

## Questions and Answers

	Category	Question	Answer
1	Billings	What proportion of the overall spend has traditionally been apportioned to small businesses vs. consumer advertising?	The budget for Small Business is approx. \$1.2 million this year. The budget for the individual market is \$45 million.
2	Billings	It is stated that initial funding for the contract will be approximately \$45 million per year - is that figure inclusive of media, production and agency fees?	Yes.
3	Billings	Are the annual fees fixed or reconcilable? Are the annual fees billed in 1/12 the increments similar to a retainer? Production and media invoices are to be paid within 30 days. Is that the case for fee invoices as well?	Primary compensation for this contract will be markup rates applied to media billings and certain production billings. Invoices are to be paid 45 days from receipt by Covered California. Refer to Exhibit B.
4	Billings	Is there a pre-bill provision whereby the Contractor requests expedited payment for production shoots or payment of influencer talent fees if applicable?	Yes, please refer to Exhibit B, Section E regarding Production Activity Payments. Note: Influencer marketing is handled by our PR contractor.
5	Billings	What is the typical split of marketing spend on Open-Enrollment period vs always-on Special Enrollment efforts? Has this shifted in recent years?	90% OE and 10% SE, this split has stayed the same in recent years.
6	Billings	If possible, please segment estimated annual budget by channel.	We do this annually and collaboratively with our agency and agree on the allocation based on efficiency.
7	Billings	What is the breakdown of the \$45MM annual budget by Media, Production, Fee?	The breakdown is determined annually based on a collaborative process between Covered California and the AOR.
8	Campaign	Will the existing marketing campaign continue and/or are you open to a new initiative?	Covered California is open to exploring new creative initiatives with rationale and research on how this would enhance our ability to attain our goals and objectives.
9	Campaign	Was the most recent marketing campaign effective in meeting your KPIs?	Open Enrollment 6 (OE6, 2018-2019) KPIs measure a broad range of overall Marketing division goals and performance metrics that vary across a multitude of campaign tactics. Overall, Covered California's OE6 campaign was a success and we will continue to seek opportunities to gain efficiencies in the planning and buying process to maximize our ROI.

## Questions and Answers

10	Campaign	Have there been any creative (non-agency) partnerships with CCA that you deem a success?	No. All Covered California Marketing Creative is developed within this contract.
11	Campaign	On a scale of 1-10 how would you describe the performance of the "It's Life Care" campaign? Why?	The goal and purpose of this campaign was to remind people that health insurance is needed not just for major accidents or illness but is part of improving the quality of life overall. We believe it has been successful in doing that.
12	Campaign	What are the successes from current campaign you would like to build on?	Covered California is committed to Marketing and our success is reflected in our high renewal rate, low risk mix, and year-over-year new enrollees.
13	Challenges	Anything from current campaign you feel is not working to your satisfaction? What are the learnings you wish to leverage?	While the Covered California name is recognizable, many still don't understand what we do. Many consumers also still don't realize they are eligible for subsidies, or incorrectly think that they are not. The perceptions about financial help continue to be a challenge as subsidy eligible consumers assume they do not qualify and therefore many do not even check.
14	Challenges	How have your challenges shifted since 2015?	<p>There have been changes in the law governing our work, first to eliminate the federal penalty and this year to implement a state version of the individual mandate and the associated penalty.</p> <p>Public Charge has become a larger issue because of new federal rules.</p> <p>We have had changes in how the advanced premium tax credit is administered.</p> <p>Establishment of state financial subsidies to help a larger audience of consumers.</p> <p>2016 brought visibility to "Repeal &amp; Replace."</p>
15	Challenges	What are your biggest challenges in terms of misinformation in the digital space? (i.e. scammers, misuse of Covered CA branding, old information, etc.)	Historically this has not been a major problem. Our Legal Division addresses specific problems as they arise.

## Questions and Answers

16	Conflict of Interest	Would having a health plan client be an automatic conflict of interest?	<p>Bidders should identify any potential conflicts and what steps they will take to mitigate these potential conflicts.</p> <p>Having a health plan client does not automatically result in a conflict. We will evaluate potential conflicts on a case-by-case basis.</p> <p>Generally, for agencies having health plan carriers/private insurer, we would expect at a minimum a firewall between the teams working on each business</p>
17	KPIs	What are the specific KPI's (key performance indicators) for 2020 and beyond that the campaign is accountable to?	<p>Covered California's Marketing Division's key performance indicators include, but may not be limited to: Account Creations, Plan Selections, Enrollment of new members, Retention of existing members, Engagements, Impressions, Video views and completion rates, Website Traffic, and visits to Shop and Compare.</p> <p>Incremental improvements in KPIs tracked in the NORC California Health Insurance Awareness Study which may include, but are not limited to: Brand awareness and affinity, exposure to advertising, customer satisfaction, knowledge and message awareness.</p>
18	KPIs	How do your KPIs differ for each of these segments {small businesses vs. consumer advertising}?	They are the same KPIs.
19	Measurement & Goals	Are there any regional enrollment goals that should be considered?	Not at this time.

