

COVERED CALIFORNIA BOARD MINUTES
Thursday, March 19, 2026
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 10:31 a.m.

Board Members Present During Roll Call:

Craig Cornett
Mayra Alvarez
Jerry Fleming
Kim Johnson

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, litigation and personnel matters pursuant to Government Code Section 100500(j) and 11126(a), and 11126(e).

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

Agenda Item III: Board Meeting Action Items

January 15, 2026 Meeting Minutes

Board Comment: None.

Public Comment: None.

Motion/Action: Chairwoman Johnson called for a motion to approve the January 15, 2026, meeting minutes. Mr. Cornett 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 personnel, contracting, and litigation. There were no items to report.

Discussion – Executive Director’s Update

Ms. Altman announced that the next Board meeting is scheduled for April 16th.

Discussion – Open Enrollment

Marketing & Communications Recap: Ms. Altman acknowledged that this year's open enrollment was likely the most challenging since health insurance marketplaces were established, due to both the uncertainty navigated and the federal government's failure to extend enhanced premium tax credits (ePTCs). She emphasized the organization's focus on meeting the moment for consumers by deepening its efforts to engage communities, offer support in multiple languages, and serve as a trusted source of truth about the changes and their impacts on individuals, families, and communities. This consumer-focused approach was central to Covered California's strategy during open enrollment.

Ms. Altman extended a heartfelt appreciation to the Covered California team and partners who made this open enrollment possible, emphasizing that their approach was anchored in building trust with communities. She acknowledged the challenges of delivering difficult news, particularly regarding external factors like the lack of federal action to extend ePTCs and stressed the importance of delivering messages with empathy to support consumers and maintain Covered California's reputation. The organization centered its efforts on culturally tailored messaging, expanding language presence beyond threshold languages, and leveraging non-traditional spaces like social media, influencers, and community partners to connect with diverse audiences. Ms. Altman highlighted the success of the communications campaign, which achieved nearly 900 million impressions, a 54 percent video completion rate, and a 20 percent increase in Google search trends.

She also shared examples of community-focused efforts, such as Lunar New Year celebrations, which included culturally significant red envelopes and a lion dance to connect with Asian American Pacific Islander (AAPI) communities during what may be the last open enrollment to coincide with Lunar New Year due to upcoming changes in enrollment timelines.

Data and Research: Isaac Menashe, Deputy Director of the Policy, Eligibility, & Research Division, provided a comprehensive overview of Covered California's 2026 open enrollment outcomes, highlighting key trends and challenges. He reported that 1.9 million Californians selected a plan, a 3 percent decrease from the prior year, driven largely by a 32 percent drop in new enrollments. He noted that renewals remained strong, partly due to high special enrollment activity leading into the renewal period but emphasized the affordability challenges caused by the expiration of ePTCs.

Comparing California's trends to national data, he explained that while California saw smaller enrollment increases in prior years than healthcare.gov, its decline this year was also less pronounced, reflecting affordability pressures across the country.

Covered California Board Minutes
March 19, 2026 Meeting

Mr. Menashe provided detailed insights into premium trends, highlighting that average premiums for enrollees under 400 percent of the Federal Poverty Level (FPL) increased by \$51 per member per month and credited the state subsidy program for mitigating affordability challenges for nearly 400,000 enrollees. He emphasized that affordability directly influenced plan selection, with many new consumers shifting from Silver plans, which offer cost-sharing reductions, to Bronze or Gold plans in search of lower premiums or more comprehensive coverage.

Demographic and income-based analysis revealed disparities in enrollment impacts, with Latino and Black or African American enrollees experiencing larger decreases in new sign-ups compared to the overall population. He noted that affordability challenges disproportionately affected low-income groups, with Spanish-speaking enrollment also declining. Mr. Menashe highlighted the importance of brokers, issuer performance, and the continued enrollment of Medi-Cal transitioners, who accounted for 11 percent of new sign-ups overall and up to 20 percent for certain issuers. He also discussed renewal trends, noting increased consumer engagement and active plan switching.

