Preparing for the COVID-19 Public Health Emergency Unwind: Continuing Coverage for Californians

Bay Area
Thursday, June 16th, 2022

Presenters: Marc Ross, Aaron Johnson, Txia McCowan, Karol Sandoval

Thank you for joining us. The webinar will begin at 9:00AM. You will not hear any audio until we begin.
WORKSHOP WEBINAR HOUSEKEEPING

<table>
<thead>
<tr>
<th>Recording</th>
<th>□ Today’s virtual meeting via webinar will be recorded and emailed to certified enrollers.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participants</td>
<td>□ Use the <strong>computer audio</strong> or <strong>dial-in</strong> feature to listen.</td>
</tr>
<tr>
<td></td>
<td>• If you use the dial-in feature, be sure to enter the pound or hash “#” sign after entering the Access Code to be placed in the correct webinar.</td>
</tr>
<tr>
<td></td>
<td>□ All participants are in listen only mode but will be able to submit questions/comments via either the GoToWebinar <strong>“chat”</strong> feature or the <a href="mailto:kickoffevents@covered.ca.gov">kickoffevents@covered.ca.gov</a> email address. Any unanswered questions will be addressed in a FAQ document following the completion of the regional webinars.</td>
</tr>
<tr>
<td></td>
<td>• <em>Dial-In by phone with no webinar visual:</em> Participants can listen to the presentation but won’t be able to view the slide deck.</td>
</tr>
<tr>
<td></td>
<td>• <em>Hearing Impaired:</em> Please use the “chat” feature to submit your questions or comments. Staff will review and speak on your behalf and respond via chat.</td>
</tr>
<tr>
<td>Technical Difficulties</td>
<td>□ Use the “Questions” feature to submit technical difficulty comments/questions so we can assist you.</td>
</tr>
<tr>
<td>Contact</td>
<td>□ Email Covered California at <a href="mailto:kickoffevents@covered.ca.gov">kickoffevents@covered.ca.gov</a> if you have additional questions or comments after the webinar.</td>
</tr>
</tbody>
</table>
OBJECTIVE

Covered California certified enrollers will understand the upcoming policy changes and impacts to consumers and assist them with enrollment and retention this Special Enrollment and Open Enrollment Period.

AGENDA

• Covered California Updates
• “Family Glitch” Proposed Rules
• Special Enrollment Period Updates
• Preparing for the Public Health Emergency Unwind
• CalHEERS Agent Portal Alerts Updates
Covered California also issued a report which chronicles some of the most important milestones from its first 10 years, including its establishment and launch, the era of “repeal and replace,” stepping up during the COVID-19 pandemic and building toward the future.

SPECIAL ENROLLMENT PERIOD
SPECIAL ENROLLMENT 2022 CAMPAIGN GOALS & PLANNING PARAMETERS

- **Build familiarity and understanding** that Covered California is where Californians can get quality health coverage even outside of open enrollment when they have a qualifying life event.

- **Motivate consumers** who are experiencing a qualifying life event (QLE) to compare and choose a health insurance plan through Covered California.
  - Focus messaging on top performing QLEs (loss of coverage, new baby, marriage, moving) and new QLEs (Pandemic/Public Health Emergency, Paid a Penalty, FPL less than 150%)

- **Inform and remind** people that financial and enrollment help are available for those who need it, and about individual mandate/penalty as well as a limited enrollment window.

Spend: $3 million  
Flight: February 1 – June 30  
Target Audience: California Adults 25-64 who experienced QLEs  
Segments:  
  - Multicultural  
  - Black/African American  
  - Hispanic  
  - Asian  

Geography: Statewide
DIGITAL – BANNER ADS
(ENGLISH, SPANISH, CHINESE, KOREAN, VIETNAMESE)

PROSPECTING - STATIC

- lost your job or income?
- life changes.
- lost your health insurance?

RETARGETING

- 9 out of 10 got financial help for health insurance.
- get covered within 60 days of a big life change.
- get help getting health insurance.
- compare brand name health insurance plans.

PROSPECTING ANIMATED

- lost coverage?
- marriage?
- new baby?
- just moved?
- life changes.
DIGITAL – NATIVE DISPLAY ADS (ENGLISH + SPANISH)

PROSPECTING

Lost Your Job Or Income? Get Health Insurance Now
Covered California is helping Californians get health insurance when life changes - and financial help to pay for coverage.

SPONSORED BY COVERED CALIFORNIA

Life Changes. Get Health Insurance Coverage When It Does
Californians who experienced a life change in the last 60 days - such as loss of health coverage, marriage or welcoming a baby - qualify to apply.

SPONSORED BY COVERED CALIFORNIA

Is it Time to Reevaluate School Mask Mandates?
As the debate over masks in schools continues, parents and educators whose children are among those impacted may be feeling overwhelmed. Here’s how to know when it’s time to act.

RETARGETING

Get Help Getting Health Insurance.
We’re helping Californians get covered with financial help for health insurance.

SPONSORED BY COVERED CALIFORNIA

Cross Health Insurance Off Your To-Do List
Californians who experienced a life change in the last 60 days - such as loss of coverage, marriage or welcoming a baby - qualify to apply for coverage.

