



# Request for Information Web Based Entities

Covered California



## Request for Information

Covered California

August 25, 2015

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### 1. PURPOSE:

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The purpose of this Request for Information (RFI) is to gather information on potential solutions available to Covered California for:

- One or more online consumer-facing retail agent(s), known as Web Based Entities (WBEs) (inclusive of application entry and plan selection), and/or
- One or more platform(s) and/or software product(s) that enable independent agents to obtain web-based quotes for their clients or prospective client(s), while meeting program compliance requirements of the California Health Benefits Exchange (Covered California).

The information sought includes:

- An accounting of both quantitative and qualitative potential benefits to enrollment, including Medi-Cal enrollment.
- The complexity, maintainability, and potential total costs of potential solutions,
- The contribution of potential solutions to the mission, goals, and values of Covered California.

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### 2. BACKGROUND:

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Under the Patient Protection and Affordable Care Act of 2010 (the “Affordable Care Act”) exchanges must serve both the individual and small business market. In the individual market, exchanges must serve as the one route by which individuals receive premium subsidies to make health coverage more affordable. In the small business market, exchanges must offer both a choice and the route to obtain tax credits for eligible small employers.

Those states that create their own exchanges must make numerous operational and sales design decisions, including whether to develop and maintain capabilities in-house, or to contract with Vendors to perform certain functions, either short term or long term. Further, exchanges must maintain all policy authority.

Soon after the passage of national health care reform through the Affordable Care Act, California became the first state to enact legislation to establish a qualified health benefit exchange (Chapter 655, Statutes of 2010-Perez and Chapter 659, Statutes of 2010-Alquist). The California state law is referred to as the California Patient Protection and Affordable Care Act.

Covered California is an independent public entity within California State Government. It is governed by a five-member board appointed by the Governor and Legislature. Four of the members are appointed for four-year terms, two by the Governor, one by the Senate Rules Committee and one by the Speaker of the Assembly. The California Secretary of Health and Human Services is a voting ex-officio member of the Board. The Board elected the California Secretary of Health and Human Services Agency as Chair, signaling its intention to actively coordinate and collaborate with existing state agencies involved in providing health coverage to Californians.



CoveredCA.Com is the on-line vehicle for consumers to be determined eligible for Medi-Cal or for federal financial subsidies with Covered California and is a joint partnership of Covered California and the Department of Health Care Services (DHCS).

In addition to its work with DHCS, Covered California works in close partnership with the two agencies that regulate health insurance in California: the Department of Managed Health Care and Department of Insurance. Additionally, Covered California works closely with:

- The Centers for Medicare and Medicaid Services (CMS). Under CMS, both the Center for Consumer Information and Insurance Oversight (CCIIO), and the Center for Medicaid;
- Other major purchasers of health care, such as California Public Employees Retirement System and large employers; and
- A broad range of stakeholders whose constituencies will be impacted by health care reform

The state legislation that established Covered California directed it to selectively contract with carriers so as to provide health care coverage choices that offer the optimal combination of choice, value, quality and service, and to establish and use a competitive process to select the participating Qualified Health Plans (QHPs) from health insurers (QHP Issuers).

The California Health Benefit Exchange Board approved the use of certified licensed agents as one of the important channels to promote enrollment in Covered California.

In issuing this RFI, Covered California seeks to consider how web-based entities can be used in ways that align with federal and state laws and regulations and the policies adopted by Covered California and DHCS, ensure appropriate consumer identification, protections and protocols, and facilitate the appropriate use of the CoveredCA.Com web enrollment tools.

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## 3. SCOPE:

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Pursuant to Title 45 Code of Federal Regulations Section 155.220, Covered California may establish a process to permit agents and brokers to assist qualified individuals in completing their applications for eligibility for tax credits in the Exchanges, as well as assist consumers who are eligible to enroll in QHPs.

### 3.1 Core Principles

Potential solutions should focus on the individual market only. Covered California for Small Business (formerly Small Business Health Options Program or SHOP) is not part of this RFI. Covered California will assess potential solution models/project requirements based upon general core principles that include solutions that:

- a) Attract additional consumers to the market place, both those who are interested in receiving financial support to make health care more affordable, including federal tax credits when they are shopping for Individual health insurance coverage, or agents who are shopping on behalf of their clients or prospective clients as well as those not seeking financial support
- b) Assure the application is consistent with state and federal laws and regulations regarding the determination of tax credits in Covered California and for participating in the Exchange
- c) Complies with Section 508 ADA Compliance requirements
- d) Preserve the “apples-to-apples” shopping experience, when choosing among QHPs including the ability to filter by tier level or plan type, presentation of potential cost of care (out-of-pocket and premium), display of premium tax credit availability, information on plans, benefit designs and Covered California quality ratings



