

COVERED CALIFORNIA BOARD MINUTES  
Thursday, April 20, 2023  
Covered California  
1601 Exposition Blvd.  
Sacramento, CA 95815

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

Chairman Mark Ghaly called the meeting to order at 10:03 a.m.

**Board Members Present During Roll Call:**

Jarrett Barrios  
Jerry Fleming  
Kate Kendell  
Dr. Mark Ghaly

**Board Members Absent During Roll Call:**

Mayra Alvarez

**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) and 11126(a).

Chairman Ghaly called open session to order at 11:42 a.m.

**Agenda Item III: Board Meeting Action Items**

Ms. Kendell was not present for open session.

Chairman Ghaly announced the appointment of Mayra Alvarez to the Covered California Board. He then provided an overview of Ms. Alvarez's experience, noting she's led initiatives that have improved the lives of underserved children across the state. Ms. Alvarez has also led the implementation of some important aspects of the Affordable Care Act (ACA).

**March 9, 2023, Meeting Minutes**

**Board Discussion:** None.

**Motion/Action:** Chairman Ghaly called for a motion and a second to approve the March 9, meeting minutes. Mr. Barrios moved to approve the meeting minutes. The motion was seconded by Mr. Fleming.

**Public Comment:** None.

**Vote:** The motion was approved by a unanimous vote of those present.

## **Board Committee Appointments**

Chairman Ghaly highlighted the need to revisit the membership of the Audit Committee after Dr. Hernandez's departure, and solicited nominations for two members. Mr. Fleming nominated Ms. Alvarez. Mr. Barrios nominated Mr. Fleming.

**Board Discussion:** None.

**Motion/Action:** Chairman Ghaly called for a motion and a second for the nomination of Ms. Alvarez to the Audit Committee. Mr. Fleming moved to approve the nomination. The motion was seconded by Mr. Barrios.

**Public Comment:** None.

**Vote:** The motion was approved by a unanimous vote of those present.

**Motion/Action:** Chairman Ghaly called for a motion and a second for the nomination of Mr. Fleming to the Audit Committee. Mr. Barrios moved to approve the nomination. The motion was seconded by Mr. Fleming.

**Public Comment:** None.

**Vote:** The motion was approved by a unanimous vote of those present.

## **Election of Board Vice Chair**

Chairman Ghaly highlighted the need to appoint a new board Vice Chair, after Dr. Hernandez's departure, and solicited nominations. Mr. Fleming nominated Mr. Barrios.

**Discussion:** None.

**Motion/Action:** Chairman Ghaly called for a motion and a second for the nomination of Mr. Barrios as the new Vice Chair. Mr. Fleming moved to approve the nomination. The motion was seconded by Mr. Barrios.

**Public Comment:** None.

**Vote:** The motion was approved by a unanimous vote of those present.

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

### **Discussion – Announcement of Closed Session Actions**

Jessica Altman, Executive Director, congratulated Vice Chair Barrios, and Mr. Fleming on their new appointments, and thanked them for serving in these additional capacities.

Next, Ms. Altman stated that the board met in closed session to undertake issues related to contracting, personnel, and litigation. There were no items to report.

## **Discussion – Executive Director’s Update**

**2023 Board Meeting Dates:** Ms. Altman presented the Covered California Board meeting dates for 2023, with three meetings scheduled as only a possibility. The next board meeting is on May 18.

**Covered California Board of Directors Appointment:** Ms. Altman expressed enthusiasm toward working with Ms. Alvarez.

**Executive Leadership Transition:** Ms. Altman reported that Dr. Monica Soni was appointed to the Chief Medical Officer/Chief Deputy Executive Director role, effective May 15.

## **Discussion – State and Federal Policy/Legislative Update**

Ms. Altman shared that the Biden-Harris Administration announced a plan to expand health coverage to Deferred Action for Childhood Arrivals (DACA) recipients. Covered California will continue to monitor these developments as additional details unfold. Ms. Altman then shared that the U.S. Department of Health and Human Services finalized its Notice of Benefit and Payment Parameters for plan year (PY) 2024. Next, Ms. Altman highlighted that Covered California submitted a comment letter in response to the Office of Management and Budget’s (OMB’s) request for comment (RFC) on initial proposals for revising federal race and ethnicity standards. Finally, Ms. Altman reported that on March 30, in *Braidwood Management, Inc. v. Becerra*, the U.S. District Court for the Northern District of Texas issued a decision striking down key provisions of the ACA requiring health plans to cover preventive health care services at no cost to the consumer. Ms. Altman noted that California state law requires all health plans regulated by the state to cover these same services at no cost to the consumer, and therefore this ruling will not impact Covered California.

