

CALIFORNIA HEALTH BENEFIT EXCHANGE BOARD MINUTES
Thursday, June 16, 2016
Covered California Tahoe Auditorium
1601 Exposition Blvd.
Sacramento, CA 95815

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

Chairwoman Dooley called the meeting to order at 10:04 am.

Board members present during roll call:

Diana S. Dooley, Chair

Paul Fearer

Art Torres

Genoveva Islas

Members Absent:

Marty Morgenstern

Agenda Item II: Closed Session

Discussion: Announcement of Closed Session Actions

The Board convened to discuss personnel and contracting matters and noted there was nothing to report on these matters at this time.

A conflict disclosure was performed and there were no conflicts from the board members that needed to be disclosed. Chairwoman Dooley called the Open Session to order at 1:10 pm.

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 May 12, 2016 meeting minutes.

Presentation: May 12, 2016, Minutes

Discussion: None.

Public Comment: None

Motion/Action: Board Member Fearer moved to approve the May 12, 2016, minutes.
Board Member Islas seconded the motion.

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

Agenda Item IV: Executive Director's Report

Announcement of Closed Session Actions

Peter V. Lee, Executive Director, announced that the Board discussed personnel and contracting matters.

Contract matters of the board took up in closed session included amending an interagency agreement with the Department of Social Services (DSS), approval to amend an existing contract with Richard Heath and Associates, and approval for the issuance of an RFP for “surge vendors.”

Personnel matters the board undertook included the adoption of a salary survey, and approval of compensation adjustments. The Board also approved transitioning from a one, to two chief deputy model; one responsible for the area of operations, encompassing finance, IT, and administrative services, and the other reflecting programs, health plans, outreach, and the service center. The recruitment process will begin immediately. Mr. Lee also announced that Anne Price, Director of Plan Management would be leaving Covered California. He thanked her for her service. James DeBenedetti will be stepping into Ms. Price’s role.

Chair Dooley thanked member Fearer, who is also on the personnel subcommittee. Together they worked with Milliman to look at jobs that were comparable, both in scope and responsibility in public sector importance, including exchanges in other states, other state agencies, and private sector jobs that are relative and have established reference ranges for establishing salaries.

She added that over the years, the Board has considered a bonus structure. Many private agencies have bonuses, and there are few examples of state service bonuses. The Board had adopted an interim bonus structure as a part of the executive director’s compensation. The Board has concluded that there will be no bonus program. The Board has incorporated the previous bonus in a base amount and adjusted the executive director’s salary. This will be a part of the salary postings on July 1, which are consistent with the established reference ranges.

Yolanda Richardson’s Departure

Chair Dooley then turned the discussion to Yolanda Richardson’s departure from Covered California and shared that it was a privilege working with her. Ms. Richardson started as a consultant and has been at the core of everything. Chair Dooley shared that she is most proud of the inclusive, transparent, active engagement with Covered California’s stakeholders, much of which is to Ms. Richardson’s credit.

Member Fearer echoed Chair Dooley’s remarks. He is pleased to have had the opportunity to work with Ms. Richardson and noted that she has been a fantastic and brave contributor. When she took on this assignment at Covered California, there was a big risk, but with good spirit and hard work, Ms. Richardson prevailed.

Member Islas noted that Ms. Richardson has been exemplary, brilliant, smart and articulate. She thanked her for being a tremendous woman of color who is an exceptional role model for all.

Member Torres noted that in the short time he has known Ms. Richardson, he is very impressed.

Mr. Lee noted that Ms. Richardson has always exemplified that this is a group effort and added that this is a five-year mark for everyone to celebrate. He added that the Affordable Care Act (ACA) is not self-implementing, but it is Yolanda Richardson implementing, because she has been at the center of everything since July 2011. Mr. Lee also acknowledged four other staff members who have been with Covered California from the beginning: AJ Meza, Katie Ravel, Tien Lam, and Joyce McCarthy.

Mr. Lee summarized some milestones from the previous five years; including getting over a billion dollars in federal funds, resulting in over 2.5 million Californians getting covered through Covered California, and many millions more served through Medi-Cal. Covered California started with a handful of staff, and a small corner office in Natomas, and now has 1,300 staff, with three offices around the state. Ms. Richardson has been there every step of the way.

Mr. Lee noted how Ms. Richardson has embodied all six values that Covered California seeks to represent, which include being consumer focused, affordable, being a catalyst for change, operating with integrity, operating with partnership, and operating with a focus on results.