Finally, Mr. Menashe addressed coverage terminations, which increased substantially, particularly for those earning over 400 percent of FPL, whose termination rates doubled from 13 percent to 26 percent. To support ongoing analysis, he announced that detailed enrollment data would soon be available on the Covered California website, along with an evolving report to track membership trends and terminations over the coming months. Mr. Menashe emphasized the need for ongoing monitoring and public reporting to understand the full impact of affordability challenges on Covered California's enrollment landscape.

Ms. Altman highlighted Covered California's approach of combining data analysis with survey research to understand trends, referencing recent work on Medi-Cal redeterminations and noting the release of a national survey by Kaiser Family Foundation on marketplace consumers.

Mr. Menashe outlined Covered California's annual consumer survey conducted around the end of open enrollment to assess consumer experiences and determine the coverage status of those who leave the marketplace, including the share going uninsured. He noted that preliminary survey data is expected by late spring or early summer, with updates to the Board potentially earlier this year due to heightened interest.

Ms. Altman highlighted three key takeaways regarding Covered California's current consumer trends and challenges. First, she emphasized the concerning impact on individuals earning above 400 percent of the FPL, who have lost all their tax credits. Second, she noted a significant shift in enrollment into Bronze plans, expressing concern about underinsurance and its potential effects on care access and health outcomes.

Lastly, Ms. Altman acknowledged California's positive performance compared to the rest of the country, with a 3 percent decrease in enrollment versus an 8 percent decrease in healthcare.gov states.

Covered California Board Minutes
March 19, 2026 Meeting

She attributed this success, in part, to the state subsidy funding, which has effectively mitigated coverage losses at lower income levels and delivered value relative to its cost.

Board Comment: Mr. Cornett expressed appreciation for the presentation and the clarity of the data, noting that although some of the findings were difficult, the overall outcomes were better than anticipated. He attributed this positive result to the exceptional efforts of the Covered California team. Highlighting outreach efforts, he praised the Lunar New Year event at the Los Angeles Arboretum as a successful example of engaging with communities effectively.

Chairwoman Johnson expressed gratitude for the team's efforts, particularly their leadership in community outreach using diverse messaging methods and the inclusion of additional languages to intentionally reach populations who could benefit from Covered California's resources. She noted that the presented data aligns with expectations based on resource allocation but raised two key questions. First, she asked whether any surprising trends had emerged from the data, and second, she inquired about whether the intentional language-specific outreach efforts helped mitigate further reductions in coverage.

Mr. Menashe acknowledged that most big-picture trends were anticipated but expressed cautious optimism about the positive impact of the state subsidy program. He also highlighted ongoing collaboration with the marketing division and the communications team to evaluate the effectiveness of marketing campaigns and additional language outreach, aiming to integrate strategies that better measure their impact.

Ms. Altman noted a surprising trend in the data, observing a significant decline in new enrollment alongside stable renewal rates. She suggested that renewing enrollees may better recognize the value of their coverage and feel a stronger loss aversion, while potential new enrollees might be deterred by misleading headlines about price increases.

Data Use and Sharing Update: Ms. Altman revisited the topic of data use and sharing, an issue previously discussed with the Board and addressed in public statements. She explained that Covered California uses web tracking technologies to support outreach and marketing efforts but disabled all trackers in 2025 after media reports raised concerns about their use. To ensure transparency and accountability, Covered California engaged an independent digital forensic firm to investigate, which found that most trackers transmitted only standard internet data, such as IP addresses and device details, while a limited number sent unintended sensitive data, such as names and dates of birth, in an unstructured and unlabeled format that could not be readily tied to specific individuals. All disclosures were limited to contracted third parties bound by confidentiality and security agreements, and no consumer information was compromised or laws violated.

