Advertising & Marketing Request for Proposals 2014-20
Bidders’ Conference

March 13, 2015
Overview of Agenda

10:30 a.m. – Agenda Overview
   Jennifer Miller

10:35 a.m. – Welcome
   Peter Lee

10:45 a.m. – Organization & Marketing Campaign Overview
   Colleen Stevens

11:15 a.m. – Looking Forward & Challenges
   Michael Brennan

11:35 a.m. – RFP Overview
   Jennifer Miller

12:00 p.m. – Q&A Session
WELCOME

Peter V. Lee
Executive Director
Welcome to
Covered California’s Vision and Mission

Vision
The vision of Covered California is to improve the health of all Californians by assuring their access to affordable, high quality care.

Mission
The mission of the Covered California is to increase the number of insured Californians, improve health care quality, lower costs, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and providers that give them the best value.
Consumers purchase and keep Covered California products based on their perception that this is a good value for them.

Consumers receive the right care at the right time.

Consumers understand what we offer and have a positive attitude about Covered California.

Consumers have a positive experience from initial enrollment to keeping their coverage.

Covered California has the right tools, processes, and resources to support our team to deliver on our mission.
more than 1 million enrolled
Increase in Marketing to Key Target Populations

- Subsidy-eligible Latino and African American populations
- Young adults
- Find help locally
## Race/Ethnicity of Individuals Enrolled*

*(subsidy-eligible respondents only)*

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>First Open Enrollment</th>
<th>Second Open Enrollment</th>
<th>CalSIM 1.91 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>208,357</td>
<td>53,076</td>
<td>18%</td>
</tr>
<tr>
<td>Native Hawaiian or Pacific Islander</td>
<td>2,237</td>
<td>895</td>
<td>&lt;1%</td>
</tr>
<tr>
<td>Black or African-American</td>
<td>26,038</td>
<td>10,359</td>
<td>4%</td>
</tr>
<tr>
<td>Latino</td>
<td>280,025</td>
<td>105,553</td>
<td>37%</td>
</tr>
<tr>
<td>White</td>
<td>317,311</td>
<td>99,512</td>
<td>34%</td>
</tr>
<tr>
<td>American Indian and Alaska Native</td>
<td>2,496</td>
<td>1,289</td>
<td>&lt;1%</td>
</tr>
<tr>
<td>Other</td>
<td>26,305</td>
<td>9,708</td>
<td>3%</td>
</tr>
<tr>
<td>Multiple Races</td>
<td>50,101</td>
<td>9,163</td>
<td>3%</td>
</tr>
</tbody>
</table>

* Excludes individuals who did not respond to the race or ethnicity questions: 195,144 (23%) for 2014 and 147,415 (34%) for 2015.
Thank You
ORGANIZATION & MARKETING
CAMPAIGN OVERVIEW

Colleen Stevens
Advertising and Marketing Chief
RFP Key Elements

- Open procurement
- Contract length
- Funding and contract amount
- Subcontractors

Success based on:
- Overall enrollment numbers
- Enrollment of subsidy eligible and diverse populations
RFP Addendums

• Current addendums

• Check solicitation website at
  http://hbex.coveredca.com/solicitations/ for updates
ORGANIZATION OVERVIEW
The Affordable Care Act

• It’s the law - everyone has to have health insurance

• Our job is to educate and motivate Californians to sign up for health insurance

• Value proposition
  o Covered California is the only place you can get a subsidy on health insurance
  o Excellent way to shop and compare insurance plans
New State Organization

- Originally funded by federal grants

- Long-term sustainability based on per member fee
  - Receive from insurance partners

- Limited staffing

- Limited time
  - May 2013 – brought on ad agency
  - July 2013 – staff hired
  - September 2013 – Operational readiness testing
  - October 2013 – first open enrollment and marketing begins
Open Enrollment

• First open enrollment:
  o October 1, 2013 to March 31, 2014

• Second open enrollment:
  o November 15, 2014 to February 15, 2015

• Third open enrollment:
  o November 1, 2015 to January 31, 2016

• Goal is to sign up by December 15 for coverage to begin January 1 = avoid penalty
Special Enrollment

- Losing your health coverage
- Getting married
- Permanently moving outside your plan’s coverage area
- Having a baby
- You just turned 26
Special Special Enrollment

- February 23, 2015 to April 30, 2015
- Open to those who discover that they owe a penalty for being uninsured in 2014 or will owe a penalty for not having coverage in 2015
- Enroll by April 30, 2015 to minimize the IRS tax penalty for the 2015 tax year
How to Apply for Coverage

- www.CoveredCA.com
- Service Center (800) 300-1506
- Certified Insurance Agent
- Certified Enrollment Counselor
- Local county human or social services office
 CoveredCA.com

- Shop & Compare
- Find out if you qualify for financial help
- Frequently asked questions
- Find local help
- Mirror Spanish website and Asian landing pages
- Apply online - Calheers
Who is Eligible?