## Questions and Answers

20	Measurement & Goals	Have the communication goals of this campaign changed since 2015?	<p>The primary business goals have remained consistent year over year. The mission of 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.</p> <p>Each year there are nuances that need to be addressed, based on learnings and feedback from focus groups, and other research, and the changing environment and laws.</p> <p>For example, this year the expansion of subsidies and the individual mandate has influenced the messaging.</p>
21	Measurement & Goals	In addition to acquisition, how important are your goals of retention and renewal? What are your goals for this next plan?	Acquisition, retention and renewal are equally important and remain our primary objectives.
22	Measurement & Goals	What challenges do you face with measurement? Are you utilizing multi-touch attribution or advanced modeling?	We have used both in the past and are not currently utilizing either of them.
23	Media Channels	Which media channels have proven to be most effective over the last 5 years?	Different media channels play different roles within the plan by working together for maximum impact.
24	Media Channels	What new types of media are the most exciting for you to explore?	We look to our Advertising Contractor to recommend effective media channels that demonstrate a positive impact on our business goals.
25	Media Channels	Do you require hyper local media campaigns?	No.
26	Media Channels	Are there priority channels you want to focus on?	The ones that are effective.
27	Media Channels	Do you have preferred partners?	No.
28	Media Channels	Are there existing media commitments we should be aware of? Locked-in sponsorships?	No.
29	Media Channels	Do you have any co-op media partnerships that need to be considered as part of the scope?	No.

## Questions and Answers

30	Media Channels	How has TV been purchased in the past? Upfront? Scatter? A combination? DRTV?	Primarily use a combo of Spot TV and DRTV. Did not buy upfront.
31	Minimum Qualifications	Whether companies from Outside USA can apply for this? (like, from India or Canada)	Minimum Qualifications apply. Bidder must have a California office with a minimum of 50 employees.
32	Minimum Qualifications	Can we perform the tasks (related to RFP) outside USA? (like, from India or Canada)	No.
33	Miscellaneous	Will the upcoming presidential election affect CCA's approach in the short term?	During the last major election, we adjusted the media buy to be outside the political window and anticipate doing the same in 2020. Covered California is committed to our goal of increasing the number of insured Californians, regardless of what is happening politically.
34	Miscellaneous	What is your approach to privacy i.e. do you leverage a data onboarder to remove PII data, etc.	The AOR will not have access to PII.
35	PR	Do you currently use PR as an amplification for showcasing CCA content?	We work collaboratively to ensure alignment between our PR and Advertising Contractors.
36	PR	While this RFP is specifically for advertising and marketing services, who are your other agency partners, and will they be retained? For example, public relations?	Covered California has recently awarded a PR contract to IPG who will work with Covered California's Communications Division.
37	Research	When addressing health disparities, how do you prioritize different populations? (Size of population, magnitude of disparity, etc.?)	While marketing is not directly focused on addressing health disparities, our efforts ensure in-culture and in-language outreach to various ethnic communities to help our most vulnerable get health coverage they need. We prioritize based on size of the population and the insurance take-up rate.
38	Research	Are there existing measurement solutions (i.e. surveys) in place to gauge changes in consumer sentiment (awareness, favorability, consideration) and attribute causal variables (i.e. advanced attribution partnerships)?	Yes, we have a contract with NORC at the University of Chicago and conduct annual surveys with members, insured and uninsured consumers to track awareness, knowledge, favorability and consideration.  Current research findings on consumer sentiment, knowledge, awareness, satisfaction, typical journey, etc. will be shared at the Stage 2 webinar.

