



COVERED
CALIFORNIA

PLAN MANAGEMENT AND DELIVERY SYSTEM REFORM ADVISORY COMMITTEE

November 6, 2014

AGENDA

AGENDA
Plan Management and Delivery System Reform Advisory Group
Meeting and Webinar
Thursday, November 6, 2014, 10:00 a.m. – 1:00 p.m.

Berryessa Conference Room
Covered California
1601 Exposition Boulevard, Sacramento, CA 95815

Please register for the webinar at: <https://attendee.gotowebinar.com/register/4471228167990638850>
After registering, you will receive a confirmation email containing information about joining the webinar.

	November Agenda Items	Suggested Time
I.	Welcome and Agenda Review (Valerie Woolsey)	10:00 - 10:10 (10 min.)
II.	2016 Benefit Redesign Process (Anne Price)	10:10 - 11:30 (80 min.)
III.	Break	11:30 - 11:40 (10 min.)
IV.	Advisory Group 2015 membership (Casey Morrigan)	11:40 - 12:30 (50 min.)
V.	Operations Update (Rachel Young)	12:30 - 12:45 (15 min.)
VI.	Wrap-Up and Next Steps (Casey Morrigan)	12:45 - 1:00 (15 min.)

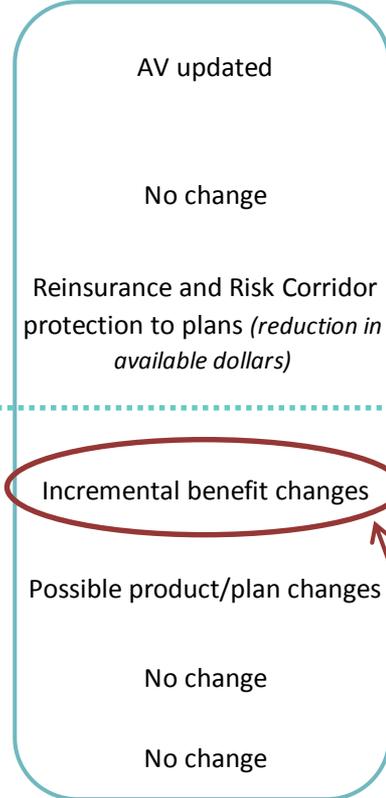
Send public comments to ghp@hbex.ca.gov

2016 BENEFIT REDESIGN PROCESS

ANNE PRICE, DIRECTOR, PLAN MANAGEMENT DIVISION

CovCA Individual Market Benefit Redesign Landscape

	2014	2015	2016	2017
	<i>year 1: coverage begins</i>	<i>year 2: consistency and stability</i>	<i>year 3: redesign improvements considered for access and cost</i>	<i>year 4: progression of improvements considered for access and cost</i>
Statutory	Actuarial Value (AV) baseline	No change	AV updated	?
	Essential Health Benefits (EHB) baseline	No change	No change	Possible slight changes
	Reinsurance and Risk Corridor protection to plans	Reinsurance and Risk Corridor protection to plans (<i>reduction in available dollars</i>)	Reinsurance and Risk Corridor protection to plans (<i>reduction in available dollars</i>)	Reinsurance and Risk Corridors expire
Optional	Baseline: standard benefit design	No change	Incremental benefit changes	Incremental benefit changes
	Baseline products/plans established	No change ¹	Possible product/plan changes	Likely product/plan changes
	Standalone pediatric dental	Embedded pediatric dental benefit	No change	No change
	No adult dental coverage	optional family dental	No change	No change



**Benefit Review
Workgroup Focus**

1. Health Net changed PPO product to EPO product due to regulatory requirement

Work Group Roster

Name	Representation	E-Mail	office phone
<u>Work group Members</u>			
Beth Capell	Health Access California	bcapell@jps.net	916-497-0760
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Covered California Staff

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* *co-facilitators*

Additional Resources

Andrea Rosen	Covered California	andrea.rosen@covered.ca.gov	916-228-8343
Jeff Rideout, MD	Covered California	jeff.rideout@covered.ca.gov	916-228-8573
Diane Falls	Covered California	diane.falls@covered.ca.gov	916-228-8487

