COVERED CALIFORNIA POLICY AND ACTION ITEMS

August 15, 2024 Board Meeting

PROPOSED POPULATION HEALTH INVESTMENTS

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Chief Deputy Executive Director,
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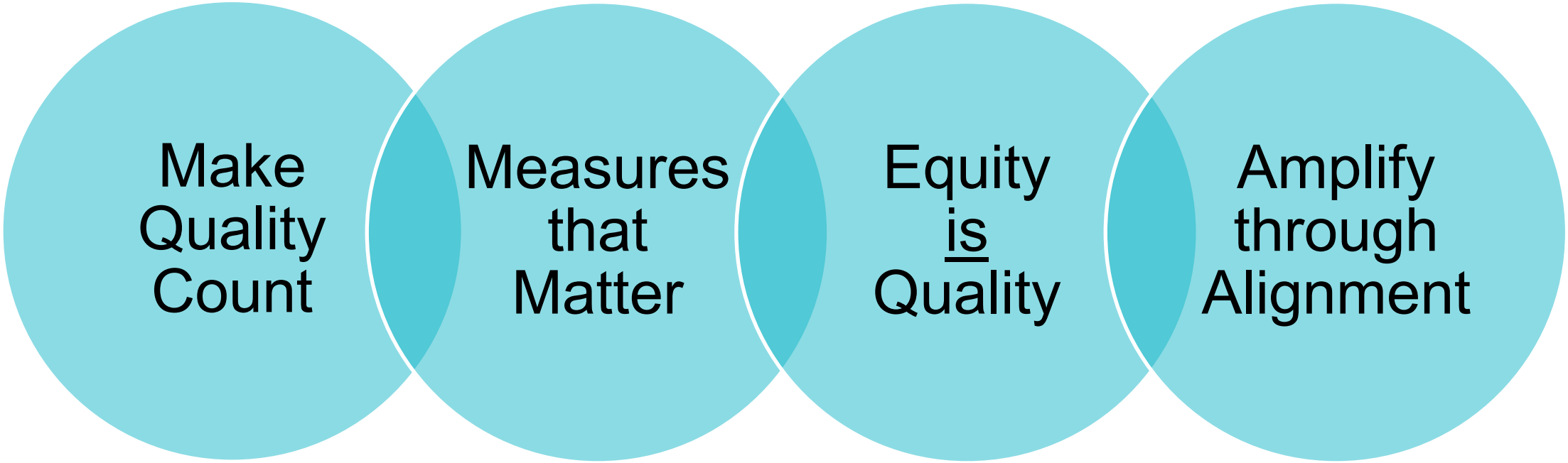
QUALITY TRANSFORMATION INITIATIVE



0.8% to 4% premium at risk for

a small set of clinically important measures

stratified by race/ethnicity

selected in concert with other public purchasers*

*Public purchasers includes CalPERS and DHCS/Medi-Cal

GUIDING PRINCIPLES: USE OF FUNDS

Centered on goal to improve health outcomes for Covered California enrollees

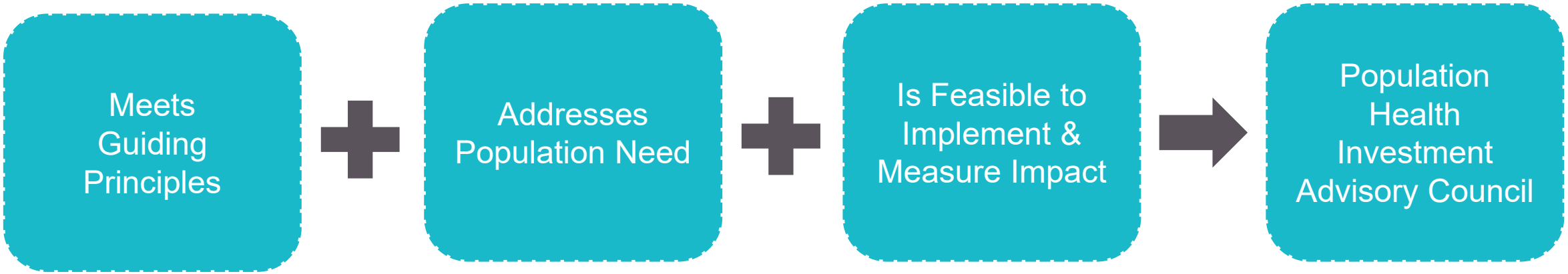
Equity First: funds should preferentially focus on geographic regions or communities with the largest identified gaps in health and quality among California subpopulations

Direct: use of funds should lead to measurable improvements in quality and outcomes for enrollees that are related to QTI Core Measure performance

Evidence-based: use of funds should be grounded in approaches that have established evidence of success in driving improvements in quality or outcomes

Additive: funds should be used to advance quality in a currently underfunded arena.

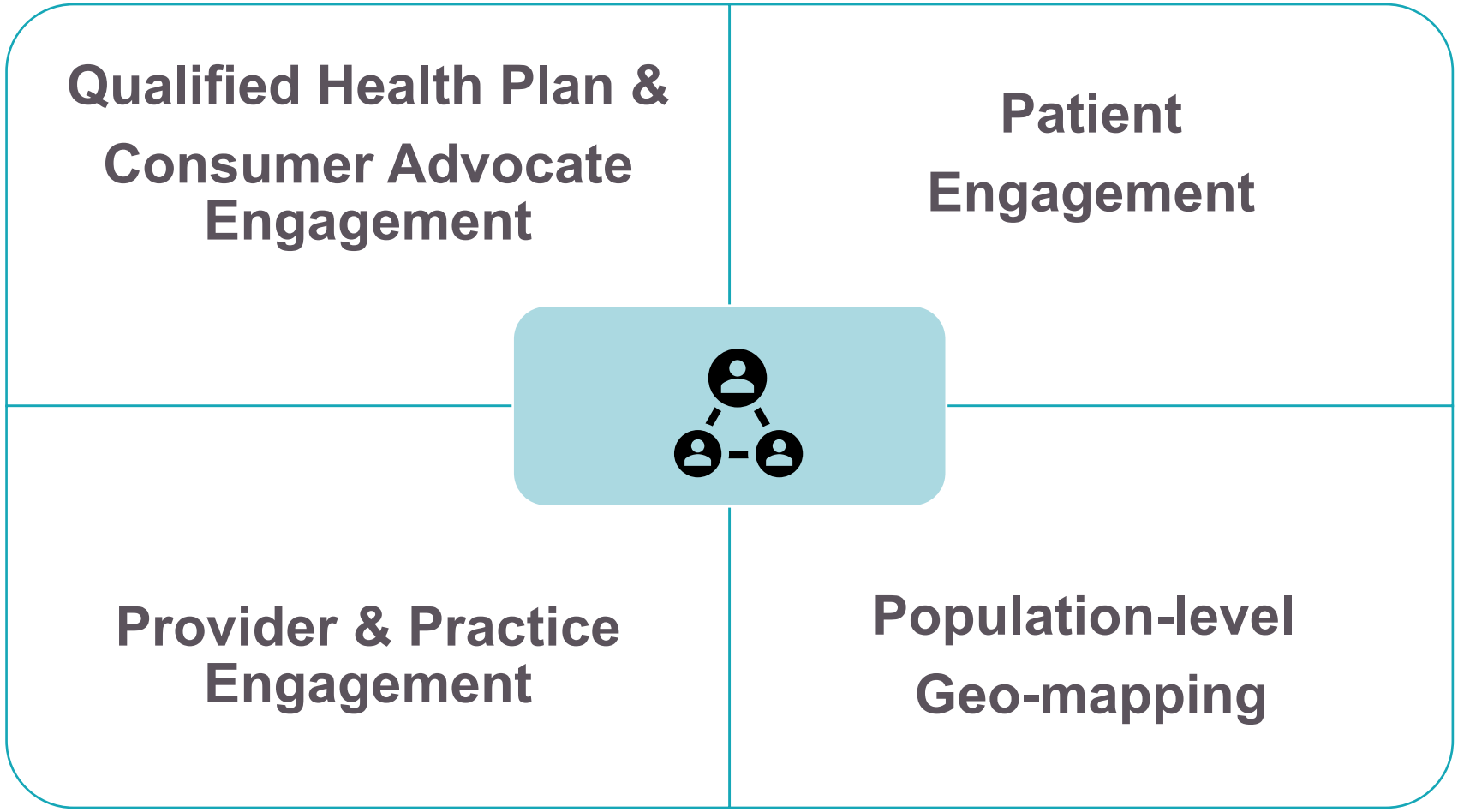
POPULATION HEALTH INVESTMENTS: SELECTION CRITERIA



A prioritized list of Population Health Investments (PopHI) was assembled after **14 months of stakeholder engagement** and **input from constituents**, including Covered California current enrollees, QHP issuers, consumer advocates, clinicians who serve Covered California enrollees, professional associations and public purchasers. **9 public meetings** were held, and **6 weeks of written comments** were solicited through the PopHI Advisory Council and Plan Management Advisory Group.