SPONSORED BY COVERED CALIFORNIA
COLLATERAL MATERIALS

- Special Enrollment factsheet available in the following languages
  - English
  - Spanish
  - Chinese
  - Korean
  - Vietnamese
- Update underway to include the new QLE for low-income consumers (up to 150% FPL)

Targeting Funnel Audience

- Reaching potentially uninsured, job seekers, those experiencing life events, and website visitors who have not yet enrolled
- Topics include special enrollment, financial help (9 out of 10 receive, 2/3 pay $10 or less), new qualifying life events (under 150% FPL), finish enrolling
- Averaging 6 posts per month

Targeting Fans & Plan Selected Audience

- Reaching social channel followers and current members who plan selected
- Topics include reporting changes, free preventive care, essential health benefits, value of health insurance, locating tax documents
- Averaging 3 posts per month
**FUNNEL EMAIL / DIRECT MAIL / TEXT MESSAGING OUTREACH**

**Audience:** Consumers in the funnel, who are potential enrollees who have provided an email and/or entered the CalHEERS system (English & Spanish)

- **Funnel outreach** includes information about qualifying life events, special enrollment, the American Rescue Plan, financial help, benefits of Covered California health plans, value of health insurance, how to get help, etc. Tailored messaging to unique audiences, such as:
  - Spanish speaking funnel population
  - Consumers who terminated coverage from California carriers (SB260)
  - Penalty payers

- **Outreach includes:**
  - Twice weekly automated email campaign based on status in the enrollment funnel with 20 unique emails
  - Two to four additional emails per month
  - One text message per month
  - Two direct mail letters per month
MEMBER EMAIL / DIRECT MAIL / TEXT MESSAGING OUTREACH

**Audience:** Current Covered California members (English & Spanish)

- **Member outreach** includes information about using their plan, free preventive care and essential health benefits included in health plans, importance of keeping their account updated, reporting changes, updating consent and health tips.

- **Outreach includes:**
  - Two emails per month
  - One text message every other month
  - One direct mail letter every other month
## SEP QUALIFYING LIFE EVENTS (QLE) AVAILABLE

Available as of March 1, 2022:

<table>
<thead>
<tr>
<th>QLE</th>
<th>Description</th>
<th>CALHEERS Action</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>APTC – Detected low FPL</strong></td>
<td>For 2022, your expected income is less than $19,320 as a single person, less than $26,130 for a household of two people, less than $32,940 for a household of three people, or less than $39,750 for a household of four people. (For other household sizes, see the Federal Poverty Level Chart under the 150 percent column.) The CalHEERS system will evaluate new enrollments and reported changes in circumstances (RAC) for a new SEP Reason “APTC – Detected low FPL.” The system will automatically apply this SEP / QLE when the consumer’s household income is at or below 150% Federal Poverty Limit and at least one member of the household meets all other eligibility requirements to be deemed Eligible or Conditionally Eligible for APTC or Cost-Sharing Reductions.</td>
<td>• If applicant meets other QLE, and has an income of 150% FPL or below, this QLE automatically applies. • If applicant does not meet any other QLE, <strong>Choose “None of the above”</strong> (This option will review application for Medi-Cal, MCAP, and enhanced Silver Plans) • Runs in the background. It is not displayed as a dropdown. • Does not limit plan selection to 60 days. It allows eligible consumers to select plan enrollment at any point during the year or until a new QLE is selected (i.e., when Change Plan is available on screen). • Applies first-day-of-the-following-month rule to determine the eligibility effective date when the new SEP reason APTC – Detected low FPL is detected.</td>
</tr>
</tbody>
</table>
## SEP QUALIFYING LIFE EVENTS (QLE) AVAILABLE

Available as of March 1, 2022:

<table>
<thead>
<tr>
<th>QLE</th>
<th>Description</th>
<th>CALHEERS Action</th>
</tr>
</thead>
</table>
| Paid the penalty for not having health coverage    | This QLE may apply if the consumer or their dependents paid the Individual Shared Responsibility Penalty to the Franchise Tax Board (FTB) due to not having Minimum Essential Coverage (MEC) for the previous tax year. Consumers who may qualify are those who have already filed their 2021 taxes and paid at least a part of the Individual Shared Responsibility Penalty to the Franchise Tax Board in the past 60 days. | • Select QLE in SEP drop-down list  
• Life event date is the date the consumer applies. |
| Pandemic (public health emergency)                 | A national or state public health emergency due to a pandemic resulting in a declaration of a state of emergency at the state or national level.                                                              | • Select QLE in SEP drop-down list  
• Life event date is the date the consumer applies. |
UNLIMITED PLAN CHANGES DURING SEP WINDOW

- If consumers experience a qualifying life event (QLE), they are given a Special Enrollment Period to choose a plan.
  - Most Special Enrollment Periods last 60 days from the day of the QLE.
  - CalHEERS allows Consumers the opportunity to change their health or dental plans (or both) an unlimited number of times within the 60-day Special Enrollment Period (SEP) following a Qualifying Life Event (QLE) and throughout the Open Enrollment Period (OEP).
  - All plan changes will be prospective only.
IMPORTANT REMINDERS FOR ENROLLERS!
CERTIFIED INSURANCE AGENTS MUST HAVE AN AGREEMENT SIGNED WITH COVERED CALIFORNIA

Agencies of One or More

An agency’s authorized signer or the agency manager must sign the Agency Agreement (PDF). Every agency must designate an agency manager. The agency manager is responsible for all business submitted to Covered California and the management of all agents using that agency’s federal tax identification number. Currently, independent agents identified as “an agency of one” are required to sign the Agency Agreement.

