Statewide Assisters Program Design Options
and Recommendations Report for the

California Health Benefits Marketplace

Sponsored by
California Health Benefit Exchange,
Department of Health Care Services and the
Managed Risk Medical Insurance Board

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Executive Summary

This draft plan presents options and recommendations for the Assisters Program to aid in education, enrollment and ongoing use of public and qualified private health plans that will be offered through California's new Individual Health Benefits Marketplace. The Affordable Care Act provides guidance on the Navigator, but leaves considerable discretion up to the states in designing their plan for assistance. This report includes two primary components: 1) Assisters Program recommendations regarding the role of Assisters, including Navigators mandated by the Affordable Care Act and Training, Eligibility and Standards, and Recruitment and Monitoring of Assisters; and 2) design options for the Project Sponsors to consider in the compensation of Affordable Care Act mandated Navigators. The report and recommendations were developed and refined by Richard Heath & Associates (RHA) in consultation with the Project Sponsors. Stakeholder input gathered through stakeholder meetings, Exchange board meetings, and other forums, including letters to the Exchange also informed the development of the options and recommendations contained in this report (available here).

The Need for Assistance

Assistance delivered through trusted and known channels will be critical to building a culture of coverage to ensure as many consumers as possible enroll in and retain affordable health insurance. In the current market, many consumers need help navigating the complex health coverage market and programs. The barriers that must be overcome for individuals to take the step to enroll in coverage are numerous: first and foremost, coverage is not affordable for many of the uninsured; health insurance is complicated; it is hard for consumers to compare benefit plans; finding and submitting required paperwork can be a challenge; people may not think they need health insurance. In addition, as a new program, it will take some time for people to recognize the Marketplace as a trusted and accessible source for coverage. For many of the market segments, including culturally and linguistically diverse, Limited English Proficient, low-literacy, rural and newly eligible populations, there are additional barriers to overcome. For these groups, single, mass media campaigns are often not enough to compel them to act. The need for assistance will be high during the early years, with some estimates ranging from 50% to 75% of applicants needing assistance to enroll.

California's Health Insurance Distribution Channels

California benefits from a broad network of assisters in both the public and private health distribution channels – over 23,000 Certified Application Assisters[1], 21,000 Eligibility Workers, 8,000 Health insurance agents, and hundreds of community based organizations, consumer assistance organizations, and advocacy groups. Each of these groups has established relationships with many of the target markets eligible for Marketplace programs and products. Provided these channels can be engaged, this network of assisters is poised to serve as a critical partner in achieving the Project Sponsors' enrollment goals.

[1] Certified Application Assisters are individuals that have been trained, passed a certification test and provide application assistance to consumers to apply for Healthy Families and Medi-Cal Children Programs.

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In developing a plan for delivering assistance, California must also consider the barriers and challenges. A general challenge is engaging a broad and diverse network of assisters, while maintaining a standardized, compliant and high quality program. Delivering an Assisters Program that results in a "no wrong door" and integrated consumer experience is hampered by several factors. Public and private distribution channels are currently segregated. Affordable Care Act guidelines regarding Navigator funding, compensation and eligibility make integration challenging. Because no federal funds can be used to compensate Navigators or other types of assisters it will be important for the Assisters Program to leverage existing public and private health distribution channels and funding sources outside the Marketplace to achieve enrollment goals. An additional challenge is delivering a cost-effective program. The Project Sponsors will need to carefully study and consider the costs and benefits of driving consumers to forms of assistance such as the Call Center, which may be less costly.

Summary of Recommendations for the Assisters Program

This report provides a range of options and preliminary recommendations related to assisters' roles, training, compensation, eligibility and standards and assister recruitment based on a review of reports, research, stakeholder input, and lessons learned by California and other states in enrolling consumers in health coverage programs. While the Project Sponsors have reviewed and generally agree with the preliminary recommendations for the Assisters Program, additional input is sought from stakeholders on any additional considerations that should be weighed in making final determinations.

Proposed Tiered Model for the Assisters Program

RHA recommends that the Project Sponsors consider a tiered approach to the Assisters Program that would include two types of assisters (Navigators & Direct Benefit Assisters). All assisters (Navigators and Direct Benefit Assisters) would need to be trained, certified and registered with the Marketplace or its designated entity in order to enroll people.

- ***Navigators*** perform all Affordable Care Act mandated activities and are compensated by the Marketplace.
- ***Direct Benefit Assisters*** also complete all Affordable Care Act mandated activities and are not compensated by the Marketplace. Direct Benefit Assisters may be compensated by other sources, have a business interest in enrolling people, or conduct enrollment because it is part of their community service mission. Potential Direct Benefit Assisters include health insurance agents, hospitals, providers, and community clinics.

Public and private hospitals, community clinics, providers and health insurance agents maintain important relationships with the communities and markets likely to access Marketplace programs and subsidies and will be critical to achieving the goal of increasing coverage among California's uninsured. However, because health care providers, hospitals and clinics derive a direct benefit in providing health care to individuals with coverage, RHA has recommended that they not be compensated by the Marketplace. Health insurance agents bring deep knowledge of private health plan options and their participation in the assisters network will also be

critical. Agents may receive compensation by health insurance carriers for enrollment in Qualified Health Plans.

Potential Direct Benefit Assisters	Number in CA	Compensation
Agents	8,000	Health Insurance Carriers
Hospitals	512	Business Interest
Providers	66,480	Business Interest
Community Clinics	632	Business Interest

One issue that merits additional analysis in relation to the Direct Benefit Assister role is the mandate that Navigators provide fair and impartial information to consumers, particularly in relation to purchasing a Qualified Health Plan. Many Direct Benefit Assisters maintain relationships with particular health plans and may have a business interest in enrolling consumers in particular plans. For example, a particular clinic or hospital may not be in the network of specific health plans and consumers may be persuaded to select the plan that will allow them to continue to serve the client (in-network). The extent to which Direct Benefit Assisters can provide fair and impartial information to consumers without steering or conflict of interest should be further examined; regular monitoring to detect and address instances of steering, conflict of interest and fraud will be particularly important to protecting the consumer and maintaining program integrity.

This model broadly mirrors the integration model proposed by Maryland and considered by other states, where Health insurance agents (and in this case others who are compensated by other sources or have a business interest in enrolling individuals) are not considered Navigators. The tiered model is a cost effective approach to addressing the constraints imposed by Affordable Care Act guidelines and regulations.

Recommendations

The full report details options and recommendations for the Project Sponsors to consider in designing the Assisters Program. What follows is a summary of key recommendations in relation to tiers of assistance and assister roles, eligibility, standards, training and recruitment and program monitoring.

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Assisters Roles and Structure

1. The Assisters Program should include two types of assisters sanctioned by the Project Sponsors: Affordable Care Act mandated Navigators, compensated by the Marketplace, and Assisters with a Direct Benefit not compensated by the Marketplace.
2. All assisters (Direct Benefit and Navigators) should be required to complete education, eligibility, and enrollment activities. All assisters should be sufficiently trained to assist individuals in completing requirements for all Marketplace coverage options and subsidies and assist with the selection of and enrollment in a plan.
3. Assisters should have the option to target specific markets or populations (e.g. low income, cultural and linguistic groups, or other segments).

Eligibility & Standards

4. Eligible assisters must be affiliated with an enrollment entity. Individual assisters are not eligible for enrolling individuals in Marketplace products. The Assisters Program should require that all organizations or enrollment entities register with the Marketplace and meet established eligibility criteria. Registration should be renewed annually.
5. All assisters should be certified through the Marketplace after completing required trainings. Certification should be renewed annually.
6. All organizations or enrollment entities, and their affiliated assisters should sign a Code of Conduct, Confidentiality and Assister Guidelines Agreements in order to be certified.
7. The Project Sponsors or its designated entity should provide technical assistance and professional development to all assisters.

Training

8. All assisters (Navigators and Direct Benefit Assisters) should complete a two-day Assisters Training Program. Project Sponsors may consider an abbreviated version of the training program for currently certified and active Certified Application Assistors, HICAP trained assisters, health insurance agents, and other individuals already trained to enroll consumers in health coverage.
9. Re-training should be offered annually and should be required in order to obtain re-certification.

Assisters Network Recruitment and Monitoring

10. The Project Sponsors, or their designated entity, should recruit and monitor the Assister's network, including both Direct Benefit Assisters and Navigators to ensure that the program maintains geographic, cultural and linguistic access to target markets.
11. Project Sponsors should implement a robust plan for monitoring the Assisters Program to ensure program quality and compliance and to identify and address conflicts of interest, steering and fraud.

Summary of Navigator Compensation Options

The second section of the report provides design options for the Project Sponsors to consider in determining a compensation structure for Navigators. A challenge facing all states is how to pay for the mandatory Navigator program feature, (this report does not address how the Navigator payments would be funded). This section of the report provides a review of pay for enrollment compensation options and a recommended approach based on projected enrollment, overall costs, quality assurance, and access to target markets. The proposed pay for enrollment Navigator compensation model would pay a fixed per application fee for a successful enrollment activity and a lower per application fee for renewals. Another option would be to only compensate Navigators for the initial enrollment and not for renewals. The fee for enrollment payment structure can be designed to incentivize enrollment relative to no compensation by offering a nominal fee, fully cover the cost of employing a Navigator through a moderate fee structure or aggressively incentivize enrollment by offering a more substantive per enrollment fee.

	Low Fee	Moderate Fee	High Fee
Per Application Fee	$29	$58	$87
Renewal Fee Options	$25 or No compensation	$25 or No compensation	$25 or No compensation
Key Features	Does not cover Navigator costs, but will incentivize enrollment relative to no compensation.	Covers labor and overhead costs for Navigator organizations; moderately incentivizes enrollment.	Likely exceeds organizational costs, resulting in a potential profit for some organizations; will drive aggressive enrollment.

Discussion & Recommendation

Among the low, moderate and high compensation options for the pay for enrollment model, the primary differences between each are related to Navigator productivity as measured by the average number of applications completed per year per Navigator and overall cost to the Project Sponsors. Under any compensation model, some Navigators will produce a high number of enrollments, while others will produce few or none at all. However, the amount of the per application enrollment fee can significantly drive enrollment by increasing overall Navigator productivity. The Marketplace must balance the interest of enrolling as many uninsured Californians in affordable health care coverage with the need to control program costs, given the funding constraints imposed by the Affordable Care Act. The low fee of $29 per successful application is not likely to result in the kind of enrollment the Marketplace will need to be self-sustaining, while the high fee of $87 will potentially result in market saturation, but at a significantly higher cost. The benefit of offering a renewal fee is that it will support retention; on the other hand, health plans also benefit from retaining individuals in coverage and may perform this duty internally.

Given these factors, RHA has recommended that the Project Sponsors consider a moderate compensation amount of $58 per successful application. We also recommend that the Project Sponsors continually assess the appropriateness of the compensation amount and adjust the amount as necessary.

Summary of Additional Compensated Models Considered

RHA considered three additional compensation options, including grants, no compensation and a hybrid model, which are described in additional detail in the Appendix. They included:

Grants: Under a Grants model, Enrollment Entities or organizations compete for grants through a competitive Request for Proposal process and are awarded funding to support enrollment activities, based on agreed upon measurable performance metrics.

Hybrid: A hybrid model includes both the pay for enrollment and Grants model. Under this model, most organizations would be compensated through pay for enrollment. A subset would be awarded grant funding based on their access to target markets.

No Compensation: A no-compensation model provides no payment to Navigators for enrollment activities, similar to the model used for Healthy Families enrollment today.

Navigator Compensation: Summary of Design Options

The table below provides a summary of the four design options for the compensation of Navigators previously considered, including anticipated participation among assisters (Direct Benefit and Navigators), the project enrollment goals, funding level and source. Each option was assessed for enrollment, cost-effectiveness, target market access, consumer experience and quality assurance and is described in greater detail in the Appendix.

		Pay for Enrollment*	Grant	Hybrid	No Compensation
Compensation for Enrollment	Structure and Fees	$29, $58 or $87 per application successful enrollment fee $0 or $25 per application re-enrollment fee.	$6,000-$200,000 annual grant distributed on a quarterly basis with mandatory performance goals to receive subsequent distribution.	Combination of grant and Pay for Enrollment. Most organizations participate in Pay for Enrollment. A subset receives grants to reach target markets.	Navigators receive no compensation for enrollment or renewal activities.
Anticipated Assisters (Year 1)	Navigators	15,000	3,000	16,000	5,400
	Direct Benefit	10,000	15,000	10,000	12,600
	Total	**25,000**	**18,000**	**26,000**	**18,000**
Projected Enrollment	2014	1,090,258	926,383	1,199,217	320,908
	2015	369,076	314,919	369,076	151,109
	2016	386,782	330,102	386,782	142,792

*Only details $58 option Pay for Enrollment Model

Given the need to leverage funds and develop a cost effective program in compliance with Affordable Care Act guidelines, RHA has recommended that the Exchange consider a pay for enrollment option for the compensation of Navigators where successful enrollment in an Exchange program or plan results in a fixed fee payment to the enrollment entity. Pay for

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Enrollment's primary benefits are that it incentivizes enrollment, is less risky and is more likely to lead to a compliant and high quality program. Specifically:

- Relative to the No Compensation model, the Pay for Enrollment model will result in an expanded assisters network with greater reach into target markets, as well as cultural and linguistic access. The Marketplace will be able to recruit organizations with access to target markets, including the newly eligible by offering compensation for enrollment.
- A broad pool of diverse organizations will have the opportunity to enroll uninsured Californians in coverage. Any organization that meets minimum eligibility criteria (training and certification) will have the opportunity to participate. A grants model would have resulted in a much smaller pool of Navigators.
- Among the three compensation options considered by RHA, the Pay for Enrollment results in the lowest cost per enrollment because payment is only issued upon successful enrollment and was determined to be the most cost effective of all options under consideration.

Among the challenges associated with Pay for Enrollment:

- There is a possibility that Assisters may focus on easy to reach consumers and those with more complicated cases may have less access to assistance. However, this is a risk with all compensation models.
- Some organizations with access to specific market segments will require start-up or ongoing operating funds to participate and may elect not to participate under a pay for enrollment model.

Conclusion

RHA has proposed recommendations on the overall design of the Assisters Program and provided pay for enrollment options for the Project Sponsors to consider in selecting a compensation structure for Affordable Care Act mandated Navigators, based on an analysis of research and reports, historical data from prior assistance efforts, RHA's experience administering such programs, and input from stakeholders contained in summaries, reports and letters to the Project Sponsors provided to RHA (available here). The proposed design intends to maximize participation in affordable health insurance options offered by the Project Sponsors, while maintaining a high quality and compliant program. As the Project Sponsors consider and decide upon policy options, additional refinement of the Assisters Program will be needed. As a new program, RHA also recommends ongoing and annual evaluation of the program, examining the extent to which it achieves its intended impact.

Assisters Program Design and Recommendations

Introduction and Overview

California has developed a new health care benefit Marketplace, which allows consumers to shop for both public health insurance coverage and qualified private health plans. Given the level of product familiarity anticipated in this Marketplace, coupled with historical data demonstrating a high need for enrollment assistance, the Project Sponsors are reviewing and considering an Assisters Program to aid in education, enrollment and usage of public and qualified private health plans. In order to meet the enrollment goals needed for the Marketplace to become self-sustaining there are a number of barriers that will need to be overcome: health insurance has been unaffordable for many; health insurance is complicated; it is hard for consumers to compare benefit plans; the Marketplace is a new program that Californians are not familiar with; eligible populations may not think they need health insurance; single, mass media campaigns are often not enough to compel hard to reach populations to act, especially California's culturally and linguistically diverse markets. Assistance delivered through trusted and known channels will be critical to overcoming these barriers.

Under current distribution channels, about half of consumers enrolling in private health coverage receive some type of assistance to enroll. The need for assistance will likely be 50% to 75% during the early years of the program, as Californians become familiar with the Marketplace's programs and products. This need, however, should decrease over time. The Assisters Program will need to engage both existing and additional health insurance distribution channels to enroll consumers in affordable health insurance coverage. It will be important for the Project Sponsors to train, credential, manage, and monitor a broad Assisters network to achieve its ambitious enrollment goals and maintain a high quality, compliant program.