Ad-Hoc Team Meeting Milestones and Public Review

DATE	Event	Description
24-Sep	Project Start	Kick Off Communication
3-Oct	AH meeting	Kick Off Meeting
17-Oct	AH meeting	Workgroup meeting
26-Oct	Plan Actuarial Meeting	Covered California Staff to Meet and Update QHP Actuaries
31-Oct	AH meeting	Workgroup meeting
6-Nov	Plan Advisory Meeting	Workgroup Status Provided to Advisory for Feedback (note Weds for board meeting flexibility)
14-Nov	Plan Actuarial Meeting	Covered California Staff to Meet and Update QHP Actuaries
20-Nov	Board Meeting	Workgroup Update to Board (date subject to change)
25-Nov	AH meeting	Workgroup meeting
5-Dec	AH meeting	Workgroup meeting
12-Dec	Plan Advisory Meeting	Workgroup Status Provided to Advisory for Feedback
18-Dec	Board - Recommendation	Workgroup Recommendation to Board (date subject to change)
9-Jan	AH meeting	Workgroup meeting
16-Jan	Plan Advisory Meeting	Workgroup Recommendation Provided to Advisory for Feedback
22-Jan	Board - Decision	Workgroup Present Recommendation and Final Decision Ask of Board (Pending Final Actuarial Value Calculator)
30-Jan	AH meeting	Wrap Up (as needed)

Note: bold blue font indicates public meeting

Scope and Goals

Organizational Goal:

Covered California should have benefit designs that are standardized, promote access to care, and are easy for consumers to understand



Work Group Goal:

Provide input to Covered California staff as we develop recommendations for benefit re-design that includes consideration for a multi year strategy

Covered California Principles

1. Maintain philosophy of having standardized benefit designs to enable informed consumer choice between products, metal tiers and carriers
2. Multi year progressive strategy with consideration to market dynamics: Changes in benefits should be considered annually based on consumers' experience related to access and cost
3. Data driven approach to inform recommendations
4. Any changes to benefit designs should promote improvement for consumers' understanding of their benefits and their obtaining care at the right place, right cost and right time
5. Simplify training for all enrollment channels

Areas of Consideration and Timing

- Broad categories of redesign within the standardized benefits may include recommendations in the following areas for immediate (2016) or future year changes:
 - Co-insurance
 - Deductible
 - Max Out of Pocket
 - Product

- Given consideration of Covered California's redesign landscape, there are areas of product and network changes which are likely changes to consider for 2017 or later as we develop a multi-year approach. Areas applicable to this include:
 - Hospital tiering
 - Out of network coverage payment standards
 - Rx formulary standardization

Initial Areas of Consideration

Based on logging of input received to date.

Note: All changes considered need to be weighed in relation to benefits provided on other tiers.

No.	Area	Description	Goal
1a	coinsurance	Replace bronze co-insurance product with co-pay only product	access to care, consumer understanding
1b	coinsurance	All metals - remove <u>physician</u> co-insurance for op surgery	consumer understanding
1c	coinsurance	All metals - remove <u>physician</u> co-insurance for hospital stay	consumer understanding
1d	coinsurance	All metals - remove <u>physician</u> co-insurance for maternity	consumer understanding
1e	coinsurance	Remove hospital stay co-insurance and consider higher copay/per day or per admission on silver copay plans and bronze	consumer understanding
1f	coinsurance	Remove all co-insurance for delivery and consider high co-pays as an alternative for all co-insurance plans	consumer understanding
1g	coinsurance	Remove Imaging co-insurance and replace with copay for imaging. All else remains constant.	consumer understanding
1h	coinsurance	All metals remove specialty drug coinsurance	access to care, consumer understanding
1i	coinsurance	Skilled Nursing - remove co-insurance and consider high co-pays for silver copay plans and bronze	consumer understanding
1j	coinsurance	Mental health and substance abuse, in-patient---remove co-insurance and consider higher co-pays/per day or per admission on silver co-pays and bronze. Need to consider MH parody.	consumer understanding
1k	coinsurance	Remove all co-insurance for home health care and consider higher co-pay for bronze	consumer understanding

Areas of Consideration (cont.)

