



EXECUTIVE DIRECTOR'S REPORT

Peter V. Lee, Executive Director | May 20, 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 *(Possibly no meeting)*

August 19

September 16

October 21 *(Possibly no meeting)*

November 18

December 16 *(Possibly no meeting)*

IMPLEMENTATION OF AMERICAN RESCUE PLAN

MARKETING: AMERICAN RESCUE PLAN CAMPAIGN

CAMPAIGN GOALS & PLANNING PARAMETERS

- ❑ Make all eligible consumers aware of the newly enhanced and extended federal tax credits to make health insurance more affordable and within reach for more people than ever before
- ❑ Drive enrollment among the uninsured as well as consumers insured off-exchange in the individual market who stand to benefit from lower health insurance premiums



Spend:

\$22M including paid media reaching 97% of California adults 20 times



Flight:

April 12th – June 30th
With continued support in July – September



Target Audience:

- California Adults
25 – 64
HHI \$25K+
- Omit income cap to capture larger, middle-income audience
- Target uninsured and off-exchange



Segments:

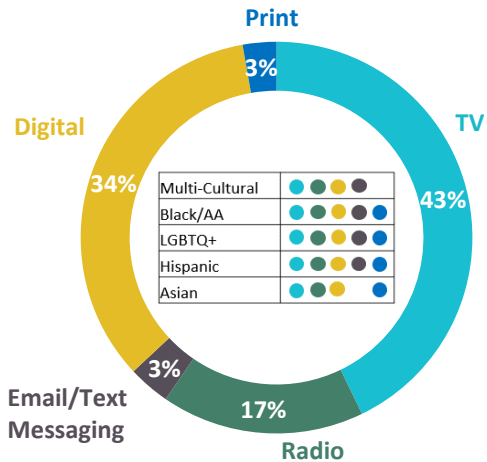
Multi-Cultural
Black/African American
LGBTQ+
Hispanic
Asian



Geography:

All DMAs for Broadcast Buys
Statewide Digital Buys

CREATIVE CAMPAIGN



Multi-Cultural	● ● ● ● ●
Black/AA	● ● ● ● ●
LGBTQ+	● ● ● ● ●
Hispanic	● ● ● ● ●
Asian	● ● ● ● ●

Social

Covered California
Apr 1, 12:05 AM

New today! Even if you weren't eligible for financial help before, there is a lot more money available to lower the cost of health insurance, and most applying through Covered California will get financial help.
<https://www.coveredca.com/get-started/>

find a health insurance plan that fits.

EDD Mailer

it's your money and now there's more.

New federal funding of \$3 Billion is available right now to help more Californians pay for health insurance. Households receiving unemployment can get a brand name health plan for **\$1 per month.**

Visit us online or call for free in-person help to learn more and enroll.
CoveredCA.com | 855.312.3234

Health plans available through Covered California may vary by region

Anthem blue Cross of California Balance oscar Health Net Kaiser Permanente LA Care Molina oscar SHIP YHP

SHCS
You may qualify for low or no cost Medi-Cal health insurance.

Digital

NEW FEDERAL FUNDING:
health insurance has never been this affordable.

This way to health insurance >

health insurance just became more affordable than ever.

See your new, lower cost >

2.5 million
CALIFORNIANS CAN NOW PAY LESS FOR HEALTH INSURANCE.

Find out if you're one >

Print

ATTENTION, CALIFORNIA:
health insurance has never been this affordable.

If you are unemployed—
As part of new federal stimulus, many Californians will save more money than ever with increased unemployment to lower the cost of health insurance.

If you're paying too much for the insurance you know now—
If they you could get the same plan for less, 2.5 million Californians are now eligible for financial help. There's more help, but there's only one place to find coverage details, and more help for hundreds of thousands who've never been eligible.