About this Report

The Affordable Care Act provides broad guidance on the Navigator role in educating, enrolling, and retaining individuals in health care insurance coverage, but leaves considerable discretion to each state to determine its own overall program design for assistance. This report provides recommendations on the design of the Assisters Program for California's Marketplace and offers four design options related to the compensation of Navigators.

Assisters Program Design Recommendations

The report begins with recommendations on the overall design of the Assisters Program. The first section of the report describes RHA's tiered approach to assistance and makes recommendations on Assister Roles, Training, Eligibility & Standards, Quality Assurance and Assister Recruitment.

Navigator Compensation Options

The second section of the report provides design options for the Project Sponsors to consider in determining a compensation structure for Navigators. A challenge facing all states is how to pay for the mandatory Navigator program feature. This section of the report provides a review of pay for enrollment compensation options and a recommendation based on projected enrollment, overall costs, quality assurance, and access to target markets.

Assisters Program Design and Recommendations

Guiding Principles

RHA's recommendations are informed by the following guiding principles developed by the Project Sponsors:

1. *Establish a trusted statewide Assisters Program* that reflects the cultural and linguistic diversity of the target audiences and results in successful relationship and partnerships among Assisters serving state affordable health insurance programs.
2. *Ensure Assisters are knowledgeable* of both subsidized and non-subsidized health coverage and qualified health plans and that Assisters are equipped with the information and expertise needed to successfully educate and enroll individuals in coverage, regardless of the type of program for which they are eligible.
3. *Promote retention of existing insurance coverage* in public programs, and the individual market.

Additional Guiding Priorities

1. *Identify incentive options* that encourage different types of Assisters to conduct activities that result in the successful enrollment of the target audiences into health care coverage.
2. *Establish quality assurance standards and protocols* that:
    - Ensure enrollment goals are met
    - Maintain program integrity
    - Prevent conflicts of interest
    - Ensure a high quality consumer experience
    - Promote a positive public perception of the Marketplace.

Assistance Resources Available to California's Consumers

Assisters certified and managed through the Assisters Program will be one of many avenues for consumers to access assistance. It is the hope that the existing network of assisters within the public and private health insurance distribution channels will choose to help Californians enroll by becoming certified through the Program. It is also important to acknowledge that some organizations will work to get the word out to their constituencies and may even provide informal assistance with enrollment outside the purview of the Marketplace or the Assisters Program. Consumers will also be able to access less intensive levels of assistance through the CalHEERS Call Center. Outreach and referral sources engaged through the Project Sponsors' Outreach plan will also play a critical role in driving consumers to both the Call Center and in-person assistance available through the Assisters Program. Alignment between the Assisters Program and the Project Sponsors' Call Center and Outreach Plan will be critical to promoting a seamless customer service experience, driving enrollment and delivering assistance in the most cost-effective manner possible. Because the Call Center and Outreach Plan are being developed and will be managed independently of the Assisters Program, this report focuses most recommendations on assisters sanctioned by the Project Sponsors through the Assisters Program.

Recommendations for the Assisters Program

Introduction

This section of the report provides recommendations on assisters' roles, eligibility and standards, training and assisters network recruitment based on RHA's review of research, lessons learned in other states, and internal expertise and experience administering outreach programs. The recommendations outlined here will maximize the Assisters Program's contribution towards the Project Sponsors' broader goals of providing affordable health insurance coverage to as many Californians as possible, promoting a positive image of the Marketplace, and ensuring adequate consumer protection and service. RHA's recommendations may be applied to any of the Navigator compensation models described in Section III with minor to moderate modifications.

Approach

RHA analyzed relevant reports and research, including those prepared by other states currently developing their programs such as Maryland, as well as those already operating Exchanges formed prior to the passage of the Affordable Care Act (Massachusetts, New York and Utah). Reports prepared by foundations and consumer groups that consider factors specific to California's implementation of the Affordable Care Act, such as geographic, cultural and linguistic access among eligible uninsured populations were also reviewed, as were lessons learned from previously successful assisters programs in California, such as Healthy Families. Stakeholder input and letters received by the Project Sponsors were also reviewed and informed the recommended design (available here).

RHA's proposed design is rooted in an understanding of the risks and opportunities of comprehensive statewide assistance programs, as well as those associated with bringing the Affordable Care Act to California. Specifically:

- ***High Need for Assistance****:* The need for assistance will be high during the early years of the program; between 50% and 75% of applicants will need some sort of assistance to successfully enroll. Engaging as many assistance resources as possible will be necessary to respond to the anticipated need.
- ***Targeting of Resources based on Opportunity****:* In order to become self-sustaining, the Marketplace will need to exceed historical enrollment patterns in government programs. The Assisters Program should have the capacity to target resources to the regions, counties, or other organizations where the greatest opportunity (e.g. highest numbers of eligible consumers) exists. It will also be important that the Assisters Program results in the enrollment of a healthy population, in addition to covering those with pre-existing health conditions in all Marketplace products and programs (Medi-Cal, Healthy Families, the Marketplace with subsidies, the Marketplace without subsidies, etc.).

- ***Access to Diverse Target Markets****:* The diversity of target markets means that a one size fits all approach is unlikely to result in geographic, cultural and linguistic access to assistance. To eliminate enrollment barriers, the network of assisters will need to include organizations

that have access to California's diverse target markets, including LEP, newly eligible populations, and rural areas.

- ***Consumer Protection and Quality Assurance****:* To promote a high quality consumer experience that is in accordance with Affordable Care Act guidelines, assisters will need to be adequately trained and monitored. The existing network of assisters in both public and private health insurance distribution channels will need to develop new competencies and expertise to provide a "no wrong door" and high quality consumer experience. A key challenge for the program is to engage a robust and diverse network of organizations, while also delivering a standardized program that ensures adequate consumer protections.

Summary of Recommendations for the Assisters Program

RHA has developed a proposed design for the Assisters Program that is intended to leverage existing health insurance distribution channels and engage new individuals and organizations in delivering assistance.

Summary of Proposed Tiered Approach to the Assisters Program

RHA recommends that the Project Sponsors consider a tiered approach to the Assisters Program that would include two types of assisters (Navigators & Direct Benefit Assisters).

Assister Types

- ***Navigators***
  Perform all Affordable Care Act mandated activities and are compensated by the Project Sponsors.
- ***Direct Benefit Assisters***
  Perform all Affordable Care Act mandated activities and are not compensated by the Project Sponsors. Direct Benefit Assisters may be compensated by other sources, have a business interest in enrolling people, or conduct enrollment because it is part of their community service mission. Health insurance agents, hospitals, providers, and community clinics fall broadly into this category.

This model broadly mirrors the integration model proposed by Maryland and considered by other states, where health insurance agents (and in this case others who are compensated by other sources or have a business interest in enrolling individuals) are not considered Navigators. Under this model, all assisters (Navigators and Direct Benefit Assisters) would need to be trained, certified and registered with the Marketplace or its designated entity in order to enroll people.

Recommendations for the Assisters Program

Summary of Recommendations

What follows is a summary of key recommendations in relation to tiers of assistance and assister roles, eligibility, standards, training and recruitment and program monitoring.

Assisters Roles

1. The Assisters Program should include two types of assisters sanctioned by the Project Sponsors: Affordable Care Act mandated Navigators, compensated by the Marketplace, and Assisters with a Direct Benefit not compensated by the Marketplace.
2. All assisters (Direct Benefit and Navigators) should be required to complete education, eligibility, and enrollment activities. All assisters should be sufficiently trained to assist individuals in completing requirements for all Marketplace coverage options and subsidies and assist with the selection of and enrollment in a plan.
3. Assisters should have the option to target specific markets or populations (e.g. low income, cultural and linguistic groups, or other segments).

Eligibility & Standards

4. Eligible assisters must be affiliated with an enrollment entity. Individual assisters are not eligible for enrolling individuals in Marketplace products. The Assisters Program should require that all organizations or enrollment entities register with the Marketplace and meet established eligibility criteria. Registration should be renewed annually.
5. All assisters should be certified through the Marketplace after completing required trainings. Certification should be renewed annually.
6. All organizations or enrollment entities, and their affiliated assisters should sign a Code of Conduct, Confidentiality and Assister Guidelines Agreements in order to be certified.
7. The Project Sponsors or its designated entity should provide technical assistance and professional development to all assisters.

Training

8. All assisters (Navigators and Direct Benefit Assisters) should complete a two-day Assisters Training Program. Project Sponsors may consider an abbreviated version of the training program for currently certified and active Certified Application Assistors, HICAP trained assisters, health insurance agents, and other individuals already trained to enroll consumers in health coverage.
9. Re-training should be offered annually and should be required in order to obtain re-certification.

Assisters Network Recruitment and Monitoring

10. The Project Sponsors, or their designated entity, should recruit and monitor the Assister's network, including both Direct Benefit Assisters and Navigators to ensure that the program maintains geographic, cultural and linguistic access to target markets.
11. Project Sponsors should implement a robust plan for monitoring the Assisters Program to ensure program quality and compliance and to identify and address conflicts of interest, steering and fraud.

Recommendations for the Assisters Program

Recommended Assisters Program Features

This section of the report provides recommendations on key program features for the Assisters Program. The recommendations are organized as follows:

- Tiers of Assistance & Assister Roles
- Eligibility & Standards
- Training
- Assisters Network Recruitment
- Timeline for Implementation

Tiers of Assistance and Assister Roles

Summary of Recommendations on Tiers of Assistance and Assister Roles

1. The Assisters Program should include two types of assisters sanctioned by the Project Sponsors: Affordable Care Act mandated Navigators, compensated by the Marketplace, and Assisters with a Direct Benefit not compensated by the Marketplace.
2. All assisters (Direct Benefit and Navigators) should be required to complete education, eligibility, and enrollment activities. All assisters should be sufficiently trained to assist individuals in completing requirements for all Marketplace coverage options and subsidies and assist with the selection of and enrollment in a plan.
3. Assisters should have the option to target specific markets or populations (e.g. low income, cultural and linguistic groups, or other segments).

A Tiered Approach to Assistance

The Affordable Care Act offers additional opportunities for Californians to access affordable health insurance coverage by expanding eligibility requirements for existing public health coverage programs, providing premium tax credits and cost sharing to subsidized markets, and guaranteeing health coverage through a Qualified Health Plan for the unsubsidized market. Currently, the public and private distribution channels for obtaining individual health insurance are segregated; the Project Sponsors will provide a model where the consumer can easily compare programs, identify eligibility, and enroll through a single application process and point of entry. Making the transition towards a Marketplace that provides a seamless, “no wrong door” consumer experience regardless of program eligibility is a challenge faced by all states. Designing an Assisters Program that results in an integrated and seamless consumer experience is in part hampered by Affordable Care Act guidelines regarding funding, compensation and eligibility. The Navigator component is a necessary, but non-funded mandate.

- Navigators may not be compensated for enrollment in Marketplace products by health insurance carriers.
- Level II federal Grant funds may not be used to compensate Navigators for enrollment.

- Health insurance agents may serve as Navigators, but must adhere to all Affordable Care Act guidelines and may not receive compensation from carriers for enrollment in Marketplace products.

Given these constraints, it will be important for the Assisters Program to leverage existing public and private health distribution channels and funding sources outside the Marketplace to achieve enrollment goals, while still maintaining common program standards for all individuals assisting with enrollment in Marketplace products. At the same time, the existing network will need to expand, develop new competencies and increase overall productivity to achieve enrollment goals. The Project Sponsors will also need to carefully study and consider strategies for driving consumers to less costly forms of assistance, such as the call center.

Among the options for the overall design of the Assisters Program are:

- To allow all organizations to perform the work of Navigators and to be compensated by the Exchange.
- To allow a subset of organizations that are not compensated by other sources or do not derive a financial benefit from enrolling people to fulfill the role of Navigators and receive compensation from the Exchange.
- To provide no compensation to any organizations that fulfills the work of Navigators.

The pros and cons of these options are discussed in greater detail in the appendix.

RHA recommends that the Project Sponsors consider a tiered approach to the Assisters Program that would include two types of assisters: Navigators, compensated by the Exchange and Direct Benefit Assisters, not compensated by the Exchange.

Assisters

Navigators

Perform all Affordable Care Act mandated activities and are compensated by the Marketplace. Eligible entities include current network of assistances and additional entities eligible per the Affordable Care Act; entities that fall into the category of Direct Benefit Assister are excluded from being certified as Navigators. The Project Sponsors may consider whether specific types of organizations should be excluded from performing the role of Navigators.

Direct Benefit Assisters

Enroll individuals in coverage, but may be compensated by other sources, have a business interest in enrolling people, or conduct enrollment because it is part of their community service mission. Health insurance agents, health plans, hospitals, providers, community health clinics or others who are compensated by other sources outside the Project Sponsors or have a business interest in enrolling consumers would potentially fall into the category of Direct Benefit Assisters. Each of these entities has important relationships with the target communities and will be important to engage in helping Californians to access affordable coverage options.

Public and private hospitals, community clinics, providers and health insurance agents maintain important relationships with the communities and markets likely to access Marketplace programs and subsidies and will be critical to achieving the goal of increasing coverage among California's uninsured. However, because health care providers, hospitals and clinics derive a direct benefit in providing health care to individuals with coverage (compensated care), RHA has recommended that they not be compensated by the Marketplace. Health insurance agents bring deep knowledge of private health plan options and their participation in the assisters network will also be critical. Agents may receive compensation by health insurance carriers for enrollment in Qualified Health Plans.

One issue that merits additional analysis in relation to the Direct Benefit Assister role is the mandate that Navigators provide fair and impartial information to consumers, particularly in relation to purchasing a Qualified Health Plan. Many Direct Benefit Assisters maintain relationships with particular health plans and may have a business interest in enrolling consumers in particular plans. For example, a particular clinic or hospital may not be in the network of specific health plans and consumers may be persuaded to select the plan that will allow them to continue to serve the client (in-network). The extent to which Direct Benefit Assisters can provide fair and impartial information to consumers without steering or conflict of interest should be further examined; regular monitoring to detect and address instances of steering, conflict of interest and fraud will be particularly important to protecting the consumer and maintaining program integrity.

Potential Direct Benefit Assisters	Number in CA	Compensation
Agents	8,000	Health Insurance Carriers
Hospitals	512	Business Interest
Providers	66,480	Business Interest
Community Clinics	632	Business Interest

This model broadly mirrors the integration model proposed by Maryland and Utah and considered by other states, where health insurance agents (and in this case others who are compensated by other sources or have a business interest in enrolling individuals) are not considered Navigators. This is a cost-effective approach given the constraints around the funding of Navigators. Under this model, all assisters (Navigators and Direct Benefit Assisters) would need to be trained, certified and registered with the Marketplace or its designated entity in order to enroll people.

Recommendations for the Assisters Program

Assisters Roles and Services

Affordable Care Act Mandated Activities

The Affordable Care Act provides guidance on Navigator roles and the entities that employ them. Enrollment Entities employing Navigators must:

1. Maintain expertise in eligibility, enrollment, and program specifications and conduct public education activities to raise awareness about the Marketplace.
2. Provide information and services in a fair, accurate and impartial manner. Such information must acknowledge other health programs.
3. Facilitate selection of a Qualified Health Plan (QHP).
4. Provide referrals to any applicable office of health insurance consumer assistance or health insurance ombudsman established under section 2793 of the PHS Act, or any other appropriate State agency or agencies, for any enrollee with a grievance, complaint, or question regarding their health plan, coverage, or a determination under such plan or coverage.
5. Provide information in a manner that is culturally and linguistically appropriate to the needs of the population being served by the Marketplace, including individuals with limited English proficiency, and ensure accessibility and usability of Navigator tools and functions for individuals with disabilities in accordance with the Americans with Disabilities Act and section 504 of the Rehabilitation Act.

RHA recommends that the Project Sponsors adopt each of these guidelines for both Navigators and Direct Benefit Assisters.

