



## **COVERED CALIFORNIA POLICY AND ACTION ITEMS**

June 25, 2020 Board Meeting

# STATE SUBSIDY PROGRAM DESIGN FOR PLAN YEAR 2021

Isaac Menashe, Deputy Director, Policy, Eligibility & Research

# TECHNICAL ASSISTANCE FOR 2021 STATE SUBSIDY PROGRAM PLANNING

1. Review estimates of the cost of the 2020 State Subsidy program based on the latest enrollment data available.
2. Estimate cost for 2021 State Subsidy program holding under 2020 program design rules (baseline), with preliminary estimates for COVID-19 premium and enrollment impacts.
3. Revisit May Revise program design in light of 2020 Budget Act.

This presentation will cover only Step 3; for Steps 1 and 2 please see Policy and Action Items from the May 21, 2020 Board Meeting, included as an appendix below.

# THE MAY REVISE PROPOSAL & THE 2020 BUDGET ACT

The Governor's May Revision proposed maintaining the current level of state subsidies as adopted in the 2020 state subsidy program design, based on the estimated cost of extending the current program design into 2021.

The Budget Act of 2020 (SB 74) adopted the proposal from the May Revision, including funding of \$348,939,000 for plan year 2021, and maintaining the requirement to allocate 17 percent of the subsidies to individuals between 200 and 400 percent of FPL.

As a result, the proposed 2021 State Subsidy Program Design remains the design adopted for 2020, as presented to the Board in May 2020.

# SENSITIVITY TO ESTIMATES FOR PREMIUM AND ENROLLMENT

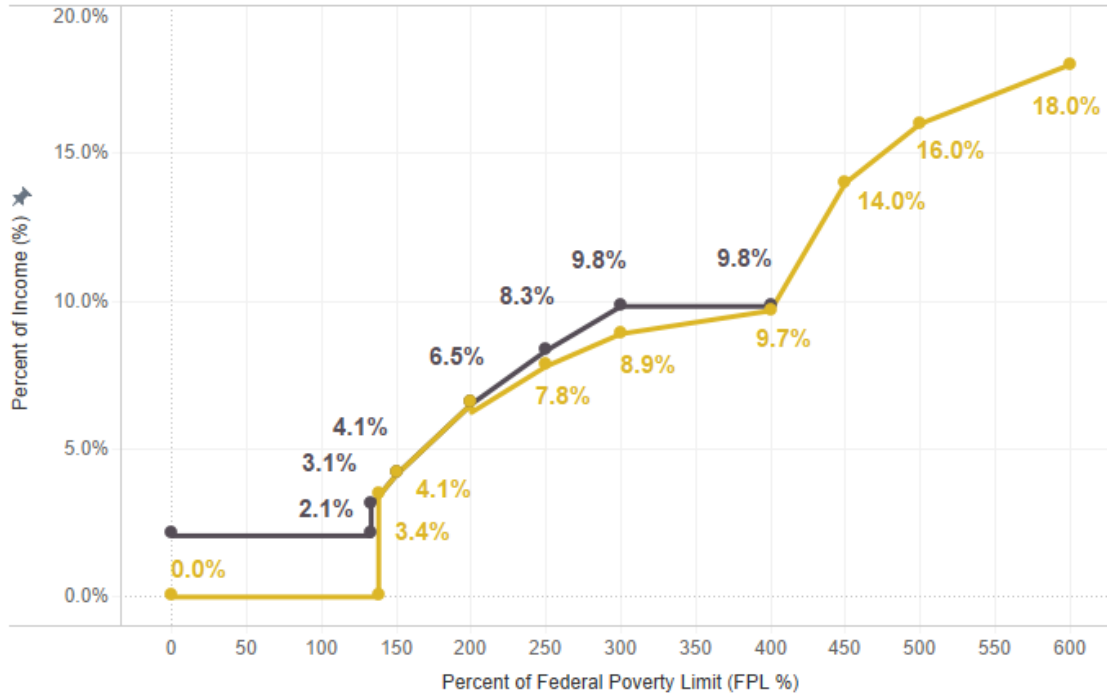
In May, staff noted that the premium and enrollment estimates used for the May Revision technical assistance had since been superseded by more recent premium and enrollment assumptions.

The May Revision technical assistance used estimates of premium growth of 14.7% for 2021, and 3.3% for 2022, and estimates for average monthly enrollment of 1.50 million.

The estimates for the premium growth and an average monthly enrollment will be updated as part of the 2021-22 Governor's Budget. Should the resulting estimated costs be above the 2020 Budget Act levels, the Budget Act provisional language authorizes the Director of Finance to increase funding for the 2021 coverage year pursuant to the program design.

# 2021 PROGRAM DESIGN REQUIRED CONTRIBUTION CURVE

## Baseline (Mid)



■ CA Baseline  
■ Federal 2021

Income as Percent of FPL bracket	Federal 2021		CA Baseline	
	Initial	Ending	Initial	Ending
0% to 133/138%	2.07		0.00	
133/138% to 150%	3.10		3.41	
150% to 200%	4.14	6.52	4.14	6.52
200% to 250%	6.52	8.33	6.24	7.80
250% to 300%	8.33	9.83	7.80	8.90
300% to 400%	9.83	9.83	8.90	9.68
400% to 450%			9.68	14.00
450% to 500%			14.00	16.00
500% to 600%			16.00	18.00

# 2020 BUDGET ACT – CONTINUE 2020 PROGRAM DESIGN

Under the May Revise proposal, the 2020 State Subsidy program design would be maintained for 2021. With the enrollment experience from 2020, the May Revision estimated that – if maintained through 2022 – this program design would have a cumulative cost of \$938 million.

Note that the estimates still anticipate enrollment growth in the 400 to 600% FPL group that are receiving state subsidies for 2021, relative to 2020.

## Total Program Cost Over 3 Year

2020	\$217M
2021	\$349M
2022	\$372M
Grand Total	\$938M

## Key Program Metrics for 2021

	2021
State Subsidy \$ (aggregate)	\$349M
State Subsidy \$ (% of spend to over 400 FPL)	72%
Enrollees	1,502,271
Enrollees between 400 and 600% FPL	98,984
Enrollees Receiving State Subsidy (400 to 600% FPL)	57,720
Share of Enrollees in 400 to 600% FPL Receiving >\$0	45%
State Subsidy \$ (avg PMPM) - receiving only	\$47
State Subsidy \$ (avg PMPM, 400-600% receiving only)	\$362
State Subsidy \$ (avg PMPM, 200-400% receiving only)	\$14

# FINAL PROGRAM DESIGN DOCUMENT FOR 2021 STATE SUBSIDY PROGRAM

In addition to setting the required contribution curve for the 2021 plan year, the draft program design document proposes technical updates, including a clarification that the definition of eligible consumers in the program design includes both those who apply through the single, streamlined application as well as those who transition from another Insurance Affordability Program.



# BOARD ACTION REQUESTED

Approve the 2021 Program Design as presented to the Board today, contingent upon the Governor's approval of the 2020 Budget Act.

# 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.
- ❑ If watching via the live webcast, please mute your computer to eliminate audio feedback while calling in. Note, there is a delay in the webcast.
- ❑ The call-in instructions can also be found on page two of the Agenda.

**EACH CALLER WILL BE LIMITED TO TWO MINUTES PER AGENDA ITEM**

*NOTE: Written comments may be submitted to [BoardComments@covered.ca.gov](mailto:BoardComments@covered.ca.gov).*

# APPENDIX

State Subsidy 2021 Program Design Presentation  
from May 21, 2020 Board Meeting

# BACKGROUND

In 2020, California implemented a new state advanced premium subsidy and implemented a state mandate penalty. The new state subsidies followed the framework set by the Affordable Care Act and provided more support to those consumers who earn under 400% of the Federal Poverty Level (FPL), and new support to between 400% and 600% of FPL.

While the legislation identified the amount of funding available for the new program and the share of the funding that is meant to go to those above and below 400% of FPL, the legislation delegated authority to Covered California's Board to set the exact eligibility requirements for the new subsidies.

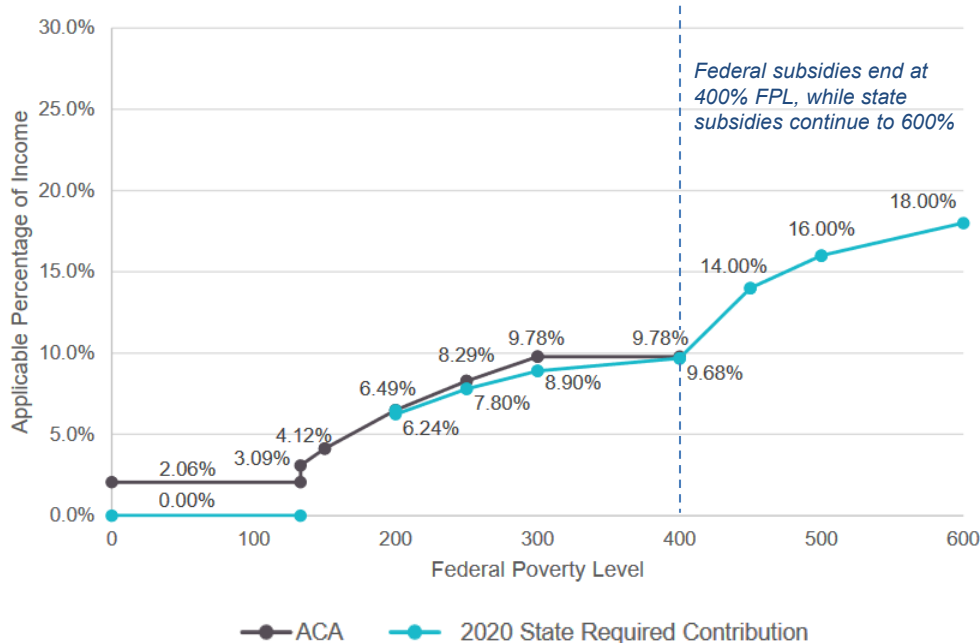
For the 2020 program year, Covered California adopted a program design regulation that included key program design elements, including the eligibility definitions for the program, the “required contribution” curve that determines the benefit amounts under the program, and the caps on reconciliation of state subsidies upon filing of final tax returns with the Franchise Tax Board.

