



EXECUTIVE DIRECTOR'S REPORT

Peter V. Lee, Executive Director | June 25, 2020 Board Meeting

ANNOUNCEMENT OF CLOSED SESSION

EXECUTIVE DIRECTOR'S UPDATE



**KAREN RUIZ IS RETIRING AT THE
END OF JULY, AFTER SERVING
AS COVERED CALIFORNIA'S
CHIEF INFORMATION OFFICER
SINCE MAY 2013**

Thank you for your service!

CORONAVIRUS DISEASE 2019 (COVID-19) UPDATE

COVID-19: CALIFORNIA STATEWIDE UPDATE

□ **Current Status**

- Cases continue to increase, however case positivity rate and hospitalization have remained stable.
- Testing capacity continues to increase, it has more than doubled in the past month to now over 2.9 million tests completed including data from include data from commercial, private and academic labs.
- Adequate hospital capacity to absorb a new wave of COVID infections.

□ **What We Still Need**

- Continue to scale-up testing.
- Increase our ability to conduct contact tracing, isolation, and quarantine.
- Enhance the ability for businesses and schools to support physical distancing.

COVERED CALIFORNIA'S HEALTH PLAN ACTIONS

□ **Response Highlights**

- Multiple plans extending cost-sharing waivers for not only testing but also the treatment of COVID-19.
- Active community support through outbound calls to vulnerable members, donation of PPE and funds.
- Extended additional financial support to healthcare providers and hospitals.
- Some plans extending time for members to pay premiums without fear of termination.
- Distributing telehealth and digital solution kiosks.

□ **What else can be done?**

- Consider opportunities to help prepare primary care practices and others to do COVID-19 testing and contact tracing.
- Consider financial support beyond advanced payments for primary care.

COVERED CALIFORNIA DATA & RESEARCH

TOPLINE – SPECIAL ENROLLMENT PERIOD

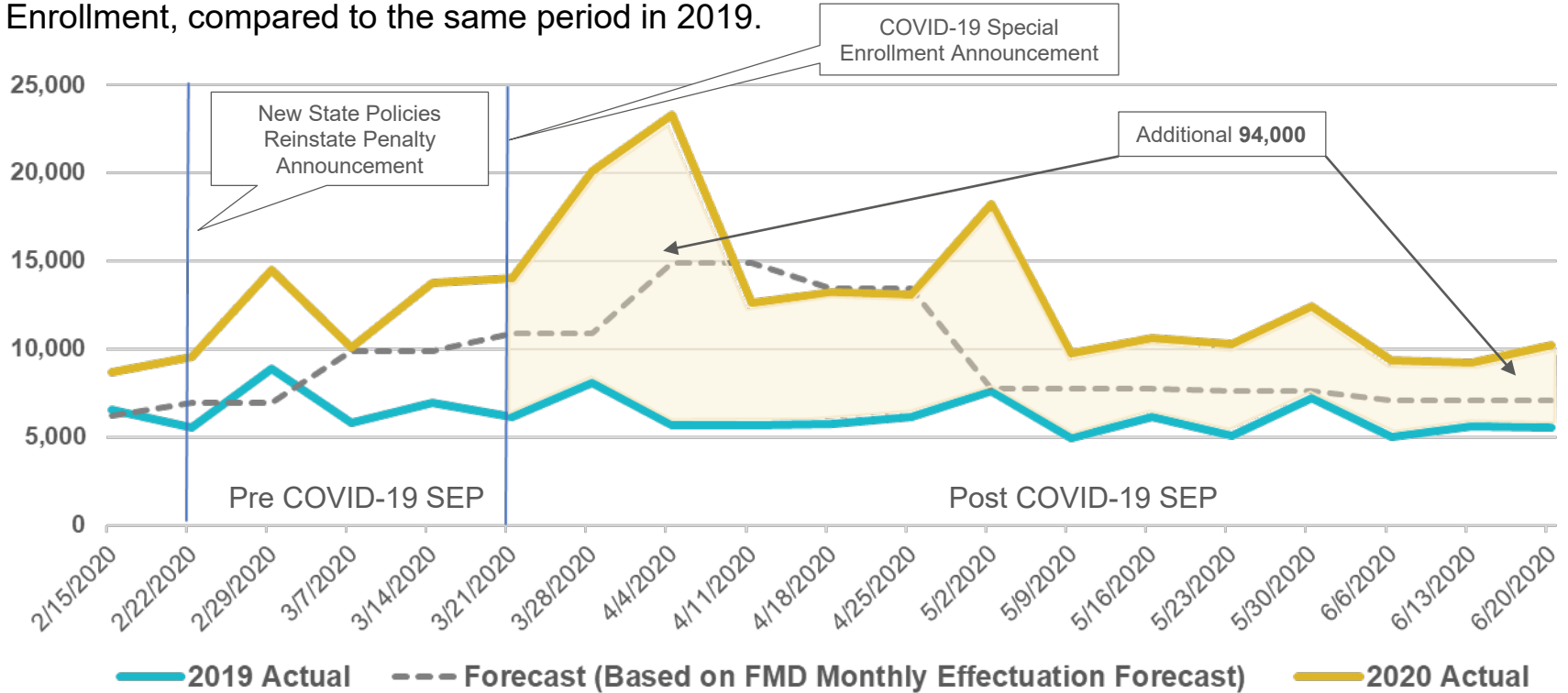
- Year-to-date special enrollment period (SEP) plan selections of **more than 242,000** is almost **80% higher** than same time last year.
- **175,000** consumers have signed up since the announcement of the COVID-19 Special Enrollment. During this period, new sign-ups have grown to almost **2.2 times higher (116%)** the rate seen during same time last year.

