

COVERED CALIFORNIA BOARD MINUTES
Thursday, April 16, 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 11:00 a.m.

Board Members Present During Roll Call:

Craig Cornett
Jerry Fleming
Mayra Alvarez
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 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. At this time, Ms. Alvarez was absent.

Agenda Item III: Board Meeting Action Items

March 19, 2026 Meeting Minutes

Board Comment: None.

Public Comment: None.

Motion/Action: Chairwoman Johnson called for a motion to approve the March 19, 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 – Executive Director's Update

Jessica Altman, Executive Director, announced that the next Board meeting is scheduled for May 21st. She also introduced Dee Kumar, Covered California's new Chief Audit Executive.

Discussion – State and Federal Policy/Legislative Update

Ms. Altman highlighted two key bills being tracked: Assembly Bill 2208, which would revise state laws regarding retroactive Medi-Cal coverage and cost-sharing due to federal changes, and Senate Bill (SB) 1202, which would require data collection and outreach efforts for those losing Medi-Cal coverage due to federal actions. SB 1202 also involves developing a dashboard in consultation with Covered California to better understand the impact. Ms. Altman emphasized the importance of collaboration with the Department of Health Care Services (DHCS) in this process. Additionally, she announced her upcoming trip to Washington, D.C., where she will meet with State-Based Marketplace (SBM) peers, administration officials, and the Centers for Medicare & Medicaid Services (CMS) to share enrollment data insights. Covered California will be among the first SBMs to release data for the end of the grace period, providing valuable information about the impact of the loss of enhanced premium tax credits.

Ms. Altman also highlighted Covered California's recent efforts to engage with CMS. In partnership with the Oregon Health Insurance Marketplace and the Washington Health Benefit Exchange, Covered California submitted joint comments on the 2026 draft call letter for the Quality Rating System and Qualified Health Plan Enrollee Experience Survey, emphasizing lessons learned and key priorities for health plan quality measurement. She noted the importance of this collaborative approach and the attention it garners from CMS. Additionally, Covered California responded to a CMS Request for Information regarding fraudulent activity in federal health care programs, specifically focusing on marketplace program integrity and oversight. Ms. Altman explained that Covered California shared best practices and details about its successful balance between strong program integrity and consumer-friendly processes, highlighting California's achievements in this area. These efforts align with the current administration's priority on anti-fraud and program integrity initiatives.

Discussion – Data and Research

Ms. Altman introduced the data and research portion of the meeting, emphasizing the significance of the information being shared. She explained that April's data release marks a critical point in understanding Covered California's renewal population. This provides important insights into the impact of federal actions, specifically the expiration of the enhanced premium tax credits, on both new and renewing enrollees.

Ms. Altman acknowledged the negative outcomes for Californians and the state, noting that while the results are disappointing, they align with earlier projections and are not unexpected. She highlighted that despite the challenges, Covered California anticipates outperforming national benchmarks, particularly due to its state affordability program.

Isaac Menashe, Deputy Director of the Policy, Eligibility & Research Division, presented data on retention and enrollment following the expiration of the 90-day grace period for premium payments, focusing on the February 2026 coverage month. He noted a significant increase in cancellations and terminations during this cycle, with 19 percent of consumers canceling or terminating their plans, up from 13–14 percent in recent years. This represents approximately 130,000 additional enrollees losing coverage.

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Income levels showed notable trends, as those earning 400 percent or more of the Federal Poverty Level (FPL), who lost financial assistance due to the expiration of enhanced premium tax credits, experienced cancellation rates of 24 percent, double the previous year's rate. Lower-income consumers in the 138–150 percent FPL range, protected by California's state subsidy program, maintained similar cancellation rates to prior years.

Mr. Menashe also introduced new public reporting tools to monitor effectuated enrollment throughout the year, allowing users to explore detailed metrics like termination rates and enrollment figures by demographics. He provided a sneak peek at February 2026 data, revealing a year-over-year enrollment decline from 1.94 million to 1.8 million which is a reduction of 7 percent or 135,000 enrollees. Mr. Menashe acknowledged the collaborative efforts of Covered California's analytics team, its partners at the California Healthcare Eligibility, Enrollment, and Retention System, Deloitte, and the Office of Technology and Solutions Integration in providing accurate and reliable data.

Ms. Altman acknowledged the typical seasonal decline in enrollment but emphasized that this year's trends are unusual compared to previous years. She explained that in a normal year, most individuals leaving Covered California transition to employer-sponsored coverage, Medicare upon turning 65, or Medi-Cal due to reduced work hours. However, this year, she noted that some individuals are making the difficult decision to go uninsured due to various challenges. Ms. Altman highlighted that these decisions are often influenced by federal actions, inactions, and policy changes. To better understand the experiences and decision-making of this population, Covered California plans to conduct surveys and qualitative research.

