



## **EXECUTIVE DIRECTOR'S REPORT**

Jessica Altman, Executive Director | August 17, 2023 Board Meeting

# COVERED CALIFORNIA 2023 BOARD MEETING DATES

All meetings will be held at Covered CA Headquarters, 1601 Exposition Boulevard, Sacramento. Unless otherwise notified, meetings will begin at 10:00 am and are held the third Thursday of the month.

**January 19**

**February 16** – *No Meeting*

**March 9**

**April 20**

**May 18**

**June 15**

**July 20**

**August 17**

**September 21**

**October 19** \*

**November 16**

**December 21** \*

*\*Possibly no meeting*

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# EXECUTIVE DIRECTOR'S UPDATE

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- ❑ 2024 Covered California Rates and Carriers
- ❑ Navigator Program 2025 Contract and Request for Application
- ❑ AB 2530 (Wood, Chapter 695, Statutes of 2022) Implementation
- ❑ State and Federal Policy/Legislative Updates
- ❑ Data and Research
  - Preliminary Data on Medi-Cal Transitions

# 2024 COVERED CALIFORNIA RATES AND CARRIERS

# PREMIUM RATE CHANGES

- ❑ The preliminary weighted average rate increase for 2024 is **9.6 percent**. This is attributed to many factors, including the recovery and continued rise in health care utilization following the pandemic, increases in pharmacy costs, and inflationary pressures in the health care industry, such as the rising cost of care, labor shortages, and salary and wage increases.
- ❑ When averaged over the past five years, which includes record-low rate increases during years when normal utilization was suppressed due to Covid, Covered CA's average rate increase is just **3.6 percent**.

# NEW ENTRANTS, EXPANSIONS, AND WITHDRAWALS

- ❑ **Inland Empire Health Plan** will join Covered California and begin offering coverage in Riverside and San Bernardino Counties.
- ❑ **Aetna CVS Health** will expand to cover Alameda and Contra Costa counties.
- ❑ **Health Net** will expand to cover Imperial County.
- ❑ **Oscar Health** previously announced its withdrawal from California, where it covers Los Angeles, Orange, San Francisco, and San Mateo counties. Oscar enrollees who do not choose a new plan will be automatically enrolled in the lowest cost plan of the same metal tier that is available to them.
- ❑ With 12 carriers providing coverage across the state, all Californians will have two or more choices, 96 percent will be able to choose from three carriers or more, and 92 percent will have four or more carriers to choose from.



# NAVIGATOR PROGRAM 2025 CONTRACT AND REQUEST FOR APPLICATION

# NAVIGATOR GRANT PROGRAM

## Issuance of Request For Application (RFA) for the Navigator Grant Program

- ❑ In May 2023, the Board approved a one-year contract extension to the existing Navigator Grant Program with an increase in annual funding to \$7.865 million for Fiscal Year 2023 - 2024 for the fifth and final year of the current grant cycle
- ❑ Covered California will release a Request For Application (RFA) for the upcoming grant cycle which will start July 1, 2024 and run through June 30, 2027 with two one-year optional contract extensions
- ❑ Covered California is currently conducting market landscape surveys with incumbent Navigator entities, committed partners, and other stakeholders to gain insights and guidance to inform the development of program design for the upcoming grant cycle
- ❑ Following board approval, the RFA will be released in first quarter of 2024 and will be followed by an open-to-the public webinar where we will be able to field questions about the RFA process. We will be publishing key dates later in the year