## Questions and Answers

39	Research	What is the current level of awareness among Californians around a) Covered CA, b) the subsidy/rebate system, and c) the renewed state tax penalty?	We have a contract with NORC at the University of Chicago and conduct annual surveys with members, insured and uninsured consumers to track awareness, knowledge, favorability and consideration. Also see Question & Answer #13 and #38.
40	Research	We're aware of the NORC segmentation study from 2013. What (if anything) has changed in the market landscape since then?	2019 California Health Insurance Awareness Study by NORC, University of Chicago and additional research learnings will be shared at the Stage 2 webinar.
41	Research	How much persona and audience insight data have you gathered for your targets?	We have gathered insights of our audiences and will provide key insights with the Stage 2 assignments.
42	Research	Can you identify or share a report that includes the specific geographic areas of uninsured Californians or high priority geographic areas?	The best reports for this type of information are CAL-SIM and the California Health Interview Survey (CHIS). The reports of high density uninsured areas tend to be areas predominately of Medi-Cal eligible.
43	Research	Pertaining to small businesses -- do you conduct separate tracking surveys or other research efforts specifically for small businesses? Is that research segmented by threshold cultural or linguistic group?	Bidders responses should focus on the individual market and not address the small business market. But should be aware that the AOR will need to service this portion of the account.
44	RFP Process	Can you give us a sense of the size or scope of the advertising assignment that is part of the RFP process?	Stage 2 advertising assignment will request a communications strategy designed to increase membership and the agency's views on our current brand platform and initial creative thoughts.  Stage 3 will expand upon Stage 2 and may require limited speculative creative. More details will be provided as agencies move through the process.
45	RFP Process	The RFP states you are looking for a "dynamic full-service agency." Could you comment on the performance of your current agency relative to the criteria with which you are evaluating new bidders?	This is an open competitive process. Each proposal will be evaluated on its own merit.
46	RFP Process	Will the previous agency be defending?	This is an open process and we do not know who is applying until the actual proposals are received.

## Questions and Answers

47	RFP Process	<p>What is the criteria being used to evaluate contract extensions?</p> <p>a. How much notice will be provided to contracted agency in the event contract renewal is not pursued?</p>	<p>We conduct Annual Contract Reviews, offer feedback on meeting the goals and objectives of Covered California and the level of service provided.</p> <p>We will give as much time as possible, as we understand planning is needed on both sides.</p>
48	RFP Process	<p>How many agencies registered for the pre-proposal Bidders webinar?</p> <p>a. Are the incumbent agency &amp; partner agencies registered for the webinar?</p>	<p>Among the 14 registered, there is a combination of full service and specialty agencies including the incumbent and its partners.</p>
49	RFP Process	<p>What is the reasoning behind issuing the RFP, at this time?</p>	<p>The current contract is expiring.</p>
50	RFP Process	<p>Should we progress to Stage 2, and the further stages, will there be opportunities to ask questions pertaining to the current stage, throughout this process?</p>	<p>There will be a webinar after the Stage 2 assignments are sent out to clarify any additional questions.</p> <p>Questions can be sent via email. See Section I. B. in the RFP document for contact information.</p>
51	RFP Process	<p>Can we submit the proposals via email?</p>	<p>No.</p>
52	RFP Process	<p>Should item 12 (Agency Capabilities Overview) be included in our Stage 1 submission?</p>	<p>Yes.</p>
53	RFP Process	<p>Will the audio from this Bidders Conference webinar be available?</p>	<p>No.</p>
54	RFP Process	<p>Exhibit B, Attachment 2 stipulates that agency would have to buy media as principal vs. buying as agent on behalf of Covered California. Is this negotiable?</p>	<p>No.</p>
55	RFP Process	<p>One contract with lead agency requirement? Do you mean one master service agreement? Are you able to accommodate two separate statement of works if these agencies are part of the same holding company?</p>	<p>One agency would have to be the primary and the other one would be a subcontractor.</p>
56	RFP Process	<p>Will you be able to share the list of names of the companies attending the webinar?</p>	<p>Yes. The names and agencies of those who attended the Bidders' Conference have been posted on the HBEX Solicitation website.</p>

## Questions and Answers

57	RFP Process	As it relates to agency compensation, based on Exhibit B, Attachment 1. Is it correct that all "agency fees" would be calculated based on a percentage of media spend and production? If so, would you be looking for a "bottom up" calculation to justify this percentage?	At Stage 3 each finalist will propose their markup rate which will be compared and rated to other bidders proposals.
58	RFP Process	We have two agencies from the same holding company. How would you prefer us to present ourselves? As the holding company solution, as two individual agencies, or as one agency? We are able to accommodate all models.	The choice is yours to determine if you are a stronger candidate as a holding company or two separate agencies competing against each other or by having one agency be lead and the other a subcontractor of the lead.
59	RFP Process	As part of a Public Holding company we are not able to share financial results for individual agencies. Is this going to be an issue?	You may submit the financials for the holding company instead.
60	RFP Process	If there is language in any of the agreements or attachments e.g. Exhibit A Scope of Work that the agency would like to discuss, is there an opportunity to do so? Would it be possible to summarize our legal comments as part of the submission?	See Section IV. E. if you have any issues about the specific wording of the agreements or attachments. Submit your red-line versions during Stage 3 of the RFP process.
61	RFP Process	Can you clarify the role of physical office locations in the enrollment process? Are these locations owned by individual certified agents/enrollers or are they run by Covered California?	The office locations are owned and operated by independent insurance agencies certified by Covered California.
62	RFP Process	Is there an opportunity to negotiate the following terms: Liability - there is currently no limitation of liability for your agencies. Additionally you currently require a parent guarantee? Consequential Damages are not excluded. 30 day termination rights?	See Section IV E if you have any issues about the specific wording of the agreements or attachments. Submit your red-line versions during Stage 3 of the RFP process.
63	RFP Process	Could you discuss your position on sequential liability as it relates to the lead agency and their subs?	The primary agency is responsible for all its sub-contractors and we require that they complete Exhibit B, Attachment 2.