No.	Area	Description	Goal Consistency
2a	deductible	De-integrate pharmacy and medical on bronze	access to care
2b	deductible	Remove generic drugs from deductible on bronze	access to care
2c	deductible	Review of services that apply/do not apply to deductible for consistency across silver and bronze	access to care, consumer understanding
2d	deductible	Reduce deductible for Silver 73 plan	access to care, consumer understanding
3a	Max Out of Pocket (MOOP)	Review ability to lower MOOP on Bronze	reasonable cost
4a	product	Consider alternative benefit designs or allowance of plans to change product offering	consumer understanding, stability
4b	product	Combine co-insurance and co-pay silver to one silver plan	consumer understanding, stability

AV Calculator for 2016

AV Calculator changed very little between 2014 and 2015

- 2015 draft had greater changes, but was ultimately rolled-back to be very close to 2014
- 2015 draft raised AV of 2014 benefit levels by 1-2%
- 2014 and 2015 AV based on 2010 medical costs

Looking Forward: 2016 AV Calculator

- Holding AV Calculations constant (or close to constant) for 2016 should not be expected
- It is realistic to expect the AV change to raise by 1-3%

Ground rule for Workgroup:

- Plan for a 2% change (i.e. 61% in 2015 will be 63% in 2016)
- To approximate 2016, AV values will be considered as follows:

	Current Plan Value based on 2015 AV Calculator	Target Range based on 2015 AV Calculator	Range meets 2015 AV Calculator, but will likely be over the 2016 AV Calculator	Calculation is already in excess of 2015 AV Calculator range.
Bronze	60.6	59 – 60	60.1 - 62.0	62.1 +
Silver Copay	69.9	69 - 70	70.1 - 72.0	72.1 +
Silver Coins	70.3	69 – 70	70.1 - 72.0	72.1 +
Gold	78.6	79 – 80	80.1 - 82.0	82.1 +
Platinum	88.0	89 – 90	89.1 - 92.0	92.1 +

Example: Maximum Out-of-Pocket

Coinsurance	30%	20%	20%	Changes Made		
	Current Bronze	Current Silver (Copay)	Current Silver (Coins)	Bronze	Silver (Copay)	Silver (Coins)
MOOP	\$6,250	\$6,250	\$6,250	X	X	X
Actuarial Value	60.6	69.9	70.3	See Below Grid		

Decrease / Increase from Current Value	X =	\$X MOOP		
		Bronze	Silver Copay	Silver Coins
-1,000	5,250	63.1	70.9	71.4
-600	5,625	61.6	70.5	70.9
-500	5,750	61.6	70.4	70.8
-250	6,000	61.1	70.1	70.6
+250	6,500	60.0	69.7	70.1
+500	6,750	59.3	69.4	69.9
+600	6,850	59.0	69.4	69.8

Example: Deductible

	Bronze	Silver Copay	Silver Coins
Target AV Range	59 – 60	69 -70	69 - 70
Current 2015 Actuarial Value	60.6	69.9	70.3

DEDUCTIBLE (Medical)	\$5,000	\$2,000	\$2,000
Decrease \$1500	62.5		
Decrease \$1250	61.9		
Decrease \$1000	61.3	73.8	73.8
Decrease \$750	61.1	71.1	71.5
Decrease \$500	61.0	70.6	71.1
Decrease \$250	60.8	70.2	70.7
Increase \$250	60.0	69.6	70.0
Increase \$500	59.3	69.3	69.8
Increase \$750	60.3 *	69.1	69.6
Increase \$1000	59.4 *	69.0	69.5

* Results shown are accurate per AV Calculator output. However, we believe these AV's would actually be lower.

Benefit Design Iterations – Rationale

Meets Target AV Zone while also accomplishing the following:

- **Drives toward greater transparency**: Creates more comparison points to clearly communicate Bronze as higher cost compared to Silver 70 Copay. Concern has been raised that some enrollees may assume seeing a smaller number that is a percent is less than a larger number that is a copay. For example, 30% coinsurance may be perceived as less than a \$250 copay because the number 30 is less than 250.
 - **Works to lessen barriers to care**: Reduction in the number of Bronze services that are subject to deductible (e.g. PCP, Specialists, X-ray, Generics, etc.).
 - **Maintain aligned incentives**: Maintains motivation for members to search for best quality/cost on services which are more likely to have a wide range of costs (eg. Imaging and Specialty Drugs). This maintains alignment between enrollees, providers, and health plans to better contain costs moving into the coming years.
-
- *Strives to meet overall Covered California Principles:*
 1. *Maintain philosophy of having standardized benefit designs to enable informed consumer choice between products, metal tiers and carriers*
 2. *Multi year progressive strategy with consideration to market dynamics: Changes in benefits should be considered annually based on consumers' experience related to access and cost*
 3. *Data driven approach to inform recommendations*
 4. *Any changes to benefit designs should promote improvement for consumers' understanding of their benefits and their obtaining care at the right place, right cost and right time*
 5. *Simplify training for all enrollment channels*

Example: Benefit Design Iteration (Bronze & Silver 70 Copay)

		Current Bronze	Proposal Bronze	Current Silver 70 (Copay)	Proposal Silver 70 Copay
	Deductible	5,000 (integrated)	5,250 (Integrated)	2,000	2,000
	Brand Drug Deductible	N/A	N/A	250	250
	Max Out of Pocket (MOOP)	6,250	6,400	6,250	6,250
Silver: Not Subject to Deductible	Primary Care Visit (Bronze: Ded waived for 1 st 3 visits)	Ded + 60	70 (DNA)	45	45
	Specialist Visit	Ded + 70	100 (DNA)	65	70
	Imaging (CT/PET Scans, MRIs)	Ded + Coins	Ded + Coins	250	250
	Laboratory Tests	Ded + Coins	60 (DNA)	45	45
	MH: Outpatient	60	70 (DNA)	45	45
	Home Health Care	Ded + Coins	Ded + 75	45	45
	OP Rehab/Speech and OP Occ	Ded + 60	70 (DNA)	45	45
	Outpatient and OP Professional Serv	Ded + Coins	Ded + Coins	Coins	Coins
	Durable Medical Equipment	Ded + Coins	Ded + Coins	Coins	Coins
	Urgent Care	120	120	90	90
	X-rays and Diagnostic Imaging	Ded + Coins	95 (DNA)	65	65
	Generics	Ded + 15	25 (DNA) <i>Note: DNA not enforced on HSA plans</i>	15	17
Silver: Subject to Ded.	ER Services	Ded+ 300	Ded+300	Ded+250	Ded+250
	Inpatient Services	Ded + Coins	Ded + 1,000/day (5 max)	Ded + Coins	Ded + 700/day (5 max)
	MH: Inpatient	Ded + Coins	Ded + 1,000/day (5 max)	Ded + Coins	Ded + 700/day (5 max)
	Skilled Nursing Facility	Ded + Coins	Ded + 300/day <i>(AVC cannot model X day limit.)</i>	Ded + Coins	Ded + 200/day <i>(AVC cannot model X day limit)</i>
	Preferred Brand Drugs	Ded+50	75 copay (DNA)	Ded+50	50 (DNA)
	Non-preferred Brand Drugs	Ded+75	Ded + 75	Ded+70	Ded+70
	Specialty Drugs	Ded + Coins	Ded + Coins	Ded + Coins	Ded + Coins
	Actuarial Value	60.6	60.0	69.9	69.6

DNA = Deductible does not apply.

Shaded cells are those changed from 2015 plan design

Known areas for further discussion:

- Deductible applicability to prescription coverage.
- Mental Health Parity rules.
- Use of copay with Imaging (CT/MRI/etc.) and/or Specialty Drugs



Green: In 2016 AV Target Zone

Yellow: Makes 2015 AV, Likely over 2016 AV.

Red: Over 2015 AV

Example: Benefit Design Iteration (Silver 70 Coinsurance)