## **Discussion – Data and Research**

### **Key Data on Coverage and Undocumented Californians**

Katie Ravel, Director of the Policy, Eligibility, and Research Division presented data and research about the status of coverage and undocumented Californians, as well as an overview of technical assistance Covered California is providing the legislature.

Ms. Ravel began by providing an overview of California’s remaining uninsured, based on the California Simulation of Insurance Markets (CalSIM) model. She highlighted that an estimated 8 percent of Californians are expected to remain uninsured in 2024. Twenty-seven percent of undocumented Californians remain uninsured compared to 7 percent of citizens and legally present residents. Many of the uninsured are eligible for coverage, either through Medi-Cal, Covered California, or employer-sponsored coverage.

Next, Ms. Ravel highlighted projections of California’s undocumented population with income above Medi-Cal limits and no offer of employer coverage. An estimated 520,000 uninsured undocumented residents who earn too much for Medi-Cal, do not have

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employer coverage. An estimated 110,000 undocumented individuals are paying the full cost of individual market coverage outside of Covered California.

Ms. Ravel then provided an overview of prohibitions and flexibilities in the ACA related to covering undocumented individuals. She noted that undocumented individuals are not qualified to enroll in qualified health plans (QHPs) and cannot receive premium tax credits or cost-sharing reductions. However, the ACA does provide a process by which States can waive certain provisions, including those prohibiting QHPs from enrolling undocumented people.

Next, Ms. Ravel provided background information on California's 2016 waiver approach to allow undocumented individuals to obtain mirrored health plan products (California Qualified Health Plans), without subsidies. At the time, modeling showed roughly 17,000 undocumented individuals would have enrolled in coverage under the waiver. However, the waiver was withdrawn.

Ms. Ravel then shared implementation efforts by other states to provide state-funded subsidies for undocumented individuals through their marketplace. Colorado launched a non-waiver program for 2023 to cover undocumented individuals and Washington will begin a waiver-based program for PY 2024.

Finally, Ms. Ravel called attention to AB 4 (Arambula), a proposed bill that would require Covered California to apply for a federal waiver to be able to cover undocumented Californians, without subsidies. Covered California has provided technical assistance to the legislature on two potential models: a waiver model and a non-waiver model. A waiver model would require federal approval and take approximately 24 months to implement following the passage of state legislation. A non-waiver model would take 12 months to implement following the passage of legislation.

**Board Comments:** Vice Chair Barrios sought comment from Ms. Altman on whether the Biden-Harris Administration's announcement to extend coverage to DACA recipients is separate from the process outlined by Ms. Ravel. Ms. Altman responded that Covered California currently provides subsidies to lawfully present individuals. The Biden-Harris Administration's plan would effectively move DACA recipients to lawfully present status for purposes of QHP eligibility. She also pointed out that the CalSIM estimates Ms. Ravel shared include DACA recipients.

Chairman Ghaly expressed his enthusiasm towards the appointment of Ms. Alvarez to the board, and Dr. Soni's appointment to the Chief Medical Officer role. He also thanked Ms. Ravel for her thoughtful presentation.

Chairman Ghaly then highlighted the challenges of rolled-up race and ethnicity data during the COVID-19 pandemic and the important role of disaggregated race and ethnicity data collection in erasing inequalities.

Vice Chair Barrios thanked Ms. Altman for highlighting in its comment letter to the OMB RFC, the need to recognize Middle Eastern and North African as a distinct group.

**Public Comment:** Doreena Wong with Asian Resources, Inc. expressed her enthusiasm towards Ms. Alvarez's appointment to the board and Dr. Soni's appointment

to the Chief Medical Officer role. She then congratulated Vice Chair Barrios on his appointment as Vice Chair, as well as Mr. Fleming on his appointment to the Audit Committee. Next, Ms. Wong commended Covered California for its comment letter regarding the OMB RFC. She expressed content with Covered California's technical assistance to the legislature. She also expressed her strong support for the expansion of Covered California to both DACA recipients and undocumented immigrants.

Diana Douglas with Health Access welcomed Ms. Alvarez and Dr. Soni to Covered California. She applauded the Biden-Harris Administration's plan to make DACA recipients lawfully present, for marketplace purposes, and noted there will be work to do to make this newly eligible population aware of coverage options and to get them signed up. She expressed appreciation towards Covered California's engagement on race and ethnicity data collection.

Cary Sanders with the California Pan-Ethnic Health Network (CPEHN) welcomed Ms. Alvarez and Dr. Soni to Covered California. She thanked Covered California for submitting comments supporting disaggregated race and ethnicity data collection by default. Finally, she thanked Ms. Ravel for her presentation on coverage for the undocumented and expressed excitement about opportunities to cover DACA recipients.

