



EXECUTIVE DIRECTOR'S REPORT

Peter V. Lee, Executive Director | September 19, 2019 Board Meeting

ANNOUNCEMENT OF CLOSED SESSION

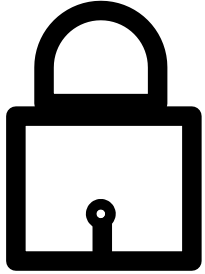
EXECUTIVE DIRECTOR'S UPDATE

STATUS UPDATE ON OPEN ENROLLMENT EFFORTS FOR 2020

KEY RESEARCH LEARNINGS INFORMING CREATIVE

- **Many still don't have a good understanding of Covered California** – misunderstanding, past experiences, and hearsay taint perception
- **The world of health insurance is untrustworthy, overwhelming, and confusing** – too much information and misinformation abounds, and there is no easy way to navigate it
- **Once they see their quotes, many subsidy eligible consumers are relieved by affordability** – but emotional roadblocks impede them from checking (not wanting to get their hopes up)

OE7 CREATIVE CAMPAIGN DIRECTION



Problem

Many people still don't get how Covered California can help them get Health Insurance

Applying Research Learnings

We can help them

- Health insurance isn't a little thing
- It's not a casual, or a fun thing
- It's not an easy thing
- It's a big deal
- It's a fight

It might be too hard to take it on alone. But what if someone has your back?

Show Covered California is In Your Corner

- ❑ More emphasis on us/what we can do for the consumer
- ❑ Be an ally in the confusing world of health insurance
- ❑ Give back hope/a solution to cynicism
- ❑ More emotional connection to Covered California vs. Insurance

COMMUNICATION STRATEGY

- Primarily focus on affordability and expanded state financial help
- Law/mandate and penalty message will be included in some media channels, as appropriate, while positioning Covered California as a source of help
- Continue to include core support messages
 - Free enrollment help
 - Free preventive care
 - Brand-name plans
 - Deadlines
 - Benefit of health insurance
 - Pre-existing conditions covered
 - Dental
 - Metal tiers

TV “YOU SHOULDN’T HAVE TO” – PRODUCED THIS WEEK



Open on a husband frantically helping to sit his wife down on to the couch. She’s grabbing her chest, a bit out a breath. We don’t know what’s going on, but it appears serious.



VO: In an emergency, you shouldn’t have to handle it yourself.



Cut to him hurriedly helping her into the car.



VO: You shouldn’t have to be the ambulance.



Cut to the couple in the hospital. The wife is in a hospital bed, hooked up to various monitors.

VO: You shouldn’t have to worry about the cost... but without insurance, you don’t have a choice.



As the doctor gives his diagnosis...

VO: That’s why there’s Covered California. We’re here to help you find a health plan that fits your needs and your budget...



...they exchange a nervous glance.

VO:...so you’re covered when the unexpected happens.



Cut to art card as VO is spoken over it.
SUPER: [LOGO]

SUPER: CoveredCA.com

VO: Because we believe you shouldn’t have to choose between the life you’ve built and the care you need.

PLANNING PARAMETERS



Flight dates

11/1/19 – 1/31/20*



Target

Subsidy eligible,
insured and uninsured
CA residents, 138%-
600% FPL

Media Target

A25-64
HHI \$25K - \$150K



Segments & Languages

Multi-Segment (English)

Hispanic (Spanish)

Asian (Chinese – Mandarin
and Cantonese, Korean,
Vietnamese, Hmong,
Laotian, Cambodian)

African American (English)

LGBTQ (English)



Geography

Statewide CA

(emphasis given to markets with
high populations of uninsured
and markets with high
populations of ethnic sub-
segments)

* Some lead in advertising before 11/1 and close date pending legislation

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MULTICULTURAL CAMPAIGN ELEMENTS

HISPANIC MARKET

TV, RADIO, PRINT, OOH, DIGITAL

Tu familia merece un buen plan de salud



COVERED CALIFORNIA

Este año tu seguro médico podría costar menos. Podrías obtener ayuda económica aunque no hayas calificado antes.



COVERED CALIFORNIA

Cada californiano debe tener seguro médico en 2020.

Inscríbete ya



COVERED CALIFORNIA

AFRICAN AMERICAN

RADIO, PRINT, OOH, DIGITAL

Your health coverage could now cost you less

Additional money is available from Covered California to help lower the cost of health insurance. Now, more people than ever could receive additional help to lower their health insurance cost. Meaning more for those already getting it and help for many who were unable to receive it in the past.



