



COVERED CALIFORNIA POLICY AND ACTION ITEMS

September 21, 2023 Board Meeting

CHANGES TO ELIGIBILITY AND ENROLLMENT REGULATIONS FOR THE INDIVIDUAL MARKET

Bahara Hosseini
Office of Legal Affairs

BACKGROUND

- ❑ Covered California was granted emergency rulemaking authority by the Legislature through January 1, 2025.
- ❑ Covered California proposes utilizing the emergency rulemaking process to amend its eligibility and enrollment regulations for the individual exchange to adopt new federal requirements and flexibilities, and incorporate gender neutral language throughout the regulations.
- ❑ These regulations are the result of ongoing collaboration and consultation with the California Departments of Social Services, Health Care Services, Managed Health Care, and Insurance, as well as consumer advocates, qualified health plan (QHP) issuers, and other stakeholders.

ELIGIBILITY PROCESSES

- ❑ Revised the eligibility requirements for advanced premium tax credits (APTC) and the failure-to-reconcile (FTR) process under § 6474(c) to align with the new federal process requiring that the Exchange:
 - Determine enrollees eligible for APTC if, among meeting other criteria, they are not eligible for minimum essential coverage for the full calendar month for which APTC would be paid.
 - Determine enrollees ineligible for APTC if the enrollee has failed to comply with the tax filing requirements for two consecutive years.

- ❑ Revised the income verification process under § 6482(e) to specify that the Exchange will accept an applicant's or enrollee's attestation of projected annual household income when the Exchange requests IRS tax return data but such data is not available.

ELIGIBILITY PROCESSES, CONT.

- ❑ Revised the inconsistency process under § 6492(a) to automatically provide a 60-day extension to enrollees with an income inconsistency in addition to the existing 95-day period.
- ❑ Revised the general eligibility appeals requirements under § 6602 to specify that beginning January 1, 2024, appellants may request an administrative review by a CMS Administrator of the appeals entity's decisions within 14 days of the date of the decision.

SPECIAL ENROLLMENT PERIOD

- ❑ Revised the Special Enrollment Period (SEP) enrollment process under § 6504(a)(14) to remove the consumer’s requirement to “adequately demonstrate to the Exchange” that a material error related to plan benefits, service, or premium influenced their decision to purchase a QHP. Also added the definition of a “material error”.

- ❑ Revised the SEP durations under § 6504(f) to:
 - Beginning January 1, 2024, extend the duration of the SEP for those who lose Medi-Cal or CHIP from 60 days to 90 days after the date of the loss of coverage.
 - Beginning January 1, 2025, specify that the SEP duration for those who permanently move or newly meet the non-incarceration requirements is 60 days before and after the triggering event.

RENEWAL PROCESSES

- ❑ Revised the re-enrollment hierarchy under § 6498(l) to extend the Bronze to Silver auto-enrollment to all cost-sharing reduction (CSR)-eligible enrollees (replaced the at-or-below 150% federal poverty level (FPL) income limitation with at-or-below 250% FPL) when the Silver plan has a zero-dollar net monthly premium.
- ❑ Expanded the affordability crosswalk procedure under § 6498(l) to automatically move Gold and Platinum enrollees into CSR-Silver plans during the upcoming renewal if: (1) their income is at or below 250% FPL; and (2) they are eligible for a Silver cost-sharing reduction plan at the same or higher actuarial value (AV) and the same or lower net monthly premium with the same carrier in the same product.

SPECIAL ENROLLMENT PERIOD, CONT.

- ❑ Revised SEP coverage effective dates under § 6504(h) to, beginning January 1, 2025:
 - For those who lose coverage (including loss of COBRA continuation coverage when the employer contributions or government subsidies completely cease), add a new effective date option of “the first of the month in which the loss of coverage occurs if the consumer picks a plan before the first of that month.”
 - For those who permanently move or newly meet the non-incarceration requirements, allow the coverage to be effective:
 - ❑ On the first day of the month following the date of the triggering event if the plan selection is made on or before the date of the event; or
 - ❑ On the first day of the month following plan selection if the plan selection is made after the date of the triggering event.