		Current Silver (Coinsurance)	Proposal Silver 70 Coinsurance	
	Deductible	2000	2000	
	Brand Drug Deductible	250	250	
	Max Out of Pocket (MOOP)	6250	6250	
Silver: Not Subject to Deductible	Primary Care Visit (Bronze: Ded waived for 1 st 3 visits)	45	45	
	Specialist Visit	65	70	
	Imaging (CT/PET Scans, MRIs) *	Deductible + Coinsurance	Deductible + Coinsurance	
	Laboratory Tests	45	45	
	MH: Outpatient	45	45	
	Home Health Care*	Coins	45	
	OP Rehab/Speech and OP Occ	45	45	
	Outpatient and OP Professional Serv	Coins	Coins	
	Durable Medical Equipment	Coins	Coins	
	Urgent Care	90	90	
	X-rays and Diagnostic Imaging	65	65	
	Generics	15	17	
	Silver: Subject to Ded.	ER Services	Ded+250	Ded+250
		Inpatient Services: Hospital Fee	Ded + Coins	Ded + Coins
Inpatient Services: Physician/Surgeon Fee *		Coins	Coins	
MH: Inpatient		Ded + Coins	Ded + Coins	
Skilled Nursing Facility		Ded + Coins	Ded + 200/day (AVC cannot model X day limit)	
Preferred Brand Drugs		Ded+50	Ded+50	
Non-preferred Brand Drugs		Ded+70	Ded+70	
Specialty Drugs		Ded + Coins	Ded + Coins	
	Actuarial Value	70.3	69.9	

* Benefits that differ between Silver Copay and Silver Coinsurance

Shaded cells are those changed from 2015 plan design

Known areas for further discussion:

- Deductible applicability to prescription coverage.
- Mental Health Parity rules.
- Use of Copay with Imaging (CT/MRI/etc.) and/or Specialty Drugs



Green: In 2016 AV Target Zone

Yellow: Makes 2015 AV, Likely over 2016 AV.

Red: Over 2015 AV

Next - Enhanced Silver Plan Review

Key Take-Aways:

- Utilization of Enhanced plans is relatively strong: The majority of those who qualify, select an Enhanced Silver plan.
- Enrollees choose Coin/Copay plans equally: Selections on any metal tier are 50/50 (likely driven by plan type).
- Silver and Bronze are high enrollment regardless of income: 81% of 250-400 FPL and 67% of >400 FPL chose Silver or Bronze.

	% of Total		% of Total	Income Distribution (Max Income - Single)			
				<\$17,505 <200 FPL	\$23,340 200-250 FPL	\$29,175 250-400 FPL	\$46,680 >400 FPL
Platinum	5%	Co-ins	3%	0%	0%	1%	1%
		Co-pay	3%	1%	1%	1%	1%
Gold	6%	Co-ins	3%	0%	1%	1%	1%
		Co-pay	3%	1%	1%	1%	1%
Silver	63%	Silver 70 Co-ins	8%	0%	0%	5%	2%
		Silver 70 Co-pay	5%	0%	0%	4%	1%
		Silver Enhanced 94 Co-ins	8%	8%	0%	0%	0%
		100-150% Co-pay	7%	7%	0%	0%	0%
		Silver Enhanced 87 Co-ins	13%	13%	0%	0%	0%
		150-200% Co-pay	13%	12%	0%	0%	0%
Silver Enhanced 73	200-250%	Co-ins	5%	0%	4%	0%	0%
		Co-pay	4%	0%	4%	0%	0%
Bronze	25%	Coinsurance	25%	7%	5%	9%	4%
Catastrophic	1%	Co-ins	1%	0%	0%	0%	0%
		Co-pay	0%	0%	0%	0%	0%
				49%	17%	23%	11%

Note: All figures are rounded

Step 1

38% of total Enrollment.
Workgroup Recommendation
to CovCA Near.

50% of total Enrollment
Next Area of Workgroup
Focus.

Step 2

Key Workgroup Steps Remaining

Topic	Deliverable	Notes
Workgroup Recommendation to Covered CA	Bronze and Silver 70 (copay and coinsurance)	Goal to have made by Mid-Nov.
Workgroup Recommendation to Covered CA	Enhanced Silver Plans	Goal to have made by Mid/Late-Nov.
Carrier Discussion	Actuarial and Operational Review	First discussion complete, carrier input due by 11/7.
Regulatory	Mental Health Parity Discussion	
2016 AV Calculator / Milliman Review	Confirm Benefit Designs meet new AV Calculator percentages.	

Appendix

- For reference, earlier 2016 Benefit Workgroup iterations of proposed benefit designs are included on the following pages.