COVERED CALIFORNIA

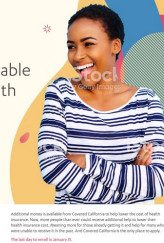
Financial help available to lower your health costs

Learn more



COVERED CALIFORNIA

More money available to help lower health insurance




COVERED CALIFORNIA IT'S LIFE CARE.

ASIAN

TV, RADIO, PRINT, OOH, DIGITAL

Let us help you save money


Get help



COVERED CALIFORNIA

Find how much you can save on health insurance

We expected financial help to lower the cost of your health coverage.



COVERED CALIFORNIA IT'S LIFE CARE.


When you enroll for a plan you're not in for your family's plan, we show you how much you could save on your health insurance. We'll calculate your savings. If you're not eligible for financial help, we'll show you how much you could save on your health insurance. We'll calculate your savings. If you're not eligible for financial help, we'll show you how much you could save on your health insurance. We'll calculate your savings.

LGBTQ

PRINT, OOH, DIGITAL

Helping you take pride in your health.

You can get financial help even if you haven't qualified before.



COVERED CALIFORNIA IT'S LIFE CARE.

We're here to help! Covered California is the only place to get help paying for your plan. And this year, more help is available than ever. You could qualify for savings even if you haven't in the past, so check for yourself! Sign up by December 15 to have coverage starting January 1.

For coverage starting Jan 1, enroll by Dec 15.

Get covered



COVERED CALIFORNIA

TIMING AND MEDIA MIX

- Soft launch 10/15 with search, social and radio
- Additional channels launch on 11/4
- Continuous presence on TV, no hiatus weeks
- Heavy-up levels leading up to the enrollment deadlines (12/15 & 1/31)
- Include 60 second TV and radio spots in the mix

EARNED MEDIA AND PRESS 2020 OPEN ENROLLMENT PLAN

Oct. 15 – Early activities

- Statewide press briefings with regional print media. The focus will be on what's new for 2020, including regional roundup of new state subsidies, shopping to lower cost and helping reporters understand California's mandate and penalty for going without coverage.

Nov. 1 – Kickoff Events begin. Highlights will include:

- No bus this year
- Larger digital presence, including use of Influencers
- Heavy earned media leading up to key enrollment deadlines
- Multi-lingual phone banks on T.V. and radio

Regional Community Outreach

- We plan to be in all communities throughout the state targeting multi-cultural and multi-lingual audiences. Similar to what we have done in the past we'll partner with community enrollers to help generate earned media in these communities.

Jan. 2020 – End of Open Enrollment

- Deadline driven earned media. We'll saturate all media markets (including multi-cultural and multi-lingual) to remind people about the upcoming deadline.

STATE PENALTY: COVERED CALIFORNIA AND FRANCHISE TAX BOARD PARTNERSHIP

The Franchise Tax Board is engaging in a broad education program for tax preparers, developing web and other materials. In addition, Covered California and the Franchise Tax Board are working together to educate and inform consumers throughout the state about the restoration of the individual mandate and penalty in California starting in 2020.

Some of the partnership initiatives involve:

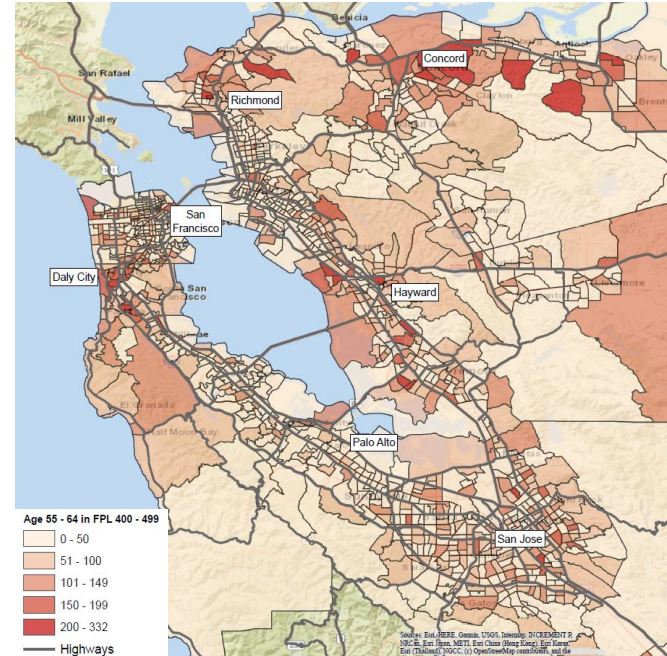
- ❑ Earned and paid media
- ❑ Digital and social media
- ❑ Complementary web language and links
- ❑ Call center coordination
- ❑ Informing and leveraging locally-based enrollers and tax preparers