# ANNUAL SUBSIDY PROGRAM DESIGN CYCLE

- March to May: Covered California provides technical assistance to Department of Finance to identify the projected costs of the state subsidy program.
- June: The adopted state budget provides for: (1) required use(s) of funding, (2) subsidy spending target for budget year, (3) allocation of funding above and below 400 percent FPL.
- June: The Covered California Board to adopt annual program design in accordance with budget targets set by the appropriation.
- Director of the Department of Finance to provide approval of the program design following notification to the Joint Legislative Budget Committee.

# NEW STATE SUBSIDIES FOLLOW ACA IN LIMITING PREMIUMS AS A SHARE OF INCOME

Figure 3: Required Contribution for Benchmark Silver Plan as a Percentage of Income Under ACA and California State Subsidy Program (2020)



Under the ACA, financial assistance is provided to limit the share of income a consumer must spend on premiums for the benchmark second-lowest silver plan (grey line). For example, the ACA caps premiums for a consumer earning 300% of FPL to 9.78% of income.

California's new state subsidies offer new help to two groups (blue line):

- 1) Many consumers below 400% of FPL see their required contribution reduced (for example, the consumer at 300% of FPL will receive a state credit to reduce the share of income spent on premiums from 9.78% to 8.90% of income.
- 2) For consumers from 400 to 600% of FPL, which saw no financial protection under the ACA, new state caps limit premiums to the percentages shown in Figure 3, so that a consumer at 450% of FPL spends no more than 14% of their income on premiums.

# COVERED CALIFORNIA 2020 ENROLLMENT: HUGE REBOUND DUE TO MANDATE AND NEW SUBSIDIES

Table 1: Preliminary Analysis of Covered California 2020 Net Plan Selections

Category	2018	2019	Percent Change	2020	Percent Change
New Enrollment*	388,344	295,980	-23.8	418,052	41.2
Renewals	1,133,180	1,217,903	7.5	1,120,767	-8.0
Total	1,521,524	1,513,883	-0.5	1,538,819	1.6

\* The new enrollment number includes consumers who had coverage off-exchange switched to on-exchange coverage to benefit from new subsidies. Even after subtracting the entire newly-enrolled 400 to 600 percent FPL population, Covered California's new sign-ups in 2020 would still be 36 percent higher than in 2019 and still the highest total since 2016.

- Overall enrollment is higher in 2020 than the past two years — driven by a huge increase in new-enrollments — as California replaced the federal penalty and made new state subsidies available.
- New enrollment in 2020 increased by more than 122,000 — over 41 percent higher — compared to 2019 and at its highest level since 2016.
- In 2020, renewals are down slightly compared to 2019, due primarily to the significant drop in new enrollment during 2019 open enrollment which meant fewer new enrollees eligible to keep coverage for 2020.

# TECHNICAL ASSISTANCE FOR 2021 STATE SUBSIDY PROGRAM PLANNING

1. Review estimates of the cost of the 2020 State Subsidy program based on the latest enrollment data available.
2. Estimate cost for 2021 State Subsidy program holding under 2020 program design rules (baseline), with preliminary estimates for COVID-19 rates.

All models assume the “most likely” scenarios for 2021, which as of the time of the analysis were 14.7% rate increase and 1.502 million average monthly enrollment.\*

\* Analysis of both premium and enrollment impacts from COVID-19 and the recession are evolving very quickly. To meet the state budget process timelines, this analysis was completed in mid-April. Some of the assumptions are already “outdated” with respect to those being used by Covered California for its proposed FY 2020-21 budget model.



# FUNDING AVAILABLE PER 2019 BUDGET PROCESS

In the discussions for the 2020 program design, an original 3 year program was envisioned using only the anticipated revenue from the new mandate penalty – estimated to bring in approximately \$1 billion over the three years. The table below provides the original 2019 revenue estimates from the May Revise.

However, following input from the legislature, the 2020 program enacted was designed to enhance affordability with additional funds beyond the penalty revenue, to create a proposed 3 year program total of \$1.5 billion. The table below provides the original estimates from last year’s budget process.

Plan Year	Penalty Revenue Estimate from 2019 May Revise	Estimated Cost for a \$1.0 Billion Program – 2019 Budget Act Estimate	Estimated Cost for a \$1.5 Billion Program – 2019 Budget Act Estimate
2020	\$317,200,000	\$295,300,000	\$428,629,000
2021	\$335,900,000	\$330,400,000	\$479,762,000
2022	\$352,800,000	\$379,900,000	\$547,195,000

# ESTIMATE OF 3-YEAR PROGRAM COSTS

As detailed in the modeling appendix that follows, we currently estimate that 2020 State Subsidy program design, coupled with observed and anticipated enrollment for 2020, will lead to total spending to be well below what was planned for the program.

Plan Year	Estimated Cost for a \$1.5 Billion Program – 2019 Budget Act	Anticipated Advanced State Subsidy Spending Under Baseline Program Design – 2020 May Revise	Variance
2020	\$428,629,000	\$217,006,000	\$211,623,000
2021	\$479,762,000	\$348,939,000	\$130,823,000
2022	\$547,195,000	\$372,451,000	\$174,744,000
<b>TOTAL</b>	<b>\$1,455,586,000</b>	<b>\$938,396,000</b>	<b>\$517,190,000</b>

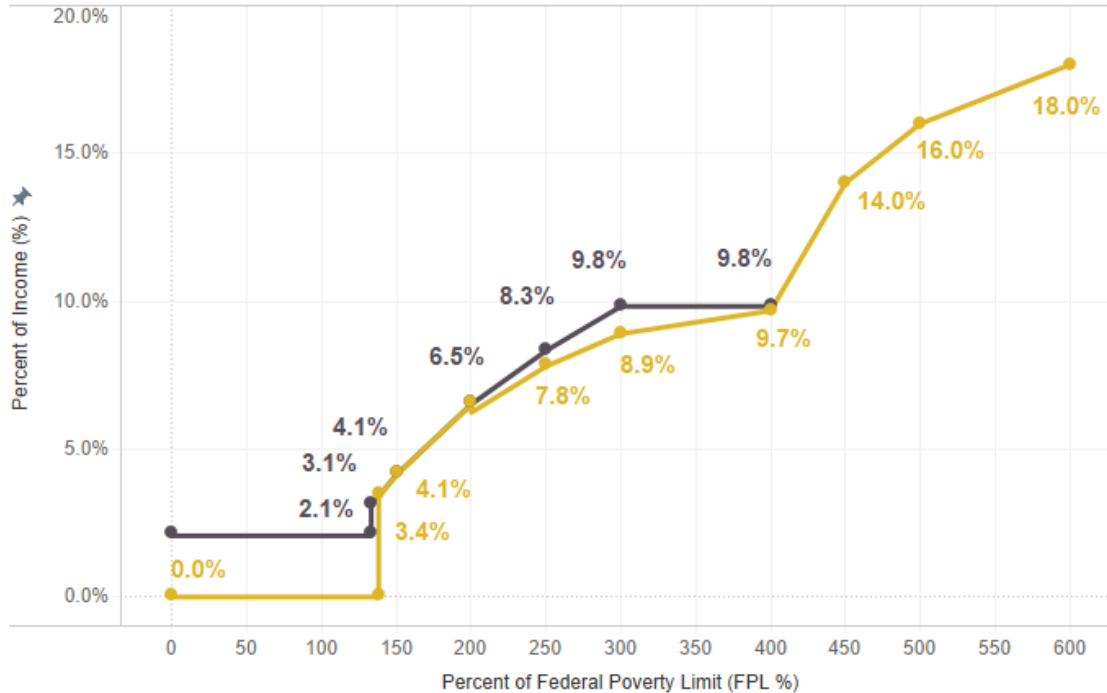
# THE MAY REVISE PROPOSAL

The Governor's May Revision maintains the current level of state subsidies as adopted in the 2020 state subsidy program design, based on the estimated cost of extending the current program design into 2021.

For the Board's reference, in conducting its own analysis of the state subsidy program, Covered California also reviewed several program design options which would have expanded subsidies but stayed within the original program budget. Those options are presented in the appendix.

# MAY REVISE – CONTINUE 2020 PROGRAM DESIGN REQUIRED CONTRIBUTION CURVE

## Baseline (Mid)



■ CA Baseline  
■ Federal 2021

Income as Percent of FPL bracket	Federal 2021		CA Baseline	
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Note that we still anticipate enrollment growth in the 400 to 600% FPL group that are receiving state subsidies for 2021.

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# NEXT STEPS FOR FINAL PROGRAM DESIGN

At the June 2020 Board meeting, staff will return to the Board with its final proposed 2021 State Subsidy Program Design for action.

For the June 2020 Board meeting, should the final appropriation differ from what has been proposed in the May Revise, Covered California staff will bring back a final proposed curve for 2021 that is:

- a) consistent with the appropriation passed by the legislature; and
- b) integrates any new adjustments to COVID-19 related premium or enrollment impacts.

