



February 19, 2019

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Re: Navigator Program Funding and Scope of Work

The California Pan-Ethnic Health Network (CPEHN) and the undersigned organizations, have reviewed Covered California's proposed changes to the Navigator Program Funding and Scope of Work. While we appreciate the robust stakeholder engagement this time around, including the presentation by your staff of four different benchmarks, this proposal still appears to be a grant cut at a time of unprecedented declines in enrollment.

According to the latest enrollment data, ***Covered California experienced a decline of 23.7% in new 2019 enrollment.*** Rising premium costs coupled with the lack of enforcement of the individual mandate are major drivers of these changes. Misinformation, confusion and fear generated by the Trump Administration's relentless attacks on immigrants, including those eligible for coverage in public health programs is another likely contributor to these declines. Despite these changes, Navigator grantees are being asked to do more for less.

Under the new proposal:

- Navigator grantees will no longer be paid at the point of plan selection, only for effectuated coverage. (To help offset this change, navigators can count passive renewals towards enrollment goals)
- Navigator grantees are expected to expand their scope of work to include social or earned media

While we understand the exchange's interest in maximizing its investment in outreach and enrollment activities, **we are concerned that Covered California's proposed reforms to the**

program will result in a substantial decrease in navigator entities at a time of unprecedented declines in enrollment. We urge Covered California to work with navigator entities to maintain an appropriate level of funding and scope of work for the important work that these navigators do.

General remarks:

Are Agents the appropriate benchmark for calculating Navigator compensation? Covered California's proposal to reduce funding for Navigator grantees assumes Navigators should be paid the same as Agents and Brokers. In all four benchmarks, proposed changes to Navigator commissions which is currently \$200 per enrollment or renewal are compared to the weighted average of Agent commissions which is estimated at \$132 per member per year. We certainly understand the temptation from a marketing angle to assume the types of activities, reimbursements and populations and groups served by these different channels are exactly the same. However, we do not believe in such applies-to-apples comparisons:

- **Navigators serve a distinct population:** According to Covered California data, forty percent of Covered California enrollees leave the marketplace each year. This churn means that continual outreach is needed to maintain enrollment and to newly enroll people who lose employer-based insurance, parental coverage, or coverage from public programs. Covered California's Navigators, along with Agents and Brokers, play an important role in reaching these populations and are required to provide fair and impartial service at no cost to all consumers, including Medi-Cal. However in contrast to Agents and Brokers, Covered California's Navigators work primarily with the 11% of Covered California enrollees *that are at the margins of Medi-Cal and Covered California insurance coverage often even assisting three to four times as many Medi-Cal-eligible enrollees as Covered California enrollees.* Neither Covered California nor the Department of Health Care Services pay directly for enrollments in Medi-Cal. Yet these individuals who cycle back and forth between programs often need the most assistance in navigating the different plan selections and different networks available through Covered California insurance. Many of these low-income individuals are also less likely to have had health insurance for long, and are more likely to be Limited English Proficient, and to include mixed status families, immigrants and enrollees with low health literacy that require a lot of one-on-one assistance in enrolling and using their health care coverage.
- **Navigators are not eligible for bonuses and other rewards:** Agents who enroll higher volumes can be eligible for bonuses and other rewards offered by insurance companies, which can help to offset commissions. They also benefit from targeted insurance plan marketing, outreach and enrollment efforts and other types of marketing activities that can help boost enrollment numbers.
- **Navigators frequently deal with referrals from other enrollment channels:** Navigators work very closely with legal aid providers who take on some of the most complicated cases. Referrals are often two-way between Navigators and legal aid

organizations. Navigators also handle other clients that are referred to them by Agents and other enrollment channels. We understand that these types of referrals are not always counted for Navigator reimbursement purposes.

Comments on Proposed Changes to the Navigator Funding Structure:

- **Tying payments to effectuated coverage does not take into account the myriad of activities needed to ensure consumers enroll in coverage options:** To help offset the proposed changes, Covered California claims that it is increasing the credit for the full range of Navigator activities. Navigators can count passive renewals in addition to only recognizing effectuated coverage. While we appreciate Covered California's recognition of the potential impact of this change, counting passive renewals does not take into account the intermediate work that is needed to reach and educate the consumer, to help the consumer understand the range of options and then to submit the application.
- **Tying payments to effectuated coverage does not take into account the impact of external forces on effectuation rates:** Covered California's presentation does not include data on the impact of external market forces including rising premiums costs, the lack of enforcement of an individual mandate and attacks on immigrant communities on effectuation rates making it difficult for Navigators or other enrollment entities to determine what this could mean for their enrollment numbers.
- **Navigators have no data with which to plan their budgets for next year:** We are concerned that Navigators do not have enough information to plan how these new changes in funding will impact their budgets for next year. Covered California has only just begun to provide reports to Navigator grantees on the numbers of enrollees that have made it to the point of plan selection versus those that have effectuated coverage. This data would have been helpful if provided earlier in order to assist Navigators in calculating the potential impact of this change on budgets for staffing and other activities.

Comments on Proposed Changes to the Navigator Scope of Work: While we are intrigued by Covered California's proposal to engage Navigators more directly in Social Media and Earned Media efforts, we have heard numerous concerns about this approach including the following concerns which Covered California must address:

- **More work, less pay:** Navigators are concerned about being asked to expand their scope of work while undergoing a reset of contract expectations with regards to how enrollment reimbursements are counted. Navigators, many of whom have little to no experience engaging in media work and do not have staff or communications departments, will have to divert precious staff resources away from enrollment activities to meet these new contract expectations even as they are being asked to increase their enrollment targets in order to meet new enrollment goals tied to effectuated coverage versus plan selection.

- **Social Media is not the appropriate tool for many of these individuals:** For many of the populations Navigators serve, social media may not be the most effective or strategic way to reach them, especially for communities who are largely immigrants, older, and LEP and may not be familiar with social media tools or have computers or cell phones. Moreover, social media is often used to publicize events rather than solicit enrollments. Also, the sample posts in the Covered California Social Media Tool Kits are in English, which is not helpful for LEP community members. It is unclear to what degree Covered California will provide Social Media Tool Kits in languages other than English but our expectation is that the burden of translating resources should not be on the Navigators.
- **Additional reporting requirements are too big of a burden on organizations with smaller infrastructure:** Measuring and tracking social and earned media will be difficult for Navigators that do not have the capacity or tools to collect this data. Most Navigators do not have a clipping service of newspaper articles so they may not be able to collect all of the earned media, i.e., articles, recordings, videos, etc. that they have participated in. It will be especially difficult if the Navigators have subcontractors as it will take additional effort and resources to track and report social and earned media to Covered California.

Our goal in sharing these concerns is to ensure the continued integrity of Covered California's Navigator program and its ability to provide your enrollees with impartial, quality, comprehensive outreach and enrollment assistance. We thank you for your time. For questions about this letter, please contact Cary Sanders at: csanders@cpehn.org.

Sincerely,

California Pan-Ethnic Health Network

Health Access

National Health Law Program

Western Center on Law & Poverty