PREPARING OUR ENROLLERS FOR OPEN ENROLLMENT

- ❑ **Nine Sales Kick-Off Meetings across California in August and September 2019:** El Cajon, Moreno Valley, Santa Ana, Fresno, Mountain View, Rowland Heights, Torrance, Oxnard, and Sacramento.
- ❑ **Attended by 1,584** certified insurance agents, certified enrollment counselors, carrier representatives, Medi-Cal representatives, community leaders, etc.
- ❑ **Educating our partners** about the State Subsidy Program and preparing them for the 2020 open enrollment.
- ❑ Facilitated by the Outreach and Sales Division Field Operations and Account Services Teams



Bay Area: 70,237
Estimated Counts of Individuals
Age 55-64 within the FPL 400%-499%



2020 QUALIFIED HEALTH PLAN AND DENTAL RATE UPDATES

In the course of its health plan filings review, the Department of Managed Health Care issued comments to CCHP, expressing concerns related to their rate submission. Pursuant to these comments, CCHP reduced its increase from 19.7% to 16.7% in Region 4 and 19.9% to 16.9% in Region 8.

Overall statewide weighted average increase remains 0.8 percent before any subsidies.

Clarification: at the August 15 Board meeting, slide 5 of the Executive Director's Update noted that the dental weighted average premium had decreased by 0.5%. The number reported is accurate but it is for CCSB dental. The individual market statewide average weighted premium change for dental coverage is -1.9%

SUPPORT FOR SUBSIDY ELIGIBLE OFF-EXCHANGE INDIVIDUALS

Health plan issuers will encourage their off-exchange members who are potentially subsidy eligible to consider switching to Covered California to benefit from the state subsidy.

Issuer to consumer outreach includes renewal packages highlighting the state subsidy, referral to the agent of record and direction to coveredca.com to check subsidy eligibility.

Issuers and Covered California are working with agents to increase awareness and support consumer decision-making.

Commission rates are being reviewed on a plan-by-plan basis to assure agents are paid for the effort of moving consumers from off-exchange to Covered California.

QUALITY RATING SYSTEM SCORES FOR FALL 2019

Plan Management Division

QUALITY RATINGS DISPLAY: FALL 2019

Covered California Quality Rating System (QRS) is comprised of the following elements:

1. Report four ratings: a global quality rating and three summary component ratings
2. The global quality rating is a roll-up of three summary components per following differential weighting:

Summary Components	Weights
Getting Right Care (HEDIS)	66%
Members' Care Experience (CAHPS)	17%
Plan Services for Members (HEDIS and CAHPS)	17%

3. 1 to 5-star performance classification based on the distribution of results
4. The PY2020 scores are displayed in CalHEERS Shop and Compare and on CoveredCA.com starting in October 2019

PERFORMANCE CHANGES FROM 2018 TO 2019

- Overall in California and nationwide
 - HEDIS scores were about the same, and
 - CAHPS scores were slightly lower
- Most California QHPs had small score changes
 - Two QHPs had improved scores
 - Three QHPs had materially lower scores

BACKGROUND

Each year QRS star ratings are calculated based on that year's participating QHPs across the nation with no reference to prior years.

The factors affecting the star ratings include:

- The QHP's performance on HEDIS and CAHPS quality measures
- Which QHPs are participating nationwide
- The statistical methods used to standardize the scores and “cluster” results into distinct performance groupings. CMS adopted a new statistical method starting last year to identify clusters of QHPs with similar results and categorize the clusters into the 1-5 star ratings.

COVERED CALIFORNIA OBJECTIVES FOR QRS STAR RATINGS

- Ensure that each QHP's relative quality ranking is consistent with its performance scores to provide the best possible support to consumers.
- Even though scores are determined based only on current year performance, changes in star ratings from prior year should be based on unequivocal performance change or material change in its relative performance.
- Star ratings at the extreme ends (1-star and 5-star) are validated to confirm significantly different performance to reduce misclassification possibility.

