

COVERED CALIFORNIA BOARD MINUTES  
Thursday, September 17, 2020  
Covered California  
1601 Exposition Blvd.  
Sacramento, CA 95815

*Please Note: Covered California hosted its September 17<sup>th</sup> board meeting remotely. Per Executive Order N-25-20 and N-35-20, certain provisions of the Government Code pertaining to open meeting requirements were temporarily waived to mitigate the effects of the COVID-19 pandemic. As such, Covered California board members participated remotely by way of teleconference.*

*Additionally, consistent with the Governor's Executive Order N-33-20 regarding the statewide stay-at-home directive to preserve the public health and safety throughout the entire State of California, public participation was limited to remote participation only.*

### **Agenda Item I: Call to Order, Roll Call, and Welcome**

The meeting began at 10:00 a.m. with Vice Chairman Paul Fearer standing in for Chairman Mark Ghaly. Vice Chairman Fearer introduced Dr. Alice Chen, Assistant Secretary to the California Department of Health and Human Services, to the board meeting as the fill-in for Chairman Ghaly's board position while he is unavailable to participate. She was sworn in prior to the meeting to serve. Vice Chairman Fearer then called the meeting to order at 10:05 a.m.

#### **Board Members Present During Roll Call:**

Dr. Alice Chen  
Jerry Fleming  
Dr. Sandra Hernandez  
Paul Fearer

Acting Chairman Fearer noted that Mr. Art Torres would arrive shortly.

Executive Director Peter V. Lee was present during the afternoon open session.

### **Agenda Item II: Closed Session**

A conflict disclosure was performed and there were no conflicts from the board members that needed to be disclosed. The board adjourned for closed session to discuss contracting, personnel, and litigation matters pursuant to Government Code Section 100500(j).

Vice Chairman Fearer called open session to order at 1:18 p.m.

Mr. Art Torres was present.

### **Agenda Item III: Approval of Board Meeting Minutes**

**Presentation:** June 25, 2020 Meeting Minutes

**Discussion:** Dr. Hernandez and Dr. Chen abstained due to their absence in the previous meeting, but Vice Chairman Fearer said the vote would still be able to

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proceed. Vice Chairman Fearer noted two editorial fixes that he would pass on to Covered California staff.

**Motion/Action:** Vice Chairman Fearer called for motion, and a second to approve the June 25, 2020 meeting minutes. Mr. Fleming moved to approve the meeting minutes. The motion was seconded by Mr. Torres.

**Public Comment:** None.

**Vote:** The motion was approved by a unanimous vote of those present, apart from Dr. Hernandez and Dr. Chen abstaining from the vote.

### **Agenda Item IV: Executive Director's Report**

Peter V. Lee, Executive Director, outlined the agenda and stated that one of the two items in the agenda would not be heard. The Covered California for Small Business (CCSB) item was pulled for internal review before bringing to the board for consideration. Mr. Lee also explained that two of Covered California's plans, Oscar and Molina, would present at the end of the Executive Director's Report regarding how they are responding to the pandemic. There would be a chance for public comment after the Executive Director's Report, after the plan presentations, and after the 2022 amendments and 2023 contract refresh presentation. There were no matters for voting or action during this board meeting.

### **Announcement of Closed Session**

The board discussed the impact of the pandemic on Covered California staffing, which will be discussed further on in the Executive Director's Report, and dealt with contracting matters, including the board's approval extending the headquarters location lease at Exposition Boulevard.

### **Executive Director's Update**

Mr. Lee called attention to the Covered California Annual Budget and Annual Report that was approved in June and adopted in July. The final budget posted and adopted reflects a \$440 million budget, including \$157 million for marketing, outreach, and sales promotion. It also includes \$30 million on additional spending during the recession. This marks the first time the Affordable Care Act (ACA) has been able to help Californians, or Americans, in a "down economy." Mr. Lee reiterated Covered California is self-funded and still in strong financial shape.