- e) Present all available QHP products available through Covered California for the consumer selected zip code, along with the applicable premium rates, benefits, limitations and exclusions
- f) Provide online enrollment capability into the consumer selected Covered California QHP
- g) Provide required security for data during entry, at rest, and in transit
- h) Maintain the Covered California system as the system of record
- i) Implement a design that minimizes complexity of integration and maintenance requirements for information technology support
- j) Implement a design that minimizes the need for consumer and/or agent training and education and enables any needed training and education to be delivered on-line without assistance
- k) Provide full auditing and reporting capability of consumer information access including the ability for Covered California or other third parties as authorized by Covered California to audit
- l) Work with the Covered California technology team to ensure that all attempts are made to minimize required programming and costs to CoveredCA.com, and agree that the main objective is to adjust the web-based entities' technology so that it seamlessly and securely works with CoveredCA.com, with no material changes required by Covered California
- m) Adhere to the privacy and security policies and protections enforced by CalHEERS, state and federal statutes and regulations including the Minimum Acceptable Risk Controls for Exchanges (MARS-E) - <https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Catalog-of-MinAcceptable-Risk-Controls-for-Exchanges-ERA-Supp-v-1-0-08012012-a.pdf>
- n) Provide reasonable reporting as requested by Covered California such as volume of consumer applications started but not completed, consumer click patterns through plan selection
- o) Comply with applicable Exchange privacy and information security standards developed and implemented by Covered California in accordance with 45 CFR 155.260(a) and make accommodations for an annual security assessment.
- p) Comply with the Covered California agent agreement: <http://www.coveredca.com/agents/PDFs/Certified%20Insurance%20Agent%20Agreement%20SAMPLE%2004.2014.pdf>
- q) Supports remote identity proofing for consumers and/or transfer of provided identification documents in support of identity proofing
- r) Comply with the accessibility requirements for limited English proficient (LEP) consumers in accordance with 45 CFR 155.220(c)
- s) Supports the collection and/or transfer of verification documentation to support verification inconsistencies in accordance with 45 CFR 155.315(f) and Covered California's verification plan.

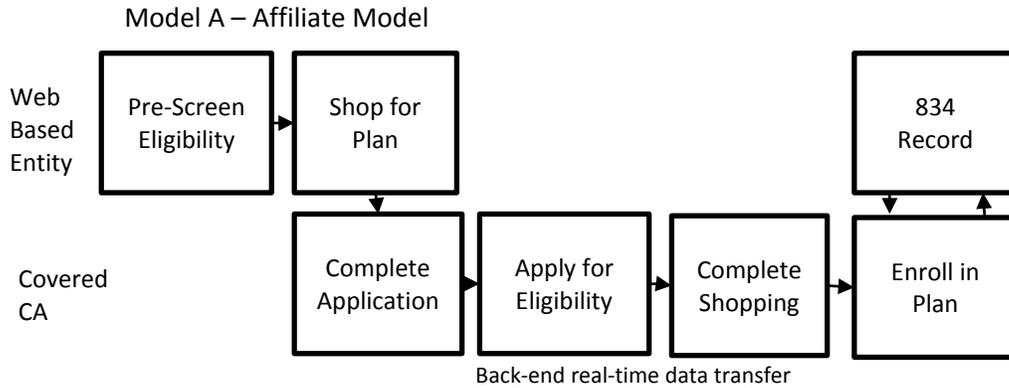
Items not expressly stated herein, but necessary to achieve the intent, are understood to be covered by the general specifications or instructions. Covered California welcomes comments on these core principles in the response to this RFI.

## 3.2 Technical Frameworks:

Covered California is exploring building an API or web services to accept applications from web based entities. The two mutually exclusive models under consideration are A) Affiliate Model, B) Eligibility and Verification as a Service. This API would initially function for new applications only and would not support reporting changes or renewal from external sites. If the solution is pursued, further functionality to support additional functions such as post-enrollment change reporting will be explored to be added over time. In both scenarios, Covered California would provide the necessary Covered California plan data including QHP rates and service area and data to pre-screen eligibility for Advanced Premium Tax Credit (APTC) and Cost Sharing Reductions (CSR). We are seeking to better understand what kind of business model is the most effective investment for Covered California. As part of your approach, please also include information regarding how Covered