POPULATION NEEDS ASSESSMENT

Themes and indicators of where investment is needed emerged



CONSUMER ADVOCATE ENGAGEMENT

Goal: To receive feedback from Consumer Advocates on what barriers they perceive to most strongly impact achievement of quality care for members and how to advance health and wellness

Method: 1:1 meeting series, plan management advisory group, written comment opportunities

Themes and Learning

- Recommend **working across siloes** to bridge programs available in DHCS/Medi-Cal and other state departments given fluidity of enrollment and mixed family status
- Need to continue to **hold QHP issuers accountable** for full spectrum of responsibilities, which includes access, quality, and equity
- Address **underlying financial barriers**, not limited to just cost of coverage, but also related financial burden of access and other immediate health related social needs
- Ensure place-based and regional investments are not a proxy for addressing **racial and ethnic inequities**
- **Increase transparency** of quality and equity reporting at issuer level and across purchaser programs

Next Steps: Continued meetings in fall for next phase of implementation

QHP ISSUER ENGAGEMENT

Goal: To inventory current interventions deployed and remaining challenges plans face while striving for the 66th percentile for QTI measures

Method: 1:1 meeting series, carrier calls, plan management advisory group, written comments

Themes and Learning

- Significant **new investments made in quality** (new departments, staff, vendors), although some work did not ramp up until 2023 therefore impact not yet seen
- **New senior and executive leadership commitment** given financial impact
- Several **new vendors** launched, some with good success, but others without desired impact
- **Increased incentive dollars** utilized at member level targeting eligible members
- Impacted or limited provider availability and **workforce shortages**
- **Increased in-home services** (in-home lab testing and colorectal cancer screening mailers)
- **Provider contracts** with additional dollars or increased weighting of measures
- New infrastructure for **direct to member outreach** as well as enhanced **data exchange**
- Concern that plans are being held accountable for **"non-compliant" members or families** and that **plans should be held harmless**

Next Steps: Additional 1:1 issuer meetings scheduled August-September for next phase of implementation

PROVIDER ENGAGEMENT

Goal: To gain insights into the challenges and barriers practices face in delivering quality care for Covered California members for consideration in Population Health Investment selection

Method: 1:1 listening sessions with practices with large volumes of attributed Covered California members

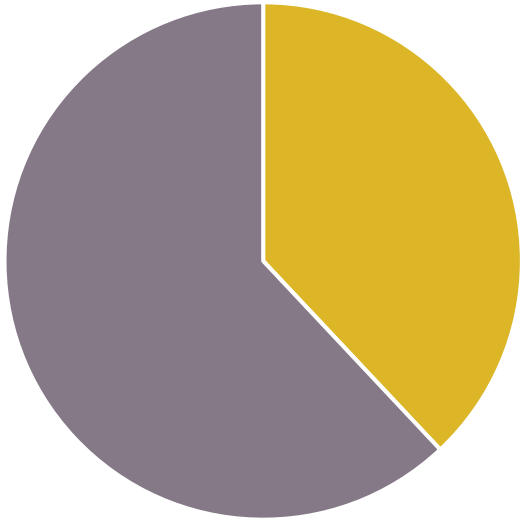
Themes and Learning

- **Payor-agnostic practice patterns** and workflow
- **Challenges with access** for patients in primary care, pediatrics, and ancillary services for preventive screenings
- Struggles with **workforce turnover**: provider, nursing staff, and ancillary staff such as technicians and front and back office
- **Sub-optimal data exchange**, lack of interoperability & inconsistent electronic medical record use, especially in small, independent practices
- Desire to **engage with community-based organization** to address health-related social needs, but varying levels of capacity and maturity

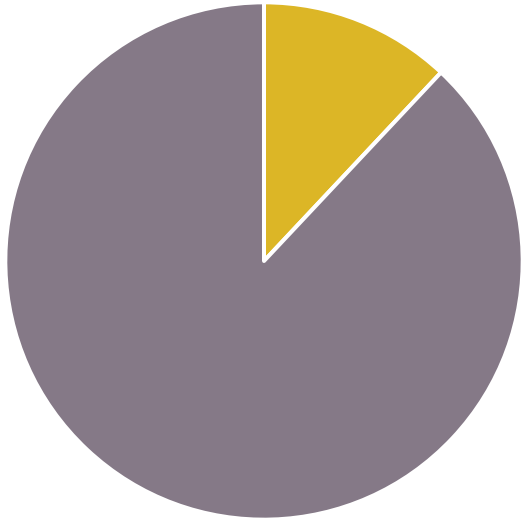
Next Steps: Meetings with clinical leaders of large volume practices and attend provider dinners hosted by issuers and medical associations

SNAPSHOT OF OUR ENROLLEES

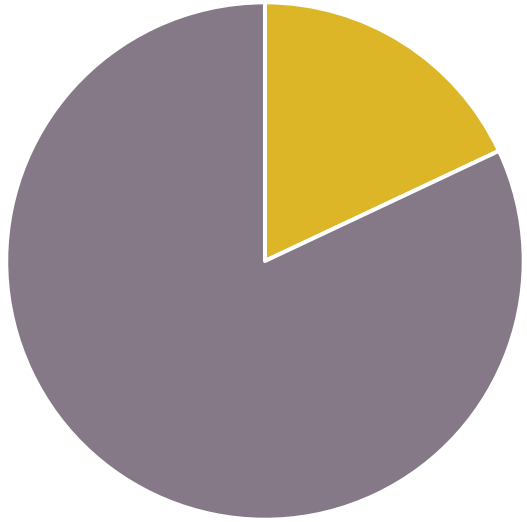
Covered California enrollees have a high prevalence of medical, mental health, and social health needs.



38% of all enrollees have a chronic condition



12% of all enrollees have a mental health diagnosis



18% of all enrollees live in Healthy Places Index lowest Quartile

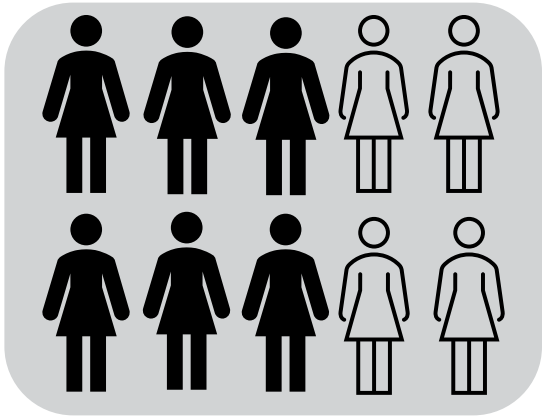
2022 on-exchange member data from Health Evidence Initiative all plan claims database

SNAPSHOT OF OUR ENROLLEES

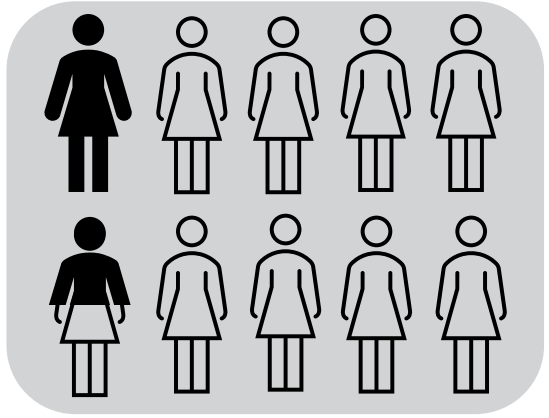
- **60%** of Covered California enrollees (880,770 total individuals) at **FPL 250% or less**
- **47%** of new members report feeling like they **do not have enough money to make ends meet** in the last 12 months