Services & Product Specialization

The Assisters Program has the option to mandate the completion of a specified set of enrollment services, including Outreach, Education, Enrollment, Retention and Utilization services.

Among the options for consideration in terms of required services:

- Assisters must complete all services (Outreach, Education, Enrollment, Retention and Utilization services);
- Assisters must complete a subset of services.
- Navigators and Direct Benefit Assisters are each required to complete a specified subset of services.

RHA has made the following recommendations, summarized in the table below.

Required Services: Navigators and Direct Benefit Assisters should be required to conduct education, eligibility and enrollment activities. Navigators should also be required to conduct outreach.

Post-Enrollment Services: RHA has not recommended that assisters be required to conduct utilization (such as linkage to a primary care doctor). While some entities may elect to provide them, they should not receive compensation for these activities. Given the need to deliver a cost-effective program, RHA has recommended that compensation be reserved for enrollment activities only.

The required assister role in terms of retention is still being analyzed. The benefit of requiring renewal/retention as a mandatory service is that it will mitigate disenrollment rates among consumers. Navigators could be compensated a lower fee ($25) for conducting renewals or receive no compensation. On the other hand, health plans also benefit from retaining individuals in coverage and may perform this duty internally. The Project Sponsors must weigh the costs and benefits of mandating renewals and may consider additional policies to encourage health plans to provide this service.

Assisters Program: Required and Optional Activities and Products

Tiers	Entities	Required Services						Required Product	
		Outreach	Education	Eligibility	Enrollment	Retention	Utilization	Public MC/HF	QHPs Subs. & Unsubs.
Navigator		✓	✓	✓	✓	?	○	✓	✓
Direct Benefit Assisters	Agents		✓	✓	✓	○	○	✓	✓
	Health Plans		?	?	?	?	?	?	?
	Providers and Hospitals		✓	✓	✓	○	○	✓	✓
	Community Clinics		✓	✓	✓	○	○	✓	✓

? Under Review
✓ Required Service or Product
O Optional Service or Product

Specialization: Navigators and Direct Benefit Assisters will be trained in and required to assist consumers with completing eligibility requirements for all coverage and subsidies offered by the Marketplace and assist consumers who are eligible with plan selection and participation in the Advanced Premium Tax Credit subsidy. Navigators and Direct Benefit Assisters must be equipped to enroll consumers in public coverage options, as well as subsidized and unsubsidized Qualified Health Plans offered through the Exchange, providing fair, accurate and impartial information regarding plan options, costs and benefits, and financial implications to consumers. While Navigators may elect to target specific populations, such as specific cultural or linguistic groups, low-income consumers, college students or other market segments, they must be prepared to serve all eligible consumers regardless of program or product eligibility. The Project Sponsors are currently developing options for the role of Health Plans in providing assistance through the Program.

Enrollment in Other Programs: RHA recommends that Navigators and Direct Benefit Assisters be offered training in other programs for which consumers may be eligible (e.g. CalFresh, CalWorks etc.). It is not recommended that enrollment in other public programs be required of Navigators nor Direct Benefit Assisters.

Eligibility and Standards

Summary of Recommendations on Eligibility & Standards
1. Eligible assisters must be affiliated with an enrollment entity. Individual assisters are not eligible for enrolling individuals in Marketplace products. The Assisters Program should require that all organizations or enrollment entities register with the Marketplace and meet established eligibility criteria. Registration should be renewed annually.
2. All assisters should be certified through the Marketplace after completing required trainings. Certification should be renewed annually.
3. All organizations or enrollment entities, and their affiliated assisters should sign a Code of Conduct, Confidentiality and Assister Guidelines Agreements in order to be certified.
4. The Project Sponsors or its designated entity should provide technical assistance and professional development to all assisters.

Affordable Care Act Guidance on Eligibility of Navigators

The Affordable Care Act specifies that, in order to be eligible to be a Navigator, organizations must:

- Demonstrate that they are qualified, and licensed if appropriate, to engage in Navigator activities.
- Have existing relationships, or could readily establish relationships, with employers and employees, consumers (including uninsured and underinsured consumers), or self-employed individuals likely qualified to enroll in a qualified health plan, and readily demonstrate these relationships in order to be eligible for a grant.
- Avoid conflicts of interest.

Enrollment Entity Registration with the Marketplace or a Designated Administrator

Among the options considered for organizations eligible to participate in the Assisters Program:

- Individuals and organizations are eligible to register and become certified by the Exchange to perform the role of Navigators or Direct Benefit Assisters.
- Individuals must be associated with an organization or enrollment entity in order to perform the role of Navigator or Direct Benefit Assister.

RHA has recommended that eligible assisters must be affiliated with an enrollment entity or organization that maintains a minimum threshold of liability insurance. The risks and costs associated with individuals performing enrollment independent of organizations in terms of liability, monitoring, and quality assurance are significant and outweigh any additional benefit. In addition to eligibility standards and activities as established under *General Requirements, Section 155.210*, RHA recommends that the Project Sponsors require Enrollment Entities that employ Navigators or Direct Benefit Assisters to complete registration with the Marketplace.

Enrollment Entity Registration Steps	Navigator Enrollment Entities	Direct Benefit Assister Enrollment Entities
Enrollment Entity Invitation Request Application and Supporting Documentation (including insurance)	✓	✓
List of staff that are trained as assisters	✓	
Work plan	✓	
Enrollment Entity Impact Test (EEIT) evaluates an organization's level of capacity to provide enrollment assistance, specialization and target market access	✓	Abbreviated
Assister's Request Evaluation and Score Card	✓	Abbreviated
Annual renewal and recertification	✓	✓

Organizational Eligibility: An additional area meriting consideration is which types of organizations will be eligible to employ Navigators. Among the options:

- Any organization not deemed a Direct Benefit Assister is eligible to serve as a Navigator Enrollment Entity provided they meet all other eligibility criteria.
- Only specific types of organizations (i.e. non-profit organizations, public agencies etc.) are eligible to serve as Navigator Enrollment Entities provided they meet all other eligibility criteria.

Excluding specific types of organizations from serving as Navigator entities may reduce the overall size of the network and reduce access to assistance. Project Sponsors will need to carefully weigh the costs and benefits of each of the options for eligible Navigator entities.

Recommendations for the Assisters Program

Certification and Re-Certification

Among the options considered in terms of certification of Navigators and Direct Benefit Assisters:

- All assisters must be licensed as health insurance agents.
- All assisters must be certified by the Marketplace.
- Navigators must be certified by the Marketplace, but Direct Benefit Assisters do not need to be certified.

Requiring all assisters to become licensed as health insurance agents would likely reduce the Navigator pool, while not requiring Direct Benefit Assisters to be certified by the Marketplace could compromise program quality.

RHA has recommended that all assisters be certified by the Marketplace in order to perform enrollment services. Navigators and Direct Benefit Assisters must complete required training components as outlined in the Training Section below in order to be certified by the Marketplace. Certification should be renewed annually after completion of annual re-training and meeting a minimum threshold of enrollments to be established by the Marketplace. By being certified Navigators and Direct Benefit Assisters would be able to represent the consumer and complete enrollment on their behalf.

Code of Conduct, Confidentiality and Assister Guidelines Agreements

Navigators and Direct Benefit Assisters must agree to act in a courteous and professional manner, ensure the confidentiality of all applications, records, and any information revealed through client interaction, and provide fair, impartial and accurate information to consumers. All assisters are required to adopt and comply with the following agreements: Assister Code of Conduct Agreement, Assister Confidentiality Agreement & Assister Guidelines Agreement.

Quality Assurance & Standards

The Project Sponsors or its designated entity should provide technical assistance, monitoring and quality assurance to ensure that assisters deliver high quality service in compliance with applicable state and federal regulations and established program standards.

Ongoing Technical Assistance & Training: As regulations and practices change, the Project Sponsors will need to reach out to Navigators and other types of assisters to provide them with updated information. The Project Sponsors should also consider establishing an online portal, which will contain all information materials and 1-800 number for certified assisters as a resource for technical support. In addition, the program should offer re-training and additional training on specialized topics identified through regular program monitoring.

Quality Assurance & Compliance

A robust IT and tracking system to capture Assister activities will be essential to maintaining a high quality and compliant program. Regular audits, including tracking and trending of Assister activity, including data on the number of successful applications, declined, pending or

incomplete applications submitted, rapid disenrollment, complaints received, and customer satisfaction. In addition, an analysis of the relationship between productivity, error rates and certification scores should be completed to identify additional training needs or modifications. Regular monitoring of assister activities and outcomes will be critical to tracking program impact on enrollment, preventing steering, and identifying and addressing instances of fraud.

Coordination with California Department of Insurance: The Project Sponsors should explore coordination with the California Department of Insurance in providing quality assurance to the Assisters Program in relation to the validation of Assisters Program curriculum, administering tests, fingerprinting and background checks, and monitoring of Navigators and enforcement under instances of fraud.

Technical Assistance to Assisters	Quality Assurance
- Online portal and/or 1-800 line to provide information or assistance to assisters. - Monthly calls, webinars, conferences, and other revised training as needed. - Review sessions for assisters that specialize in a particular target market or topic. - Mass communication from the Administrator to all Enrollment Entities in the form of electronic newsletters to disseminate program-wide issues or reminders. - Error and incomplete rates for applications submitted by Navigators and other assisters should be analyzed. - Establish accountability and corrective action systems. - Identify re-training needs. - Referral numbers should be established to track Navigator and assister activity. - Re-train annually. - Administer a bi-annual survey.	- Monthly data analysis and reporting on information collected on applications in order to identify potential barriers and characteristics of clients. - Secret shopping (monitoring) should be utilized on an as-needed basis to ensure Assisters are remaining impartial, and in compliance. - Analysis should be conducted on the effectiveness of each Enrollment Entity and its related Assisters, as well as analysis done on the effectiveness of Assister activity. - Standards and best practices should be determined utilizing ongoing reporting analysis. - Determine grievance and enforcement procedures including, accepting complaints, performing investigations, corrective action, and final adjudication. - Establish a monitoring process and procedure for referring consumers to Consumer Assistance bodies in California and plan for providing this information to assisters and Enrollment Entities.

Training

Summary of Recommendations on Training
1. All assisters (Navigators and Direct Benefit Assisters) should complete a two-day Assisters Training Program. Project Sponsors may consider an abbreviated version of the training program for currently certified and active Certified Application Assistors, HICAP trained assisters, health insurance agents, and other individuals already trained to enroll consumers in health coverage.
2. Re-training should be offered annually and should be required in order to obtain re-certification.

Required Training

The options in terms of training include:

- Require all Assisters to complete the same two day training;
- Require Navigators to complete a two-day training and require Direct Benefit Assisters to complete a one day training;
- Allow certain types of previously trained and active assisters (i.e. Health insurance agents, currently active Certified Application Assistors, or Eligibility Workers) to complete an abbreviated training program.

RHA recommends that all assisters complete the two-day Assisters Training Program and that abbreviated trainings for previously trained and active assisters be further investigated and examined for feasibility. While the two day training requirement may discourage participation among some organizations, given the complexity of the products and subsidies offered by the Exchange, it will be important that assisters tasked with helping consumers select and enroll in a plan be adequately prepared to fulfill their duties. Re-training should be required annually. Training should be offered in English and Spanish at a minimum; training should be offered in additional languages on an as-needed basis.

Recommendations for the Assisters Program

	Marketplace Assister Training	Additional & Specialized Training	Annual Re-training
Training Length	12-16 hour (2 day)	30 min-8 hours	3-5 hours
Topics	Comprehensive Marketplace training: Affordable Care Act policies, eligibility, MAGI income determination, Alternative Premium Tax Credit, QHP and public coverage enrollment; mandatory assister roles and guidelines.	Specialized training related to Assister role/type (i.e. health insurance agents) or Education Specialist. Updates on Affordable Care Act or other changes. Abbreviated training for currently trained and active assisters.	Updates on Affordable Care Act; training on special topics identified by Project Sponsors or through QA/QC.
Format	Web-based or In-Person	Web-based or In-Person	Web-based
Language	English & Spanish	English & Spanish	English & Spanish
Navigators	✓	✓	✓
Direct Benefit Assisters	✓	✓	✓

Assister Training Program

The Assisters Training Program will be offered to Navigators and Direct Benefit Assisters and must be completed as a condition of certification with the Marketplace.

The Assisters Training Program Outline
1. Marketplace Operational Overview
2. Program eligibility and application requirements
3. Enrollment procedures, processes and tracking systems
4. Healthy Families Operations, Plan Options and Enrollment
5. Medi-Cal Operations, Plan Options and Enrollment
6. QHP Unsubsidized/QHP Subsidized Operations, Plan Options and Enrollment
7. Program premium, deductibles, and cost-sharing requirements
8. Alternative Premium Tax Credit
9. Scope and limits of program benefits for each Marketplace product
10. Cultural and linguistic standards required by the State of California
11. Access standards for individuals with disabilities
12. The needs of underserved and vulnerable populations
13. HIPAA and confidentiality requirements
14. Proper handling of financial and tax information
15. Code of Conduct and Ethics
16. Privacy and security standards established by the Marketplace, State of California, and federal authorities

Annual Retraining and Recertification

Annual re-training will be offered to Navigators and Direct Benefit Assisters and must be completed as a condition of re-certification. In addition to retraining, RHA recommends that in order to be re-certified, Navigators and Direct Benefit Assisters must have provided application assistance to a minimum number of applicants during the previous 12-month period (e.g. 5-10 per year). Annual training will re-visit each of the topics contained in the Assisters Training Program outlined above in an abbreviated fashion, in addition to:

- State and federal regulatory or policy changes impacting the Assisters Program.
- Special topics identified through the Quality Assurance and Quality Control process.
- Any other topics deemed appropriate by the Project Sponsors or its designated entity.

Additional and Specialized Training

Specialized training should be offered to all assisters, based on their role, training needs, or topics which may be of specific interest. Ongoing evaluation of program quality, compliance and outcomes should inform the content and frequency of additional specialized trainings. RHA recommends that the following specialized trainings be offered at a minimum:

- Affordable Care Act Regulatory Changes: As regulations or policies change, specialized training should be offered to update assisters.
- Quality Assurance/Quality Control (QA/QC): As program monitoring/compliance identify training gaps/needs, additional trainings should be offered.
- Abbreviated Training: For previously trained and active assisters, an abbreviated training should be offered geared towards specific assister types (i.e. Health Insurance Agents, Certified Application Assistors, Eligibility Workers; Health Insurance Counseling Advocacy Program (HICAP) assisters etc.).

Assister Network Recruitment
Summary of Recommendations on Network Recruitment
1. The Project Sponsors, or their designated entity, should recruit and monitor the Assister's network, including both Direct Benefit Assisters and Navigators to ensure that the program maintains geographic, cultural and linguistic access to target markets.
2. Project Sponsors should implement a robust plan for monitoring the Assisters Program to ensure program quality and compliance and to identify and address conflicts of interest, steering and fraud.

A key administrative function of the Assisters Program will be to recruit, train and monitor a network of assisters in accordance with state and federal regulations and established program standards. Recruiting a broad network of trained assisters with reach diverse markets throughout California, will be critical to ensuring the Program's success. Key recruitment activities are outlined in the table below.

	Recruitment Activities
Phase 1: Broad Outreach to Eligible Entities	1. General outreach across the state, generate awareness of Assisters Program, and get eligible entities interested and signed up for certification. • Letters to existing Enrollment Entities • Newsletters/Ads to relevant publications • Presence at Association Conferences 2. Targeted outreach to: Existing assistance resources/Enrollment Entities and Direct Benefit Assister entities; clinics, health plans, etc. 3. Applications submitted by enrollment entity organizations ready to act. 4. Analysis of assisters network resources: Assess level of access to assistance and identify gaps in the network based on: a. Regions served b. Demographic served c. Languages d. Target markets and product coverage e. Level of capacity to provide assistance
Phase 2: Targeted Approach	5. Targeted recruitment of assisters to address gaps in assisters network. Recruitment specialists conduct in-person outreach to potential organizations to expand the network. 6. Analyze assister network resources on an ongoing basis and performance levels to identify gaps and needs in the network. Conduct additional targeted recruitment as needed.