This way to health insurance:
CoveredCA.com
800.375.8355

TV

Attention, California

Educational Videos

American Rescue Plan

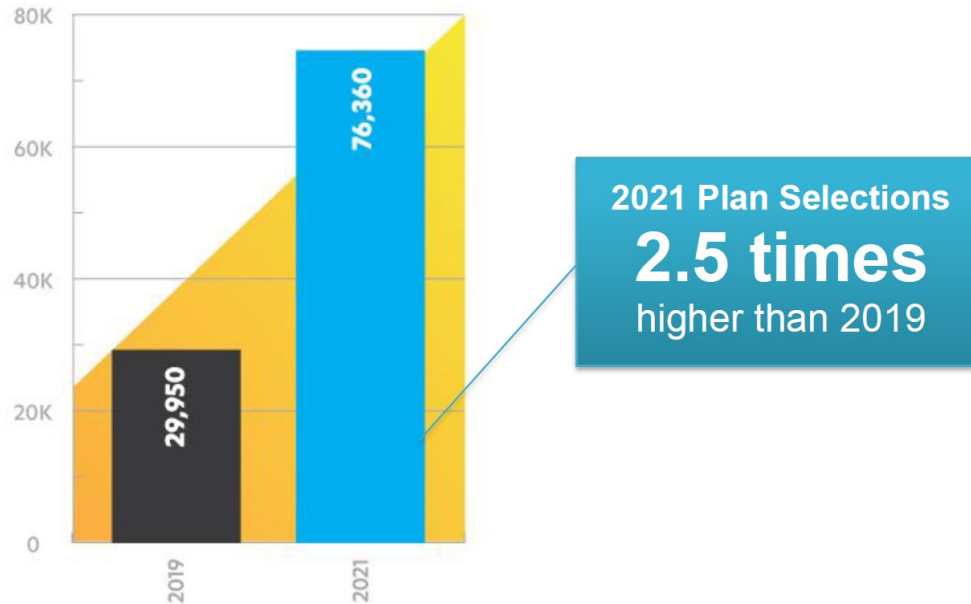
COVERED CALIFORNIA

CoveredCA.com 800.300.1506



ENROLLMENT SURGES DUE TO NEW AND EXPANDED FINANCIAL HELP THROUGH THE AMERICAN RESCUE PLAN

Special Enrollment Consumer Plan Selections (April 12 – May 15)



Link: <https://www.coveredca.com/newsroom/news-releases/>

COVERED CALIFORNIA DATA & RESEARCH

IMPACTS OF THE AMERICAN RESCUE PLAN ON ENROLLEE

Katie Ravel, Director, Policy, Eligibility & Research Division

OVERVIEW

Background: from 4/12 to 4/30, Covered California redetermined eligibility for subsidized enrollees in order to automatically provide American Rescue Plan premium subsidies effective May 1st. We examine its effects among the 917,000 Covered California households (or 1.3 million members) whose eligibility was redetermined.

Approach: compare the change in net premium and financial assistance for currently enrolled households before redetermination (4/1) and after redetermination (4/30).

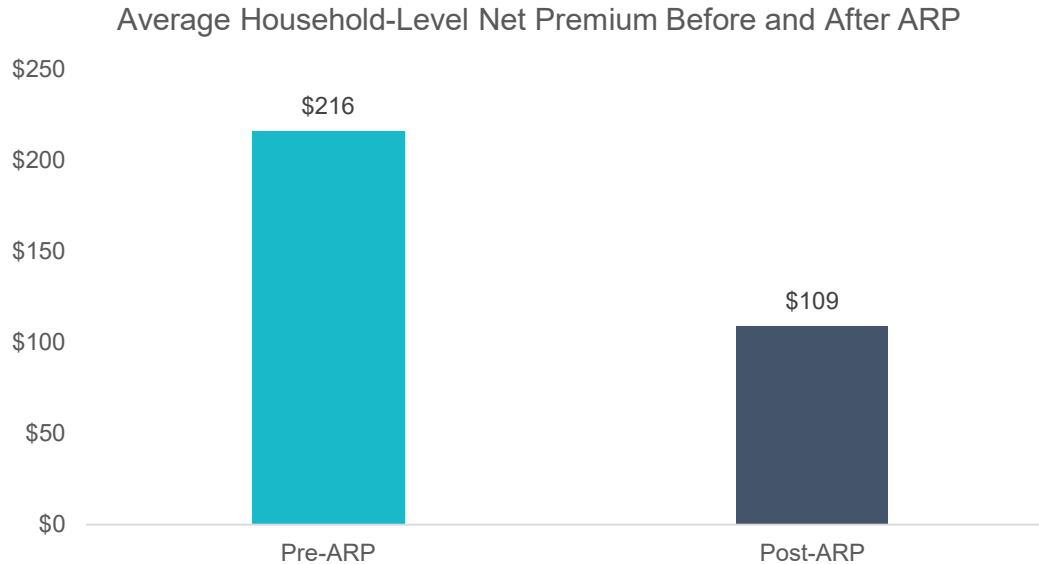
Findings:

1. Average household-level net premiums decreased by \$107/month (or 50%). Those with incomes above 400% FPL saw the largest absolute decrease in net premiums.
2. More than half of households enrolled in subsidized coverage now have a \$1 per member per month premium, a nearly five-fold increase.
3. Average household-level subsidies increased by \$108/month (or 18%).

Note: Analysis includes the population who were eligible for automated eligibility redeterminations (for example, does not include households who were enrolled without seeking financial assistance).

