



# **Marketing, Outreach, and Enrollment Assistance Advisory Group**

*Tuesday March 17, 2015*

# CHAIR'S WELCOME

*ANTHONY WRIGHT*

# AGENDA

## PLENARY SESSION (ALL SUBCOMMITTEES)

- I. **Covered California Update with Q&A Session (45 MINS)**
  - a. Introduction (David Panush) – 5 MINS
  - b. Financial Management with Q&A Session (Jim Lombard) – 15 MINS
  - c. Marketing and Communications Update with Q&A Session (Colleen Stevens and Amy Palmer) – 15 MINS
  - d. Sales Update with Q&A Session (Mary Watanabe) – 10 MINS
  
- II. **Lessons Learned (All) – 30 MINS**

## SUBCOMMITTEE BREAKOUTS

- III. **All Subcommittees Meet – 1 HR**
  - a. African American Subcommittee Breakout (Room: Castaic)
  - b. Asian/Pacific Islander Subcommittee Breakout (Room: Folsom)
  - c. Latino Subcommittee Breakout (Room: Berryessa)

## PLENARY SESSION REPORT BACK (ALL SUBCOMMITTEES)

- IV. **Report Back – 20 MINS**

# INTRODUCTION

*DAVID PANUSH*

# 2015 OPEN ENROLLMENT

Through February 22:

# 495,073

New Individuals Selected a Qualified Health Plan for 2015

# 2015 OPEN ENROLLMENT v. 2014 OPEN ENROLLMENT

## Race/Ethnicity

	CalSIM 1.91 (%)	Race & Ethnicity - SUBSIDY ELIGIBLE RESPONDENTS ONLY -				
		Total	2014 Open Enrollment (Plan selections 10/1/13 – 3/31/14)		2015 New (Plan selections through 2/22/2015)	
			Count	Column %	Count	Column %
Asian	21%	208,357	23%	53,076	18%	
Native Hawaiian or Pacific Islander		2,237	<1%	895	<1%	
Black or African American	5%	26,038	3%	10,359	4%	
Latino	38%	280,025	31%	105,553	37%	
White	34%	317,311	35%	99,512	34%	
American Indian or Alaskan Native	4%	2,496	<1%	1,289	<1%	
Other		26,305	3%	9,708	3%	
Multiple Races		50,101	5%	9,163	3%	
<b>Total</b>	<b>100%</b>	<b>912,870</b>	<b>100%</b>	<b>289,555</b>	<b>100%</b>	

Note: Excludes individuals who did not respond to the race or ethnicity questions: 195,144 (23%) for 2014 and 147,415 (34%) for 2015.

# 2015 OPEN ENROLLMENT

## Gender

		Gender			
		2014 Open Enrollment (Plan selections 10/1/13 – 3/31/14)		2015 New (Plan selections through 2/22/2015)	
		Count	Column %	Count	Column %
Female		724,433	52%	248,435	50%
Male		671,496	48%	246,638	50%
<b>Total</b>		<b>1,395,929</b>	<b>100%</b>	<b>495,073</b>	<b>100%</b>

# NEW ENROLLMENT BY SERVICE CHANNELS

	Service Channel			
	2014 Open Enrollment (Plan selections 10/1/13 – 3/31/14)		2015 New (Plan selections through 2/22/2015)	
	Count	Column %	Count	Column %
Certified Insurance Agent	548,847	39%	214,517	43%
Certified Enrollment Counselors and Navigators	123,270	9%	51,040	10%
County Eligibility Worker	8,834	1%	739	<1%
Consumer	577,376	41%	149,077	30%
Certified Plan-based Enroller	13,588	1%	17,698	4%
Covered California Service Center Representative	124,014	9%	62,002	13%
<b>Total</b>	<b>1,395,929</b>	<b>100%</b>	<b>495,073</b>	<b>100%</b>

# FINANCIAL MANAGEMENT UPDATE

*JIM LOMBARD*

# Major Topics

- Financial Guiding Principles
- Enrollment Forecast Assumptions & Scenario's
- Multiyear Financial Outlook

# Covered California: Financial Guiding Principles

**Controlling Costs:** In keeping with our value of affordability, Covered California aims to limit its cost of operations in order to deliver products and services that offer high value to our consumers. This includes consideration of the amount of participation fees on the cost of coverage, balanced with the need to support fulfilling our mission, including enrolling and retaining members and establishing adequate reserves.

