistance efforts during Open Enrollment No. 3 effective Jan. 19, 2016:

ENROLLMENT PROGRAM NAME	ENTITIES	COUNSELORS	CHANGE SINCE NOVEMBER REPORT
Certified Application Counselor	379	2,089 Certified	5% Entity Growth (+19) 36% Counselor Growth (+556)
Medi-Cal Managed Care	2	39 Certified	30% Counselor Growth (+9)
Plan-Based Enroller	12 Plans	Enrollers Certified 1,840 Total	100% QHP Participation 18% Enroller Growth (+280)

APPENDIX

24 MONTH COVEREDCA.COM ROADMAP

24 MONTH COVEREDCA.COM ROADMAP UPDATES

- The ability for consumers to “chat” on the web in Spanish was added for the current Open Enrollment period.
- CalHEERS implemented a special release on January 7th to accommodate 2015 Tax Year 1095A processing
 - Updates include new IRS guidance and enhanced federal reporting
- The next major release for CalHEERS is planned for March 2016 and will include:
 - MAGI Eligibility Determination for C-CHIP (deferred from October release)
 - Improved Medi-Cal and e-HIT application processing
 - Phase 1 of Senate Bill 1341, movement of MAGI Medi-Cal Notices to SAWS
 - Implementation of Covered California / QHP notices to consumers via secure mailbox / e-mail (depending on consumer preference)

APPENDIX

SERVICE CENTER UPDATE

SERVICE CENTER UPDATE

Improving Customer Service

- Service Centers were open Sunday, 12/13/2015
- Service Centers were open until Midnight Tuesday, 12/15/2015
- Appeals refresher training rolled out to SCRs through LMS on 12/22/15
- Fresno Service Center assisted Pinnacle with agent phone calls

Enhancing Technology Solutions

- Implemented service level agreement (SLA) for high priority CalHEERS tickets
 - Faster fixes for urgent access to care system issues
 - Reduced consumer call backs, improving consumer experience
 - Increased informal resolutions, so fewer Appeals requests go to Hearings
- CRM efficiency enhancements made for Appeals and External Coordination units

Staffing Updates

- Fully staffed at all location, including surge vendor
 - Able to keep current on processing manual work streams
 - Significantly improved telephone service levels over December last year

SERVICE CENTER PERFORMANCE UPDATE*

December 2015 Call Statistics

	Calls to IVR	Calls Offered to SCR	Abandoned %	Calls Handled	ASA	AHT	Percent of Calls Answered Within 30 Seconds
Totals	699,250	434,564	7.60%	397,345	0:03:20	0:16:12	54.38%

Does not include outbound, SHOP, or internal consults

Top 5 Call Dispositions

1. Current Customer – Application/Case Status - Inquiry/Assistance
2. Current Customer – Renewal – Inquiry/Assistance
3. Current Customer – Disenrollment/Termination – Request to be Terminated
4. New Enrollment – Inquiry Assistance
5. Current Customer – Payment Inquiry – Inquiry/Assistance

**Performance metrics are measured monthly.*

DECEMBER INDICATORS

- December's contact volume was 434,564 calls, which is a 27.89% increase from November.
- The percent of calls answered within 30 seconds increased in December to 54.4% from November's level of 52.2%.
- The percentage of Abandoned calls was 7.6%, which is a 8.4% decrease from November.
- Average Handle Time for December was 0:16:12, which decreased from 0:17:07 in November.

QUICK SORT VOLUMES

December Weekly Quick Sort Transfers

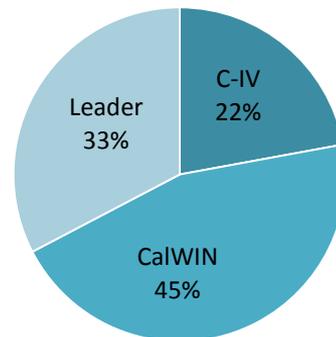
Week 1*	Week 2	Week 3	Week 4*	Week 5*	Total
1,685	2,113	2,047	581	981	7,407

* Partial Week

December Consortia Statistics

	Calls Offered	Service Level (30 sec.)	Calls Abandoned %	ASA
C-IV	1,265	97.95%	0.32%	0:00:06
CalWIN	2,586	94.25%	0.84%	0:00:18
Leader	1,867	96.20%	1.4%	0:00:09

QuickSort Transfers December 2015



Performance metrics are measured monthly. Voice queues normal days of operation for consumers are Monday through Saturday.