



EXECUTIVE DIRECTOR'S REPORT

Peter V. Lee, Executive Director | August 19, 2021 Board Meeting

ANNOUNCEMENT OF CLOSED SESSION

EXECUTIVE DIRECTOR'S UPDATE

COVERED CALIFORNIA BOARD 2021 MEETING DATES

All meetings will be held at Covered CA Headquarters, 1601 Exposition Boulevard, Sacramento. Depending on social distancing and emergency rules regarding how meetings are held during the pandemic, we are planning for meetings to be virtual through the end of 2020 and likely well into 2021. Unless otherwise notified, meetings will begin at 10:00 am and are held the third Thursday of the month.

2021 Meeting Dates

January 14

February 18 *(No Meeting)*

March 18

April 8

May 20

June 17

July 15 *(No meeting)*

August 19

September 16

October 21 *(Possibly no meeting)*

November 18

December 16 *(Possibly no meeting)*

COVERED CALIFORNIA DATA & RESEARCH

Isaac Menashe, Deputy Director
Policy, Eligibility & Research Division

SPECIAL ENROLLMENT PERIOD (SEP) – TOPLINE

- So far, sign-ups during the ARP period is 2.6 times higher than the same time in 2019, a more typical year, and almost 30% higher than the previous record high of 2020.
- Year-to-date sign-ups for the whole special enrollment period is more than 2 times higher than 2019 and about 12% higher than 2020.

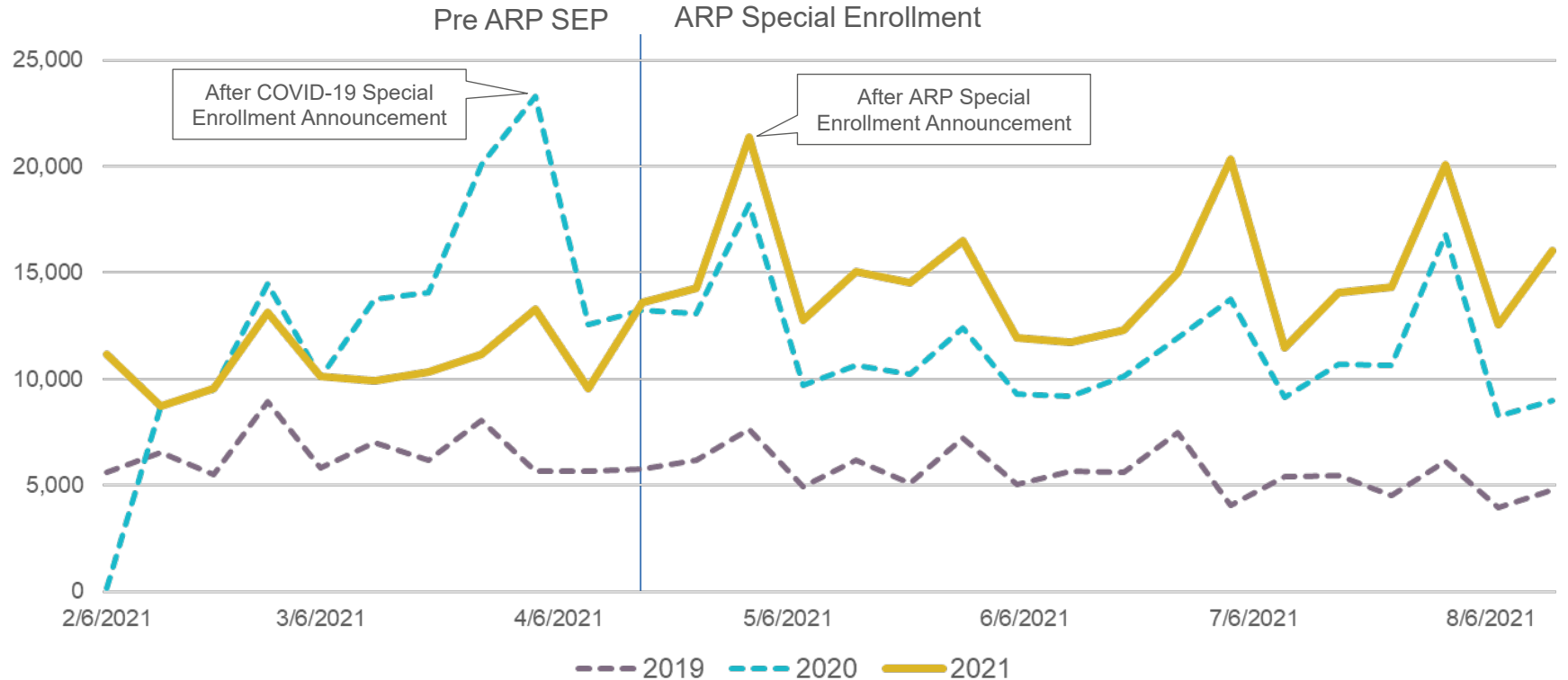
Gross Plan Selections (Data as of 8/10/2020)	2019* (count)	2020** (count)	2021 (count)	% Changes (2021 vs 2019)	% Changes (2021 vs 2020)
Pre-ARP Period (Before April 12)	76,470	126,740	107,510	41%	-15%
ARP Period (Since April 12)	97,430	199,210	257,350	164%	29%
Year-to-Date SEP (As of August 10, 2021)	173,900	325,950	364,860	110%	12%