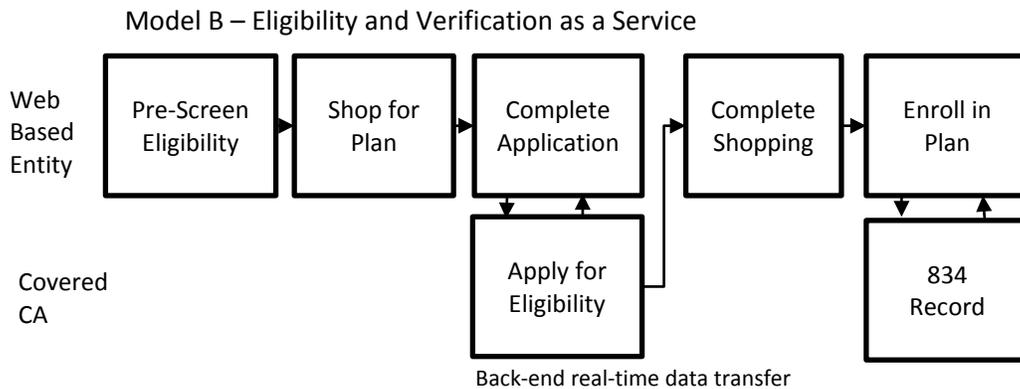


California would ensure consumers are well supported in the eligibility process, selection of appropriate level of coverage and QHP choice, and how the solution would consider remote identity proofing, along with state voter registration requirements.



In the affiliate model, the consumer would pre-screen and select an initial plan on the WBE site and then the consumer is transferred to the Covered California site along with the agent delegation and plan pre-selection to complete the application and enrollment process. If the actual consumer eligibility results in different plan availability (for example the consumer is eligible for a different CSR level), the consumer would be presented to select a new plan on the Covered California site.

The consumer’s eligibility response could be viewed in the Covered California Agent Portal



In the eligibility and verification as a service model the consumer is envisioned to stay on the broker/carrier site through the application and plan selection process.

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## 4. VENDOR RESPONSE:

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As part of determining how to select and potentially limit the number of entities with whom Covered California might work, and to ascertain which interested Vendors have the potential to provide the



best value to California consumers, please answer the following questions, or acknowledge the statements made, as they relate to your response solution for Covered California and DHCS.

## 4.1 Business Model Options for California Enrollment

**Please answer the following questions in the context of Model A (above).**

- 4.1.1 Would you be willing to participate with Covered California under the auspices of this model? If no, what are the impediments that would preclude your participation?
- 4.1.2 Is your platform capable of integrating with this model?
- 4.1.3 Please describe the most important attributes of Model A in working with Covered CA.
- 4.1.4 From your organizations experience, what level of Covered California staff experience, resources and effort would be necessary to develop and/or support the proposed Model A?
- 4.1.5 Please describe any pros and cons you see with this model.
- 4.1.6 What support functions would you expect Covered CA to maintain as part of supporting the API?
- 4.1.7 What kind of investment would be required or cost incurred for your participation in this model?
- 4.1.8 How long would it take you to operationalize this model on your platform?
- 4.1.9 Would you be willing to pay a modest fee to underwrite certain oversight functions, ensuring Covered California's principles (above) were not violated?

**Please answer the following questions in the context of Model B (above).**

- 4.1.10 Would you be willing to participate with Covered California under the auspices of this model? If no, what are the impediments that would preclude your participation?
- 4.1.11 Is your platform capable of integrating with this model?
- 4.1.12 Please describe the most important attributes of Model B in working with Covered CA.
- 4.1.13 From your organizations experience, what level of Covered California staff experience, resources and effort would be necessary to develop and/or support the proposed Model A?
- 4.1.14 Please describe any pros and cons you see with this model.
- 4.1.15 What support functions would you expect Covered CA to maintain as part of supporting the API?
- 4.1.16 What kind of investment would be required or cost incurred for your participation in this model?
- 4.1.17 How long would it take you to operationalize this model on your platform?
- 4.1.18 Would you be willing to pay a modest fee to underwrite certain oversight functions, ensuring Covered California's principles (above) were not violated?
- 4.1.19 To the extent that you seek the flexibility to deviate from the Covered California single streamline application flow and questions, please specify where such flexibility would be needed and why.



- 4.1.20 What standards or guardrails should Covered CA implement to the extent that flexibility is permitted?

