

COVERED CALIFORNIA BOARD MINUTES
Thursday, February 15, 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 10:02 a.m.

Board Members Present During Roll Call:

Dr. Mark Ghaly
Mayra Alvarez
Jarrett Barrios
Kate Kendell

Board Members Absent During Roll Call:

Jerry Fleming

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 12:30 p.m.

Agenda Item III: Board Meeting Action Items

January 18, 2024 Meeting Minutes

Board Discussion: None.

Public Comment: None.

Motion/Action: Chairman Ghaly called for a motion to approve the January 18, 2024, meeting minutes. Vice Chair Barrios moved to approve the meeting minutes. The motion was seconded by Ms. Kendell.

Vote: The motion was approved by Vice Chair Barrios, Ms. Kendell and Ms. Alvarez. Chairman Ghaly abstained from the vote.

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 April 18, 2024, and that there are not currently any plans for a March meeting. She also announced that she will be on maternity leave by the next meeting and will not be present. Additionally, Ms. Altman announced Taylor Priestley as the new Director of the Equity & Quality Transformation Division.

End of Open Enrollment 2024: Ms. Altman shared a video highlighting the success of the 2024 open enrollment. She provided an overview of the key marketing deliveries and noted that Covered California reached record high enrollment numbers. Ms. Altman also briefly touched on initial trends seen during this open enrollment related to income, age, race and ethnicity, language, issuer, and metal tier. She also shared the enrollment service channel characteristics for new enrollments and Medi-Cal transitioners.

Discussion – Data and Research

Medi-Cal Transitioner Monthly Data Update: Katie Ravel, Director of the Policy, Eligibility & Research Division, presented the key performance indicators for the Medi-Cal to Covered California Enrollment Program. This data included Medi-Cal transitions eligible in the California Healthcare Eligibility, Enrollment, and Retention System, effectuated coverage after auto plan selection, and effectuation rate after auto plan selection.

Findings from Covered California's Survey of the Subsidy-Eligible Uninsured: Emory Wolf, Assistant Deputy Director of the Policy, Eligibility & Research Division, presented the survey results from 2021 of the Medi-Cal to Covered California Enrollment Program. She highlighted the demographic profile of respondents that were uninsured as well as their health insurance history. She also explained that the survey results identified the reasons for respondents not having insurance, what their familiarity was with Covered California, knowledge of financial help, and reasons for not seeking financial help. She summarized the survey findings highlighting that among the uninsured, cost was the main reason cited for not having health insurance.

Ms. Wolf also noted that Latinos made up a higher share on uninsured survey respondents, and that more than half of the respondents have not heard or heard very little about Covered California. She explained how the survey research supports Covered California's approach for reaching Californians by indicating that awareness and affordability continue to be the primary barriers to coverage take-up among the uninsured.

Using Data for Personalized Outreach During Special Enrollment for Plan Year 2024:

Ms. Ravel presented the data regarding new members' main source of coverage and insurance status in prior years from 2018 to 2023. She explained that in 2020, authority was granted to Covered California to conduct outreach to Californians who may be eligible for coverage based on interactions with other state departments. She noted that Covered California receives data regarding these consumers as often as weekly for the purpose of conducting outreach to those who may be uninsured. Ms. Ravel summarized the outreach testing being conducted by Covered California.

Board Comments: Chairman Ghaly commented on the importance of understanding the economic reality for consumers.

Vice Chair Barrios asked what the barriers might be in sharing the targeted data with Navigators that are place-based.

Ms. Ravel noted that state law prevents Covered California from sharing any potential leads with agents or certified enrollment counselors without the consumer's consent. She shared that her team is working on how Covered California could proactively offer information about resources in the community for people who want in-person assistance.

Ms. Kendell expressed her gratitude for the record high enrollment numbers.

Ms. Alvarez asked for Ms. Ravel's thoughts on the shifting economy and how that will affect the future work.

Ms. Ravel replied that the data regarding income shows the consumers in the range in which the premium subsidies begin to reduce and are not eligible for cost-sharing support. While these consumers do want coverage, they are making a different value calculation. Ms. Ravel shared that her team is doing more research into this topic.

Ms. Altman noted that the federally enhanced subsidies are through 2025 and expressed the importance of this for consumers.

Chairman Ghaly expressed his interest in viewing the data projection for the total premium amount that would be considered acceptable for uninsured consumers that currently consider coverage to be financially out of reach.

Ms. Ravel noted that her team has plans to provide the data projection.

Ms. Kendell asked Ms. Ravel if the survey allowed respondents to choose multiple answers.

Ms. Ravel responded that the survey allowed for multiple answers with a focus on the most significant answer.

Public Comment: Cary Sanders, representing the California Pan-Ethnic Health Network, shared her congratulations and expressed her appreciation to Covered California on the record high enrollments and survey data.

Diana Douglas, representing Health Access, shared her congratulations and echoed the comments of Ms. Sanders.