Mr. Lee also called attention to a report submitted by members of the Covered California team to the Health Affairs 2020 Annual Research Meeting regarding churn among Covered California consumers. Mr. Lee expressed gratitude and thanks to the members who worked on the report and submitted it. It was accepted as a poster session at the Health Affairs Annual Meeting.

Mr. Lee announced Covered California's release of dental rates for 2021. Rates went up 2.3 percent, which was noted as a very small increase. Under the ACA, dental coverage is only considered an essential health benefit for children, not adults. Approximately

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200,000 enrollees have now purchased the supplemental dental coverage available through Covered California. Mr. Lee brought attention to two new health plans that will offer dental coverage through Covered California for 2021: Blue Shield and Guardian.

In addition, Covered California also released that preliminary health plan premium rates came in at .6 percent increase due to strong enrollment in 2020. Over the last three years, Covered California has had an increase of 3.3 percent in the individual market. James DeBenedetti, Director of the Plan Management Division, went on to discuss this further during his presentation.

**2021 Board Meeting Dates:** Mr. Lee presented the Covered California Board meeting dates for 2021, with five of the meetings scheduled as only a possibility.

**Staffing Update:** Mr. Lee reported that Covered California staff capacity is down 20 percent from last year. The main factors affecting this are the recent personal leave days, time off allotments for families during COVID-19, staff members supporting the state contract tracing efforts, teleworking efforts, and higher vacancy rates. Mr. Lee noted that despite staff capacity being down, productivity is still steady.

**Covered California Diversity, Equity & Inclusion Efforts:** Mr. Lee then provided an update on Covered California's diversity, equity and inclusion efforts. Notably, Covered California completed departmentwide implicit bias training as a beginning step in these efforts and continues to look for further training on the subject. Covered California also created a diverse workgroup to institutionalize these efforts and establish an ongoing process for diversity and inclusion.

**2020 Special Enrollment Period (SEP) Update:** Next, Mr. Lee provided a 2020 SEP update. Covered California's SEP began on March 20th, when the Governor announced a state of emergency, and ended August 31st. Covered California added two new life events starting September 1st: individuals who lost a job or experienced a loss of income. These new qualifying life events will be available until December 31, 2020 but will be evaluated for possible extension. In addition, Covered California has a special qualifying event for consumers who may have been impacted by wildfires. During Covered California's SEP, almost 360,000 people enrolled, 90 percent higher than the same period last year.

Mr. Lee paused for any questions thus far in his report. No comments were made, and Mr. Lee introduced James DeBenedetti, Director of Plan Management, to provide an overview of Covered California's 2021 premiums and open enrollment period.

**Individual Market Health and Dental Plan Certification Summary for Plan Year 2021:** Mr. DeBenedetti presented Covered California's 2021 qualified health plan (QHP) rates, offerings, issuer rates, and dental plan offerings and rates. All 11 health carriers returned for 2021, two of which are expanding product offerings: Anthem and Oscar. 99.8 percent of Californians can now choose between two issuer options, 88 percent have at least three issuer options, and 76 percent have four or more issuer options.

The preliminary individual market average rate change is .6 percent, which is the lowest increase since Covered California's foundation. Regional rates varied between 2.6 percent decrease in Region 13 and 5.6 percent increase in Region 7. Rate changes by

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carriers varied between 4.6 percent decrease and 9 percent increase. Mr. DeBenedetti noted that final rates will be available on September 30th. Factors contributing to the low .6 percent rate increase are health care costs projected to be 4 percent to 8 percent, healthier consumers enrolled in the market compared to 2019, the Health Insurer Tax repeal reduced premiums by almost 2 percent, and participation fee was reduced from 3.5 percent to 3.25 percent.

Next, Mr. DeBenedetti presented 2021 dental plan offerings and rates. Six of the seven dental plans are returning in 2021, with two new plans entering the individual and family dental marketplace: Blue Shield and Guardian. Premier Access is withdrawing.