# AB 2530 IMPLEMENTATION

# AB 2530 IMPLEMENTATION UPDATE

- ❑ Effective July 1, 2023, AB 2530 (Wood, Chapter 695, Statutes of 2022) requires Covered California to offer health insurance to individuals who have lost minimum essential coverage because of a strike, lockout, or other labor dispute. Individuals who qualify for the subsidy receive the same premium assistance and cost-sharing reductions as individuals with household income of 138.1% FPL.
- ❑ The Budget Act of 2023, AB 102 (Chapter 38, Statutes of 2023) and AB 118 (Committee on Budget, Chapter 42, Statutes of 2023), authorized \$2 million to subsidize health insurance coverage for striking workers pursuant to AB 2530 for the 2023-24 fiscal year.
- ❑ In late July, Covered California was notified that members of Transdev Teamster Local 517, transportation workers based in Visalia, had lost employer coverage due to their strike. Covered California engaged with the union to enroll workers in coverage with a strike subsidy and a coverage start date of August 1st.
- ❑ Covered California is actively working with California's labor community to assess whether other active strikes may qualify for the strike subsidy due to individuals' loss of minimum essential coverage resulting from the strike.
- ❑ Covered California will actively monitor expenditures under the program to ensure that we do not authorize more than \$2 million in strike subsidy payments. If state strike subsidy funding is exhausted, individuals who have lost their minimum essential coverage may still qualify for Medi-Cal or federal premium and cost-sharing assistance through Covered California based on their income.

# STATE AND FEDERAL POLICY/LEGISLATIVE UPDATES

# FEDERAL UPDATE

- ❑ On June 23, Covered California submitted a [comment letter](#) in support of the U.S. Department of Health and Human Services (HHS) proposed rule amending the definition of lawfully present to include Deferred Action for Childhood Arrivals (DACA) recipients, making these individuals eligible to enroll in a Qualified Health Plan and receive financial assistance through the marketplace. In the letter, Covered California highlighted how this rule aligns with the core principles of the Affordable Care Act (ACA) by ensuring that health care remains accessible and affordable to those who need it most.
- ❑ On July 12, the U.S. Departments of Treasury, Labor, and HHS issued a [proposed rule](#) further restricting short-term, limited-duration insurance (STLDI), notably reducing its maximum duration from 36 months to no more than four months and requiring clearer consumer notices. While the sale of STLDI is prohibited in California, Covered California is paying close attention to the rule given STLDI's potential impact to the broader health care landscape as an alternative to ACA-compliant coverage. Comments are due September 11.

# DATA AND RESEARCH

# UPDATE ON MEDI-CAL TO COVERED CALIFORNIA TRANSITIONS

Katie Ravel, Director - Policy, Eligibility, & Research



# PUBLIC HEALTH EMERGENCY UNWIND AND MEDI-CAL TO COVERED CALIFORNIA ENROLLMENT PROGRAM UPDATE

- ❑ Following the end of the Public Health Emergency (PHE) and the continuous coverage requirement, counties resumed annual Medi-Cal renewal activities in April.
- ❑ Covered California launched its implementation of the Medi-Cal to Covered California enrollment program, to automatically enroll subsidy-eligible Medi-Cal transitioners into the lowest-cost Silver plan available.
- ❑ The first cohort of consumers transitioned to Covered California had until July 31st to take action on the plan that was automatically selected for them. Those who did not take action have until the end of August to pick a plan under their 60-day special enrollment period.
- ❑ Individuals who transition without subsidy eligibility can make any changes to their application and pick a plan within their 60-day special enrollment period.
- ❑ Today we are presenting preliminary data on the first cohort of Medi-Cal transitioners. Note that these numbers will change because the special enrollment period is still open.

# MEDI-CAL TO COVERED CALIFORNIA

## JULY 2023 KEY INDICATORS SHOW POSITIVE SIGNS

- The first cohort of the PHE unwind Medi-Cal transitions began on May 19, with exchange coverage potentially beginning July 1.
- While the initial premium payment deadline has now passed for 7/1 coverage, these enrollees' qualifying life events can potentially give them until the end of August to make a coverage decision.
- Preliminary results suggest that consumers are responding positively to the new automatic plan selection (APS) and "auto add" processes, with an initial effectuation rate among these subsidy eligible transitions of 30% (3,272 out of 10,998). This compares to 17% for the equivalent population in 2019.
- Caution: these are early trends and could change as the unwind proceeds and consumers respond.

