

COVERED CALIFORNIA BOARD MINUTES
Thursday, April 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 11:00 a.m.

Board Members Present During Roll Call:

Mayra Alvarez
Jarrett Barrios
Jerry Fleming

Board Members Absent During Roll Call:

Dr. Mark Ghaly
Kate Kendell

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).

At this time, Chairman Ghaly was present, and Ms. Alvarez left the meeting.

The open session was called to order at 12:30 p.m.

Agenda Item III: Board Meeting Action Items

February 15, 2024 Meeting Minutes

Board Discussion: None.

Public Comment: None.

Motion/Action: No action was taken on this item, and it was noted that this would be moved to next month's meeting.

Vote: None.

Agenda Item IV: Executive Director's Report

Discussion – Announcement of Closed Session Actions

Doug McKeever, Chief Deputy Executive Director, Program, 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

Mr. McKeever shared that the next Board meeting would be on May 16, 2024. Next, Mr. McKeever highlighted the results of the Public Sector Chief Information Officer Academy Awards and recognized Kevin Cornish and Ramone Navarro of the Covered California Information Technology team who won awards. Mr. McKeever also shared that Covered California participated in celebrating the 14th anniversary of the Affordable Care Act. Mr. McKeever announced that Anthony Wright, Executive Director of Health Access, was joining Families USA in July, and acknowledged the great work he accomplished for Covered California and the consumers throughout California. Mr. McKeever noted that the annual employee engagement and diversity, equity, and inclusion surveys were being combined into one survey, and would be distributed at the end of April.

Discussion – State and Federal Policy/Legislative Update

Mr. McKeever highlighted key legislation from 2024 which included Assembly Bill (AB) 2435 which would extend Covered California's emergency rulemaking authority by five years, and AB 2479 which would clarify language establishing the Covered California strike benefit program authorized under AB 2530 of 2022. He also highlighted Senate Bill (SB) 1290 which would express the intent of the Legislature to review California's essential health benefits benchmark plan and establish a new benchmark plan for the 2027 plan year (PY), and SB 1428 which would allow an individual 60 days before and after the date of a triggering event to apply for subsequent coverage unless it conflicts with federal provisions regarding special enrollment periods. Mr. McKeever also noted that Covered California leadership will join leaders from State-based Marketplaces around the country in Washington D.C. at the end of April. He explained that the purpose of the visit is to meet with federal leaders to provide state-level updates and share information and insights into policy matters relevant to Marketplaces and the consumers they serve, specifically, the need to extend the American Rescue Plan Act enhanced subsidies.

Discussing federal matters, Mr. McKeever shared that Covered California responded to the Centers for Medicare & Medicaid Services (CMS) Draft Call Letter for the Quality Rating System and Qualified Health Plan Enrollee Experience Survey for the 2025 PY. Mr. McKeever also shared that the U.S. Department of Health and Human Services released the final 2025 Notice of Benefit and Payment Parameters rule. He highlighted several new policies including changes to the Minimum Network Adequacy Standards, Essential Health Benefit Benchmark Plan Updates, and Call Center Standards.

He explained that Covered California will continue to collaborate with partner agencies and stakeholders and will continue to analyze the final rule's impact in California while implementing any necessary changes.

Board Comments: Chairman Ghaly expressed his gratitude on all the talking points.

Public Comment: Diana Douglas, representing Health Access, asked that Covered California prioritize reviewing AB 4.

Doreena Wong, representing Asian Resources Inc., shared her support for CMS's consumer friendly changes to essential health benefit requirements and hopes that California will follow suit in adopting these policy changes. Additionally, Ms. Wong echoed the comments of Ms. Sanders regarding AB 4 and highlighted the importance of its inclusion in Covered California's bill tracking process.

Cary Sanders, representing the California Pan-Ethnic Health Network, shared her organization's appreciation of the work Covered California is conducting, and echoed the comments of the previous callers.

