



## **EXECUTIVE DIRECTOR'S REPORT**

Peter V. Lee, Executive Director | January 17, 2019 Board Meeting

# ANNOUNCEMENT OF CLOSED SESSION



# COVERED CALIFORNIA 2019 BOARD MEETING DATES

All meetings will be held at Covered California, 1601 Exposition Boulevard, Sacramento with the potential of off-site web-participation by board members. Unless otherwise notified, meetings will begin at 10:00 am.

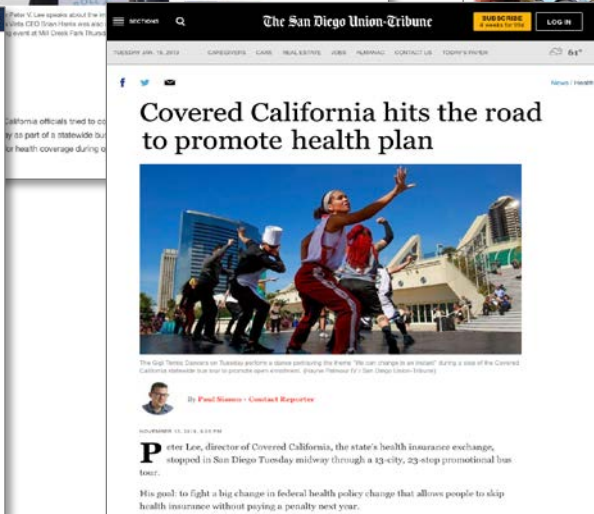
- January 17
- **Meeting on** February 21!
- March 14
- April 18 (possibly no meeting)
- May 16
- June 13
- July 18 (possibly no meeting)
- August 15
- September 19
- October 17 (possibly no meeting)
- November 21
- December 19 (possibly no meeting)

# EXECUTIVE DIRECTOR'S UPDATE

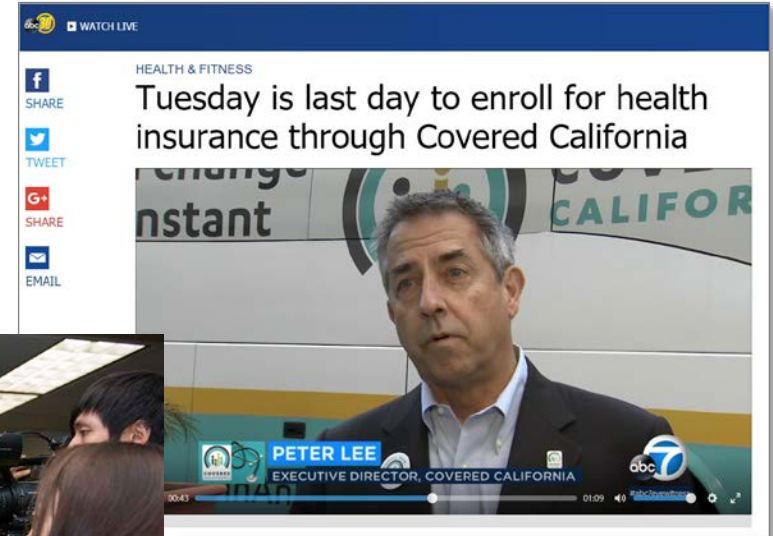
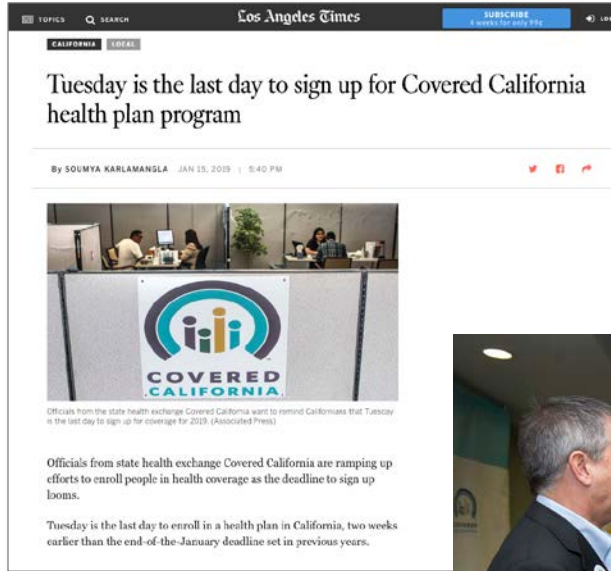
# ROBUST OE SPANISH-LANGUAGE COVERAGE — PHONE BANKS AND INTERVIEWS STATEWIDE



# NOV. BUS TOUR — MEDIA COVERAGE



# “COUNTDOWN” TOUR ENDED TUESDAY





# GOVERNOR NEWSOM'S BUDGET PROPOSAL

- On January 10, 2019, Governor Newsom released his [2019-2020 Budget Proposal](#). Healthcare related provisions are as follows:
  - **State Subsidies and Individual Mandate** – The Budget proposes to increase subsidies for those with income between 250 and 400% FPL and expand subsidies to those with income between 400 and 600% FPL. These are expected to be funded by establishing a State individual mandate.
  - **Medi-Cal Expansion for Young Adults Ages 18 to 25 Regardless of Immigration Status**
  - **Prescription Drug Cost Containment** – The Budget proposes to use the State's purchasing power to achieve a single-payer system for prescription drugs.



