
Covered California

Small Business Health Options Program Advisory Group

February 4, 2013

I. Welcome and Introductions

Small Business Health Options Program Advisory Group

Jeanne Cain

Executive Vice President, Policy
California Chamber of Commerce

David Chase

California Outreach Director
Small Business Majority

Jorge C. Corralejo (Chair)

Chairman, Founding Member
Latino Business Chamber of Greater
Los Angeles

Virginia Donohue (Vice Chair)

Small Business Owner
Pet Camp

Tana Elizondo

Insurance Agent
Central Valley Life & Health Benefits

Kathleen Hamilton

Director, Government Affairs
The Children's Partnership

Brent Hitchings

Vice President
Sales and Account Management
Blue Shield of California

Alan Katz

Executive Vice President
SeeChange Health

Emily Lam

Senior Director
Healthcare & Federal Issues
Silicon Valley Leadership Group

Gohn Marie McFadden

President and Founder
McFadden & Associates Insurance

Mark Morgan

Vice President and General Manager
Small Group Business
Anthem Blue Cross of California

John Newman

Executive Director
California Exchange Operations
Kaiser Permanente Health Plan

Carla Saporta

Policy Director
Greenlining Institute

MD Sam Smith

President Elect of CAHU
Independent Agent & CAHU

Micah Weinberg

Senior Policy Advisor
Bay Area Council

Barbara Vohryzek (Ex Officio)

Small Business Advocate
California Governor's Office of
Business and Economic Development

**Covered California Board
Participants**

Paul Fearer
Susan Kennedy



Covered California's Vision and Mission

Vision

The vision of Covered California is to improve the health of all Californians by assuring their access to affordable, high quality care.

Mission

The mission of the Covered California is to increase the number of insured Californians, improve health care quality, lower costs, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and providers that give them the best value.



Covered California's Values

Consumer-focused

At the center of the Exchange's efforts are the people it serves, including patients and their families, and small business owners and their employees. The Exchange will offer a consumer-friendly experience that is accessible to all Californians, recognizing the diverse cultural, language, economic, educational and health status needs of those we serve.

Affordability

The Exchange will provide affordable health insurance while assuring quality and access.

Catalyst

The Exchange will be a catalyst for change in California's health care system, using its market role to stimulate new strategies for providing high-quality, affordable health care, promoting prevention and wellness, and reducing health disparities.

Integrity

The Exchange will earn the public's trust through its commitment to accountability, responsiveness, transparency, speed, agility, reliability, and cooperation.

Partnership

The Exchange welcomes partnerships, and its efforts will be guided by working with consumers, providers, health plans, employers and other purchasers, government partners, and other stakeholders.

Results

The impact of the Exchange will be measured by its contributions to expanding coverage and access, improving health care quality, promoting better health and health equity, and lowering costs for all Californians.



Covered California Governance

Independent Public Entity with Qualified Board

Diana Dooley, Board Chair and Secretary of the California Health and Human Services Agency, which provides a range of health care services, social services, mental health services, alcohol and drug treatment services, income assistance and public health services to Californians

Kim Belshé, Senior Policy Advisor of the Public Policy Institute of California, former Secretary of California Health and Human Services Agency, and former Director of the California Department of Health Services

Paul Fearer, Senior Executive Vice President and Director of Human Resources of UnionBanCalCorporation and its primary subsidiary, Union Bank N.A., Board Chair of Pacific Business Group on Health, and former board chair of Pacific Health Advantage

Robert Ross, M.D., President and Chief Executive Officer of The California Endowment, previous director of the San Diego County Health and Human Services Agency from 1993 to 2000, and previous Commissioner of Public Health for the City of Philadelphia from 1990 to 1993