Measures (Data as of 06/20/2020).	2020	2019	Difference	% Change
Pre-COVID (March 19 and earlier)	67,580	54,630	12,950	24%
Post-COVID (March 20 and after)	175,030	80,930	94,100	116%
YTD SEP (As of June 20)	242,600	135,570	107,030	79%

- These new Special Enrollment sign-ups include a combination of those newly becoming aware of state subsidies or the penalty; those who have recently lost other coverage; and those who are enrolling due to the COVID-19 pandemic Special Enrollment period.*

WEEKLY GROSS PLAN SELECTIONS

- Total special enrollment plan selections so far this year through June 20, 2020 is more than **242,000**.
- **Additional 94,000 gross plan selections** realized since the announcement of COVID-19 Special Enrollment, compared to the same period in 2019.



STATE AND FEDERAL POLICY / LEGISLATIVE UPDATE

GOVERNOR'S EXECUTIVE ORDERS

- June 5 – Announces steps to help increase the availability of over-the-counter drugs, such as hand sanitizer, and medical devices, such as respirators, ventilators and masks, which are in demand due to the COVID-19 pandemic.
- June 15 - Extends waivers temporarily broadening the capability of counties to enroll persons into the CalWORKs program, allowing for self-attestation of pregnancy and conditions of eligibility, and waiving in-person identification requirements.

State Public Health Officer Guidance:

- On June 18, the Department of Public Health issued guidance mandating that all persons statewide must wear face coverings in high-risk settings.

STATE BUDGET UPDATE (AS OF 6/23/2020)

- On June 22, the Governor and Legislature announced a budget agreement to address a COVID-related \$54 billion deficit. This budget assumes no further federal stimulus support, but allows for program restoration triggered by receipt of federal aid to the state.
- State Subsidy Program language adopted by the Legislature in Senate Bill 74 reflects the Governor's May Revision proposal and appropriates \$348.9 million and allocates the funding in the same percentages as the 2019-2020 Budget.

TRAILER BILL LANGUAGE

Assembly Bill 80 and Senate Bill 102 are the Public Health Omnibus Trailer Bills for 2020. They include the following provisions related to Covered California:

- Clinical Volunteer Exception: authorizes a member of the Covered California Board or staff who are health care professionals to perform services on a volunteer basis under specified conditions.
- Actuarial Value for Bronze Plans: increases the actuarial value “de minimis range” set forth in state law for Bronze-level plans, including High Deductible Health Plans, to plus 5 percent. If enacted, the new de minimis range for Bronze plans would be 58 percent to 65 percent and Covered California Bronze plans for the 2021 plan year will comply with state actuarial value requirements.