* Representative of a normal year

** Previous record high due to COVID-19 Special Enrollment

SEP - WEEKLY GROSS PLAN SELECTIONS

Special enrollment for every week since the start of ARP has been higher than 2020.



SEP – SUBSIDY STATUS AND INCOME

Compared to earlier special enrollment periods, a higher share of 2021 SEP new sign-ups are receiving subsidies. The group with income level between 138% to 200% grew the most (as a share of the total), driven in part by sign-ups among those receiving unemployment insurance (UI). The share of sign-ups with income over 600% of the Federal Poverty Level (FPL) – who benefitted from the elimination of the APTC subsidy cliff – also grew substantially.

Share of Members	Year-to-Date SEP				
	2019 Share %	2020 Share %	2021 Share %	Diff. (2021 vs 2019)	Diff. (2021 vs 2020)
Subsidy Status					
Subsidy Received	80.3%	82.9%	86.3%	6.0 pp	3.4 pp
Unsubsidized	19.7%	17.1%	13.7%	-6.0 pp	-3.4 pp
FPL Level (Subsidy Received Members)					
138% FPL or less	4.2%	4.4%	2.5%	-1.7 pp	-1.9 pp
138% FPL to 200% FPL	47.7%	41.5%	50.9%	3.2 pp	9.4 pp
200% FPL to 400% FPL	46.5%	48.6%	38.3%	-8.2 pp	-10.4 pp
400% FPL to 600% FPL	0%	4.9%	6.2%	6.2 pp	1.3 pp
600% FPL or greater	0%	0.0%	1.9%	1.9 pp	1.9 pp

SEP – RACE/ETHNICITY

Latino and African American cohorts responded strongly throughout the 2021 special enrollment period, comprising a larger share of all SEP sign-ups than in prior special enrollment periods.

RACE/ETHNICITY	SEP Year-to-Date				
	2019 Share %	2020 Share %	2021 Share %	Diff. (2021 vs 2019)	Diff. (2021 vs 2020)
Asian Pacific Islander	21.0%	21.6%	18.6%	-2.4 pp	-3.0 pp
Black or African American	3.8%	3.7%	4.6%	0.8 pp	0.9 pp
Latino	29.1%	30.2%	32.7%	3.6 pp	2.5 pp
White	34.5%	33.6%	33.8%	-0.7 pp	0.2 pp
Other	11.5%	10.7%	10.3%	-1.2 pp	-0.4 pp

PREMIUMS AND SAVINGS HOUSEHOLD AVERAGE

When looking at the overall enrollment profile, the largest group receiving subsidies are those with household incomes between 138% and 200% of the Federal Poverty Level (FPL) . These household are paying \$35 a month for coverage, a savings of more than \$700.