Mr. Lee interjected to return to health plans briefly. Mr. Lee emphasized the validity of the healthcare plans and their pricing. Covered California has maintained stability with premiums and healthcare costs. Mr. Lee noted that the health plans reported for 2020 saw considerable reduction of services not related to COVID-19 in March and April. In May there was a rebound back to prior anticipated costs due to care being delivered virtually but paid at in-person rates. It is anticipated that 2020 spending would end as projected. Mr. Lee noted, however, that nothing will be certain until the end of the year.

Mr. Lee emphasized two of Mr. DeBenedetti's reasons for the 2021 .6 percent increase: good health mix of enrollees and lowering of the Health Insurance Tax. Mr. Lee also praised good State policy, State subsidies, the State penalty, the Covered California team, Governor Newsom, and Legislature for all contributing to Covered California's low .6 percent increase.

**Board Comments:** Dr. Chen expressed appreciation for Mr. Lee and his team for their outreach and data work.

**Open Enrollment 2021 Marketing Update:** Mr. Lee introduced Yuliya Andreyeva from the Marketing team to present the marketing, outreach, and research being used in the coming year. Ms. Andreyeva began with consumer research key findings, such as the value of health insurance being universally recognized, cost and complexity of health coverage continuing to be the top barriers to coverage, and Covered California awareness not always translating to clear understanding. Many uninsured Californians do not feel that Covered California is right for them, stating that it is too expensive, it is only for those with low income, they are healthy and therefore do not need it, or it is too complicated. The core challenge for this year's marketing campaign is to replace these negative emotions with positive ones through the development and creation of three platform campaigns. The most effective campaign that resonated with consumers was "This way to health insurance," which showed that Covered California is committed to making coverage accessible and affordable to all types of people. It gave Covered California a sense of inclusiveness, diversity, and sincerity.

This campaign reflected visual diversity to target core populations and California's diversity. To reach diverse populations, Marketing pursued various media channels (radio, tv, print, social media, etc.) with a general market campaign in English and other campaigns in various languages for key audience groups such as Latinos, Hispanics, and Asian communities. There will also be cultural campaigns for Black/African American and LGBTQ+ communities.

Mr. Lee turned to Roy Kennedy from the Communications department to discuss the overhaul of Covered California's landing page. The changes include anytime anywhere access through mobile first, a mature design, distinguishing between Covered California and Medi-Cal, inclusive design for accessibility for Americans with Disabilities Act (ADA) compliance to serve everyone, and a scalable design to make streamlined changes when needed.

**Board Comments:** Dr. Chen stated appreciation for the focus on cultural concordance and linguistic access and asked if there has been an analysis of the enrollees during the SEP compared to the overall demographic of California.

Mr. Lee assured Dr. Chen this will be a topic of discussion in the Executive Director's Report coming up, although he did say that the analysis looks very similar to California's usual demographic mix.

### **Coronavirus Disease 2019 (COVID-19) Update**

Mr. Lee introduced Dr. Ash Amarnath to report the Covered California COVID-19 response update. The daily growth of cases remains less than 1 percent in the past three weeks and hospitalization continues to decline. Current infection rate is around .84 percent which indicates active cases are decreasing. The positive test rate is 3.5 percent which meets the World Health Organization (WHO) minimums. Testing continues to increase, with over 12.8 million tests completed. Hospital capacity is more than adequate to absorb any new waves or issues in the future. California still needs to increase testing, contact tracing, isolation and quarantine, and enhance ability for businesses and schools to support physical distancing. Highlights from health plan responses included multiple plans with cost-sharing waivers for testing and treatment, active community support, accelerated payments and alternative reimbursement models, extending time for members to pay premiums without fear of termination, providing grants and other resources to support building infrastructure for telehealth and testing, and addressing deferred care through direct outreach and alternative treatment modalities.

**Board Comments:** Dr. Hernandez thanked Dr. Amarnath for his presentation and inquired about deferring care that requires being seen in facilities.

Dr. Amarnath stated that care was returning to almost normal levels compared to pre-COVID-19, and surgeries are back up to 70 percent, with some areas back up to 90 percent. There is still a deferred care gap, but there seems to be a positive trend.