Agenda Item V: Covered California Policy and Action Items

Action – Exchange Hardship and Religious Conscience Exemptions Process Permanent Regulations

Ms. Ravel presented an overview of the Exchange Hardship and Religious Conscience Exemptions previously discussed at the November 2023 Board meeting. She explained that State law directed Covered California to grant exemptions for hardship and religious conscience and to establish a process for determining whether an individual is entitled to an exemption. As previously discussed, Covered California must make the emergency regulations permanent to ensure the regulations stay in effect. Ms. Ravel requested the Board to formally adopt the regulation package so it can be filed with the Office of Administrative Law.

Board Comments: None.

Public Comment: None.

Motion/Action: Chairman Ghaly called for a motion to approve this action item. Vice Chair Barrios 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.

Action – 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 & Quality Transformation Division, shared a summary of the proposed revisions in the 2025 Plan Year (PY) amendment attachments one, two, and four. She highlighted the changes which include clarifications surrounding authority, accountability, and process for the Quality Transformation Fund.

James DeBenedetti, Director of the Plan Management Division, requested the Board to authorize staff to finalize and execute the Qualified Health and Dental Plan Issuer Model Contracts for Covered California as well as Covered California Small Business (CCSB) for PY 2025, which includes all attachments.

Board Comments: Ms. Alvarez expressed her appreciation to the staff for the work being done.

Chairman Ghaly echoed the comments of Ms. Alvarez.

Ms. Kendell echoed the comments of Chairman Ghaly and Ms. Alvarez.

Public Comment: Ms. Sanders expressed her organization's appreciation and support of the proposed changes.

Héctor Hernández-Delgado, representing the National Health Law Program, echoed the comments of Ms. Sanders.

Ms. Douglas echoed the comments of the previous callers.

Motion/Action: Chairman Ghaly called for a motion to approve this action item. Vice Chair Barrios 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.

At this time, Vice Chair Barrios left the meeting.

2025 Qualified Health and Dental Plan Certification Application: Mr. DeBenedetti presented a summary of the certification application updates discussed previously. He highlighted that it was the last day for potential carriers to submit their letters of intent to participate for 2025 for both new and existing carriers. He requested the Board to formally adopt the 2025 Certification Criteria and Qualified Health Plan (QHP) and Qualified Dental Plan (QDP) applications for the individual and small business health and dental plans. He also requested the Board to authorize staff to issue applications for the selection of QHPs and QDPs for PY 2025.

Board Comments: None.

Public Comment: None.

Motion/Action: Chairman Ghaly 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 Standard Benefit Designs including 2025 California Enhanced Cost-Sharing Reduction Benefit Designs

Melanie Droboniku, Interim Deputy Director of the Plan Management Division, explained that the 2025 California Enhanced Cost-Sharing Reduction (CSR) Program began in 2024 with a budget of \$82.5 million. The Governor's proposed Fiscal Year 2024-25 budget includes an appropriation of \$165 million for the PY 2025 affordability program.

In 2024, state funding allowed Covered California to eliminate deductibles for lower income enrollees up to 250 percent of the Federal Poverty Level (FPL), simplify benefit designs, and reduce out-of-pocket costs.

She shared that Covered California is developing a design for the 2025 California Enhanced CSR Program that will continue support for those eligible for the program today and expand eligibility above the current 250 percent FPL threshold.

Ms. Droboniku summarized the changes in the benefit designs including multiple changes in the Bronze and Silver plans. Ms. Droboniku also presented dental changes for PY 2025. She noted that staff intends to request approval of the California Enhanced CSR Plan Designs in April, and approval of the California Enhanced CSR Program Design in May, contingent upon state appropriation.

Board Comments: Chairman Ghaly expressed his appreciation for the ongoing work.

Public Comment: Ms. Douglas expressed her excitement to see the progress on making coverage more affordable. She expressed her appreciation to Covered California for their partnership and noted her appreciation of seeing the chart showing cost-sharing over time.

Mr. Hernández-Delgado expressed his organization's excitement regarding the reductions in deductibles and echoed the comments of Ms. Douglas.

Ms. Sanders echoed the comments of the previous callers and shared her organization's appreciation to Covered California for the progress being made in coverage affordability.

Discussion – Covered California for Small Business Permanent Regulations

2025 Qualified Health and Dental Plan Issuer Model Contract: Robert Kingston, Deputy Director of the Outreach and Sales Division, explained that staff is seeking approval on proposed regulations related to CCSB. The emergency regulations will remain in effect until its expiration in December 2024 and must be made permanent prior to the expiration. He noted that the rulemaking package maintains the emergency regulations adopted by the Board and introduces new changes.

Mr. Kingston highlighted the changes which included CCSB application changes, open and special enrollment period revisions, and premium payment revisions. He explained the next steps to bring the regulation package to the Board at either the May or June 2024 Board meeting.

Board Comments: None.

Public Comment: None.

The meeting adjourned at 2:08 p.m.