Abstract
In 2010, California was the first state in the nation to pass legislation creating a state-administered health exchange under the Affordable Care Act (ACA). The California Health Benefit Exchange is governed by a five-member independent state Board with members appointed by the Governor and the Legislature. The California Exchange (effective October 2012 branded as **COVERED CALIFORNIA**) has been working to lay the groundwork for the dramatic expansion of coverage that will benefit millions of Californians starting in 2014. California expects that coverage in the Exchange will begin on time by January 2014 with the goal of serving approximately 2.3 million Californians by 2017.

Accomplishments to date include: (1) Appointed Board of Directors governed by California public open meeting laws, state and Federal conflict of interest laws and Board approved policies and bylaws; (2) Embraced through public deliberations a shared vision, mission and values for the Exchange; (3) Convened regular, open and transparent public board meetings; (4) Engaged more than 300 individual and organizational stakeholders in exchange decision making and developed a comprehensive Stakeholder Engagement Plan and Tribal Consultation Policy; (5) Recruited and hired key senior managers and staff with specialized knowledge and expertise; (6) Developed and cultivated active partnerships and collaborations with state programs and agencies, the Legislature and key decision makers; (7) Adopted evidence-based decision making and policy development practices informed by background research, with transparent processes for introducing, exploring, refining and adopting Board decisions; (8) Defined the program elements, essential tasks and required system supports in major core areas and secured valuable expert resources and consultants to help with design and implementation; (9) Worked with the state Department of Health Care Services and contracted experts on extensive system review and analysis to design the California Healthcare Eligibility, Enrollment and Retention System (CalHEERS), an information technology system that will serve as consolidated support for Exchange programs and referrals to counties for Medi-Cal (California’s Medicaid program); (10) Contracted for branding and communications support and development of a comprehensive outreach, marketing, and education campaign; (11) Engaged the Board, staff, experts and stakeholders in research, options and analysis to inform the selection and certification process for Qualified Health Plans (QHPs); (12) Developed a QHP solicitation, including certification and selection standards and processes; (13) Researched and analyzed options for the Small Business Health Options Program (SHOP) and prepared a solicitation for a vendor to administer SHOP in the first two years; (14) Enacted internal financial controls and accounting procedures to ensure program integrity and guard against waste, fraud and abuse; and (15) Developed a data-driven plan for long-term financial sustainability of the Exchange by 2015.

During the two-year period of the grant, **COVERED CALIFORNIA** will: (1) Build out the Exchange administrative and operational infrastructure, including a multi-site customer service center; (2) Refine, test and bring CalHEERS online; (3) Establish through a vendor the California SHOP Exchange for small employers and their employees; (4) Evaluate, select, certify and contract with QHP issuers for the individual and SHOP exchanges; (5) Refine and implement comprehensive outreach, marketing, public education and consumer assistance programs; (6) Collaborate with state partner agencies to maximize coordination and integration; (7) Enroll and begin providing subsidized and unsubsidized health coverage to eligible Californians; (8) Implement a multi-year evaluation strategy; and (9) Maintain effective financial management and oversight systems, including implementation of the long-term sustainability plan.