Medi-Cal to Covered California Transition Data By Month Marketplace Eligibility Begins*	July 2023
<b>Medi-Cal Transitions eligible in CalHEERS</b>	<b>36,606</b>
Medi-Cal Transitions with plan selection**	11,650
Auto Plan Selections***	10,998
<i>Automatically added to existing family enrollment</i>	4%
<i>Actively opted out of coverage</i>	3%
<b>Effectuated Coverage After Auto Plan Selection</b>	<b>3,273</b>
<i>Eligible for \$0 Silver plan</i>	31%
<i>Switched out of default plan</i>	26%
<b>Effectuation Rate Among Auto Plan Selections</b>	<b>30%</b>
<i>Eligible for \$0 Silver plan - effectuation rate</i>	31%

\* Data excludes any consumers who underwent Medi-Cal redetermination, were initially found marketplace eligible, but have since had Medi-Cal coverage restored for the month.

\*\* Includes plan selections by individuals who do not qualify for subsidies and members who were automatically added to an existing family enrollment.

\*\*\* A subset of Medi-Cal Transitions with plan selection. Indicates consumer received an automated plan selection when first transitioning from Medi-Cal. Includes consumers who later switched into a different plan after auto plan selection.

# TOTAL MONTHLY NUMBER OF TRANSITIONING CONSUMERS LIKELY TO INCREASE SIGNIFICANTLY AS THE 12-MONTH UNWINDING PROCEEDS

- ❑ A known safeguard in CalHEERS incorrectly prevented appropriate transitions in June and July in certain scenarios.
  - CalHEERS was updated in late July to correct the issue going forward, and early trends show higher transition numbers.
  - Covered California is notifying impacted consumers and will offer a retroactive coverage start date of July 1st to any impacted eligible consumer.
- ❑ The data from the first cohort of Medi-Cal transitioners does not include the following Medi-Cal renewal activities that occur on a monthly basis after the month's renewal deadline has passed:
  - Processing of Medi-Cal renewal packets that are received after the 10-day Notice of Action cut off but before the beneficiaries' last day of Medi-Cal coverage. Under long-standing DHCS policy, these beneficiaries have Medi-Cal eligibility restored automatically while their paperwork is being reviewed to determine if they still qualify for Medi-Cal. Those who no longer qualify may transition to Covered California.
  - Processing of eligibility information during the “cure period,” a 90-day window that is provided to Medi-Cal beneficiaries who do not complete their renewal within the required timeframe. Beneficiaries who provide needed information during the cure period will have their Medi-Cal coverage restored retroactively if they still qualify. Those who no longer qualify may transition to Covered California.

# JULY 2023 CALL SUMMARY: RAPID SERVICE FOR EARLY CALLERS WITH A MEDI-CAL TRANSITION

We are carefully monitoring calls to the call center and related requests from consumers for assistance from both the overall population of consumers who are transitioning from Medi-Cal following a redetermination and the subset of those who were found subsidy eligible and receive automatic plan selection.

- Approximately 6% of all calls to the Service Center are calls from APS and MCT population
- Average speed of answer (ASA) and average handle time (AHT) are comparable between different populations

	Calls to IVR	IVR Containment	Offered to SCRs	Abandoned, %	Handled	ASA, seconds	AHT, minutes
Total Population	199,340	77,543	121,797	0.76%	120,675	13	19.3
<i>Medi-Cal Transitioners</i>	6,802	2,640	4,162	0.43%	4,144	10.1	20.4
<i>Automatic Plan Selections</i>	4,345	1,466	2,879	0.49%	2,865	9.7	22

