

COVERED CALIFORNIA BOARD MINUTES
Thursday, January 18, 2024
Covered California
1601 Exposition Blvd.
Sacramento, CA 95815

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

The meeting was called to order at 10:00 a.m.

Board Members Present During Roll Call:

Jerry Fleming
Kate Kendell
Jarrett Barrios

Board Members Absent During Roll Call:

Dr. Mark Ghaly
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, and personnel matters pursuant to Government Code Section 100500(j) and 11126(a).

The open session was called to order at 12:05 p.m.

At this time, Ms. Alvarez was present.

Agenda Item III: Board Meeting Action Items

November 16, 2023 Meeting Minutes

Board Discussion: None.

Public Comment: None.

Motion/Action: Vice Chair Barrios called for a motion to approve the November 16, 2023, meeting minutes. Ms. Kendell moved to approve the meeting minutes. The motion was seconded by Mr. Fleming.

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, stated that the Board met in closed session to undertake issues related to contracting, and personnel. There were no items to report.

Discussion – Executive Director's Update

Ms. Altman shared that the next Board meeting would be on February 15, 2024, and that there are not currently any plans for a March meeting.

Ms. Altman presented the early results for enrollment trends for 2024. She shared that new enrollments have increased by 11 percent from 2023 and also increased from 2022. She noted that enrollment in Silver level plans increased significantly in 2024. Ms. Altman shared that Covered California will continue to engage with multicultural communities and leaders throughout California to ensure awareness of Covered California's open enrollment.

Discussion – State and Federal Policy/Legislative Update

Ms. Altman shared that the Governor's proposed budget was released and shows a \$37.9 billion deficit with various program reductions, delays, and use of reserves being proposed. She highlighted that all programs relevant to Covered California are still being funded in the budget. Ms. Altman noted that the Governor's proposed budget is subject to negotiation with the State Legislature, and there will be more updates in the spring with the May revise.

Ms. Altman shared that the U.S. Department of Health and Human Services released the proposed 2025 Notice of Benefit and Payment Parameters rule to update standards that apply to marketplaces and health plans under the Affordable Care Act. Covered California provided a comment letter that focuses largely on the new proposal related to minimum network adequacy standards for Qualified Health Plans (QHP) sold through State-based marketplaces. Ms. Altman mentioned that the full comment letter is posted on the Covered California website for viewing.

Discussion – Data and Research

Early Research Insights from Medi-Cal Transitioners: Katie Ravel, Director of the Policy, Eligibility & Research Division, presented six months of data for the Medi-Cal to Covered California Enrollment Program highlighting the key performance indicator metrics. Ms. Ravel noted that the data is showing about 40,000 transitioners eligible for subsidies every month with a 30 percent or higher effectuation rate. Ms. Ravel explained that other data listed such as data on subsidy eligible populations are being closely tracked to understand effectuation at a more granular level. Ms. Ravel also provided an overview regarding the Covered California survey results over 12 months that showed a 10 percent response rate which will help Covered California gather more data on consumers' coverage statuses and experiences with enrollment in order to improve internal processes and tactics.

Board Comments: Ms. Alvarez expressed her appreciation to Ms. Ravel and the team. She asked Ms. Ravel how the data collection effort aligns with the work the Department of Health Care Services (DHCS) is doing to better understand the population that is Medi-Cal eligible.

Ms. Ravel replied that the Covered California and DHCS survey target different population groups.

Mr. Fleming complimented Ms. Ravel and the team for their work and shared that the information gathered from the surveys may help answer what the implications are regarding enrollment and budget information once more data is gathered.

Ms. Kendell offered her congratulations and asked if there is a number the uninsured will not go below.

Ms. Altman explained that the answer to that question is dependent on the policy changes taking place. She shared that Covered California believes more progress can be made with reaching out to the eligible uninsured populations, but that the work needs to become more tailored and targeted to understand why Covered California is not reaching the uninsured consumers.

Vice Chair Barrios asked for clarification regarding the reporting of “Auto Plan Selection” consumers in the data presented by Ms. Ravel, given they were no longer eligible.

Mr. Ravel replied that the consumers returned to Medi-Cal after Covered California assigned them a plan even though they were still eligible.