Ms. Altman emphasized that Covered California remains committed to privacy and transparency, keeping all trackers disabled while evaluating the next steps. She expressed a goal of balancing the critical opportunities offered by web tracking technologies with strong privacy protections.

Covered California will continue engaging with partners to answer questions and develop robust safeguards to ensure future compliance and consumer trust.

Discussion – State and Federal Policy/Legislative Update

Ms. Altman provided updates on state and federal policy and legislative developments relevant to Covered California. At the state level, she highlighted three bills: Assembly Bill (AB) 1907, which would expand the auto-enrollment process to include consumers who were found ineligible for Medi-Cal but never enrolled; AB 2066, which would establish pregnancy as a qualifying event for special enrollment; and AB 2363, which would exempt Medi-Cal enrollees in 2024 and 2025 from the individual mandate penalty. Ms. Altman also discussed Covered California's active participation in legislative hearings, focusing on the impacts of federal actions, including a shorter open enrollment period and changes to lawful presence eligibility that will affect 123,000 enrollees in 2027.

On federal policy, Ms. Altman outlined Covered California's response to the 2027 Proposed Notice of Benefit and Payment Parameters from the Centers for Medicare & Medicaid Services (CMS), expressing concerns about increased barriers to enrollment, weakened consumer protections, and proposals to expand catastrophic plans with high family deductibles. Covered California submitted formal comments emphasizing the need for program integrity and opposing provisions that could harm consumers. Additionally, she noted comments submitted alongside the California Public Employees' Retirement System (CalPERS) regarding Medicare Advantage and Part D changes, focusing on quality, equity, and access implications. Ms. Altman also highlighted Covered California's joint comment letters with the California Health and Human Services Agency and CalPERS opposing proposals to restrict federal funding for healthcare facilities providing gender-affirming care.

Board Comment: None.

Public Comment: Cary Sanders, representing the California Pan-Ethnic Health Network, commended Covered California for its comprehensive report and analysis of the open enrollment period. Ms. Sanders highlighted the negative impact of the expiration of enhanced premium subsidies, attributing coverage erosion to congressional inaction, and voiced concerns about health plans prioritizing profits over investments in consumer health and provider systems.

Diana Douglas, representing Health Access, expressed gratitude for Covered California's presentation and data updates. She acknowledged the stabilizing effect of state-level subsidies on lower-income enrollees. Ms. Douglas highlighted troubling trends, such as the sharp increase in Bronze plan enrollment, and the disproportionate impact on Latino and Black communities.

Alicia Emanuel, representing the National Health Law Program and the Health Consumer Alliance, expressed gratitude for Covered California's extensive data analysis and acknowledged the positive impact of state subsidies in preserving enrollment among low-income consumers.

Ms. Emanuel also noted that the 31 percent of Silver plan enrollees downgrading to Bronze plans could lead to reduced care access due to higher costs, potentially worsening health outcomes.

Agenda Item V: Covered California Policy and Action Items

Action – 2027 Qualified Health and Dental Plan Certification Application

James DeBenedetti, Director of the Plan Management Division, provided a brief update, noting no changes to the certification applications or selection criteria since the January Board meeting due to the absence of feedback. He clarified that the approval of the standard benefit design has been shifted to March, following the delayed release of the actuarial value (AV) calculator. Mr. DeBenedetti requested the Board formally adopt the 2027 certification criteria and Qualified Health Plan (QHP) and Qualified Dental Plan (QDP) applications for individual and small business health and dental plans and authorize staff to issue applications for the selection of QHPs and QDPs for the 2027 plan year, with a resolution included in the Board's materials.

Board Comments: None.

Public Comment: None.

