

COVERED CALIFORNIA BOARD MINUTES  
Thursday, November 21, 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  
Kim Johnson  
Jarrett Barrios

**Board Members Absent During Roll Call:**

Mayra Alvarez  
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).

The open session was called to order at 11:30 a.m.

**Agenda Item III: Election of Board Chair**

**Board Discussion:** None.

**Motion/Action:** Vice Chair Barrios called for a motion and a second for the nomination of the Board Chair. Mr. Fleming moved to nominate Kim Johnson as the Board Chair. The motion was seconded by Vice Chair Barrios.

**Public Comment:** Beth Capell, representing Health Access, expressed her approval of the Board Chair nomination and thanked Dr. Mark Ghaly and Vice Chair Barrios for their service.

**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 there are not any plans for a December meeting and the next meeting would be on January 16, 2025.

Ms. Altman welcomed Chairwoman Johnson, expressing enthusiasm for her forthcoming leadership. She also announced the departure of Vice Chair Barrios from the Covered California Board, noting that it would be his final meeting. Ms. Altman conveyed appreciation for his and Dr. Mark Ghaly's service and contributions to the Board.

Ms. Altman then announced the upcoming retirements of Karen Johnson, Chief Deputy Executive Director of Operations, and Colleen Stevens, Marketing Director. She expressed gratitude for their leadership and dedicated service to Covered California.

**Board Comments:** Chairwoman Johnson expressed her appreciation for all the Covered California Board members and departing leaders for their service.

**Public Comment:** None.

Ms. Altman shared the Covered California 2025 Open Enrollment Campaign that integrates health literacy with enrollment efforts. She explained that the campaign acknowledges the complexity of the healthcare system as a significant barrier for uninsured Californians and addresses this by leveraging deep community connections, forming partnerships with libraries, and introducing new, language-specific, and community-tailored resources. Ms. Altman expressed appreciation towards State Librarian Greg Lucas and leaders from prominent libraries across California for their active involvement.

Ms. Altman provided an update on a significant change for the 2025 Open Enrollment, highlighting the extension of eligibility to the Deferred Action for Childhood Arrivals (DACA) recipients. She explained that efforts to reach these individuals involve a comprehensive outreach strategy, leveraging close partnerships with advocacy organizations, community-based groups, and enrollment partners, backed by extensive training for the workforce, distribution of collaborative materials, and targeted media outreach. She shared that despite challenges such as federal litigation and political uncertainties affecting the expansion, the commitment to actively enroll DACA recipients and ensure transparency about any potential federal changes remains strong.

## **Discussion – State and Federal Policy/Legislative Update**

Ms. Altman announced following the election, new administration and leadership in Congress, particularly in the Senate, are set to commence in 2025, alongside a new legislative session at the state level beginning in December. She shared that Covered California remains dedicated to engaging with the new administration and continues to prioritize its mission to serve and enroll consumers, aiming to maintain and extend its coverage to the 1.8 million Californians currently served and to reach more during Open Enrollment and beyond.

Regarding state updates, Ms. Altman provided updates on state bills including Assembly Bill (AB) 2435 which extends Covered California's Emergency Rulemaking Authority for five years; AB 2479 which clarifies the language of the strike benefit program; AB 1511 which directs funds for marketing and outreach to priority populations through ethnic and community media; AB 2068, which requires a report on the location of call center staff and contractors; AB 2105, AB 2258, and AB 2843 which address cost-sharing mandates; and Senate Bill (SB) 729 which mandates that large group plans to provide, and small group plans to offer, coverage for infertility services beginning July 2025.

Regarding federal updates, Ms. Altman shared that the annual notice of benefit and payment parameters for 2026 was issued by the Centers for Medicare & Medicaid Services (CMS). She noted that Covered California submitted comments on several notable proposals including the updated process for release of the Actuarial Calculator, additional operational reporting requirements for State-based Marketplaces, and the vital role the enhanced Premium Tax Credit subsidies play in sustaining enrollment and premium affordability. She also noted that Covered California commented on the CMS 2025 Medicare Physician Fee Schedule proposed rule, and the Health Resources and Services Administration proposed revisions to the Women's Preventative Services Guidelines.

## **Discussion – Research and Data**

**2024 Member Survey Findings:** Emory Wolf, Assistant Deputy Director of the Policy, Eligibility & Research Division, presented the results of the 2024 California Health Coverage Survey which is filed annually during Open Enrollment. Ms. Wolf explained that the survey focused on several key areas including new member insurance status, enrollment conversion rates for subsidy-eligible individuals, coverage disparities among different demographics, application process perceptions, assistance needs required during the enrollment process, impact of service center representatives on the enrollment experience, price sensitivity in plan selection, and responses to the affordability crosswalk initiative.