Recruitment Based on Geographic, Cultural/Linguistic, and Market Segment Access

The assisters network should be robust enough to ensure access to all target markets, including newly eligible, cultural and linguistic groups who would not enroll without assistance, and all geographic regions. Assisters should be recruited to ensure that:

- There is geographic access to in-person assistance in each county.
- Hard-to-reach groups, especially cultural and linguistic groups, have access to in-person assistance.
- Newly eligibles have access to assistance through channels that are familiar and aligned with their preferences.

Recommendations for the Assisters Program

The recruitment of Direct Benefit Assisters will be critical to reaching enrollment goals in both public and private coverage options. It will be important to develop recruitment strategies and messaging that respond to the motivators, interests and drivers of each of these potential Direct Benefit Assister organizations.

Targeting Based on Opportunity

Assister resources should be more heavily targeted to those areas where the greatest opportunity exists. A county-by-county analysis of eligible uninsured individuals to identify which counties have the greatest opportunity by market segment (Medi-Cal, Healthy Families, subsidized and unsubsidized) should inform the recruitment strategy. Penetration rates should be analyzed by county, ethnicity and by other market characteristics on a regular basis to inform recruitment efforts.

Timeline For Implementation

A general proposed plan for implementing the Assisters Program is described on the following page. All dates scheduled are subject to change based on project start date.

It is important to note that RHA has recommended that payment to Navigators be issued upon validation of successful enrollment and under this model; payment would not be issued until February, 2014. One issue for the Project Sponsors to consider is that during the first open enrollment period, no payment would be issued to Navigators until February 2014 although Navigators would be providing assistance with applications in October 2013. The Project Sponsors will need to further consider the impact of this delay in payment on Navigator activity during the initial 2013 open enrollment period and consider strategies for driving enrollment during this period.

Recommendations for the Assisters Program

ACTION	TIMELINE
Contract Award	September 1, 2012
Review and update Project Management Plan and all develop policy/procedures Finalize project areas, goals and benchmarks Hiring • Set hiring process to emphasize capability, experience. • Complete employee background checks; provide policies and procedures; provide any needed forms, etc.	September 11, 2012 September 15, 2012 September 21, 2012 September 7, 2012 October 12, 2012
Training Curriculum Development • Final determination of needs and priority for training • Curriculum vetting including limited input from vested organizations • Curriculum revised to final • Design and implement training methods including web portal • Complete training materials/manuals/printed materials • Train the Trainers • Monitor early trends and needs for training or procedure modifications	September 15, 2012 September 21, 2012 November 15, 2012 December 12, 2012 December 15, 2012 – January 15, 2013 January 15, 2013 December 20, 2012 – June 25, 2013 Ongoing
Administrative Systems • Administrative system design • Develop policy and procedures and operations documents (forms and process) • Test administrative systems • Implementation of final administrative systems • Open assisters toll free line and start tracking inquiries; respond to calls	September 15, 2012 September 21, 2012 November 15 – Jan. 20, 2013 Jan 20 – Sept. 15, 2013 January 1, 2014 January 1, 2013
IS/IT Support Systems • IT system designs • Database and invoicing • User interface design and build • ALPHA Test	Sept. 15 – Jan. 15, 2013 Jan. 15 – March. 12, 2013 Apr. 12 – Jun. 15, 2013 July 1, 2013
Training • Training begins/limited test group • Review of training methods/Revisions based on input • Final training implemented • Training ongoing	May 20 – July 15, 2013 July 20, 2013 Aug. 1 – Oct. 25, 2013 Ongoing
Administrative Support • Administrative support begins/limited test group • Review of Administrative support systems/revisions • Final administration systems • Begin delivery of all required weekly and monthly reports	March 15 - May 20, 2013 May 20 – Sept. 15, 2013 January 1, 2014 Jan. 1, 2014 and Ongoing
IS/IT Support Systems • BETA IS/IT system support begins/limited test group • Review of IS/IT systems including invoicing/database • Final IS/IT systems implemented	March 15 - May 20, 2013 May 20 – Sept. 15, 2013 January 1, 2014 and Ongoing
Compensation Begins • Begin monthly invoicing and payment processes • Checks arrive • Track and improve customer satisfaction	February 5, 2014 Ongoing

Section III: Navigator Compensation Design Options

Introduction

A key challenge facing all states is identifying a funding source to cover the cost of compensating Navigators and other types of assisters. While federal Level II Grant funds may cover the infrastructure development and training costs associated with the Assisters Program, they may not be used to compensate Navigators for enrollment. At the same time, in order to gain the kind of access to target markets needed to achieve enrollment goals, a robust network of assisters certified, trained and monitored by the Project Sponsors will be critical.

As outlined in Section II above, RHA has proposed two primary categories of assisters: Navigators who perform all Affordable Care Act mandated activities and are compensated by the Marketplace; Direct Benefit Assisters who also perform all Affordable Care Act mandated activities, but are not compensated by the Marketplace. Direct Benefit Assisters may be compensated by other sources or have a business interest in enrolling people. This section of the report summarizes pay for enrollment options for the Exchange to consider in selecting a Navigator compensation structure.

RHA considered three additional design options regarding Navigator compensation, including Hybrid, (Pay for Enrollment and Grants) and No Compensation. A review of the compensation structure and associated policies, the number of assisters likely to participate, projected enrollment and retention goals for 2013-15, funding levels and sources was conducted and is outlined in the Appendix for each of the options previously considered.

Assister Compensation per Affordable Care Act Regulations

In section §155.210 of the Affordable Care Act, it states that Navigators may receive compensation given that they follow all outlined requirements and duties. No specific compensation structures have been predetermined by the Affordable Care Act or the Project Sponsors.

It is noted in section §155.210(f), funding for compensation must not come from federal funds. In section §155.210(d)(4) it states that Navigators may not receive any compensation (consideration) from health insurance issuers.

Approach

RHA reviewed compensation models and approaches utilized in California under other public programs, as well as those employed by other states. RHA also conducted stakeholder work groups to solicit input from a range of current assister organizations on an overall compensation structure and the extent to which organizations would participate under various options.

Compensation Amount

The recommended payment for enrollment amount was calculated by estimating annual labor costs for a full-time equivalent Navigator based on historical data and stakeholder interviews.

Assister Participation

The number of assisters was calculated by analyzing the current network capacity of Certified Application Assistors that help consumers enroll in public coverage options, the likely expansion of assister participation based on recruitment efforts, as well as the estimated number of additional Direct Benefit Assister benefit resources that would likely contribute.

Enrollment Goals

UCLA CalSIM enhanced models were utilized to determine projections of enrollment under each model. RHA estimated current and projected production rates and number of enrollments per application based on historical Healthy Families Certified Application Assister and Enrollment Entity data. Stakeholder feedback was also used to project productivity levels under different compensation models. Enrollment projections for all compensation options assumed a 75% need for assistance.

Assistance Needs and Gaps

An assessment of assistance need and gap under each model was calculated. The need for assistance is outlined below and was based on the CalSIM enhanced model and shows varying degrees of potential assistance need. Any assistance gaps were calculated by subtracting the need from the assister network capacity under each model.

Applications Needing Assistance				
		2014	2015	2016
Initial Enrollment Projections*		2,835,000	740,000	775,500
*With re-enrollment rate***	33%	3,770,550	984,200	1,031,415
Auto Enrollment		*-500,000*		
Individual-to-Application Conversion	*2*	1,635,275	*492,100*	*515,708*
Total Applications Needing Assistance	33%	539,642	162,394	170,185
Total Applications Needing Assistance	50%	817,638	246,050	257,854
Total Applications Needing Assistance	75%	1,226,457	369,076	386,782

*Source: CalSIM Enhanced Model

**Represents individuals disenrolling, re-enrolling, and transitioning between health care programs and does not reflect an annual renewal rate. The projected disenrollment rate is currently in the process of being validated, and has not been finalized.

Compensated Assistance

The number of compensated applications was calculated by subtracting anticipated Direct Benefit Assister enrollments from the total projected need. This projection was built on the assumption that Direct Benefit Assisters will assist 10% of Medi-Cal/HFP applications needing assistance and 25% of Exchange Product applications needing assistance. This assumption was developed based on historical Healthy Families data.

Direct Benefit Assister Production Levels	2014	2015	2016
When 33% of Applications Need Assistance	*100,214*	*36,978*	*38,926*
When 50% of Applications Need Assistance	*151,839*	*56,027*	*58,978*
When 75% of Applications Need Assistance	*227,758*	*84,041*	*88,467*

The projected number of applications needing assistance from a compensated Navigator is outlined in the table below.

	2014	2015	2016
% of Applications Needing Assistance	**# of Applications Needing Assistance (After DBA)**		
33%	439,428	125,416	131,259
50%	665,799	190,023	198,876
75%	998,699	285,035	298,315

Limitations

While RHA aims to utilize a data-informed approach to project design, it is important to note that as a new program, there is a lack of comprehensive evaluative data on the impact of different approaches or fair estimates regarding the proportion of consumers who will need in-person assistance. Projections were built on a series of assumptions and estimates that may or may not bear out in practice. RHA recommends ongoing evaluation and a comprehensive review of the program's impact and costs after the first year to inform any mid-course corrections.

RHA's approach to designing and rating compensation options is informed by an understanding that a variety of business and social motivators will influence individuals and groups to provide assistance to those eligible for Marketplace products. These motivating factors must be understood and adequately addressed for the Assisters Program to be successful. A viability and feasibility analysis was conducted based on the extent to which the design option contributed towards the achievement of the primary goals of the Assisters Program.

Section III: Navigator Compensation Design Options

Summary of Navigator Compensation Options

Fee Options under a Pay for Enrollment Models

RHA has developed three options for the Exchange to consider in the compensation of Navigators under a pay for enrollment model. The payment structure can be designed to incentivize enrollment relative to no compensation by offering a nominal fee, fully cover the cost of employing a Navigator through a moderate fee structure or aggressively incentivize enrollment by offering a more substantive per enrollment fee. RHA has developed enrollment and cost projections for a low, moderate, and high payment structure under a pay for enrollment model, outlined in the table below. Each assumes a 75% need for assistance.

Pay for Enrollment Payment Options

	Low Fee	Moderate Fee	High Fee
Per Application Fee	$29	$58	$87
Renewal Fee	$25 **or** No compensation	$25 **or** No Compensation	$25 **or** No Compensation
Key Features	Does not cover Navigator costs, but will incentivize enrollment relative to no compensation.	Covers labor and overhead costs for Navigator organizations; moderately incentivizes enrollment.	Exceeds organizational costs, resulting in a potential profit for some organizations; will drive aggressive enrollment.

Pay for Enrollment Projections*

	2014	2015**	2016**
Low Fee ($29)	788,383	369,076	386,782
Moderate Fee ($58)	1,090,258	369,076	386,782
High Fee ($87)	1,226,457	369,076	386,782

**Projections include both Navigator and Direct Benefit Assister enrollments.*
**Identical enrollment rates between each model for years 2015 and 2016 reflect the assumption that all individuals needing assistance will be helped.*

Discussion & Recommendation

Among the low, moderate and high compensation options for the pay for enrollment model, the primary differences between each are related to Navigator productivity as measured by the average number of applications completed per year per Navigator and overall cost to the Project Sponsors. Under any compensation model, some Navigators will produce a high number of enrollments, while others will produce few or none at all. However, the amount of the per application enrollment fee can significantly drive enrollment by increasing overall Navigator productivity. The Marketplace must balance the interest of enrolling as many uninsured Californians in affordable health care coverage with the need to control program costs, given the funding constraints imposed by the Affordable Care Act.

- The low fee of $29 per successful application is not likely to result in the kind of enrollment the Marketplace will need to be self-sustaining, while the high fee of $87 will potentially result in market saturation, but at a significantly higher cost.

- The benefit of offering a renewal fee is that it will support retention; on the other hand, health plans also benefit from retaining individuals in coverage and may perform this duty internally. While the budget shows the costs of paying for renewals, this policy issue merits additional investigation and study. If renewals lag under a no compensation for renewals model, additional analysis should be conducted in 2014 to determine if a renewal fee is needed.

Given these factors, RHA has recommended that the Project Sponsors consider a moderate compensation amount of $58 per successful application.

Summary of Additional Compensated Models Considered

RHA considered and discarded three additional compensation options, including grants, no compensation and a hybrid model, which are described in additional detail in the Appendix. They included:

Grants: Under a Grants model, Enrollment Entities or organizations compete for grants through a competitive Request for Proposal process and are awarded funding to support enrollment activities, based on agreed upon measurable performance metrics.

Hybrid: A hybrid model includes both the pay for enrollment and Grants model. Under this model, most organizations would be compensated through pay for enrollment. A subset would be awarded grant funding based on their access to target markets.

No Compensation: A no-compensation model provides no payment to Navigators for enrollment activities, similar to the model used for Healthy Families enrollment today.

Navigator Compensation: Summary of Design Options

The table below provides a summary of the four design options for the compensation of Navigators previously considered, including anticipated participation among assisters (Direct Benefit and Navigators), the project enrollment goals. Each option was assessed for enrollment, cost-effectiveness, target market access, consumer experience and quality assurance and is described in greater detail in the Appendix.

Section III: Navigator Compensation Design Options

		Pay for Enrollme*	Grant	Hybrid	No Compensation
Compensation for Enrollment	Structure and Fees	$29, $58 or $87 per application successful enrollment fee $0 or $25 per application re-enrollment fee.	$6,000-$200,000 annual grant distributed on a quarterly basis with mandatory performance goals to receive subsequent distribution.	Combination of grant and Pay for Enrollment. Most organizations participate in Pay for Enrollment. A subset receives grants to reach target markets.	Navigators receive no compensation for enrollment or renewal activities.
Anticipated Assisters (Year 1)	Navigators	15,000	3,000	16,000	5,400
	Direct Benefit	10,000	15,000	10,000	12,600
	Total	**25,000**	**18,000**	**26,000**	**18,000**
Projected Enrollment	2014	1,090,258	926,383	1,199,217	320,908
	2015	369,076	314,919	369,076	151,109
	2016	386,782	330,102	386,782	142,792

*Only details projected Assisters Network and Enrollment for the $58 option Pay for Enrollment Model

Given the need to leverage funds and develop a cost effective program in compliance with Affordable Care Act guidelines, RHA has recommended that the Exchange consider a pay for enrollment option for the compensation of Navigators where successful enrollment in an Exchange program or plan results in a fixed fee payment to the enrollment entity. Pay for Enrollment's primary benefits are that it incentivizes enrollment, is less risky and is more likely to lead to a compliant and high quality program. Among the primary benefits to this model:

- Relative to the No Compensation model, the Pay for Enrollment model will result in an expanded assisters network with greater reach and cultural and linguistic access. The Marketplace will be able to recruit organizations with access to target markets, including the newly eligible by offering compensation for enrollment.
- A broad pool of diverse organizations will have the opportunity to enroll uninsured Californians in coverage. Any organization that meets minimum eligibility criteria (training and certification) will have the opportunity to participate. A grants model would have resulted in a much smaller pool of Navigators.
- Among the three compensation options considered by RHA, the Pay for Enrollment results in the lowest cost per enrollment because payment is only issued upon successful enrollment and was determined to be the most cost effective of all options under consideration.

Among the challenges associated with Pay for Enrollment:

- There is a possibility that Assisters may focus on easy to reach consumers and those with more complicated cases may have less access to assistance. However, this is a risk with all compensation models.
- Some organizations with access to specific market segments will require start-up or ongoing operating funds to participate and may elect not to participate under a pay for enrollment model.

Section III: Navigator Compensation Design Options

Overview to Pay for Enrollment Compensation

Under pay for enrollment, a fee is paid for the completion of a specific result at a fixed and standard rate. This approach ensures that desired outcomes and activities are executed and completed before payment is issued; as a result, enrollment is incentivized. The proposed pay for enrollment Navigator compensation model would pay a fixed per application fee for a successful enrollment activity. This model would also require robust IT systems to properly track transactions, execute payments, and conduct regular system audits. Organizations with access to hard-to-reach or target markets may not have the infrastructure to participate in this type of compensation model because they need up front dollars to cover staffing costs.