Covered California's assessment is that the statistical tool CMS used this year and last does not achieve these objectives and will exercise its ability to vary from their methodology.

QRS RATING FORMULA

- As a State Based Exchange, Covered California has the option to vary from the CMS methodology based on regional benchmarks. We believe that the approach that provides the best information for consumers in plan selection would not use the CMS clustering technique but instead we used a two-part test:
 - How each Covered California QHP's quality measure scores compare to the QRS nationwide 25th, 50th, 75th, and 90th percentiles
 - A statistical test of meaningful difference (e.g. test if a plan is meaningfully different than the relevant QRS nationwide percentile score). For example, a 5-star plan performs at or above the 90th percentile.
- Covered California is planning to work with CMS to align statistical methods for future QRS scoring

FALL 2019 QRS RATINGS: DISTRIBUTION OF SCORES

Distribution of Global Quality Ratings by Reportable Products for Individual & CCSB Markets

	# Products with No Global Rating	1 Star ★	2 Star ★★	3 Star ★★★	4 Star ★★★★	5 Star ★★★★★
2019 QRS**	4*	0	5	4	2	1
2018 QRS	3*	0	0	7	1	2
2017 QRS	4*	0	3	6	1	1

*No global rating if a newer product and not eligible for reporting or insufficient sample sizes to report results for at least 2 of the 3 summary indicator categories. **Based on Covered CA Alternative Methodology & CMS Preview Data.

- ❑ One QHP increased star rating from previous year; one QHP maintained their star rating from the previous year
- ❑ Eight QHPs declined in stars; five QHPs received a 2-star rating
- ❑ The quality variation between regions for a plan is not reflected in the scores and the scores may not represent the patient experience or quality of care in a particular service area

STATE AND FEDERAL POLICY UPDATE

STATE INFORMATION AND RESOURCES ON PUBLIC CHARGE



CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY PUBLIC CHARGE GUIDE

September 2019

Every family is different, reach out for legal advice first.

An immigration or public benefits attorney can give you advice based on your specific situation. You can find a list of legal services providers on the California Department of Social Services [website](#).

It is important to have accurate information, before you make a decision regarding your public benefits, so you can make the right choice for the health and well-being of your family.

Not all immigrants are subject to the new federal policy.

Many immigrants are not affected by this new federal policy. It does NOT apply to lawful permanent residents (green card holders) who apply for citizenship, Refugees, Asylees, Special Immigrant Juveniles, certain trafficking victims, certain victims of qualifying criminal activity, or certain victims of domestic violence, among others.

Not all programs are subject to the new federal policy.

Public programs used by your children, who are United States citizens, cannot be used against you or another immigrant parent in a public charge determination.

- ✓ If you are only receiving nutrition benefits through the Women, Infants, and Children Program or WIC, you are NOT impacted by this federal policy.
- ✓ If you are only receiving subsidies for health insurance coverage through Covered California, you are NOT impacted by this federal policy.
- ✓ If you are under the age of 21 and only receiving Medi-Cal benefits, you are NOT impacted by this federal policy.
- ✓ If you are a pregnant woman, or within 60 days following the birth of a child, and only receiving Medi-Cal benefits, you are NOT impacted by this federal policy.
- ✓ If you are only covered for emergency medical services as part of Medi-Cal, you are NOT impacted by this federal policy.

Public Charge Policy

Under longstanding federal policy, the Federal Government can deny an individual entry into the United States, or adjustment to lawful permanent resident status, if he or she is determined likely to become a public charge.

Public charge is a term used in immigration law to refer to a person who is or might be dependent on public programs as their main source of support.

Application for or use of certain public benefits is just one factor of many that is considered in determining if a person is likely to become a public charge.

In August of 2019, the Federal Government released a new public charge policy. Under the new federal policy, a public charge is redefined as an immigrant who receives one or more public benefits for more than 12 months over a 36-month period.

Effective Date

The federal policy change will not go into effect until October 15, 2019.

There are several legal challenges that are seeking to stop the federal policy from being implemented. If successful, there will be a delayed implementation, or the policy could potentially never go into effect.

Benefits, other than cash assistance and long-term care services, used before October 15, 2019, will not be considered in public charge determinations.