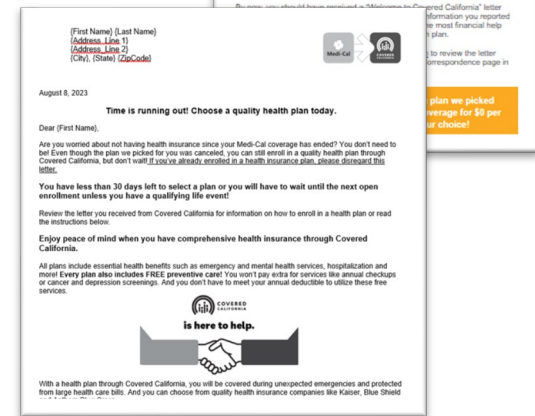
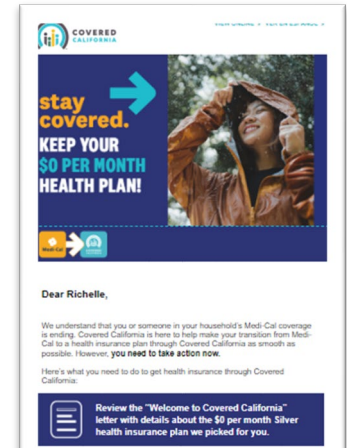
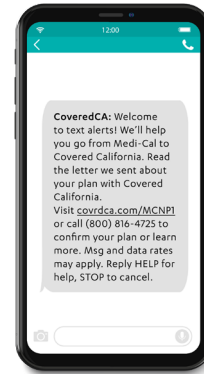
*Note: The total measures are slightly different from overall Service Center reporting due to different sources used. Among all calls to IVR, we match approximately 70% to applications based on the phone number. MCT are cases that have a transition from Medi-Cal to CCA in 2023, excluding APS cases. APS are cases that had an auto-plan selection in 2023.*

# OUTREACH EFFORTS: OUTBOUND CALLS TO MEDI-CAL TRANSITIONERS

- ❑ Covered California is piloting an outbound call campaign to Medi-Cal transitioners who have received an automatic plan selection.
- ❑ The campaign is launching in late August and will be performed by the Service Center Team.
- ❑ The campaign will target consumers who have received a \$0 premium plan with an August 1 start date. These consumers must confirm their coverage by the end of the month to prevent a gap in coverage.
- ❑ Service Center Representatives will offer assistance with understanding coverage eligibility, opting into coverage, and plan choice (if needed).
- ❑ Effectiveness of the outbound call campaign will be evaluated on effectuation rates.

# MEDI-CAL TRANSITIONERS DIRECT CONSUMER OUTREACH OVERVIEW

- ❑ Launched end of June 2023
- ❑ Includes email, direct mail and text messaging channels
- ❑ English and Spanish
- ❑ Audiences:
  - \$0 premium with financial help and have an auto plan selection (APS)
  - \$1+ premium, receive financial help and have an APS
- ❑ Messaging tailored to each audience:
  - Look for your welcome/eligibility packet (NOD01T) from Covered California
  - Must keep/cancel/pay by the date included in your letter
  - Special enrollment window expiring
  - Messaging: who is Covered California, value of health insurance coverage, how to find help, what is financial help, etc.
- ❑ Future efforts:
  - No financial help nor auto plan selection, but could enroll (to begin September/October 2023)



# MEDI-CAL TRANSITIONERS DIRECT CONSUMER OUTREACH EARLY ANALYTICS

- ❑ Delivered as of August 8 (cumulative):
  - 42,300 total emails
  - 4,959 total text messages
  - 4,394 total direct mail letters
- ❑ Initial email analytics for both \$0 APS and \$1+ APS show:
  - 55% overall open rate  
Industry average benchmark is 21%\*
  - 7% overall link click rate  
Industry average benchmark is 2%
  - 0.11% overall unsubscribe rate  
Industry average benchmark is .25%
- ❑ Initial text messaging analytics show:
  - 0.3% of total audience who clicked a link  
Industry average benchmark is 5%-10%\*



\*Insurance category, Intuit Mailchimp, 2022 for email, Tatango for text messaging