Compensation Structure and Policies

Under a pay for enrollment model, a per-application and per-annual renewal fee would be paid to Navigator Enrollment Entities. All qualified organizations performing enrollments would be compensated a per application fee for each successful enrollment. Payment would be issued on a monthly basis for all applications determined successfully enrolled for a prior specified period. A lower per successful application fee would be paid for assistance provided for annual application renewals. Pay for Enrollment compensation structures have been used successfully in California and in other states. In the early years of the Healthy Families program, Enrollment Entities were paid $50.00 per completed successful application. Massachusetts compensates entities $68/application, Utah's rate is $42/application and Arizona pays $38/application.

Payment Structure Options

The payment structure can be designed to incentivize enrollment relative to no compensation by offering a nominal fee, fully cover the cost of employing a Navigator through a moderate fee structure or aggressively incentivize enrollment by offering a more substantive per enrollment fee. Three potential options for the Project Sponsors to consider are outlined below.

	Low Fee	Moderate Fee	High Fee
Per Application Fee	$29	$58	$87
Renewal Fee Options	$25 **or** No compensation	$25 **or** No compensation	$25 **or** No compensation
Key Features	Does not cover Navigator costs, but will incentivize enrollment relative to no compensation.	Covers labor and overhead costs for Navigator organizations; moderately incentivizes enrollment.	Exceeds organizational costs, resulting in a potential profit for some organizations; will drive aggressive enrollment.

Section III: Navigator Compensation Design Options

Rationale for Proposed Payment Options

RHA analyzed data from the administration of other public program outreach and enrollment efforts and surveyed stakeholder organizations in a workgroup format. In order to determine low, moderate, and high fee for enrollment amounts, the cost of fully compensating an organization for labor and overhead costs associated with employing a Navigator was first determined and used as the moderate payment amount. The $58.00 moderate per application average fee was calculated utilizing the following assumptions:

- A full-time Navigator with supervision, overhead and labor expenses costs an estimated $54,500 annually.
- A Navigator could successfully assist an estimated four (4) applications per day or 940 annually. An average $58/application fee would fully cover the cost of enrollment activity.

The low payment fee was calculated to cover half of the costs of employing a Navigator, while the high compensation option included an increase of 50% over the moderate payment option.

Fee for Renewal Options: Two renewal options were considered: no compensation for renewal or $25 per successfully renewed application. While renewal could mitigate program disenrollment, health plans also have an interest in retaining individuals in coverage and may fulfill this role. The $25.00 renewal fee was calculated based on the following assumption. Given a simplified renewal process, a full-time staff equivalent could feasibly perform 8 – 10 renewals in a day. Using the same cost methodology, a $25/renewal fee would cover an organization's projected cost.

The costs and benefits of compensating Navigators for renewals are summarized below and merit further examination.

Among the key benefits and challenges of providing no compensation for renewals:

- A significant savings of public resources if no compensation for renewals was provided.
- Health plans have an interest in retaining consumers in coverage and will likely complete renewals.
- Data demonstrates that some consumers will renew without an Assister.
- Few organizations will devote real energy to the renewal process if they are not compensated.
- The Exchange may not achieve the robust renewals needed to sustain the enrollment numbers longer term if renewal compensation is not offered (which would result in increased disenrollment).

Among the key benefits and costs associated with offering compensation for renewals:

- Increased cost to the Marketplace if compensation for renewals is provided.
- Some organizations will not provide renewal assistance without compensation. A renewal fee will increase renewals.
- Organizations will devote additional energy to the renewal process, which will contribute towards enrollment goals.

Assisters Participation

The table below provides the projected number of assisters likely to participate under a Pay for Enrollment compensation model, based on the number of currently active assisters, the projection expansion of the network based on recruitment efforts, and annual turnover among low producing assisters. The Assisters Network will likely be the same under all three Pay for Enrollment options (low, moderate and high), though productivity will vary based on the amount of payment as outlined below.

Assisters Participation Assumptions

- Assumes that the Project Sponsors will recruit and re-train all 6,000 currently active Certified Application Assistors, 10,000 non-active Certified Application Assistors, and 9,000 new Navigators that complete the training and certification process.
- Assumes an annual turnover among Assisters of 30% and a 10% withdrawal each year for Direct Benefit Assisters. Navigator network will decrease in year two as a result of lower recruitment.
- Among those that receive training, an estimated 3,750 will not actually produce enrollments for a range of reasons.
- Assumes that Navigators will account for 60% of total network because funding is available and that the Project Sponsors will recruit Direct Benefit Assisters less aggressively relative to other compensation models.

Pay for Enrollment Assisters Network		2014	2015	2016
Assister Network				
Current Active Assisters		*6,000*	*25,000*	*21,000*
Non-Active Assisters to Re-Recruit		*10,000*	*--*	*--*
New Assisters to be Recruited		*9,000*	*4,500*	*9,300*
Low Producing Assisters Turnover	30%	*--*	*-7,500*	*-6,300*
Direct Benefit Assister Drop Off	10%	*--*	*-1,000*	*-900*
Total Active Network		**25,000**	**21,000**	**23,100**
Additional to be Trained	15%	*3,750*	*--*	*--*
Total Assister Network		**28,750**	**21,000**	**23,100**
Assister Network Distribution				
Active Navigators		*15,000*	*12,000*	*15,000*
Active Direct Benefit Assisters		*10,000*	*9,000*	*8,100*
Total Active Assister Network		**25,000**	**21,000**	**23,100**
Training				
To be Trained (2-Day)		*28,750*	*4,500*	*9,300*
Retrained (Half-day)		*--*	*16,500*	*13,800*
Total to be Trained		**28,750**	**21,000**	**23,100**

Under a pay for enrollment model, a broader pool of Navigators would likely participate. Any organization that met the minimum criteria and completed required training programs would be eligible to participate. Recruitment would likely result in an expansion of the current network of active assisters, as well as engagement of Direct Benefit Assisters (health insurance agents, hospitals, providers etc.). Organizations that lack the infrastructure to cover start up or ongoing operating costs may elect not to participate. The Project Sponsors will be able to recruit a range of assisters and may target recruitment efforts to counties with the highest number or eligibles, or organizations with access to specific market segments (i.e. restaurant workers, truckers, college students) that may not have traditionally participated in enrollment activities.

Enrollment Projections and Timeline

The projected enrollment under a pay for enrollment model was calculated by estimating the increase in productivity in terms of number of applications assisted per assister per year. Under a pay for enrollment model, some Navigators would be highly productive, while others would produce at low levels or not at all. The low, moderate and high fees for enrollment would likely result in different productivity rates depending on the payment amount, as outlined below. The figure shows the average number of applications completed per year per Navigator based on the fee for successful enrollment. A lower fee will result in decreased productivity overall, and as a result, lower enrollment.

Moderate Fee for Enrollment Projections *($58/Successful Application)*

A moderate fee for enrollment is likely to result in significantly higher productivity relative to a no compensation model, as outlined in the table below. The projections are built on the following assumptions:

- Assumes a productivity rate increase five times the current Healthy Families rate under the current No Compensation model (11.5 enrollments per assister per year) to 57.5 per Navigator per year.
- Assumes that the easy to engage and persuade will be enrolled during the first year. Enrollment rates will decrease by 20% in Year 2 and 10% in Year 3 to reflect a lower production rate as a result of market saturation.
- Assumes that renewals will constitute 67% of the previous year's enrollments for Direct Benefit Assisters and 80% for Navigators.

Under this model, RHA has projected a gap between the number of consumers potentially needing assistance and available resources all three years (assistance gap). It is possible that more aggressive recruitment of additional Navigators could narrow this gap. It is also possible that some consumers will access other forms of assistance, such as online or telephonic support.

Pay for Enrollment - $58		2014	2015	2016
Production Rate				
Enrollment Rate - Navigators		*57.5*	*46.0*	*41.4*
Total Enrollments– Direct Benefit Assisters		**227,758**	**84,041**	**88,467**
Production By Assister Type				
Navigators - Pay for Performance				
Enrollment Capacity		*862,500*	*552,000*	*621,000*
*Compensated Assistance Need**		*998,699*	*285,035*	*298,315*
Actual Enrollments		**862,500**	**285,035**	**298,315**
Renewals	*80%*	*--*	*690,000*	*228,028*
Direct Benefit Assisters				
Enrollments		**227,758**	**84,041**	**88,467**
Renewals	*67%*	*--*	*152,598*	*56,307*
Total Enrolment				
Enrollments		***1,090,258***	***369,076***	***386,782***
Assistance Gap		***136,199***	***0***	***0***

*Estimate of total Navigator assistance needed beyond Direct Benefit Assister enrollments.

Low Fee for Enrollment Projections *($29/Successful Application)*

A low fee for enrollment is likely to result in increased productivity relative to a no compensation model, but significantly less productivity than a moderate or high per application fee option, as outlined in the table below. The projections are built on the following assumptions:

- Assumes a productivity rate increase three times the current Healthy Families rate under the current No Compensation model (11.5 enrollments per assister per year) to 57.5 per Navigator per year.
- Assumes that the easy to engage and persuade will be enrolled during the first year. Enrollment rates will decrease by 20% in Year 2 and 10% in Year 3 to reflect a lower production rate as a result of market saturation.
- Assumes that renewals will constitute 67% of the previous year's enrollments for Direct Benefit Assisters and 80% for Navigators.

Under this model, RHA has projected a substantial gap between the number of consumers potentially needing assistance and available assister resources all three years (assistance gap). A $29 enrollment fee is not likely to result in the recruitment of additional assisters to address this need, nor is it likely that productivity would expand significantly beyond estimates outlined

below. An incentive payment structure may attract organizations or entities that already offer services to target populations; offering assistance with enrollment in products may expand their menu of services. For some, the fee for enrollment would not likely be the organization's sole source of compensation for Navigators. For others, organizations would likely need additional technical assistance to maximize productivity and to mitigate the cost to the organization. Despite these efforts, productivity will be lower than other models. While some consumers may access telephonic or online support, under a low compensation model, a significant gap between the need for and capacity to deliver assistance is anticipated.

Pay for Enrollment - $29		2014	2015	2016
Production Rate				
Enrollment Rate - Navigators		*37.375*	*29.900*	*26.910*
Enrollment Rate – Direct Benefit Assisters		**227,758**	**84,041**	**88,467**
Production By Assister Type				
Navigators - Pay for Performance				
Enrollment Capacity		*560,625*	*358,800*	*403,650*
*Compensated Assistance Need**		*998,699*	*285,035*	*298,315*
Actual Enrollments		**560,625**	**285,035**	**298,315**
Renewals	*80%*	--	*448,500*	*228,028*
Direct Benefit Assisters				
Enrollments		**227,758**	**84,041**	**88,467**
Renewals	*67%*	--	*152,598*	*56,307*
Total Enrolment				
Enrollments		***788,383***	***369,076***	***386,782***
Assistance Gap		***438,074***	***0***	***0***

*Estimate of total Navigator assistance needed beyond Direct Benefit Assister enrollments.

High Fee for Enrollment Projections *($87/Successful Application)*

A high fee for enrollment ($87/successful application) is likely to result in aggressive enrollment relative to the other fee structures. The enrollment projections are built on the following assumptions:

- Assumes a productivity rate increase seven times the current Healthy Families rate under the current No Compensation model (11.5 enrollments per assister per year) to 57.5 per Navigator per year.
- Assumes that the easy to engage and persuade will be enrolled during the first year. Enrollment rates will decrease by 20% in Year 2 and 10% in Year 3 to reflect a lower production rate as a result of market saturation.
- Assumes that renewals will constitute 67% of the previous year's enrollments for Direct Benefit Assisters and 80% for Navigators.

Under the high fee for enrollment, the capacity of the assisters network is likely to exceed the demand. While a moderate assistance gap is anticipated the first year, the $87 per successful

enrollment fee could potentially result in market saturation by the second or third year. The benefit of a higher compensation model is that it will likely result in rapid enrollment during the early years, though it comes at a significantly higher cost to the Marketplace.

Pay for Enrollment - $87		2014	2015	2016
Production Rate				
Enrollment Rate - Navigators		*77.625*	*62.1*	*55.9*
Enrollment Rate – Direct Benefit Assisters		**227,758**	**84,041**	**88,467**
Production By Assister Type				
Navigators - Pay for Performance				
Enrollment Capacity		*1,164,375*	*745,200*	*838,350*
*Compensated Assistance Need**		*998,699*	*285,035*	*298,315*
Actual Enrollments		**998,699**	**285,035**	**298,315**
Renewals	*80%*	--	*798,959*	*228,028*
Direct Benefit Assisters				
Enrollments		**227,758**	**84,041**	**88,467**
Renewals	*67%*	--	*152,598*	*56,307*
Total Enrolment				
Enrollments		***1,226,457***	***369,076***	***386,782***
Assistance Gap		***0***	***0***	***0***

*Estimate of total Navigator assistance needed beyond Direct Benefit Assister enrollments.

Cost to the Project Sponsors

For the Pay for Enrollment model of Navigator compensation, the Project Sponsors will incur costs associated with building the Assisters Program infrastructure, including training, recruitment, monitoring and Quality Assurance. In addition, the Project Sponsors would incur Navigator compensation costs. The table below outlines the start-up costs to July 2013.

Assister Program Start Up Costs: 2012 - July 2013

Program Start Up Costs	Pay for Enrollment Model
Program Design and Management	$1,496,050
Navigator Recruitment and Training	$4,828,645
Curriculum Development	$180,250
Translation Services (Spanish + 4 other languages)**	$114,844
Web-Based Training (Development costs)	$431,984
IS System Development - Assister Administration System	$ 41,026
Total	**$ 7,092,798**
Exchange Funding	$ -
Level II Grant Funding	$7,092,798
Combined Total	**$7,092,798**

*During the start up period, future budgets will be refined reviewed with the Project Sponsors

** Navigator services will be available in all of the Medi-Cal threshold languages. However, it has not been determined the number of languages in which training materials will be available.

Modeling Potential Compensated Assistance

The total number of applications that will potentially need assistance is outlined as follows:

Applications Needing Assistance				
		2014	2015	2016
Initial Enrollment Projections*		2,835,000	740,000	775,500
*With re-enrollment rate***	33%	3,770,550	984,200	1,031,415
Auto Enrollment		*-500,000*		
Individual-to-Application Conversion	*2*	1,635,275	*492,100*	*515,708*
Total Applications Needing Assistance	33%	539,642	162,394	170,185
Total Applications Needing Assistance	50%	817,638	246,050	257,854
Total Applications Needing Assistance	75%	1,226,457	369,076	386,782

*Source: CalSIM Enhanced Model

**Represents percent of individuals dis-enrolling, re-enrolling, and transitioning between health care programs and does not reflect an annual renewal rate. The projected disenrollment rate is currently in the process of being validated, and has not been finalized.

Compensated Assistance based on Low, Moderate and High Levels of Need for Assistance

The anticipated need for assistance may range from 50% to 75% based on CalHEERS estimates. However, the actual proportion of consumers needing in person assistance through the Assisters Program will be impacted by a number of factors- including the impact of the Outreach and Marketing plan, the usability of the CalHEERS online and telephonic enrollment portal. RHA developed production levels and projected enrollments for three levels of anticipated need for assistance, (33%, 50%, and 75% of consumers needing assistance to enroll). It is important to note that all projections noted previously assume a 75% need for assistance. This section assumes that all projected need will be met for each level of anticipated need.

The number of compensated applications was calculated by subtracting anticipated Direct Benefit Assister enrollments from the total projected need. This projection was built on the assumption that Direct Benefit Assisters will assist 10% of Medi-Cal/HFP applications needing assistance and 25% of Exchange Product applications needing assistance. This assumption was developed based on historical Healthy Families data.

Direct Benefit Assister Production Levels	2014	2015	2016
When 33% of Applications Need Assistance	*100,214*	*36,978*	*38,926*
When 50% of Applications Need Assistance	*151,839*	*56,027*	*58,978*
When 75% of Applications Need Assistance	*227,758*	*84,041*	*88,467*

The projected number of compensated applications completed by a Navigator is outlined in the table on the following page.