NEXT STEPS

- ❑ Government Code section 100504(a)(6) requires the Board to discuss proposed regulations at a properly noticed meeting before adopting them.
 - The board discussed the proposed regulations at the August 17, 2023 Board meeting.
- ❑ The Office of Legal Affairs now requests the Board to formally adopt this regulation package so it can be filed with the Office of Administrative Law.

PUBLIC COMMENT

CALL: (877) 336-4440

PARTICIPANT CODE: 6981308

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- ❑ 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.

COVERED CALIFORNIA STRATEGIC PLAN

FISCAL YEAR 2023-24 THROUGH 2025-26

Jessica Altman
Executive Director



Strategic Pillars

The **Pillars** are the ways we achieve our mission and vision.

Affordable Choices

We connect consumers to financial assistance and a choice of affordable plans and providers that give them the best value.

Quality Care

We ensure consumers consistently receive accessible, equitable, high-quality care.

Organizational Excellence

We foster a nimble culture of continuous improvement that empowers and motivates our team to deliver on our mission with high standards.

Reaching Californians

We are unwavering in our pursuit to reach Californians and connect them to comprehensive and affordable coverage.

Catalyst for Change

We pioneer new ideas and disseminate our learnings to drive improvement in health care in California and nationally.

Exceptional Service

We provide the highest level of service and exceed our consumers' expectations.

DIVERSITY, EQUITY, INCLUSION

We apply this lens in all our work to improve the health and experience of our consumers and to create and support a workforce reflective of our core values and the people we serve.

- ❑ Under each of these pillars are between three and five goals designed to help us achieve our objectives
- ❑ The goals are supported by an action plan our Leadership team will be executing on over the next three years

ACTION ITEM: COVERD CALIFORNIA STRATEGIC PLAN FISCAL YEAR 2023-24 THROUGH 2025-26

The Executive Team is seeking Board approval to move forward with Covered California's 2023 – 2025 Strategic Plan:

- ❑ Our vision and mission remain unchanged
- ❑ Establishes five core values for the organization
- ❑ Establishes six strategic pillars that help us achieve our mission and vision
- ❑ Establishes goals under each pillar that guide our work in each area

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UPDATE TO CONFLICT-OF-INTEREST CODE

Allison Pease
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Office of Legal Affairs

BACKGROUND

- ❑ The Political Reform Act requires state agencies to adopt a Conflict-of-Interest Code.
- ❑ The Conflict-of-Interest Code identifies designated positions and requires those employees who make or participate in making governmental decisions to disclose certain financial interests to help avoid conflicts of interest.
 - The Conflict-of-Interest Code is reviewed by the Fair Political Practices Commission (FPPC) and submitted to the Office of Administrative Law.
- ❑ Agencies are required to review their codes every two years and update the code when positions change or are created.
- ❑ The current Conflict-of-Interest Code was last updated in January 2020.

CONFLICT OF INTEREST CODE COMPONENTS

Two primary components:

- ❑ List of Designated Positions: The positions in the agency that are required to disclose certain financial interests and file a Statement of Economic Interests (Form 700).
 - Example: Division directors.
- ❑ Disclosure Categories: The specific types and sources of financial interests that must be disclosed on Form 700s.
 - Example: Income from health insurance carriers or IT consulting firms.

SUMMARY OF PROPOSED CHANGES

- ❑ Update the list of designated positions to align with the addition of new positions as well as changes in duties and responsibilities of existing positions since 2020.
- ❑ Clarify the first disclosure category so that code filers know which financial interests must be disclosed.
 - Specify that financial interests in non-profit foundations or endowments formed or funded by health insurance carriers or any other health care entity must be disclosed.

NEXT STEPS

- ❑ After discussion at this meeting, staff will:
 - Initiate a 45-day public comment period, which will run from October 6, 2023 to November 20, 2023;
 - Bring comments and changes back to the Board for review and possible action at its January 18, 2024 meeting; and
 - Submit to FPPC for final review and approval.

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