Agency managers must complete the certification process and submit additional forms to become certified. Visit the “Training and Certification Steps for Agencies of One or More” page for more information.

Agents Working for an Agency

An agent employed by an agency must sign the Non-Monetary Agreement (PDF) in order to be associated with that agency to ensure the agent meets his or her contractual obligations with Covered California. No information will be collected for commission-payment purposes.

Agents must also complete the certification process and submit additional forms to become certified. Visit the “Training and Certification Steps for Agents Working for an Agency” page for more information.
Covered California certified insurance agents must review, sign, and submit the Agency and Non-Monetary Agent Agreements via DocuSign to continue to enroll consumers and manage their book of business!
# NEW COVERED CALIFORNIA FIVE-YEAR AGENCY AGREEMENT TIMELINE & ACTION REQUIRED

<table>
<thead>
<tr>
<th>DATE</th>
<th>ACTION REQUIRED</th>
</tr>
</thead>
</table>
| MARCH 2022      | Agent Program deployed the new five-year agreements to commence on May 18, 2022 via DocuSign in two batches based on the agency model.  
                 | • **First Batch**: New Agency Agreements emailed for Agency Managers  
                 | • **Second Batch if applicable**: New Non-Monetary Agreements emailed to Agents whose Agencies have successfully completed a 2022 Agency Agreement. Agencies must ensure that their downline Agents complete these new agreements once released. |
| APRIL – MAY 2020| Agent Program and Sales Field Team Outreach Phase 1: conducted email and phone outreach to agencies and agents that have not submitted their agreements. |
| MAY 17, 2022    | OLD Agency Agreements Expiration Date                                                                                                                                                        |
| MAY 18, 2022    | NEW 5-Year Agency Agreements Start Date                                                                                                                                                       |
| JUNE 2022       | Agent Program and Sales Field Team Outreach Phase 2: final outreach to get agents to sign the new agreements.                                                                                  |
| JULY 2022       | In July, additional Agent Alerts will be issued related to Suspensions and/or next steps for those Agencies/Agents who have not signed the DocuSign Envelopes to execute the 2022 Agency and Non-Monetary Agent Agreements. |
NEED YOUR AGENCY AGREEMENT?
TAKE THESE STEPS

1. **Check your email address account** used to set up your CalHEERS account to see if you received an email from DocuSign about your Covered California Agency Agreements.
   - If you are unsure which email address you used, please log into your CalHEERS account to verify. Ensure Covered California has your correct email address by contacting agentcontracts@covered.ca.gov.

2. **Agency Managers**: review, sign, and submit the **Agency Agreement** via DocuSign. For an agency with downline non-monetary agents, a separate agreement will only be issued to each agent to review and sign once the agency agreement has been completed.

3. **Downline Agents for an Agency**: review, sign, and submit the **Non-Monetary Agent Agreement** via DocuSign.

---

**UNABLE TO LOCATE YOUR AGREEMENT SENT TO YOUR EMAIL ADDRESS?**

- Ensure your email address is correct.
- Check your Junk Mail from sender email address: dse_NA3@docusign.net
- Make sure the Covered California agent email address is not in your blocked senders list.
- Email agentcontracts@covered.ca.gov requesting a new one to be sent to your email address related to your CalHEERS account.
- Allow 3-5 business days for the Agent Program staff to process the request for a new agreement.
NEW! CALHEERS PORTAL ACCESS: 
MANDATORY MULTI-FACTOR AUTHENTICATION

Security and Federal Compliance Requirements:

Multi-Factor Authentication (MFA) is mandatory each time you log in to the CalHEERS Portal.

You can utilize one of the following MFA verification methods when logging into the CalHEERS Portal:

• One – Time Email Passcode
• One – Time Text Message Passcode
• Security Questions

To avoid being logged out of the CalHEERS Portal, you will need to remain active in the system. After 13 minutes of inactivity, a pop-up will appear asking if you would like to extend your session:

✔ Select Continue to avoid being logged out.

If you are inactive longer than 15 minutes, you will need to re-log in to the CalHEERS Portal using MFA verification.
Agency Managers access the Delegation Tool link from the “My Dashboard” link in the “My Delegations” dropdown menu.

The system conducts a match based on the information entered. One of the following displays:

- **No Match Found** – No existing match found in the system
- **Multiple Matches Found** – Multiple matches found in the system
- **Match Already Delegated** – Match found and is currently delegated to the Enroller
- **The One Match Found page** displays when an exact match is found

- The next step in the delegation process is to authenticate the consumer. On the **One Match Found** page, enter the consumer’s cell phone in the cell phone number fields.
  - Check the **SMS Terms of Service** checkbox to continue.
  - Select the **Send One Time Authentication Code** button. A code is sent to the cell phone number entered.
    - Up to **three** authentication codes can be requested. The user has three attempts to successfully enter each code.
    - A total of nine attempts with the incorrect code disables all fields except for the **Return to Enroller Dashboard** button.
DUPLICATE APPLICATION PREVENTION LOGIC

Check for Active Cases Using the Delegation Tool

When adding information in new applications, a Duplicate Prevention Logic pop-up displays if the system identifies consumers who already have a case on file in CalHEERS. The goal of this pop-up is to alert the user and prevent the creation of unnecessary duplicate cases.

Duplicate cases that result in dual enrollment may cause significant hardship for individuals who over-consume APTC and must pay it back at tax reconciliation. In addition, certified enrollers may also need to return compensation received to the Qualified Health Plan Issuers.