Public Comment:

Beth Capell, Health Access; Cary Sanders, California Pan-Ethnic Health Network; Elizabeth Landsberg Western Center on Law and Poverty; and Betsy Imholz, Consumers Union, read a joint sign-on letter acknowledging the extraordinary role that Ms. Richardson has played in the launch of Covered California and in the implementation of the ACA in California. From the beginning, Ms. Richardson has stepped forward in key leadership roles to assist in the success of the public trust. While the millions of Californians who have/will benefit from Covered California may not know her name, those who have advocated on behalf of consumers before the Board know her name very well. Advocates have relied on her willingness to listen, knowledge, passion, and commitment to health equity, good sense, problem-solving skills, hard work, and her ready laugh, to help steer through the rough patches that are inevitable in any new venture of this magnitude. They added that they have enjoyed working with Ms. Price as well.

Elizabeth Landsberg, Western Center on Law and Poverty (WCLP) and the Health Consumer Alliance (HCA), noted that Ms. Richardson has always been collaborative, and a problem solver. She is very hard working, incredibly committed, and has made Covered California operational.

Cary Sanders, California Pan-Ethnic Health Network (CP-EHN), is very appreciative of Ms. Richardson's efforts at Covered California to push and advocate; on behalf of communities of color throughout the state; for an inclusive Exchange that serves all communities in California.

Beth Abbott, Office of Patient Advocate, thanked Ms. Richardson for her service and noted that she was always responsive to calls and emails. She compared Ms. Richardson's results and responsiveness to "synchronized swimming," meaning that there may be a lot of paddling underneath the water, but it is beautiful above the water.

Deborah Kelch, Insure the Uninsured Project, worked with Ms. Richardson since the beginning. Until this day, she has been an extraordinary colleague, partner and friend. Her contributions are

so enormous that it is hard to make a list. Ms. Kelch echoed Mr. Lee's comments. Wherever Ms. Richardson goes, at a young age she has an extraordinary legacy that she leaves behind.

Helen Roth Dowden, SEIU Local 1000 Local 1000, thanked Ms. Richardson for her public service and wished her well. She noted Ms. Richardson's calm but enthusiastic manner, and her ability to get things done. Although both sides have not always agreed, SEIU always had someone to talk to, to work out differences.

Doreena Wong, Asian Americans Advancing Justice LA, echoed previous remarks of the joint letter and speakers. She thanked Ms. Richardson for the transparency, accountability, and dedication she has demonstrated. She also thanked her for helping create Covered California and for her commitment to providing stakeholder input accountability.

Athena Chapman, California Association of Health Plans (CAHP), echoed previous comments about Ms. Richardson. CAHP has enjoyed working with her over the past five years. Even when pushed to her limits, Ms. Richardson remained collegial, worked with CAHP and remained responsive. She also thanked Ms. Price for her hard work and added that CAHP too enjoyed working with her over the last couple of years.

Mr. Lee presented Ms. Richardson with a photo and encouraged everyone to sign it.

Ms. Richardson shared her experiences and how much Covered California has meant to her. She thanked the Board, staff, advocates, colleagues, and Mr. Lee for the opportunity.

Executive Director's Update

Discussion: Reports and Research

Mr. Lee noted that news over the last month has focused on the 1332 Waiver, plan rates, and the departure of United Healthcare. He added that United Healthcare would not be part of Covered California's portfolio for next year. Staff is currently in negotiations and will announce rates in July. Mr. Lee pointed out that United Healthcare left as part of their national strategy. They had 1,600 enrollees, less than 1/10th of 1% of Covered California's enrollment.

Discussion: Section 1332 State Innovation Waiver Update

Mr. Lee reported that Senate Bill (SB) 10, Senator Lara, was passed by the legislature and signed by the governor. This builds on the work that has been done at Covered California to prepare what can be done to potentially offer unsubsidized coverage to undocumented Californians, which would be effective in January 2019. With this piece of legislation, Covered California will be responsible for preparing a waiver package. The turnaround period is very tight and Covered California hopes to have the package in the hands of the administration in September so that they can act within the required 180 days. A competitive RFP for drafting the waiver and the contract will be issued to Health Management Associates. There will be a public comment period and the draft will be brought back to the Board for review, and input.

Discussion: Covered California for Small Business (CCSB)

Mr. Lee shared that CCSB is growing above goals and membership targets, with nearly 30,000 people enrolled. There is a big opportunity in the fourth quarter of 2016 because many small businesses will turn over their plans.

Member Islas is pleased with SB 10 the responsiveness to the needs of all Californians.