- The California Health and Human Services Agency (CHHSA) is working to provide consumers with timely and accurate information about public charge.
- CHHSA published [fact sheets](#) (in [English](#) and [Spanish](#)) available on its website where individuals can learn more about public charge. Covered California is making these materials available.
- Additionally, the California Department of Social Services has published a [list of legal services providers](#) where individuals can receive free, confidential legal advice on the public charge rules based on their specific situations.
- In collaboration with the California Health and Human Services Agency and key stakeholders, Covered California is developing consumer-facing information on the public charge, such as web content and resources for certified enrollers and Service Center staff, which will include links to CDSS's list of legal services providers.

Need More
INFORMATION?



<https://immigrantguide.ca.gov>

STATE LEGISLATION

The following bills have been passed by the California Legislature and are on the Governor's desk:

- **AB 1309 (Bauer-Kahan):** Starting in 2020, changes the dates for the annual enrollment period to November 1 - January 31.
- **AB 929 (Rivas):** Requires qualified health plan carriers that contract with Covered California to provide enrollee data and other specific information to the Exchange. The bill also requires Covered California to publicly post on its website plan-specific information on cost reduction efforts, quality improvements and disparity reductions.
- **SB 260 (Hurtado):** Beginning on July 2021, requires Covered California to enroll an individual transitioning from an insurance affordability program (i.e., Medi-Cal) into either the lowest cost silver plan or the consumer's previous managed healthcare plan prior to the termination of coverage. This bill also requires carriers to provide contact information of enrollees leaving coverage to Covered California for the purposes of marketing and outreach.
- **AB 174 (Wood):** Requires Covered California to develop biannual reports informing the California Health and Human Services Agency, the Legislature, and the public about enrollment in the state subsidy program.
- **AB 5 (Gonzalez):** Would define certain classes of independent contractors as employees using a three-part test. There are a variety of exceptions identified in the bill and the bill goes into effect in 2020 for some classes of employees and has a later effective date for other classes. Covered California is evaluating the bill and assessing its possible impact on enrollment.

APPENDICES

APPENDICES: TABLE OF CONTENTS

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

COVERED CALIFORNIA FOR SMALL BUSINESS

Group & Membership Update

- Groups: 6,584
- Members: 54,879 *
- Retention: 85.3%
- Average Group Size: 8.4 members
- Net Membership Growth over 8/1/18 – 16%

* membership reconciled thru 9/14/19



Operations Update - July

- Employer/Agent Enrollment Portal Re-Branded to: **MyCCSB**
- CCSB Agent Conference's begin August 19th thru October 4th
- CCSB will soon launch new functionality to enable employers to make enrollment changes for qualifying life events in their **MyCCSB** portal

OUTREACH & SALES ENROLLMENT PARTNER TOTALS

Uncompensated partners supporting enrollment assistance efforts.

ENROLLMENT ASSISTANCE PROGRAM	ENTITIES	COUNSELORS
Certified Application Counselor	261	1,560 Certified
Plan-Based Enroller	11 Plans	440 Certified
Medi-Cal Managed Care Plan	2 Plans	24 Certified