Board Comment: Chairwoman Johnson expressed gratitude for the presentation and emphasized the importance of the data in understanding the impact of recent developments.

She highlighted the significance of 210,000 additional Californians potentially gaining health coverage and acknowledged the collaborative efforts of partners involved in producing real-time data. Chairwoman Johnson noted that California stands out as one of the few states capable of sharing this story in real time, which helps influence policy and decision-making effectively.

Mr. Cornett expressed appreciation for the data and raised a question about enrollment trends. He specifically inquired about whether there was a significant drop-off in coverage at the end of the 90-day grace period in April, compared to expectations.

Mr. Menashe explained that while the membership trends in April were similar to previous years, January saw a notable increase in termination rates. He hypothesized that this could be due to members realizing their premiums had increased only after the month began, possibly because their plans were on autopay. This behavior is reflected in the membership dashboard data.

Mr. Fleming posed a question about potential changes in risk scores, hypothesizing that there could be an impact due to specific member categories. He acknowledged that more data might be needed to confirm this assumption.

Mr. Menashe acknowledged the importance of understanding the risk mix of new enrollees after open enrollment and noted that Covered California collaborates with the California Department of Health Care Access and Information to analyze utilization patterns for these consumers. While this annual process provides insights into risk, he deferred to the plan management team and actuary for specific details on how it impacts the plans this year.

Ms. Altman highlighted that last year's rate negotiations accounted for a 2-3 percent adjustment in anticipation of changes to the risk pool due to the potential loss of enhanced premium tax credits. While current impacts align with expectations, Covered California is closely monitoring market shifts, such as changes in plan selection and utilization, to ensure rate assumptions remain accurate.

Public Comment: Diana Douglas, representing Health Access, expressed gratitude for Covered California's engagement in federal discussions and its role as an example for balancing fraud prevention and access to care. She highlighted the impact of federal policy changes while commending the state's efforts to insulate the lowest-income enrollees from these effects through modest state subsidies.

Cary Sanders, representing the California Pan-Ethnic Health Network, expressed appreciation for Covered California's advocacy and education efforts in Washington, D.C., regarding the impact of Congress's inaction on access to care and coverage.

Agenda Item V: Covered California Policy and Action Items

Action – 2027 Standard Benefit Designs

David Bishop, Deputy Director of the Plan Management Division, provided an update on the 2027 Standard Benefit Designs, noting that the only change since last month was a footnote clarification indicating that Health Savings Account-eligible plans can cover telehealth and remote care services. He confirmed that no other adjustments were made to the Standard Benefit Designs and requested formal approval and adoption of the 2027 Standard Benefit Designs for both the individual market and small group plans offered through Covered California for Small Business.

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 Dental Benefit Designs

Mr. Bishop requested formal approval of the 2027 Dental Benefit Designs.

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.

Discussion – Planning for 2027 Open Enrollment

Ms. Altman acknowledged the challenges of transitioning from analyzing the impacts of federal changes for the 2026 plan year to planning for 2027, emphasizing Covered California's proactive approach to addressing significant federal changes early.

She outlined the key areas of focus for 2027: the impact of new eligibility rules for lawfully present immigrants, adjustments for the shorter open enrollment period, and affordability planning.

2027 Policy Planning: Emory Wolf, Assistant Deputy Director of the Policy, Eligibility & Research Division, provided an overview of key federal changes affecting Covered California in 2027, focusing on the loss of subsidy eligibility for certain lawfully present immigrants and the shortened open enrollment period. She highlighted that 140,000 lawfully present enrollees will lose subsidies, with most having lower incomes and disproportionately identifying as Asian American, particularly Mandarin-speaking Chinese. She emphasized the need for targeted outreach, given that 87 percent of this group uses agent assistance. Regarding the open enrollment period, she noted that reducing it to nine weeks could impact the 37-41 percent of new enrollees typically signing up in January, with younger and Latino populations disproportionately affected. Ms. Wolf stressed the importance of communication and assistance strategies to address these changes.

Board Comments: Mr. Cornett expressed concern about the 37 percent of enrollees who typically sign up in January and asked about preliminary plans for communicating with consumers earlier to address this shift.

Ms. Altman responded by emphasizing that Covered California is developing a multifaceted communication plan to start outreach before November 1st. She noted the importance of partnering with enrollment partners and exploring tactics to proactively engage consumers ahead of the shortened open enrollment period.

Chairwoman Johnson asked about the proportion of overall enrollees who are returning versus new enrollees, emphasizing the importance of communication for those accustomed to the current process.

Ms. Wolf responded that there are about 200,000 to 300,000 new enrollees and 1.6 to 1.7 million returning.