**Experience from Covered California's First Year Facilitating Transitions from Medicaid to Marketplace Coverage:** Katie Ravel, Director of the Policy, Eligibility & Research Division, shared key metrics from the first year of SB 260, including enrollment numbers, plan selections and satisfaction levels, and demographics, highlighting a significant portion of Latinos and individuals with lower levels of income and education compared to typical open enrollment demographics.

Ms. Ravel noted that future efforts will focus on simplifying notifications and enrollment processes to further reduce the uninsured rate among this population, along with tracking coverage outcomes and analyzing coverage choice behaviors.

**Covered California Resources for Understanding the Impact of the Inflation**

**Reduction Act:** Ms. Ravel shared that Covered California published a five-part issue brief series on the potential consumer impacts if enhanced premium subsidies expire at the end of 2025, along with a data book and research on enrollees' views of the financial assistance received. Key findings show consumers save over \$500 a month with the enhanced subsidies providing an additional \$1.7 billion to help Californians reduce their premiums. Ms. Ravel noted that the Excel data book is publicly available for users to explore the impacts of subsidy expiration.

**Board Comments:** None.

**Public Comment:** Ms. Capell emphasized the importance of being openly available to everyone and meeting consumers where they are, avoiding lecturing on health literacy, and instead focusing on improving targeted communication and marketing strategies. She explained that the introduction of SB 260 highlights the effort to facilitate enrollment and support Californians through coverage transitions.

**Agenda Item V: Covered California Policy and Action Items**

**Action – Proposed Emergency Eligibility and Enrollment Regulations**

Allison Pease, Assistant General Counsel and Director of the Office of Legal Affairs, presented the first Emergency Eligibility Enrollment package for action. She explained that the package includes minor clarifications, such as adding definitions for Covered California for Small Business and tax households. It also includes changes to income verification, incarceration status, special enrollment period policies, and appeals, now including the right to appeal eligibility and redetermination for state financial assistance. Ms. Pease formally requested Board approval of the action item.

**Board Comments:** Vice Chair Barrios asked Ms. Pease if there was anything unusually different with the annual modifications presented compared to the changes made historically.

Ms. Pease confirmed that the modifications are routine, largely aiming to align with the annual notice of benefit and payment parameters rule. She mentioned a notable exception this year is the adjustment in the DACA eligibility.

**Public Comment:** Ms. Capell echoed the comments of Vice Chair Barrios.

Cary Sanders, representing the California Pan-Ethnic Health Network, aligned her comments with Ms. Capell. She expressed her appreciation to the departing Board members and acknowledged Covered California's efforts to enhance healthcare accessibility.

Alicia Emanuel, representing the National Health Law Program and Health Consumer Alliance, urged for additional outreach to DACA recipients and expressed appreciation of the efforts to bridge gaps in healthcare coverage.

Doreena Wong, representing Asian Resources, Inc., aligned her comments with the previous speakers. She expressed appreciation of the investment in the Navigator program, highlighting the importance of enrolling DACA recipients and the value of direct consumer feedback in improving services. Ms. Wong also noted the positive impact of SB 260 in smoothing the transition from Medi-Cal to Covered California.

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

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

### **Action – Proposed Permanent Identity Verification Regulations**

Ms. Pease shared that the proposed Permanent Identity Verification Regulations were previously discussed in the August Board meeting and did not undergo any changes since the initial discussion. She explained that the original changes proposed included revisions to definitions, specifically adding county eligibility workers and certified Medi-Cal managed care workers to the list of authorized individuals assisting with applications. Additionally, Ms. Pease noted that alignments were made with federal regulations to include other approved data sources for identity verification. Ms. Pease formally requested Board approval of the action item.

**Board Comments:** None.

**Public Comment:** Ms. Capell expressed approval of the package.

**Motion/Action:** Chairwoman Johnson 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 – Quality Rating System: Ratings for Plan Year 2025 and Results of Accountability Programs**

Dr. S. Monica Soni, Chief Medical Officer and Director of the Health Equity & Quality Transformation Division, discussed the Quality Rating System Accountability Program, emphasizing its reliance on annual data submissions from health plans to CMS. The system translates into a global quality rating and sub-indicator ratings, represented as stars on the shop and compare tool for consumer guidance. Additionally, Dr. Soni pointed out improvements in member care experience ratings, a historically challenging area due to low response rates, noting that changes in CMS specifications contributed to previously unrated plans now achieving high scores. Despite these successes, one health plan faced challenges with small denominator sizes across several indicators, leading to a lack of quality rating for the first time in the program's history.