Of enrollees at FPL <200%

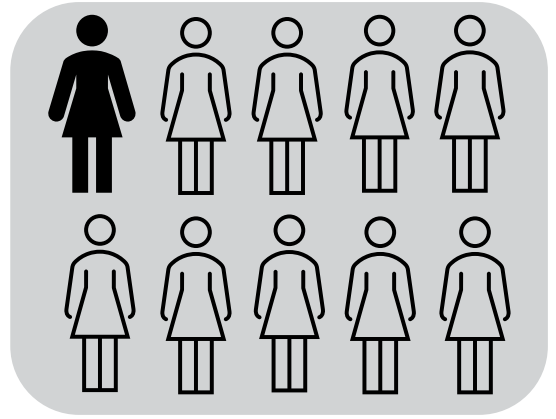
58% of new members who reported **food insecurity** had an FPL < 200%



16% were concerned that in the next 60 days, they **may not have stable housing**



9% have **experienced homelessness** (2% in the past year and 1% currently)



PATIENT ENGAGEMENT

Goal: To gain insights into the challenges and barriers members face in managing their health conditions that will inform selection of Population Health Investments

Method: Outbound calls made to members with a diagnosis of diabetes and/or hypertension to gather qualitative feedback on successes and challenges with chronic disease management

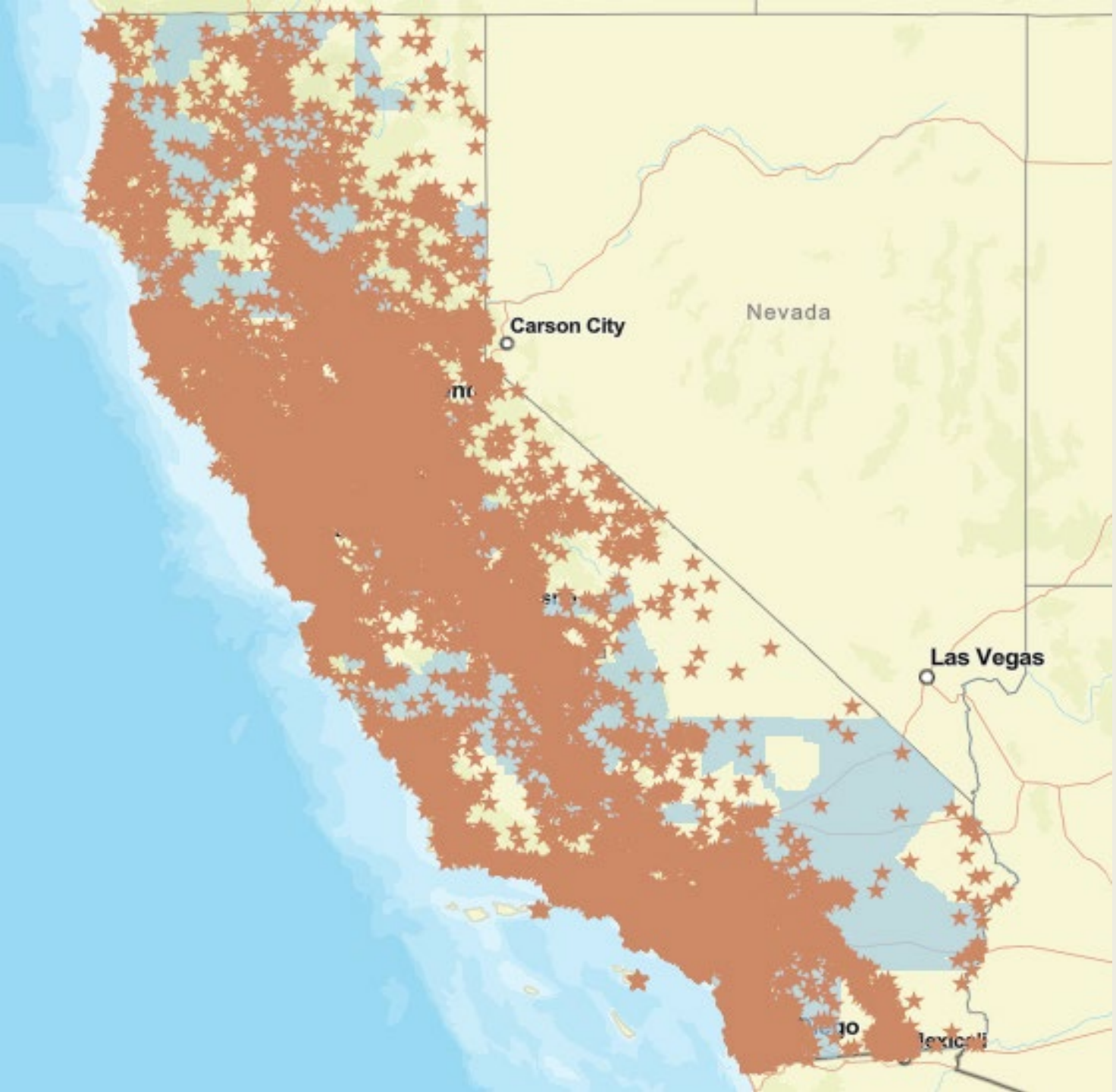
Themes and Learning

- Attempts to adopt healthier habits, although **barriers** like **affordability** or **time** often hinder their efforts
- **Rising** out of pocket and premium **costs** pose significant financial challenges for some members
- Difficulties finding **culturally sensitive care** or desired providers
- Challenges with **access** including rushed consultations and **long wait time** for appointments
- **Personal barriers** experienced that prevent some members from obtaining food, such as changes in the economy and current job situations
- Attempts to try to **save money** or **ration food** on a weekly basis
- Barriers related to **transportation**, such as not having enough **money for gas** or needing to take a bus distances to go grocery shopping
- Additional **financial concerns** and advocacy for **funds** to help **support utility bills** and/or **rent**
- Members concluded that **additional monetary support** in the range of **$100-$200 / month** would be most beneficial

Next Steps: Final analysis of survey and continued patient calls

REGIONAL GEOMAPPING

Overlay of Covered California Rating Regions and Healthy Places Index Quartile 1 (Least Healthy Areas)



REGIONAL GEOMAPPING

Overlay of Healthy Places Index Quartile 1 and Covered California enrollees within FPL 200-250%

REGIONAL GEOMAPPING

Overlay of Healthy Places Index Quartile 1 and Covered California Rural Dwelling Population

POPULATION HEALTH INVESTMENT ADVISORY COUNCIL

Membership:

The Advisory Council consists of 10 to 12 members plus Ex Officio, including the following:

- Qualified Health Plan Issuers (2-3)
- California-based Government Officials (2)
- Consumer, Consumer Advocates, Thought Leaders, and Experienced Professionals (4-6)
- California-based Providers (2-3)
- Ex Officio (2)
  - California Department of Health Care Services
  - California Public Employees' Retirement System

Participants:

- **Tomás Aragón, MD, DrPH -** Director and State Public Health Officer, California Department of Public Health
- **Palav Babaria, MD, MPH -** Deputy Director & Chief Quality and Medical Officer, QPHM, Department of Health Care Services
- **Corrin Buchanan, MPP -** Deputy Secretary for Policy and Strategic Planning, CalHHS
- **Tracy M. Imley, MD -** Regional Assistant Medical Director, Quality and Clinical Analysis, Southern California Permanente Medical Group
- **Amanda Johnson -** Deputy Director, State and Population Health Group, CMS Innovation Center
- **Edward Juhn, MD, MBA, MPH -** Chief Quality Officer, Inland Empire Health Plan
- **Julia Logan, MD -** Chief Clinical Director, Clinical Policy & Programs Division, CalPERS
- **Peter Long, PhD -** Executive Vice President, Strategy and Health Solutions, Blue Shield of California
- **Bianca Mahmood** - Covered California Consumer
- **Sarita Mohanty, MD -** President and Chief Executive Officer, The SCAN Foundation
- **Cary Sanders, MPP -** Senior Policy Director, California Pan-Ethnic Health Network
- **Kristof Stremikis, MPP, MPH -** Director, Market Analysis and Insight, California Health Care Foundation
- **Sadena Thevarajah, JD -** Managing Director, Health Begins
- **Raymond Tsai, MD, MS -** Vice President, Advanced Primary Care, Purchaser Business Group on Health