**Please answer the following questions irrespective of Model A or B.**

- 4.1.21 Please describe how the functions listed in the sub-bullets below would be performed and why it's important to be contained within the solution.
- 4.1.21.1 How would you collect electronic signatures from consumers? Do you have a solution to leverage?
  - 4.1.21.2 How do you ensure compliance with presenting remote identity proofing to electronic applicants using your site/tool?
  - 4.1.21.3 Do/would you support collection of verification documents from consumers?
  - 4.1.21.4 How do/would you ensure collection of binder payments for applicants using your site/tool?
  - 4.1.21.5 How would you handle individuals eligible for Medi-Cal?
  - 4.1.21.6 How would you present or account for other products such as Adult/Family Dental plans?
- 4.1.22 How would you ensure compliance with Covered California privacy and security standards enacted by Covered California in accordance with 45 CFR 155.260(a) which are Minimum Acceptable Risk Standards for Exchanges (MARS-E) standards?
- 4.1.23 If the functions listed in the sub-bullets above are only available via the Covered California website, how would you handle it for the consumer experience?
- 4.1.24 What language(s) is your web solution presented in? What other languages can be supported?
- 4.1.25 How would your solution help Covered California serve limited English proficient and/or visually impaired consumers? How would you comply with 45 CFR 155.220(c)?
- 4.1.26 How would you manage consumers who have started but not completed their application? Do you have outreach efforts to provide additional assistance?
- 4.1.27 Describe the oversight model you have in place with other exchanges such as the Federally Facilitated Marketplace. What do you consider best practice?
- 4.1.28 Do you have a preference on either Model A or B? Why or why not?
- 4.1.29 What do you believe is the relative burden on Covered California for Model A and Model B? What are the pro's and cons' of each?
- 4.1.30 Is there an equally viable model you believe bears consideration, that doesn't violate the principles (above) espoused by Covered California? If so, please outline a detailed description and schematic of your suggestion. Please answer the questions above in the context of your suggestion.
- 4.1.31 Which of the following do you believe is most effective for Covered California to meet the principles espoused above and working with the private sector technology distribution community:



- 4.1.31.1 Any Qualified WBE Process: Covered California would partner with any WBE that can comply with and meet participation standards and criteria defined by Covered CA that will be based on the core principals listed.
- 4.1.31.2 Selective Process: Covered California would partner with a specific number of WBEs that can comply with and best meet participation standards, criteria and program goals defined by Covered California that will be based on the core principals listed.
- 4.1.31.3 Competitive Bidding: Through a competitive bidding process, Covered California would partner with a specific number of WBEs that meet participation standards and criteria defined by Covered California and are willing to make a capital commitment to build the necessary technical infrastructure to help support either model A or B.
- 4.1.31.4 Is there another model that you believe would be more effective in meeting our principles, objectives and goals? If yes, please describe in detail what that model looks like and how it would meet our guiding principles, goals and objectives.

## Plan Choice Decision Support

- 4.2.1 What decision support tools do you present to consumers to support plan selection? Specifically do you present:
  - Consolidated all-marketplace plans provider directory,
  - Calculator to estimate enrollee's out of pocket cost per each benefit design
  - Consolidated all-marketplace plans formulary lookup tool
  - Health plan quality ratings
  - Premium: gross and net of tax subsidy
  - Others?
- 4.2.2 What information is collected from the consumer to inform product/plan selection (e.g., consumer healthcare preferences, demographics, etc.)?
- 4.2.3 How is the user matched to insurance product? Describe the criteria or formula used for recommending a particular insurance product to a consumer, if applicable. How many products are presented to the user in the initial "plan compare" and how are the products organized (e.g. ranked-ordered, top pick(s), filtered by certain plan attributes). What aspects of each product are compared?
- 4.2.4 Can the user select a subset of plans to compare in detail? If so, how many plans can be compared in detail concurrently? What aspect of each product are compared?
- 4.2.5 What product filters and product sorts can the user apply?
- 4.2.6 If you supply a consolidated all-marketplace plans provider directory, list the data source for each of the Covered California plans. How do you ensure that it is the most current available?
- 4.2.7 If you supply an out of pocket cost estimator, how is the user's utilization profile constructed? What is the data source to determine the medical service cost and how frequently is it updated?



- 4.2.8 Are exchange and non-exchange products presented to users who are: i) APTC eligible ii) APTC & CSR eligible, iii) non-APTC eligible?
- 4.2.9 What information about user's plan selection experience do you capture and would routinely report to Covered California?
- 4.2.10 To the extent that you seek the flexibility to deviate from the Covered California QHP display and plan choice decision support, please specify where such flexibility would be needed and why.
- 4.2.11 How would you ensure that all QHPs are displayed in a fair and impartial manner for the consumer?
- 4.2.12 What standards or guardrails should Covered California implement to the extent that flexibility is permitted?
- 4.2.13 For each of the plan selection functions you describe above, which are configurable for Covered California. Explain how Covered California can configure such functions to tailor to its needs.
- 4.2.14 What knowledge transfer to you provide to engage consumers to help them understand and utilize the coverage they purchased?

