AGENDA

I. Welcome and Introductions

II. Covered California Small Business Update

III. Marketing Update

IV. Break

V. Roundtable Discussion
Confirmation of Charter

Scope of Changes

• Rebrand as Covered California for Small Business
• Two year term
• Twenty members
• Three to four meetings annually
• Long term sustainability
SMALL BUSINESS UPDATE

• Membership Report
• Commission
• Alternative Benefits Designs
• Other
## Enrollment Statistics

### Current Membership

<table>
<thead>
<tr>
<th>Membership as of June 30, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Groups:</strong> 2,688</td>
</tr>
<tr>
<td><strong>Total Members:</strong> 17,939</td>
</tr>
<tr>
<td><strong>Average group size:</strong> 6.6</td>
</tr>
</tbody>
</table>
2015-2016 Covered CA Budget Forecast
Small Business Forecast

Current Total Membership: 17,939

Membership Forecast

- FY 2015/2016: 37,859
- FY 2016/2017: 58,830
- FY 2017/2018: 83,834

* Fiscal Year 2015 – 2016 Budget. Medium Alternative

Key Drivers:

- Strong retention rate @ 92%
- Q4 Mass Migration to ACA plans
- Deploying Online Enrollment
- Competitive Rate Advantages
- Leverage Open Enrollment

Dependencies

- Commission – Building Agent Confidence
- Expansion of Small Business
- Adding new carriers and networks
# Enrollment Statistics

SHOP Cases & Members Sold YTD

<table>
<thead>
<tr>
<th></th>
<th>Q1 2015</th>
<th>Q2 2015</th>
<th>2015 YTD</th>
<th>Yr over Yr</th>
</tr>
</thead>
<tbody>
<tr>
<td># Groups</td>
<td>542</td>
<td>351</td>
<td>893</td>
<td>-26%</td>
</tr>
<tr>
<td>Total Membership</td>
<td>3,619</td>
<td>2,284</td>
<td>5,903</td>
<td>-28%</td>
</tr>
<tr>
<td>Average group size</td>
<td>6.7</td>
<td>6.5</td>
<td>6.6</td>
<td></td>
</tr>
</tbody>
</table>
## Enrollment Statistics

Groups sold by sales channel YTD

<table>
<thead>
<tr>
<th>Sales Channel</th>
<th>Q1 2015</th>
<th>Q2 2015</th>
<th>Total YTD</th>
<th>% of Total</th>
<th>Yr Over Yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agent Assisted</td>
<td>175</td>
<td>101</td>
<td>276</td>
<td>31%</td>
<td>+2%</td>
</tr>
<tr>
<td>Agent plus GA</td>
<td>260</td>
<td>169</td>
<td>429</td>
<td>48%</td>
<td>-4%</td>
</tr>
<tr>
<td>Employer Direct</td>
<td>107</td>
<td>81</td>
<td>188</td>
<td>21%</td>
<td>+2%</td>
</tr>
<tr>
<td>Total YTD</td>
<td>542</td>
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<th>Yr Over Yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agent Assisted</td>
<td>1,153</td>
<td>603</td>
<td>1,756</td>
<td>30%</td>
<td>+4%</td>
</tr>
<tr>
<td>Agent plus GA</td>
<td>2,033</td>
<td>1,312</td>
<td>3,345</td>
<td>57%</td>
<td>-6%</td>
</tr>
<tr>
<td>Employer Direct</td>
<td>433</td>
<td>369</td>
<td>802</td>
<td>14%</td>
<td>+2%</td>
</tr>
<tr>
<td>Total YTD</td>
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</tbody>
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# Enrollment Statistics

Billed members sold by Rating Region YTD

<table>
<thead>
<tr>
<th>Region</th>
<th>Q1 2015</th>
<th>Q2 2015</th>
<th>Total YTD</th>
<th>Region % of Total</th>
<th>Yr Over Yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern CA</td>
<td>2,040</td>
<td>1,210</td>
<td>3,250</td>
<td>55%</td>
<td>4.9%</td>
</tr>
<tr>
<td>Southern CA</td>
<td>1,579</td>
<td>1,074</td>
<td>2,653</td>
<td>45%</td>
<td>-4.9%</td>
</tr>
<tr>
<td>Total</td>
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<td>2,284</td>
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Enrollment Statistics