Dr. Hernandez followed up with specifically calling attention to issues like childcare and childcare immunizations that cannot be done virtually with telehealth.

Mr. Lee acknowledged the need to stay aware of this issue and encouraged everyone to get flu shots in the coming flu season. Mr. Lee responded that staff will be following up with health plans and providing an update at the next board meeting.

Dr. Chen agreed with Dr. Hernandez's concerns, specifically with deferred vaccinations.

### **Covered California Data and Research**

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Mr. Lee provided high level points regarding lessons learned from the COVID-19 SEP. Mr. Lee highlighted that the individual market is a churn market where people are constantly moving in and out of Covered California. From 2017 to 2019, between 34-38 percent of enrollees left throughout the year. Most who leave go to employer-sponsored coverage. Covered California gains these numbers back when people enroll during open enrollment, special enrollment, and qualifying life events.

During the pandemic, Covered California has made great strides to reach the uninsured including the special enrollment period, maintaining social media and marketing presence, investing an additional \$9 million in marketing during special enrollment, and COVID-19 specific ads. These culminated in an increase in enrollment this year during the special enrollment Period. Mr. Lee compared 2018 and 2019 open enrollment to the 2020 special enrollment period. There was a surge of enrollees entering from employer-sponsored coverage, most likely due to job loss from COVID-19. There was a decrease of enrollees coming from Medi-Cal, and there was a consistent number of uninsured enrollees coming to Covered California. The ethnic mix of African Americans, Asians, and Latinos still looks very similar to prior enrollment periods. In 2020, those who are leaving Covered California for job-based coverage has significantly dropped; however, there is significant growth for those leaving Covered California for Medi-Cal, and there is also a growth for those leaving Covered California to go uninsured. The cost of health coverage is still a major issue for those choosing to go uninsured, which is exacerbated by the pandemic.

**Board Comments:** Dr. Chen asked if there are any specific recommendations being considered to address those leaving Covered California to be uninsured.

Mr. Lee continued to highlight the challenge of affordability still. He noted the main solution is for leaders in Washington to expand subsidies and make health care more affordable.

Mr. Fleming mentioned that data should also show who lost their job and where these people landed, as well as everyone who left Covered California and where they landed.

Mr. Lee agreed and admitted more data is needed. He went on to explain the need to investigate the lag between employees maintaining employer-sponsored coverage during furlough and losing that insurance after a period of time. Mr. Lee assured Mr. Fleming that this will be investigated further.

Mr. Fleming also inquired into people's ability to get to other doctors and providers, as an issue of continuity of care.

Mr. Lee acknowledged this issue and assured the board that this is still being watched. Covered California wants to ease transitions in and out of its market to ensure leaving does not mean disruption in care.

Mr. Torres inquired after the Alzheimer's and Dementia patients' population and if Covered California is tracking that group.

Mr. Lee did not believe this was a group on Covered California's radar, and they have not been followed or tracked. Mr. Lee acquiesced that it is something to consider.

## State and Federal Policy/Legislative Update

Mr. Lee briefly thanked Governor Newsom for his important Executive Orders. He also briefly noted recent State legislative bills that were passed but did not call attention to any specific bills. Regarding Federal updates, 2020 will be a year of many reconciliations for advance premium tax credit, due to how Californians receive income, and Covered California is working on that along with supplemental payments on unemployment insurance and how it relates to enrollees. Additionally, the Supreme Court oral arguments for *California v. Texas* will be heard on November 10<sup>th</sup>.

**Public Comments:** Jen Flory of Western Center on Law and Poverty welcomed Dr. Chen and expressed the need to do more to capture Black and Latino Californians that are experiencing disproportionate job loss. Specifically, she would like to see the Employment Development Department (EDD) share information with Covered California and the Department of Health Care Services (DHCS), which could result in shifting marketing efforts to underserved communities. Ms. Flory also expressed the need to address tax subsidies that are based on annual income, especially when there is a job loss or loss of income partway through the year. She suggested more State and Federal subsidies for Covered California to address this issue. Ms. Flory praised the mobile focus of the new Covered California website and its attention given to Medi-Cal. Her last comment expressed concern for those transitioning from Medi-Cal to Covered California during the special enrollment period. She believes that, considering the moratorium on negative action, the number of these people transitioning should be lower than what is reported and we should find a way to keep people in Medi-Cal if they qualify.