In addition to setting the required contribution curve for the 2021 plan year, the draft program design document proposes technical updates, including a clarification that the definition of eligible consumers in the program design includes both those who apply through the single, streamlined application *or* transition from another Insurance Affordability Program.

# BACKGROUND ITEMS

## STATE SUBSIDY 2021 SCENARIO MODELING

(originally presented at May 21, 2020 Board Meeting)

# 2020 OPEN ENROLLMENT RESULTS

Considering the take-up of new state subsidies during Open Enrollment for 2020, several key observations include:

- Hundreds of thousands of consumers are benefitting from state subsidies
  - Nearly 600,000 consumers below 400% of FPL gaining increased affordability from new state subsidies, on top of federal assistance.
  - Nearly 32,000 consumers are benefitting from new middle-class subsidies for those earning between 400% and 600% of FPL.
  
- However, not all consumers within each income group are eligible for state subsidies
  - Some consumers below 400% FPL have chosen a plan that is fully paid for by the federal credits alone.
  - Over half of consumers in the 400 to 600% FPL range already can purchase a Silver benchmark plan for less than the “required contribution” curve set in the 2020 Program Design.



# 2020 OPEN ENROLLMENT RESULTS

The table below shows 2020 open enrollment results by FPL.

Enrollment by FPL, Showing Receipt of State Subsidies and Average Amounts

	Enrollees	Enrollees (col %)	Enrollees Receiving State Subsidies	Percentage in Group Receiving State Subsidies	State Subsidy Amount Per Month - Among Those Receiving (Household, avg)	State Subsidy Amount Per Month - Among Those Receiving (Individual, avg)	Average State Subsidy Amount Per Month - All Enrollees in Group (individual)
138% FPL or less	47,762	3%	9,554	20%	\$55	\$40	\$8
138% FPL to 200% FPL	623,684	41%	0	0%			\$0
200% FPL to 400% FPL	691,133	45%	576,601	83%	\$25	\$16	\$14
400% FPL to 600% FPL	68,238	4%	31,944	47%	\$504	\$291	\$136
600% FPL+ or Unsub App	98,358	6%	0	0%			\$0
FPL Unavailable	9,644	1%	7,553	78%	\$61	\$37	\$29
Grand Total	1,538,819	100%	625,652	41%	\$48	\$31	\$13

Note: These data are "net" plan selections through February 7, per CMS reporting requirements. FPL Unavailable is related to a reporting issue in the data used for statistical reporting these are cases that are *correctly* receiving state subsidy.

# STATE SUBSIDIES FOR THE 400% TO 600% FPL GROUP

Two key trends about the 400% to 600% FPL group have emerged so far this year:

- 1) Take-up of on-exchange members was high, but off-exchange consumers did not switch.** Estimates indicate there may be 140,000 off-exchange consumers earning in this income range, many of whom would likely “switch” to possibly receive new financial assistance. Yet, *new* sign-ups with Covered California for this income bracket were just over 25,000.\*
- 2) Average financial support among those receiving has been *much* greater than anticipated.** Those receiving subsidies in this group are receiving an average of \$500 per household per month, but the number of enrollees receiving the support is much lower than expected (~32,000). Before the program launched, we anticipated roughly \$160 per household per month.

\* Survey data suggest that an even larger number of off-exchange enrollees may be eligible for Federal APTC, and as a result, Covered California was developing plans for an initiative during the new special enrollment period in March and April that would have combined marketing and new collaboration with carriers and agents to reach these off-exchange populations who may still be able to benefit from reduced premiums. This effort was put on hold due to the COVID-19 pandemic.

# 2020 OPEN ENROLLMENT RESULTS

The table below shows that “switching” from the off-exchange – which should present as “Open Enrollment” 400 to 600% FPL enrollment – did not materialize as expected, with less than a one quarter of the expected volume.

Enrollment by FPL and Renewal Cohort, Showing Receipt of State Subsidies (Enrollees)

	Enrollees		Enrollees (col %)		Enrollees Receiving State Subsidies		Enrollees Total	Enrollees (col %) Total	Enrollees Receiving State Subsidies Total
	Open Enrollment	Renewal	Open Enrollment	Renewal	Open Enrollment	Renewal			
138% FPL or less	7,532	40,230	2%	4%	2,482	7,072	47,762	3%	9,554
138% FPL to 200% FPL	163,139	460,545	39%	41%	0	0	623,684	41%	0
200% FPL to 400% FPL	192,811	498,322	46%	44%	166,512	410,089	691,133	45%	576,601
400% FPL to 600% FPL	25,183	43,055	6%	4%	14,260	17,684	68,238	4%	31,944
600% FPL+ or Unsub App	26,311	72,047	6%	6%	0	0	98,358	6%	0
FPL Unavailable	3,076	6,568	1%	1%	1,997	5,556	9,644	1%	7,553
Grand Total	418,052	1,120,767	100%	100%	185,251	440,401	1,538,819	100%	625,652

Note: These data are “net” plan selections through February 7, per CMS reporting requirements. FPL Unavailable is related to a reporting issue in the data used for statistical reporting these are cases that are *correctly* receiving state subsidy.

# ESTIMATING 2020 STATE SUBSIDY TOTALS AND 2021 & 2022 ENROLLMENT AND PREMIUMS

The preceding slides covered the results of “net plan selections” from the 2020 plan year renewal and open enrollment period as reported publicly following the close of this year’s open enrollment, but do not yet factor in effectuations and the ongoing special enrollment periods.

To prepare for the 2021 State Subsidy Program Design, we first estimate how the remaining SEP in 2020 may impact total effectuated enrollment in the State Subsidies for 2020. Then, enrollment assumptions and premium increase assumptions are needed for 2021 and 2022.

A high level summary of the assumptions and methods used for 2021 State Subsidy Program Design technical assistance are described in the appendix below.

# 2021 PROGRAM DESIGN MODELING

For 2021, Covered California analyzed several options for subsidy program design that:

- Were consistent with original legislative intent to adjust the program design to provide maximum affordability consistent with the legislature's appropriation;
- Recognized the difficult budget horizon created by COVID-19, with projected budgets *below* the original \$1.5B;
- Included at least some additional supports across all incomes under 600% FPL, but showcase options with different additional support along the income spectrum.

# 2021 PROGRAM DESIGN MODELING - ASSUMPTIONS

- Analysis of both premium and enrollment impacts from COVID-19 and the recession are evolving *very* quickly.
- To meet the state budget process timelines, this analysis was completed in mid-April. Some of the assumptions are already “outdated” with respect to those being used by Covered California for its proposed FY 2020-21 budget model.
- All models assume the “most likely” scenarios for 2021, which as of the time of the analysis were 14.7% rate increase and 1.502 million average monthly enrollment.

# ASSUMPTIONS – ENROLLMENT DURING COVID-19

Most modeling anticipates some growth to Marketplace enrollment during the recession, but the level depends on a range of factors, and depending on the balance, these factors *could* even lead to negative growth.

The most significant churn dynamics – which move in opposite directions for Marketplace impact – are:

## 1) Churn out:

- What volume of consumers transition to Medi-Cal based on new, lower income for the month?
- What volume of consumers drop coverage they purchase directly even though not eligible for Medi-Cal?

## 2) Churn in:

- What share of consumers lose job-based coverage (ESI), and of those, what portion *take-up* coverage on the exchange?

# ASSUMPTIONS – ENROLLMENT DURING COVID-19

The enrollment assumptions for this analysis are presented in the table to the right, and are based on Covered California’s Financial Management Division’s modeling as of early-to-mid April.\*

Given a range of reasonable assumptions based on available empirical evidence, the current enrollment forecast range is much wider than what would otherwise be expected for the marketplace. Despite this uncertainty, the range for the most likely estimates still hovers within 10-15% above or below the level of current enrollment.

## Estimated 2020, 2021, and 2022 Enrollment under Mid enrollment scenarios

(Eligibility for state subsidy is based on current 2020 State Subsidy Program Design rules.)

		14.7% Rate Increase		
		Mid Enrollment		
		New	Renewal	Total
Enrollees	2020	419,917	1,015,407	1,435,324
	2021	422,409	1,079,862	1,502,271
	2022	422,984	1,079,287	1,502,271
Enrollees Receiving State Subsidy	2020	185,654	408,422	594,075
	2021	186,403	434,669	621,072
	2022	185,719	432,433	618,151
Enrollees between 400 and 600% FPL	2020	32,002	43,204	75,205
	2021	39,226	59,758	98,984
	2022	39,714	60,253	99,967
Enrollees Receiving State Subsidy (400 to 600% FPL)	2020	19,391	15,244	34,635
	2021	27,608	30,112	57,720
	2022	27,918	30,167	58,085

\* These estimates will be updated to reflect the final enrollment model when the 2021 State Subsidy Program Design is brought back to the Board for final approval.



# ASSUMPTIONS 2021 & 2022 – PREMIUM GROWTH

Based on input from Covered California’s Chief Actuary in early April, and following on Covered California’s analysis in [“The Potential National Health Cost Impacts to Consumers, Employers and Insurers in the Commercial Market Due to COVID-19”](#), this analysis used the following premium estimates:

	2021 Rate Impact	2022 Rate Impact	2022 Cumulative
Medium	14.7%	3.3%	18.5%

These estimates included not only increases in the cost of health care stemming from COVID-19, but a range of potential factors such as anticipated increased enrollment due to expanded subsidies, as well as uncertain market conditions.

As noted, the estimates used here were from mid-April and may differ from subsequent estimates (such as those used in the final Covered California budget forecasts) for how the pandemic and its economic consequences may impact premiums and enrollment.