FEDERAL LEGISLATION UPDATE

On June 9, Covered California joined with the other State Based Marketplaces (SBMs) to send a letter to Congress.

- The letter highlighted actions taken by the SBMs in response to COVID-19, including opening a special enrollment period (SEP) and
- Requested flexibility by the federal government on:
 - Federally-funded reinsurance.
 - Tax liabilities.
 - Calculation of Pandemic Unemployment Compensation (PUC) payments for Advance Premium Tax Credit (APTC) consumers.

A letter was also sent to the Department of Treasury and the Internal Revenue Service (IRS) requesting the IRS provide relief with respect to the repayment of 2020 APTC for those affected by the COVID-19 emergency.

FEDERAL REGULATIONS

- On June 12, 2020, the Department of Health and Human Services released the final Section 1557 (nondiscrimination in health care) regulation repealing protections for individuals from discrimination based on their gender identity and sexual orientation. The regulation also removes the requirement to provide individuals with limited English proficiency access to interpretation and translation services. However, this regulation does not interfere with current California laws that continues to prohibit discrimination based on these factors and requires interpretation and translation services.
- Covered California is closely monitoring how the recent Supreme Court decision in *Bostock v. Clayton County*, which prohibits employment discrimination related to gender identity and sexual orientation under Title VII of the Civil Rights Act of 1964, may impact the validity of the new federal regulation.
- Despite the federal regulation, California law remains clear. No person may – on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation – be unlawfully denied full and equal access to the benefits of, or be unlawfully subjected to discrimination under, any program or activity that is conducted, operated, administered, or funded by the state.

PUBLIC COMMENT

CALL: (844) 291-6360

PARTICIPANT CODE: 797216

- ❑ To request to make a comment, press 10; you will hear a tone indicating you are in the queue for comment. Please wait until the operator has introduced you before you make your comments.
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PRESENTATIONS FROM COVERED CALIFORNIA QUALIFIED HEALTH PLANS

HEARING FROM CONTRACTING HEALTH PLANS: ASSURING QUALITY CARE

Report on First Five Years: Improving Access, Affordability and Accountability – Major Findings:

- High levels of consumer satisfaction with their health plan and health care.
- Wide variation in performance among insurers with the exception of integrated delivery systems consistently performing in the top ten percent nationally.
- Strong performance by integrated delivery systems underscore potential for improvement and the importance of fostering care that is well-coordinated.
- Improvement in performance would be potentially life-saving and clinically meaningful for hundreds of thousands of Californians.
- Relatively low scores on some consumer-reported experience measures warrant further research and improvement across all insurers.
- Behavioral health presents a significant improvement opportunity.

[Covered California's First Five Years Report](#)

HEALTH PLANS REQUESTED TO PRESENT ON FOUR STANDARD ISSUES

- Plan Overview
 - Membership description
 - Covered California as part of their proportion of overall products
- Current successes and challenges in Covered California
- COVID-19 responses
- What's coming on the horizon?

OVERVIEW OF PLANS PRESENTING IN JUNE 2020

	2019 Total Enrollment	Percent of Enrollment: Regional (Statewide)	Service Area
Anthem	64,031	35.1% (4.6%)	Northern counties, Santa Clara and Central Valley
Sharp	17,335	15.9% (1.2%)	San Diego

Note: Service area enrollment is calculated by dividing the insurers' enrollment by the total enrollment in the service area.

ANTHEM

David Pryor, MD, Regional Vice President Medical Director
Manan Shah, General Manager, Individual Business

Anthem.®



Covered California Board Meeting

Manan Shah, General Manager, Individual Business

David Pryor, M.D., Regional Vice President, Clinical Quality Management

Anthem

Mission: Improving Lives and Communities.
Simplifying Healthcare. Expecting More.