ASSESSMENT CRITERIA

Assessment Criteria	Description
Does it meet guiding principles?	▪ **Equity First:** Funds should preferentially focus on geographic regions or communities with the largest identified gaps in health and quality among California subpopulations. • **Direct:** Use of funds should lead to measurable improvements in quality and outcomes for members that are related to QTI Core Measure performance. • **Evidence-based:** Use of funds should be grounded in approaches that have established evidence of success in driving improvements in quality or outcomes. • **Additive**: Funds should be used to advance quality in a currently underfunded arena.
Does it address the population need?	▪ In effort to better understand population need, Covered California interviewed **QHP issuers** and **consumer advocates** and conducted qualitative and quantitative studies of member challenges achieving health and wellness using Covered California's annual member survey and direct outreach calls to **members** with chronic conditions. ▪ Covered California also engaged **providers** who care for high volumes of Covered California members to understand challenges and barriers these practices face in delivering quality care for Covered California. Further, Covered California launched a **Geographical Information System (GIS) mapping** project to understand population-wide environmental influences and drivers of health.
Is it feasible to implement and is its impact measurable?	Covered California assessed **feasibility** according to examples of implementation of similar programs and evaluated scale and timeline considerations. Covered California also assessed the ability to do data-driven evaluation of the PopHI.

PROPOSED 2025 POPULATION HEALTH INVESTMENTS

1

Early Investments in Childhood Health and Wellness

- Funds deposited directly into CalKIDS Child Savings Account to incentivize timely vaccination and well-child visits
- Targets families with newborns enrolled in Covered California and children under 2 years old

2

Direct Investments to Enhance Food Security

- Reusable cards loaded with funds available for use at grocery stores and other retailers with food facilitated by a third-party for disbursement and data collection.
- Targets Covered California members with income levels below 250% of the Federal Poverty Level (FPL), with a chronic condition, and identified as food insecure

3

Equity and Practice Transformation

- Funds will accelerate adoption of practice transformation through high-quality, 1:1 coaching, subject matter expertise, and foster sustainable practice change and disseminate innovative models statewide.
- Targets primary care practices enrolled in DHCS EPT program and serving Covered California enrollees

THE HEALTH OF KIDS IN CALIFORNIA

- California's ranking is among the lowest in the nation for children's healthcare
- Having a PopHI focused on children, emphasizes the importance of this special population
- We are also in alignment with other California public purchasers, even though Covered California has a relatively small pediatric population.

California

Ranking Highlights[a]

How Health Care Performance Changed in California[b]

Prevention & Treatment	2023 Scorecard			
Adults with all age- and gender-appropriate cancer screenings	2020	65%	69%	76%	43
Adults with age-appropriate flu and pneumonia vaccines	2021	40%	42%	54%	35
Adults vaccinated against COVID-19 with a booster	2022	52%	42%	63%	9
Diabetic adults without an annual hemoglobin A1c test	2021	16%	10%	4%	48
Children without all recommended vaccines	2021	31%	28%	12%	37
Children with a medical home	2020–21	41%	46%	55%	46
Children without a medical and dental preventive care visit	2020-21	46%	38%	26%	50
Children who did not receive needed mental health care	2020–21	21%	20%	11%	38
Adults age 18 and older with any mental illness who did not receive treatment	2019–20	63%	55%	41%	49

The Commonwealth Fund

Source: Commonwealth Fund 2023 Scorecard on State Health System Performance

PEDIATRIC HEALTHCARE GAPS IN COVERED CALIFORNIA PLANS

- **Deficient Well-Child Visits:** In 2022, out of 15 total plan products, 12 were eligible for evaluation, and 11 of these fell below the 50th percentile, impacting 79% of enrolled children under 2. Under 79% of children at critical growth milestones (15-30mos) had sufficient well-child visits in the past 15 months.
- **Well-Care Visits Lagging for Youth:** 11 out of 14 plan products in 2022 underperformed, affecting 77% of youth 3-21 years old. Less than half of 3 to 21-year-olds received essential well care visits with their PCP.
- **Childhood Immunization Rates Fall Short:** Of the 11 of plan products evaluated in 2022, 5 scored below the 50th percentile. As a result, fewer than 45% of 2-year-olds achieved appropriate immunizations.

Source: MY2022 CMS QRS Data

PROPOSED STRUCTURE OF POPHI: EARLY INVESTMENTS IN CHILDHOOD HEALTH AND WELLNESS

Funding of CSA as the Incentive

Targeted population includes all newborns enrolled in Covered California and children under 2 years old, underscoring the critical nature of early vaccination for lifelong health.

+

Just-In-Time Nudges

Incentive deposited directly into CalKIDS account tied specifically to vaccine series timing. Influenza vaccine series with larger incentive to increase adoption.

+

Scalable Outreach and Education

Culturally tailored tech-enabled outreach paired with on the ground trusted messengers in community starting during prenatal period to optimize uptake.

EARLY INVESTMENTS IN CHILDHOOD HEALTH AND WELLNESS

Meets Guiding Principles

- ✓ *Equity First*
- ✓ *Direct*
- ✓ *Evidence-Based*
- ✓ *Additive*

+

Addresses Population Need

- ✓ *Underperforming area for Issuers as well as California*

+

Is Feasible to Implement & Measure Impact

- ✓ *Builds on existing infrastructure*
- ✓ *Well-defined measures of success*

FEEDBACK THEMES TO DATE

1

Early Investments in Childhood Health and Wellness

- Support for addition of culturally and linguistically responsive **financial coaching**
- Interest in amplifying focus on the **influenza vaccine**
- Advised consideration of long-term versus short-term incentives and the importance of **addressing immediate enrollee needs**
- Support for **consistent messaging** across health plans, clinicians and other stakeholders
- Families would benefit from **funds immediately available** for their use
- Encouragement for a multi-pronged approach that also allows for **provider incentives**
- Concern over timing and **implementation cost** of PopHIs
- Concern that **non-duplication** of the work of QHP Issuers is a foundational element of PopHI selection

COVERED CALIFORNIA ENROLLEE SURVEY

Population Focus: Members with Chronic Conditions

English
819 total respondents
Email survey conducted June 6th - 27th, 2024

Spanish
139 total respondents
Email survey conducted June 13th – July 5th, 2024

Response Insights

Needs

- High rates of food insecurity
  - 38% of English respondents
  - 63% of Spanish respondents
- Transportation insecurity is prevalent
  - 16% of English respondents
  - 32% of Spanish respondents

Desired Help

- Assistance with food and transportation are most cared about
- Followed by financial support for higher education for kids

Maximizing Impact of Funds

- Minimum amount for impact is $80/m
  - 34% of English respondents
  - 39% of Spanish respondents
- Prefer smaller amounts but more frequent disbursements
  - 44% of English respondents
  - 47% of Spanish respondents

"I live in a rural area. The only grocery store is very **expensive**. Therefore, I have to **drive an hour** to a major chain grocery store. **The cost of transportation** is a major factor for me."