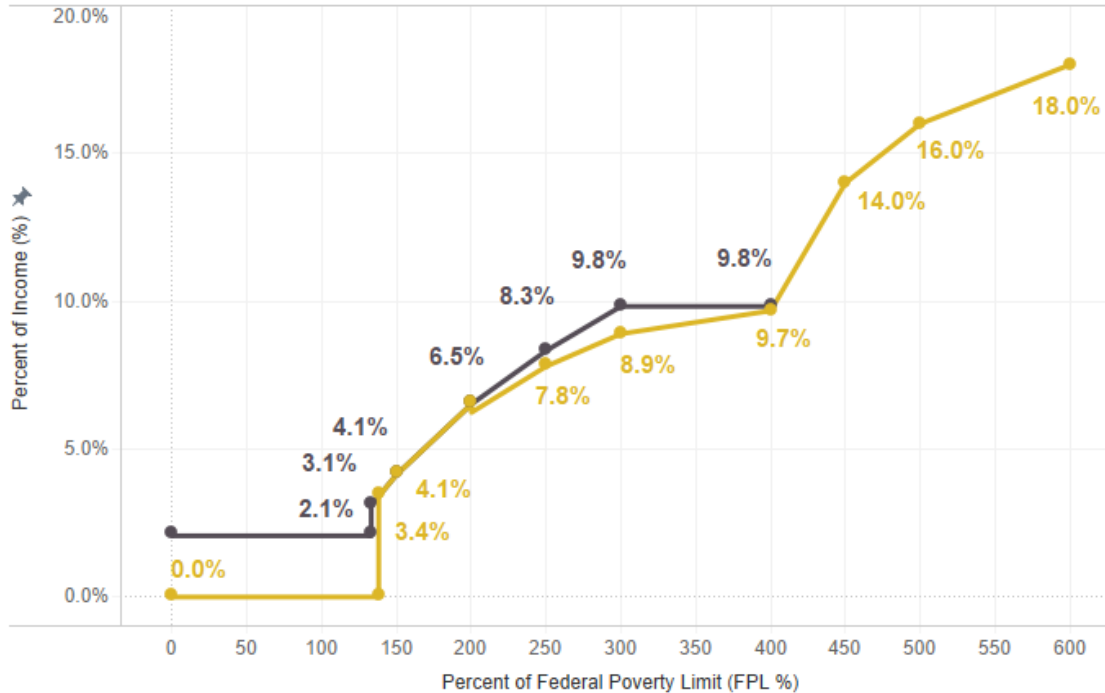
# MODELS CONSIDERED FOR 2021 PROGRAM DESIGN

Model	Name	Description	Estimated 3 Year Budget
Baseline	<b>Baseline (Mid)</b>	Continues existing program design into 2021 and 2022	\$938 M
Option 1	<b>Close the Gap</b>	Improve affordability for all $\leq 600\%$ FPL with emphasis on consumers under 200% FPL who were not assisted in 2020.	\$1.371 Billion
Option 2	<b>Enhance Support for Low Income</b>	Improve affordability for all $\leq 600\%$ FPL with emphasis on consumers in the 200 to 400% FPL range.	\$1.360 Billion
Option 3	<b>Expand Subsidies for 400 to 600% FPL</b>	Improve affordability for all $\leq 600\%$ FPL with emphasis on consumers in the 400 to 600% FPL range.	\$1.322 Billion

*\* All models use 14.7% premium growth and the 'Mid' enrollment assumptions.*

# BASELINE – CONTINUE 2020 PROGRAM DESIGN REQUIRED CONTRIBUTION CURVE

## Baseline (Mid)

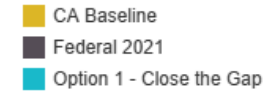
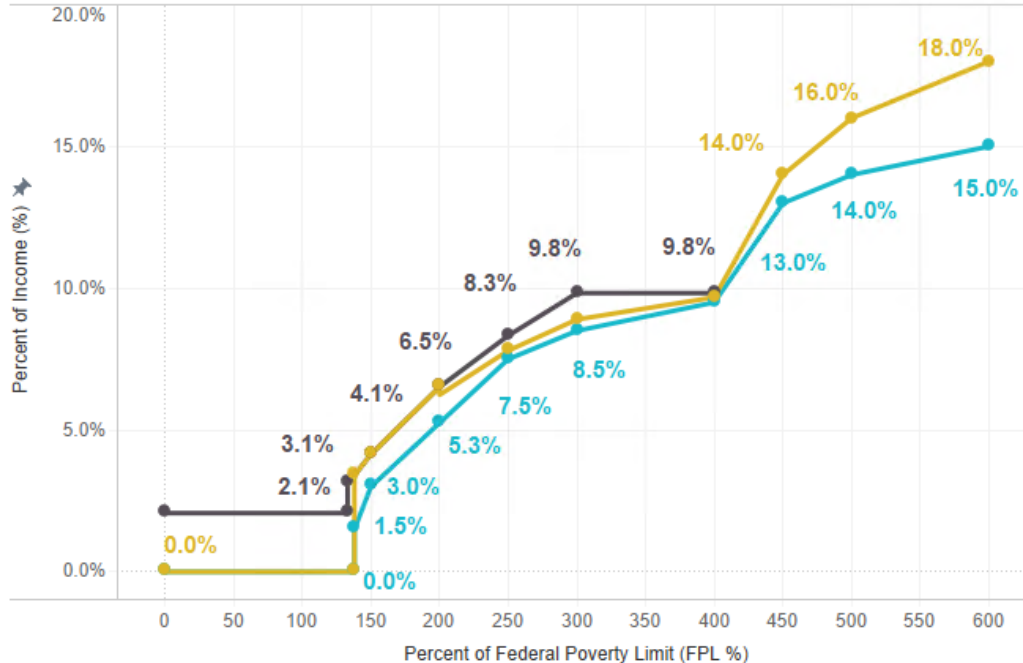


■ CA Baseline  
■ Federal 2021

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400% to 450%			9.68	14.00
450% to 500%			14.00	16.00
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# OPTION 1 – CLOSE THE GAP REQUIRED CONTRIBUTION CURVE

## Option 1 - Close the Gap

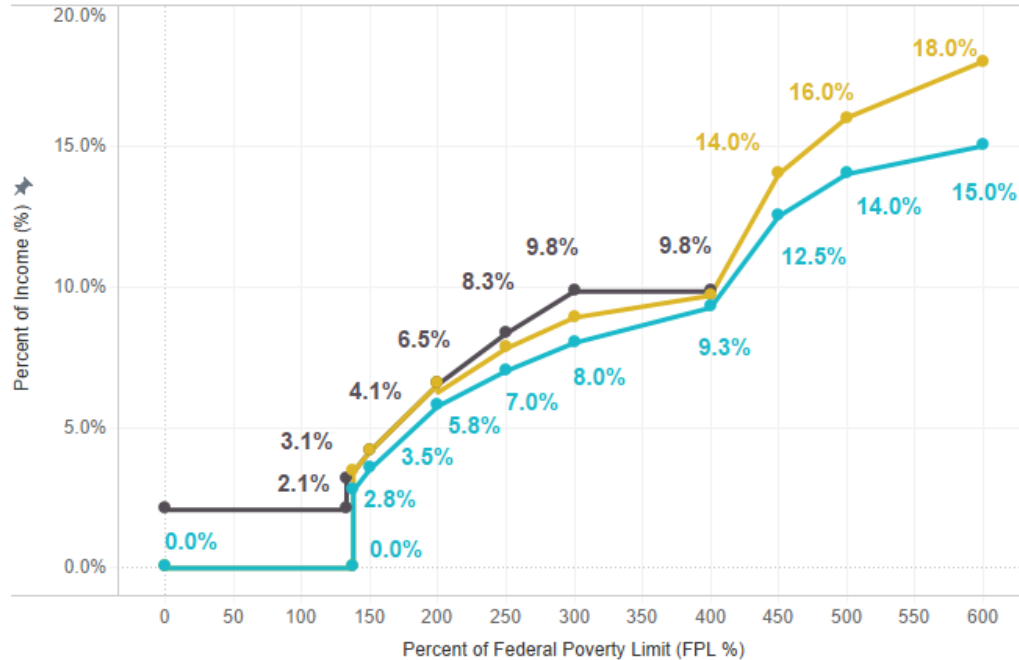


Income as Percent of FPL bracket	Federal 2021		CA Baseline		Option 1 - Close the Gap	
	Initial	Ending	Initial	Ending	Initial	Ending
0% to 133/138%	2.07		0.00		0.00	
133/138% to 150%	3.10		3.41		1.50	
150% to 200%	4.14	6.52	4.14	6.52	3.00	5.25
200% to 250%	6.52	8.33	6.24	7.80	5.25	7.50
250% to 300%	8.33	9.83	7.80	8.90	7.50	8.50
300% to 400%	9.83	9.83	8.90	9.68	8.50	9.50
400% to 450%			9.68	14.00	9.50	13.00
450% to 500%			14.00	16.00	13.00	14.00
500% to 600%			16.00	18.00	14.00	15.00

\* As of the time of this analysis, this scenario was still undergoing feasibility review implementation timeline, as it may require complex system changes.