Subsidy Received Members	2020 TOTAL ENROLLMENT*				2021 TOTAL ENROLLMENT*			
Subsidy Level	Share of Members (Column %)	Avg. Gross Premium	Avg. Net Premium	Avg. Savings	Share of Members (Column %)	Avg. Gross Premium	Avg. Net Premium	Avg. Savings
138% FPL or less	2.6%	\$745	\$95	\$650	2.4%	\$734	\$97	\$637
138% FPL to 200% FPL	45.9%	\$775	\$111	\$664	46.0%	\$741	\$35	\$706
200% FPL to 400% FPL	47.1%	\$908	\$247	\$661	45.9%	\$904	\$139	\$765
400% FPL to 600% FPL	3.1%	\$1,060	\$508	\$552	4.6%	\$1,105	\$307	\$798
600% FPL or greater	0.0%				0.9%	\$1,244	\$712	\$532

* Data as of 8/10/2021, June effectuated enrollment of each year.

TOTAL ENROLLMENT – \$1 NET PREMIUM BY INCOME LEVEL

Consumers with income level between 133% and 200% of the Federal Poverty Level (FPL) – the largest group of enrollees by income – 68% of the members got covered for just \$1 per member per month.

Subsidy Level	PRE-ARP (APR 2021)		POST-ARP (AUG 2021)		DIFFERENCE	
	Enrollee Count	\$1 premium as a share of all consumers in income group	Enrollee Count	\$1 premium as a share of all consumers in income group	Count	Percentage Point (pp)
138% FPL or less	11,850	26.2%	15,020	34.2%	3,170	8.0 pp
138% FPL to 200% FPL	99,170	14.7%	493,050	67.9%	393,880	53.2 pp
200% FPL to 400% FPL	54,790	8.3%	210,730	31.7%	155,940	23.4 pp
400% FPL to 600% FPL	1,360	1.7%	17,970	20.3%	16,610	18.6 pp
600% FPL or greater	140	0.5%	910	2.6%	770	2.1 pp
Grand Total*	167,690	10.7%	738,380	45.3%	570,690	34.6 pp

* Data as of 8/12/2021 and Grand Total includes a small group of members who did not provide income at the time of plan selection but provide the info at a later time.

BACKGROUND ON THE AMERICAN RESCUE PLAN'S UNEMPLOYMENT INSURANCE (UI) PROVISIONS

- The American Rescue Plan provides enhanced advanced premium tax credits (APTC) and cost sharing reductions (CSR) if the primary tax filer or spouse reported UI income on their application for the 2021 coverage year.
- Among consumers reporting UI, Covered California “locks” income at 138.1% of the federal poverty level (FPL) for the purposes of APTC and CSR eligibility*.
- During the week of June 21st, Covered California re-ran eligibility and enrollment for existing consumers based on this new logic.

* Covered California is implementing the FPL lock at 138.1% instead of the 133% in the bill language to ensure there are no concerns with whether the consumers should be determined for the Medi-Cal program.

SUMMARY OF UI BENEFIT IMPACT FOR COVERED CALIFORNIA MEMBERS

Background: between 6/21 and 6/26, CalHEERS redetermined eligibility for 145,000 Covered California members who reported Unemployment Income on their application for the 2021 coverage year.