Public Comment:

Beth Capell, Health Access, thanked Covered California, the Board and its staff, and the governor for signing SB 10. The bill passed on a bipartisan and urgency basis. Additionally, the recently passed budget, gives Covered California emergency regulatory authority to facilitate the process. Also, as one of her last duties, Ms. Richardson laid out a plan to assure that the waiver application is done by August 1 and is available for comment at the August board meeting. Health Access looks forward to those opportunities and thanked everyone who is working to move so quickly to make the front door of Covered California open to all Californians.

Betzabel Estudillo, California Immigrant Policy Center (CIPC), is pleased that SB 10 was signed. It was a difficult and collaborative effort with many partners. CIPC is pleased to work with Covered California on the Waiver, and to let families know that Covered California is open to all Californians, regardless of immigration status.

Ben Hudson, California LGBT Health & Human Services Network, is pleased with the passage of SB 10, as well as the enrollment numbers. He added that it is not possible to know what the numbers are in the LGBT community until information is collected through SOGI questions.

Chair Dooley announced that Kate Burch has moved on and acknowledged her support. She added that Ms. Burch has been a very helpful part of the process and wished her well.

Agenda Item V: Covered California Policy and Action Items

2016/17 Proposed Budget, Forecast and QHP Assessment Fee

Mr. Lee introduced the budget, forecast and QHP assessment and noted that staff provided the Board with changes from the initial proposal and is asking to formally set rates for health plans, dental plans and our CCSB. Mr. Lee added that staff received very good, engaged discussion and thoughtful comments in the last month and noted that the Board has reviewed them.

Mr. Lee responded to Health Access' comments about reaching customer service targets and noted that when Covered California looks at answering 80% of the calls answered in 30 seconds, it is a target, not something to bind everything the organization does. The more important issue is what service levels mean for retention. Having investments in customer service is critical, but there is a need to balance investments in customer service against premium burdens.

Mr. Lee thanked SEIU Local 1000 for their letter supporting the budget. The budget reflects having interim peak and valley surge calls. However, Covered California has worked closely with the unions to ensure that full-time union workers are doing work and having as little surge use as possible, while recognizing the need to have optimal customer service.

Jim Lombard, Director, Financial Management Division, noted that the proposed budget strikes a balance between meeting program operations, looking at rates, and balancing the reserves. Staff is requesting that the Board approve the assessment rates and approve the budget.

The budget proposal from the May Board meeting was \$308 million. The revised budget proposal adds changes totaling about \$12 million, bringing the budget total to \$320.9 million.

Mr. Lombard reviewed the enrollment forecast for both individual and small business. He noted that three different scenarios were modeled. While previous forecasts looked at penetration into the unsubsidized population, staff is looking at enrollment trends over the past few open enrollments and special enrollment, to determine projections. The most significant factor in high-medium-low scenarios are the recent changes in law related to the impact of minimum wage. While membership is tracking more than the forecast, staff is not recommending adjustments.

Mr. Lombard shared that due to maturing reconciliation efforts, current year cash collections were advanced. In April, collections were \$45 million, approximately \$27 million more than expected. This additional revenue, combined with some adjustments to the 14-15 numbers, will increase revenue by about \$48 million in the current year. In 2017, Covered California will bill after the enrollment month, which will result in a one-time reduction of about \$23 million for 2016-17. These changes result in an increase in the number of reserves, to between seven and eleven months, up from six to nine months in the May proposal.

Mr. Lombard provided a breakdown of the \$320.9 million budget. Service Center funding will be comparable to the current year. Significant improvements that will improve the consumer experience include implementing a courtesy call back program for consumers, implementing auto password reset via the web, and adding prerecorded disclaimers. Staff is proposing \$10 million investment in IT and infrastructure, much of which will go towards the Service Center. Staff will be looking at automating many of the consumer verification efforts and expanding consumer outreach channels to text messaging. \$98.6 million is proposed for outreach and marketing, \$38 million for paid media, and \$7.25 million for the navigator program.

Ms. Lombard presented a summary of budget changes from the proposed May budget to the final recommendation. Adjustments totaled \$12.9 million, which include an additional \$2.25 for the Navigator program, \$2 million for marketing; \$6.5 for CalHEERS cost sharing; \$750,000 for consumer assistance; \$509,306 for the appeals case management system, operated by California DSS; and \$331,596 for administrative services.

Other significant items in the budget include \$2 million for the Office of the Ombudsman and \$4 million for a contract with Contra Costa County that will expire on June 30, 2017.