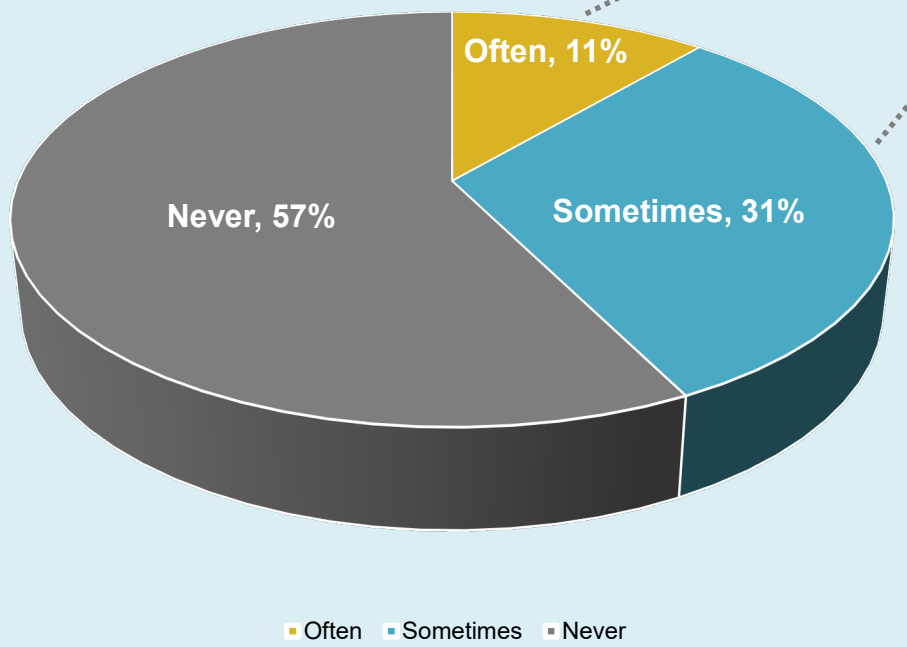
"Eating **healthy costs more** than, you know, than eating junk."

"It would have been helpful if someone had been like, oh, here's a **taxi voucher or let us call an Uber** for you."

"We **need assistance** with the cost of utilities, food, and medical. All have increased so much that **we cannot make it**."

HIGH PREVALENCE OF FOOD INSECURITY

Responses to Hunger Vital Sign Question #1 (n=958)

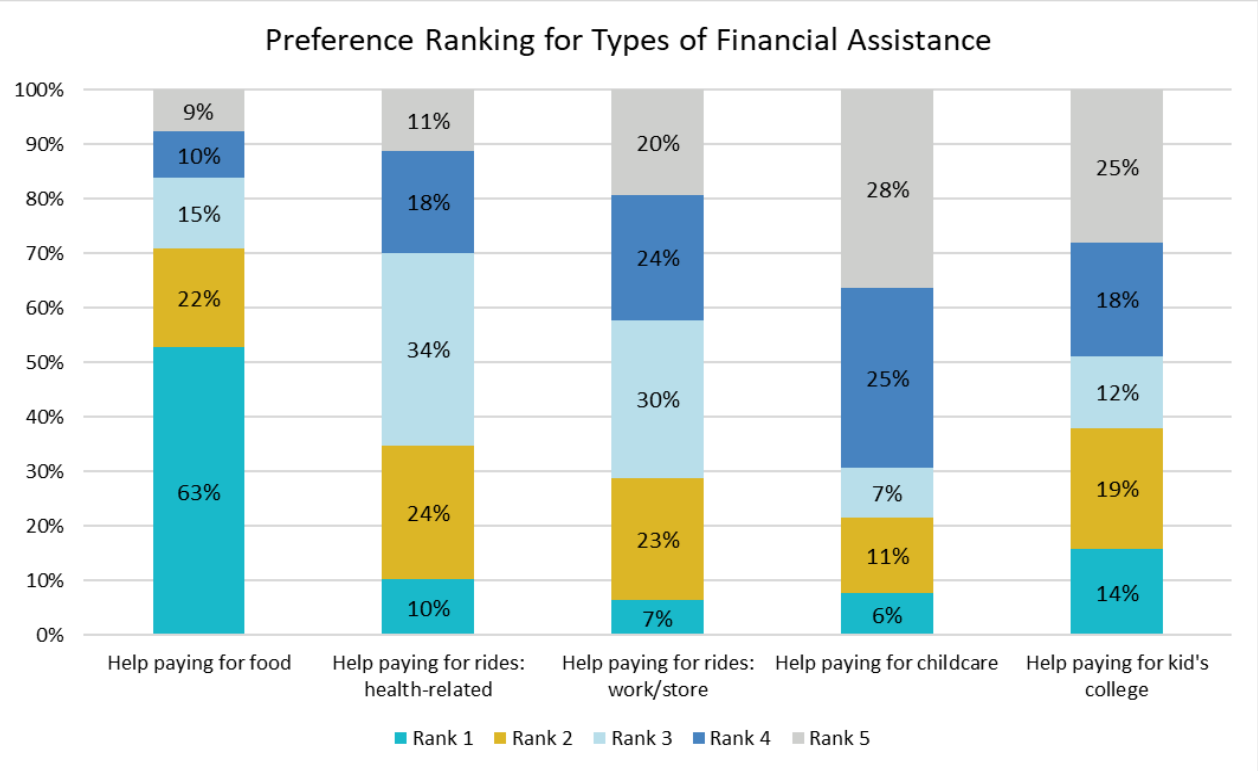


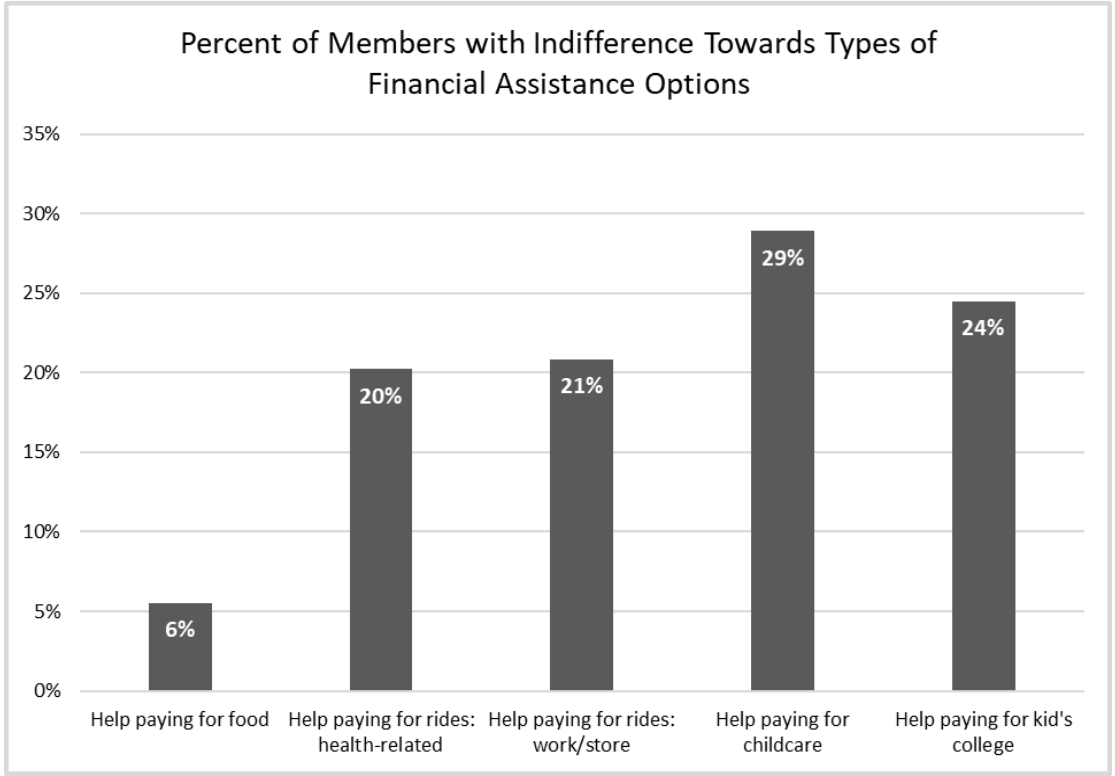
For people who endorsed food insecurity (answered "Often" or "Sometimes"), they requested help with:

- Health insurance costs such as premiums, deductibles
- Prescription drug costs
- Access to and affordability of healthy foods
- Affordability of utilities and housing assistance

PREFERENCES FOR FINANCIAL SUPPORT

Members endorsing food insecurity were asked to rank their preferences for what type of financial help would be most beneficial to them.