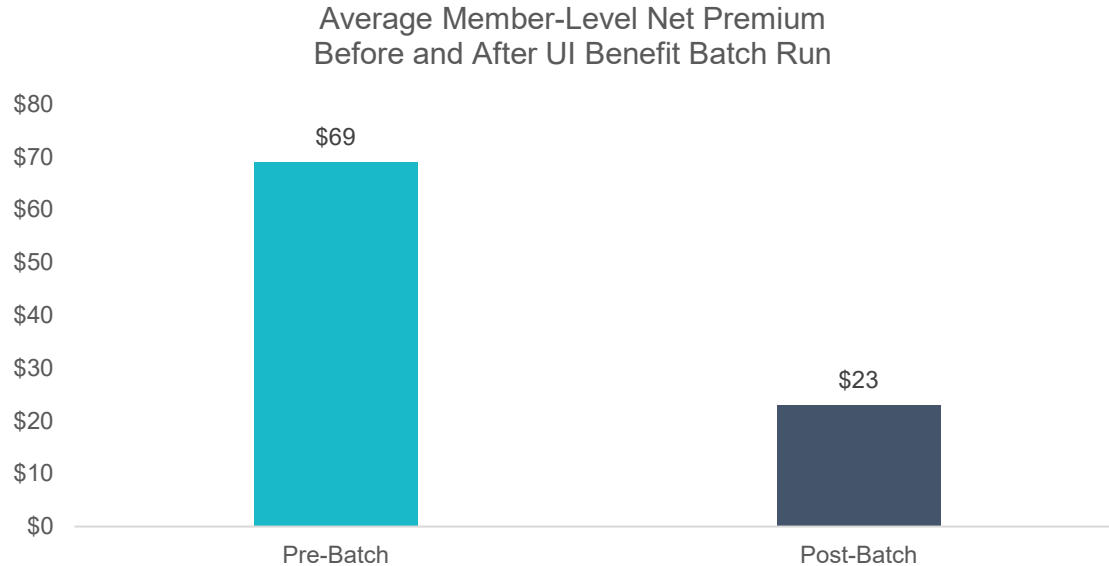
Approach: compare the change in net premium, subsidy and Silver variant for members before and after the redetermination (referred to as UI “batch”).

Findings:

1. Average member-level net premiums decreased by \$46/month (and average subsidies increased by \$46/month). Those with pre-batch incomes above 400% FPL saw a net premium decrease of \$215/month.
2. The share of members paying \$1/month increased by 30 percentage points, from 50% up to 80%.
3. Silver 94 enrollment increased from 14,400 members pre-batch up to 79,700 members post-batch (among members who remained in the same metal tier pre- and post-batch).

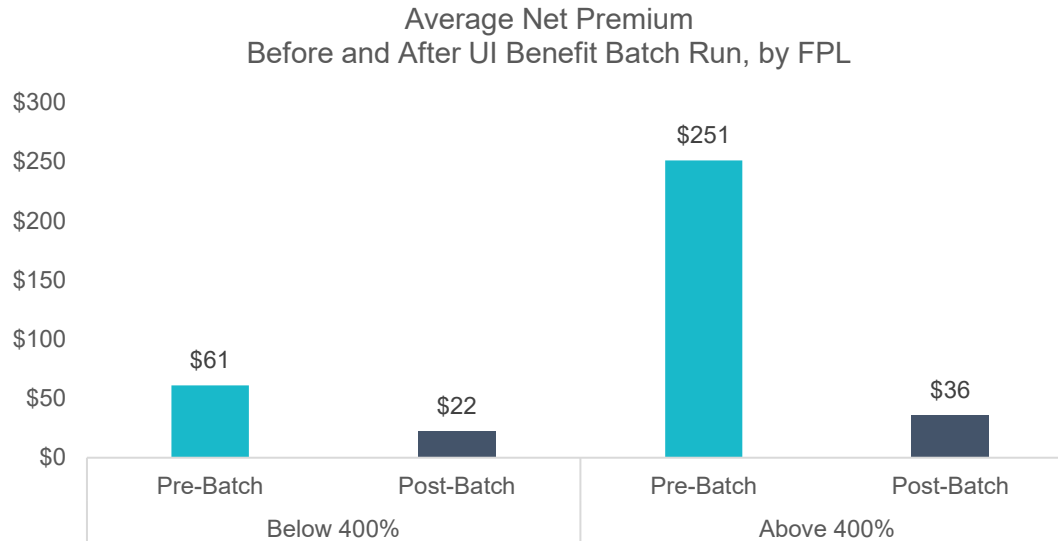
IMPACT OF UNEMPLOYMENT INSURANCE (UI) BENEFIT ON NET PREMIUMS

For the 145,000 members whose eligibility was redetermined in June, the average net premium decreased by \$46/month (a 67% reduction).