Benefit Design Iterations: A

		Current Bronze	Current Silver (Copay)	CU/HA Proposal Bronze	CU/HA Proposal Silver Copay
Silver: Not Subject to Deductible	Primary Care Visit (Bronze: Ded waived for first 3 visits)	60	45	100 (DNA)	45
	Specialist Visit	70	65	150 (DNA)	65
	Imaging (CT/PET Scans, MRIs)	Ded + Coins	250	450 copay (DNA) *	250
	Laboratory Tests	Ded + Coins	45	75 copay (DNA) *	45
	MH: Outpatient	60	45	100 (DNA)	45
	Home Health Care	Ded + Coins	45	Ded + 100 (Not able to model in AVC)	Ded + 45 (Not able to model in AVC)
	OP Rehab/Speech and OP Occ	Ded + 60	45	Ded + 100	Ded + 45
	Outpatient Facility and OP Professional Services	Ded + Coins	Coins	Ded (AVC can't model OP copay. Ded only used. See note below).	Ded (AVC can't model OP copay. Ded only used. See note below).
	Durable Medical Equipment	Ded + Coins	Coins	Ded + 750 (Not able to model in AVC)	Ded + 500 (Not able to model in AVC)
	Urgent Care	120	90	150 (Not able to model in AVC)	90
	X-rays and Diagnostic Imaging	Ded + Coins	65	100 copay (DNA)	65
	Generics	Ded+ 15	15	15 (DNA) Note: DNA not enforced on HSA plans	15
Silver: Subject to Ded.	ER Services	Ded+ 300	Ded+250	Ded+300	Ded+250
	Inpatient Services	Ded + Coins	Ded + Coins	Ded + 1200/day (5 max)	Ded + 800/day (5 max)
	MH: Inpatient	Ded + Coins	Ded + Coins	Ded + 1200/day (5 max)	Ded + 800/day (5 max)
	Skilled Nursing Facility	Ded + Coins	Ded + Coins	Ded + 1000/day (no limit on days as AVC cannot model X day limit)	Ded + 750/day (no limit on days as AVC cannot model X day limit)
	Preferred Brand Drugs	Ded+50	Ded+50	100 copay (DNA)	50 (DNA)
	Non-preferred Brand Drugs	Ded+75	Ded+70	Ded + 150	Ded+70
	Specialty Drugs	Ded + Coins	Ded + Coins	Ded + 500 *	Ded + 350
	Actuarial Value	60.6	69.9	59.1 (tentative)	70.4 (tentative)

- DNA = Deductible does not apply
- * CU/BA proposal called for coinsurance to apply up to a max/"Copay" amount (the consumer would pay the lesser of the two). The AVC can not model this approach. For the above, a straight copay was used. Note: Initial input is that it will be difficult (potentially not doable) for capitated plans to administer a lesser of coinsurance/copay benefit structure on medical services (CU/BA approach). It may be able to be done in FFS arrangements. There is also a question about how this cost structure may impact utilization of certain services.
- For OP: Based on Milliman work: Estimate Bronze increase of 0.2-0.3 for \$1,000 copay. For Silver copay, estimate increase of 0.3 for \$750 copay.
- Note: For OP/IP/Maternity: DMHC and Carriers have both recommended placing Facility and Physician/Surgeon as separate benefit line items.

Shaded cells are those changed from Standard Plan design



Green: In 2016 AV Target Zone

Yellow: Makes 2015 AV, Likely over 2016 AV.