Diana Douglas with Health Access California praised Covered California for their response to the pandemic and wildfires with the special enrollment period. She voiced concern for the 24 percent of people leaving Covered California to become uninsured but is pleased to see Covered California's continual commitment to affordability for these people. She also voiced the need for smooth transitions between different coverage types and expressed the desire for the Administration, advocates and Covered California to work together towards more universal coverage and smooth Federal transitions. Ms. Douglas hoped for continual partnership with Covered California and DHCS regarding policy solutions for the uninsured. She also appreciated the openness and enrollment work on the Medi-Cal side but acknowledged the overlap in insurance between Medi-Cal and Covered California as a result of the economic crisis. Ms. Douglas finally echoed Ms. Flory's comments regarding looking forward to further data on different racial and ethnic groups.

Alicia Emanuel with the National Health Law Program welcomed Dr. Chen and expressed appreciation for Covered California's internal Racial Equity and Bias Training. As one of the organizations that provided direct feedback on the Covered California website, she was pleased to see more information about Medi-Cal and increased accessibility to the site. She expressed hope that there will be more languages available in the future than just English and Spanish. Ms. Emanuel echoed Ms. Flory's concern that 7 percent of people transitioning from Medi-Cal to Covered California seems high and would like to learn more about that. Ms. Emanuel echoed Mr. Fleming's comments on continuity of care and coverage between programs. Finally, she

echoed concerns about the health disparity gap and shifting marketing efforts to low-income populations hit by the pandemic.

Cary Sanders with California Pan-Ethnic Health Network (CPEHN) echoed other comments and welcomed Dr. Chen as well. She echoed appreciation for the Health Equity and Implicit Bias Training and health inequities as part of that discussion. She aligned her comments with Ms. Flory on the pandemic's effects on communities of color and expressed a desire to see that in the marketing strategy. She expected to see larger numbers of sub-populations based on unemployment and looks forward to more detailed data in the future and then utilizing that data in the marketing strategy and Navigator Program. Finally, Ms. Sanders expressed interest in more coordination with EDD, particularly on unemployment and enrollment data that Covered California has been looking into.

Doreena Wong with Asian Resources, Inc. echoed the welcome to Dr. Chen and comments from previous commenters regarding Covered California's response to the pandemic, the special enrollment period, the Implicit Bias Training, and commitment to data for use of marketing and outreach strategies. Ms. Wong also echoed Dr. Chen's comment to use data to show the impact for specific sub-populations, citing the example of Pacific Islanders having the highest COVID-19 infection and death rate of any ratio and ethnic group in the State.

Mr. Lee noted the data shared is survey data, not administrative data, so he encouraged everyone to keep that in mind. He also noted that loss of employment does not mean loss of insurance. Mr. Lee went on to state that Covered California is making significant investments in targeting communities of color and lower income communities. In addition, Covered California cannot use its marketing budget to target Medi-Cal only. He also noted that part of the disproportionate impact in the Latino community includes undocumented individuals that are unable to enroll in Covered California. Mr. Lee emphasized reaching the uninsured based on the best data available and reaching out to communities of color that are eligible for Covered California. Covered California is also looking over the long term for data potentials, such as using data from the EDD and the Franchise Tax Board. Mr. Lee then noted that every unemployment check sent out includes a flier about Covered California and Medi-Cal.

## **Presentations from Covered California Qualified Health Plan Issuers**

Mr. Lee reminded everyone that the five-year report for Covered California has been shared before moving on to introduce the two plan presenters for this meeting: Oscar Health Plan and Molina Healthcare. He noted that these carriers would be providing a plan overview, current successes and challenges in Covered California, COVID-19 responses, and what's coming on the horizon.