Ms. Altman noted that 40 percent of new enrollees represent a significant group but agreed with Chairwoman Johnson that the majority are renewing enrollees accustomed to the January 1st coverage timeline. She explained that many renewing enrollees actively switch plans or carriers in January based on new options or preferences, a behavior that will change with the shorter open enrollment period.

Marketplace Eligibility Changes for Lawfully Present Immigrants: Kelly Green, Director of the External Affairs & Community Engagement Division provided an update on Covered California's strategy to address the impacts of House Resolution (H.R.) 1, which will remove federal premium tax credits for over 130,000 lawfully present immigrants starting in 2027. She emphasized the affordability challenges this population will face, with an estimated average premium increase of \$500 per member per month, and outlined a comprehensive, enterprise-wide response spanning public awareness, stakeholder support, consumer transition, and operational readiness. Specific efforts include tailored communication strategies targeting Asian American and Latino populations, leveraging enrollment partners and agents, and developing resources and tools to guide affected consumers, including those who may struggle to maintain coverage.

Ms. Green also detailed the strategic work streams, including updates to eligibility systems, training staff, and creating outreach materials to equip enrollment partners and external stakeholders with the tools they need to assist impacted consumers. She highlighted the importance of early engagement, drawing lessons from previous work on expiring premium tax credits, and noted coordination efforts with DHCS to align messaging for consumers affected by changes to both Covered California and Medi-Cal eligibility under H.R. 1

Board Comments: Chairwoman Johnson thanked the team for their thoughtful strategy and asked how Covered California is framing the explanation for why these federal changes are occurring.

Ms. Green responded by clarifying that Covered California will emphasize that these changes are the result of federal actions and that the organization's role is to support consumers through the transition.

She highlighted lessons learned from communicating about the expiration of enhanced premium tax credits last year, stating that the focus will be on delivering clear messaging, ensuring consumers understand the origins of the policy change, and equipping them with the information and resources they need to navigate the impacts effectively.

Shortened Open Enrollment Period: Craig Tomiyoshi, Director of the Communications and Public Relations Division, provided an update on plans to address the shortened open enrollment period, which was reduced to nine weeks as a result of federal rule changes from CMS. He emphasized the challenges this change poses for consumers and enrollment channel partners, and outlined a coordinated, organization-wide strategy centered on three strategic priorities: driving earlier action, simplifying the enrollment process, and scaling readiness.

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Covered California aims to leverage data to identify and target impacted populations, support trusted enrollment partners, and streamline systems and processes to mitigate the impact of the shortened timeline.

Mr. Tomiyoshi detailed steps to prepare consumers before open enrollment begins, such as extending the shopping period and providing tools like calculators and informational resources. He also highlighted the importance of targeted messaging to reach groups, like younger enrollees, who typically sign up in January. Operational readiness will include ensuring systems are efficient, deploying rapid response teams for unexpected issues, and engaging risk management protocols. He noted that efforts to maintain an "always-on" messaging strategy are already underway, with plans to ramp up communication closer to the window shopping and open enrollment periods, ensuring consumers are equipped to take action without delays.

2027 State Affordability Planning: Katie Ravel, Director of the Policy, Eligibility & Research Division, provided an overview of Covered California's state affordability planning for the 2026 and 2027 plan years, emphasizing the \$190 million appropriation from the Health Care Affordability Reserve Fund as outlined in the Governor's budget. She reviewed California's history of affordability investments, including premium support programs and the recent pivot from the Cost-Sharing Reduction Program to premium subsidies targeting the lowest-income enrollees. Currently, nearly 400,000 enrollees benefit from the state premium subsidy program, with over 200,000 individuals under 150 percent of the FPL receiving zero-premium Silver plans due to the state's assistance.

Looking ahead to 2027, Ms. Ravel stated that barring any legislative changes, Covered California plans to build on the 2026 California Premium Subsidy Program design, with a draft program design expected for review in May and final adoption in June. She noted potential adjustments based on enrollment projections or substantial funding changes, such as new funding to assist lawfully present individuals losing federal subsidies under H.R. 1. Covered California remains responsive to technical assistance requests from legislators as planning continues.

Board Comments: Chairwoman Johnson expressed gratitude to the leadership teams for their thoughtful and comprehensive approach to addressing significant changes impacting healthcare access.

Public Comment: Ms. Douglas thanked Covered California for the presentations and highlighted the data on lawfully present Californians losing subsidy eligibility.

Doreena Wong, representing Asian Resources, Inc., expressed appreciation for Covered California's data and state subsidies for low-income enrollees and supported continuing the 2026 premium subsidy program into 2027.

Ms. Sanders aligned her comments with the previous speakers.

Public Comment: None.

The meeting adjourned at 3:00 p.m.