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Dr. Soni introduced the 25/2/2 policy for removing health plans from the Covered California marketplace. This policy involves a composite assessment of clinical measures, where carriers below the 25th percentile enter a monitoring period, followed by a remediation period, with the potential for removal from the exchange if no improvement is seen. Dr. Soni presented the results for the 2023 measurement year, noting that most issuers were in good standing. Dr. Soni noted the significance of outcome-based measures over process-based ones, highlighting the ongoing effort to ensure high-quality care across all issuers. Despite these advancements, Dr. Soni noted a concerning trend in childhood immunization rates, which did not improve and mirrored a national decline, attributing this to vaccine hesitancy.

**Board Comments:** Mr. Fleming reflected on the Quality Transformation Initiative (QTI), noting that the outcomes were impressive and expressed pride in the achievements of the program. Furthermore, Mr. Fleming asked about the performance patterns across three distinct populations: Covered California, California Public Employees' Retirement System (CalPERS), and Medi-Cal, asking if their performance trends aligned with those seen in the Covered California initiative.

Dr. Soni explained that both Covered California and CalPERS employ the same measures within their respective programs, emphasizing the goal of safeguarding the health of all Californians, not just those enrolled with Covered California. However, she noted that the results from CalPERS and Medi-Cal were not as remarkable as those achieved by Covered California.

Vice Chair Barrios expressed his appreciation to Dr. Soni, and all staff involved. He asked for Dr. Soni's thoughts on the increase in vaccine hesitancy regarding childhood immunizations.

Dr. Soni addressed the complexities surrounding childhood vaccinations and highlighted the pediatricians' approach of valuing any vaccination as a win. Additionally, Dr. Soni mentioned the fatigue within the provider community regarding vaccine discussions, indicating a need for a multi-faceted approach to address the systemic, community, and individual factors contributing to vaccination rates.

Chairwoman Johnson inquired about the trends in childhood vaccination rates over the last few years.

Dr. Soni replied that comprehensive data for certain years prior to the current measure were unavailable and indicated that it's challenging to fully assess past trends because of variations in the measure and suggested that the pandemic might have contributed to a noticeable decline in vaccination rates.

Chairwoman Johnson appreciated the inclusion of demographic breakdowns of the measures and expressed eagerness for more detailed future analyses. She also raised a question about the impact of small denominators on the data regarding plan performance, seeking further context to consider as they examine progression over time.

Dr. Soni shared optimism about the future of data stratification within Covered California, noting the comprehensive approach that extends beyond race, ethnicity, and language to include factors like geography and income level, with an aim to explore the intersectionality of these aspects. She also addressed the challenges posed by small denominators in evaluating plan performance, highlighting the tension between recognizing the value of hyperlocal plans with smaller enrollments and the need for sufficient oversight to ensure quality of care.

**Public Comment:** Ms. Capell praised Covered California for being a learning organization willing to take risks to improve health outcomes and for setting standards for health plans.

Ms. Sanders expressed appreciation for the additional details provided on the 25/2/2 program and its limitations, while also recognizing the importance of holding health plans accountable to standards.

### **Discussion – Health Plan Presentations on the Quality Transformation Initiative**

Ms. Altman emphasized the national dialogue's skepticism about improving healthcare quality and outcomes, despite various attempts. Ms. Altman expressed gratitude for the collective years of work from everyone involved. Next, she welcomed representatives from Covered California's three largest health plans, noting the rarity of such direct engagement with the Board. She praised the health plans for turning conceptual ideas into reality through their on-the-ground initiatives, emphasizing the importance of their accountability and the improved care their members are now receiving.

Dr. Swati Awsare, Internal Medicine Physician with Anthem Blue Cross, shared her view of the Healthcare Effectiveness Data and Information Set (HEDIS) as an opportunity for improvement across multiple fronts, including patient interventions like texting campaigns and home visits, provider interventions with webinars and coding tips, and optimizing data through enhanced connectivity with provider groups. Dr. Awsare discussed the challenges surrounding vaccines highlighting the opportunity for health plans, Covered California, and other agencies to embark on patient education campaigns. She mentioned having discussions with the National Committee for Quality Assurance president about extending the vaccination timeframe for babies, as the current requirement for 24 vaccinations before turning two can be overwhelming for many parents.

Dr. Awsare shared the provider-focused interventions aimed at enhancing healthcare quality and compliance with HEDIS guidelines. She explained the implementation of webinars and providing coding tips, tip sheets, and encounter forms to assist providers in adhering to these guidelines. Additionally, monthly reports on HEDIS care gaps were initiated to inform providers and medical groups about patients needing outreach for chronic care services or preventive screenings, and a health equality working group was established to improve access and availability of services.