Selecting the “Delegate” button will take you to the Delegation Tool where you can enter the consumer information and the tool will search for an existing consumer case.

a. If the Delegation Tool finds multiple CalHEERS cases with the same consumer information, you will need to contact the Service Center to become delegated to the correct CalHEERS case.

b. Please refer to the Delegation Tool Quick Guide for additional details.
1. Login to the enroller portal.

2. Select “Secure Mailbox.”

3. Select the Alert that they would like to view.

4. Open the Excel Spreadsheet. The Topic will say what it is that needs to be done for the consumer.
CalHEERS ENROLLER PORTAL ALERTS

CalHEERS sends a Daily Manager/Enroller Summary notification Excel file to the Agency Manager, Agent, Entity Manager, and Certified Enrollment Counselor Secure Mailbox page. Alert instances include:

- The consumer has received a notice (NOD) that requires action – One-time alert.
- Consent Valid Thru – Sent on Aug 1, Sept 1, Oct 1
- Binder Payment Pending – Every 7 days.
- An enrollment update is needed after a consumer completes a Report a Change (RAC) -- Daily alert.
- Enrollment Cancelled – Daily alert.
- Enrollment Terminated – Daily alert.
REASONABLE OPPORTUNITY PERIOD (ROP) EXTENSIONS – RESTORATION OF COVERAGE

The **Reasonable Opportunity Period (ROP)** is a 95-day period during which conditionally eligible consumers can submit verification documents and clear inconsistencies in their application. Consumers who meet certain requirements may request as many as two 30-day extensions to resolve any application inconsistencies. The attempt or action cannot be fraudulent or deceitful.

**Examples**
- Consumer is conditionally eligible for coverage and has filed an appeal, but the ROP will expire before the appeal is resolved.
- Consumer’s immigration documentation has expired, and the consumer has an appointment to renew the document.

**Timeframe for ROP Extensions Visual**

| Reasonable Opportunity Period (ROP) (95 days) | 1st Extension (30 days) | 2nd Extension (30 days) |

Timeframe for ROP extensions. Extensions must be requested before the expiration of the original ROP or 1st extension.
The table below shows what happens if an inconsistency is not corrected by the end of the ROP.

<table>
<thead>
<tr>
<th>Uncorrected Inconsistency</th>
<th>Impact to Consumer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>Advanced Premium Tax Credit (APTC) and/or Cost-Sharing Reduction (CSR) is redetermined or terminated. The consumer can request to have their APTC/CSR restored once the inconsistency is resolved. <strong>Note:</strong> The consumer will still have access to their health plan.</td>
</tr>
<tr>
<td>Citizenship</td>
<td>Coverage terminated.</td>
</tr>
<tr>
<td>Lawful presence</td>
<td></td>
</tr>
<tr>
<td>Incarceration status</td>
<td></td>
</tr>
<tr>
<td>Vital status (deceased)</td>
<td></td>
</tr>
</tbody>
</table>
CONSUMER PERIODIC DATA MATCHING IN CALHEERS

- Periodic Data Matching (PDM) is the process for checking data sources mid-year to see if a consumer enrolled in Covered California is deceased, or has Medicare eligibility, or enrollment.

- Per federal regulations, PDM is to be completed at least twice during the benefit year to check for a change in circumstances.

- The verification is done through the Periodic Data Matching service which checks the Social Security Administration for both Medicare eligibility, enrollment, and deceased status at the same time.

- CalHEERS Account Alerts notify consumers that our records show they have a Covered CA enrolled household member that is deceased or has Medicare.
Beginning May 1, 2022, a new California law expands eligibility for full scope Medi-Cal to adults 50 years of age or older regardless of citizenship or immigration status.

All other Medi-Cal eligibility rules, including income limits, will still apply. The expansion population includes new enrollees into Medi-Cal and current beneficiaries transitioning from restricted scope to full scope Medi-Cal because of this expansion. Individuals can apply for Medi-Cal online, by mail, by telephone, by fax or in person.

If the applicant qualifies for full scope Medi-Cal under the Older Adult Expansion, they will receive the appropriate Notice Of Action letter notifying them of their eligibility for full scope Medi-Cal.

If you receive a call from an eligible Medi-Cal consumer about this program or letter they may have received, please refer them to their county office.
POLICY UPDATES YOU NEED TO KNOW
MAY 26, 2022
10:00-11:00 AM PST

LEGISLATIVE UPDATES AND KEY ENROLLMENT OPPORTUNITIES
2022 SPECIAL ENROLLMENT PERIOD

Featuring Speakers From Covered California

JESSICA ALTMAN
Executive Director for Covered California

KATIE RAVEL
Director for Policy, Eligibility, and Research, Covered California

KELLY GREEN
Director for Communications and External Affairs, Covered California

TERRI CONVEY
Director for Outreach and Sales, Covered California

To view, click here: Covered California LIVE Cast: SEP 2022
Informing the federal dialogue of the ARP extension
Covered California and other State-Based Marketplaces held a series of meetings in Washington, D.C. to discuss the extension of American Rescue Plan subsidies.

Informing key California Congressional members, staff and administration officials
Covered California’s Executive Director, Jessica Altman highlights the important, positive impact the American Rescue Plan has had in California, as well as the negative impact to consumers if the enhanced federal subsidies expire.