Motion/Action: Chairwoman Johnson called for a motion to approve the action item. Mr. Cornett 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 – 2027 Qualified Health and Dental Plan Issuer Model Contracts

Taylor Priestly, Director of the Equity and Quality Transformation Division, provided an overview of the proposed 2027 amendments for health and dental plan contracts, highlighting both planned and unexpected changes. She explained the proposed updates to the dental plan contract, which are informed by a comprehensive dental utilization analysis showing that only about half of members use any dental services annually, with significant differences in utilization between dental health maintenance organizations (HMOs) and preferred provider organizations (PPOs). To address these findings, Covered California is introducing differentiated performance expectations for dental HMOs versus dental PPOs and a performance threshold of 70 percent utilization, beyond which plans would not face penalties for lack of improvement. Public engagement on these changes included multiple workgroup meetings and comment periods, but no feedback has been received since the January presentation.

Ms. Priestly also outlined changes to the health plan contract following significant revisions to the National Committee for Quality Assurance (NCQA) Health Equity Accreditation program, which has been renamed Health Outcomes Accreditation.

Covered California Board Minutes
March 19, 2026 Meeting

The updated standards removed key requirements around workforce diversity, demographic data collection, and culturally and linguistically appropriate services, prompting Covered California to propose removing this accreditation requirement for health plans starting in 2027.

To address potential gaps, new contract language has been added to ensure health plans prioritize workforce diversity and member representation, along with clarifications around culturally and linguistically appropriate services. Additionally, a performance threshold for pediatric dental utilization has been introduced to align health and dental plan requirements. Ms. Priestly asked the Board to formally adopt the 2027 QHP and QDP Issuer Model Contract Amendments for individual and Covered California Small Business (CCSB) marketplaces.

Board Comments: Ms. Alvarez sought clarification about the changes to the NCQA health equity standards, noting that they have shifted significantly and no longer align with Covered California's values and approach to health equity.

Ms. Priestly confirmed that Covered California's shift away from the NCQA health equity accreditation is due to significant changes in their standards, which no longer align with Covered California's values. She emphasized that all currently contracted plans remain accredited under the previous NCQA standards, which do reflect Covered California's evidence-based approach.

Public Comment: None.

Motion/Action: Chairwoman Johnson called for a motion to approve the action item. Ms. Alvarez 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.

Discussion – 2027 Standard Benefit Designs

David Bishop, Deputy Director of the Plan Management Division, provided a detailed update on the development of the 2027 standard benefit designs for health and dental plans, emphasizing Covered California's commitment to patient-centered care and affordability amidst rising healthcare costs. He noted the significant increases in medical and pharmacy spending reflected in the AV calculator and the associated rise in annual out-of-pocket costs, which impacts consumer debt. For plan year 2024, approximately 2 percent of consumers reached their maximum out-of-pocket cost (MOOP), highlighting the financial strain on enrollees. He explained that the AV calculator results for 2027 showed non-compliance across all tiers, requiring adjustments to benefit designs, including increases in co-pays and deductibles for certain plans.

Mr. Bishop also highlighted the introduction of updates to catastrophic plans, which have the highest MOOP of \$15,600, affecting approximately 11,980 enrollees as of September 2025. He noted Covered California's efforts to balance affordability with AV compliance, ensuring consumers maintain access to care while addressing financial challenges.

Additionally, he discussed the collaborative work with stakeholders on dental benefit designs and updates to code sets, which were reviewed and finalized in December. Mr. Bishop emphasized the unique considerations for CCSB plans, which require a competitive nature in benefit design to align with market demands.

Board Comments: None.

Public Comment: Ms. Sanders expressed appreciation to Covered California for upholding equity and quality standards amidst NCQA changes and supported the proposed contract revisions.

Ms. Douglas expressed appreciation for Covered California's work on benefit designs and echoed the comments of Ms. Sanders.