## Questions and Answers

64	RFP Process	Can you clarify the fee structure pls - when you say the \$45mm will cover agency fees and costs - that includes working media dollars?	See Exhibit B Attachment 1 for the cost proposal, that the bidders at Stage 3 will submit, for more details.
65	RFP Process	Can you give any more definition to the small business target?	Bidders should focus on the individual market and not address the small business market in their responses. But should be aware that the AOR will need to service this portion of the account.
66	RFP Process	Change of deadline will only be pushed back, it will not be pushed up, correct?	Correct.
67	RFP Process	For the Stage 1 response, there are 5-page limitations for 12a and 12b. Are there any format requirements for our response - e.g., Word document, font size, etc.?	See Section IV A. 2b.
68	RFP Process	If a new strategy and creative is executed by the new agency taking over on 1/1/20, when do you recommend that it launches?	It should launch in October 2020, giving time to conduct research and fine-tune the strategy and creative. Be aware the AOR will begin placing media for SEP in June 2020.
69	RFP Process	Can you provide more clarity on how you see the agency compensation structure playing out in year one, i.e., how are fees paid prior to any media or production occurring?	See Exhibit B, Attachment 1 C. 4.
70	Scope of Work	Under Content Marketing, can you please elaborate on the type of content you are considering (i.e. film - long/short form, static, printed materials) and means of distribution (Paid/Owned)?	Content Marketing is currently a pilot program. Our contract is primarily focused on traditional and digital advertising.  However, our scope of work is flexible and allows for us to consider expanded Content Marketing if it aligns strategically.
71	Scope of Work	Is CRM and/or Direct Marketing part of the scope of work, as a way to acquire/retain Californians?	CRM is an internal system, and Direct Marketing is both in-house and with our contractors.
72	Scope of Work	Will there be a need for embedded staff?  a. Did the previous agency have embedded staff?	While we do not anticipate the need for embedded staff, we will reserve the right to request it.  We have had embedded staff in the past, but currently do not.

## Questions and Answers

73	Scope of Work	Is Experiential within the marketing scope of work?	Our contract is primarily focused on traditional and digital advertising. However, our scope of work is flexible and allows for us to consider experiential marketing.
74	Scope of Work	Have you used Influencers? If so, has that been effective to meet your KPI's?	Influencer marketing would fall under our PR contract.
75	Scope of Work	Do subcontractors need to have offices in California? Or only the primary agency submitting the proposal?	Yes, subcontractors need to have and maintain, throughout the contract, a California office.
76	Scope of Work	How much technology infrastructure expertise are you looking for? Do you require guidance on data management platforms, connected infrastructure, data onboarding, call tracking, etc.	This is not required from the bidder. The IT Division at Covered California will handle this.
77	Scope of Work	Do you currently utilize your CRM for media planning and activation?	No.
78	Scope of Work	Can you estimate the amount of creative/media execution work that is required for Individual/Families vs. Small Business?	They are separate advertising campaigns, but the Small Business campaign is at a much smaller scale.
79	Scope of Work	This engagement is inclusive of small businesses. Are mid-sized to large businesses addressed by your Sales Division, or elsewhere? If so, which agency/agencies are engaged by the Sales Division, and where are they in their contract period?	We focus on small businesses with less than 100 employees. No mid-size or large businesses are addressed. The AOR will be responsible for both the individual market and small business.
80	Scope of Work	What media channels are in scope e.g. TV, radio, print, OOH/Digital OOH, display, search, social, email, etc. Are there specific channels that are definitively out of scope?	All are in scope unless they require PII.
81	Scope of Work	What is your approach to language translation for the various target audiences and demographics?	We utilized our advertising agencies to provide translations.
82	Scope of Work	Can you explain more on what assistance you might need on econometric modeling?	We continue to look for way to demonstrate ROI on our traditional media buys and look to the contractor to advise us on how best to determine ROI.

## Questions and Answers

83	Scope of Work	Whether we need to come over there for meetings?	Yes, periodically. The State does not pay for international travel.
84	Social Media	To what level of engagement have you used social media?	We leverage most social media channels and are very proactive in planning regular scheduled posts (paid and organic). We also use social media for customer service.
85	Social Media	Are you planning on introducing virtual assistant or chatbot capacities on social platforms, and how might that affect campaign strategy?	We have a chatbot feature on CoveredCA.com. We do not have plans to add a virtual assistant to our social platforms.