Access to Quality Care



42 million

(1 in 8 Americans) total medical members in affiliated health plans

95%
of physicians

96%
of hospitals

108 million

total lives served

Corporate Social Responsibility



\$54 million

in open community activity across the country

100,974

employee volunteer hours through Anthem's Dollars for Doers Program in 2019

\$7.9 million

raised in 2019 through our Employee Giving Program

more than

10.5 million

Americans trained in Hands-Only CPR; on track to double cardiac arrest survival rates

2.7 million

healthy meals provided to those in need through partnership programs

Anthem



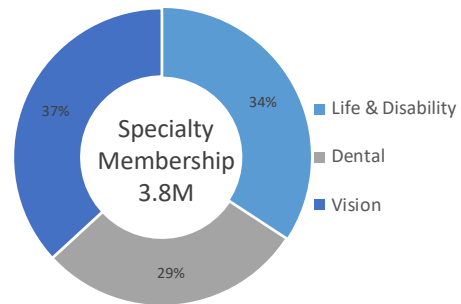
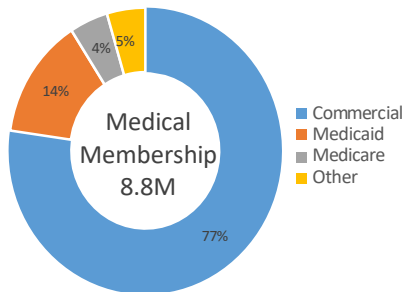
82 years

in California



7,300

Associates



Corporate Awards



Gender Equality Index 2020



Diversity Best Practices Inclusion Index 2017-2019



FTSE4Good Index 2018-2019



Corporate Inclusion Index 2011-2019



Military Friendly Employer 2010-2020



Best Place to Work for LGBTQ Equality 2015-2020

Anthem Resource Groups

ACE Asians Committed to Excellence

ABLE Disability Inclusion Network

Pride Promoting Respect, Individuality, Diversity and Equality

APEX African American Professional Exchange

MERGE Multigenerational ARG

SOMOS Hispanic/Latino

VOA Veterans of Anthem

WIN Women's Inspired Network

W@VE Working @Anthem in a Virtual Environment



- Over 100,000 ACA members
- In 2020, participation in 9 regions
- Offer both EPO and HMO products

Anthem & Covered CA

Successes

- ❖ Expansion into 6 additional rating regions in 2020
- ❖ Strong member retention rates
- ❖ Member communication processes in support of transition between employer-sponsored coverage, Medi-Cal, and Covered CA
- ❖ Seamless transition to virtual care, leveraging Live Health Online and Sydney Care tools
- ❖ Whole Health Connection – integration of dental/medical benefits and care to identify issues sooner, drive improved engagement, and simplify the overall member experience

Opportunities

- ❖ Increased investments and commitment to Quality Rating System (QRS) scores, both for EPO and HMO markets
- ❖ Ongoing prioritization of mental health/behavioral health capabilities and services
 - ❖ Continued expansion of access to virtual care
 - ❖ Anti-depressant medication management initiative
- ❖ Continued growth of provider network in HMO regions
- ❖ Continue to leverage enterprise investments and progress in AI and digital health across Covered CA membership

Anthem's Member Response to COVID-19



We know these are challenging times. Anthem remains deeply committed to supporting our members and protecting their overall health and wellbeing



COVID-19 Testing at No Cost

All testing and care visits at no out-of-pocket costs with a list of testing locations provided by Anthem



COVID-19 Treatment

Receive COVID-19 treatment at no cost. No copays or cost-sharing through 12/31/2020



C-19 Explorer

Informs community-level risk for resource planning across government officials, healthcare providers, and community leaders



Doctor Visits from Home

Telehealth visits with doctors and health care professionals at no cost through 9/30/2020. Anthem's mobile app allows members to chat with a doctor at no charge for the first two sessions



Live Health Online

Video visits through a smart-device with doctor or mental health professional 24/7



Sydney Health & Sydney Care

Delivers personalized engagement and real-time access to health information, telehealth services, AI-symptom based triage, and employee health attestation



Early Prescription Refills

Anthem has relaxed early refill limits for members who wish to refill a 30-day supply of most maintenance medications early



Additional EAP Resources

Access to a wide range of resources that address member's emotional health issues and life challenges, from parenting to financial planning free of charge through 6/30/2020



Mental Health Resource Hub

Offering a range of resources to help members and their families deal with pandemic related stress at no cost

Anthem's Provider Response to COVID-19



Anthem is showing its support for California health care providers through accelerated payments and other financial support to help ease some of the pressures they are currently experiencing.