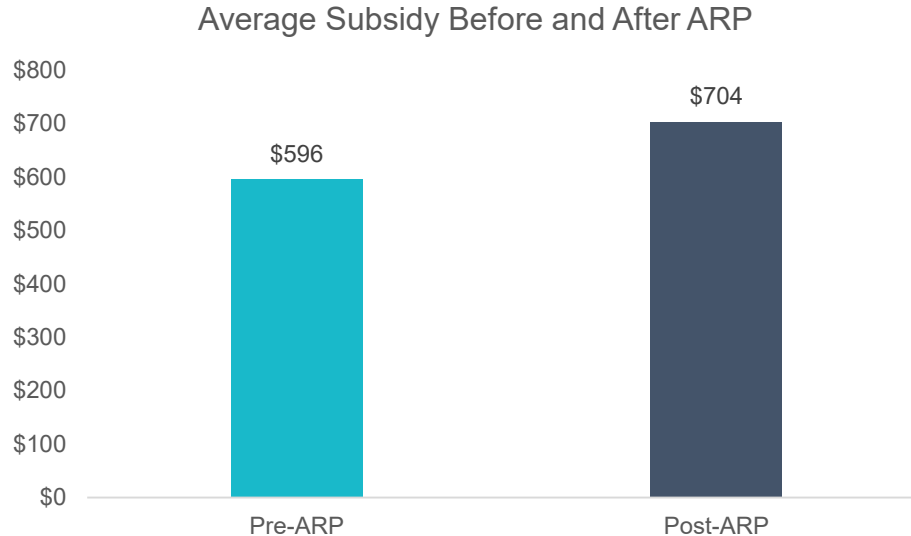
EFFECT OF AMERICAN RESCUE PLAN ON HOUSEHOLD-LEVEL NET PREMIUM

- For the 917,000 enrolled households whose eligibility was redetermined, the average net premium decreased by \$107/month (a 50% reduction).



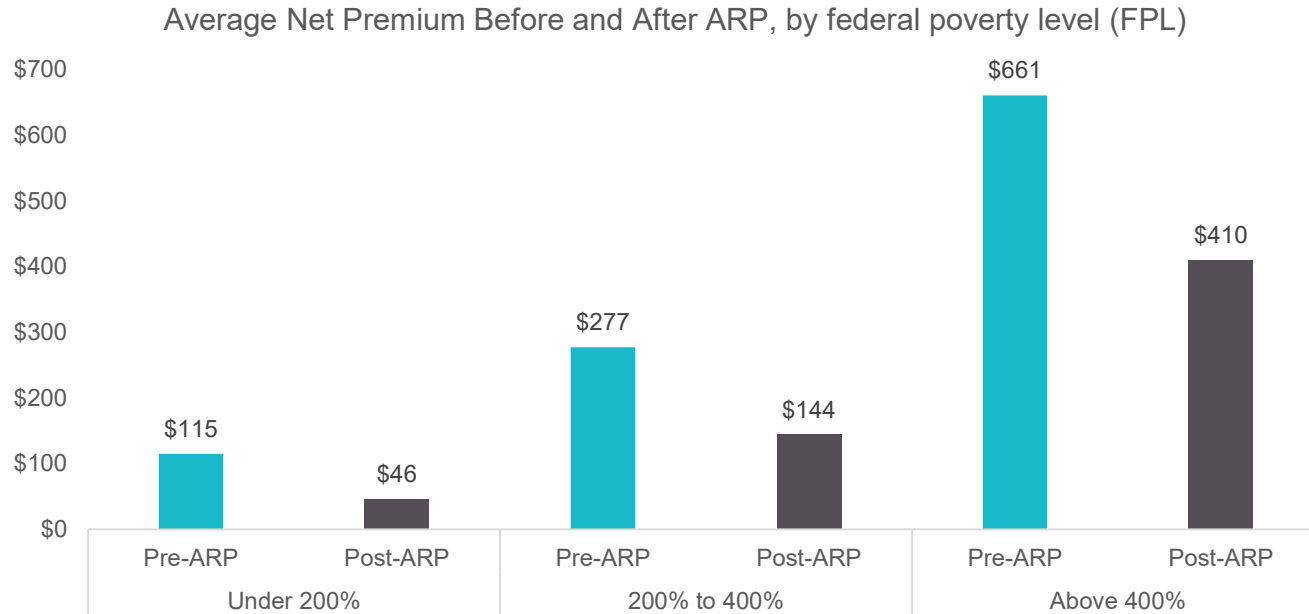
EFFECT OF AMERICAN RESCUE PLAN ON HOUSEHOLD-LEVEL SUBSIDIES

- ❑ For the 917,000 households whose eligibility was redetermined, the average subsidy increased by \$108/month (an 18% increase).