• Legal California residents

• NOT eligible:
  o Undocumented immigrants
Premium Assistance

• 4 out of 5 consumers qualified for financial assistance = tax credit
  • The average amount received was $5,200 per household per year
  • Reconciled at tax time
Health Insurance Companies for 2015
SHOP | Small Business Health Options Program

- Designed for businesses of 1 to 50 employees
- Tax credits available to some businesses
- Enrollment available year-round
MARKETING CAMPAIGN OVERVIEW
Changing Social Norms

From a culture of coping to a culture of coverage

I got a health plan, and peace of mind.

Find a health plan now at CoveredCA.com
Role of the Marketing Campaign

• Acquire
  o Educate Californians to understand the benefits of coverage
  o Inform Californians on the availability of affordable health insurance for all those eligible
  o Educate Californians on where and how to sign up

• Retain
  o Encourage insured to retain their coverage
  o Encourage to use coverage and take advantage of preventive services
  o Make monthly payments

• Renew
  o Annually commit to health coverage by renewing their insurance plan

• Support the public relations, sales and grassroots efforts
Research and Measurement

• Grounded in research and measurement
  o Focus groups
  o Focus groups
  o Focus groups
  o Tracking surveys
  o Campaign effectiveness

• Ultimate Goal = fine tune messaging and campaign to maximize reach and dollars
Key Target Populations

- Multi-cultural general market
- 18-64
  - Marketing focus is 26-54
- Up to $100k household income
- White, Hispanic, African American, Asian*, Millennial and LGBT
- Primary subsidy eligible, secondary non-subsidy eligible
- Note: Covered California does not promote Medi-Cal

* Chinese, Korean, Vietnamese, Filipino, Hmong, Laotian and Cambodian
Multi-Ethnic, Multi-Language Campaigns

- In-language campaigns include:
  - Spanish
  - Cantonese
  - Korean
  - Vietnamese
  - Mandarin
  - Hmong
  - Tagalog
Delicate Balance

- Everyone, everywhere
- Promote open enrollment periods heavily
- Market special enrollment periods
- All media markets
- Multiple languages
- Multiple outreach methods
- Maximizing creative
Outreach Methods

• Open to creative and strategic outreach methods

• Have used:
  • TV – DRTV, :15 bookends, :30, segment-targeted programming
  • Radio – :15, :30, :60, live reads
  • Print – community and ethnic papers
  • Out-of-Home – Billboards, transit shelters, convenience stores
  • Social – paid and organic
  • Digital – premium, standard, banner ads, takeovers
  • Paid Search
  • Direct Mail/Email
  • Collateral
At the Bidders’ Conference, the Covered California ad reel played here. (see YouTube for marketing campaign ads)
LOOKING FORWARD & CHALLENGES

Michael Brennan
Advertising and Marketing Manager
Growing the Brand

- Established awareness
- Still finding our voice
- Strengthen brand identity
- Continued education necessary
- New services to explain
Messaging Opportunities & Challenges

- Open Enrollment
- Special Enrollment
- Renewal Period
- Retention
- Tax Season – 1095-A
- “Shared Responsibility” – Penalty
- Immigration & Confidentiality
Challenges Moving Forward

• Keep their attention
• Major shift from just open enrollment to retention & special enrollment
• Large diverse target populations
• Large geographic area
• Sales channel support
• SHOP advertising
• Strategic Planning
RFP OVERVIEW

Jennifer Miller
Senior Marketing Specialist
RFP Housekeeping Notes

- Written RFP trumps verbal comments
- Open Procurement
- Email HBEXsolicitation@covered.ca.gov questions
  - include “RFP 2014-20” in the subject line
- No phone calls, please
Check often for updates!
Minimum Qualifications

• Full-service advertising agency
  o Experience in executing mass media campaigns
  o Focus on capacity of California office(s)
  o One contract with prime contractor

• $100* million minimum in gross billings in at least two of past three years (2012-2014) among all offices
  o *Note: Covered California mentioned the minimum gross billings were $150 million at the Bidders’ Conference, but an addendum has been issued on 3/17/15 to change this minimum qualification to $100 million annually.