### **Oscar Health Plan**

Meghan Joyce, Oscar's Chief Operating Officer, introduced herself and her team before giving a brief history of Oscar. Oscar launched in 2014 as the first direct-to-consumer health insurer pairing engagement with full-stack technology. They have a deep focus on consumer engagement and provider partnerships. 2021 is the sixth plan year for Oscar with 74,000 individual and family plans in Covered California, around 100,000 in



total membership. Individual and Family Plans (IFPs) are offered in Los Angeles, Orange County, and San Francisco, with San Mateo joining in 2021. Oscar entered the small group in Los Angeles and Orange County in 2018.

Oscar's approach to member engagement and care delivery is supported by their full-stack technology which provides high-quality cost-effective care. Personalized engagement builds consumer trust with Oscar, and the full-stack technology drives quality engagement with providers as well.

Next, Ms. Joyce highlighted Oscar's successes. Notably, Oscar has a five-star quality rating system (QRS) component rating in plan services for members, is invested in a relationship with providers and partners with them, and requires hospital and provider groups to meet quality benchmarks. Ms. Joyce conceded an area to improve in is Oscar's recent two-star plan rating.

COVID-19 has highlighted the importance for Oscar's data driven approach, and it is used to collect and analyze information quickly, such as tracking any mention of COVID-19. Oscar also launched a COVID-19 risk assessment survey and testing center locator using CDC guidelines. The tool used for this program is updated daily and open to the public, not just members.

Looking ahead, Oscar intends to focus on refining and expanding its capabilities and core business strategy of putting members first to ensure they have access to the highest quality and affordable care.

**Board Comments:** Dr. Hernandez asked what Oscar has learned from its drop from a four-star to two-star rating, as well as any plans to improve it.

Ms. Joyce responded that the main takeaway is a drive for continuous improvement and growth. Dr. Dennis Weaver added praise to Covered California for their high benchmarks and standards that continue to rise. Oscar looks forward to working closer with Providence Health Network to measure and demonstrate that high quality.

Mr. Fleming had an observation that echoed Dr. Hernandez's sentiments regarding the need to improve the two-star rating. His signal was lost before he could continue with his comment.

### **Molina Healthcare**

Mr. Lee turned to Molina Healthcare and introduced their team: Sayeed Khan, Janet Fina, and Ellen Rudy. Ms. Fina began with an overview of Molina and its programs. Molina is based in Long Beach, with 45,000 Covered California members and 570,000 members total. Molina also operates in Medi-Cal, Medicare, and Cal MediConnect. The network includes over 6,000 primary care physicians, over 19,000 specialists, and over 120 hospitals. Molina has received a Commendable Award from NCQA, a Health Equity Award from DHCS, and received National Committee for Quality Assurance (NCQA) distinction in Multicultural Health Care.

Ellen Rudy took over to discuss Molina's successes. Molina's foundation is the commitment to serving low-income Californians and has a Community Connector's Program to reach members in the community. Molina is the only health plan to originally

participate in the Primary Care Practice Transformation initiative and launched its own Practice Transformation Program that continues today. Molina focused on child preventative services in 2019 and echoed Dr. Hernandez's earlier concerns about the drop-in immunizations. One of Molina's biggest successes was finally receiving texting approval. In May, Molina started an immunization calling campaign and switched to texting once the texting approval was granted in August. Members received eight to nine texts over a two-month period for a 90 percent reach rate compared to 27 percent reach rate when calling. Molina also has Care Connection, an in-home wellness program, that was recognized by the Department of Health Care Services for post-partum visits.

Ms. Rudy went on to list the challenges Molina still faces, first being reaching members via phone primarily. With texting approval, Molina hopes to address this challenge and improve. Medication adherence is another challenge still being explored, as well as membership turnover. Low flu vaccination is an issue, but a flu texting campaign will be used in the fall to address this. Another challenge is that Molina has a delegated model that spreads members across many providers. Ms. Rudy returned to Dr. Hernandez's point on unknown utilization and discussed the comparison of utilization in 2020 Quarter 2 and 2019 Quarter 2. In this analysis, the majority of children are in Medi-Cal but with a 40 percent drop in utilization and immunizations. Ms. Rudy stressed the importance of using text campaigns for immunization awareness going into the fall.