# OPTION 2 – ENHANCE SUPPORT FOR LOW-INCOME REQUIRED CONTRIBUTION CURVE

## Option 2 - Enhanced Support for Low Income

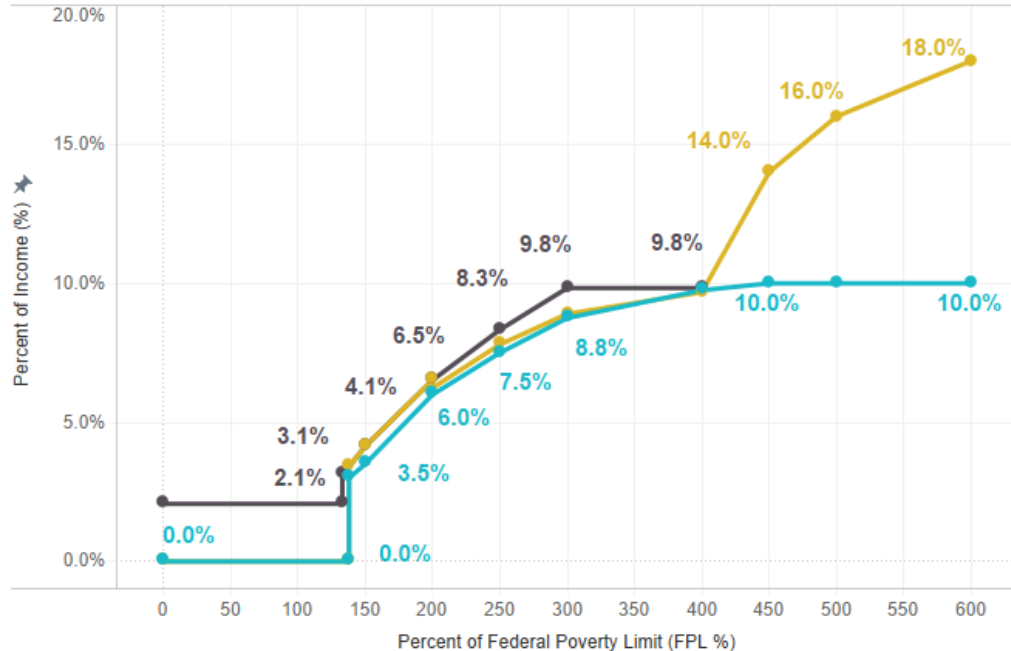


■ Option 2 - Enhance Support Low Income  
■ CA Baseline  
■ Federal 2021

Income as Percent of FPL bracket	Federal 2021		CA Baseline		Enhance Support Low Income	
	Initial	Ending	Initial	Ending	Initial	Ending
0% to 133/138%	2.07		0.00		0.00	
133/138% to 150%	3.10		3.41		2.75	
150% to 200%	4.14	6.52	4.14	6.52	3.50	5.75
200% to 250%	6.52	8.33	6.24	7.80	5.75	7.00
250% to 300%	8.33	9.83	7.80	8.90	7.00	8.00
300% to 400%	9.83	9.83	8.90	9.68	8.00	9.25
400% to 450%			9.68	14.00	9.25	12.50
450% to 500%			14.00	16.00	12.50	14.00
500% to 600%			16.00	18.00	14.00	15.00

# OPTION 3 – EXPAND SUBSIDIES FOR 400 TO 600% FPL REQUIRED CONTRIBUTION CURVE

Option 3 - Expand Subsidies for 400 to 600% FPL



- Option 3 - Expand Middle Class Subsidies
- CA Baseline
- Federal 2021

Income as Percent of FPL bracket	Federal 2021		CA Baseline		Expand Middle Class Subsidies	
	Initial	Ending	Initial	Ending	Initial	Ending
0% to 133/138%	2.07		0.00		0.00	
133/138% to 150%	3.10		3.41		3.00	
150% to 200%	4.14	6.52	4.14	6.52	3.50	6.00
200% to 250%	6.52	8.33	6.24	7.80	6.00	7.50
250% to 300%	8.33	9.83	7.80	8.90	7.50	8.75
300% to 400%	9.83	9.83	8.90	9.68	8.75	9.75
400% to 450%			9.68	14.00	9.75	10.00
450% to 500%			14.00	16.00	10.00	10.00
500% to 600%			16.00	18.00	10.00	10.00

# ALL MODEL COMPARISONS

## KEY METRICS

	14.7% Rate Increase				
	Mid Enrollment				
	Baseline	Option 1 - Close the Gap	Option 2 - Enhanced Support for Low Income	Option 3 - Expand Subsidies for 400 to 600% FPL	
	2021	2021	2021	2021	
State Subsidy \$ (aggregate)	\$349M	\$564M	\$558M	\$538M	
State Subsidy \$ (% of spend to over 400 FPL)	72%	50%	52%	67%	
Enrollees	1,502,271	1,503,338	1,503,641	1,507,342	
Enrollees between 400 and 600% FPL	98,984	100,051	100,355	104,056	
Enrollees Receiving State Subsidy (400 to 600% FPL)	57,720	62,232	64,053	78,699	
Share of Enrollees in 400 to 600% FPL Receiving >\$0	45%	48%	49%	59%	
State Subsidy \$ (avg PMPM) - receiving only	\$47	\$43	\$43	\$41	
State Subsidy \$ (avg PMPM, 400-600% receiving only)	\$362	\$376	\$374	\$381	
State Subsidy \$ (avg PMPM, 200-400% receiving only)	\$14	\$24	\$30	\$18	
State Subsidy \$ (avg PMPM, 138-200% receiving only)		\$21	\$11	\$9	
	2020	\$217M	\$217M	\$217M	\$217M
	2021	\$349M	\$564M	\$558M	\$538M
	2022	\$372M	\$591M	\$585M	\$567M
	Grand Total	\$938M	\$1,371M	\$1,360M	\$1,322M

# FISCAL YEAR 2020-2021 NAVIGATOR ENROLLMENT GOALS

Terri Convey, Director, Outreach and Sales Division



# NAVIGATOR PROGRAM FISCAL YEAR 2020 - 2021

Recommendations for upcoming fiscal year:

- (1) Continue Navigator Program funding level of \$6.5 MM for the upcoming year
- (2) Continue the current minimum enrollment requirements for fiscal year 2020 - 2021
- (3) Discontinue the Targeted Area Pilot and reassign funds to the core Navigator Program

Background for Today's Discussion:

- This year was the first year of the new performance-based funding model that the Board approved in March 2019
- First year results exceeded expectations with 93 organizations participating in the program extending Covered California's reach to California's Latino, Asian, African American and other diverse communities

# RECAP OF THIS YEAR'S NAVIGATOR PROGRAM 1 of 2

- After ten months into the contract year, the Navigator Program has exceeded its annual minimum enrollment target by 42%.
- Nearly 85% of the participating Navigator organizations are projected to meet or exceed their individual funding requirements; and more than half are likely to receive a performance bonus for exceeding their goals.
- This year was the first year that the Navigator Program established a minimum enrollment requirement based on effectuated new and renewing enrollment.

# RECAP OF THIS YEAR'S NAVIGATOR PROGRAM 2 of 2

- While the majority of participating navigators performed very well, it is unclear with just ten months of data, and the significant and many environmental conditions that we experienced this year, to confidently establish a minimum enrollment benchmark for next year.
- We are proposing that we continue the performance measure 'as is' and evaluate recommendations once we have more experience and two years of data.
- The Targeted Area Pilot which allocated additional funds to four rural areas in the state did not measurably improve effectuated enrollment from those areas.