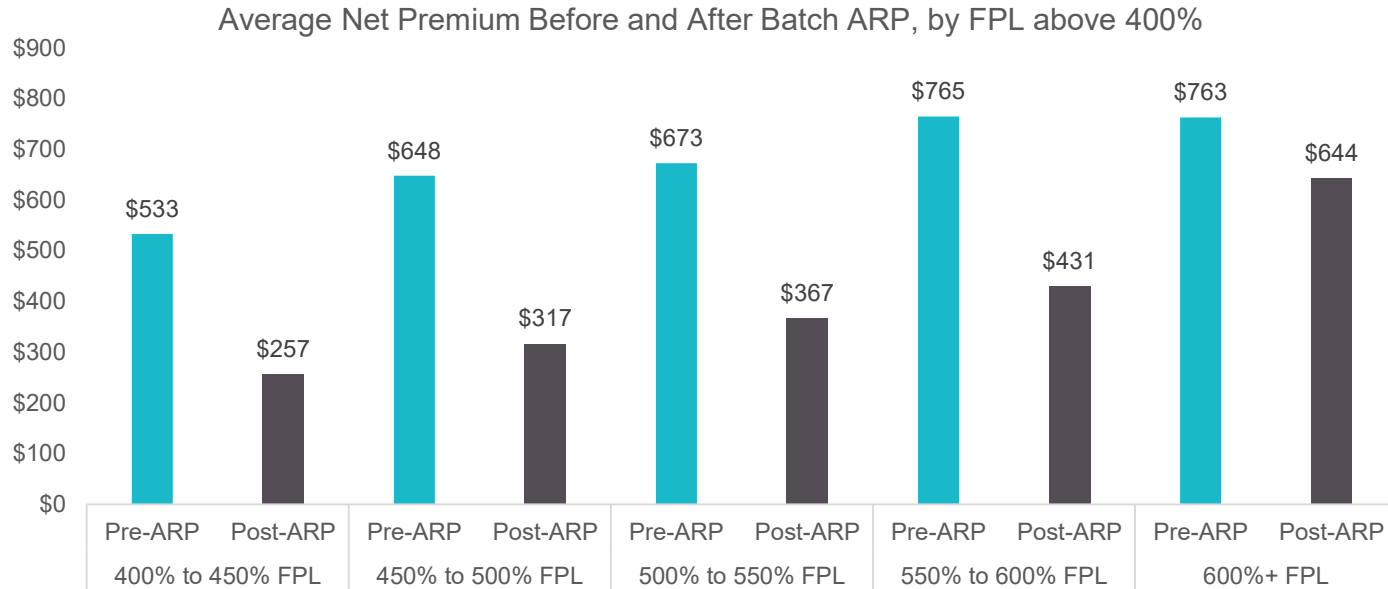
EFFECT OF AMERICAN RESCUE PLAN ON HOUSEHOLD-LEVEL NET PREMIUM BY INCOME BRACKET

- Households with incomes above 400% FPL saw the largest absolute decrease in net premiums (\$251/month).



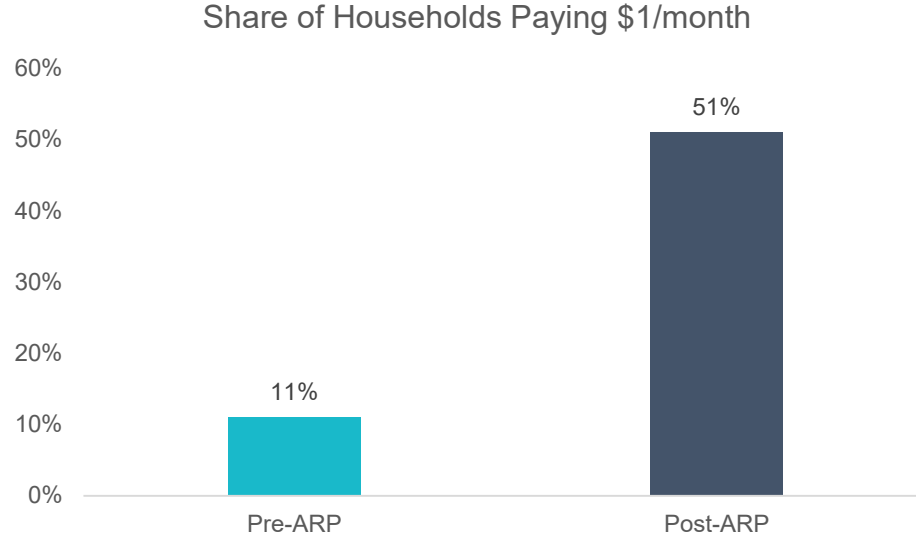
EFFECT OF AMERICAN RESCUE PLAN ON HOUSEHOLD-LEVEL NET PREMIUM BY INCOME ABOVE 400% OF THE FEDERAL POVERTY LEVEL

- Households with incomes above 400% FPL saw large decreases in monthly premiums.