**Stability:** Provide a reliable and predictable level of resources to support ongoing cost effective operations and provide consumers and health plans with stable rates.

**Flexibility:** Financial plans need to be flexible to accommodate both changing business priorities and adjustments to match service demands.

**Accountability:** Covered California is responsible for careful stewardship of public resources. Financial activities are monitored and controlled by Financial Management staff, and will also be independently audited.

**Transparency:** Covered California has a responsibility to provide transparency into the management of its finances. Annual budget presentations and other financial information presented to the Board will be posted to our website.

**Reserve:** Covered California's reserve should be sufficient to cover financial obligations and allow for time to adjust revenue and expenditures in the event of an unanticipated fiscal event.

# Covered California Budget Development: Applying Financial Principles & Budget Realities

- Covered California will transition from Federal Establishment funding to ongoing PMPM funded operations over multiple years to assure it can meet its mission in a fiscally sound matter. (FY 2015-16 will be the final year of using federal establishment funds).
- Government code section 100503 states that the Exchange Board must maintain enrollment and expenditures to ensure that expenditures do not exceed the amount of revenue in the fund, and if sufficient revenue is not available to pay estimated expenditures, institute appropriate measures to ensure fiscal solvency.
- Forecasts indicate that revenue will equal expenditures as early as FY 2017-18.
- The key criteria in budget planning are (1) Revenue, which factors enrollment and PMPM; (2) Expenditures and (3) Reserves.
- The forecast is primarily based upon the enrollment experience and estimates of the subsidy eligible population, and will be frequently updated.
- It takes nine to eighteen months for adjustments in PMPM rates to have an impact on PMPM revenue.
- Covered California's reserve should be sufficient to assure an adequate cushion in the movement to financial alignment and allow for timing lags needed to adjust revenue and expenditures. A prudent reserve position should be a minimum of three months.

# Enrollment Forecast for 2014-15 and Beyond

- For 2015-16 multi-year planning, three scenario's were modeled, based upon 70%, 75% & 80% enrollment of the subsidy eligible population by the end of 2018.
- Scenario's were based on review of existing programs and independent estimates:
  - Participation in the Healthy Families program reached 75% at the end of its first 5 years
  - Over 80% of those eligible currently participate in the Women Infants & Children program
  - The latest version of CalSIM estimates enrollment through the Exchange at 78% to 81% of the subsidy eligible population (Base vs. Enhanced) in 2019 (when adjusted to exclude those with unaffordable employer-sponsored coverage)
- The preliminary forecast reflects the following major assumptions based on current enrollment trends:
  - 80 percent of those who enroll during Open Enrollment will pay their premium
  - 75 percent of those who enroll in Special Enrollment will pay their premium
  - Approximately 1.5 percent of enrollees will leave the program every month and 12 percent of enrollees will leave the program at annual renewal
  - Approximately 25,000 new enrollments per month will occur on average during Special Enrollment
  - 85 percent of Covered California enrollees receive subsidies

# Enrollment Forecast for 2014-15 and Beyond – cont'd

- The medium enrollment scenario is recommended for forecasting.
- Staff performed sensitivity analysis on different retention and Medi-Cal enrollment rates and the results remained within the parameters of the three scenario's.
- Revenue projections assume that the Individual and SHOP PMPMs are held steady at \$13.95 and \$18.60 respectively.