Agenda Item V: Covered California Policy and Action Items

Discussion – 2025 California Enhanced Cost-Sharing Reduction Program Design

Katie Ravel, Director of the Policy, Eligibility & Research Division, presented an overview of the 2025 California Enhanced Cost-Sharing Reduction (CSR) Program including information on the budget for the 2024 and 2025 PY. Ms. Ravel presented an example of the 2024 plan shopping from a consumer's perspective which displayed the difference in cost between a plan without the California Enhanced CSR and a plan with the California Enhanced CSR. She shared the trends for the 2024 PY new enrollments which include an increase in the share of new consumers with incomes under the 250 percent Federal Poverty Level (FPL) signing up for the enhanced Silver plans in 2024. She also noted that enrollment in the Gold plans dropped by more than half for most CSR eligible consumers.

Ms. Ravel shared that the program eligibility will be expanded for the 2025 PY. All enrollees on a subsidized application with income above 200 percent FPL as well as American Indian and Alaskan Native members with income above the 300 percent FPL will be eligible for a California enhanced Silver 73 plan. Ms. Ravel also shared the changes in the Silver plan deductibles, copayments, and generic prescriptions over time. Next, Ms. Ravel explained that the payment parameters for the 2025 California Enhanced CSR program will be consistent with the 2024 PY. Covered California is also ensuring a fiscally-prudent program design in recognition of the fixed \$165 million appropriation by developing a program budget using the "high" enrollment forecast. Ms. Ravel explained that by using this enrollment forecasting approach, program benefits for the 2025 PY are estimated to cost \$164 million and support about 1.3 million enrollees in Silver plans.

Lastly, Mr. Ravel shared an overview of the program design provisions for the California Enhanced CSR Program and noted that Covered California staff will finalize payment methodology needed for the Program Design Document and request approval at the May Board meeting.

Board Comments: Chairman Ghaly thanked Ms. Ravel for her work.

Vice Chair Barrios asked what category American Indians and Alaskan Natives that are under the 300 percent FPL default to.

Ms. Ravel replied that American Indians and Alaskan Natives under the 300 percent FPL will default to a plan that does not have cost-sharing. She explained that Covered California certifies it at the Bronze tier so that American Indians and Alaskan Natives under the 300 percent FPL have the benefit of the lowest premium offered.

Public Comment: Ms. Wong shared that her organization is glad that the research shows that lowering the cost would result in an increase in enrollment in the Silver plans. She also shared that her organization supports the program design and expressed her appreciation for Covered California's work.

Ms. Douglas expressed her organization's gratitude for the work Covered California has conducted in securing the cost-sharing investments. She shared that her organization is in strong support of the program design and looks forward to the work ahead.

Action – 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 Enhanced CSR Benefit Designs were presented at the last Board meeting, and that there is a change to the designs. She explained that Covered California proposes to hold Enhanced Benefit Designs in the individual and family market steady from the 2024 PY. She also explained that Covered California proposes to remove a current dental terminology code that was included in the draft designs. Ms. Droboniku noted there is one correction to the posted designs and Covered California proposes to remove the eligibility cap for the Enhanced Silver 73 plan. She requested that the Board formally adopt the revised 2025 Enhanced CSR Benefit Designs.

Board Comments: None.

Public Comment: None.

Motion/Action: Vice Chair Barrios made a motion to approve this action item. The motion was seconded by Mr. Fleming.

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

Action – Eligibility and Enrollment Permanent Regulations

Bahara Hosseini, Senior Attorney in the Office of Legal Affairs, presented an overview of the Eligibility and Enrollment Permanent Regulations discussed in a previous Board meeting.

She explained that to ensure these regulations stay in effect, staff seek to make the regulations permanent before their expiration in October 2024. She noted that there have not been any changes made since they were last discussed.