Alicia Emanuel with the National Health Law Program and the Health Consumer Alliance echoed the thoughts of other speakers about Ms. Alvarez and Dr. Soni. She applauded the Biden-Harris Administration's announcement expanding coverage to DACA recipients and expressed strong support for expanding coverage to undocumented Californians.

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

### **Action – 2024 Qualified Health Plan Issuer Contract**

#### **2024-26 Qualified Dental Plan Issuer Model Contract**

James DeBenedetti, Director of the Plan Management Division, gave an overview of changes to the qualified dental plan (QDP) contract, as presented at the [January board meeting](#). Mr. DeBenedetti reported that there were no substantive changes to Attachment 1 since the January board meeting. For Attachment 2, Mr. DeBenedetti reported that due to Covered California's small pediatric population (less than 10 percent), staff reduced the percent at risk for pediatric services and increased the amount at risk for adult preventive services utilization. Finally, staff modified the proposed structure to establish a baseline and measure improvement of 10 percent each year, by adding new language clarifying that the performance level may be revised if appropriate once health initiative (HEI) data are analyzed and baseline rates are established.

Mr. DeBenedetti requested board approval of the 2024-26 QDP issuer model contract.

Ms. Altman acknowledged the importance of dental health as a factor in overall health, particularly for children. She highlighted that while Covered California moved away from some of its initial proposals, particularly data collection requirements, due to dental plan

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limitations in administrative and data capabilities, the proposed changes are achievable and will help move dental plans in a similar direction as the QHP contracts. She also recognized this effort is a work in progress.

**Board Comments:** Vice Chair Barrios sought comment on the business necessity for removing demographic data collection requirements. Mr. DeBenedetti responded that dental plans currently do not collect this data, nor are they required to produce it for any other clients. Requiring dental plans to build the infrastructure to collect this information might dissuade the dental plans from contracting with Covered California. Mr. DeBenedetti also highlighted that Covered California has a potential workaround for collecting this data by using claims data from dental plans, as well as demographic data from its application, to conduct a similar analysis. Ms. Altman noted that Covered California has race, ethnicity, and language data for nearly 80 percent of its population.

Chairman Ghaly asked if Covered California is collaborating with the Department of Health Care Services (DHCS) or the California Public Employees' Retirement System (CalPERS) to collectively move the needle on this issue. Mr. DeBenedetti responded that Covered California has kicked off conversations with DHCS and Medi-Cal. He noted that CalPERS is not responsible for dental plans, the California Department of Human Resources (CalHR) is. CalHR doesn't have a history of evaluating the quality of service provided. However, engaging with larger employers may be something Covered California could look at.

Mr. Fleming commended Covered California for its robust stakeholder engagement process on this issue.

**Public Comment:** Ms. Sanders thanked the board for their question about moving the needle on demographic data collection and looks forward to continued discussions. She stated that considering dental as an optional benefit for adults is bad public policy and would like to see the federal government include it as an essential health benefit. She also stated she would like to see dental plans held to similar standards as health plans. Next, she affirmed her support for changes presented by Mr. DeBenedetti, given current constraints. Finally, she expressed her appreciation for Covered California's workaround to collect baseline data.

Ms. Wong echoed comments made by Ms. Sanders and agreed that it's time to hold dental plans to similar standards as health plans and is hoping for more dental requirements on data collection and reporting in the future. She also thanked the staff for establishing measurements.

Ms. Douglas echoed comments made by previous speakers and expressed appreciation for the dental initiatives. She acknowledged that a lot still needs to be done but looks forward to continuing to integrate dental health with traditional health.

**Motion/Action:** Chairman Ghaly called for a motion to approve the 2024-26 QDP issuer model contract. Mr. Fleming moved to approve the motion. The motion was seconded by Vice Chair Barrios.

**Vote:** The motion was approved by a unanimous vote of those present.

### **2024 Qualified Health Plan Issuer Model Contract**

Mr. DeBenedetti reported that there were no changes made to the 2024 QHP issuer model contract, as presented at the [January board meeting](#). Mr. DeBenedetti then requested board approval for the 2024 QHP issuer model contract.

**Board Comments:** None.

**Public Comment:** None.

**Motion/Action:** Chairman Ghaly called for a motion to approve the 2024 QHP issuer model contract. Vice Chair Barrios moved to approve the motion. The motion was seconded by Mr. Fleming.

**Vote:** The motion was approved by a unanimous vote of those present.

### **Action – 2024 Standard Benefit Designs**

Jan Falzarano, Deputy Director of the Plan Management Division, gave an overview of Covered California's proposed plan year 2024 standard benefit designs.

She began her presentation by stating that staff plans to address at a future board meeting the board's requests from the March meeting for more information on how mental health parity testing outcomes impact Covered California's benefit designs, as well as the cost-sharing trade-offs during the standard benefit design development process.

