WELCOME AND AGENDA REVIEW

JAMES DEBENEDETTI, DIRECTOR
PLAN MANAGEMENT DIVISION
## AGENDA

**Plan Management and Delivery System Reform Advisory Group**

**Meeting and Webinar**

*Thursday, January 19, 2017, 10:00 a.m. to 12:00 p.m.*

**Webinar link:** [https://attendee.gotowebinar.com/register/6691110276636113154](https://attendee.gotowebinar.com/register/6691110276636113154)

### January Agenda Items

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Suggested Time</th>
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<tr>
<td>Welcome and Agenda Review</td>
<td>10:00 - 10:05 (5 min.)</td>
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<tr>
<td>Membership Transition</td>
<td>10:05 – 10:20 (15 min.)</td>
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<tr>
<td>2018 Certification Application Comment Review</td>
<td>10:20 – 11:00 (40 min.)</td>
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<td>2018 Benefit Design</td>
<td>11:00 – 11:20 (20 min.)</td>
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<tr>
<td>Special Enrollment Period RFP for Electronic Verification</td>
<td>11:20 – 11:45 (25 min.)</td>
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<tr>
<td>Future Topics and Open Forum</td>
<td>11:45 – 11:55 (10 min.)</td>
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<tr>
<td>Wrap-Up and Next Steps</td>
<td>11:55 – 12:00 (5 min.)</td>
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PLAN MANAGEMENT ADVISORY GROUP MEMBERSHIP TRANSITION

JAMES DEBENEDETTI, DIRECTOR
LINDSAY PETERSEN, SENIOR QUALITY ANALYST
PLAN MANAGEMENT DIVISION
PLAN MANAGEMENT ADVISORY GROUP
NEW 2017 MEMBERSHIP

Douglas Brosnan
Emergency Room Physician
Sutter Roseville Medical Center
Director of Provider Relations, CEP America

Mary June Flores
Policy and Legislative Advocate
Health Access California

Emalie Huriaux
Director of Federal and State Affairs
Project Inform

Betsy Imholz
Special Projects Director
Consumers Union

Richard Kronick
Professor, Division of Health Care Sciences
Department of Family and Preventive Medicine
School of Medicine
University of California, San Diego

April Martin
Director, Managed Care
Dignity Health

James Mullen
Director, Public & Government Affairs
Delta Dental of California

Robert Oreilly
Director of Policy
Molina Health Plan

Cary Sanders
Director, Policy Analysis & Having Our Say Coalition
California Pan-Ethnic Health Network

Robert Spector
Area Vice President, Covered California Health Insurance Exchanges
Blue Shield of California

Bill Wehrle
Vice President, Health Insurance Exchanges
Kaiser Permanente

Two additions likely in February
PLAN MANAGEMENT ADVISORY GROUP 2016 MEMBERSHIP SURVEY: KEY TAKEAWAYS

• Satisfaction:
  • 75% of respondents indicated being either “Very Satisfied” or “Satisfied” with participating in the Plan Management Advisory Group and thought it was a valuable use of their time. (Other 25% was neutral.)
  • All respondents were heavy participators (7 or more meetings attended).