Regarding QHP assessment rates, staff is proposing changes from a per-member, per-month fee to a percent of premium; 4% for the individual market and 5.2% for the Small Business market. Mr. Lombard presented a graph that illustrates expenditures as a percent of premium, which have ranged from 6.6%–4.49%. Actual collections have ranged from a low of 3.31%–3.85%.

Mr. Lombard reviewed Covered California's multi-year outlook. He noted that reserves would be between 7-11 months. This assumes assessment rates in the near term of 4% for 2017-18 and reflects a reduction in 18-19 to 3.75% and 3.5% in 2020. This also reflects 5.2% for CCSB. Revenues will match plan assessments in 2017-18.

Staff recommended that the Board adopt resolution 2016-31 to: (1) approve the budget for FY16-17, providing expenditure authority of \$320,924,993, (2) grant the Executive Director authority to make adjustments to the budget, provided that expenditures remain at or below the expenditure authority approved by the Board, and that any adjustment be reported to the Board, and (3) to charge a per-member, per-month assessment of 4% of premium on QHPs, and 5.2% for plans sold through CCSB in plan year 2017.

Mr. Lee noted the next fiscal year would be the first year Covered California will operate without federal funds. The proposed budget is robust, substantial, and a substantial decrease. The core priority is to both get new members, retain existing members, provide exceptional customer service, and help change the delivery system. The 4% assessment is more than that of the Federal marketplace. However, this is what it takes to fund the robust marketing, advertising, and outreach which is critical to achieving a good risk mix that helps keep premiums down. The budget is also fiscally prudent, with adequate reserves. Mr. Lee noted that legally, Covered California could not have more than 12 months in reserves. If enrollment is larger, the 4% premium assessment can be reduced faster. Staff attempts to be conservative with the modeling. Covered California is showing both California and the nation how to have both robust public benefit to millions of consumers in a fiscally prudent way that does not put taxpayers at risk.

Chair Dooley clarified that the development of the ombudsman program is not in lieu of the assistance that is needed in the field. HCA's work will supplement the addition of the program.

Public Comment

Elizabeth Landsberg, Western Center on Law and Poverty (WCLP), appreciates the increase for the navigator grant and for marketing in the Asian and Pacific Islander languages. She also thanked Mr. Lee reaching out to the HCA regarding funding of consumer assistance. Ms. Landsberg shared that a week ago, she and Ms. Flory attended a monthly meeting between Covered California and HCA. Advocates from around the state raised different issues that they have seen on the ground. Topics included plan liaison processes, consumer issues with plans, terminations resulting from health plan auto pay issues, 1095-A disputes, mixed Medi-Cal Covered California families, and the informal resolution process. This is an example of the way HCA and Covered California work together. HCA appreciates the partnership and looks forward to continuing it. Ms. Landsberg urged the Board to augment funding for the HCA from \$750,000 to \$1 million. She is hopeful that \$1 million dollars, spread over 12 consumer assistance programs throughout the state, and for expertise that the advocates have is worth it to the Board.

Cory Racela, National Health Law Program, echoed Ms. Landsberg's comments about systemic policy work that HCA does, as well as the individual casework. HCA already does many of the functions that the ombudsman program is designed to DO, such as facilitating resolution of consumer issues in advance of appeals, assisting in resolution of complex issues, and increasing transparency/accountability of Covered California. HCA also provides important links between

Covered California, Medi-Cal and policy issues. HCA also works with other agencies such as the DSS and the Department of Managed Health Care to ensure the consumer experience reflects what Covered California is designed to do. She urged the Board to increase HCA funding to \$1 million.

Athena Chapman, California Association of Health Plans, urged restraint and weighing what is necessary to run the program, and what is not. Now that there is no federal funding, all costs will go directly go into premiums. CAHP looks forward to working with Covered California and other stakeholders as to keep with the commitment of reducing the QHP.

Michael Lujan, California Association of Health Underwriters (CAHU), supports the proposed budget, with a small request to add more clarity around what amount of technical, marketing and call center budget would be applied specifically for the agent channel. CAHU is proud that agent contribution to enrollment is close to 50%. He also noted that the call center that supports the agent channel is supported by Pinnacle, which may have different wait times and different metrics. Mr. Lujan also congratulated Ms. Richardson.