Next, Ms. Falzarano noted that one minor typographical change was made to the standard benefit designs since presented at the [March board meeting](#). Specifically, the coinsurance amount for medical transportation in the small group, Silver copay product was updated to 35 percent.

Finally, Ms. Falzarano shared that staff input Covered California's proposed plan year 2024 standard benefit designs into the recently released final actuarial calculator and confirmed there were no changes to the final AV output from what was presented to the board in March.

Ms. Falzarano concluded by requesting that the board formally adopt the patient-centered benefit designs for plan year 2024.

**Board Comments:** None.

Chairman Ghaly thanked Ms. Falzarano for acknowledging the board's requests and highlighted that it is important to be on the leading edge in thinking through not just what beneficiaries get under their product, but what they face outside of Covered California for behavioral health.

**Public Comment:** None.

**Motion/Action:** Chairman Ghaly called for a motion to approve Covered California's plan year 2024 standard benefit designs. Vice Chair Barrios moved to approve the motion. The motion was seconded by Mr. Fleming.

**Vote:** The motion was approved by a unanimous vote of those present.

## **Discussion – Fiscal Year 2023-24 Navigator Grant Program Contract**

Terri Convey, Director of the Outreach and Sales Division, gave an overview of the Navigator Grant Program and staff's proposed amendment to the 2023-2024 Navigator agreement.

Ms. Convey highlighted that Navigator partners will have to invest more time and resources to provide culturally and linguistically appropriate help to find those eligible for Covered California, particularly in this year in which so many Californians will need help because of the Medi-Cal redeterminations. As a result, the staff is recommending a one-year extension to the Navigator agreement for fiscal year 2023-2024. This will be the final extension available for the current grant program agreement. Further, Covered California is recommending a funding increase of 10 percent over the current funding level to \$7,865,000. Finally, Ms. Convey noted that Covered California will release a new Request for Application (RFA) in the first quarter of 2024 for the next three-year funding cycle covering fiscal years 2024-25, 2025-26, and 2026-27. Staff will work with Navigators and other stakeholders to gain feedback about the RFA process and proposed program changes or enhancements.

**Board Comments:** Vice Chair Barrios thanked Ms. Convey for the recommitted investment and increase in funding levels to Covered California's nonprofit Navigator partners.

Mr. Fleming noted this is a logical and important thing for Covered California to do and an important time to help a lot of people.

Chairman Ghaly emphasized the importance of the Navigator program to Covered California. He acknowledged this year will be complicated and that Navigators are in a complicated environment with the beginning of Medi-Cal redeterminations..

**Public Comment:** Ms. Wong shared that this will be a challenging year for Navigators, more so than during the COVID-19 pandemic. She highlighted that Navigators not only provide enrollment, but outreach to the hardest-to-reach populations. She anticipates a significant workload increase, starting in April, with Medi-Cal redeterminations, the Medi-Cal expansion, and SB 260 transitions. She is concerned the 10 percent increase will not adequately fund the work of Navigators but is willing to proceed with this proposal, as the staff has reassured Navigators that the issue will be revisited. She also asked if the funding might be able to be provided sooner than in July. She looks forward to working with staff on the next RFA and ways to strengthen the Navigator program.

Ms. Sanders aligned her comments with those of Ms. Wong. She expressed support for extending the current contract for one year with a 10 percent increase to grant funding levels. This is especially important given the public health emergency unwinding. Medi-Cal expansion to undocumented will cause more confusion for consumers. Finally, support will be important to ensure that consumers can get the detailed education that they need as they are trying to figure out which programs they are eligible for.

Faith Borges with California Agents & Health Insurance Professionals expressed support for the work Navigators do. She called attention to the data presented at the March board meeting that demonstrated over 11,000 agents are available to speak to



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Covered California enrollees in their native language. She noted there is a need for additional resources for agents, as Medi-Cal doesn't provide any resources to agents that do help with enrollments. She added that these agents have to cover their own overhead costs and explain complicated program changes to consumers. She inquired on what resources are available to this enrollment population.

Pamela Moore with Aliados Health (formerly known as Redwood Community Health Coalition) thanked the board for looking beyond enrollment numbers and acknowledging the challenges Navigators will be facing this year. She said her organization anticipates devoting more time to provide health literacy to encourage patients and consumers to explore their health care needs in a way that has not been done before.

Ms. Altman thanked all commenters and expressed Covered California's deep commitment to keeping its ear to the ground, in coordination with DHCS and its partners, to see how things are going and identify if there are ways to be part of solutions and assistance and support.

Chairman Ghaly adjourned the meeting at 1:27 p.m.