• Improvement suggestions:
  • Distribute materials with enough lead time to review with colleagues.
  • Provide avenue for follow-up comments.
  • Announce members in the room and on the phone at the start of each meeting.
  • Meeting frequency: 50% thought bi-monthly is better, rest of members either liked mirroring the Board or preferred the flexibility of scheduling monthly and canceling if needed (due to the dynamic 2017 environment). Members noted some meetings do not need the full two hours.
2018 CERTIFICATION APPLICATION COMMENT REVIEW
TAYLOR PRIESTLEY, CERTIFICATION PROGRAM MANAGER PLAN MANAGEMENT DIVISION
<table>
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<tr>
<th>Event</th>
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<tr>
<td>Draft application comment periods end</td>
<td>January 13, 2017</td>
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<tr>
<td>Plan Management Advisory: Benefit Design &amp; Certification Policy recommendation</td>
<td>January 19, 2017</td>
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<td>January Board Meeting: discussion of benefit design &amp; certification policy recommendation</td>
<td>January 26, 2017</td>
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<td>Letters of Intent Accepted</td>
<td>February 1 – 15, 2017</td>
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<td>Final AV Calculator Released*</td>
<td>February 2017</td>
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<td>Applicant Trainings (electronic submission software, SERFF submission and templates*)</td>
<td>February 22-24, 2017</td>
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<td>March Board Meeting: anticipated approval of 2018 Standard Benefit Plan Designs &amp; Certification Policy</td>
<td>March 2, 2017</td>
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<td>QHP &amp; QDP Applications Open</td>
<td>March 3, 2017</td>
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<td>QDP Application Responses (Individual and CCSB) Due</td>
<td>April 3, 2017</td>
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<tr>
<td>Evaluation of QDP Responses &amp; Negotiation Prep</td>
<td>April 2017</td>
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<tr>
<td>QDP Negotiations</td>
<td>April 2017</td>
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<tr>
<td>QHP Application Responses (Individual and CCSB) Due</td>
<td>May 1, 2017</td>
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<tr>
<td>Evaluation of QHP Responses &amp; Negotiation Prep</td>
<td>May - June 2017</td>
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<td>QHP Negotiations</td>
<td>June 2017</td>
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<tr>
<td>QHP Preliminary Rates Announcement</td>
<td>July 2017</td>
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<tr>
<td>Regulatory Rate Review Begins (QHP Individual Marketplace)</td>
<td>July 2017</td>
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<td>CCSB QHP Rates Due</td>
<td>TBD</td>
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<tr>
<td>QDP Rates Announcement (no regulatory rate review)</td>
<td>August 2017</td>
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<tr>
<td>Public posting of proposed rates</td>
<td>TBD</td>
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<td>Public posting of final rates</td>
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*Final AV Calculator and final SERFF Templates availability dependent on CMS release
TBD = dependent on CCIIO rate filing timeline requirements
# FINAL BULLETIN: TIMING OF RATE SUBMISSION AND POSTING

<table>
<thead>
<tr>
<th>Deadline</th>
<th>November 10 Draft Bulletin</th>
<th>Covered California Recommendation</th>
<th>December 16 Bulletin</th>
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</table>
| Proposed Uniform Submission Deadline  
“Issuers in a state with an Effective Rate Review Program would be required to submit proposed rate filings for single risk pool coverage (both QHPs and non-QHPs) on a date set by the State, as long as the date is not later than June 1, 2017.” | Not later than June 1, 2017 | Not later than July 17, 2017 | Not later than July 17, 2017 |
| Proposed Rate Increases Subject to Review – Posting by States  
“The proposed uniform posting deadline for a State with an Effective Rate Review Program to post on the State’s website ... for proposed rate increases that are subject to review for single risk pool coverage (including both QHPs and non-QHPs) is no later than June 30, 2017.” | Not later than June 30, 2017 | Not later than August 1, 2017 | Not later than August 1, 2017 |
| Final Rate Increases – Posting by States  
“...a State with an Effective Rate Review Program would be required to post ... for all single risk pool coverage final rate increases (including those non subject to review) no later than November 1, 2017.” | Not later than November 1, 2017 | No recommendation to change | Not later than November 1, 2017 |
COMMENTS RELATED TO DRAFT APPLICATIONS

Comments Received on the Following Topics:
• Requests to Adjust QHP Rate Submission Timeline
  • No change made
• Service Area Requirements
  • Revised language for clarity, no change to requirement to bid full licensed service area
• Quality
  Revised language for clarity; examples and other clarifying information will be provided during Applicant training
  Narrowed scope of some questions to apply to Covered California business only, while retaining a broader scope for other questions where a meaningful reference point is necessary
• Requirements for Returning v. New Entrant Applicants
  • Reduced returning applicant questions in the following sections:
    • Electronic Data Interface
    • Privacy and Security
• Comments and Questions related to clarity of application language
  • Revised language or added definitions in the following sections:
    • Fraud, Waste, and Abuse
    • Sales Channels
2018 BENEFIT DESIGN