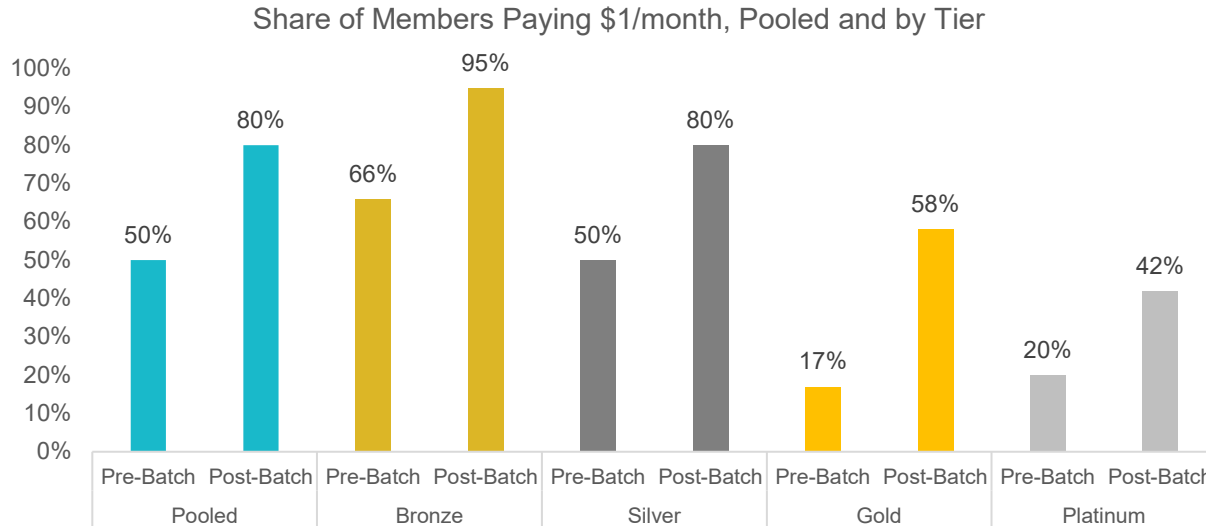
IMPACT OF UNEMPLOYMENT INSURANCE (UI) BENEFIT ON NET PREMIUMS: BY INCOME GROUP (FPL)

Members with pre-batch incomes above 400% of the Federal Poverty Level (FPL) saw an average net premium decrease of \$215/month (an 86% decrease).



IMPACT OF UNEMPLOYMENT INSURANCE (UI) BENEFIT ON SHARE OF MEMBERS PAYING \$1 PER MONTH

For the 145,000 members whose eligibility was redetermined, the share paying \$1 per member per month increased by 30 percentage points.



Metal Tier Distribution at Pre-Batch					
Total	Catastrophic	Bronze	Silver	Gold	Platinum
145,000	800	41,200	85,000	12,300	5,700

STATE AND FEDERAL POLICY / LEGISLATIVE UPDATE

FEDERAL UPDATE: INFRASTRUCTURE BILL & BUDGET RECONCILIATION

On August 10th, 2021, the Senate passed a bipartisan infrastructure bill.

- Funding for rebuilding deteriorating roads and bridges, and new climate resilience and broadband initiatives.

On August 11th, 2021, the Senate adopted the \$3.5 trillion budget reconciliation package.

- Healthcare priorities in the Budget Reconciliation package include:
 - Permanency of American Rescue Plan (ARP) subsidies.
 - Expanding Medicaid coverage to all states.
 - Bolstering Medicare to cover vision, dental and hearing.
- Language on policy priorities will become available in the coming weeks to months.
- Once both chambers have approved the budget instructions, the reconciliation process opens requiring 51 votes in the Senate, rather than the usual 60-votes.