Expedited Claim Review and Payment

Beginning in April, Anthem started expediting the review and payment resulting in \$667M (CA) at the end of May 2020



Continued Capitation Payments

Anthem continues to pay capitation for both medical and dental providers even though some offices have closed and the patient volume and level of services have decreased



Administrative Burden Reduction

Extension of outstanding authorization for an additional 90 days to reduce the need for providers to obtain new authorizations; in addition, Anthem has suspended several prior authorization requirements



No Interest on Advanced Payments

In May, Anthem developed a no interest advance payment program for select primary care and multi-specialty groups



Provider Education

Anthem has maintained information on its response to COVID-19 on its website and conducted provider webinars on claims submissions including instructions on how to code for telehealth visits



Dental Support

Anthem will provide \$10 per patient visit to offset PPE costs. In addition, Anthem has proactively engaged with the ADA and National Association of Dental Plans to support providers through the COVID-19 crisis

Looking to the Future...



Affordability



**Personalized
Medicine**



Telehealth



**Specialty
Pharmacy**



**Artificial
Intelligence**



**Provider
Partnerships**

SHARP

Cary Shames, DO, Chief Medical Officer
Michael Byrd, Chief Business Development Officer



make life better.®

Covered California Board Update: Sharp Health Plan

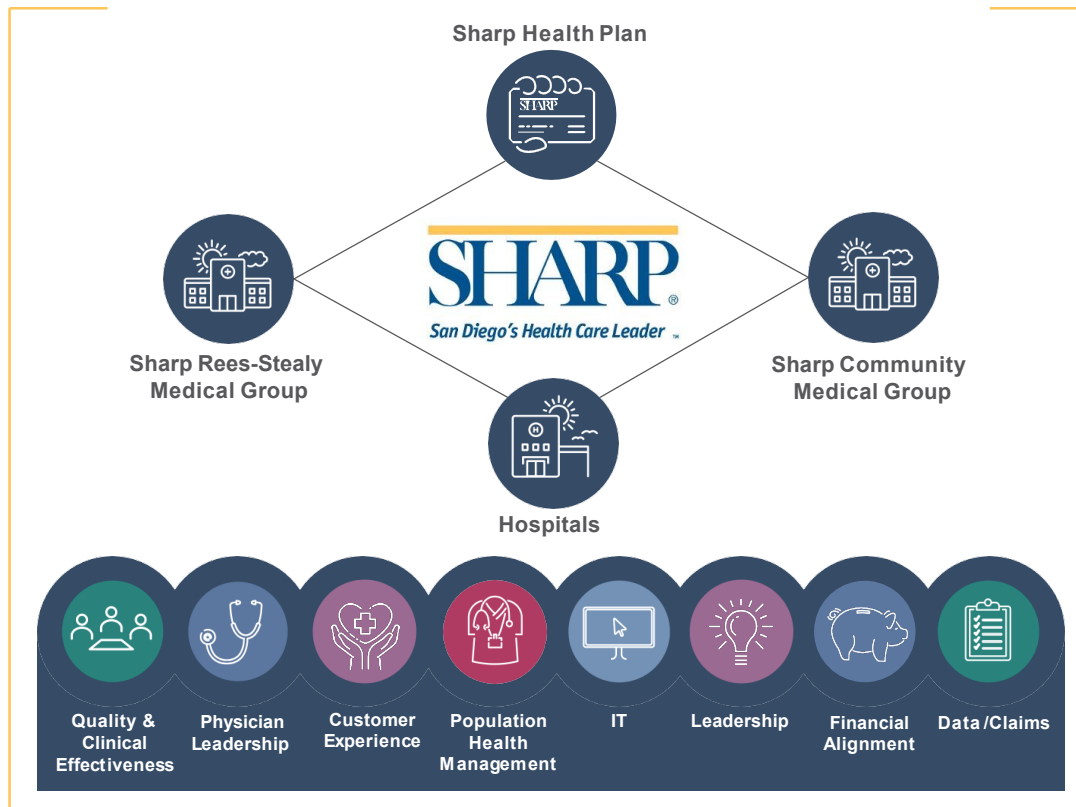
Dr. Cary Shames, Chief Medical Officer

Michael Byrd, Chief Business Development Officer

Sharp is an integrated delivery system

- **Not-for-profit serving 3.2 million residents of San Diego County**
- **Largest health care system in San Diego with highest market share**
- **3 decades of capitation experience**
- **Fully licensed health plan serving the San Diego MSA for 25 years**