OUTREACH & SALES NON-ENGLISH ENROLLMENT SUPPORT

Data as of September 10, 2019

10,417 Certified Insurance Agents

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

978 Navigator: Certified Enrollment Counselors

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

1,560 Certified Application Counselors

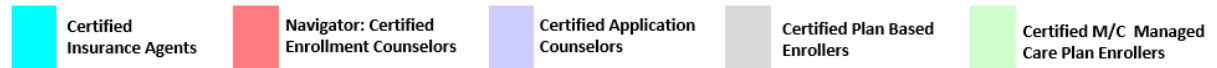
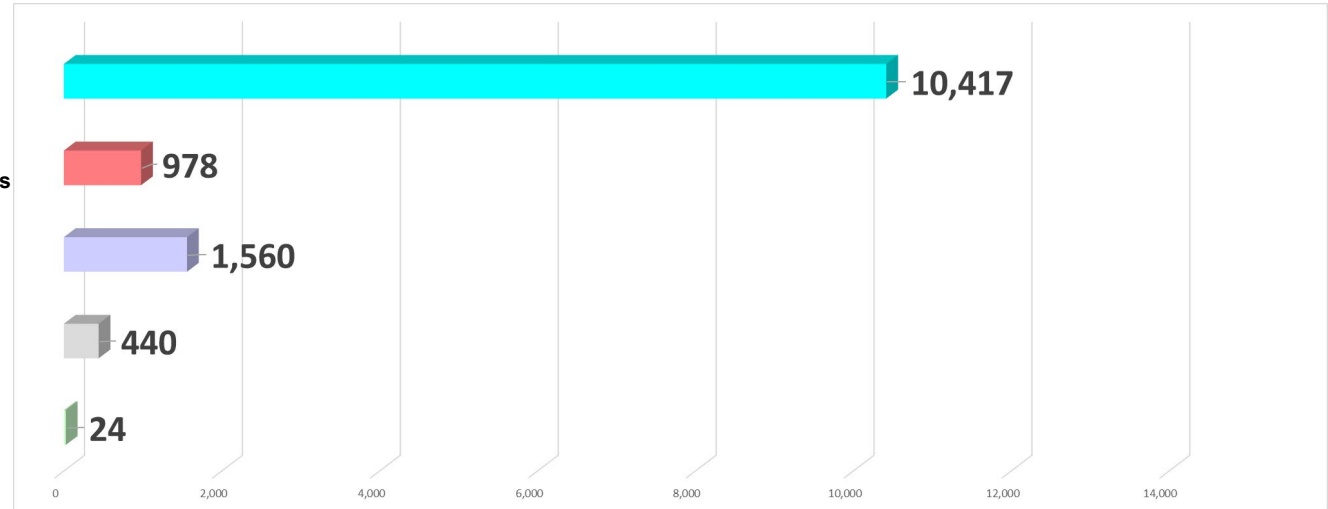
- 59% Spanish
- 5% Cantonese
- 4% Mandarin
- 1% Vietnamese
- 1% Korean

440 Certified Plan-Based Enrollers

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

24 Certified Medi-Cal Managed Care Plan Enrollers

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



CALHEERS UPDATES

- CalHEERS Release 19.9 is planned for September 23, 2019, and will include:
 - New California State Subsidy program
 - Expansion of Full Scope Medi-Cal for eligible young adults from 19 to 25 years of age regardless of Citizenship or immigration status
 - 2020 Renewals

- The next CalHEERS release, Release 19.10, is planned for October 7, 2019, and will include:
 - Qualifying life event page override for Service Center Staff, Agents, and County Eligibility Workers

OTHER TECHNOLOGY UPDATES

- Temporary Subsidy Calculator completed to assist Agents with providing State Subsidy information to consumers
- Updates to CoveredCA.com and CiCi, Covered California's Chatbot will launch with the CalHEERS 19.9 release to assist with questions from consumers

SERVICE CENTER UPDATE

Improving Customer Service

- International Customer Management Institute (ICMI) training continues around improving the consumer experience
- Held Service Center All Staff meeting to celebrate the work of our staff and business process improvements that effect our consumer journey

Enhancing Technology Solutions

- Service Center started Interactive Voice Response (IVR) project to improve functionality and streamline call routing

Staffing Updates

- Vacancy rate for Program Technician II positions 0 percent and overall vacancy rate for all the positions 10.6 percent
- Continued mass hiring efforts in partnership with Human Resources to fill vacancies prior to OE7

SERVICE CENTER PERFORMANCE UPDATE

Comparing August 2019 vs. 2018 Call Statistics

Year	Calls to IVR	Calls Offered to SCR	Abandoned %	Calls Handled	ASA	AHT	Service Level %
2019	239,841	135,522	1.60%	133,003	0:00:35	0:19:43	79.20%
2018	249,626	139,114	1.79%	136,328	0:00:11	0:17:07	89.87%
Percent Change	4% Decrease	3% Decrease	11% Decrease	2% Decrease	218% Increase	15% Increase	12% Decrease

- The total Calls Offered decreased from 2018 by 3%
- Calls Handled decreased by 2%
- The Abandoned % decreased by 11%
- Service Level decreased by 12%.

QUICK SORT VOLUMES

August Weekly Quick Sort Transfers

Week 1*	Week 2	Week 3	Week 4	Week 5	Total
8/1 – 8/2	8/5 – 8/9	8/12 – 8/16	8/19 – 8/23	8/26 – 8/30	
165	459	432	459	492	2,007

*Partial Week

Week 1 – Thursday and Friday

August Consortia Statistics

SAWS Consortia	Calls Offered	Service Level	Calls Abandoned %	ASA
C-IV	345	97.39%	0.00%	0:00:11
CalWIN	623	93.74%	0.32%	0:00:15
LRS	478	90.59%	2.51%	0:00:14

- 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

QUICK SORT DISTRIBUTIONS

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.