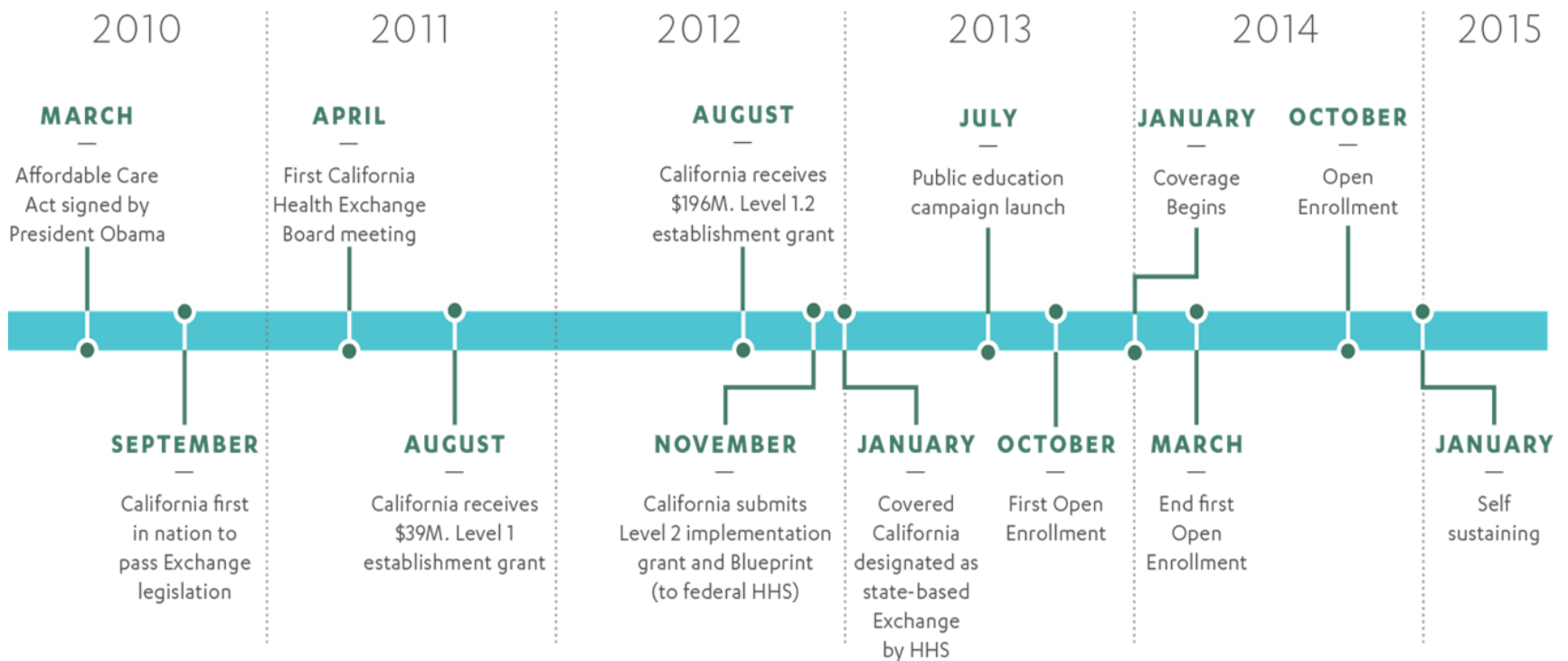
Susan Kennedy, Nationally-recognized policy consultant, former Deputy Chief of Staff and Cabinet Secretary to Governor Gray Davis, former Chief of Staff to Governor Arnold Schwarzenegger, former Communications Director for U.S. Senator Dianne Feinstein, and former Executive Director of the California Democratic Party



Foundations of Covered California's Success



Covered California's Milestones



Small Business Health Options Program

Advisory Group Charter

- **Purpose:** To provide advice and recommendations and serve as a sounding board to Covered California to assist in the continual refinement of policies and strategies to ensure we offer a unique value to small businesses that purchase coverage through SHOP.
- **Scope:** Provide input on strategies to raise interest in the SHOP and ensure that it provides value for small employers.
- **Structure:** Advisory Group members are selected for an initial two-year term and meet quarterly. The SHOP Advisory Chairperson will serve a one-year term.

Commitment to Transparency

- We are very public:
 - Public Records Act: The Public has the right to inspect and/or obtain copies of public records maintained by Covered California.
 - Assume all emails will be in the LA Times
 - Meetings are public
 - Advisory group discussions – individuals’ comments will NOT be treated as “positions” of the organizations they represent, but press and the public will be at quarterly meetings
- Advisory Group members may be contacted by media organizations, but do not “represent” Covered California
- Covered California may informally reach out to some or all of the Advisory Group for input between meetings.