 - **145,000 total covered lives**
 - **Nationally recognized for quality and service**
 - **Below market medical cost trend and administrative costs**

Built on a Foundation of Common Systems and Organizational Infrastructure



Top Decile Quality Performance



**Rated 4 Stars
by Covered California**

**Sharp Health Plan received a 4-star
Summary Quality Rating from
Covered California for 2020.**



**Rated 4.5 out of 5
by NCQA**

**Sharp Health Plan is ranked in the
top 5% of health plans nationally by
the National Committee for Quality
Assurance's Private Health Insurance
Plan Ratings 2019-20.**

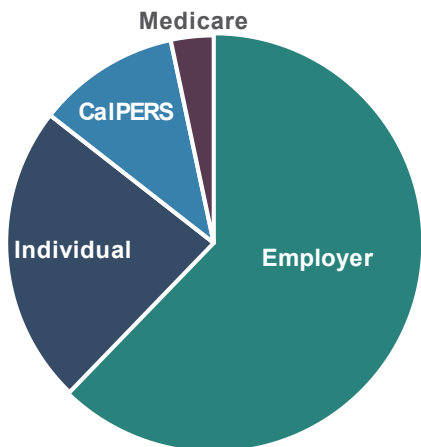


**Highest Member-Rated
Health Plan in California**

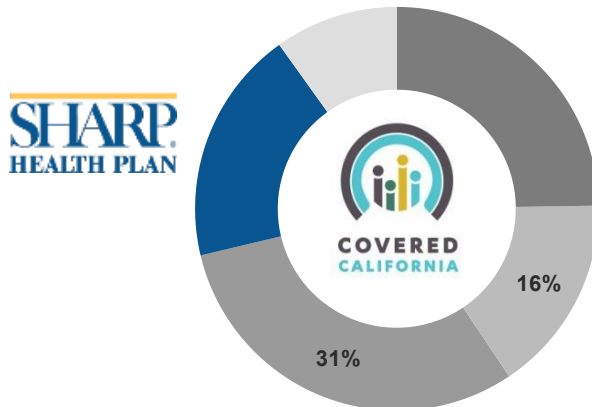
**Sharp Health Plan is the highest
member-rated in California among
reporting health plans 5 years in a row.**

Snapshot of Individual Segment

Membership by LOB



Covered CAMarket Share Region 19 through June 2020



- **Partnered with Covered California since its inception**
- **+23,000 lives in Covered California (representing 16% of our total membership).**
- **Competitive price position in every metal tier year over year**
- **Five year average membership growth rate of 12%.**

Our Successes and Opportunities



Successes

- **Ranked top 10% of all US health insurers in most quality measures.**
- **Second highest scoring CC plan with 4-star QRS global rating in 2019 (with 5-star ratings in the past).**
- **Among the 90th percentile nationally for managing care for enrollees with acute and chronic conditions.**
- **Population-based payment (capitation) structure for 100% of providers in CC networks.**
- **Medical groups focus on primary care practice transformation**



Opportunities

- **Engagement in alcohol and drug abuse treatment**
- **Flu vaccinations**
- **Annual dental visit**
- **Well child visits for the first 15 months of life**
- **Continue to advance care coordination and population health**