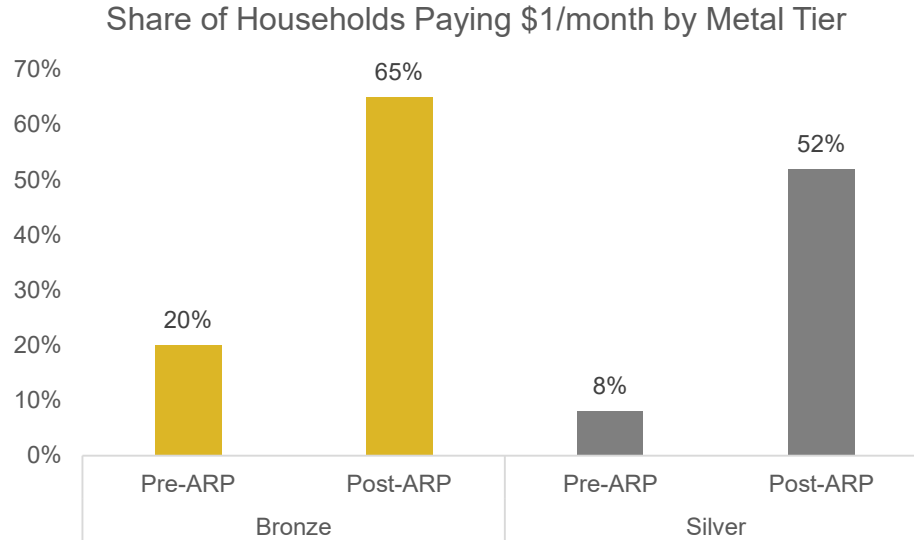
SHARE OF HOUSEHOLDS PAYING \$1 PER MEMBER PER MONTH

- More than half of households enrolled in subsidized coverage now have a \$1 per member per month premium. This represents 467,000 households and 627,000 members.



SHARE OF HOUSEHOLDS PAYING \$1 PER MEMBER PER MONTH BY METAL TIER

- ❑ Among households in Bronze plans, 65 percent are now paying \$1 per member per month for their plan. This represents 176,600 households and 239,400 members.
- ❑ Among households in Silver plans, 52 percent are now paying \$1 per member per month for their plan. This represents 276,200 households and 366,600 members. Over 96 percent of these households are enrolled in Cost-Sharing Reduction plans.



SHARE OF HOUSEHOLDS PAYING \$1 PER MEMBER PER MONTH BY REGION

- ❑ The share of households paying \$1 per member per month increased across the state.

Rating Region	Share Paying \$1 Pre-ARP	Share Paying \$1 Post-ARP
01 - Northern counties	24%	72%
02 - North Bay counties	11%	55%
03 - Sacramento Valley	10%	59%
04 - San Francisco County	18%	56%
05 - Contra Costa County	35%	74%
06 - Alameda County	27%	65%
07 - Santa Clara County	20%	59%
08 - San Mateo County	14%	55%
09 - Monterey Coast	18%	62%

Rating Region	Share Paying \$1 Pre-ARP	Share Paying \$1 Post-ARP
10 - San Joaquin Valley	23%	69%
11 - Central San Joaquin	9%	65%
12 - Central Coast	14%	58%
13 - Eastern counties	81%	95%
14 - Kern County	9%	57%
15 - LA County, East	4%	45%
16 - LA County, West	4%	39%
17 - Inland Empire	2%	39%
18 - Orange County	4%	37%
19 - San Diego County	2%	38%

STATE AND FEDERAL POLICY / LEGISLATIVE UPDATE

FEDERAL UPDATE

In April 2021, President Biden announced the American Families Plan:

- ❑ Proposal includes a \$1.8T federal investment in childcare, education and healthcare:
 - Includes a \$200 billion investment to make permanent, the premium tax credits enacted by the American Rescue Plan
 - Nine million people will save hundreds of dollars per year on premiums, and four million uninsured people will gain coverage
 - Includes an investment in maternal health and support the families of veterans receiving health care services
- ❑ A commitment to making health coverage more affordable and accessible
- ❑ Proposal is subject to discussions and negotiations with Congress

FEDERAL UPDATE

Reform bills moving through Congress:

[H.R.3](#): **Elijah E. Cummings Lower Drug Costs Now Act**

- ❑ Allows HHS to negotiate the price of high-cost drugs
- ❑ Establishes a Manufacturer Discount Program
- ❑ Provides inflation rebates for Medicare Parts B and D drugs
- ❑ Creates a \$2,000 Part D out-of-pocket (OOP) cap

[S.499](#): **Improving Health Insurance Affordability Act of 2021**

- ❑ Removes the 400% cliff for APTC eligibility
- ❑ Upgrades benchmark plans from silver to the lowest cost gold plan
- ❑ Creates more generous CSR benefits

FEDERAL REGULATORY UPDATE

- ❑ On April 9, the Internal Revenue Service (IRS) released [guidance](#) and a [fact sheet](#) suspending the requirement to repay excess advance payments of the 2020 Premium Tax Credit (PTC), for all income levels.
- ❑ On May 11, U.S. Department of Health and Human Services (HHS) [announced](#) that it will reverse Trump's previous interpretation of sex-based discrimination protections under the ACA. The Office for Civil Rights will interpret and enforce Section 1557 and Title IX's prohibitions on discrimination based on sex to include the basis of sexual orientation and gender identity.
- ❑ As part of HHS' continued efforts to support robust consumer outreach, [HHS announced](#) that CMS will make \$80 million in grants available to Navigators in the Federal Marketplaces for plan year 2022 for outreach and education efforts. It is the largest allocation for Navigator grants to date.