# OUTREACH EFFORTS: EARLY INSIGHTS FROM AGENTS AND NAVIGATORS

- ❑ The Covered California Outreach and Sales Team has met with certified enrollers (certified insurance agents and navigator enrollment counselors) to discuss their support to individuals undergoing Medi-Cal redeterminations
- ❑ Enrollers are seeing some requests for assistance, but report that it is not a high volume.
- ❑ While total requests for assistance are few, for the consumers that do come in, opportunities for support include:
  - **Notices:** Because they are getting notices from Medi-Cal, Covered California and the health plans, there are instances of consumer confusion about which coverage is being terminated, and which coverage is in effect. Because their coverage with Medi-Cal has remained in effect for several years, some consumers indicated a lack of urgency to take action.
  - **Affordability:** Compared to Medi-Cal coverage with no/low premiums and low cost of care, premiums are a real concern for many who are transitioning. This is especially true for those with more than one member of the household transitioning.
  - **Other Coverage:** Some consumers are employed and either have coverage through their employer or are looking into getting covered through their employer's plan.
- ❑ Certified enrollers are providing education to consumers to help them understand the redetermination process, the notices and forms they are receiving, what their choices are for coverage, and the value of having health insurance coverage. Certified enrollers encourage and help consumers to work directly with their local county Medi-Cal offices.



# TIMING OF ADDITIONAL DATA RELEASES

- ❑ Covered California looks forward to releasing more detail in future months on enrollee demographics, consumer experience and coverage outcomes.
- ❑ Complete data on the first cohort of Medi-Cal transitioners will be released in October and will include:
  - Count of Medi-Cal transitioners
  - Count of Medi-Cal transitioners who received an automatic plan selection
  - Count of Medi-Cal transitioners who effectuated their APS plan (by \$0 premium vs >\$0 premium)
  - Count of Medi-Cal transitioners effectuated in a new plan
  - Count of Medi-Cal transitioners who did not effectuate coverage, broken down by three categories: switched plan but did not pay, cancelled due to no action, active opt-outs
  - The report will include demographic breakdowns similar to Covered California's active member profile including income, race/ethnicity, written and spoken language preference, region and service channel
- ❑ Monthly consumer pulse survey of the first cohort of Medi-Cal transitioners will be fielded in September. Results will be available on a monthly basis beginning in early winter.
- ❑ Additional consumer service and experience metrics related to requests for assistance and appeals, web sessions, outreach effectiveness and appeals will be released in the months to come.

# 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](mailto:BoardComments@covered.ca.gov).*

# APPENDICES

# APPENDICES: TABLE OF CONTENTS

- ❑ Service Center Update
- ❑ California for Small Business Update
- ❑ CalHEERS Update
- ❑ Outreach & Sales Update

# SERVICE CENTER UPDATE

## Improving Customer Service

- ❑ Started OE 2024 Planning with focus on forecasting, scheduling, training and ramp up for Surge Vendor
- ❑ Service Center (SC) collaborating with Policy and IT and other Divisions, in planning of handling the enrollment of the Strike Bill

## Enhancing Technology Solutions

- ❑ Collaborated with CCIT to complete the State Service Center Domain Consolidation migration

## Staffing Updates

- ❑ Vacancy rate of 5.8 percent (2022) comparable to prior year of 8.2 percent (2023)

# SERVICE CENTER UPDATE

## Comparing July 2023 vs. 2022 Call Statistics

Year	Calls to IVR	Calls Offered to SCR	Abandoned %	Calls Handled	ASA	AHT	Service Level %
<b>2023</b>	199,340	121,797	0.76%	120,675	0:00:13	0:19:31	97.23%
<b>2022</b>	185,951	110,146	2.79%	106,945	0:00:27	0:19:54	82.40%
<b>Percent Change</b>	7% Increase	11% Increase	73% Decrease	13% Increase	52% Decrease	2% Decrease	18% Increase