KEY CALIFORNIA MESSAGES SHARED WITH FEDERAL POLICYMAKERS

The American Rescue Plan (ARP) has had dramatic positive impacts in California:

- **Record-breaking enrollment** with 1.8 million enrolled in 2022 and a **20 percent reduction in premium costs** compared to 2021.

- **Two-thirds of consumers** became eligible for **plans at $10 per month** or less.

- **Major advancements in health equity** with biggest enrollment gains among low-income and communities of color—a surge in enrollment across African American, Asian American and Pacific Islander, and Latino populations.
AMERICAN RESCUE PLAN SUBSIDY EXPIRATION WILL LEAD TO LESS AFFORDABILITY AND MORE UNINSURED

• The ARP subsidies are set to expire at the end of 2022.

• Families USA reports that without congressional intervention, premium costs for current coverage will shoot up a staggering $12 billion or more in additional charges to families across the country.

• Six national organizations including the American Academy of Family Physicians and the American Hospital Association, in a recent letter to Congress, signaled concern that the expiration of the ARP subsidies would lead to dramatic increases that could cause once affordable coverage to become unaffordable, forcing people to drop marketplace coverage and possibly become uninsured.

• Blue Cross Blue Shield Association has created a subsidy calculator tool to assist consumers in understanding the premium impacts resulting from the expiration of the ARP subsidies at the end of 2022.
May Revise - Released May 13, 2022

• Proposes to reinstitute California's state premium subsidy program that was in effect in 2020 and 2021. The program was modified to provide additional support to individuals with incomes between 400% and 600% of FPL if federal action is not taken to extend American Rescue Plan Act premium subsidies for 2023 and beyond.

• Proposed funding is $304 million from the States Healthcare Affordability Reserve Fund. Future year funding for the state subsidy program will come from the State General Fund.

May Revise on Public Health Emergency Unwind:

• $60 million General Fund over four years to continue the Department of Health Care Services Health Enrollment Navigators Project.

• $25 million for a media and outreach campaign to encourage Medi-Cal beneficiaries to update their contact information and to educate beneficiaries of the implications of their eligibility.

• Enlisting Coverage Ambassadors to amplify messaging on various platforms related to the continuity of coverage for beneficiaries in preparation for the end of the Public Health Emergency.
WHAT IS THE FAMILY GLITCH?

The “family glitch” refers to the current federal rules that only consider the cost of an employee’s own health insurance coverage in determining whether employer-sponsored coverage is affordable. The cost of dependent coverage is not considered in the affordability test. If employer-sponsored coverage is affordable, then both the employee and dependents are not eligible for premium subsidies and cost sharing reductions (premium subsidies). Oftentimes employee coverage is subsidized by at least a 50% employer contribution, which is not always the case for dependent coverage.

- The Affordable Care Act provides premium subsidies to eligible individuals who don’t have minimum essential coverage elsewhere, and do not have employer-sponsored coverage that is considered “affordable.”

- The bar for affordability is set at 9.61% of income. If the cost of self-only employer coverage exceeds 9.61% of an employee’s income, it is not considered affordable, and the employee is eligible for premium subsidies through the exchange.

- However, this affordability test is based upon the employee-only premium cost and does not consider the cost of the family coverage.

- Under current ACA rules, dating back to 2013, family members’ eligibility for marketplace subsidies is tied—unintuitively—to the premium for self-only coverage.

- In other words, if self-only coverage is deemed affordable but family coverage is deemed unaffordable, the whole family is ineligible for subsidies through the exchange.

- That is the family glitch which leaves family members without an affordable coverage option.
How do the New Federal Regulations Propose to Fix the Family Glitch?

On April 7th, 2022, the Department of Treasury proposed a rule to fix the “family glitch” that prevents family members from accessing premium tax credits if an employee’s self-only coverage is considered to be affordable.

Public comments were due on June 6, 2022.

Department of Treasury intends to finalize this rule to be effective before open enrollment for the 2023 plan year.

- The new proposed regulation would change the affordability calculations for individuals with employer sponsored insurance starting in 2023.

- Affordable offers would be judged two separate ways; determinations of affordability would be made for the employee and then separately for other family members (e.g., spouse and/or dependents).

- Consequently, the affordability determination will not change for employees, and family members will be more likely to gain eligibility for PTC for coverage in the individual market.
FAMILY GLITCH LEAVES FAMILY MEMBERS WITHOUT AN AFFORDABLE COVERAGE OPTION

Scenario 1 – Current Rule: Employee and Family Not Eligible for Premium Tax Credit On-Exchange

<table>
<thead>
<tr>
<th>Number of Household Members</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Household Income</td>
<td>$50,000</td>
</tr>
<tr>
<td>Employer Sponsor Insurance (ESI) Premium Cost for Employee Only</td>
<td>$1,200 / year</td>
</tr>
<tr>
<td>Employer Sponsor Insurance (ESI) Premium Cost for Employee's Family</td>
<td>$7,500 / year</td>
</tr>
<tr>
<td>Employee Eligible for On-Exchange (Covered California) Premium Tax Credit (PTC)</td>
<td>No</td>
</tr>
<tr>
<td>Employee Coverage Only is $1,200 for self-only coverage which is 2.4% of income—well below the 9.61% threshold.</td>
<td></td>
</tr>
<tr>
<td>Employee's Family Eligible for On-Exchange (Covered California) Premium Tax Credit (PTC)</td>
<td>No</td>
</tr>
<tr>
<td>This leaves the family with two unaffordable options: spending $7,500—15% of income—for family ESI, or purchasing Marketplace coverage without PTC subsidies, which would likely cost more than $10,000 (20% of income).</td>
<td></td>
</tr>
</tbody>
</table>
FAMILY GLITCH PROPOSED RULE LEAVES FAMILY MEMBERS WITH AFFORDABLE COVERAGE OPTIONS