II. Overview of SHOP Development and Status

SHOP Key Dates

Activity	Projected Date
First Quarter Advisory Group Meeting	February 4, 2013
SHOP Admin Vendor Selection	February 26, 2013
Outreach and Education Grant Notice of Intent to Award (\$3 million)	April 26, 2013
Second Quarter Advisory Group	May 15, 2013
General Agents Contracted and Onboard	May 2013
Agent Training and Certification Begins	June 2013
SHOP Vendor Service Center Opens	July 2013
SHOP Roadshows	July 2013-November 2013
Third Quarter Advisory Group Meeting	August 14, 2013
Open Enrollment Begins	October 1, 2013
Fourth Quarter Advisory Group Meeting	October 16, 2013
Coverage Begins	January 1, 2014

SHOP Development and Status

- February 26, 2013: Administration of the Small Business Health Options Program Solicitation
- Supplemental Dental and Pediatric Dental Essential Health Benefit Solicitation
- Supplemental Vision Benefits Solicitation
- May 2013: General Agent RFI

Administration of the SHOP Solicitation

The Exchange seeks to contract with a Vendor for the following sales and operational services:

- 1) Sales
- 2) Eligibility and Enrollment
- 3) Financial Management
- 4) Call Center
- 5) Marketing
- 6) Information Technology Services

Administration of the SHOP Solicitation

Core functions that will be retained by Covered California

- **Governance, Policy Development, and Quality Assurance:** the Exchange will retain governance and policy-making authority and ensure that Vendors are meeting contractual quality standards.
- **Health Plan Management:** the Exchange will retain control over health plan selection, certification and ongoing management of qualified health plan relationships for the SHOP Exchange.
- **Marketing Strategy:** the Exchange will retain SHOP marketing efforts, which will include branding, standards, and general oversight of marketing and collateral development. Conversely, the Vendor will be responsible for ownership for Agent Sales Support.
- **Legal:** the Exchange will manage legal issues internally but does not assume responsibility for legal issues unrelated to SHOP.

Dental & Vision Solicitation Status

Key Dates

Activity	Projected Date
Release of Solicitation	01/08/2013
Questions from bidders due to the Exchange	01/16/2013
Intent to Bid notifications due to the Exchange	01/16/2013
Submission of bidder responses (12:00 noon PST)	03/01/2013
Certification notices to be sent to bidders	05/15/2013
Execution of contracts with the selected plan issuers (projected)	06/01/2013

General Agent Draft Request for Information

- For agents serving the small employers segment, general agents serve as a significant distribution partner and aggregator of multiple carrier proposals and rates, among other services.
- General Agent RFI release February 2013
 - Contract with limited number of general agents through a competitive bid process
- General agents onboard in May 2013

California Healthcare Eligibility, Enrollment and Retention System

- Offer eligibility determinations for both Medi-Cal and federally subsidized Covered California coverage
- Allow enrollment through multiple access points including
 - Mail
 - Phone
 - In-person
- Accenture hired for design, development and deployment of CalHEERS

III. Agent Strategy

Covered California Agent Strategy

- Actively engage agents for both Individual and SHOP Markets
- Agent Compensation
 - Pay Commission at market competitive rate
 - Individual commission paid by issuers
 - SHOP commission paid by SHOP vendor
- Agent Training and Certification
 - Train for both Individual and SHOP market
 - Approximately eight hours
 - In person and computer based training
 - Qualifies for Continuing Education Credits
 - Annual Renewal
 - Training to begin as early as June

Covered California Agent Strategy

- Agent Agreement/Appointment
 - Active Life and Health Agent License in good standing
 - Code of conduct, rules, expectations, anti-steering etc.
 - Marketing and Brand rules
 - Minimum Activity or Production Requirements
- General Agent Status
 - Role in recruitment, road shows
 - Expectations for electronic enrollment

IV. SHOP Outreach and Education Grants

SHOP Outreach and Education Grants

Grant Program Guiding Principals

- Target resources based on the greatest opportunity to reach the highest number of uninsured and subsidy eligible individuals. Where uninsured and subsidy eligible individuals live, work, play and shop.
- Ensure that all regions and markets in the state, including the hard to move (e.g. rural and limited English proficient populations) are reached.
- Complement the Assisters Program and the broader marketing strategy, including Covered California's Qualified Health Plan marketing efforts.
- Provide consumers and small businesses with information and tools where individuals and employers can enroll on their own.

SHOP Outreach and Education Grants

- **Original Recommendation:** The Outreach and Education Grant Program's purpose is to conduct outreach to uninsured consumers eligible for enrollment through Covered California.
- **Stakeholder Feedback:** Stakeholders recommended the inclusion of small businesses for outreach and education; voiced concern about capacity of a single vendor to conduct the outreach and education campaign for SHOP.
- **Revised Recommendation:** \$3 million in a separate funding pool has been established specifically for organizations that will target outreach and education activities to small businesses who are interested in providing coverage to their employees through SHOP. These grantees will be separate from grantees targeting individual consumers

VI. Public Comment