FEDERAL REGULATORY UPDATE

- On July 1, the Department of Health and Human Services (HHS) [issued a third rulemaking for the 2022 Notice of Benefit and Payment Parameters](#). These proposed regulations repeal certain policies previously finalized and proposes new policies to both strengthen the Affordable Care Act (ACA) and expand access to health insurance coverage.
 - Notable proposals include implementing a more flexible separate billing requirement for abortion services, extending the open enrollment period through January 15, repealing the 2018 1332 Waiver guidance, increasing user fees for the federally-facilitated exchanges to 2.75%, repealing the Exchange Direct Enrollment option, and implementing a new Special Enrollment Period for APTC-eligible qualified individuals under 150% FPL.
 - In its [comment letter](#), Covered California applauded the recent steps by HHS to rescind and modify harmful policies that created barriers for consumers in obtaining quality, affordable coverage and hindered the success of the ACA. In addition, we encouraged HHS to extend open enrollment through January 31 (with a February 1 effective date) and increase the user fee to 3%.

FEDERAL REGULATORY UPDATE, CONTINUED

- On July 20, Covered California applied for the Centers for Medicare & Medicaid Services (CMS) [State Exchange Modernization Grant](#), seeking the full \$1.3 million funding for marketing and outreach activities related to the American Rescue Plan. CMS anticipates making awards to successful applicants on or after September 10, 2021.

STATE UPDATE

- The 2021-2022 State Budget (AB 128) and Health Omnibus trailer bill (AB 133) have been chaptered.
- These bills include the following appropriations:
 - \$20 million annual appropriation for a \$1 per member per month premium subsidy to bring the premiums for many Covered California consumers to zero starting in 2022.
 - \$333.4 million redirected from the General Fund to the Health Care Affordability Reserve Fund to be used for affordability programs starting in plan year 2023. Covered California is directed to produce a report by January 2022 developing options for providing cost sharing reduction subsidies.

STATE UPDATE, CONTINUED

- These bills also include the following statutory language:
 - Extends Covered California's emergency rulemaking authority for three years.
 - Requires Department of Healthcare Access and Information (formerly OSHPD) to share hospital discharge data with Covered California.
 - Requires the California Health and Human Services Agency to establish a health data sharing exchange framework. Establishes an advisory committee which includes a representative from Covered California.
 - Allows eligibility for full scope Medi-Cal for undocumented seniors over the age of 50, starting no earlier than May 2022.
 - Requires DMHC to establish and enforce standards and benchmarks for health equity and quality measures for all DMHC licensed full-service and behavioral health plans.

PUBLIC COMMENT

CALL: (877) 336-4440

PARTICIPANT CODE: 6981308

- ❑ 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.

APPENDICES

APPENDICES: TABLE OF CONTENTS

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

COVERED CALIFORNIA FOR SMALL BUSINESS

- ❑ Group & Membership Update
 - Groups: 8,401
 - Members: 70,568
 - Retention: 90%
 - Average Group Size: 8.4 members
 - YTD New Membership Sales 7,170
 - *membership reconciled thru 6/30/2021



SERVICE CENTER UPDATE

Improving Customer Service

- ❑ OE2022 Planning efforts have begun
- ❑ New Employee training for both Rancho Cordova and Fresno
- ❑ Updated IVR to improve consumer experience by confirming actions the consumer has requested
- ❑ Surge Vendor Open Enrollment Ramp Up Planning in progress

Enhancing Technology Solutions

- ❑ Partnered with CCIT to complete Cisco Unified Contact Center Enterprise (UCCE) upgrade to 12.5 version

Staffing Updates

- ❑ Vacancy rate of 7.8 percent (2021) comparable to prior year of 11.1 percent (2020)

COMPARING JULY 2021 VS. 2020 & 2019 CALL STATISTICS

Year	Calls to IVR	Calls Offered to SCR	Abandoned %	Calls Handled	ASA	AHT	Service Level %
2021	262,647	161,656	1.66%	149,052	0:00:24	0:19:27	79.35%
2020	379,638	236,093	1.68%	236,093	0:00:32	0:18:36	78.75%
Percent Change	31% Decrease	32% Decrease	1% Decrease	37% Decrease	25% Decrease	5% Increase	1% Increase

Year	Calls to IVR	Calls Offered to SCR	Abandoned %	Calls Handled	ASA	AHT	Service Level %
2021	262,647	161,656	1.66%	149,052	0:00:24	0:19:27	79.35%
2019	231,434	132,851	1.08%	131,065	0:00:21	0:19:19	82.77%
Percent Change	13% Increase	22% Increase	54% Increase	14% Increase	14% Increase	1% Increase	4% Decrease