PROPOSED POPHI:
DIRECT INVESTMENT TO ENHANCE FOOD SECURITY

Proposed PopHI Structure

- Eligible Population: FPL < 250% + Chronic Condition + Positive Screen for Food Insecurity

- Reusable card with funds loaded
- Merchant codes restricted to food retailers (inclusive of food retailers which sell other goods)

- Third-party partner supports funds disbursement and survey data collection
- Participating enrollees are surveyed at regular intervals as part of funds dissemination on outcomes

- Utilization of cards as well as merchants accessed is tracked and reported on a monthly basis

DIRECT INVESTMENT TO ENHANCE FOOD SECURITY

Meets Guiding Principles

- ✓ *Equity First*
- ✓ *Direct*
- ✓ *Evidence-Based*
- ✓ *Additive*

+

Addresses Population Need

- ✓ *Financial insecurity and instability evident through quantitative and qualitative assessment*

+

Is Feasible to Implement & Measure Impact

- ✓ *Accepted metrics to track*

+/- Requires third party partner to implement

+/- Targeted outreach challenging

FEEDBACK THEMES TO DATE

2

Direct Investments to Enhance Food Security

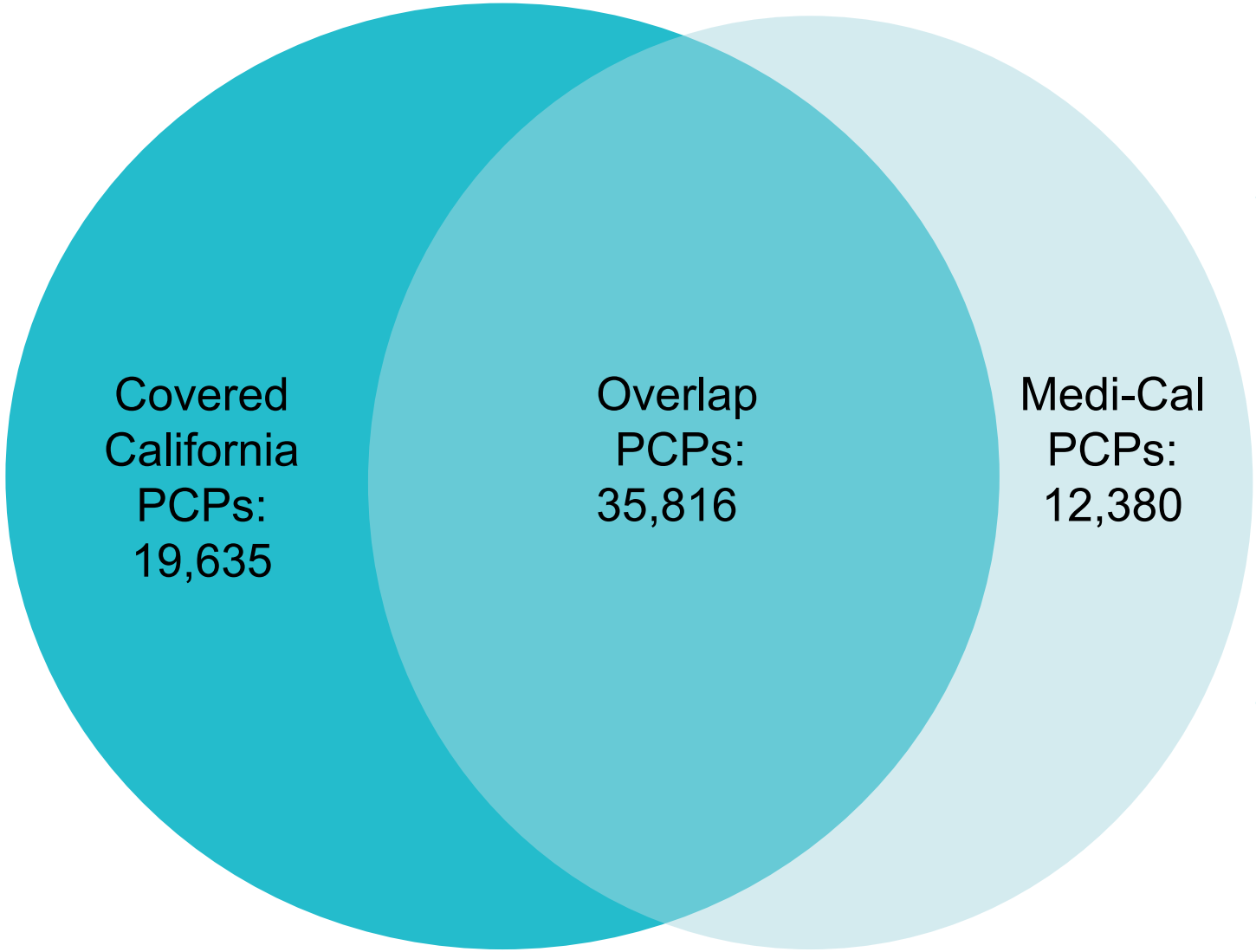
- Support for **addressing immediate needs** and flexibility
- Consideration of **household size** and **composition**
- Inclusion of **chronic conditions** and **rising risk populations**
- Recommended **6-month lock-in** period for intervention
- Potential for **broadening the scope** of eligible purchases
- Advised **collaboration and alignment** with other programs such as CalFRESH and CalAIM via data-sharing and benefits counseling
- Support for a program with **controls** around what products members can purchase
- Support for **funding Community Based Organizations or providers** to develop culturally appropriate nutrition education programs for enrollees with poor blood control or hypertension

QTI MEASURES

Core Measures	Clinical Context
Blood Pressure	Key risk factor for cardiovascular disease (heart attacks and strokes), the leading cause of death in the United States
Diabetes (A1c control)	~50% Californians have prediabetes or diabetes, which is a leading cause of blindness and amputation and key risk factor for cardiovascular disease
Colorectal Cancer Screening	Cancer is the second leading cause of death after heart disease, and colorectal cancer is the second leading cause of cancer death after lung cancer. Screening reduces the risk of developing and dying from CRC cancer by 60-70%
Childhood Immunizations	Childhood immunizations prevent 10.5m diseases annually. For every $1 spent on immunizations, there is as much as $29 in savings

Success depends on presence of advanced primary care which is person-centered, accessible, team-based, data driven, and provides care coordination.

PRIMARY CARE PROVIDER NETWORK OVERLAP



74% of all Medi-Cal primary care providers are in-network for Covered California enrollees

Analysis used Primary Care Provider NPI from October 2023 Provider Files

MEDI-CAL EPT PROGRAM
INVESTMENT TO ADVANCE EQUITABLE CARE STATEWIDE

Goal: Improve primary care for Medi-Cal enrollees

- Advance equity
- Reduce COVID-19 driven care disparities
- Invest in upstream care models
- Fund practice transformation aligned with value-based payment models

EPT funding supports direct practice payments and technical assistance through the Learning Center to advance population health practice & outcomes in primary care

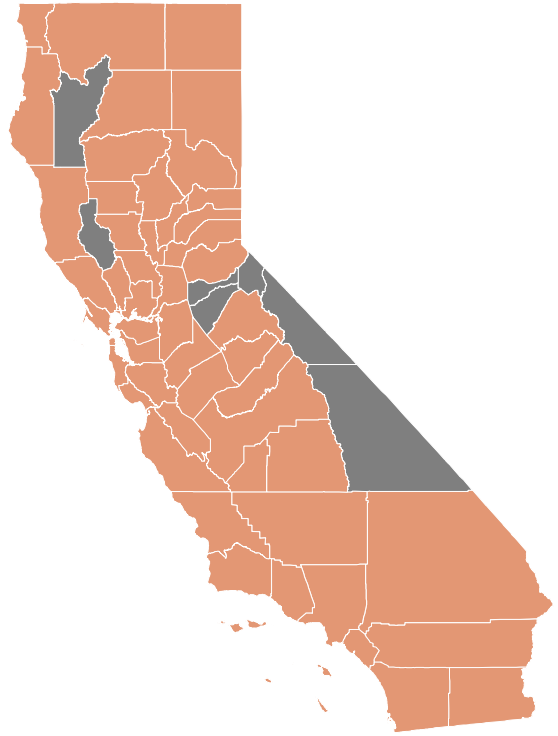
Practice transformation is achieved through:

- **Technical Assistance** to participating practices including training, tools, resources and peer learning to advance specific PHM capabilities.
- **Direct payments** to practices when program milestones are met, as evidenced by deliverables that demonstrate PHM competencies and achievement of outcomes

Practices accepted to EPT program include:

- Health Centers
- Independent Practices
- Public / County Hospitals
- Tribal Healthcare Practices

Many practices are small and in **under-resourced communities** (83% in Healthy Places Index Quartiles 1 or 2). Most CA counties are represented.