Public Comment: Beth Capell, representing Health Access, expressed her organization’s excitement of the Covered California survey results and noted that her organization looks forward to more progress in enrolling uninsured individuals.

Cary Sanders, representing the California Pan-Ethnic Health Network, echoed the comments of Ms. Capell and expressed appreciation of the work being done by Covered California.

Doreena Wong, representing Asian Resources Inc., echoed the comments of Ms. Sanders and Ms. Capell and expressed her organization’s appreciation to Covered California. She echoed the comments of Ms. Alvarez and Ms. Kendell and noted the concern for the number of uninsured individuals.

Agenda Item V: Covered California Policy and Action Items

Action – Update to Conflict-of-Interest Code

Allison Pease, Assistant General Counsel of the Office of Legal Affairs, presented background information regarding Covered California’s Conflict-of-Interest Code. She explained that Covered California seeks to revise its Conflict-of-Interest Code through regulation to update the list of designated positions and clarify which financial interests must be disclosed. She shared that staff initiated a 45-day public comment period, and no comments were received. Ms. Pease noted that no substantive changes had been made since the last Board meeting discussion.

Ms. Pease explained that if the Board approves Covered California's Conflict-of-Interest Code, Covered California will submit the updated code to the Fair Political Practices Commission for final review and approval. She explained that the Conflict-of-Interest Code would also be submitted to the Office of Administrative Law for approval and filing with the Secretary of State.

Board Comments: None.

Public Comment: None.

Motion/Action: Vice Chair Barrios called for a motion to approve this action item. Ms. Alvarez moved to approve the action item. The motion was seconded by Ms. Kendell.

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

Action – Navigator Program Request for Application Grant Cycle 2024-27

Terri Convey, Director of the Outreach and Sales Division, presented background information regarding the Navigator Program. She explained that in preparation for the upcoming grant cycle, Covered California conducted an extensive market survey of 100 persons, organizations, and entities to explore how the Navigator Program could be better addressed to help uninsured individuals in California. She shared the feedback received and explained how Covered California would improve the program.

Ms. Convey presented the new model for the Navigator Program which proposes more weighting to be provided to outreach and application assistance when measuring performance. The model also proposes a supplemental outreach grant focused exclusively on outreach and education and includes the enhancement of the enrollment bonus program. Ms. Convey shared that Covered California also seeks to increase the Navigator Program and broaden Covered California's reach in communities. She presented the program funding of the most recent five years as well as the proposed Navigator Program budget for Fiscal Year 2024-2025. Lastly, Ms. Convey shared the timeline for the Request for Application for the 2024-2027 grant cycle.

Board Comments: Ms. Alvarez expressed her appreciation for the work being done and asked how Covered California is collaborating with DHCS to apply lessons from the Navigator Program to other statewide initiatives.

Ms. Convey replied that her team is open to explore deeper collaboration with DHCS.

Ms. Altman highlighted the importance of coordinating programs, understanding shared guaranties, and optimizing processes and system access.

Ms. Kendell echoed Ms. Alvarez's comments and expressed her support in increasing the funding of the program.

Vice Chair Barrios expressed his appreciation to Ms. Convey and the team for their work. Regarding the core funding for new entities for the Navigator Program budget, Mr. Barrios asked how the number of organizations involved in the contract extensions for grantees will be increased beyond the current range.

He also asked about the strategy for the geographic distribution of these organizations, particularly considering demographic shifts in California.

Ms. Convey replied that while it is a forecasting process, the goal is to add at least five good quality Navigators, with a preference for retaining existing ones due to their consistent performance. In terms of geographic distribution, she explained that a system exists to ensure a Navigator location within 15 minutes of drive time for 92 percent of Californians.

Public Comment: Beth Capell, representing Health Access, recognized the improvements made by Covered California regarding the “no wrong door” policy. Ms. Capell also acknowledged the significant role of Navigators in the process.

Doreena Wong, representing Asian Resources Inc., addressed Ms. Alvarez’s question about the Department of Health Care Access and Information certification and clarified the relevance. She expressed appreciation for Ms. Convey and her team for their work on the enhanced Navigator Program.