<table>
<thead>
<tr>
<th>Scenario 2 – Proposed Rule: Family Eligible for Premium Tax Credit On-Exchange</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of Household Members</strong></td>
</tr>
<tr>
<td><strong>Annual Household Income</strong></td>
</tr>
<tr>
<td><strong>Employer Sponsor Insurance (ESI) Premium Cost for Employee Only</strong></td>
</tr>
<tr>
<td><strong>Employer Sponsor Insurance (ESI) Premium Cost for Employee's Family</strong></td>
</tr>
<tr>
<td><strong>Employee Eligible for On-Exchange (Covered California) Premium Tax Credit (PTC)</strong></td>
</tr>
<tr>
<td><strong>Employee's Family Eligible for On-Exchange (Covered California) Premium Tax Credit (PTC)</strong></td>
</tr>
</tbody>
</table>

Employee Coverage Only is $1,200 for self-only coverage which is 2.4% of income—well below the 9.61% threshold.

Under the proposed rule, PTC eligibility for the dependents is based on the family ESI premium of $7,500, or 15% of income. Since that exceeds 9.6%, the dependents may be eligible for PTC. Based on their income, with APTC they can purchase a benchmark silver plan for about $2,000 out of pocket (4% of income) —and they could likely purchase a gold or bronze plan for even less.
According to a Kaiser Family Foundation estimate, **5.1 million people fall into the “family glitch.”** People who fall into the family glitch fall into three groups:

- dependents with employer coverage,
- those with individual market coverage, and
- those without health insurance.

According to the Urban Institute, an estimated **125,000 individuals currently enrolled in the individual market would gain eligibility for Premium Tax Credit nation wide.**

The White House estimates that an additional **200,000 currently uninsured would take-up coverage** as a result of the change to the family glitch rule.

Covered California Office of Legal Affairs is working on a Comment Letter to the Administration highlighting the impacts of the Family Glitch Rule on Covered California’s eligible consumers. Comments are due on June 6, 2022.

- Establish an Internal Operational Planning Workgroup

- Working with Internal Divisions to identify and update documents and training materials. Ongoing discussions on the following:
  - Qualified Health Plan issuer messaging and policy
  - Messaging to sales channels
  - Marketing material
  - Training materials and task guides for Service Center Representatives
  - Public Facing messaging including for dot com and external toolkits.
PREPARING FOR THE PUBLIC HEALTH EMERGENCY UNWIND
WHAT IS THE PUBLIC HEALTH EMERGENCY FOR COVID-19?

FEDERAL

- On January 1, 2020, Alex M. Azar II, Secretary of Health and Human Services (HHS), declared under section 319 of the Public Health Service Act (42 U.S.C. §247d) after consultation with public health officials determine that a public health emergency exists and has existed since January 27, 2020, nationwide as a result of confirmed cases of 2019 Novel Coronavirus (2019-nCoV)

- On March 18, 2020, the Families First Coronavirus Response Act (FFCRA) directed states to not terminate individuals enrolled in Medicaid, or determined eligible on or after that date

CALIFORNIA DHCS

- Department of Health Care Services (DHCS) implemented over 100 programmatic flexibilities to help minimize the strain to the Medicaid (Medi-Cal in California) program and its beneficiaries, and California's (CA) health care providers and systems.

- The Local Medi-Cal county will not review and redetermine enrolled beneficiaries eligibility at during the public health emergency. This means any report of changes to the case will not be process for eligibility determinations.

COVERED CALIFORNIA

- Created a NEW Special Enrollment Period Qualifying Life Event (QLE): COVID-19 Public Health Emergency as a reason for consumers to choose if they experience that life change in order to apply and enroll in Covered California outside of the Open Enrollment Period
PREPARING FOR THE END OF THE PUBLIC HEALTH EMERGENCY

- The U.S. Department of Health and Human Services recently reassured states that it will provide 60 days notice before the end of the emergency. No notice was provided on May 16, 2022, which signals that the Public Health Emergency (PHE) will be extended past the current July 15th, 2022 end date.
- No information has been released yet regarding the new end date.
- Covered California continues to prepare for implementation of facilitated enrollment of consumers losing Medi-Cal coverage and gaining eligibility for marketplace subsidies.
- Covered California is closely coordinating with Department of Health Care Services (DHCS) on the PHE Unwind.
- DHCS recently released the PHE Operational Unwinding Plan which highlights the ongoing partnership with Covered California to appropriately transition consumers between Medi-Cal and Covered California.
- Covered California released a toolkit for enrollment partners and stakeholders to provide planning resources for the launch of auto-enrollment from Medi-Cal when the public health emergency ends.
Two-Phase Approach to Communications

• **Phase 1** encourages beneficiaries to provide updated contact information, such as name, address, phone number, and email, so they can be contacted with important information about keeping their Medi-Cal benefits.