	2014	2015	2016
% of Applications Needing Assistance	# of Applications Needing Assistance from a Compensated Navigator		
33%	439,428	125,416	131,259
50%	665,799	190,023	198,876
75%	998,699	285,035	298,315

Compensation costs for low, moderate and high payments for enrollment options are outlined in the table below, which uses the assumption that all individual who need assistance receive it from a Navigator who is compensated.

		Total Cost for Compensation		
Compensation Amount	% of Applications Needing Assistance	2014	2015	2016
$29	33%	$12,743,412	$3,637,064	$3,806,511
	50%	$19,308,171	$5,510,667	$5,767,404
	75%	$28,962,271	$8,266,015	$8,651,135
$58	33%	$25,486,824	$7,274,128	$7,613,022
	50%	$38,616,342	$11,021,334	$11,534,808
	75%	$57,924,542	$16,532,030	$17,302,270
$87	33%	$38,230,236	$10,911,192	$11,419,533
	50%	$57,924,513	$16,532,001	$17,302,212
	75%	$86,886,813	$24,798,045	$25,953,405

* Due to compensation levels impacting productivity and capacity of the Navigator network, some assistance goals may not be fully met. The dollar amounts indicated above represent achieving 100% of assistance need.

The Project Sponsors are in the process of determining funding sources to support the Assisters Program.

Viability and Feasibility Analysis

A viability and feasibility analysis was conducted based on the extent to which the design option contributes towards the achievement of the primary goals of the Assisters Program. Among the low, moderate and high compensation options for the pay for enrollment model, the primary differences between each are related to Navigator productivity as measured by the average number of applications completed per year per Navigator and overall cost to the Project Sponsors. Under any compensation model, some Navigators will produce a high number of enrollments, while others will produce few or none at all. However, the amount of the per application enrollment fee can significantly drive enrollment by increasing overall Navigator productivity. The Marketplace must balance the interest of enrolling as many

uninsured Californians in affordable health care coverage with the need to control program costs, given the funding constraints imposed by the Affordable Care Act. The low fee of $29 per successful application is not likely to result in the kind of enrollment the Marketplace will need to be self-sustaining, while the high fee of $87 will potentially result in market saturation, but at a significantly higher cost.

Given these factors, RHA has recommended that the Project Sponsors consider a moderate compensation amount of $58 per successful application.

Conclusion

RHA has proposed recommendations on the overall design of the Assisters Program and provided options for the Project Sponsors to consider in selecting a compensation structure for Affordable Care Act mandated Navigators, based on an analysis of research and reports, historical data from prior assistance efforts, RHA's experience administering such programs, and input from stakeholders. The proposed design intends to maximize participation in affordable health insurance options offered by the Marketplace, while maintaining a high quality and compliant program. Going forward, additional refinement of the Assisters Program design will be needed once the Project Sponsors selects a Navigator compensation option. RHA also recommends ongoing and annual evaluation of the program, examining the extent to which it achieves its intended impact.

Appendix A

Assisters Program Design Options Considered in Recommendations

Eligibility Options	Discussion
1. Assisters must be attached to an active Enrollment Entity or organization. **2.** Assisters may be independent of an Enrollment Entity or organization.	The use of Enrollment Entities will standardize the Assister Program and assist with monitoring the program: • Utilizing Enrollment Entities will defray oversight costs required for managing Assisters if they were not attached to an Enrollment Entity. • Maintaining similar standards for both Enrollment Entities and Assisters ensures a uniform vision and standard for the program, and helps solidify compliance from both groups. • Annual renewal will ensure Enrollment Entities are maintaining compliance with program standards. • Individuals performing enrollment separate from an organization pose liabilities to the Exchange in terms of quality assurance and compliance; allowing them will increase the need for monitoring. The disadvantages of utilizing an Enrollment Entity model for the Assisters program include: • Individual Assisters not associated with a qualified Enrollment Entity will be ineligible to participate. • Additional administrative resources needed to maintain Enrollment Entity registration and certification.

Appendix A

Assisters Program Design Options Considered in Recommendations

Training Options	Discussion
1. All participants must complete same 2-day training **2.** Only individuals eligible for compensation complete 2-day training; others complete 1-day.	**All Participants must complete the same 2-day training.** The primary advantage of this approach is that is builds on the existing network of Certified Application Assistants and ensures that the program is standardized. ***Pros:*** • Ensures Assisters are fully trained and certified. • Ensures accurate information about care options is disseminated to all organizations that may reach uninsured Californians. • Lessens burden on program implementers and Exchange to differentiate levels of Assisters. ***Cons:*** • Eligibility Workers and other individuals that provide assistance may find the training process duplicative and too labor intensive to want to participate. • Lengthy training processes may reduce retention rate among Assister network, especially Direct Benefit Assisters that may not be compensated by the Exchange. • While robust training requirements ensure program goals are met, they also increase overall cost of training. **Only individuals eligible for compensation complete 2-day training; others complete 1-day.** Only requiring Direct Benefit Assisters to complete a one day Exchange Assister Training Program will remove undue training burden from an existing highly trained and qualified workforce. ***Pros:*** • Removes undue training burden among already trained and credentialed network of Assisters in California. • Leverages existing Assister resources and experience. • Ensures existing network has knowledge regarding affordable health coverage options. • Represents a savings in training costs. ***Cons:*** • Will likely require additional tracking and auditing on the part of the Exchange and the administrator. • Uniformity of training and quality standards will be difficult to fully convey in only a one day session.

Appendix A

Assisters Program Design Options Considered in Recommendations

Compensation Levels	Discussion
1. Payment is the same for each program **2.** Payment is different for each coverage option **3.** Payment is only available for enrollment in some plans, and not for others	• By making payments equal the likelihood of Assisters providing fair and impartial assistance would be increased. • If payments are different for coverage options or only available for some plans, the Navigators will be incentivized to enroll consumers in coverage options with a higher compensation. This could lead to higher enrollment rates for certain programs.

Appendix A

Assisters Program Design Options Considered in Recommendations

Who is eligible to receive compensation?	Discussion
1. All organizations assisting with enrollment **2.** A subset of organizations assisting with enrollment **3.** No compensation for enrollment activities	**Compensate all Organizations:** In this model, all organizations would be eligible to receive compensation with no exclusions. This would include non-profits, CBOs, labor unions, provider, eligibility workers, etc. Navigators would be contracted by the Exchange to perform the full range of program functions. ***Pros:*** • This option would encourage the most participation from all stakeholders and would lead to robust enrollment. • No stakeholders would be excluded from the compensation offered by the Exchange. ***Cons:*** • More costly for the Exchange and would require the highest level of funding to compensate all Enrollment Entities and Assisters. **Compensate only a Subset of Organizations:** In this model, all types of organizations could become Enrollment Entities and employ Navigators or other types of assisters, but not all would be eligible to receive compensation. The Exchange would make the final determination regarding which types or organizations would not be eligible for compensation, such as organizations that would be compensated through other means (Agents, or others who would benefit directly through enrollment of the individual including health care providers and clinics. ***Pros:*** • This option would be more cost effective and require less funding (than compensating all organizations). • Deter "double-dipping" by entities that may already be compensated through other means. ***Cons:*** • Excluding specific types of organizations would be politically unpopular and would require the Exchange to respond to those stakeholders. • Could potentially decrease proactive enrollment activities and lead to fewer enrollments by these organizations. • Would require IT system to exclude specific organizations from the payment system.

Appendix A

Assisters Program Design Options Considered in Recommendations

What action triggers compensation?	Discussion
1. Application Submission 2. Successful Enrollment (Approval) 3. Successful Enrollment over a certain period of time (30 - 90 days) 4. Enrollment and utilization of health care	**Compensation upon application submission:** ***Pros:*** • Provides the most timely payment system to organizations which would help to sustain their staffing costs, overhead and operations and decreases administrative costs to the Project Sponsors. ***Cons:*** • Compensation does not incentivize the organization to conduct retention or follow up activities related to utilization and will not mitigate disenrollment rates. • Does not ensure actual enrollment of the individual, as application maybe returned. • Fraud more likely. **Compensate upon successful enrollment** ***Pros:*** • Provides timely payment system to organizations which would help to sustain their staffing costs, overhead and operations. ***Cons:*** • Compensation does not incentivize the organization to conduct retention or follow up activities related to utilization and will not mitigate disenrollment rates. **Compensate after a specific term of enrollment** In this model, the Enrollment Entity would only be paid monthly for enrollments that are retained for a specific term. Options could include 30 days, 60 days, 90 days, 6 months or the most stringent, one year. ***Pros:*** • Compensation model encourages retention as organizations are more likely to follow-up with enrollees and maintain contact to ensure they stay enrolled. • Cost effective for the Exchange as compensation is only paid for those enrolled for a specified period of time.

Cons:

- May need to compensate at a higher level for this activity.
- Organizations may not be able to allocate resources to ensure retention, and may get discouraged with lower overall compensation.
- Requires organizations to cover all costs associated with application assistance until payment is received, and even then they will only receive a percentage of those that they enrolled (assuming not all retain insurance).
- Will decrease number of organizations that are willing to participate if the longer enrollment terms are established (6 months and 1 year).
- Additional IT and administration required to track eligible payments.

Compensate for Utilization and Health Care Activities

In this model, the Enrollment Entity would only be paid for those applications that were successfully approved and the enrolled individual either selects a primary care doctor or potentially has a preventive care visit. An additional option could be to compensate organizations an additional fee for this activity.

Pros:

- Increases the probability that the consumer selects a primary care physician or is referred to a "medical home."
- Promotes wellness. Consumer now has an identified physician to schedule an initial preventative or wellness appointment.
- Allows for consumers to have access to specialists though primary care physician referrals.
- Increases the access and probability that consumer will seek initial care.

Cons:

- Organizations may view this as the job of the health plans.
- Delays compensation payment to organizations, which increases carrying costs to the organizations.
- Consumers may not follow through on selection process, regardless of organizations efforts to promote. Therefore, organizations would be not be compensated even though they provided the application assistance.
- Increased costs to the Marketplace.

Appendix A

Assisters Program Design Options Considered in Recommendations

Renewal Compensation	Discussion
1. No compensation for renewal **2.** $25 for renewal	**No compensation for renewal:** • A significant savings of public resources if no compensation for renewals was provided. • A portion of non-profit organizations and other stakeholders would provide some basic help to enrollees without compensation for renewal assistance. • Data demonstrates that some consumers will renew without an Assister. • Few organizations will devote real energy to the renewal process. Their existing staff normally has a full-load performing work they are contracted to do. Given this reality, in is not probable they will place high priority on an additional non-funded task. • While the existing social service network will provide some help, it is likely that only the easiest to reach individuals will be enrolled. The hard to reach segments will receive little attention. • The Exchange will not achieve the robust renews needed to sustain the enrollment numbers longer term if renewal compensation is not offered. **Compensation for Renewal:** • Increased cost if compensation for renewals was provided. • Some organizations will not provide renewal assistance without compensation. A renewal fee will increase renewals. • Organizations will devote real energy to the renewal process with compensation as it will help to cover their staffing and operating costs. • The Exchange will achieve the robust renews needed to sustain the enrollment numbers longer term if renewal compensation is offered.

Additional Navigator Compensation Options Considered

The compensation structure ultimately selected by the Project Sponsors will impact many aspects of the program, including the extent to which the Assisters Program contributes towards the Project Sponsors' broader goals and priorities. RHA considered three additional compensation options, including grants, no compensation and a hybrid model, which are described in additional detail in the Appendix.

Grants: Under a Grants model, Enrollment Entities or organizations compete for grants through a competitive Request for Proposal process and are awarded funding to support enrollment activities, based on agreed upon measurable performance metrics.

Hybrid: A hybrid model includes both the pay for enrollment and Grants model. Under this model, most organizations would be compensated through pay for enrollment. A subset would be awarded grant funding based on their access to target markets.

No Compensation: A no-compensation model provides no payment to Navigators for enrollment activities, similar to the model used for Healthy Families enrollment today.

The most significant differences between the four options initially considered lay between the No Compensation and the Compensation options in their ability to maximize participation of Navigators and enrollment in affordable health coverage.

No Compensation of Navigators

A No Compensation model reduces the overall costs to the Project Sponsors, but will likely result in lower enrollment numbers and a gap between needed and available assistance resources. While many existing Assister organizations would welcome the opportunity to have their staff trained in the Affordable Care Act and the Marketplace, it is not likely that the pool of Navigators would expand significantly. Nor would productivity increase significantly. Under this model, the Project Sponsors would rely more heavily on recruiting and training Direct Benefit Assisters who are either paid through other sources or have a business interest or community service interest in enrolling people. These include Hospitals, Providers & Safety Net Clinics, Health Insurance Agents, and others compensated by other sources. One potential risk to the No Compensation model is a gap in assistance resources, where there is insufficient in-person resources to meet consumer demand. There is also the increased likelihood that consumers will be referred between Assister organizations based on the product for which they are eligible, which would compromise the "no wrong door" consumer experience the Project Sponsors seeks to promote.

The Project Sponsors would need to utilize additional education, outreach, and publicity efforts to drive consumers to assisters and to less costly options, such as the Call Center or online. While recent studies show that some segments of the market are interested in enrolling online and over the phone, the extent to which these avenues will be accessed should not be over-

estimated. Given the diversity of the target market in terms of culture, language, literacy level, and Internet access, in-person assistance will be a critical strategy to overcoming barriers to enrollment.

Compensation of Navigators

A compensation model will result in a broader and more engaged pool of assisters, which will ultimately lead to increased enrollment. Compensating Navigators comes at an increased cost, but provides the Project Sponsors with greater capacity to attract new organizations, re-engage inactive Assister organizations, and increase productivity. It also provides the Project Sponsors with a tool for targeting assistance resources to those regions or markets with the highest opportunity or to organizations with established relationships with hard to reach or newly eligible markets. When organizations are paid, the Project Sponsors have increased authority to hold them accountable for performance outcomes (enrollments), program quality and compliance with applicable standards and regulations. Through regular monitoring of penetration rates, trending, and program quality, corrective action can be implemented and resources can be allocated based on need.

Among the compensated models, each is projected to achieve significantly higher enrollment outcomes relative to a No Compensation model. The primary differentiator between them has to do with ability to hold organizations accountable for enrollment and the ability to target resources. A Pay for Enrollment incentivizes enrollment and will result in a broad pool of navigators, but may not include organizations that require additional funding to participate. A grants approach provides the Project Sponsors with the flexibility to target organizations with access to specific market segments, but will result in a higher cost per enrollment because some funding will be expended on activities that do not lead to enrollment. A Grants model will engage a narrower pool of Navigators. A hybrid will potentially lead to higher enrollment, but at a significantly greater cost than the other models.

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Navigator Compensation: Summary of Design Options

The table below provides a summary of the four design options for the compensation of Navigators, anticipated participation among assisters (Direct Benefit and Navigators), the project enrollment goals, funding level and source and the overall rating for the proposed option. Each option was assessed on five criteria, including enrollment, cost-effectiveness, target market access, consumer experience and quality assurance.