COVID-19 Strategic Response



Keeping members covered

- **Greater flexibility for groups/individuals unable to pay premiums**
- **Relaxing underwriting guidelines so employers can continue coverage for furloughed employees**
- **Outreach and support for transitioning members losing group coverage to IFP plans**



Ensuring access to care

- **Waiving member cost share for Covid-19 screening, testing, and treatment**
- **Encouraging expanded use of telehealth**
- **Ensuring mental health support at home with tele-behavioral health**
- **Promoting home delivery, relaxing early refill limits, and extending prior authorizations for Rx**
- **Conducting outreach calls to vulnerable members**
- **Enhancing ongoing communication with our medical groups to cross-functionally address operational and clinical opportunities.**



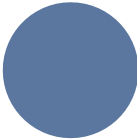
Reducing provider financial & administrative burden

- **Ongoing support of providers through capitated model**
- **Ensuring prompt claims processing**
- **Reimbursing providers for telehealth at the same rate as in-person office visits**
- **Waiving early refill limits and extending prior authorizations**

On the Horizon

Continue to enable a smooth transition from group to individual coverage

Continue outreach to vulnerable populations



Continue to expand telehealth options

Population health management



Continue to expand behavioral health options

PUBLIC COMMENT

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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: 7,174
- Members: 59,214 *
- Retention: 86.9%
- Average Group Size: 8.4 members
- YTD Net Membership Growth 7,348

* membership reconciled thru 5/31/2020



Operations Update – June – Response to COVID-19

- Covered California for Small Business has extended offering small businesses the Premium Deferral Program which will enable them to defer up to 75 percent of their premium payments for their June invoice in an effort to keep small business employees insured during the current health care crisis. The normal 30 day premium grace period has also been reinstated.
- To date over 80 small businesses have enrolled in the Premium Deferral Program.

OUTREACH & SALES ENROLLMENT PARTNER TOTALS

Uncompensated partners supporting enrollment assistance efforts.

ENROLLMENT ASSISTANCE PROGRAM	ENTITIES	COUNSELORS
Certified Application Counselor	255	1,347
Plan-Based Enroller	11	477
Medi-Cal Managed Care Plan	2	24

OUTREACH & SALES NON-ENGLISH ENROLLMENT SUPPORT

Data as of June 25, 2020

11,829 Certified Insurance Agents

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

1,347 Navigator: Certified Enrollment Counselors

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

1,056 Certified Application Counselors

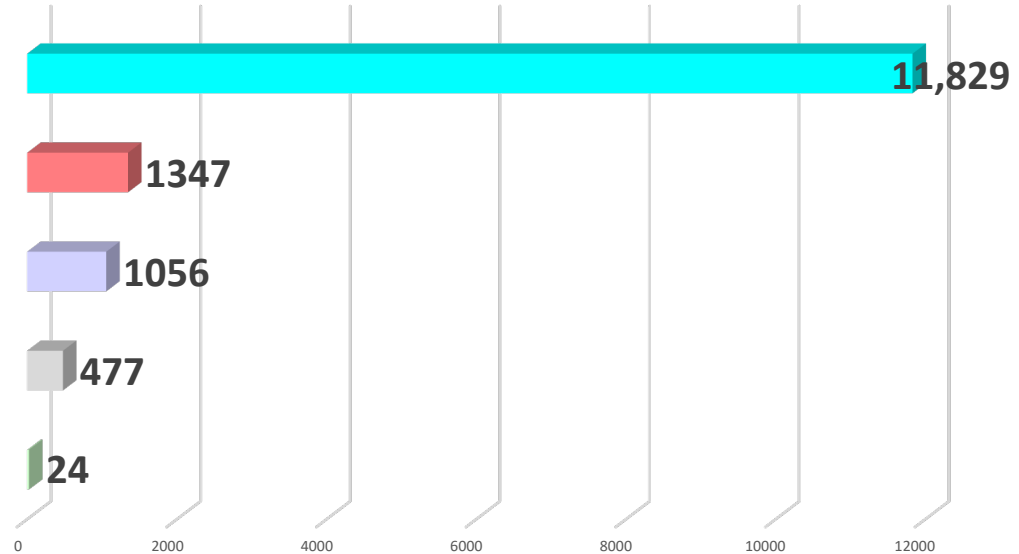
- 59% Spanish
- 5% Cantonese
- 4% Mandarin
- 1% Vietnamese
- 1% Korean