# Multiyear Outlook – Enrollment Scenario's

## Low

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
<b>Effectuated Enrollment</b> <i>(at fiscal year end)</i>	1,300,000	1,366,000	1,548,000	1,689,000	1,854,000
<b>Revenue</b> <i>(cash basis)</i>	\$ 197.4	\$ 227.8	\$ 250.1	\$ 283.5	\$ 308.7

## Medium

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
<b>Effectuated Enrollment</b> <i>(at fiscal year end)</i>	1,300,000	1,476,000	1,667,000	1,809,000	1,978,000
<b>Revenue</b> <i>(cash basis)</i>	\$ 197.4	\$ 234.4	\$ 269.2	\$ 303.6	\$ 329.2

## High

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
<b>Effectuated Enrollment</b> <i>(at fiscal year end)</i>	1,300,000	1,542,000	1,807,000	1,953,000	2,102,000
<b>Revenue</b> <i>(cash basis)</i>	\$ 197.4	\$ 238.3	\$ 284.8	\$ 327.5	\$ 352.3

*Revenue dollars in millions*

# Multiyear Financial Outlook – Based upon Medium Scenario

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
<b>Effectuated Enrollment</b> <i>(at fiscal year end)</i>	1,300,000	1,476,000	1,667,000	1,809,000	1,978,000
<b>Opening Balance</b>	\$ 485.2	\$ 289.6	\$ 184.0	\$ 143.2	\$ 146.7
<b>Revenue</b> <i>(cash basis)</i>	\$ 197.4	\$ 234.4	\$ 269.2	\$ 303.6	\$ 329.2
<b>Expenditures</b>	\$ 393.0	\$ 340.0	\$ 310.0	\$ 300.0	\$ 300.0
<b>Year-End Operating Reserve</b>	\$ 289.6	\$ 184.0	\$ 143.2	\$ 146.7	\$ 175.9
<i>Minimum number of months expenditures covered by reserve</i>	<b>8.8</b>	<b>6.5</b>	<b>5.1</b>	<b>4.9</b>	<b>5.6</b>

## Revenue, Expenditure & Reserve dollars in millions

- The latest forecast assumes up to a \$340 million budget in FY 2015-16. The multi-year outlook assumes a \$310 million budget in 2016-17 and a \$300 million budget ongoing beginning in 2017-18. Actual budget amounts are subject to the board annual budget processes.
- The multi-year plan is designed to balance revenues and expenditures by FY 2017-18.
- Forecasts increasing reserve and/or decisions to lower PMPM possible in FY 2017-18.
- Provides a 6 month operating reserve throughout FY 2015-16 with a fiscal year-end position of \$184 million.

# Q&A

# MARKETING AND COMMUNICATIONS UPDATE

## COLLEEN STEVENS AND AMY PALMER

# Q&A

# SALES UPDATE

*MARY WATANABE*

# Outreach & Enrollment Assistance Programs

Program	Program Term	Compensation in 2015/16	Scope of Services		
			Outreach & Education	Enrollment Assistance	Renewal Assistance
Navigator Grant Program	On-going	Grants	✓	✓	✓
In-Person Assistance (IPA) Program	Ends June 30, 2015. Transition to CAC Program.	N/A	✓	✓	✓
Certified Application Counselor (CAC) Program	Begins July 1, 2015	None	✓	✓	✓
Plan Based Enroller (PBE) Program	On-going	None	✓	✓	✓
Medi-Cal Managed Care Plan (MMCP) Program	On-going	None	✓	✓	✓
Outreach and Education Grant Program	Ended February 2015	N/A	✓		
Community Outreach Network	On-going	None	✓		

# In-Person Assistance Program

- Contracts expire June 30, 2015.
- Recommending that we continue \$58 compensation for QHP and Medi-Cal assisted applications through the end of the contract term on June 30, 2015.
- Organizations who do not receive a Navigator Grant and who wish to continue to provide enrollment assistance will transition to the non-compensated Certified Application Counselor (CAC) Program beginning July 1, 2015.

# Navigator Grant Program

- Contracts expire June 30, 2015.
- Initial recommendations:
  - Block grant compensation model with a small portion of funding based on performance.
  - Focus on target communities with a high number of remaining uninsured to provide outreach & education, enrollment assistance, renewal and post enrollment support.
  - Priority given to organizations that have demonstrated their ability to enroll QHP eligible consumers.