# GOVERNOR NEWSOM'S BROADER HEALTH CARE AGENDA

In addition to the governor's budget proposal, Governor Newsom issued two Executive Orders and a letter calling federal legislative changes to empower state innovation and build on the foundation of the Affordable Care Act:

- **Executive Order: Single-Purchaser System for Prescription Drugs**
  - Aims to address rising prices of prescription drugs by strengthening state's bargaining power.
- **Executive Order: California Surgeon General**
  - Establishes a California Surgeon General to address the root causes of California health challenges and inequities, such as social determinants of health.
- **Letter to the White House and Congressional leaders proposing for federal action to:**
  - Allow states to transform health care in their states through new state Transformational Cost and Coverage Waivers
  - Build on the success of the Affordable Care Act by reinstituting the federal individual mandate penalty, improving affordability through enhanced federal financial assistance, and implementing a permanent federal reinsurance program.
  - Avoid erosion of progress through policies such as promotion of short-term, limited duration insurance.



# RECENT STATE LEGISLATIVE ACTIONS

Members of the California Legislature have introduced legislation aimed at expanding coverage and making it more affordable.

- ❑ **AB 4 (Arambula) and SB 29 (Lara/Durazo)** expand Medi-Cal coverage to all low-income adults regardless of immigration status.
- ❑ **AB 174 (Wood)** authorizes a personal income tax credit for qualified individual, as certified by Covered California, with incomes between 400 and 600 percent of the federal poverty level to help limit the percentage of income spent on health coverage.
- ❑ **SB 65 (Pan)** requires Covered California to administer financial assistance to help low- and middle-income Californians access affordable health care coverage by capping consumer premium contributions, and reducing copays and deductibles for lower income consumers.

# COVERED CALIFORNIA'S COMMENTS ON PROPOSED FEDERAL PROGRAM INTEGRITY RULES

On January 8, 2019, Covered California submitted [comments](#) on the proposed federal Exchange Program Integrity regulations (CMS-9922-P), specifically on the proposal to require separate billing for non-Hyde abortion services.

- ❑ **Proposed Rule is Unnecessary:** Given current rules and processes ensuring no federal funds are used for these services, proposed requirement is unnecessary.
- ❑ **Adverse Impact to Exchanges and Consumers:** The proposed rule would impose burdens on the Exchange and carriers, cause consumer confusion, and could reduce enrollment.
- ❑ **Implementation Timeframe:** Exchanges would not be able to implement rules within proposed timeframe.

# COVERED CALIFORNIA'S COMMENTS ON PROPOSED HEALTH REIMBURSEMENT ARRANGEMENT RULES

On December 28, 2018, Covered California submitted [comments](#) on proposed federal rules regarding Health Reimbursement Arrangements (HRAs) and Other Account-Based Group Health Plans (CMS-9918-P) which outline the following issues:

- **Potential consumer confusion** – Consumers would have to understand the types of HRAs offered as well as complex eligibility requirements to determine “affordability” of employer offerings.
- **Inappropriate tax credit subsidy determination** – There is currently no data source by which Exchanges could electronically verify information on HRA offerings in order to properly calculate advanced premium tax credits.
- **Adverse impact on the risk mix** – Proposed rules do not have enough safeguards to ensure employers cannot steer employees with adverse health conditions into the individual market.

# MARTIN LUTHER KING, JR. DAY: JOIN COVERED CALIFORNIA IN THE MARCH FOR THE DREAM

On Monday, January 21<sup>st</sup>, join with Covered California and help us show support at the “March for the Dream” walk. We’ll be marching from Sacramento City College to the Sacramento Convention Center.