Discussion – Proposed Permanent Enrollment Assistance and Certified Application Counselor Program Regulations

Robert Kingston, Director of the Outreach and Sales Division, discussed proposed changes to Covered California's enrollment assistance program regulations following engagement with tribal organizations. He highlighted a discrepancy in current regulations that prohibit certified application counselors or enrollment counselors affiliated with tribal organizations from paying premiums on behalf of members, despite the Affordable Care Act (ACA) allowing tribal sponsorship of premiums. Through collaboration with groups like the California Rural Indian Health Board, the California Consortium of Urban Indian Health, and Indian Health Services (IHS), as well as outreach to enrollment channel partners specializing in American Indian and Alaska Native consumers, Covered California received support to update regulations.

These changes would enable tribal organizations to pay premiums on behalf of members, accept payments from members, and input payment information into the system. Additionally, the regulations would be updated to use gender-neutral pronouns. Mr. Kingston outlined the next steps, including a 45-day public comment period beginning next month and presenting the final regulations package at the June Board meeting.

Board Comments: Ms. Alvarez expressed appreciation for the commitment to tribal consultation. She inquired about why the issue regarding tribal sponsorship regulations is only now being addressed, despite Covered California operating for over a decade.

Ms. Altman explained that recent changes in federal funding to tribes and the IHS system have sparked interest in tribal sponsorship, which was not previously requested. She clarified that tribes and tribal organizations began expressing interest in this about a year or two ago, prompting Covered California to conduct surveys and engage in discussions to gather input, and the organization is now taking steps to implement the necessary changes.

Public Comment: Virginia Hedrick, Chief Executive Officer of the California Rural Indian Health Board and a member of the Yurok tribe, expressed gratitude to the Board for considering the proposed regulations and emphasized the significance of this moment for tribal engagement with Covered California.

Della Freeman, a Tribal Advisory Work Group member and Covered California Enrollment Counselor at Indian Health Council, voiced strong support for the proposed amendments to the application counselor process. She emphasized that these changes would align state enrollment rules with tribal sponsorship opportunities under the ACA, allowing tribes and tribal organizations to pay unsubsidized portions of health insurance premiums for eligible members.

Ms. Sanders expressed support for the proposal to improve access to ACA coverage and health equity.

Discussion – Media Planning and Measurement Overview – Media Mix Model

Ms. Altman discussed Covered California's longstanding commitment to investing heavily in marketing to increase coverage, build awareness, and foster trust with communities. She acknowledged past questions about whether the current level of marketing investment is appropriate, especially now that the uninsured rate has decreased compared to the program's early years. To address these concerns, she initiated an evaluation process to assess the effectiveness of marketing spend, relying on data and modeling to guide decisions.

Monica Padilla, Paid Media and Brand Strategy Manager of the Marketing Division, provided an overview of the role of marketing in Covered California, emphasizing its focus on building trust, leveraging trusted media partners, and normalizing seeking help for enrollment and financial assistance, especially among vulnerable communities. She highlighted that marketing efforts not only aim to increase awareness and retain current membership but also encourage utilization of health plans, ultimately benefiting the entire coverage ecosystem. Marketing campaigns drive consumers to explore Covered California, often leading them to discover eligibility for Medi-Cal as well. She noted the broader assignment given by the Board and executive leadership two years ago to assess the optimal investment level for reaching uninsured Californians and ensuring dollars are spent efficiently.

To address these questions, Covered California employed marketing mix modeling (MMM), a gold standard measurement tool for media investment, improving return on ad investment and cost per plan selection by 10 percent. Despite California's competitive media landscape, MMM proved vital in driving efficiency and guiding strategies for the upcoming shortened open enrollment period.

Zafreen Zerrelli, Senior Vice President of Analytics & Customer Insights at Stella Rising then shared insights from two analytic tools, which assessed media effectiveness and advertising impact. The analysis revealed strong results, including 200,486 plan selections, 176,000 effectuated enrollments, and \$77.52 million in revenue, with ad spend returns of 2.57 to 1 for acquisition campaigns and 5.13 to 1 for retention-focused efforts. Recommendations included optimizing budgets toward efficient digital channels while leveraging TV and radio for broader reach, with an annual budget of \$37–69 million ensuring effectiveness. Covered California's data-driven strategies significantly improved metrics, reinforcing their approach to marketing optimization.