### 4.3 Entity Business Model

- 4.3.1 Please describe your business and revenue model. For example, does your entity employ agents, work with any licensed credentialed agents, and/or use another agent arrangement? If you provide a fee based services to independent agents, or other entities, please describe your charge structure.
- 4.3.2 Please list what other public or private exchanges you do business with today. If your firm conducts direct enrollment as part of the Federally-Facilitated Marketplace, what was the volume of enrollments effectuated through direct enrollment, by state on the Federal platform for the 2015 OE?
- 4.3.3 Describe the technical integration that you have with either the federal marketplace and/or other public/private exchanges.
- 4.3.4 Describe any lessons learned/recommendations based on your experience with the FFM and/or other exchanges.
- 4.3.5 Is your company, or the products or services offered by your company, a web-based entity (WBE) under 45 C.F.R. 155.220? If so, please specify which services or products offered by your company qualify under the federal rules.
- 4.3.6 Describe external partners of your firm that may help extend the enrollment capabilities of Covered California. These might include tax prep firms, retailers, labor unions, associations, employers or other entities. Describe how your relationship with these entities would help reach additional consumers, particularly those consumers that Covered California might not be reaching today.
- 4.3.7 If your business model supports agents, what is the business case for the agent to use your platform instead of using Covered California directly?



## 4.4 Market/Return on Investment

Covered California anticipates and would like to quantify the potential return on an investment made into electronic capabilities for web based entities.

- 4.4.1 Who are the primary users of your site/product? Captive agents, consumers, licensed users?
  - 4.4.1.1 If employed agents, how many licensed agents are certified with Covered California?
  - 4.4.1.2 If licensed users, how many of your agents are certified with Covered California?
- 4.4.2 What is the volume of enrollment in Covered California that your organization has enabled?
- 4.4.3 What was your new Covered California enrollment for the 2015 OE?
- 4.4.4 What Covered California qualified health plans are you currently associated with and/or hold an appointment? (Have a commission relationship)?
- 4.4.5 Do you have a relationship with Covered California plans that includes premium payment processing? If so, please describe this functionality.
- 4.4.6 What is your off exchange enrollment volume in California?
- 4.4.7 What percent of your off exchange enrollment is in products available on the exchange vs. other products?
- 4.4.8 How would the access to an API to submit electronically to Covered California increase your Covered California enrollment volume? Please quantify expected enrollment increase?
- 4.4.9 How would you integrate the API to increase access to additional market segments for Covered California (for example, unsubsidized book of business, consumers losing employer sponsored coverage, etc.?) Please quantify the enrollment volume anticipated from these market segments.
- 4.4.10 Are there other technical or product capabilities that Covered California could provide that would further increase the penetration of Covered California into your market?
- 4.4.11 Describe how your company would leverage search engine optimization (SEO).
- 4.4.12 Does your proposed business model provide any additional business values such as agent support, reuse, etc.?
- 4.4.13 Do you have a mobile presence for enrollment?
- 4.4.14 What level and availability of customer service do you provide to your consumers? What Covered California call center tasks can be handled by your organization? What assurances can you provide that consumers will receive quality service?
- 4.4.15 If your business model supports agents, what types of agent support do you provide? What Covered California agent support tasks could be handled by your organization?
- 4.4.16 If your business model supports agents, how many net additional agents would using your platform add?
- 4.4.17 Would you be willing to contribute to the Covered California development costs for the API?
- 4.4.18 Please describe any processes or systems your firm has to help manage churning of consumers in and out of the Marketplace. To what extent does your firm preserve



choice, while also promoting continuity and minimizing disruption for returning consumers?

## 4.5 Timeline

- 4.5.1 Provide a high-level timeline for the solution and approach. Cite previous experience if possible.

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## 5. PROPOSAL CONDITIONS:

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- This Request for Information (RFI) will not be used by Covered California to select a Vendor(s). Rather, information gathered from responses to the RFI will be used to determine the feasibility of a solution
- Submission of an RFI is not a requirement to be able to submit a proposal to an RFP, if a RFP becomes available and is released in the future

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## 6. RESPONSE REQUIREMENTS:

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Written responses should to be submitted on Letterhead to:

**Bobbie Moore**

**Covered California**

1601 Exposition Blvd,

Sacramento, CA 95815

Email: [Bobbie.Moore@Covered.ca.gov](mailto:Bobbie.Moore@Covered.ca.gov)

Deadline: September 14, 2015