COMPARING JULY 2021 VS. 2020 & 2019 CALL STATISTICS

- ❑ The total Calls Offered decreased from 2020 by 31%
- ❑ The total Calls Offered increased from 2019 by 13%

- ❑ Calls Handled decreased from 2020 by 32%
- ❑ Calls Handled increased from 2019 by 22%

- ❑ The Abandoned % decreased from 2020 by 1%
- ❑ The Abandoned % increased from 2019 by 54%

- ❑ Service Level increased from 2020 by 1%
- ❑ Service Level decreased from 2019 by 4%

QUICK SORT VOLUMES

July Consortia Statistics

SAWS Consortia	Calls Offered	Service Level %	Calls Abandoned %	ASA
C-IV	1,105	95.00%	1.00%	0:00:15
CalWIN	1,646	90.40%	1.58%	0:00:16
LRS	1,159	72.13%	6.30%	0:01:13

- ❑ SAWS = Statewide Automated Welfare System (consortia). California has three SAWS consortia 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

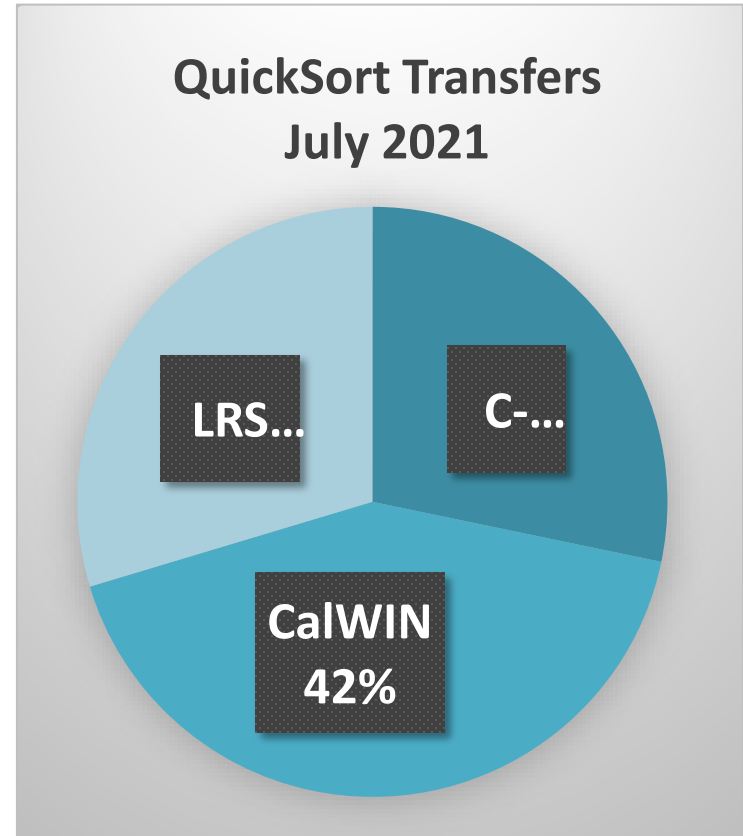
July Weekly Quick Sort Transfers

Week 1*	Week 2*	Week 3	Week 4	Week 5	Total
7/1 - 7/3	7/4 - 7/10	7/11 - 7/17	7/18 - 7/24	7/25 - 7/31	
631	1,345	1,962	1,949	910	6,797

*Partial Week - 7/5/21 - All Service Centers closed in observance of Independence Day.

QUICK SORT VOLUMES

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.



CALHEERS UPDATES

- ❑ CalHEERS Release 21.8 is planned for August 23, 2021, and will include:
 - Phase 3 of the Business Process Management (BPM) Case/Task Management within Salesforce Service Cloud. This change will streamline Service Center workload and case processing and will provide better reporting for Covered CA Service Center Management.