• Minimum of 50 employees from California office(s)

Evidence of financial stability
Minimum Qualifications

• NO conflicts of interest
  o Please identify if you think you have a conflict of interest
  o No communication or shared resources with other offices that have conflicts
Other Key Highlights

• Subcontractors may participate in more than one bidding proposal

• More than one bidder with same holding company allowed
  ○ If no collaboration, shared staff or supervisory relationship
Contract Funding & Length

• Up to $50 million available annually
  o Actual budget may increase by $10 to $15 million per year
  o Actual budget may be lower
  o Includes all costs and fees
  o Includes funding for subcontractors

• Contract length is 3 years
  o June 1, 2015 - May 31, 2018

• Two one-year extensions possible
Scope of Work (SOW)

• The SOW (Exhibit A) will become part of the resulting contract

• SOW is purposefully broad

• Covered California will maintain control over the priority and weight given to each item in the SOW

• Spending, projects and activities confirmed by signed estimates and work orders
Subcontractors

• Required to include if needed to fulfill SOW

• Must identify if proposing media buyer

• All subs to complete Attachment 7 (subcontractor fact sheet)

• Focused on prime for the review primarily
  o Also rate and review subcontractors for capacity and/or primes determination of in-house capacity
Subcontractors

• Award of contract to proposer does not imply approval of:
  o Proposed subcontractors
  o Internal capabilities identified of prime to address ethnic campaigns

• If proposed subs or internal ethnic capabilities are denied by Covered California:
  o Separate review process after award
  o Handled by successful agency
Subcontractors

• Stage 1:
  o Subs experience, or the bidding agency’s expertise, must be described

• Stage 2:
  o At least one, but no more than two, representative(s) attend Site Visit
  o Complete “Account Staff Proposal” section

• Stage 3:
  o At least one representative that would staff the account attend Oral Presentations
Subcontractors

- Successful bidder has sole responsibility for payment of all subcontractors and invoices
  - There will be NO contractual relationship between subs and Covered California
Embedded Onsite Staff

• Could request embedded onsite Account and Digital & Social staff

• Limited to Account Supervisor or lower
Key RFP Dates

• Stage 1 –
  Eligibility Requirements & Agency Capabilities
  March 24 (3 p.m.)

• Stage 2 –
  Webinar
  April 2
  Site Visits
  April 21-23

• Stage 3 –
  Financial Package
  May 5 (3 p.m.)
  Oral Presentations
  May 7-8

• Projected Contract Start Date
  June 1
Stage 1: Eligibility Requirements

- Cover Page (Attachment 1)
- CA Office & Gross Billings Certification (Attachment 2)
- Guaranty (Attachment 3)
- Conflict of Interest (Attachment 4)
- Federal Debarment, etc. (Attachment 5)
- Scoring: Pass/Fail
Stage 1: Agency Capabilities

- Agency Capabilities:
  - Agency Strengths and Experience (4 pages maximum)
  - Advertising, Creative and Placement Effectiveness (5 pages maximum)
  - Bidding Agency Fact Sheet (Attachment 6)
  - Subcontractor Fact Sheet (Attachment 7)

- Scoring: Bidders receiving “Exceeds” advance, “Meets” may advance

- Due: March 24 at 3 p.m.
Stage 2: Site Visit, Agency Presentations, & Account Staffing Proposal

- Three-hour site visit should include:
  - Office Tour
  - Agency Overview & Creative Reel (5 min. maximum)
  - Case History Presentation
  - Advertising Assignment Presentation
  - Q&A Session (at least 20 min.)

- Account Staff Proposal (4 pages maximum)
- Client References (3 pages maximum)

- Scoring: Bidders receiving “Exceeds” advance, “Meets” may advance
  - Up to 3 agencies advance to Stage 3

- Held: April 21-23
Stage 3: Oral Presentation & Financial Package

• Two-hour oral presentations in Sacramento
  o Day-to-day staff must play a major role
  o No more than 10 attend, including subs

• Submit sealed package containing:
  o Advertising Cost Proposal (Attachments 10)
  o Financial Records Sealed Package
  o Other Required Information (Attachments 11-14)
  o Proof of insurance (as described on page 16)

• Up to 3 agencies from Stage 2 will participate

• Scoring: Highest rank of the rating chart

• Held: May 7-8
Award of Contract

• Notice of intent to award
  o Post on solicitation website and at the entrance to Covered California for 5 days prior to protest deadline
  o All Stage 3 finalists notified by email

• Protest period
  o 5 day protest period after notice of intent to award
  o Only those participating in Stage 3 may protest the contract award

• Estimated start date is June 1, 2015
RFP Reminders

• Read RFP thoroughly

• Do you meet the minimum qualifications?

• Check the HBEX solicitation page often for updates

• Fill out all forms completely and sign (blue ink!)

• Meet page limitations, copy requirements and deadlines

• Email only for questions
RFP Reminders

- Avoid proprietary information
- Avoid jargon and acronyms
- Identify any conflicts
- Survey at end of RFP process for all participants
- Why should we hire your California office?
- Serious about multi-cultural outreach and teams
Reminders About Us

• Collaborative (and fun!) client

• New and high profile organization

• Scrutinized by advocates, stakeholders, other states, the Federal Government and anti-Affordable Care Act groups

• Organization has provided much need health insurance to more than a million Californians
Q&A SESSION