PROPOSED POPHI: EQUITY AND PRACTICE TRANSFORMATION

Proposed PopHI Structure

- Leverage EPT infrastructure to accelerate population health management capabilities in practices serving both Covered California and Medi-Cal enrollees

- Support high quality, 1:1 practice-level coaching
- Access to subject matter experts and consultants
- Participation in eLearning resource hub and regional learning communities

- Third party partner provides technical assistance at practice level
- Development of a responsive learning system to distill insights from a diverse practice cohort

- Output includes identification of factors most predictive of success as well as key infrastructure dependencies at a practice level
- Dissemination of promising models to primary care practices across the state

EQUITY AND PRACTICE TRANSFORMATION

Meets Guiding Principles

+

Addresses Population Need

+

Is Feasible to Implement & Measure Impact

- ✓ *Equity First*
- ✓ *Direct*
- +/- *Evidence-Based*
- ✓ *Additive*

- ✓ *Supports needed workforce investments and point of care transformation*

- ✓ *Aligned with DHCS, infrastructure in place*
- +/- *Measures of success for impact*

FEEDBACK THEMES TO DATE

3

Equity and Practice Transformation

- Concern regarding the **long-term sustainability** of efforts
- Importance of **avoiding duplication** of efforts with other organizations and initiatives and support for **partnering with existing entities**
- Push to focus on **high volume Covered California member practices** but also those who need investment based on underperformance on metrics
- Importance of collecting and tracking **provider demographic data**
- Concerns around ensuring **provider engagement**
- Encouragement for **clarity on metrics** and measures used to track success
- Interest in examining list of participating practitioners to determine whether scale will have **impact on QTI outcomes**
- Support for including providers already participating in **other initiatives** such as California Advanced Primary Care Initiative

MODIFICATIONS BASED ON FEEDBACK

1

Early Investments in Childhood Health and Wellness

- Exploring enhanced reporting capabilities to allow QHP issuers visibility into enrolled members
- Curating a resource guide for relevant non-Covered California operated benefits and programs
- Working with Covered California Community Engagement team on regional partnerships
- Adding in a financial coaching arm

2

Direct Investments to Enhance Food Security

- Household size adjustment being built into design
- Exploring enhanced reporting capabilities to allow QHP issuers visibility into enrolled members
- Curating a resource guide for relevant non-Covered California operated benefits and programs
- Working with Covered California Community Engagement team on regional partnerships

3

Equity and Practice Transformation

- Obtaining more detailed practice-level information and decision framework before selecting practices
- Explore informal conversation with EPT practice leadership on remaining needs and gaps
- Re-articulate desired impact and output of Covered California driven investment in EPT focused on practice profiles and predictive factors for success on QTI measures that can be scaled in future

EVALUATION OF POPULATION HEALTH INVESTMENTS

- Design of PopHI includes the ability to randomize, control groups of sufficient size to power outcomes, and data collection to enable rigorous evaluation and output suitable for peer-review journal publication
- Partnerships for qualitative and quantitative assessment of impact currently in place with:
  - UCSF Social Intervention Research and Evaluation Team
  - UCLA Medical-Financial Partnership program

PROPOSED METRICS

Early Investments in Childhood Health and Wellness

Pediatric Care

- Completion of Vaccines - By Vaccine Series & Combo-10 Metric Overall
- Up-to-Date Vaccination Status At Key Child Ages
- Pediatric Primary Care Visit Attendance (on Periodicity Schedule)
- Retention in Care & Insurance Coverage

Parent/Caregiver Outcomes

- Self-Efficacy
- Health Status, including Mental Health
- Educational Expectations
- Financial Health and Well-Being

Child Outcomes

- Rate of Developmental Delay
- Socio-Emotional Development
- Early Relational Health

Direct Investments to Enhance Food Security

Health Outcomes

- Self-reported physical, emotional and mental health
- Healthy Days at home
- Depression as measured by PHQ9 (or PHQ2)
- Disease Self-Management
- Impact of medication use

Wellbeing Outcomes

- Individual and household stress
- Self-efficacy
- Impact on household finances; financial trade-offs
- Impact on employment

Health Care Utilization and Cost

Equity and Practice Transformation

Practice Self-Reported Data

- Population Health Management Capabilities, including
  - Leadership and culture
  - Data infrastructure
  - Financial performance
  - Empanelment and access
  - Team-based care
  - Population-based care
  - Behavioral and social health
- EPT milestones

Quality Outcomes

- HEDIS measures, including the 4 QTI measures

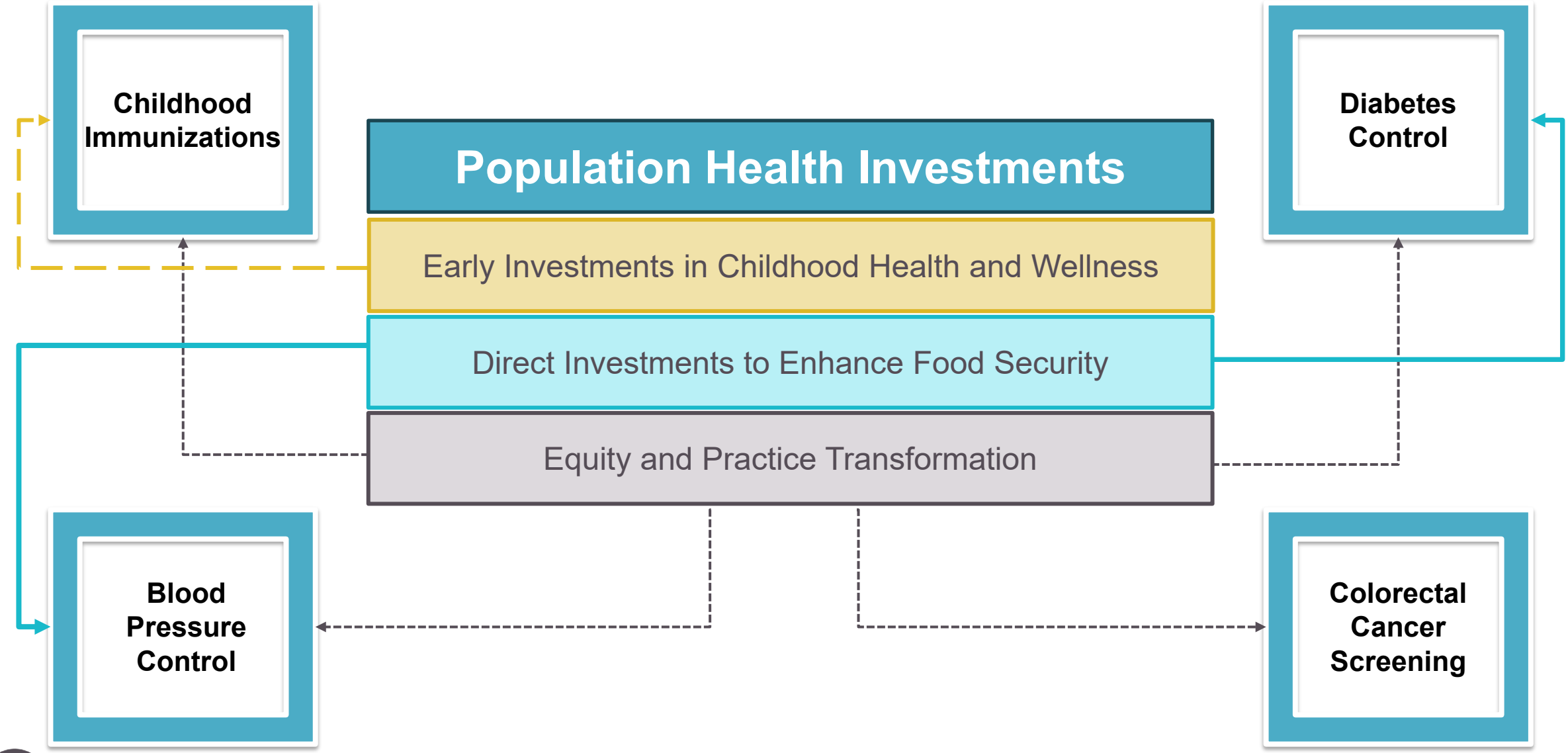
Engagement

- Participation in technical assistance offerings
- Utilization of eLearning Resource Hub