Ms. Fina then continued with an update on Molina's response to COVID-19. Molina took a three-point approach to focus on members, the community, and providers. Members who receive an advanced premium tax credit (APTC) and cannot currently pay are still covered. Ms. Rudy noted that the policy has just been extended to November 1<sup>st</sup>. Non-APTC members also have an extended grace period for paying their premiums, with a 60-day extension that continues to November 1<sup>st</sup> as well. Until the end of the year, Molina is covering all COVID-19 testing and COVID-19 related visits, in-patient admissions, and member costs. Molina also reached out to at-risk members to make sure their needs were being met during the pandemic. For the community, Molina donated \$320,000 in PPE to nursing facilities and community-based organizations, donated \$275,000 to community-based organizations related to COVID-19 relief, and hosted various campaigns in the community for COVID-19 efforts. For providers, Molina helped train providers on telehealth, contracted with telehealth providers to expand services for all Molina lines of business, waived prior authorizations through the end of September, and expedited claims payments. Molina's plan President John Kotal and Dr. Khan participated in weekly calls with the L.A. County Department of Health and collaborated with other MCOs to coordinate COVID-19 response efforts.

Looking to 2021, Molina will continue training on telehealth, explore additional medication adherence programs, improve cancer screenings in light of the pandemic, focus on child visits, continue to focus on health disparities, pursue child visits via telehealth even though it is not ideal, and explore a doula program in Riverside County.

Dr. Khan jumped in to emphasize concern for the underutilization that all health plans are experiencing, such as in-person primary care visits, vaccinations, immunizations,

and preventative care. He also echoed Dr. Amarnath's point that Molina hospitals and ERs are returning to normal.

**Board Comments:** Dr. Hernandez expressed interest in the doula program and looks forward to data and results that come from that.

Mr. Fleming was back online to finish his comments addressing Oscar. He noted that each health plan has different approaches and praised Oscar's unique system approach. He expressed surprise at their issues on prevention with this strong system approach and focus on data. Mr. Fleming encouraged Oscar to continue improvement in this area.

Ms. Joyce agreed with Mr. Fleming's comments and expressed humility to do right by Oscar members. Oscar made additional investments alongside technology to address this along with deep data. Ms. Joyce expressed excitement for this combination and what it will bring to the community.

Dr. Weaver agreed with her response but added the belief that Oscar's preventative work is better than what was reflected due to data lag. They anticipate more accurate data moving forward.

Mr. Lee thanked Oscar and Molina, as well as previous health plans that have presented, for coming in and asked for any public comments. There were none.

## **Agenda Item V: Covered California Policy and Action Items**

### **Discussion Item: 2022 Amendment and 2023 Model Contract Refresh Update**

Mr. DeBenedetti returned to present the only discussion item for this board meeting, the 2022 Amendment and 2023 Model Contract Refresh Update.

#### **Envisioning the Future of Health and Healthcare: 2030 Vision Statements to Inform Covered California's Model Contract and Attachment 7 Refresh 2023-2025:**

The overarching goal for Covered California is to ensure that all Californians, not just Covered California enrollees, receive the best care at the best price. Covered California's goals may not be achievable by 2030, but it helps direct our resources and efforts as we work toward it. Mr. DeBenedetti stated Covered California received a lot of feedback and mentioned the consumer advocates and Provider Associations for their advice and input. The vision statement was then revised based on the feedback. Mr. Lee acknowledged that it is a high bar, but Covered California wants to strive as high as possible.

**2020 Revised Guiding Principles for Developing Expectations of Health Plans:** Mr. DeBenedetti reiterated the point that Covered California received a lot of input on this issue from stakeholders and went on to highlight the significant changes. These guiding principles included increased commitment to health equity and acknowledgement of systemic racism and roles of social determinants of health, burden reduction and prioritization, and a revised commitment to alignment to better reflect Covered California's values.