		Pay for Enrollment*	Grant	Hybrid	No Compensation
Compensation for Enrollment	Structure and Fees	$58 per application successful enrollment fee $0 or $25 per application re-enrollment fee.	$6,000-$200,000 annual grant distributed on a quarterly basis with mandatory performance goals to receive subsequent distribution.	Combination of grant and Pay for Enrollment. Most organizations participate in Pay for Enrollment. A subset receives grants to reach target markets.	Navigators receive no compensation for enrollment or renewal activities.
Anticipated Assisters	Navigators	15,000	3,000	16,000	5,400
	Direct Benefit	10,000	15,000	10,000	12,600
	Total	**25,000**	**18,000**	**26,000**	**18,000**
Projected Enrollment	2014	1,090,258	926,383	1,199,217	320,908
	2015	369,076	314,919	369,076	151,109
	2016	386,782	330,102	386,782	142,792

*Only details $58 option Pay for Enrollment Model

Overview to Grants Model

Under a Grants model, Enrollment Entities or organizations compete for Grants through a competitive Request for Proposal process and are then awarded funding to support enrollment activities. A Grants model of compensation would include a formal grant application, evaluation, and award process in compliance with federal and state regulations, as well as regular program monitoring. Prior to entering into contract with the Project Sponsors to fulfill Navigator duties, organizations would need to agree to measurable performance metrics related to enrollment goals, Affordable Care Act mandated Navigator activities, target populations and grant terms and conditions. The Project Sponsors would also have the option to direct funding towards regions or markets where the greatest opportunity exists. All funds would be targeted to organizations with a proven record of success enrolling eligible consumers and/or located in regions with the highest number of eligibles. Because only 300 organizations would receive funding, the paid Navigator pool would be smaller relative to other compensation models, but would be expected to produce at a higher rate. This model requires a significant increase in program monitoring costs to track progress towards deliverables, but a corresponding decrease in accountability. Some organizations will not achieve their enrollment

goals. Because organizations receive their allocated funding up front, in these cases, the Project Sponsors will not be able to re-coup its investment. It is estimated that about 81% of enrollment targets will be met; as a result, the per enrollment costs will increase.

Compensation Structure and Policies

The Project Sponsors or its designated entity would administer a competitive Request for Proposal process and award grants to qualified organizations. Organizations would be able to apply for different amounts based on their demonstrated capacity to enroll consumers. Organizations would have the option to specialize in specific target markets. Awards would specify enrollment goals; the total amount would be equal to the recommended per application fee multiplied by the anticipated number of enrollments. The Project Sponsors or its designated entity would negotiate final enrollment targets and funding levels.

Grants Structure

The proposed model assumes that no more than 300 organizations would be awarded funds. These organizations would have a proven record of successful enrollment of target populations and/or those located in counties or regions with the greatest opportunity (i.e. the highest number of eligibles).

In order to mitigate the risks associated with a Grants approach to Navigator compensation, RHA recommends that funding be distributed on a quarterly basis and tied to achievement of enrollment goals.

Benchmark	Funding Policy
Grants Award	**First Quarter:** 100% of quarterly funds disbursed based on 3 month enrollment goals.
Deliverable Met on Time: 80% of first quarter enrollment goals achieved.	**Second Quarter:** 100% of quarterly funds disbursed based on second quarter enrollment goals. This disbursement rule repeats for each quarter.
Deliverable not Met on Time: Organizations that do not meet 80% deliverable during the first quarter may still complete their enrollment goals over an extended time period.	Second quarter deliverables are adjusted downwards based on first quarter performance. Grants are not extended until first quarter deliverables are met.

Recommended Grants Amounts

RHA recommends that awards range from $1,500-$50,000 per quarter or between $6,000 and $200,000 annually. The lower levels allow small organizations with access to target populations

to participate, while the larger awards would be targeted to organizations with a track record of productivity.

Assisters Participation

Assister's participation was determined by estimating the likely size and productivity of Navigators and Direct Benefit Assisters under the proposed compensation model. The table below provides the projected number of assisters likely to participate under a Grants compensation model, based on the number of currently active assisters, the projected expansion of the network based on recruitment efforts, and annual turnover among low producing assisters.

Assisters Participation Assumptions

Grants model projections are build on the following assumptions:

- The 300 organizations awarded funding would utilize a variety of staffing structures to achieve enrollment goals. On average, in order to meet production goals, an organization would need to employ 3.5 full time equivalent dedicated to the Navigator role. Organizations would likely train 2-3 times more staff as Navigators- approximately 10 per organization or 3,000 compensated Navigators.
- Organizations would on average enroll 2,700 individuals in coverage a year, though outcomes would vary depending on award size.
- Assister Training would be offered in advance of the Request for Proposal release and would be open to any interested organization that met the minimum enrollment entity criteria. A portion of these Enrollment Entities would go on to receive grant; a portion of those that did not receive funding would go on to become Direct Benefit Assisters and would likely produce at a significantly lower rate than Navigators.
- Assumes that the Project Sponsors will recruit and re-train all 6,000 currently active Assisters, 6,000 non-active Assisters, and 6,000 new Navigators that complete the Assister training and certification process.
- Assumes an annual turnover among Assisters of 30% and a 10% withdrawal each year for Direct Benefit Assisters. Navigator network will remain at constant levels due to annual recruitment.
- Among those that receive training, an estimated 2,700 will not actually produce enrollments for a range of reasons.
- Assumes that Navigators will account for a sixth of the total network. Organizations that are trained, but don't receive a Navigator grant would constitute the majority of the Direct Benefit Assisters network.

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Grants		2014	2015	2016
Assister Network				
Current Active Assisters		*6,000*	*18,000*	*16,500*
Non-Active Assisters to Re-Recruited		*6,000*	*--*	*--*
New Assisters to be Recruited		*6,000*	*5,400*	*4,950*
Low Producing Assister Turnover	30%	*--*	*-5,400*	*-4,950*
Direct Benefit Assister Withdrawal Rate	10%	*--*	*-1,500*	*-1,350*
Total Active Network		**18,000**	**16,500**	**15,150**
Additional to be Trained	15%	*2,700*	*--*	*--*
Total Assister Network		**20,700**	**16,500**	**15,150**
Assister Network Distribution				
Active Navigators		*3,000*	*3,000*	*3,000*
Active Direct Benefit Assister		*15,000*	*13,500*	*12,150*
Total Active Assister Network		**18,000**	**16,500**	**15,150**
Training				
Navigators to be Trained		*3,000*	*900*	*900*
Direct Benefit Assisters to be Trained		*17,700*	*4,500*	*4,050*
Retrained (Half-day)		*--*	*11,100*	*10,200*
Total to be Trained		**20,700**	**16,500**	**15,150**

All assister resources could potentially be targeted under a grants model. This model also enables recruitment of a diversity of Enrollment Entities that will have access to different market segments, based on eligibility for different Marketplace products (Healthy Families, Medi-Cal, subsidized and unsubsidized). However, this model is also more risky and likely to result in some resources being expended on activities that do not lead to enrollment. It comes at a much higher cost to the Exchange than other models and results in a narrower pool of Navigators.

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Enrollment Projections and Timeline

The projected enrollment under a Grants model was calculated by estimating the increase in productivity in terms of number of applications assisted per assister per year. Under this model, assisters would enroll an average about 200 consumers a year. Because Enrollment Entities will likely utilize a variety of staffing structures to meet outcomes, it is likely that many will enroll a much greater number of consumers. On average, a grant recipient would enroll 2,700 consumers per year.

Productivity Assumptions

The enrollment productions were built on the following assumptions:

- Organizations will achieve 81% of their deliverables; 19% of targets will not be met. The Project Sponsors will not be able to re-coup this investment.
- Assumes that the easy to engage and persuade will be enrolled during the first year. Enrollment rates will decrease by 20% in Year 2 and 10% in Year 3 to reflect a lower production rate as a result of market saturation.
- Direct Benefit Assisters are not compensated and will likely produce enrollments at a lower rate.
- Assumes that renewals will constitute 67% of the previous year's enrollments.

Grants		2014	2015	2016
Production Rate				
Enrollment Rate - Navigators		81%	81%	81%
Total Enrollments - Direct Benefit Assisters		**227,758**	**84,041**	**88,467**
Production By Assister Type				
Navigators Per Year				
Enrollments - Goal		*862,500*	*285,035*	*298,315*
Enrollments - Actual		***698,625***	***230,878***	***241,635***
Renewals	*80%*	*--*	*558,900*	*184,703*
Direct Benefit Assister Per Year		*15,000*	*10,400*	*10,400*
Enrollments		**227,758**	**84,041**	**88,467**
Renewals	*67%*	*--*	*182,206*	*67,233*
Assistance Gap				
Assisted Enrollments		**926,383**	**314,919**	**330,102**
Assistance Gap		*300,074*	*54,157*	*56,680*

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Impact on Additional Assisters Program Features

- For grant recipients, the Project Sponsors may mandate Education and Outreach goals, in addition to enrollment and retention goals.
- The Project Sponsors may mandate any additional training requirements as a condition of grant funding.
- The Project Sponsors may elect to offer the Assisters Training program in advance of the Request for Proposal release to encourage as many organizations as possible to get trained. Those that do not receive funding would become Direct Benefit Assisters. Only funded Navigators would be required to complete the Assister training.

Viability and Feasibility Analysis

A viability and feasibility analysis was conducted based on the extent to which the design option contributes towards the achievement of the primary goals of the Assisters Program. Five key criteria were established. The analysis for the Grants compensation of Navigators option is outlined in the table below.

Rating Criteria	Rationale
Enrollment	Likely to result in higher enrollment relative to No Compensation, but lower enrollment than other two compensation models. May result in completion of activities that do not necessarily lead to enrollment.
Cost effectiveness	High cost to the Project Sponsors relative to a No Compensation model. High risk- no mechanism for recovering grant funds if performance criteria are not met. Increases oversight and monitoring requirements and associated costs for the Project Sponsors or its designated administrator.
Target Market/Product Access	Allows for greater targeting of resources and participation of organizations with established relationships with hard-to-reach or target populations. However, there is less ability to ensure productivity. As a result, some may not be served.
Consumer Experience	The network of assisters will be narrower. Some consumers may not have access to assistance.
Quality Assurance	Project Sponsors has greater authority to establish, monitor and hold Navigators accountable to stringent QA.

Discussion & Recommendation

The primary benefits to the Grants model are the ability to target resources and ensure the participation of organizations with access to hard to reach populations. Like all compensation models, QA will likely be strengthened, as Navigators will be more likely to comply with established standards and the Project Sponsors will have the authority to implement corrective action. A significant disadvantage to the Grants model is that some organizations will not produce desired outcomes (enrollment). A portion of funds will be expended on activities that do not lead to enrollment and the Project Sponsors will not be able to re-coup these funds. In this sense, a Grants model is a higher risk investment. Further, the ultimate cost per enrollment will be higher relative to other compensation models. Finally, the Grants model will result in a much narrower pool of Navigator Enrollment Entities relative to other models. The narrower pool may not promote the "no wrong door" consumer experience the Project Sponsors desire.

Given these factors, RHA has ranked the Grants Model #3 among the four proposed compensation options in terms of maximizing Assister participation and enrollment of consumers in the Marketplace.

Overview to Hybrid Model

A hybrid model includes both the Pay for Enrollment for successful enrollment and Grants models. The majority of Enrollment Entities would participate on the Pay for Enrollment model described above. Successful enrollment would be compensated through a flat per application fee to Enrollment Entities employing certified Navigators. In addition, a portion of Assisters Program funding would be allocated to a Grants program to target assister resources to highest opportunity regions, or to organizations with established relationships with target populations. Grants could be awarded to organizations that have not traditionally assisted with government program outreach, such as community colleges, entities that touch individuals during life transitions, those that have access to a very specific population, or those located in a county with a high number of eligibles. For a subset of Enrollment Entities, the Project Sponsors would administer a Request for Proposal process to target assister resources, including a formal grant application, evaluation, and award process in compliance with federal and state regulations, as well as regular program monitoring. The Project Sponsors would need to establish criteria for selection based on desired access to target markets and establish standardized grant amounts based on the mission and size of the organization.

Compensation Structure and Policies

Compensation policies for the hybrid model would mirror the guidelines established for the Pay for Enrollment and Grants models established above. The Project Sponsors would need to consider whether to replace the quarterly disbursement plan with a bi-annual disbursement plan. The Project Sponsors would also need to consider the proportion of allocated Assisters Program funding that would go towards grants.

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Compensation Structure

RHA recommends that the following allocation:

Compensation Structure	Navigator Payment	Payment Structure
Pay for Enrollment	Average Per Application Fee Recommended Renewal Fee	$58 $0 or $25*
Grants	Quarterly or six month grant based on enrollment goals	$5,000-$50,000 per quarter

*needs additional analysis to determine if renewal fee is necessary to sustain retention

Assisters Participation

A hybrid model will result in a robust Navigator network as in Pay for Enrollment- more organizations will be engaged, including those that may not participate under Pay for Enrollment only. Any organization that meets the minimum criteria can become a Navigator. It also ensures that the Project Sponsors have the capacity to target resources based on opportunity by allocating a portion of funding to grants. The table below provides the projected number of assisters likely to participate under a Hybrid compensation model, based on the number of currently active assisters, the projection expansion of the network based on recruitment efforts, and annual turnover among low producing assisters.

Assisters Participation Assumptions

- Assumes that the Project Sponsors will recruit and re-train all 6,000 currently active assisters, 10,000 non-active assisters, and 9,000 new Navigators that complete the assister training and certification process.
- 1,000 Navigators will be compensated through a grants process to their Enrollment Entities.
- Assumes an annual turnover among Assisters of 30% and a 10% withdrawal each year for Direct Benefit Assisters. Navigator network will decrease in year two as a result of lower recruitment.
- Among those that receive training, an estimated 3,900 will not actually produce enrollments for a range of reasons.
- Assumes that Navigators will account for 60% of total network because funding is available and that the Project Sponsors will recruit Direct Benefit Assisters less aggressively.

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Hybrid		2014	2015	2016
Assister Network				
Current Active assisters		*6,000*	*26,000*	*22,000*
Non-Active assisters to Re-Recruit		*10,000*	*--*	*--*
New assisters to be Recruited		*10,000*	*4,800*	*9,600*
Low Producing assisters Turnover	30%	*--*	*-7,800*	*-6,600*
Direct Benefit Assister Drop Off	10%	*--*	*-1,000*	*-900*
Total Active Network		**26,000**	**22,000**	**24,100**
Additional to be Trained	15%	*3,900*	*--*	*--*
Total Assister Network		**29,900**	**22,000**	**24,100**
Assister Network Distribution				
Active Navigators		*15,000*	*12,000*	*15,000*
Grants Navigators		*1,000*	*1,000*	*1,000*
Active Direct Benefit Assister		*10,000*	*9,000*	*8,100*
Total Active Assister Network		**26,000**	**22,000**	**24,100**
Training				
Navigators to be Trained		*17,940*	*4,500*	*3,600*
Direct Benefit Assisters to be Trained		*11,960*	*300*	*6,000*
Retrained (Half-day)		*--*	*17,200*	*14,500*
Total to be Trained		**29,900**	**22,000**	**24,100**

This model enables the recruitment of a diversity of Enrollment Entities that will have access to different market segments, based on eligibility for different products (Medi-Cal, Healthy Families, subsidized and unsubsidized), geography or relationship with target populations. Recruitment would likely result in an expansion of the current network of active assisters, as well as engagement of Direct Benefit Assisters (Health insurance agents, hospitals, providers etc.).

Enrollment Projections and Timeline

The projected enrollment under a Pay for Enrollment model was calculated by estimating the increase in productivity in terms of number of applications assisted per assister per year. Under this model, Navigators would enroll an average of 57.5 consumers in the first year. It was estimated that assisters would re-enroll (renew) on average 80% of consumers annually.

Production Rate Assumptions

- Assumes a productivity rate increase five times the current Healthy Families rate under the current No Compensation model (11.5 enrollments per assister per year) to 57.5 per Navigator in the first year.
- Assumes that the easy to engage and persuade will be enrolled during the first year. Enrollment rates will decrease by 20% in Year 2 and 10% in Year 3 to reflect a lower production rate as a result of market saturation.

- Assumes that renewals will constitute 67% of the previous year's enrollments for Direct Benefit Assisters and 80% for Navigators.