FEDERAL REGULATORY UPDATE, CONT.

On May 5, HHS published the final [2022 Notice of Benefit and Payment Parameters](#).

- ❑ Some of the finalized elements include modifications to the measure of premium growth, which resulted in a decrease (from the proposed rule) in the growth of cost sharing amounts; new rules related to Special Enrollment Periods (SEPs); and strengthening of QHP information display on web-broker websites.
- ❑ In response to a recent court order, HHS announced their intent to resume the designation of standardized options (Simple Choice Plans) in the FFE in 2023, establish a network adequacy review process, rescind certain income verification requirements, and repeal the optional fixed standardized amount QHP issuers could report related to quality improvement activity (QIA) reporting. QHP issuers will need to continue reporting report on activities that improve health care quality.
- ❑ HHS also announced its intent to issue a regulation in the Spring of 2021 to address policies previously finalized, including the new direct enrollment option for marketplaces, Section 1332 Waiver provisions, and increasing the federal exchange user fee to support increased costs related to consumer outreach and Navigators.

GOVERNOR'S MAY REVISION

Governor Newsom released the May Revision of the 2021-2022 fiscal year budget on May 14, 2021. The May Revision reflects the following funding and revenue changes from the January Budget:

- ❑ State Subsidy Program—General Fund savings totaling \$732.7 million over 2020-21 and 2021-22 combined due to new federal subsidy levels replacing the state subsidy program.
- ❑ Individual Mandate Penalty Revenue—Initial sample data from 2020 tax returns show reduced revenue from the individual mandate penalty of about \$345 million over 2020-21 and 2021-22 combined.

MAY REVISE PROPOSALS

- ❑ **Zero-Dollar Premium Plans** — Health care consumers pay \$1 premiums for health plans due to federal policy concerning abortion coverage. The May Revision proposes to subsidize this cost for Covered California consumers at a General Fund cost of \$20 million ongoing.
- ❑ **Health Care Affordability Reserve Fund** — The May Revision sets aside \$333.4 million in a new Health Care Affordability Reserve Fund, to be used by Covered California for affordability programs no earlier than plan year 2023.

MAY REVISE – OTHER PROVISIONS

- ❑ **Medi-Cal Coverage to Undocumented Older Adults** — Expanding Medi-Cal, including In-Home Supportive Services, to undocumented adults aged 60 and older effective no sooner than May 1, 2022.

- ❑ **Personal Leave Program (PLP)** — For some bargaining units (SEIU and CCPOA), employee compensation reductions and pay deferrals will end automatically by provisions of their PLP 2020 agreements. CalHR is inviting the remaining bargaining units through collective bargaining to discuss revising the PLP 2020 agreements.

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: 8,188
- Members: 68,179*
- Retention: 88.6%
- Average Group Size: 8.33 members
- YTD New Membership Sales 4,696

*membership reconciled thru 3/31/2021



❑ Operations Update

- Membership sales are still doing well; however, membership terminations swelled during the month of January which is CCSB's largest renewal month.
- It is clear many Small Business customers are still struggling to keep their employees covered.

SERVICE CENTER UPDATE

- ❑ Improving Customer Service
 - Interpretation Services RFP awarded to Language Line
 - Partnered with Covered California University to complete a new hire training class

- ❑ Enhancing Technology Solutions
 - Interactive Voice Recognition (IVR) system updated with front end message regarding queue closure due to CalHEERS cloud migration
 - Service Center partnering with Deloitte to build a Business Process Management system to increase efficiency in handling Manual Work Stream tasks

- ❑ Staffing Updates
 - Vacancy rate of 5.8 percent (2021) comparable to prior year of 9.4 percent (2020)

COMPARING APRIL 2021 VS. 2020 & 2019 CALL STATISTICS

Year	Calls to IVR	Calls Offered to SCR	Abandoned %	Calls Handled	ASA	AHT	Service Level %
2021	339,887	214,344	1.70%	210,532	0:00:33	0:19:49	79.18%
2020	512,507	224,591	13.35%	183,680	0:09:24	0:21:12	23.34%
Percent Change	34% Decrease	5% Decrease	87% Decrease	15% Increase	94% Decrease	7% Decrease	239% Increase

Year	Calls to IVR	Calls Offered to SCR	Abandoned %	Calls Handled	ASA	AHT	Service Level %
2021	339,887	214,344	1.70%	210,532	0:00:33	0:19:49	79.18%
2019	341,848	183,976	2.00%	179,787	0:00:59	0:17:23	80.43%
Percent Change	1% Decrease	17% Increase	15% Decrease	17% Increase	44% Decrease	14% Increase	2% Decrease