- ❑ The total Calls Offered increased from 2022 by 11%
- ❑ Calls Handled increased from 2022 by 13%
- ❑ The Abandoned % decreased from 2022 by 73%
- ❑ Service Level increased from 2022 by 18%

# SERVICE CENTER UPDATE – QUICK SORT VOLUMES

## July Weekly Quick Sort Transfers:

Week 1*	Week 2	Week 3	Week 4	Week 5	Total
7/01 - 7/08	7/09 - 7/15	7/16 - 7/22	7/23 - 7/29	7/30 - 7/31	
1,090	1,408	1,454	1,446	466	5,864

Week 1 includes Saturday, July 1, 2023.

\*Partial Week: All CoveredCA Service Centers closed Tuesday, July 04, 2023, in observance of Independence Day.

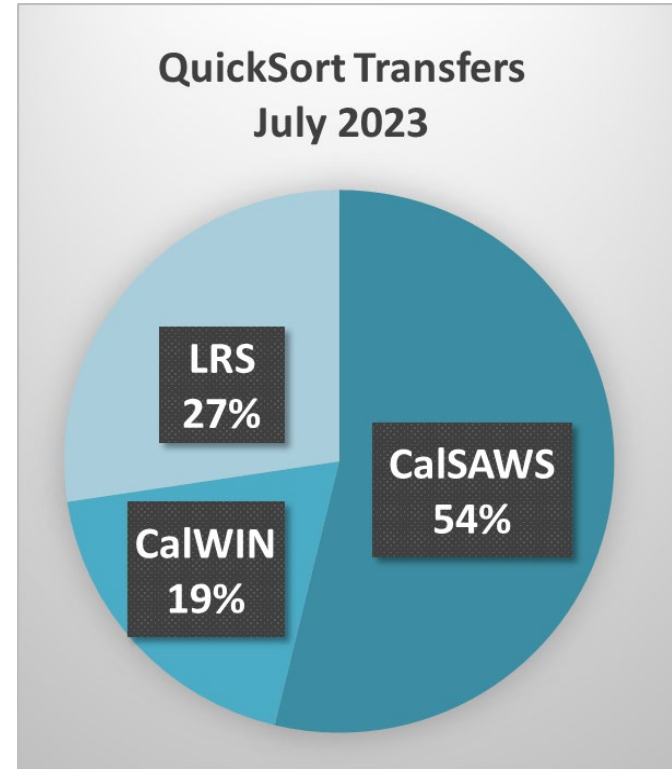
## July Consortia Statistics:

SAWS Consortia	Calls Offered	Service Level %	Calls Abandoned %	ASA
CalSAWS	1,938	90.58%	2.68%	0:00:27
CalWIN	679	96.76%	0.44%	0:00:23
LRS	987	92.91%	0.71%	0:00:16

- SAWS = Statewide Automated Welfare System (consortia). California has three SAWS consortia's to provide service to the counties.
- CalSAWS = California SAWS Consortium (formally C-IV)
- CalWIN = California Welfare Information Network
- LRS = formally LEADER = Los Angeles Eligibility Automated Determination, Evaluation and Reporting Systems

# SERVICE CENTER UPDATE – 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.





# COVERED CALIFORNIA FOR SMALL BUSINESS

## □ Group & Membership Update:

- Groups: 8,694
- Members: 73,631
- Average Group Size: 8.5
- YTD New Sales: 4,831

*\*membership reconciled through 7/14/2023*



# CALHEERS UPDATES

**CalHEERS Release 23.9 is planned for September 19, 2023 and will include:**

- ❑ Enhancements to the annual Renewals process based on lessons learned from previous Renewals. The functional changes include 834 transaction changes, batch changes, eligibility changes, screen changes, HX20 changes, and enrollment changes.
- ❑ Enhancement to 834 EDI transaction triggering using a button to transmit latest and complete enrollment data to the Carrier as of the date and time that the button is clicked by users with SCR L3 permissions.
- ❑ Enhancement to determine Discontinuance due to Negative action only when individual is not enrolled in an active plan.
- ❑ Implement the logic to consider prior months for annual subsidy determination as it relates to the APTC calculations when a consumer is subsidy eligible.
- ❑ Implement improvements to the Business Process Management workflow processes.
- ❑ Enhance restriction for admin users who do not have a special entitlement from editing sensitive contact information on CalHEERS Portal.