• **Phase 2** will encourage beneficiaries to continue to update contact information, report any changes in circumstances, as well as check for upcoming renewal packets that may come through regular mail for cases that could not be renewed using information the local county office has available. Phase 2 will begin 60 days prior to the end of the PHE. A Phase 2 Outreach Toolkit will be released in the future.
**DHCS COVERAGE AMBASSADORS**

**DHCS Coverage Ambassadors:**

- **to deliver important messages** to Medi-Cal beneficiaries about maintaining Medi-Cal coverage after the COVID-19 PHE ends.
- **will be trusted messengers** comprised of diverse organizations that can reach beneficiaries in culturally and linguistically appropriate ways.
- **will connect Medi-Cal beneficiaries at the local level** with targeted and impactful communication.

**Ambassadors may include, but are not limited to:**

- **DHCS**
- **Community Organizations**
- **Providers**
- **Stakeholders**
- **Managed Care Plans**
- **Health Care Facilities**
- **Local County Offices**
- **Clinics**
- **Health Navigators**
- **State Agencies**
- **Advocates**

[https://www.dhcs.ca.gov/toolkits/Pages/PHE-Outreach-Toolkit.aspx](https://www.dhcs.ca.gov/toolkits/Pages/PHE-Outreach-Toolkit.aspx)
HOW DOES THIS IMPACT MEDI-CAL CONSUMERS?

• **Anticipated Total Disenrollments.** DHCS anticipates that the sheer volume of redeterminations, compounded by the beneficiary loss of contact, and other normal churn of individuals moving to the State marketplace (Covered California), would potentially lead to an estimated total of 2-3 million Medi-Cal disenrollments as the normal redetermination processing resumes. Note that any disenrollments will take place through the course of the PHE Unwinding period, not immediately upon expiration of the PHE, and this estimate would bring the Medi-Cal total enrollment closer to the pre-COVID-19 PHE caseload levels.

• **Modified Adjusted Gross Income (MAGI).** MAGI Medi-Cal method uses federal tax rules to determine if individuals qualify based on how taxes are filed and countable income. Most individuals in MAGI Medi-Cal will go through an automatic ex-parte process at the time of their annual renewal in order to receive a full redetermination at the end of the PHE. Beneficiaries that are unable to be redetermined through the automated ex-parte process will be sent a pre-populated annual renewal form. MAGI redeterminations will occur during the beneficiary’s next post-PHE annual renewal.

• **Medi-Cal Access Program (MCAP).** MCAP provides pregnant individuals with comprehensive coverage for a low cost and with no copayments or deductibles for its covered services. Throughout the PHE, DHCS continued coverage for MCAP members after the end of their postpartum period. MCAP individuals that have reported a pregnancy or were in a postpartum period on or after July 1, 2020, will receive 365 days of postpartum benefits prior to the redetermination for continued Medi-Cal coverage or a transition to coverage through Covered California. MCAP members do not have a renewal process and will complete a full redetermination at the end of the PHE with timely noticing on a flow basis based on pregnancy end date.
MEDI-CAL CONSUMERS TRANSITIONING TO COVERED CALIFORNIA FROM DHCS

• Once the PHE ends, many Medi-Cal and CHIP beneficiaries may become ineligible and move to Covered California.

• Currently, DHCS and Covered California are collaborating to implement Senate Bill (SB) 260 (Chapter 845, Statutes of 2019) which authorizes Covered California to enroll individuals in a qualified health plan when they lose coverage in Medi-Cal, MCAP, and CCHIP and gain eligibility for financial assistance through Covered California.

• The auto-plan selection program will be launched when PHE ends and will seamlessly transition individuals into Covered California once Medi-Cal discontinuances resume at the conclusion of the PHE. The provisions of SB 260 will ensure that individuals losing Medi-Cal will not experience a gap in coverage if they confirm their selection of the qualified health plan and pay a premium (only if required) for Covered California coverage within a month of their disenrollment from Medi-Cal.
COVERED CALIFORNIA’S FACILITATION OF CONTINUOUS COVERAGE FOR CONSUMERS LOSING MEDI-CAL

Background
State law enacted in 2019 authorizes Covered California to automatically enroll consumers in a qualified health plan when they lose Medi-Cal coverage and gain eligibility for advanced premium tax credits (APTC), Senate Bill 260 (Chapter 845, Statutes of 2019).

After an implementation delay due to the COVID-19 pandemic and resulting public health emergency (PHE), Covered California will begin its auto-enrollment program for consumers transitioning from Medi-Cal after the end of the PHE. Covered California’s program will ensure that consumers losing Medi-Cal will not experience a gap in coverage if they effectuate their coverage within a month of disenrollment from Medi-Cal.

Plan Selection and Effectuation Policy
Covered California will automatically plan select consumers into the lowest cost silver plan available to them to maximize premium tax credit and cost sharing support. California operates an integrated eligibility system for Insurance Affordability Programs which provides real-time updates when a consumer loses eligibility for Medi-Cal and gains eligibility for APTC. They must then take action to effectuate their coverage to ensure that they are willing to accept the tax liability for APTC.

Opting-In to Coverage
- Consumers with a monthly net premium must pay their first month’s premium to effectuate coverage.
- Consumers without a monthly net premium must effectuate coverage online or by phone by agreeing to certain terms and conditions.

Opting-Out of Coverage
- Consumers not wanting Covered California coverage can actively opt-out to cancel their plan while still retaining their 60-day special enrollment Period.