COMPARING APRIL 2021 VS. 2020 & 2019 CALL STATISTICS

- ❑ The total Calls Offered decreased from 2020 by 5%
- ❑ The total Calls Offered decreased from 2019 by 17%

- ❑ Calls Handled 2020 increased by 15%
- ❑ Calls Handled 2019 increased by 17%

- ❑ The 2020 Abandoned % decreased by 87%
- ❑ The 2019 Abandoned % decreased by 15%

- ❑ Service Level 2020 increased by 239%
- ❑ Service Level 2019 increased by 2%

QUICK SORT VOLUMES

April Consortia Statistics

SAWS Consortia	Calls Offered	Service Level %	Calls Abandoned %	ASA
C-IV	602	97.30%	2.00%	00:00:13
CalWIN	983	91.25%	1.02%	00:00:18
LRS	652	92.64%	1.69%	00:00:13

- ❑ 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

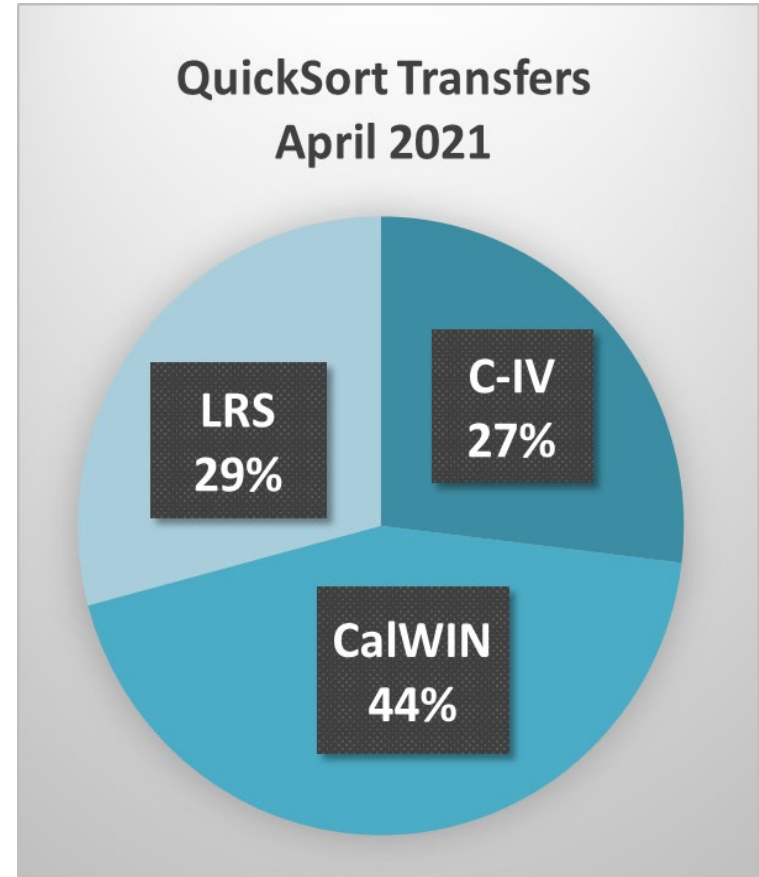
April Weekly Quick Sort Transfers

Week 1*	Week 2	Week 3	Week 4	Week 5*	Total
4/1 - 4/3	4/4 - 4/10	4/11 - 4/17	4/18 - 4/24	4/25 - 4/30	
251	782	922	941	2,192	5,088

* Partial Week

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 21.5 - Cloud Migration was deployed on May 11th, 2021 and included the following changes:
 - Migrated CalHEERS production infrastructure to the Amazon Web Services (AWS) cloud – including all compute, storage, security, and network resources
 - Migrated +475 TB (or about 6x the size of the Library of Congress' digital archives*) of CalHEERS transactional and reporting data to the AWS cloud
 - Migrated CalHEERS production and non-production interface connections with 41 partner Agencies to the AWS cloud
 - Migrated CalHEERS administrative and operational support features (e.g. Splunk, AWS workspaces, GlobalProtect VPN, etc.) to the AWS cloud

CALHEERS UPDATES

- ❑ CalHEERS Release 21.6 is planned for June 21, 2021 and will include changes to:
 - Align with federal and state regulations to examine data sources on a semiannual basis for changes in circumstances in households receiving Annual Premium Tax Credit (APTC) or Cost Share Reduction (CSR).
 - Update the Eligibility Results Page to remove confusing and contradictory information, display prominent information more clearly and improve overall readability and ease of use.
 - Provide Level 3 Administrative Users a special Qualifying Life Event (QLE) to allow them to define the Eligibility Results period and the Enrollment Coverage start date upon selection without a complex work around.