Gil Ojeda, California Program on Access to Care (CPAC), noted that the efforts put into the Waiver involved a lot of work on the part of Senator Lara and his staff; work that began in the summer of 2015. He asked whether senior staff looked into the idea of some kind of combined public-private approach towards providing some level of subsidies for the undocumented that will be covered under the Waiver, particularly those under 200% FPL. The possibility of creating a trust fund made up of counties, foundations, and corporate entities (modeled after Assemblymember Manuel Perez's bill of a few years back), as a pilot program, should be explored, especially as the state moves towards coverage for the undocumented as a whole.

Doreena Wong, Advancing Justice LA, appreciates the increase for the navigator as well as staff's reception to input, and the increased marketing budget to the API communities. It is a great opportunity to continue coordinating activities with the navigator program and the marketing team. She is hopeful the navigator program will not have to face such budget decreases next year, especially in light of SB 10 and the undocumented community that will be entering the program. It will be important for the navigator program to be strong, provide that in-person, culturally competent care and access to services. Lastly, Ms. Wong asked for the status of the vacant Health Access and Equity Officer position and if it will be included in the budget.

Amy Adams, California Health Care Foundation, asked for detail on the \$6.5 million allocated to CalHEERS cost sharing. Chair Dooley noted that Mr. Lee would respond after public comment.

Sonya Vasquez, Community Health Councils, Inc., appreciates that the Navigator funding was increased from the last proposal. This change demonstrates Covered California's commitment to on-the-ground support from trusted organizations, which provide more than just enrollment assistance. For example, with the newly qualified immigrant wrap. There will be a lot of confusion around that, and it is important to have people on the ground that understand both sides of Medi-Cal, as well as Covered California. She urged the Board to fund HCA at the requested \$1 million. It is not much considering the support they really provide consumers and organizations like Community Health Councils who really look to them for help with consumers.

Cary Sanders, California Pan-Ethnic Health Network (CP-EHN), echoed comments of the other advocates. The services that consumer groups provide go beyond just outreach and enrollment. They include customer service, translation, interpretation, case management, appeals, grievances, and help utilizing coverage. Helping people use the care and they have is the new wave of health reform. These groups also see a large portion Covered California members and the population that churns back and forth between Medi-Cal and Covered California. It is important to be fiscally prudent, but not at the expenses of customer service. She urged the Board to fund HCA at the full amount and to work closely with the navigators and marketing team to ensure that it is reaching hard to reach, diverse communities.

Helen Roth Dowden, SEIU Local 1000, supports the budget. It is a sign of maturity that services are being brought in house and that the budget reflects what is needed in costs and services that are going to be provided. SEIU is also supportive of the new Ombudsman office.

Ben Hudson, Gender Health Center (GHC), noted that GHC was initially funded with an outreach and education grant, and in every navigator grant since. GHC appreciates the funding for the navigator grants and urged the Board to not minimize the impact. GHC has been putting in a tremendous effort since 2013 into communities, and that's continuing to build as people are still waking up to the reality of the ACA. GHC has a medical-legal partnership with the Legal Services of Northern California, which is part of the HCA. This partnership allows consumers who do not understand what access to health care means, to be connected with an advocate quickly and easily. GHC urged the Board to increase the funding amount to HCA.

Beth Capell, Health Access, noted that although Covered California is transitioning from federal funding, the overwhelming majority of enrollees have a large part of the cost of share coverage subsidized by the federal tax credit, and that does somewhat cushion the impact on premiums. The role of the subsidies cannot be underestimated in cushioning enrollees from the costs of their premium. Health Access supports the full million dollars to the HCA. They are also appreciative of the increase in the navigator funding. With respect to the service center, she expressed disappointment that the contract with Contra Costa will not continue. They looked at the service levels from December to March and found that Covered California is not close to the 80-30 standard; it was more like 50-30, with 7-10% of the calls being abandoned. She asked how Covered California plans to achieve the service levels they committed to previously.

Mr. Lee noted that marketing and advertising budget is building on three years of lessons learned. California is a diverse state, and continuing to have that diversity is core to the organization's mission. He also underscored Covered California's commitment to the on-the-ground work. In response to the question about CalHEERS budget detail, Mr. Lee noted that a range of functions are funded through cost sharing, in partnership with DHCS. New information was received last month, about services being provided, that changed those formulas. Lastly, Mr. Lee noted Covered California is committed to the on-the-ground work, consumers getting their issues resolved timely, and to continuing to be a learning organization, looking at systemic issues, and changing what is done to solve issues.

Motion/Action: Board Member Fearer moved to pass Resolution 2016-31. Board Member Islas seconded the motion.