Hybrid	2014	2015	2016
Production Rate			
Enrollment Rate - Navigators	*57.5*	*46*	*41.4*
Total Enrollments - Direct Benefit Assisters	**227,758**	**84,041**	**88,467**
Production By Assister Type			
Navigators - Pay for Enrollment			
*Enrollment Capacity**	*862,500*	*552,000*	*621,000*
Compensated Assistance Need	*998,699*	*285,035*	*298,315*
Actual Enrollments	**862,500**	**285,035**	**298,315**
Renewals	*--*	*690,000*	*228,028*
Navigators - Grants			
Enrollments - Goal	*136,199*	*0*	*0*
Enrollments - Actual	***108,959***	***0***	***0***
Direct Benefit Assister Per Year			
Enrollments	**227,758**	**84,041**	**88,467**
Renewals	*--*	*182,206*	*67,233*
Assistance Gap			
Assisted Enrollments	**1,199,217**	**369,076**	**386,782**
Assistance Gap	*27,240*	*0*	*0*

Impact on Additional Assisters Program Features

The Hybrid model of Navigator compensation has minimal impact on the recommended Assisters Program features outlined in Section II above. Recommendations on Assisters Roles, Training, Eligibility and Standards remain unchanged. A few minor impacts are worth noting:

- For Grant recipients, the Project Sponsors may mandate Education and Outreach goals, in addition to enrollment and retention goals.
- The Project Sponsors may mandate any additional training requirements as a condition of being certified and qualified to perform enrollments (for both Pay for Enrollment and grant recipients).

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Viability and Feasibility Analysis

A viability and feasibility analysis was conducted based on the extent to which the design option contributes towards the achievement of the primary goals of the Assisters Program. Five key criteria were established. The analysis for the Hybrid compensation of Navigators option is outlined in the table below.

Rating Criteria	Rationale
Enrollment	Likely to result in higher enrollment relative to no compensation and other two compensation models. Assistance level matches assistance need, resulting in the lowest assistance gap of all models.
Cost effectiveness	High cost to the Project Sponsors relative to a No Compensation model. More cost effective than Grants only, but no mechanism for recovering grant funds if performance criteria are not met for the portion allocated to grants.
Target Market Access	Allows for greater targeting of resources and broader participation of organizations with established relationships with market segments.
Consumer Experience	Produces the largest Navigator pool; likely to improve the "no wrong door" consumer experience and create a minimal assistance gap.
Quality Assurance	Project Sponsors has greater authority to establish, monitor and hold assisters accountable to stringent QA.

Discussion & Recommendation

A Pay for Enrollment incentivizes enrollment and creates a broad pool of Navigators, while a Grants approach provides the Project Sponsors with the flexibility to target funds to organizations with access to specific populations. A hybrid model attempts to mitigate the risks and maximize the benefits associated with each of these models, by allocating a portion of Assisters Program resources to Grants and incentivizing enrollment through Pay for Enrollment. However, it will result in a higher cost per enrollment for the portion of the assisters network that receives grants, as some funds will be expended on activities that do not lead to enrollment.

Given these factors, RHA has ranked the Hybrid model #2 among the four proposed compensation options in terms of maximizing Assister participation and enrollment of consumers in the Marketplace.

Overview to No Compensation Model

A No Compensation model provides no payment to Navigators for enrollment activities, similar to the model used for Healthy Families enrollment today. Without a financial incentive to

participate, there would be limited capacity to expand the existing assister network. The Project Sponsors would focus on recruiting, training and certifying the existing pool of active assisters to become Navigators and expanding the pool of Direct Benefit Assisters, who have a business interest in enrolling people, or are compensated by other sources.

The performance projections of Navigators are conservative. Without a financial incentive few will place a high priority on an additional non-funded task. The No Compensation model requires assisters (Navigators and Direct Benefit Assisters) to fold in tasks for assisting Marketplace enrollment as part of their array of services. As a result, the enrollment produced would likely be consistent with current Healthy Families rates. However, the enrollment projections could conceivably increase by a moderate to significant level with a more robust recruiting and training effort, or by expending additional resources driving consumers to less intensive forms of assistance, such as the Call Center or online. Because this approach is untested, it is a higher risk approach that may or may not yield desired enrollment outcomes.

Under this model, other forms of assistance, including that provided by the Call Center, would become more important. A No Compensation model would require such organizations to fold in responsibility for assisting Marketplace enrollment as part of their array of services. Without financial incentive, they may not place a high priority on an additional non-funded task. As a result, Navigator enrollment would likely be consistent with current Healthy Families rates.

Compensation Policies

No Enrollment Entities qualified and certified to conduct Navigator activities would receive compensation from the Project Sponsors for enrollment activities.

Assisters Participation

The table below provides the projected number of assisters likely to participate under a Pay for Enrollment compensation model, based on the number of currently active assisters, the projection expansion of the network based on recruitment efforts, and annual turnover among low producing assisters.

Assisters Participation Assumptions

- Assumes that the Project Sponsors will recruit and re-train all 6,000 currently active assisters, 6,000 non-active assisters, and 6,000 new Navigators that complete the assister training and certification process.
- Assumes an annual turnover among Assisters of 30% and a 10% withdrawal each year for Direct Benefit Assisters.
- Among those that receive training, an estimated 4,500 will not actually produce enrollments for a range of reasons.

Assumes that Navigators will account for 30% of total network because funding is not available. The Project Sponsors will recruit Direct Benefit Assisters, who would constitute 70% of the network, more aggressively.

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No Compensation		2014	2015	2016
Assister Network				
Current Active assisters		*6,000*	*18,000*	*16,200*
Non-Active assisters to Re-Recruit		*6,000*	*--*	*--*
New Assisters to be Recruited		*6,000*	*5,400*	*4,860*
Low Producing Assister Turnover	30%	*--*	*-5,400*	*-4,860*
Total Withdrawal Rate	10%	*--*	*-1,800*	*-1,620*
Total Active Network		**18,000**	**16,200**	**14,580**
Additional to be Trained	25%	*4,500*	*--*	*--*
Total Assister Network		**22,500**	**16,200**	**14,580**
Assister Network Distribution				
Active Navigators	30%	*5,400*	*4,860*	*4,374*
Active Direct Benefit Assister	70%	*12,600*	*11,340*	*10,206*
Total Active Assister Network		**18,000**	**16,200**	**14,580**
Training				
Navigators to be Trained	30%	*6,750*	*1,620*	*1,458*
Direct Benefit Assisters to be Trained	70%	*15,750*	*3,780*	*3,402*
Retrained (Half-day)	70%	*--*	*10,800*	*9,720*
Total to be Trained		**22,500**	**16,200**	**14,580**

Under this model, other forms of assistance beyond the Navigator become more important. The recruitment, training and certification of Direct Benefit Assisters, who will perform enrollment duties for free or will be compensated by other sources, become a more essential strategy. In addition, robust in-person Call Center and online support and education or outreach activities to drive consumers to other forms of assistance resources become more critical.

Enrollment Projections and Timeline

The projected enrollment under a Pay for Enrollment model was calculated by estimating the increase in productivity in terms of number of applications assisted per assister per year. Under this model, assisters would enroll an average of 17 consumers a year. It was estimated that assisters would re-enroll (renew) about two-thirds of consumers annually. Under No Compensation, the assistance gap would be about 1.2 million the first year.

Productivity Assumptions

- Assumes a productivity rate increase 50% higher than the current Healthy Families rate under the current No Compensation model (11.50 enrollments per assister per year) to 17.25 per assister in year one due to outreach and recruitment efforts.
- Assumes that the easy to engage and persuade will be enrolled during the first year. Enrollment rates will decrease by 20% in Year 2 and 10% in Year 3 to reflect a lower production rate as engaged assisters saturate their target markets.

- Assumes that renewals will constitute 67% of the previous year's enrollments for all assisters.

No Compensation		2014	2015	2016
Production Rate				
Enrollment Rate - Navigators		*17.25*	*13.80*	*12.42*
Total Enrollments - Direct Benefit Assisters		**227,758**	**84,041**	**88,467**
Production By Assister Type				
Navigators Per Year				
Enrollments		***93,150***	***67,068***	***54,325***
Renewals	67%	--	*62,411*	*44,936*
DBA Per Year				
Enrollments		**227,758**	**84,041**	**88,467**
Renewals	67%	--	*152,598*	*56,307*
Total Enrollment				
Assisted Enrollments		**320,908**	**151,109**	**142,792**
Assistance Gap		*905,549*	*217,967*	*243,990*

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Impact on Additional Assisters Program Features

The table below summarizes the impact of the No Compensation Model on the overall recommendations for the Assisters Program outlined above.

Impact on Recommended Program Features	Recommended Changes
Assister Roles	
• The Project Sponsors' capacity to mandate the full spectrum of enrollment activities or enrollment in all Marketplace products decreases. • Referrals between assisters will increase, decreasing the "no wrong door" consumer experience.	1. Require Navigators to conduct Education and Enrollment activities. Any additional activities are optional. 2. Allow Navigators and Direct Benefit Assisters to specialize in specific products or markets (e.g. provide QHP enrollment services only) and refer consumers to other assistance resources.
Training	
• Without incentives for enrolling consumers, training and certification requirements may be viewed as burdensome and reduce participation of Navigator and Direct Benefit Enrollment Entities.	1. Offer annual training and re-certification online and in-person. 2. Increase publicity and outreach regarding training opportunities to Enrollment Entities.
Eligibility & Standards	
• Extensive eligibility requirements may prevent participation of Enrollment Entities. • The Project Sponsors' authority to manage QA, prevent steering or implement corrective action decreases. • Robust QA and reporting requirements may decrease retention rate among Navigators and Direct Benefit Assisters.	1. Remove work plan submission requirement to become a Navigator. 2. Require no education or enrollment goals for Navigators. 3. Remove corrective action from QA procedures; add de-certification as the mechanism for addressing abuses.
Assister Network Recruitment	
• The Project Sponsors will have little incentives to recruit additional Assister and Navigator resources into the network or to ensure geographic and linguistic access. • Assister recruitment will focus on persuading Direct Benefit Assister entities to complete required certification and training, followed by certified and active assisters, and then additional eligible organizations interested in becoming Navigators. • The Project Sponsors may consider increased education grants to drive consumers to assistance resources.	1. Target existing network of Direct Benefit Assisters and assisters to become Assisters. 2. Identify policies and partnerships at the state level to increase participation of existing assisters (e.g. Certified Application Assistants and Eligibility Workers.) 3. Increase allocation to education grants to drive consumers to Call Center and existing network of assisters.

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Viability and Feasibility Analysis

A viability and feasibility analysis was conducted based on the extent to which the design option contributes towards the achievement of the primary goals of the Assisters Program. Five key criteria were established. The analysis for the No Compensation of Navigators option is outlined in the table below.

Rating Criteria	Rationale
Enrollment	The assister network will not be adequate to support enrollment goals. Nets the lowest enrollment number of all compensation options.
Cost effectiveness	Requires no cost to fund enrollment activity. Least costly of all options.
Target Market Access	There is no funding incentive to reach organizations that would reach the hardest markets and no means for recruiting organizations to participate. Would result in lowest Assister participation of all options.
Consumer Experience	There will be a significant gap in assister network; the assistance need will exceed capacity. Most will only do a small quantity of applications each year; their familiarity will be low with the programs.
Quality Assurance	It will be difficult to monitor and require non-compensated assisters to meet all eligibility and standards established. It will be difficult to hold Navigators accountable.

Discussion and Recommendation

A No Compensation model reduces the overall costs to the Project Sponsors, but will likely result in lower enrollment numbers and a gap between needed and available assistance resources. The Assisters pool would expand slightly, as would current productivity levels among existing assisters. Under this model, the Project Sponsors would rely more heavily on recruiting and training Direct Benefit Assisters. The Project Sponsors would need to utilize education, outreach, and publicity efforts to drive consumers to assisters and to less costly options, such as the Call Center or online. Given the diversity of the target markets in terms of language, culture, literacy, and LEP status, as well as the barriers that must be overcome for consumers to enroll, the proportion of consumers seeking in-person assistance should not be under-estimated. A No Compensation model is not likely to result in a network with the kind of cultural, linguistic and geographic access the program needs to achieve enrollment goals.

Given these factors, RHA has ranked the No Compensation model #4 among the four proposed compensation options in terms of maximizing Assister participation and enrollment of consumers in the Marketplace.

Conclusion

RHA has proposed recommendations on the overall design of the Assisters Program and provided four options for the Project Sponsors to consider in selecting a compensation structure for Affordable Care Act mandated Navigators, based on an analysis of research and reports, historical data from prior assistance efforts, including Healthy Families, RHA's experience administering such programs, and input from stakeholders. The proposed design intends to maximize participation in affordable health insurance options offered by the Marketplace, while maintaining a high quality and compliant program. Going forward, additional refinement of the Assisters Program design will be needed once the Project Sponsors selects a Navigator compensation option. RHA also recommends ongoing and annual evaluation of the program, examining the extent to which it achieves its intended impact.

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Applications Needing Assistance				
		2014	2015	2016
Initial Enrollment Projections*		2,835,000	740,000	775,500
*With re-enrollment rate***	33%	3,770,550	984,200	1,031,415
Auto Enrollment		*-500,000*		
Individual-to-Application Conversion	*2*	1,635,275	*492,100*	*515,708*
Total Applications Needing Assistance	33%	539,642	162,394	170,185
Total Applications Needing Assistance	50%	817,638	246,050	257,854
Total Applications Needing Assistance	75%	1,226,457	369,076	386,782

*Source: CalSIM Enhanced Model

**Represents individuals disenrolling, re-enrolling, and transitioning between health care programs and does not reflect an annual renewal rate. This value is currently in the process of being validated, and has not been finalized.

Base Numbers:

- Enhanced CalSIM model with applied re-enrollment rate of 33% (this rate is still being evaluated and is not finalized).
- 500,000 individuals will be auto-enrolled and therefore would not require assistance

Assumptions:

- There are an average of 2 individuals per application (Source: Solicitation HBEX4 – Request for CalHEERS Development and Operations Services)
- 75% of applications received will be through some form of assistance (Source: Solicitation HBEX4 – Request for CalHEERS Development and Operations Services)

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Summary of Methodology

Data Element	Explanation for No-Comp Model	Explanation for Comp Models
Assister Network	All currently active assisters will participate, 1/3 of current non-active assisters will participate; 6,000 new recruitments; additional 4,500 individuals will attend training but not be productive. In Years 2015 and 2016 there will be a 30% turnover of active assisters, and a 10% total withdrawal rate from the network.	All currently active assisters will participate, for Hybrid and Pay for Enrollment models, 10,000 current non-active assisters will participate and 9,000 new recruitments; additionally in the Hybrid Model, there will be 1,000 navigators active under a grant. In a Grants Model, approximately 3,000 will be active navigators, and 15,000 Direct Benefit Assisters. In each of these models an additionally 15% of the total active networks will attend training but not be productive. In Years 2015 and 2016 there will be a 30% turnover of active assisters, and a 10% withdrawal rate of Direct Benefit Assisters. For the Hybrid and Pay for Enrollment Model, there will be a decrease in recruitment in year 2 and increase in year 3 to accommodate changes in total assistance need.
Assister Network Distribution	Current Healthy Family data indicates that 70% of all applications come from Direct Benefit Assisters, and 30% from Navigators. This ratio would remain the same in the no compensation model.	In a compensation model, the number of Navigator-type organizations would increase due to the lure of compensation. RHA assumes that 60% of applications received would be from Navigators and only 40% from Direct Benefit Assisters for a Pay for Enrollment and Hybrid Model. In a Grants model, many individuals that would normally qualify for compensation in other models, that are not receiving a grant in this model, would be included in the Direct Benefit Assister network pool.
Production Rate - Enrollment	Currently active assisters produce approximately 11.5 applications per year, given February 2012 Healthy Families Data. With increased demand and marketing, we can expect a 50% increase in this production level; similar to the 50% increase from the Base to Enhanced CalSIM models. Total enrollment output per assister is 17.25 in the first year, and would reduce by 20% in the second year, and 10% in the third; due to market saturation.	Stakeholders indicated that, in a compensation model, they would be willing to produce 5 times the amount of enrollments than in a No Compensation model. Therefore, total enrollment output per year per assister would increase to 57.5 for the first year, and reduce by 20% in the second year, and 10% in the third; due to market saturation. In a Grants model a production rate of 81% would be constant over all three years.
Production Rate – Renewal	Current Healthy Family data indicates that for every 3 enrollments, there are 2 renewals. This 67% renewal rate will remain the same for the No Compensation Model	Assuming a $25 renewal fee reimbursement, we are anticipating an increase renewal rate to 80% of previous year enrollments (or 8 in 10) for all compensation models.