# Navigator Program Enrollment-to-Goal Performance

April 30, 2020

35 of 42 entities meet or exceed goal in first ten months

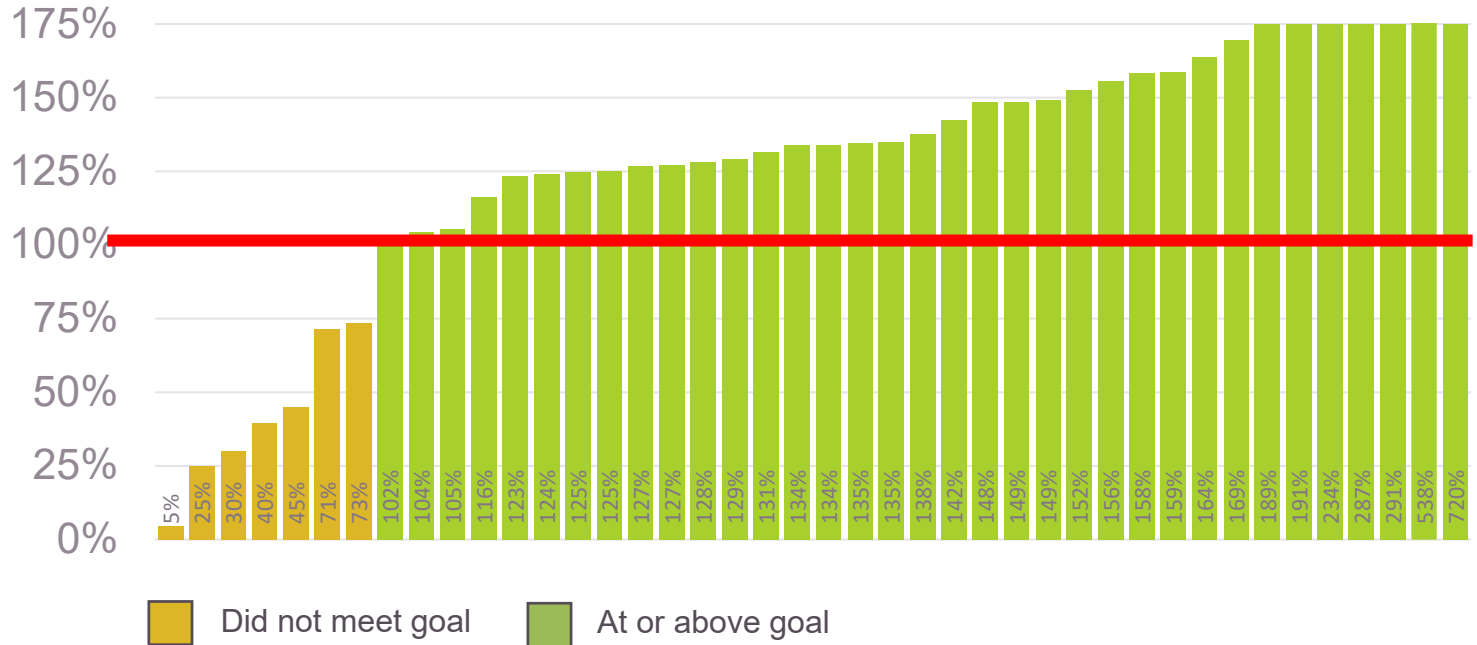
Goal  
36,007

Actual Enrollment 51,134

42%+ Goal

Mandate and state subsidy go into effect January 2020

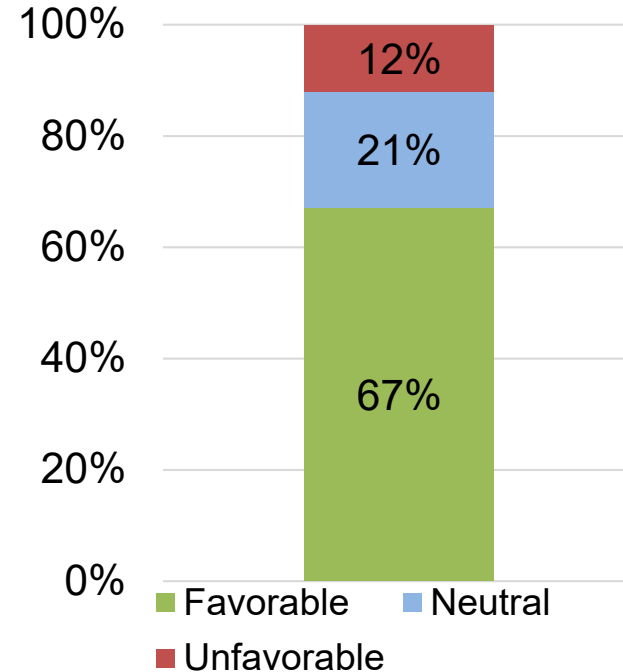
Navigators enrolled or renewed 44,000 consumers by January 1, 2020



# Navigator Survey on Next Year's Enrollment Target

June 2020

Responses	Increase performance requirement 23% 44,138 Target
Neutral	<ul style="list-style-type: none"><li>• Pandemic challenges</li><li>• OE/SEP unknown</li></ul>
Favorable	<ul style="list-style-type: none"><li>• Medi-Cal abrasion</li><li>• Legislative uncertainty</li></ul>
Unfavorable	<ul style="list-style-type: none"><li>• Do More with less</li><li>• Funding inadequate</li><li>• Medi-Cal abrasion</li></ul>



# RECOMMENDATION TO THE BOARD

- Covered California is recommending \$6.5 MM funding for fiscal year 2020 -2021
- Covered California is recommending that the program's minimum enrollment requirement of 36,007 effectuated enrollment continue as the minimum enrollment requirement for the second year of the three year contract period.
  - Proposed enrollment requirement includes new and renewal enrollment effectuations.
  - Proposed enrollment requirement is equivalent to this year's enrollment target and well below this year's actual enrollment performance of more than 52,000 as of 5/31/20.
  - Effectuated enrollment goals are evaluated each year, and may increase or decrease based on an assessment of the program's capacity and potential to achieve enrollment targets. Covered California will re-evaluate the program's minimum enrollment requirement for fiscal year 2021 – 2022 based on two-year view of actual experience and data.
- Covered California is recommending discontinuing the Targeted Area Pilot and reinvesting those funds into the core program.

# PUBLIC COMMENT

**CALL: (844) 291-6360**

**PARTICIPANT CODE: 797216**

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# BACKGROUND ITEMS

## FISCAL YEAR 2020-2021 NAVIGATOR ENROLLMENT GOALS



# NAVIGATOR PROGRAM TIMELINE

## Fiscal Year 2020 - 2021

Date	Action
May 21, 2020	Program discusses 2020-21 grant cycle proposals and recommendations to the Covered California Board
June 1-15, 2020	Program finalizes evaluation and recommendation for 2020-21 grant cycle funding
June 25, 2020	Program seeks Board approval for final 2020-21 grant cycle funding
June 30, 2010	End of grant cycle 2019-20 contract period
July 1, 2020	Start of grant cycle 2020-21 contract period

# NAVIGATOR PROGRAM PROPOSED ENROLLMENT REQUIREMENTS PER FUNDING LEVELS

## Fiscal Year 2020 - 2021

- No change to current year's minimum enrollment requirement enables program to have more experience and data to establish targets aligned with program's growth potential.
- Third year minimum enrollment requirement may increase or decrease based on two-year look-back and evaluation of actual performance.

Funding Level	FY 19/20	FY 20/21	FY 21/22
	<b>36,007</b>	<b>36,007</b>	<b>TBD</b>
<b>\$50,000</b>	286	286	TBD
<b>\$75,000</b>	429	429	TBD
<b>\$100,000</b>	571	571	TBD
<b>\$125,000</b>	714	714	TBD
<b>\$150,000</b>	857	857	TBD
<b>\$175,000</b>	1,000	1,000	TBD
<b>\$200,000</b>	1,143	1,143	TBD
<b>\$225,000</b>	1,286	1,286	TBD
<b>\$250,000</b>	1,429	1,429	TBD
<b>\$275,000</b>	1,571	1,571	TBD
<b>\$300,000</b>	1,714	1,714	TBD
<b>\$325,000</b>	1,857	1,857	TBD
<b>\$350,000</b>	2,000	2,000	TBD
<b>\$375,000</b>	2,143	2,143	TBD
<b>\$400,000</b>	2,286	2,286	TBD
<b>\$425,000</b>	2,429	2,429	TBD
<b>\$450,000</b>	2,571	2,571	TBD
<b>\$475,000</b>	2,714	2,714	TBD
<b>\$500,000</b>	2,857	2,857	TBD

# OUTREACH ACTIVITY REPORT, MAY 1, 2020

- Navigators awarded points for outreach activities
- Point targets are set at funding level of grant award
- Navigator Program is at 71% of its total outreach activity goal
- 29% of Navigators are meeting their outreach activity goals
- Entities must submit all outreach activities and supporting documentation via Salesforce by June 15, 2020

**FY 19-20 Outreach Activity as of 4/30/20**

FY 19-20	Core Program Funding	Activity Point	Actual % to Goal	Number of Navigator Entities	Navigator Performance	
					Below Goal	At or Above Goal
Goal	\$6,300,000	4,444		42		
Actual	\$6,300,000	3,141	71%	42	30	12

# OUTREACH ACTIVITY GOALS

Entities are assigned outreach points based on their Grant Amount Award Level; and will earn points throughout the grant award year by participating in, tracking, and reporting various outreach activities such as events and social media, earned and paid media, etc.

Outreach Activity Goals*	
Grant Amount	Outreach Points Goal
\$50,000	50
\$75,000	64
\$100,000	78
\$125,000	92
\$150,000	106
\$175,000	120
\$200,000	134
\$225,000	148
\$250,000	162
\$275,000	176
\$300,000	190
\$325,000	204
\$350,000	218
\$375,000	232
\$400,000	246
\$425,000	260
\$450,000	274
\$475,000	288
\$500,000	300

Activities that Earn Outreach Points		
Category	Point(s) Earned	Qualifying Activity
<b>Events</b>	3	3 points earned per education or enrollment event logged in the event portal or bi-monthly report (Note: office hours do not constitute events)
<b>Paid Media</b>	1	1 point earned per \$100 spent on advertising promoting Covered California enrollment
<b>Earned Media</b>	10	10 points earned per documented instance of earned media
<b>Twitter</b>	1	1 point earned per month wherein 4 tweets are published mentioning Covered California (via in-tweet “@CoveredCA” linked tagging) from an account with at least 1,000 followers (Max 1 point per month per primary Grantee)
<b>Facebook</b>	1	1 point earned per month wherein 2 posts are published mentioning Covered California (via in-post “@Covered California” linked tagging), (Max 1 point per month per primary Grantee)
<b>Instagram</b>	1	1 point earned per month wherein 2 posts are published mentioning Covered California (via in-post “@CoveredCA” linked tagging), (Max 1 point per month per primary Grantee)
<b>LinkedIn</b>	1	1 point earned per month wherein 2 posts are published mentioning Covered California (via in-post “@Covered California” linked tagging), (Max 1 point per month per primary Grantee)

# NAVIGATOR PROGRAM YEARLY FUNDING LEVELS

- Funding has been steady at \$6.5 MM *and* enrollment is trending up
- Year-over-year engagement from 42 lead partner organizations and 51 subcontractors
- More than 500 Locations within 15 minute drive time for 85% of all Californians with reach to California’s most vulnerable and underserved populations

Grant Year	Total Grant Funding	# of Entities	Grant Funding Range	Number of Effectuations	Average Grant
<b>2020-21</b>	<b>\$6,500,000</b>	<b>42</b>	<b>\$50,000-\$500,000</b>	<b>51,200*</b>	<b>\$154,761*</b>
2019-20	\$6,500,000	42	\$50,000-\$500,000	51,138	\$154,761
2018-19	\$6,475,000	42	\$50,000-\$500,000	44,684	\$154,167
2017-18	\$6,425,000	43	\$50,000-\$500,000	40,355	\$149,419
2016-17	\$7,100,000	46	\$50,000-\$500,000	35,858	\$154,348
2015-16	\$10,550,000	69	\$50,000-\$500,000	40,096	\$152,899
2014-15	\$10,886,569	65	\$25,000-\$500,000	77,457	\$167,486

# 2021 HEALTH PLAN CERTIFICATION AND CONTRACTING

## Minimum Marketing Spend Requirements

# 2021 QHP ISSUER CONTRACT UPDATE

- As Covered California continues both do marketing and promotion, while assuring all of its contracted health plans fairly contribute to those efforts, we have decided to not move forward with a formal contract requirement on marketing spending for 2021.
- In alignment with Covered California's approach to agent commissions, health plan issuers will be strongly encouraged to spend Direct Response marketing expenditures no less than what was spent on the 2020 Open Enrollment period. This spending will replace the current expectation of 0.6% of premium being spent on all marketing, with 65% of that spent on Direct Response marketing.
- Covered California will consider the establishment of uniform minimum expenditure levels beginning with Open Enrollment 2022, pending a comprehensive review of Covered California's and health plans investments in the range of marketing and acquisition activities so that collectively we are making the most efficient and effective use of marketing, sales and promotion resources.