**2022 Attachment 7 Amendment Progress Update:** Mr. DeBenedetti briefly mentioned the structure being used for the contract and then moved on to the 2022 contract amendment. The 2022 contract is a transitional phase for 2023 with an emphasis to reduce burden, focus on priorities, remain feasible, and keep it foundational to the future.

Mr. DeBenedetti summarized the new changes, as well as continued efforts, being carried out. Covered California will continue requiring health plans to capture 80 percent of on-exchange members' ethnicity data and try to receive that data through the Health Evidence initiative, as well as investigate disparities through that same data. Covered California is considering requiring all plans to be or be in the process of achieving NCQA and Multicultural Health Care Distinction. Mr. DeBenedetti stated that carriers are asked to submit portions of their NCQA Population Health Management Plan. Covered California is still looking for strategies to improve rates for Medi-Cal assistance with smoking and tobacco use cessation and weight assessment counseling. Covered California wants to continue offering telehealth regarding behavioral health services and educate enrollees to access and use those services. Additionally, Mr. DeBenedetti expressed the desire to track and report on new behavioral health measures like depression screening and follow up. Covered California is also looking for plans to describe methods to ensure support and monitor contracted hospitals' compliance with Medicare Condition of Participation rules related to admission discharge transfer events. Covered California wants more information on the quality improvement and technical assistance being provided to physician groups to implement or support advanced primary care models, as well as pilot a quality measure set for advanced primary care. Plans that participate in and submit data for the Integrated Healthcare Association (IHA) Commercial HMO and ACO measure sets will be asked to report the characteristics of HMO, IDS, and ACO systems so that we can do research on best approaches. Networks based on value issuers will still be required to include cost and quality in all provider and facility selection criteria, identify and notify poor performers, and engage with them for improvement. Providers will continue to be asked to report telehealth utilization and payment. Covered California is striving for all issuers to achieve or be in the process of achieving NCQA accreditation. Plans will be expected to implement and maintain a secure standard based Patient Access Application Programming Interface (API) consistent with the FFM Rule, and continue our requirements to support provider data exchange and data aggregation across plans. Covered California hopes to have carriers screen all enrollees seeking plan-based services to reduce carrier burden, and at least conduct surveys on housing instability, food, and security and report those results. Plans will be expected to maintain community resources listing by region. Covered California is also developing metrics to measure for improvement, choice, and accountability to support the Quality Transformation Fund. For performance guarantees, Covered California is looking into phasing out guarantees related to operational issues and service center metrics in order to focus almost entirely on quality results. This focus on Group 3 of Attachment 14 titled "Quality and Network Management and Delivery System Reform" is the proposed focus for 2022 performance penalties, with the exception of one operational requirement for plans to submit data in a timely and accurate basis to the Health Evidence Initiative.

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Before finishing his presentation, Mr. DeBenedetti gave a brief 2022 timeline starting with some draft language hopefully being sent to the public in early October. A first draft will go to the board in November based on feedback from stakeholders. After stakeholder and board feedback, a final draft is set for approval in January 2021.

Mr. Lee ended the presentation noting the tremendous work being done on the contract and emphasized this as a stepping-stone to the larger review in 2023. He emphasized that although these are incremental changes, they are also important such as the performance guarantees focus shift, only NCQA accreditation requirement, and seeking plans to have NCQA Multicultural Distinction.

**Board Comments:** There were no board comments.

**Public Comments:** Diana Douglas with Health Access California expressed appreciation working with Covered California on the 2030 vision statement, the feedback taken for center cost and consumer experience, the inclusion of more behavioral health-related priorities, and the emphasis on plan ability to address social determinates of health and quality of care. Ms. Douglas stated that she hoped Covered California will continue prioritizing community health goals and disparity reduction within communities. Support was expressed for the move toward NCQA accreditation.

Jen Flory echoed Ms. Douglas' appreciation on Covered California's efforts on quality and health disparities and NCQA accreditation.

Vice Chairman Fearer adjourned the meeting at 3:53 p.m.