Group Renewal Rates YTD

<table>
<thead>
<tr>
<th>Status</th>
<th>Grand Total</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewed</td>
<td>1,122</td>
<td>92%</td>
</tr>
<tr>
<td>Did not renew (DNR)</td>
<td>97</td>
<td>8%</td>
</tr>
<tr>
<td>Total Groups up for Renewal</td>
<td>1,219</td>
<td>100%</td>
</tr>
</tbody>
</table>
Agent Commission Update

- January – September 2014: 94% Paid
- October 2014 - May 2015: 80% Paid
- Overall: 84% Paid
- By August 15: 93% Paid
- June Commissions: Pending
**Alternative Benefit Design**

Increased number of alternative benefit design from two total to up to two-per-tier effective January 1, 2016

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<th>Kaiser</th>
<th>Western Health</th>
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<tr>
<td><strong>Bronze</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Silver</strong></td>
<td>Silver</td>
<td></td>
<td>Silver</td>
</tr>
<tr>
<td><strong>Gold</strong></td>
<td>Gold</td>
<td></td>
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</tr>
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Go-to-Market Plan for Q4

Sales Teams
- Product update and training via partner road shows
- Sales Promotions- SHOPWorks, ‘Sale to Win”
- Lead Generation-Robo-calls, social media, CAHU sponsorship
- Store fronts- promoting small business sales

Marketing
- Advertising campaign: print, digital/ video, direct mail/ email
- Paid search & social media
- Communication to agents/ stakeholders
- Outreach Toolkit – Info-videos, social channels, banner links

Communications
- Earned Media and Unearned Media Plan
- Exchange Relaunch Efforts
- Outreach Effort / Sponsorships

Operations Readiness
- Paying commissions timely
- Online enrollment application
- Maintain fast turnaround times for new group instillation
Print Advertisement

Your employees take control of their own health plan options.

You take control of your health care budget.

Feels good when everyone’s in control.

Through Covered California for Small Business, you could be eligible for a tax credit. You set the budget you can afford, your employees choose from a variety of health plans to find the one that’s right for them. What a healthy approach to business. Contact Covered California or a certified agent today.

(844) 332-8384 | CoveredCA.com/small-business

Print Advertising -Business Publications
Tus empleados toman el control de sus propias opciones de planes de salud.
Tú tomas el control de tu presupuesto de cuidado médico.
Se siente bien cuando todos tienen control.

Con Covered California para Pequeñas Empresas, tú decides el presupuesto que tu compañía puede pagar. Tus empleados eligen el plan de salud que más les conviene entre una amplia variedad de planes. Todo esto, y además podrías ser elegible para un crédito fiscal. Contacta a Covered California o un agente certificado hoy.

(844) 332-8384 | CoveredCA.com/espanol/small-business
Marketing Update

• Request for Proposal: Outreach Contracts

• English & Spanish Videos
  
  o **What is Covered California Small Business:**
    
    ▪ **English 90 Second**

  o **What is Covered California Small Business:**
    
    ▪ **Spanish 90 second**
Marketing Update - English Video
Marketing Update – Spanish Video
Covered California for Small Business Value Proposition

For California’s Small Businesses/Employers, who need the freedom to choose and the ability to control how much to invest in their health care benefit plan,

Covered California for Small Business allows employees to choose from a variety of popular health plan options offered by leading, private health insurance carriers.

Tax credits, available only through Covered California for Small Business, can also help reduce the cost of providing health insurance to employees.
Q&A
BREAK
ROUNDTABLE DISCUSSION
Roundtable Discussion

• Understanding and reaching uninsured small business

• Addressing the unique needs of employers and Brokers in the +51 small business market

• Outreach Toolbox Development and Deployment

• Ancillary and Voluntary Benefits
Q&A