# PUBLIC COMMENT

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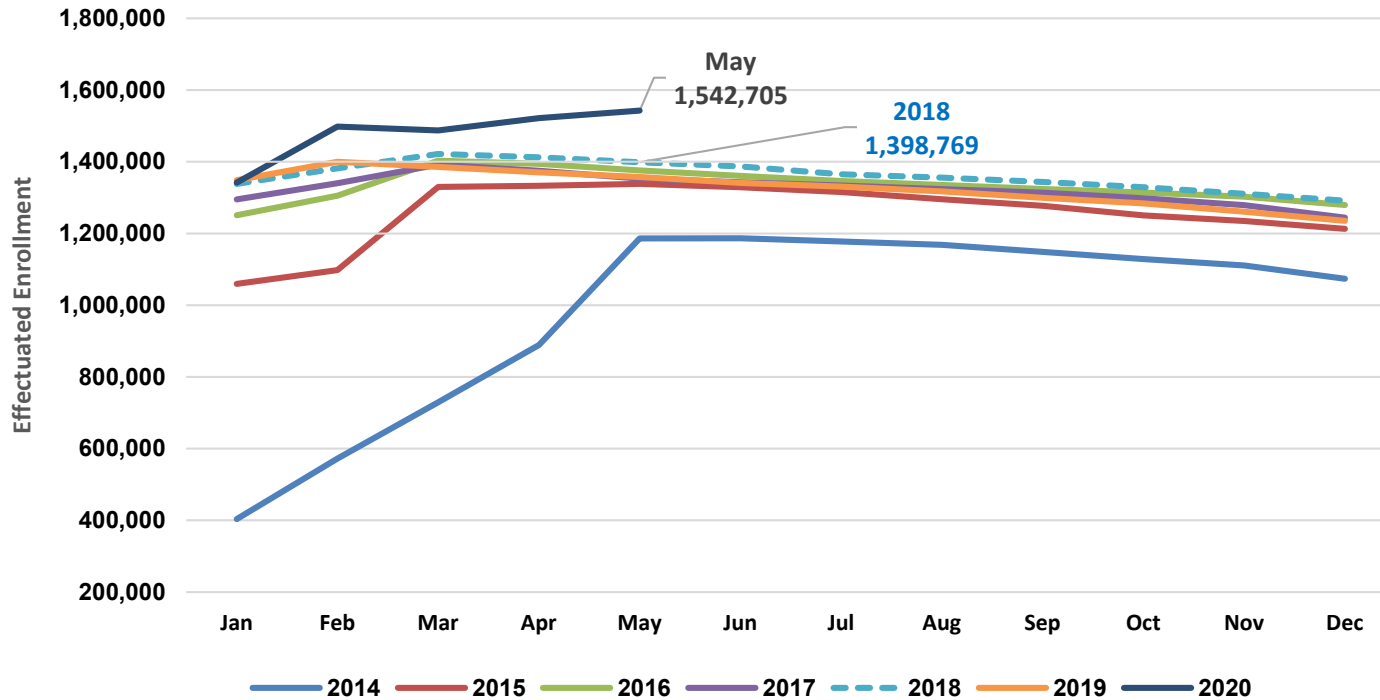
# COVERED CALIFORNIA CURRENT YEAR FINANCES AND PROPOSED FISCAL YEAR 2020-21 BUDGET

Peter Lee, Executive Director &  
Jim Watkins, Chief Financial Officer

# COVERED CALIFORNIA'S PROPOSED FY 2020-21 BUDGET SUMMARY AGENDA

- Highlight Changes Since May's Draft Proposed FY 2020-21 Budget
- Present Covered California's Proposed 2020-21 Budget
- Discuss Critical Issues To be Monitored Throughout the FY
- Recommend Approval of Covered California's FY 2020-21 Budget and 2021 Plan Year Assessment Rates

# IMPACT OF MAJOR POLICY INITIATIVES ON ACTUAL EFFECTUATED ENROLLMENT



The 2020-21 fiscal year will begin with enrollment at historically high levels.

In January 2020, Covered California implemented a State health insurance mandate and subsidy program, and supported those initiatives with extended open and special enrollment periods, as well as vigorous marketing and outreach.

Enrollment in May 2020 was 10 percent higher compared to May 2018.

# JUNE UPDATES FOR FY 2019-20 ACTUAL / FORECASTED - UPDATES

	2019-20 Approved Budget	2019-20 Actual/Forecasted (May Proposed Budget)	2019-20 Actual/Forecasted (June Proposed Budget)	Change From May Proposed Budget
Average Monthly Enrollment	1,458,936	1,372,134	1,389,107	16,974
Per-Member-Per-Month FFS- Medical	\$ 21.16	\$ 21.06	\$ 20.96	\$ (0.10)
Plan Individual - Medical	17,507,232	16,482,133	16,669,289	187,156
Plan Individual - Dental	2,422,177	2,279,292	2,499,445	220,153
Plan CCSB - Medical & Dental	691,639	698,896	747,512	48,616
<b>Operating Revenues</b>				
Plan Assessments Individual - Medical	\$ 370,398,662	\$ 344,733,011	\$ 349,393,355	4,660,344
Plan Assessments Individual - Dental	\$ 2,116,348	\$ 1,942,277	\$ 2,023,267	80,990
Plan Assessments CCSB - Medical & Dental	\$ 17,361,530	\$ 17,692,417	\$ 17,831,553	139,136
<b>Total Operating Revenues</b>	<b>\$ 389,876,540</b>	<b>\$ 364,367,705</b>	<b>\$ 369,248,175</b>	<b>4,880,470</b>
<b>Other Revenues</b>				
SMIF Interest	\$ -	\$ 6,927,909	\$ 6,927,909	-
<b>Total Revenues/Income-All Sources</b>	<b>\$ 389,876,540</b>	<b>\$ 371,295,614</b>	<b>\$ 376,176,084</b>	<b>4,880,470</b>
<b>Operating Expenses</b>				
Personnel Services	\$ 121,175,945	\$ 129,553,133	\$ 129,553,133	-
Contracts >\$1M	\$ 183,137,055	\$ 177,031,803	\$ 177,031,803	-
Other OE&E	\$ 74,832,591	\$ 72,492,453	\$ 72,492,453	-
<b>Total Operating Expenses</b>	<b>\$ 379,145,591</b>	<b>\$ 379,077,389</b>	<b>\$ 379,077,389</b>	<b>\$ -</b>
<b>Overall Increase/(Decrease) In Net Position</b>	<b>\$ 10,730,949</b>	<b>\$ (7,781,775)</b>	<b>\$ (2,901,305)</b>	<b>\$ 4,880,470</b>

Due to stronger than expected enrollments in March through June 2020, the revenue and other income projection for FY 2019-20 has increased from \$371.3 million to \$376.2 million.

The May estimate disclosed a decrease of \$7.8 million in net position.

With the increase in revenue, Covered California's projected net position will decrease by only \$2.9 million.

# HIGHLIGHTS OF THE PROPOSED FY 2020-21 BUDGET

- The proposed budget reflects enhanced spending on priority areas to continue meeting the needs of Californians, reflecting an increase of about \$61 million over last year to get the word out and serve consumers. The budget projects that expenses will exceed projected revenue by \$22.5 million. But, most of the increase are planned to be “dialed back” with the rebound of the economy. Covered California proposes to use its ample cash reserves to fund the one-year differential and will remain on fiscally sound footing for any economic eventuality.
- Covered California proposes to lower its plan assessment fee from 3.5 percent to 3.25 percent of on-exchange premium for the 2021 plan year (moving from an average of 2.5 to 2.3 percent on the combined on- and off-exchange Qualified Health Plan premium for Covered California products).
- This budget does not incorporate any budget reductions or other impacts that may be imposed on Covered California by Statewide recessionary budget actions.