Red: Over 2015 AV

Benefit Designs Iterations: B

		Current Bronze	Option 1	Option 2	Option 3	Option 4	Option 5
	Deductible	5,000	5,500	5,000	5,500	5,000	5,000
	Max Out of Pocket (MOOP)	6,250	6,600	6,600	6,600	6,600	6,600
Silver: Not Subject to Deductible	Primary Care Visit (Bronze: Ded waived for 1 st 3 visits)	Ded + 60	60 (DNA)	Ded + 60	Ded + 70	Ded + 60	60 (DNA)
	Specialist Visit	Ded + 70	130 (DNA)	Ded + 70	Ded + 110	Ded + 70	100 (DNA)
	Imaging (CT/PET Scans, MRIs)	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)
	Laboratory Tests	Ded + Coins	Ded + Coins	Ded + Coins	Coins (DNA)	30 (DNA)	30 (DNA)
	MH: Outpatient	Ded + 60	60 (DNA)	Ded + 60	Ded + 70	Ded + 60	60 (DNA)
	Home Health Care	Ded + Coins	Ded + Coins	Ded + Coins	Ded + Coins	Ded + Coins	Ded + Coins
	OP Rehab/Speech and OP Occ	Ded + 60	Ded + 60	Ded + 60	Ded + 70	Ded + 60	Ded + 60
	Outpatient and OP Professional Serv	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)
	Durable Medical Equipment	Ded + Coins	Ded + Coins	Ded + Coins	Ded + Coins	Ded + Coins	Ded + Coins
	X-rays and Diagnostic Imaging	(ded + coins)	(ded + coins)	(ded + coins)	Coins (DNA)	100 (DNA)	100 (DNA)
	Generics	Ded+ 15	Ded+ 15	25 (DNA)	Ded+ 15	Ded+ 15	25 (DNA)
Silver: Subject to Ded.	ER Services	Ded+ 300	Ded+ 300	Ded+ 300	Ded+ 350	Ded+ 300	Ded+ 300
	Inpatient Services	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)
	MH: Inpatient	Ded + Coins	Ded + Coins	Ded + Coins	Ded + Coins	Ded + Coins	Ded + Coins
	Skilled Nursing Facility	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)	(ded + coins)
	Preferred Brand Drugs	Ded+50	Ded+50	Ded+50	Ded+60	Ded+50	Ded+50
	Non-preferred Brand Drugs	Ded+75	Ded+75	Ded+75	Ded+85	Ded+75	Ded+75
	Actuarial Value	60.6	60.1	60.0	59.6	59.9	60.3

DNA = Deductible does not apply

Shaded cells are those changed from Standard Plan design



Green: In 2016 AV Target Zone

Yellow: Makes 2015 AV, Likely over 2016 AV.

Red: Over 2015 AV

Benefit Design Iterations: C

		Current Bronze	Current Silver (Copay)	Proposal Bronze	Proposal Silver Copay
	Deductible	5000	2000	5,250	2000
	Max Out of Pocket (MOOP)	6250	6250	6,400	6250
Silver: Not Subject to Deductible	Primary Care Visit (Bronze: Ded waived for 1 st 3 visits)	Ded + 60	45	70 (DNA)	45
	Specialist Visit	Ded + 70	65	100 (DNA)	70
	Imaging (CT/PET Scans, MRIs) *	Ded + Coins	250	Ded + Coins	250
	Laboratory Tests	Ded + Coins	45	Ded + 60	45
	MH: Outpatient	60	45	70 (DNA)	45
	Home Health Care *	Ded + Coins	45	Ded + Coins	45
	OP Rehab/Speech and OP Occ	Ded + 60	45	70 (DNA)	Ded + 45
	Outpatient and OP Professional Serv	Ded + Coins	Coins	Ded + Coins	Coins
	Durable Medical Equipment	Ded + Coins	Coins	Ded + Coins	Coins
	Urgent Care	120	90	120	90
	X-rays and Diagnostic Imaging	Ded + Coins	65	70 (DNA)	65
	Generics	Ded + 15	15	25 (DNA)	17
	Silver: Subject to Ded.	ER Services	Ded+300	Ded+250	Ded+300
Inpatient Services		Ded + Coins	Ded + Coins	Ded + 1200/day (5 max)	Ded + 700/day (5 max)
MH: Inpatient		Ded + Coins	Ded + Coins	Ded + 1200/day (5 max)	Ded + 700/day (5 max)
Skilled Nursing Facility		Ded + Coins	Ded + Coins	Ded + 1000/day (no limit on days as AVC cannot model X day limit.)	Ded + 700/day (no limit on days as AVC cannot model X day limit)
Preferred Brand Drugs		Ded+50	Ded+50	75 copay (DNA)	50 (DNA)
Non-preferred Brand Drugs		Ded+75	Ded+70	Ded + 75	Ded+70
Specialty Drugs		Ded + Coins	Ded + Coins	Ded + Coins	Ded + Coins
	Actuarial Value	60.6	69.9	59.9	69.5

DNA = Deductible does not apply. * See rationale note below.