Mairelise Robinson, representing Asian Americans Advancing Justice, echoed the sentiments of the previous callers, and expressed appreciation to Covered California for ongoing discussions and collaboration.

Héctor Hernández-Delgado, representing the National Health Law Program, expressed his organization’s support and appreciation of Covered California’s continued conversations.

Carrie Sanders, representing the California Pan Ethnic Health Network, echoed the comments of the previous callers. She expressed her organization’s appreciation to Ms. Convey and her team in the work being conducted.

Motion/Action: Vice Chair Barrios called for a motion to approve this action item. Ms. Kendell moved to approve the action item. The motion was seconded by Ms. Alvarez.

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

Discussion – 2025 Qualified Health Plan Issuer Contract and Certification Process

2025 Qualified Health and Dental Plan Issuer Model Contract: Dr. S. Monica Soni, Chief Medical Officer and Director of the Health Equity and Quality Transformation Division, shared a summary of the proposed revisions to the 2025 Qualified Health and Dental Plan Issuer Model Contract. She gave an overview of the original discussion points highlighting selective contracting, the Quality Transformation Initiative (QTI), financial incentives for quality and equity, QTI measures and payment structure, and QTI 2025 amendment stakeholder engagement. Dr. Soni explained that the proposed 2025 amendment adds key clarifications around authority, accountability, and processes for the Quality Transformation Fund. She described the guiding principles for the use of funds as equity-focused, direct, evidence-based, and additive.

Next, Dr. Soni shared that Covered California is currently leading an assessment to understand existing supports and barriers to enrollees achieving good health and wellness to inform selection of Population Health Investments. She highlighted plan, patient, provider, and consumer advocate engagement goals, themes, methods, and next steps. She also noted geo-mapping for population-wide insights. Lastly, Dr. Soni shared the selection and evaluation criteria of Population Health Investments.

2025 Qualified Health and Dental Plan Certification Application: James DeBenedetti, Director of the Plan Management Division, presented certification application updates. He explained that contracted QHPs have to fill out an application to become certified. Currently, contracted QHPs have reduced application response requirements due to having prior year information on file. He shared that as an update moving forward, new entrants will have to complete the entire application. He noted that all applications will be open to all applicants for Plan Year 2025. Mr. DeBenedetti shared that Covered California issued a draft application in October and noted that most comments were surrounding clarity. Lastly, Mr. DeBenedetti provided an overview of certification selection criteria and certification milestones.

At this time, Ms. Alvarez left the meeting.

Board Comments: Ms. Kendell expressed her appreciation of the work being done.

Mr. Fleming expressed his approval of the work being done and noted his thoughts surrounding cost-related barriers.

Public Comment: Beth Capell, representing Health Access, expressed her organization's appreciation of the work being done. She mentioned her organization's disappointment on the measures related to depression screening and opioid use.

Gabby Benitez, representing The Children's Partnership, expressed her organization's appreciation of Covered California's initiatives to prioritize health equity and policies. She noted her organization's recommendation to consider local program investments.

Discussion – 2025 Standard Benefit Designs

Melanie Droboniku, Interim Deputy Director of the Plan Management Division, provided an overview of the benefit design requirements for the 2025 standard benefit plan designs. Ms. Droboniku shared changes to the current year's Actuarial Value (AV) calculator and explained that the models are adjusted annually to meet AV requirements, clarify benefit administration, and incorporate innovative designs. She explained that trends with the AV calculator have allowed for significant reduction in cost-sharing for Bronze and Silver level plans. Next, Ms. Droboniku noted a reduction in the maximum out-of-pocket costs from the previous year, which is a one-time change in the calculation method. Consequently, some plans from the previous year will need further modeling.

Ms. Droboniku presented the proposed changes to the Gold, Silver, and Bronze level plans cost-sharing limits. Ms. Droboniku shared that Covered California is working on an updated payment schedule and noted that the final AV calculator is expected to be released later in the spring, at which time all designs will be finalized and certified.

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She also mentioned that the Bronze high deductible health plan could potentially change, depending on updates from the Internal Revenue Service, which are typically released in May.

Board Comments: None.

Public Comment: Beth Capell, representing Health Access, shared her organization's approval for the proposed 2025 standard benefit plan designs.

The meeting adjourned at 2:11 p.m.