- **8:15am** Meet at Hughes Stadium and look for our Covered California balloons (Sacramento City College, 3835 Freeport Blvd.) *Free parking at Sacramento City College. There is access to light rail, as well as free shuttle service back to the college parking lots at the end of the march.*
- **8:30am** Program begins
- **9:15am** Marchers depart Hughes Stadium for Sacramento Convention Center
- **11:15-11:45am** Marchers arrive at review stand near Sacramento Convention Center
- **10am-2pm** Diversity Expo at Sacramento Convention Center



For details, route, and to RSVP, go to: [https://hbex.coveredca.com/toolkit/webinars-briefings/downloads/MLK\\_March\\_for\\_the\\_Dream.pdf](https://hbex.coveredca.com/toolkit/webinars-briefings/downloads/MLK_March_for_the_Dream.pdf)

# APPENDICES

# APPENDICES: TABLE OF CONTENTS

- ❑ Covered California for Small Business Update
- ❑ Service Channel Update
- ❑ CalHEERS Update
- ❑ Service Center Update

# COVERED CALIFORNIA FOR SMALL BUSINESS

## End of Year Group & Membership Update (12/31/18)

- ❑ Groups: 5,998
- ❑ Members: 50,557 \*
- ❑ Retention: 86%
- ❑ Average Group Size: 8.4 members
- ❑ Net Membership Growth over 2017 20.5%

\* membership reconciled to 1/11/19



## Operations Update (1/11/19)

- ❑ On-line Self Renewal Available to All Customers 1/1/2019
- ❑ ACH (On-line) Customer Payment Option Launch 2/1/2019

# OUTREACH & SALES ENROLLMENT SUPPORT: KEY METRICS

Uncompensated partners supporting enrollment assistance efforts.

ENROLLMENT ASSISTANCE PROGRAM	ENTITIES	COUNSELORS
Certified Application Counselor	255	1,391 Certified
Plan-Based Enroller	11 Plans	730 Certified
Medi-Cal Managed Care Plan	2 Plans	23 Certified



# OUTREACH & SALES ENROLLMENT SUPPORT: KEY METRICS (CONTINUED)

**Data as of January 17, 2019**

**13,336** Certified Insurance Agents

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

**1,016** Navigator: Certified Enrollment Counselors

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

**1,391** Certified Application Counselors

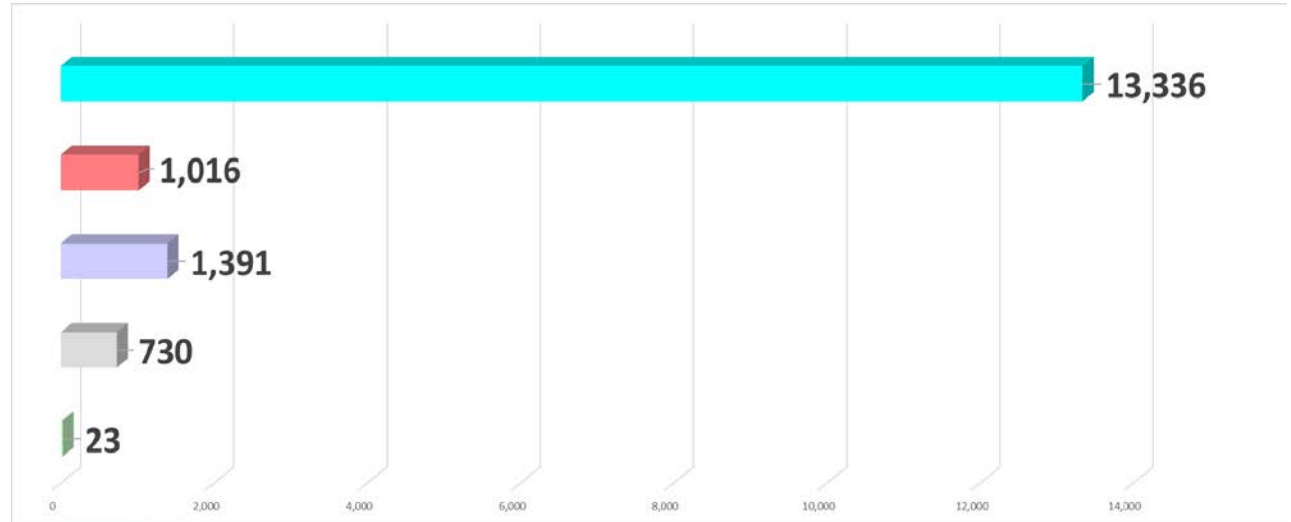
59% Spanish  
5% Cantonese  
4% Mandarin  
1% Vietnamese  
1% Korean

**730** Certified Plan Based Enrollers

45% Spanish  
10% Cantonese  
2% Mandarin  
7.5% Vietnamese  
7.3% Korean

**23** Certified Medi-Cal Managed Care Plan Enrollers

44% Spanish  
36% Cantonese  
31% Mandarin  
1% Russian



Certified Insurance Agents



Navigator: Certified Enrollment Counselors



Certified Application Counselors



Certified Plan Based Enrollers



Certified M/C Managed Care Plan Enrollers

# CALHEERS UPDATES

- CalHEERS Release 18.12 was deployed on December 17, 2018, to update 2018 IRS 1095-A forms
  - Households receiving Advance Premium Tax Credits are still required to reconcile the credits on their annual tax returns
- The next CalHEERS release is planned for February 11, 2019, and will include:
  - Updating consumer facing pages to ensure a consistent consumer experience
  - Moving Notices to the Cloud to adopt a more modern, responsive user experience
  - Updating display questions and new messaging to consumers to collect accurate immigration information