477 Certified Plan Based Enrollers

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

24 Certified Medi-Cal Managed Care Plan Enrollers

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



CALHEERS UPDATES

- CalHEERS implemented two priority releases in May for changes due to COVID-19:
 - Updates to Special Enrollment Pages to allow consumers to select loss of coverage due to COVID-19
 - Updates for the treatment of Unemployment Insurance Benefits (UIB) Income for Emergency Increase due to COVID-19.
 - Improved performance on the CalHEERS Data Warehouse to provide earlier availability of eligibility and enrollment information for all stakeholders

- CalHEERS Release 20.6 is planned for 6/29/20 and will include updates to:
 - Provide better information for Certified Enrollers to serve consumers
 - Allow Carrier Representatives to view Certified Enroller information.
 - Display Enroller delegation history to the Service Center Representatives, Agency Managers, Certified Enrollment Counselors, Consumers, and the Issuer Representatives in order to assist consumers

OTHER TECHNOLOGY UPDATES

- **CiCi (Chatbot)**
 - Content Management System – Web Interface that gives content contributors the ability to easily update content in CiCi
 - Updated content to reflect the end of the SEP for consumers unaware of the penalty/state subsidy

- **CoveredCA.com Redesign**
 - Accessibility Audit 100% complete – 200+ pages audited and verified for accessibility. Next round of testing will include screen reader/assistive technology testing

- **Salesforce Sales Cloud**
 - Released Salesforce to DocuSign integration for Agent Agreements allowing agents to complete contracts entirely online

- **Salesforce Service Cloud**
 - Implemented automations for service center representatives that allow for quicker service and reduced call handle times

SERVICE CENTER UPDATE

Improving Customer Service

- IVR phone system Rewrite progress continues
- Provided second monitors and phone adapters for Service Center staff to aid in efficient work management

Enhancing Technology Solutions

- Transition from Skype to Microsoft Teams - Fresno & Rancho Cordova
- Introduced remote 'side by sides' so that supervisors can continue to provide coaching and development

Staffing Updates

- Vacancy rate of 8.4 percent (2020) comparable to prior year of 10.6 percent (2019)
- Partnered with HR to develop a remote interview process in order to continue to fill vacancies

SERVICE CENTER PERFORMANCE UPDATE

Comparing May 2020 vs. 2019 Call Statistics

Year	Calls to IVR	Calls Offered to SCR	Abandoned %	Calls Handled	ASA	AHT	Service Level %
2020	383,735	193,338	1.68%	183,496	0:00:41	0:17:24	78.75%
2019	100,892	150,460	1.25%	148,268	0:00:29	0:18:52	80.80%
Percent	280% Increase	28% Increase	34% Increase	24% Increase	41% Increase	8% Decrease	3% Decrease

*Time formats (H:MM:SS) are not equal to decimals. Time formats must be converted to decimal before performing calculations. (Example 0:15:45 = 15.75)

- The total Calls Offered increased from 2019 by 28%
- Calls Handled increased by 24%
- The Abandoned % increased by 34%
- Service Level decreased by 3%.

QUICK SORT VOLUMES

May Consortia Statistics

SAWS Consortia	Calls Offered	Service Level	Calls Abandoned %	ASA
C-IV	207	99.00%	0.00%	00:00:12
CalWIN	542	91.51%	0.37%	00:00:22
LRS	377	96.02%	0.80%	00:00:13

May Weekly Quick Sort Transfers

Week 1*	Week 2	Week 3	Week 4	Week 5	Total
5/1	5/4 – 5/8	5/11 – 5/15	5/18 – 5/22	5/25 – 5/31	
93	474	462	470	457	1,956

*Partial Week

- 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.