ALLIE MANGIARACINO, SENIOR QUALITY ANALYST
TAYLOR PRIESTLEY, CERTIFICATION PROGRAM MANAGER
PLAN MANAGEMENT DIVISION
2018 PATIENT CENTERED BENEFIT DESIGNS

Follow-ups from December:

• **Silver Plans:** In order to meet the AV requirements in the Silver, Silver 73, and CCSB Silver Plans, we will lower the pharmacy deductible from $250 to $100 and apply the pharmacy deductible to Tier 1 (generic) drugs.

• **Preferred pharmacy networks:** Due to minimal premium savings, increased costs for consumers utilizing nonpreferred pharmacies, and the deviation from standard plan designs, we are forgoing the proposal to allow preferred pharmacy networks.

• **Endnotes:** We have made some changes to the endnotes, including the addition of an endnote for removal of tobacco cessation day limits.

• **Gold Plans:** We opted to decrease the copay for primary care/mental health office visits instead of decreasing the copay for specialist visits.
# 2018 PATIENT CENTERED BENEFIT DESIGNS

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<tr>
<th>Benefit</th>
<th>Platinum Coins</th>
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<th>Gold Coins</th>
<th>Gold Copay</th>
<th>Silver</th>
<th>Silver 73</th>
<th>Silver 87</th>
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<th>Silver HDP</th>
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**Actuarial Value (2018 AVC)**

- Platinum Coins: $91.23
- Platinum Copay: $88.11
- Gold Coins: $81.85
- Gold Copay: $78.40
- Silver: $71.67
- Silver 73: $71.67
- Silver 87: $71.67
- Silver 94: $71.67
- CCBS Silver Coins: $93.94
- CCBS Silver Copay: $71.81
- Silver HDP: $71.38
- Bronze: $71.38
- Bronze HDHP: $60.75

**Baseline AV (2018 AVC):**

- Platinum Coins: $90.16
- Platinum Copay: $85.51
- Gold Coins: $81.02
- Gold Copay: $76.75
- Silver: $73.31
- Silver 73: $75.65
- Silver 87: $72.89
- Silver 94: $72.45
- CCBS Silver Coins: $88.04
- CCBS Silver Copay: $90.68
- Silver HDP: $71.66
- Bronze: $61.10
- Bronze HDHP: $61.38

**Actuarial Value (2017):**

- Platinum Coins: $89.72
- Platinum Copay: $90.28
- Gold Coins: $80.86
- Gold Copay: $81.23
- Silver: $71.53
- Silver 73: $73.67
- Silver 87: $74.48
- Silver 94: $74.12
- CCBS Silver Coins: $71.56
- CCBS Silver Copay: $71.25
- Silver HDP: $71.31
- Bronze: $61.93
- Bronze HDHP: $61.96

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**Note:** CSR and CCSB Silver plans modeling slides are in the Appendix.
2018 Dental Benefit Plan Design Discussion Topics:

- **Copay Schedule**
  - Alignment with benchmark plan
  - Current Dental Terminology (CDT) Update

- **Adult Dental Benefits**
  - Waiting Period Waiver
  - Exempt Preventive and Diagnostic Services from Annual Benefit Limit
  - Standardization of Exclusions and Limitations

- **Employer-Sponsored Plan**
  - Benefit Design
  - Contribution and Participation Requirements
STANDARD COPAY SCHEDULES

Pediatric Copay Schedule

- QDP issuers need to comply with both EHB and standard benefit plan design requirements so the copay schedule must not conflict with the benchmark plan.
- Draft copay schedule posted for comment reflecting update to CDT-17. Inclusion of CDT-17 codes in the pediatric copay schedule based on Dental Technical Workgroup’s clinical interpretation of benchmark plan.
- Existing discrepancies in the 2017 copay schedule have been eliminated by adding omitted procedure codes and removing those not in the benchmark plan.