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Dr. Awsare discussed exploring innovative methods to enhance data connectivity with provider groups. She emphasized the challenge of consistent data exchange in California's complex healthcare environment and concluded by expressing her commitment to quality care, ensuring patients receive necessary preventive screenings and management of chronic conditions.

**Board Comments:** Mr. Fleming acknowledged the significant efforts being made and inquired about the expected progress by the next measurement period.

Dr. Awsare replied that they expect year-over-year improvement.

Chairwoman Johnson asked if success could be measured by the type of intervention being implemented using home lab kits as an example.

Dr. Awsare confirmed that they are able to track the success of specific interventions. For example, she explained that the home lab kits are measured by the percentage of kits being returned.

**Public Comment:** None.

Dr. Malaika Stoll, Senior Medical Director at Blue Shield of California, discussed the factors contributing to Blue Shield of California's success, highlighting three key elements of their success: hard work, strategic internal planning including provider incentives and infrastructure, and mission alignment with Covered California. Dr. Stoll emphasized the importance of deep provider engagement, leveraging long-standing relationships and an established Accountable Care Organization program to support their goals. She also stressed the significance of aligning with Covered California's mission, aiming for healthcare that is worthily affordable and prioritizes better health outcomes. The collaborative approach with Covered California, including input on measures and a unified strategy towards providers, was underscored as crucial for facilitating progress.

**Board Comments:** Mr. Fleming expressed his excitement in the progress being made at Blue Shield of California and shared that he looks forward to more progress being made moving forward.

**Public Comment:** None.

Dr. Tracy Imley, Internal Medicine Physician with Kaiser Permanente, expressed deep appreciation for Covered California's data-driven and quality-focused leadership in the healthcare sector, emphasizing the success of collaborative efforts in improving member healthcare and addressing disparities, particularly the significant impact of insurance coverage. She highlighted specific initiatives aimed at providing equitable care, such as monthly performance feedback for physicians on blood pressure control rates for specific demographics. These efforts have led to significant reductions in healthcare disparities. Additionally, Dr. Imley shared the approach to colorectal screening, including mailing fecal occult test kits with simplified instructions, resulting in a high return rate and a substantial increase in screening rates since 2008.



**Board Comments:** Chairwoman Johnson expressed gratitude to Dr. Imley for highlighting the importance and process of the patient advisory council in their approaches.

**Public Comment:** Ms. Capell expressed gratitude towards the health plans for sharing their concrete steps and appreciates Covered California's role in facilitating discussions among the plans.

Rick Krum, representing Anthem Blue Cross, expressed gratitude for being invited to speak with the Board, and highlighted the administrative commitment to the QTI goals for 2025.

Ms. Sanders expressed gratitude towards Covered California for the opportunity to directly hear from health plans, appreciating the shared commitment to provide healthcare and improve quality and equity.

## **Discussion – 2026-2028 Quality Health Plan Issuer Model Contract Preview**

Dr. Soni provided an overview of the 2023-2025 contract cycle, highlighting ongoing stakeholder engagement and review of successful contract elements areas for areas revision. She detailed the comprehensive feedback process, including public meetings and comments, which led to adjustments to the proposed contract. Key focuses include simplifying processes for high-impact outcomes, aligning with the QTI, and introducing new contract elements such as data on sexual orientation and identity, and the use of generative artificial intelligence. Dr. Soni highlighted efforts to address health disparities and the importance of data exchange frameworks, along with the necessity of maintaining continuity of care and promoting behavioral health services.

**Board Comments:** Chairwoman Johnson asked if Dr. Soni could speak more on the changes in comprehensive maternal healthcare.

Dr. Soni explained the focus on reducing disparities and increasing flexibility in provider options for birthing individuals within Covered California, emphasizing the importance of tracking and utilizing data to improve outcomes. She introduced a new request for transparency from health plans regarding the availability of doulas in specific geographic areas, without setting benchmarks but seeking to understand and potentially increase utilization. Dr. Soni also highlighted the significance of learning from effective partnerships on the ground and tightening language around participation to address underperformance and disparities at the hospital level.

**Public Comment:** Ms. Sanders acknowledged the depth and innovation of the research presented by Covered California, expressing enthusiasm for the proactive and thoughtful approach to contract components.

Ms. Wong echoed the comments of Ms. Sanders and praised Covered California for its efforts in quality improvement, particularly highlighting the star ratings, QTI and the notable improvements in areas that previously lacked progress.

The meeting adjourned at 3:00 p.m.