Ms. Hosseini explained the general provisions which include clarified abbreviations and definitions, updated accessibility and readability standards, and additional cross-references to appeal rights in consumer notices. She also explained the eligibility and enrollment process provisions which include revised income verification requirements, an updated eligibility redetermination process, revised special enrollment period requirements, and revised eligibility appeals requirements. Ms. Hosseini shared the next steps and requested that the Board formally adopt the permanent regulation package.

Board Comments: None.

Public Comment: Alicia Emanuel, representing the National Health Law Program, expressed her support for making the regulations permanent.

Motion/Action: Chairman Ghaly called for a motion to approve this action item. Mr. Fleming moved to approve the action item. The motion was seconded by Vice Chair Barrios.

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

Discussion – Data and Research

Mr. McKeever shared that Covered California had an article published in JAMA about the impact of leading consumers into a higher-value CSR plan. Mr. McKeever expressed his gratitude to Covered California staff involved in writing the article as well as getting the article published.

Medi-Cal Transitioner Monthly Data Update: Ms. Ravel presented the Medi-Cal Transitioner Monthly Data Update and highlighted the key performance indicators. She shared data on the auto plan selection effectuation rates for 2023 and 2024 by county. Ms. Ravel noted that in 2024, Covered California is seeing better effectuation rates in San Bernardino and Riverside counties compared to the fall of 2023.

Data-Driven Insights on Quality and Equity for Covered California Enrollees: Dr. S. Monica Soni, Chief Medical Officer and Chief Deputy Executive Director, Equity & Quality Transformation, shared that behavioral health utilization is continuing to rise with telehealth being the dominant modality. She explained that behavioral telehealth utilization is fairly consistent across racial and ethnic subpopulations, however, she noted that for Asian enrollees, behavioral health utilization was significantly lower than all other groups. Dr. Soni also explained that disparities in the presence of diagnosis codes for behavioral health services were found.

Dr. Soni shared the data on disparities that could be disaggregated. She presented data on breast cancer screening rates and explained how the rates can be assessed more granularly. She noted that there is more work to be done alongside the informatics team and looks forward to presenting additional insights to the Board in the future.

Board Comments: Vice Chair Barrios asked for Dr. Soni to expand on the slide that mentions out-of-pocket costs by clinical segment.

Dr. Soni replied that her team is focusing on the cost to consumers to get standard care and getting their needs met whether it be a chronic illness, behavioral health, or acute care.

Mr. Fleming expressed the importance of the work being done and commented on how data from prior years could be used with the current data being collected.

Chairman Ghaly highlighted his interest in the data surrounding behavioral health and meeting consumer's needs. He also highlighted his interest in questions surrounding accessibility by product type such as HMO and PPO products. Chairman Ghaly expressed the importance of being able to show any gaps to the carriers and begin conversations on what could be done.

Dr. Soni commented that her team did bring the information to the carriers and believed they were receptive. She noted that her team will continue to bring the information to the carriers as the data is uncovered.

Public Comment: Ms. Wong expressed her organization's appreciation to Covered California for the work being conducted. She also commented on the lower utilization of behavioral health for Asian and Asian American populations and expressed her organization's appreciation to Covered California for the acknowledgment and work being done to break down race and ethnicity data.

Ms. Douglas expressed her organization's hope to see Covered California continue to find ways to improve behavioral health utilization rates and accessibility. She also shared her organization's appreciation for the data on the use of telehealth and noted their interest in seeing future assessments on the quality of behavioral health being delivered with the telehealth modality. Ms. Douglas noted her organization's excitement to see the disaggregated disparity data and mentioned that they are looking forward to the future research.

Ms. Sanders echoed the comments of the previous callers. She expressed appreciation for the Board member's comments, and noted her organization's interest in seeing the utilization data overlays with plan performance surrounding behavioral health. She also shared her organization's interest in seeing analysis by region and language to improve cultural and linguistic responsiveness of the networks.

The meeting adjourned at 1:53 p.m.