Adult Copay Schedule

- Updating “Not Covered” with copay amount
- Adult Copay Schedule not intended to standardize adult dental benefits
ADULT DENTAL BENEFITS

Waiting Period Waiver Staff Recommendation
The following conditions will be standardized:
• Any prior coverage will be accepted: Group/Individual/Medi-Cal, On/Off-Exchange, Any issuer
• No required minimum duration of prior coverage allowed; dental plans must reduce the six month waiting period for each month of prior coverage
The following conditions will not be standardized in the plan design:
• Maximum allowed lapse in coverage
• Acceptable documents to provide proof of prior coverage
Rationale: Support continuous enrollment in dental insurance in an environment where plan choices can change.

Standard Exclusions Staff Recommendation
Continue 2017 standard exclusions in 2018 and add exclusion of veneers:
• Tooth Whitening
• Adult Orthodontia
• Implants
• Veneers
Rationale: Continued progress towards standardization of adult dental exclusions, utilizing guiding principle of excluding services without oral health benefit.
EMPLOYER-SPONSORED DENTAL PLAN

<table>
<thead>
<tr>
<th>Component</th>
<th>Staff Recommendation</th>
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<tbody>
<tr>
<td>Plan Design</td>
<td>• No waiting period for Major Services</td>
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</table>
| Employer Contribution & Participation Requirements | • Employer must select a specific Group Dental Plan and contribute minimum 50% of premium  
• Minimum 70% employee participation, defined as enrollment  
• Employees remain free to select any dental plan for which they are eligible |
| Dependent Coverage                       | • Dependent coverage completely voluntary |

*Employer-sponsored Dental Plan program requirements still being finalized based on workgroup feedback*
SPECIAL ENROLLMENT PERIOD
RFP FOR ELECTRONIC VERIFICATION

JAMES DEBENEDETTI, DIRECTOR
PLAN MANAGEMENT DIVISION
BACKGROUND AND PURPOSE

• Special enrollment periods allow consumers experiencing expected or unanticipated life changes (qualifying life events – QLEs) to obtain new coverage or change their insurance plan.

• Covered California and Qualified Health Plan (QHP) issuers have a common goal of quickly and accurately performing verifications of qualifying life events prior to effectuating coverage.

• Therefore, Covered California will be issuing a Request for Proposal (RFP) with an emphasis on electronic verification of the QLE loss of minimum essential coverage (MEC), while also exploring expedited verification of additional QLEs including permanently moved to / within California, had a baby or adopted a child, etc.

• Guiding principles during Covered California’s initiative to improve SEP QLE verification processes and systems include:
  
  o While conducting pre-enrollment verification of QLEs, limit delays in consumers obtaining coverage.
  o Maximize the number of verifications that can be completed electronically in real time.
  o Guide and support consumers in their effort to provide required information and documentation.
RECENT ACTIVITIES

• Conducted SEP verification Request for Information (RFI) September through November 2016.

• Six companies responded to the RFI – including application and system integration companies with experience in the health care marketplace.

• We learned that companies:
  o can use existing industry standard electronic data interchange (EDI) 270/271 transactions to verify loss of MEC.
  o already have or could establish existing nationwide interfaces to insurance carriers.
NEXT STEP AND TIME FRAME

• Develop and release SEP Verification RFP no later than March 2017.

• Select vendor / system integrator and initiate development no later than August 2017.

• Draft regulations in coordination with system and process development.

• Finalize regulations and put the system into production by the start of the 2018 SEP period (February 2018).
WRAP UP AND NEXT STEPS

JAMES DEBENEDETTI, DIRECTOR
PLAN MANAGEMENT DIVISION