Rationale: Meets Target AV Zone while also accomplishing the following:

- Creates more comparison points to more clearly communicate Bronze as higher cost compared to Silver Copay. Only exceptions to this are benefits shaded in blue – otherwise all Bronze copayments or coinsurance are a higher number than Silver Copay.
- Overall, in Bronze it makes more services (incl. PCP, Specialists, Xray, and Generics) not subject to deductible. This should lessen barriers to care if they exist.
- Changes represent a shift from current plan design, but this is a graduated shift where additional changes over time can be better considered.

Shaded cells are those changed from Standard Plan design



Green: In 2016 AV Target Zone

Yellow: Makes 2015 AV, Likely over 2016 AV.

Red: Over 2015 AV

BREAK

ADVISORY GROUP 2015 MEMBERSHIP

RACHEL YOUNG, ANALYST, PLAN MANAGEMENT DIVISION

ADVISORY GROUP MEMBERSHIP

- Two year terms – most are ending December 2014
- Current members invited to reapply
- Covered California accepting and soliciting new nominations
- One-year chairperson – please note if interested

Nominations/reapplications due December 12, 2014

ADVISORY GROUP MEMBERSHIP (cont'd.)

- Covered California reviews nominees
- Covered California announces Advisory Group members January 2015
- Information on committee charter and membership:

<https://www.coveredca.com/hbex/stakeholders/plan-management/>

Nominations/reapplications due December 12, 2014

ADVISORY GROUP MEMBERSHIP (cont'd.)

Current Members

Irma Cota

President and CEO, North County
Health Service

Shelley Horwitz

Chief Executive Officer, Bay Valley
Medical Group

Lynn Quincy

Senior Policy Analyst, Consumers Union

Jerry Fleming

Senior Vice President, Kaiser Permanente

Deborah Kelch

Principal, Kelch Policy Group

Lisa A. Rubino

Senior VP, Health Plan Operations
Western Region & Medicare
Molina Healthcare, Inc.

Brad Gilbert, MD

Chief Executive Officer
Inland Empire Health Plan

Steven Larson, MD

CEO / Chairman of the Board of Trustees
Riverside Medical Clinic
California Medical Association

Victoria Sorlie-Aguilar, MD

Family Physician
CA Academy of Family Physicians
National Hispanic Medical Association

Elizabeth Gilbertson

Chief of Strategy, Unite Here Health

Ruth Liu

Director, Exchange Planning
and Implementation
Blue Shield of California

Valerie Yv. Woolsey

Director, Health Care Reform Strategy
BAART Programs

Dana Goldman, Ph.D.

Director and Norman Topping Chair
in Medicine & Public Policy
USC Leonard D. Schaeffer
Center for Health Policy & Economics

Crystal C. McElroy

Assistant Vice President, Product
Compliance and Regulatory
MetLife, Inc.

Cary Sanders

Interim Executive Director
California Pan-Ethnic Health Network

Kathleen Hamilton

Director, Government Affairs
The Children's Partnership

*Ex officio: Dept. of Managed Health
Care; California Dept. of Insurance*

ADVISORY GROUP MEMBERSHIP (cont'd.)

“Health plans offered through Covered California must be certified to ensure they meet federal and state requirements for ‘qualified health plans.’ The Plan Management and Delivery System Reform Advisory Group will provide input on qualified health plan selection, monitoring, re- and decertification, quality rating and ongoing benefit design issues. The group will also provide input on strategies to promote better value and improve the health care delivery system to best facilitate Covered California’s mission to improve the health and wellness of Californians, improve health care quality, lower health care costs and reduce disparities.”

ADVISORY GROUP MEMBERSHIP (cont'd.)

What worked well with the Plan Management Advisory Group this year?

What needs attention or improvement?

How do you view your role as a member?
Advisor? Information consumer?

Is there anything about the meetings themselves you want to comment on?

What directions would you like to see the group go in 2015?

ADVISORY GROUP MEMBERSHIP (cont'd.)

Proposed Approach for 2015

- Quarterly informational meetings
- Convene ad hoc workgroups to address issues, complete tasks or conduct in-depth review

OPERATIONS UPDATE

CERTIFICATION AND RECERTIFICATION FOR PLAN YEAR 2016

- Planning has begun
- Applications under review for redraft
- Tracking with benefit design
- Regulations early in 2015

WRAP-UP AND NEXT STEPS