## CALHEERS UPDATES (CONTINUED)

- A subsequent release for CalHEERS, Release 19.3, is planned for March 25, 2019, and will include:
  - Updating consumer facing pages via Account Transfer for a consistent consumer experience
  - Updating the look and feel of the Enrollment pages to reduce data inconsistency when consumers are selecting plans
- CalHEERS April and June releases will focus on improving the integration and data exchange between the CalHEERS system and the Statewide Automated Welfare Systems (SAWS)

# OTHER TECHNOLOGY UPDATES

## CoveredCA.com:

- ❑ **Apply Section Prototype** – Redesigned to provide a simplified path that consumers can follow to enroll in health coverage. The Apply Page now has three paths including enroll online, enroll at a StoreFront, and enroll by phone.
- ❑ **Trending Topics Section for Small Business** – The landing page has been refreshed with a new look and feel. The trending topics that are currently featured are Service Center Contact Information and Real Stories.
- ❑ **Homepage** – Added quick access buttons for Getting Started and Have a Certified Enroller Call You. Since implemented, the Get Started button has been the second most clicked on button on the homepage.
- ❑ **Improved Site Build Time** – Content contributors can now expect changes to take effect in production within five minutes of saving.
- ❑ **Financial Help Prototype** – Redesigned to provide consumers with a simple overview of what plan tiers are and the benefits each provide. It also gives consumers an idea of their subsidy eligibility to entice them to apply.

# SERVICE CENTER UPDATE

## Improving Customer Service

- Prioritize language calls while on hold to ensure language callers are answered by their native language instead of English speaking representative
- Extended hours of operation messaging for days that Service Center is open till 10 PM or Midnight
- Chatbot (CiCi) had 55,917 conversations with our consumers in the month of December
- Chatbot (CiCi) was updated to help consumers locate their 1095-A forms and provide guidance about filing a dispute for an incorrect form

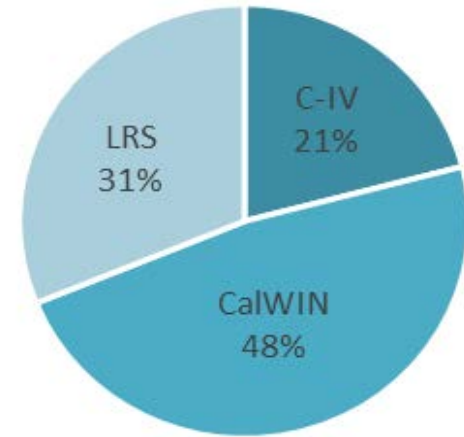
# SERVICE CENTER PERFORMANCE UPDATE

Year	Calls to IVR	Calls Offered to SCR	Abandoned %	Calls Handled	ASA	AHT	Service Level %
<b>December 2018</b>	599,911	352,250	7.40%	324,814	0:04:12	0:18:29	54.46%
<b>December 2017</b>	932,454	413,491	16.69%	338,694	0:09:58	0:18:58	18.28%
<b>Percent Change</b>	36% decrease	15% decrease	56% decrease	4% decrease	57% decrease	2% decrease	198% increase

# QUICK SORT VOLUMES

Quick Sort refers to the calculator tool used to determine if a consumer is eligible for CoveredCA or should be referred to Medi-Cal. The tool also determines which consortia the consumer should be referred. This volume represents the total of those transfers.

## QuickSort Transfers December 2018



# QUICK SORT VOLUMES (CONTINUED)

## December Weekly Quick Sort Transfers

Week 1*	Week 2	Week 3	Week 4	Week 5*	Week 6*	Total
12	447	585	369	134	69	1,616

\*Partial Week

- 12/25 – Service Center Closed in observance of Christmas Day



# QUICK SORT VOLUMES (CONTINUED)

## December Consortia Statistics

SAWS Consortia	Calls Offered	Service Level	Calls Abandoned %	ASA
C-IV	273	97.44%	2.56%	0:00:06
CalWIN	624	90.54%	0.48%	0:00:15
LRS	406	97.04%	0.25%	0:00:08

- SAWS = Statewide Automated Welfare System (consortia). California has three SAWS consortia's to provide service to the counties.
- C-IV = SAWS Consortium C-IV (pronounced C 4)
- CalWIN = California Welfare Information Network
- LRS = formally LEADER = Los Angeles Eligibility Automated Determination, Evaluation and Reporting Systems