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

Discussion: Standard Benefit Design Technical Modifications

James DeBenedetti, Deputy Director, Plan Management Division, noted that benefit designs for high deductible plans are set by the IRS and Covered California must conform to those elements. Typically, the IRS will increase the maximum out-of-pocket for its high deductible plans each year. For 2017, it will remain the same as 2016. In April, the Board approved increasing the maximum out of pocket for the high deductible plans by \$100. It needs to be scaled back to meet IRS requirements. This placed the Silver plan in CCSB and the individual Bronze plan out of compliance with HSA rules. There were no problems in adjusting the Silver plan. However, for the Bronze plan, the deductible needs to be raised by \$300 in order to meet actuarial value requirements.

Member Fearer requested clarification on why the change in out-of-pocket maximum had a corollary change for the Bronze plan, but not for the Silver. Mr. DeBenedetti confirmed this is because it was still within the actuarial value.

Public Comment

Jen Flory, Western Center on Law and Poverty, is concerned that consumers will pick one way or another when they see the out-of-pocket maximum in a HDHP plan compared to a regular bronze plan. Many people spent a lot of time trying to ensure plans that were apples to apples comparisons. Having two different bronze plans that are slightly different undermine those efforts. She is hopeful that PLANS can be realigned next year and that is the IRS cooperates.

Beth Capell, Health Access, echoed WCLP's comments and encouraged Plan Management revisit plan designs to align them. Many people have spent a lot of time trying to make cost sharing obvious to the casual consumer, unlike what goes on in other states, where the profusion of benefit designs leads to consumer confusion.

Cary Sanders, California Pan-Ethnic Health Network (CP-EHN), echoed others' comments. She also thanked Ms. Price for her leadership and hard work in the Plan Management Division.

Mr. Lee echoed other speakers' comments. California has done a great job at having patient centered benefit designs that allow for apples to apples comparisons. This change will mean Covered California will need to provide more material to navigators and agents, to help describe plan differences. This is the best solution for the near term.

Motion/Action: Board Member Torres moved to pass Resolution 2016-32. Board Member Fearer seconded the motion.

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

Covered California Regulations

Discussion: Certified Application Counselors (CAC) Emergency Regulations Readoption

Drew Kyler, Interim Deputy Director, Outreach and Sales Division, noted that federal ACA regulations were recently amended. Federally-Facilitated Exchanges are required to implement all of the changes, but most changes are optional for State-based exchanges. Staff is bringing them before the Board for consideration and will bring them back in August for action. Changes include, requiring CACs to make referrals to the appropriate agencies should consumers have a grievance, complaint or question regarding their coverage. Secondly, a CAC would be required to inform consumers that they are not tax advisors or attorneys, and in their role as CAC cannot provide those services. Lastly, it would put a cap on the value of a gift that can be provided to an applicant by a CAC, to a nominal value.

Public Comment:

Jen Flory, Western Center on Law and Poverty, supports the regulation language. She noted there has been a lot of confusion, with the provision on tax advice, at a county level in dealing with Medi-Cal. WCLP wants to ensure that CACs are not dissuaded from helping link people with tax advice, or to information that they need. Specifically, explaining some of the program requirements about Covered California that are related to taxes, such as the requirement to file jointly if married. It is great to draw the line on what information can and cannot be given. However, CACs should not be dissuaded.

As a follow up to the eligibility and enrollment regulations in from the May meeting, WCLP had expressed concerns regarding the failure to implement the requirement to translate into special languages and about the including a prohibition against gender identity discrimination. Staff did respond, but WCLP was disappointed that they would not change the regulations until they were technically able to do it, despite the fact that there is clear state statute and federal regulations.

Julie Broyles, California Association of Health Underwriters, noted that they did not have a lot of time to respond to the proposed regulations. CAHU would like to ensure that there is a two-way ability, where if the CAC has an issue that cannot be resolved by Covered California or the associated agencies, they know that they can also refer an agent. Additionally, agents should be able to refer to the CACs, without any type of a compensation agreement.

Chair Dooley clarified that this is a discussion item only and that action will be taken in August. Staff will take comments and respond to them before there is action taken.

Michael Lujan, California Association of Health Underwriters, recommended that the language concerning CACs not being able to refer consumers to specific insurance agents be clarified. The proposed language might interpreted by CACs that they cannot refer to agents. For example, if a small business owner is not sure whether they should apply individually or through CCSB, it might be appropriate for the CAC to refer to an agent.

Agenda Item VI: Adjournment

The meeting was adjourned at 2:40 p.m.