Covered California Board Minutes
March 19, 2026 Meeting

Glenn Oyoung, Director of the Marketing Division, provided an overview of the organization's marketing strategies and emphasized the importance of using data-driven tools to optimize media spending and campaign effectiveness. He highlighted the balance between creativity and scientific rigor in marketing, explaining how tools like the MMM help guide decisions on budget allocation, creative development, and audience targeting.

Mr. Oyoung emphasized Covered California's dedication to engaging diverse communities—such as Black African Americans, AAPI, Native Americans, and LGBTQ+—through culturally relevant campaigns that build trust and respect. He highlighted the shift to an "always-on" marketing approach, sustaining efforts year-round and optimizing impact using tools like MMM and a brand health tracker to measure trust and improve outreach. Over two years, the team has increased asset production, guided by research and creative testing, to deliver targeted messages effectively. Mr. Oyoung celebrated record media engagement and reaffirmed Covered California's commitment to transparency, continuous improvement, and impactful outreach.

Ms. Altman highlighted the unique role of marketing within government, noting that it typically focuses on public education and awareness rather than direct calls to action. She emphasized the mission-driven nature of Covered California's marketing efforts, which aim to reduce the uninsured rate and ensure communities access the healthcare and benefits they deserve. Ms. Altman concluded by stating that the evaluation has been a worthwhile exercise for informing strategic decisions and expressed enthusiasm for the Board's feedback and questions.

Board Comments: Mr. Cornett expressed appreciation for the scientific approach to marketing presented and noted its distinction from typical government roles, which often focus on product development rather than sales and marketing. He inquired if this was the first time such an evaluation had been conducted at Covered California and highlighted the importance of evaluating whether Covered California is spending its marketing budget efficiently.

Ms. Altman confirmed that this is the first time Covered California has conducted a comprehensive, external analytical evaluation of its marketing spend to assess both the appropriateness of the budget and its efficiency. She noted that while internal efforts to optimize spending have been made in the past, this level of external analysis is unprecedented.

Mr. Oyoung emphasized the broader contributions to Covered California's success beyond marketing, such as sales, which the model shows contributes 17 percent compared to marketing's 7 percent. He highlighted how the MMM developed by Stella Rising is now being used not just as a budget exercise but as a dynamic tool to guide daily decision-making.

Mr. Cornett expressed interest in revisiting the marketing evaluation in the future, acknowledging that it might not be necessary to conduct annually. He noted the analysis covered a range from November 2020 to mid-2023 and questioned the wide recommended budget range of \$37 to \$69 million. He asked if there was a way to narrow that range further to provide a clearer sense of the optimal budget.

Covered California Board Minutes
March 19, 2026 Meeting

Mr. Oyoung clarified that the analysis was not intended to serve as a formal budget exercise or request but rather to provide a mathematical range based on the inflection point identified by the model.

Ms. Zerrelli explained that at the \$37 million level, Covered California would achieve sufficient audience reach and frequency, effectively engaging uninsured Californians multiple times per week.

Ms. Altman asked whether the model could quantify the differences in outcomes between various budget levels, and what those differences might look like in terms of impact.

Mr. Cornett suggested that the model could potentially be used for micro-targeting specific populations where enrollment is lower, as indicated by earlier data, to address gaps and improve outreach efforts.

Ms. Altman explained that while not included in the slides, the data is broken down by race, ethnicity, and language segments, allowing for targeted strategies tailored to each group.

Mr. Fleming expressed his admiration for the presentation, noting its impressive depth and impact. He shared his excitement as a Board member to see the development of such meaningful work.

Public Comment: None.

The meeting adjourned at 2:41 p.m.