Experience

- Surveys administered to participating EPT practices and individuals
- Workforce well-being

MOVING THE NEEDLE ON QUALITY



PORTFOLIO APPRAISAL

Meets Guiding Principles

- ✓ *Equity First*
- ✓ *Direct*
- ✓ *Evidence-Based*
- ✓ *Additive*

+

Addresses Population Need

- ✓ *Supports members, providers, and QHP issuers*

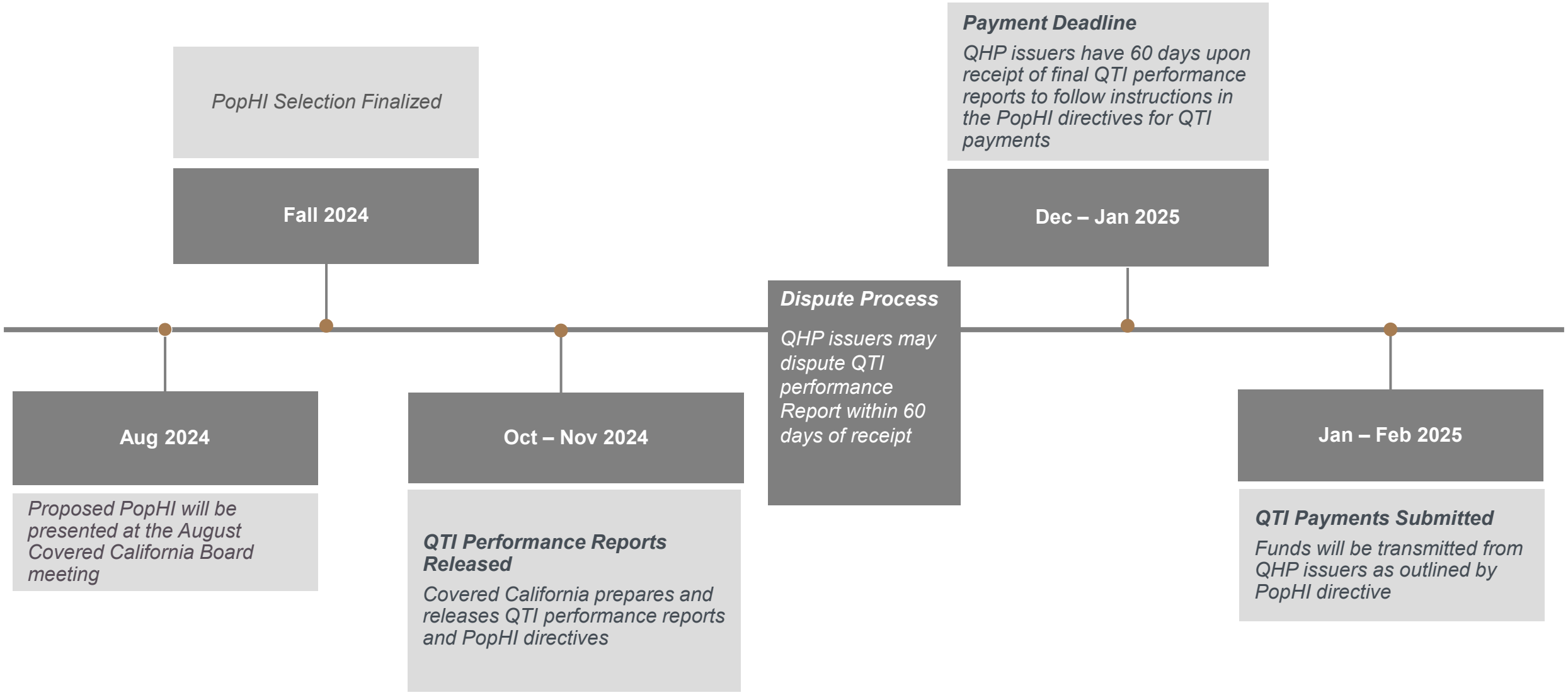
+

Is Feasible to Implement & Measure Impact

- ✓ *Feasible*
- ✓ *Measurable*

Population Health Investments are aligned with DHCS/Medi-Cal's Initiatives such as Community Reinvestment and Community Supports

TIMELINE



COVERED CALIFORNIA

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.

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 align with new federal requirements and implement new consumer-friendly policies.
- 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

- **Lawfully Present eligibility:** Revise the definition of “Lawfully Present” to refer to the updated federal law allowing Deferred Action for Childhood Arrivals (DACA) recipients to be eligible for enrollment and financial assistance beginning November 2024.
- **Advanced premium tax credits (APTC) eligibility and failure-to-reconcile process:** Incorporate new federal rules requiring Exchanges to inform enrollees receiving APTC when they did not file taxes and educate them on the process, as well as consequences if they do not file again for a second consecutive year.

ELIGIBILITY PROCESSES, CONT.

- **Income verification process:** Adopt the existing income inconsistency threshold – the allowed difference between an individual's attested income and what Covered California has obtained from its verification data sources, beyond which the individual may need to provide additional proof of income – of 50 percent or $12,000, whichever is greater, indefinitely without any contingencies.
- **Incarceration status verification:** Clarify that Covered California will accept an applicant's attestation that they are not currently incarcerated without further verification to align with the revised federal process.

ELIGIBILITY PROCESSES, CONT.

- **Auto-enrollment for mid-year eligibility redeterminations:** Add a new process to automatically enroll consumers in a different plan if, during the benefit year, they move to a new area or out of their current plan's coverage area, and they do not cancel their prior plan or choose a new plan. This process will be implemented no later than October 1, 2025.

SPECIAL ENROLLMENT PERIOD

- Make changes to align with federal requirements for special enrollment period (SEP), specifically:
  - Establish a low-income SEP for individuals with household income at or below 150 percent of the FPL indefinitely without any contingencies.
  - Clarify that all tax household members will be eligible for a SEP if one household member experiences a triggering event.

APPEALS PROCESS

- Revise the general eligibility appeals requirements to include the right to appeal an eligibility determination or redetermination for state financial assistance, including the amount of the state advance premium assistance subsidy or the level of the state enhanced cost-sharing reduction.

NEXT STEPS

- Government Code section 100504(a)(6) requires the Board to discuss proposed regulations at a properly noticed meeting before adopting them.
- Staff will request the Board to formally adopt the regulation package at the next scheduled board meeting so it can be filed with the Office of Administrative Law.
- Any additional proposed changes to the proposed emergency regulations for eligibility and enrollment in the individual market will be communicated to stakeholders for review and commenting prior to Action.

PUBLIC COMMENT

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IDENTITY VERIFICATION PERMANENT REGULATIONS

Crystal Hirst
Office of Legal Affairs

BACKGROUND

- Covered California proposes updates to its regulations setting forth the process for verifying applicants' identities when they apply for coverage and financial assistance through the Exchange in alignment with federal requirements.
- 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.

OVERVIEW OF PROPOSED CHANGES

- Revise the definitions to add “Medi-Cal Eligibility Staff” and “Certified Medi-Cal Managed Care Plan Enroller” to the list of individuals who may assist applicants with identity verification and update a cross-reference citation.
- Revise the remote identity verification process to include other HHS-approved data sources which may be used to verify identity without requiring them to be physically present.
- Change “he or she,” “his or her,” and “himself or herself” to “they,” “their,” and “themself” respectively throughout the regulations.

NEXT STEPS

- Government Code section 100504(a)(6) requires the Board to discuss proposed regulations at a properly noticed meeting before adopting them.
- The 45-day public comment period will run from September 2, 2024 to October 18, 2024.
- Staff will request the Board to formally adopt the regulation package at the November 2024 Board meeting so it can be filed with the Office of Administrative Law.
- Any additional proposed changes to the proposed regulations will be communicated to stakeholders for review and commenting prior to Action.

PUBLIC COMMENT

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