# CALHEERS UPDATES

**CalHEERS Release 23.9 is planned for September 19, 2023 and will include:**

- ❑ Improvements to the eligibility rules to utilize the results from a MEDS MEC check while determining eligibility to Insurance Affordability Programs (IAP).
- ❑ Implement compliance improvements by updating JSON schema
  - For the IFSV, Non-ESI and ESI calls to be successful so that consumers continue to be successfully verified for their income compatibility and MEC verifications
  - For the RIDP/FARS calls to be successful so that consumers continue to be successfully verify their identity to create an account to access CalHEERS.
- ❑ Enhance the CalHEERS disposition functionality to accept MAGI Medi-Cal: IE status via dispositions to lift the MAGI Medi-Cal: Awaiting Review Discontinuance status resulting in the final MAGI Medi-Cal eligibility of Discontinued (DS) in CalHEERS and evaluate eligibility for the Exchange programs.
- ❑ Enhance the prior eligibility look-back logic to use program begin and end dates when retrieving the prior eligibility.

# CALHEERS UPDATES

**CalHEERS Release 23.9 is planned for September 19, 2023 and will include:**

- ❑ Implement improvements for Enroller Portal/Salesforce
  - Enhance features for the Agency/Entity Admin to bulk Suspend and Re-Certify Agency/Entity Staff and Enroller's Certification/Approval Status
  - Provide ability to convert Agency Managers to Agents (and vice versa), and Agency Manager Level 2 and an Authorized Signer to add an Authorized Signer to an existing Agency
  - Allow Authorized Signer to add an Agency Manager Level 2 to an existing Agency.
- ❑ Implement Enroller User Interface enhancements related to manual workloads due to unintended gaps/issues identified in Plan Choice and Assister Portal Project (PCAP) implementation – Admin Self Service.

# COVEREDCA.COM UPDATE

- ❑ Agent Finder Tool Refresh – Planned for launch August 24, 2023:
  - The Digital Experience Team is developing a unified tool that merges the search for agents, enrollers, and storefronts into one accessible platform on CoveredCA.com.

# OUTREACH & SALES ENROLLMENT PARTNER TOTALS

Uncompensated partners supporting enrollment assistance efforts

ENROLLMENT ASSISTANCE PROGRAM	ENTITIES	COUNSELORS
Certified Application Counselor	193	1148
Plan-Based Enroller	11	418
Medi-Cal Managed Care Plan	3	49

# OUTREACH & SALES NON-ENGLISH ENROLLMENT SUPPORT

Data as of August 2, 2023

**11,180** Certified Insurance Agents

- 18.3% Spanish
- 9.7% Chinese
- 4.0% Vietnamese
- 4.8% Korean
- 44.0% Other Languages

**1,132** Navigator: Certified Enrollment Counselors

- 62.0% Spanish
- 4.4% Chinese
- 1.7% Vietnamese
- 1.2% Korean
- 6.5% Other Languages

**1,148** Certified Application Counselors

- 54.3% Spanish
- 4.6% Chinese
- 1.4% Vietnamese
- .5% Korean
- 4.5% Other Languages

**418** Certified Plan Based Enrollers

- 33.3% Spanish
- 5.0% Chinese
- 1.7% Vietnamese
- .7% Korean
- 2.6% Other Languages

**49** Certified Medi-Cal Managed Care Plan Enrollers

- 60.0% Spanish
- 2% Chinese
- 4% Vietnamese
- 0% Korean
- 2% Other Languages