CALHEERS UPDATES

- ❑ CalHEERS Release 21.6 continued:
 - Provide a Special Enrollment Period (SEP) reason for a short timeframe to provide consumers the ability to self-serve to enroll in coverage or change their current plan (assuming otherwise eligible) without administrative overrides.
 - Lock the income FPL limit as 139% for APTC eligibility determination for cases where consumers received unemployment income in the benefit year in alignment with the American Rescue Plan.

CALHEERS UPDATES

- ❑ CalHEERS Release 21.6 continued:
 - Provide Certified Enrollment Counselors (CEC) with the ability to export all household cases on the Entity's Portal and capture the delegation changes in all enrollments, including terminated, allows Bulk Transfers performed by Broker and Entity Admins for an entire agency, and expands search capabilities for Agents, Entity and CECs.
 - Implement changes to transition Off-Exchange enrollments to the Exchange so that consumers can take advantage of any premium subsidies or Medi-Cal programs that they may be eligible for as a result of the American Rescue Plan.

OTHER TECHNOLOGY UPDATES

- ❑ New Subsidy Calculator – deployed a calculator on the coveredca.com portal providing quick access to their subsidy eligibility and potential savings associated with the American Rescue Plan.
- ❑ Agent Finder Tool – deployed a mobile friendly Agent and Certified Enroller Finder Tool providing consumer access to Agent-based support based on their geographic location.
- ❑ Real Stories – deployed a page on the coveredca.com portal showcasing realworld consumer benefit videos.

OUTREACH & SALES ENROLLMENT PARTNER TOTALS

Uncompensated partners supporting enrollment assistance efforts.

ENROLLMENT ASSISTANCE PROGRAM	ENTITIES	COUNSELORS
Certified Application Counselor	255	1,444
Plan-Based Enroller	11	391
Medi-Cal Managed Care Plan	2	24

OUTREACH & SALES NON-ENGLISH ENROLLMENT SUPPORT

Data as of May 20, 2021

11,493 Certified Insurance Agents

- 18% Spanish
- 4% Cantonese
- 5% Mandarin
- 5% Korean
- 4.1% Vietnamese

1,151 Navigator: Certified Enrollment Counselors

- 58% Spanish
- 3% Cantonese
- 3% Mandarin
- 2% Vietnamese
- 1% Korean

1,444 Certified Application Counselors

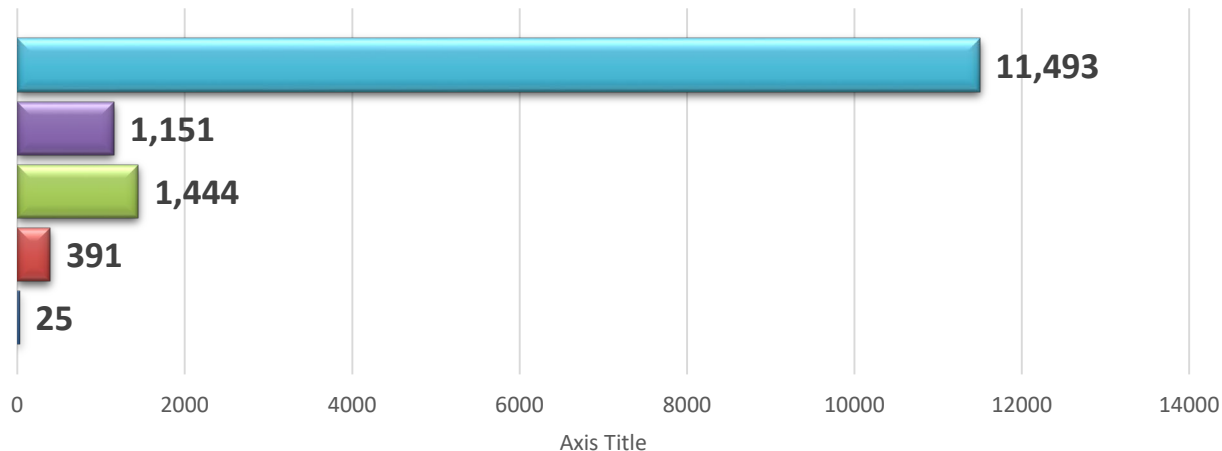
- 49% Spanish
- 3% Cantonese
- 2% Mandarin
- 1% Vietnamese
- 0.4% Korean

391 Certified Plan Based Enrollers

- 34% Spanish
- 6% Cantonese
- 2% Mandarin
- 3% Vietnamese
- 1% Korean

25 Certified Medi-Cal Managed Care Plan Enrollers

- 68% Spanish
- 8% Cantonese
- 0% Mandarin
- 4% Tagalog



■ Certified Insurance Agents
 ■ Navigator: Certified Enrollment Counselors
 ■ Certified Application Counselors
 ■ Certified Plan Based Enrollers
 ■ Certified M/C Managed Care Plan Enrollers