CALHEERS UPDATES

- ❑ CalHEERS Release 21.9 is planned for September 13, 2021, and will include:
 - Multiple updates to eligibility Rules and notices to improve the consumer experience during Renewals and Open Enrollment.
 - Updates to Eligibility/Enrollment/Tax forms to include language, formatting and/or triggering conditions.
 - Changes to move triggering conditions for the Eligibility Determination Notice (NOD01ab/c) from the batch driving query to Oracle Policy Automation (OPA). Additional changes include duplicate checks and skip conditions to ensure more accurate generation of notices and establishes a configuration hold setting which provides sponsors the flexibility to determine when the notices should be generated.

CALHEERS UPDATES

- ❑ CalHEERS Release 21.9 continued:
 - Changes to provide alerts to Enrollers if a delegated consumer's enrollment changes (termination for non-payment, consumer/SCR/county makes a change) and will also provide the ability to set custom alerts (consent for verification expiration, aging into Medicare, active renewals).
 - Changes to implement \$0 premium will apply a new subsidy amount to all enrollments on the Exchange to account for this 'Non-Essential Health Benefits (EHB)' premium amount. This new subsidy will apply to all members enrolled in a plan on the exchange, both subsidized and unsubsidized. Catastrophic plans will also be eligible for this new subsidy.

CALHEERS UPDATES

- ❑ CalHEERS Release 21.9 continued:
 - Additional changes will be made in support of Proposition 22 to allow independent contractors using app based ride share and delivery platforms the ability to consent to share enrollment information with network companies and will include changes to allow consumers to generate a proof of coverage PDF in Spanish language (Phase 1 provided English language) and utilization of a QR code to prevent the Proof of Coverage PDF from getting forged.
 - Changes to the Shop and Compare page to pre-populate with the information entered from Covered CA.com calculator so that the user does not have to re-enter the information.

CALHEERS UPDATES

- ❑ CalHEERS Release 21.9 continued:
 - Changes to the State Subsidy Program will provide configurable settings for eligibility to CA State Subsidy for household income FPLs over 138% and up to and equal to 200%, display of preliminary eligibility results for CA premium subsidy for those individuals and updates to noticing to suppress Subsidy when Subsidy Program is turned off.

OTHER TECHNOLOGY UPDATES

- ❑ COVID-19 Vaccination App – App for Covered CA employees to upload proof of vaccination to comply with State Mandate.
- ❑ Subsidy Calculator on home page Phase 2 – Elevated the calculator to the top of the home page and added additional field validation to ensure consumers enter correct information.
- ❑ Remediated PDFs – Replaced PDFs on CoveredCA.com, HBEX.CoveredCA.com, and Board.CoveredCA.com with accessible Americans with Disabilities Act (ADA) compliant versions.
- ❑ Events Portal Updates – Added feature for Sales admins to multi-select requested events and bulk publish the events to Events.CoveredCA.com

OUTREACH & SALES ENROLLMENT PARTNER TOTALS

Uncompensated partners supporting enrollment assistance efforts.

ENROLLMENT ASSISTANCE PROGRAM	ENTITIES	COUNSELORS
Certified Application Counselor	258	1,289
Plan-Based Enroller	11	429
Medi-Cal Managed Care Plan	3	30

OUTREACH & SALES NON-ENGLISH ENROLLMENT SUPPORT

Data as of August 11, 2021

11,200 Certified Insurance Agents

- 17% Spanish
- 4% Cantonese
- 5% Mandarin
- 5% Korean
- 4% Vietnamese

1,040 Navigator: Certified Enrollment Counselors

- 65% Spanish
- 4% Cantonese
- 3% Mandarin
- 2% Vietnamese
- 1% Korean

1,289 Certified Application Counselors

- 56% Spanish
- 3% Cantonese
- 2% Mandarin
- 1% Vietnamese
- 1% Korean

429 Certified Plan Based Enrollers

- 32% Spanish
- 9% Cantonese
- 2% Mandarin
- 2.1% Vietnamese
- 1% Korean

30 Certified Medi-Cal Managed Care Plan Enrollers

- 67% Spanish
- 6% Cantonese
- 0% Mandarin
- 3.3% Tagalog