# Q&A

# LESSONS LEARNED DISCUSSION

## (SALES)

# FEEDBACK REQUESTED:

- **MOST EFFECTIVE ENROLLMENT TOOLS AND VENUES?**
  - Covered CA Storefronts
  - Find Help Near You
  - Community-based enrollment events
  
- **NEW NAVIGATOR PAYMENT STRUCTURE?**
  
- **SPECIAL ENROLLMENT OUTREACH?**

**OTHER FEEDBACK RELATED TO SALES?**

# LESSONS LEARNED DISCUSSION

## (MARKETING AND COMMUNICATIONS)

# FEEDBACK REQUESTED ON RECENT EFFORTS:

## PENALTY MESSAGING?



**Didn't Know There's a Tax Penalty for Being Uninsured?**

There's still time to enroll and avoid the full penalty

Californians who have a **life-changing event** can qualify to get health insurance during a special enrollment period through Covered California. Examples of life-changing events include losing your health care coverage because you have changed jobs, moving to another area, getting married or having a baby. You can sign up for coverage as long as it is within 60 days of the qualifying life event.

Covered California is offering a **limited-time special enrollment opportunity to sign up for health coverage** for those who did not realize there was a tax penalty in 2014 or learned they may face a penalty in 2015. **From Feb. 23 until April 30, 2015, consumers who face a tax penalty are eligible to apply for health coverage through Covered California.**

It's never smart to **avoid having health insurance** — an accident can lead to an emergency room visit and tens of thousands of dollars in bills, or learning you have cancer when it's too late to treat. Now there's another reason to get insured — **taxes.**

The **"Shared Responsibility Payment"** is a new tax penalty that Americans have to pay this year if they can afford health insurance but choose not to buy it. It's called a shared responsibility payment because everyone in the United States is now required to be part of our health insurance system.

It's Getting More Expensive to Go Without Insurance

PENALTIES BY TAX YEAR	2014	2015	2016
Jim wants 100%/yr	\$299	\$594	\$736
Eduardo & Julia want 70%/yr	\$497	\$988	\$2,085

The best way to minimize the penalty is to **buy health insurance right now** during this special enrollment period. For more information and to find local, no-cost assistance, go to **CoveredCA.com**. It makes far more sense than paying the penalty at tax time.

## REDESIGNED WEBSITE?



Account Sign In | English

EXPLORE What's Right for You | PREVIEW Health Plans | APPLY To Get Covered | GET HELP Find Answers

YOU'RE IN

Resources to Help You Keep and Use Your Covered California Health Insurance Plan

Find Local Help

Tell a Friend | Shop and Compare | Partner Resources | Small Businesses | Medi-Cal

## IMMIGRATION MESSAGING?



享受你應有的醫療保險  
移民信息安全、機密

Covered California 為您提供醫療保險。如果您符合資格，您可以獲得 Covered California 的醫療保險。Covered California 是加州政府與保險公司合作，為加州居民提供醫療保險。Covered California 的醫療保險可以幫助您支付醫療費用，並確保您和您的家人在生病時能得到最好的治療。

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**OTHER FEEDBACK RELATED TO MARKETING AND COMMUNICATIONS?**

# SUBCOMMITTEE BREAKOUT TOPICS

SALES TOPICS	MARKETING / COMMS TOPICS
Most Effective Enrollment Tools and Venues	Immigration Messaging
Navigator Payment Structure	Penalty Messaging
Special Enrollment Outreach	Online Website
Other	Other

## BREAKOUT SESSIONS

- African American Subcommittee: **CASTAIC ROOM**
- Asian/Pacific Islander Subcommittee: **FOLSOM ROOM**
- Latino Subcommittee: **BERRYESSA (CURRENT ROOM)**

## IF YOU ARE CALLING-IN

- Webinar access is available for each subcommittees. Please visit <http://hbex.coveredca.com> -> “Stakeholders” tab -> Marketing Outreach and Enrollment Assistance Advisory Group

## IF YOU NEED ASSISTANCE

- Call Patrick at (626)-363-3817, or e-mail at [patrick.le@covered.ca.gov](mailto:patrick.le@covered.ca.gov)

**RECONVENE HERE AT 3:40PM**

# SUBCOMMITTEE BREAKOUT TOPICS

SALES TOPICS	MARKETING / COMMS TOPICS
Most Effective Enrollment Tools and Venues	Immigration Messaging
Navigator Payment Structure	Penalty Messaging
Special Enrollment Outreach	Online Website
Other	Other