# FY 2020-21 PROPOSED BUDGET ENHANCES SPENDING IN PRIORITY AREAS TO MEET COVERED CALIFORNIA'S MISSION

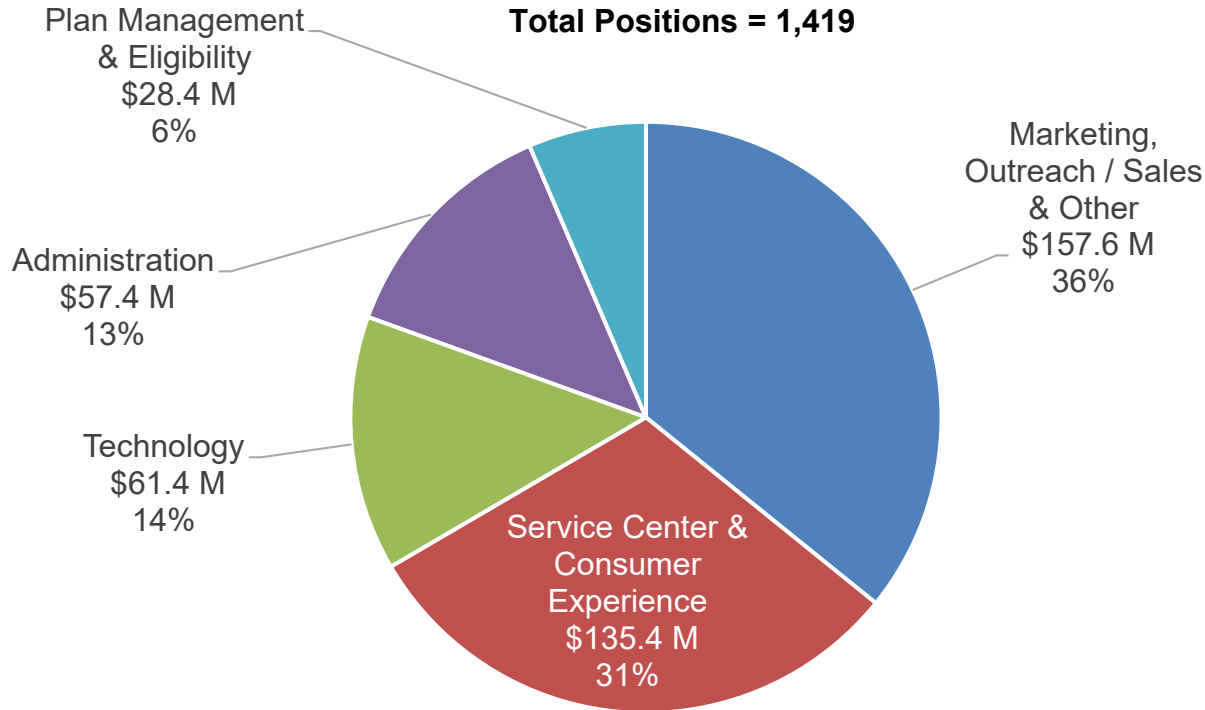
## Areas of priority focus include:

- **Managing to meet Covered California's mission** with prudence and excellence (with about \$6 million focused on information technology capacity that supports the entire organization to be more effective).
- **Responding to the recession by ramping up outreach, marketing, and helping consumers needing assistance** to meet Californian's needs (with about \$30 million of the increased spending targeted to marketing and \$13 million directed at expanding and upgrading service center and customer support operations),.
- **Informing national and state policy** through prudent investments (with about \$2 million targeted to building the capacity of the policy, evaluation and plan management functions that help drive performance and frame Covered California's lessons for state and federal policy-makers), and
- **Reprioritizing workplans and deliverables** impacted by the COVID-19 pandemic.

# FY 2020-21 PROPOSED OPERATING BUDGET

## Operating Expenses by Major Program Area

**Total = \$440.2 Million**  
**Total Positions = 1,419**



In FY 2020-21, expenses associated with Marketing, Sales and Outreach will total \$157.6 million and account for 36 percent of total operating expenses.

Service Center and Consumer Experience will total \$135.4 million and account for 31 percent of total expenses.

Spending for Technology (IT and Consumer Enrollment System) will total \$61.4 million and represent 14 percent of total operating expenses.

# COVERED CALIFORNIA

## MULTI-YEAR STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION BASE-MULTI-YEAR PROJECTION – BASE FORECAST FY 2020-21 PROPOSED BUDGET

	<u>FY 2019-20</u> <u>Actual/Forecasted</u>	<u>FY 2020-21</u> <u>Proposed Budget</u>	<u>FY 2021-22</u> <u>Projected</u>	<u>FY 2022-23</u> <u>Projected</u>
Authorized Positions	1,391	1,419	1,419	1,419
Average Monthly Enrollment-Individual	1,389,107	1,603,850	1,677,342	1,663,587
Per-Member-Per-Month Individual Medical	\$ 20.96	\$ 20.64	\$ 20.90	\$ 21.31
Plan Individual - Medical	16,669,289	19,246,198	20,128,104	19,963,046
Plan Individual - Dental	2,499,445	2,251,221	2,363,782	2,600,160
Plan CCSB - Medical & Dental	747,512	651,776	605,423	629,339
Operating Revenues	\$ 369.2	\$ 416.8	\$ 440.0	\$ 446.6
Other Income - SMIF Interest	\$ 6.9	\$ 0.9	\$ 0.8	\$ 2.1
<b>Total Revenues/Income - All Sources</b>	\$ 376.2	\$ 417.7	\$ 440.9	\$ 448.7
<b>Less: Operating Expenses</b>	\$ (379.1)	\$ (440.2)	\$ (428.9)	\$ (430.5)
<b>Overall Increase/(Decrease) In Net Position</b>	\$ (2.9)	\$ (22.5)	\$ 11.9	\$ 18.2
<b>Cash Reserve</b>	\$ 404.2	\$ 361.7	\$ 353.6	\$ 351.8
<b>Months of Budgeted Operations Funded</b>	<u>11</u>	<u>10</u>	<u>10</u>	<u>9</u>



# COVERED CALIFORNIA'S CAPITAL PROJECTS BUDGET FY 2020-21 PROPOSED BUDGET

	<u>FY 2019-20 Actual/Forecasted</u>	<u>FY 2020-21 Proposed Budget</u>	<u>FY 2021-22 Projected</u>	<u>FY 2022-23 Projected</u>
Opening Capital Projects Budget Resources	\$ 40.0	\$ 46.7	\$ 46.7	\$ 53.7
Transfer to Capital Projects Fund	<u>\$ 20.0</u>	<u>\$ 20.0</u>	<u>\$ 20.0</u>	<u>\$ 20.0</u>
Capital Projects Resources Available	\$ 60.0	\$ 66.7	\$ 66.7	\$ 73.7
<b>Less:</b> Capital Projects Expenditures for the Period	<u>\$ (13.3)</u>	<u>\$ (20.0)</u>	<u>\$ (13.0)</u>	<u>\$ (13.0)</u>
<b>Year End Capital Projects Resources</b>	<u><u>\$ 46.7</u></u>	<u><u>\$ 46.7</u></u>	<u><u>\$ 53.7</u></u>	<u><u>\$ 60.7</u></u>

# COVERED CALIFORNIA'S COMBINED OPERATING AND CAPITAL PROJECTS BUDGET FY 2020-21 PROPOSED BUDGET

	<b>FY 2020-21 <u>Proposed Budget</u></b>
FY 2020-21 Proposed Operating Budget	\$ 440.2
FY 2020-21 Proposed Capital Projects Budget	<u>\$ 20.0</u>
Total FY 2020-21 Budget	<u><u>\$ 460.2</u></u>

# CRITICAL ISSUES TO CONTINUE MONITORING IN FY 2020-21 AND BEYOND

- Considering the high level of economic uncertainty and the impact of macroeconomic events on enrollment, we will provide regular reports to the board on actual enrollment compared to projections.
- To ensure that our increased spending for marketing and outreach generate the expected return on investment we will undertake a review of all acquisition costs for enrollment. The reviews will focus on both on the Navigator enrollment program administered by the Outreach and Sales Division, as well as the marketing efforts of our certified health carriers. We will consider revisions to existing funding strategies, as well as potential requirements for Covered California's health plans related to marketing and agent commissions, and focusing on the level of investments made by both Covered California and its certified health carriers to enroll and retain members.
- Our multi-year forecast assumes a scaling back of spending for marketing and service center activities in years 2 and 3, as result of improvements in the economy. Consequently, we will be closely monitoring economic conditions and levels of health care coverage in California to make these reductions as conditions allow.

# RECOMMEND APPROVAL OF COVERED CALIFORNIA'S FY 2020-21 BUDGET AND 2021 ASSESSMENT RATES

Covered California recommends that the Board adopt Board Resolution 2020-44 to:

- Approve the Operating Budget for FY 2020-21, providing expenditure authority of \$440,178,562.
- Approve capital projects reserve funding of \$20,000,000 for Fiscal Year 2020-21, for a total capital projects reserve available of \$66,700,000.
- Approve the Capital Projects Budget FY 2020-21 of \$20,000,000. Expenditures from the Capital Projects Reserve in excess of \$1,000,000 in value will require Board review and approval. Any unexpended funds will remain in the Capital Projects Reserve and be made available for expenditure in subsequent fiscal years.
- Grant authority to the Executive Director to make adjustments to the Operating Budget, provided that Fiscal Year 2020-21 expenditures remain at or below the level of expenditure authority approved by the Board; and that any material adjustments to program, budgets and positions must be reported to the Board.
- Charge a per-member-per-month assessment fee of 3.25 percent for plan year 2021 on Qualified Health Plans, including dental plans, sold through the individual exchange, and 5.2 percent of premiums for such plans sold through Covered California for Small Business.

# 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.
- ❑ If watching via the live webcast, please mute your computer to eliminate audio feedback while calling in. Note, there is a delay in the webcast.
- ❑ The call-in instructions can also be found on page two of the Agenda.

**EACH CALLER WILL BE LIMITED TO TWO MINUTES PER AGENDA ITEM**

*NOTE: Written comments may be submitted to [BoardComments@covered.ca.gov](mailto:BoardComments@covered.ca.gov).*