Start Date of Coverage
- Covered California’s coverage will begin the day after Medi-Cal coverage ends provided that the consumer effectuates their coverage within the first month.
- If not, their plan will be canceled. However, they will have the remainder of their 60-day special enrollment period to select a plan on their own.
Once a consumer is discontinued from Medi-Cal programs and determined Eligible or Conditionally Eligible for Covered California with APTC, the consumer will receive a letter from Medi-Cal that their eligibility will be ending.

The APS flag will be set, and an 834-enrollment transaction will be sent to the carrier.

CoveredCA.com will have a new page to guide the consumers to the CalHEERS portal.

APS Consumers will receive a tailored eligibility notice and educational flyer telling them to make their APS choice.

CalHEERS portal will have special screens and messages to help them make their APS selections.

- Covered California Notice tailored to auto-enrollment experience with educational material
- Dot com landing page for Medi-Cal transitioners
- Streamlined account creation process
- CalHEERS “dashboard” for Medi-Cal transitioners
## ENROLLMENT HIERARCHY

### Auto-Add

Consumers in a mixed household case with an **ACTIVE** Covered California enrollment are auto-added to the existing plan.

### Auto Plan Selection

Consumers auto-plan-selected into a **NEW** Covered California plan and their household does not have qualifying existing enrollment.

<table>
<thead>
<tr>
<th>Medi-Cal Transitioner Consumer</th>
<th>One Existing Active Enrollment</th>
<th>Multiple Active Enrollments</th>
<th>Catastrophic Plan</th>
<th>Lowest Cost Silver Plan or AI/AN Plan</th>
<th>CalHEERS Enrollment Functionality</th>
<th>Plan Consumer will be Enrolled in*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Auto-Add</td>
<td>Existing Enrollment Plan</td>
</tr>
<tr>
<td>2</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Auto Plan Selection</td>
<td>Lowest Cost Silver Plan or AI/AN Plan</td>
</tr>
<tr>
<td>3</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Auto-Add</td>
<td>Existing Plan</td>
</tr>
<tr>
<td>4</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td>N/A</td>
<td>Auto Plan Selection</td>
<td>Lowest Cost Silver Plan or AI/AN Plan</td>
</tr>
<tr>
<td>5</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>Auto Plan Selection</td>
<td>Lowest Cost Silver Plan or AI/AN Plan</td>
</tr>
</tbody>
</table>

*Enrollment in a plan with APTC or no APTC is based on eligibility rules.
SAMPLE TIMELINE: JANUARY 2023 MEDI-CAL RENEWAL REDETERMINATIONS

**October**
- PHE Ends
  - For illustrative purposes, the PHE ends in October

**Medi-Cal Renewal Activities**
- Medi-Cal Renewal Begins
  - Medi-Cal Renewal activities begin for individuals with January renewal month.

**December**
- Medi-Cal Renewal Activities End & Covered CA Facilitated Enrollment Begins
  - The Medi-Cal eligibility is redetermined and if found ineligible, the last day of Medi-Cal eligibility will be 1/31/2023.
  - If found eligible for financial help, Covered California SB 260 facilitated enrollment starts and letters are sent to individuals to inform them of their options and next steps.

**January**
- Covered CA Coverage Begins
  - Covered CA SEP starts as soon as the re-determination is done for individuals who lose Medi-Cal coverage.
  - Covered CA coverage starts 2/1/2023. The individuals have until 2/28/2023 to make a payment or opt in to keep the selected plan.

**February**
- SEP Ends
  - The individuals’ SEP lasts until 4/1/2023.
  - Individuals who keep the selected plan can still change it during SEP.
  - Individuals who opt out or miss the payment/opt-in deadline can still shop for a plan during SEP.
  - Individuals who maintain income at or below 150% can enroll or change their plan anytime during the year.
AUTO PLAN SELECTION
CONSUMER EXPERIENCE
CURRENT PROCESS FOR CONSUMERS DISCONTINUED FROM MEDI-CAL PROGRAMS

Medi-Cal Consumers discontinued from:

- MAGI Medi-Cal
- Medi-Cal Access Program (MCAP)
- County Children’s Health Initiative Program (CCHIP)

**CALHEERS:**

- **Flag** a transition end date and **set** the individual case at the QLE of “Loss of MEC”
- The flag and transition end date are **sent** to the enrollment portal
- A “Choose Plan” **button** displays as the primary call to action on the consumer’s Account Home page
- Consumer will **need to shop for health and dental plans** and manually complete enrollment
- Consumer has until the end of their **Special Enrollment Period (SEP) to select or change** their plan prospectively.
- Consumer in a **mixed household case with an active Covered California enrollment** are **auto-added** to the existing plan
NEW PROCESS FOR CONSUMERS DISCONTINUED FROM MEDI-CAL PROGRAMS

Medi-Cal Consumers discontinued from:

• MAGI Medi-Cal
• Medi-Cal Access Program (MCAP)
• County Children’s Health Initiative Program (CCHIP)

CALHEERS BUILD:

Major components of the system build include:

• **System identifier** to allow for a customized journey for Medi-Cal transitioners.

• **Enrollment hierarchy** functionality.

• **834 identifier** and opt-in status indicator for the carriers.

• **Custom eligibility notice** and consumer education materials.

• **New dashboard** to provide a tailored consumer journey.

• **Self-service options** for opting in/out of the auto-selected plan.

• **APS feature** will be configurable (ON/OFF)
Welcome to Covered California!

Covered California makes getting health insurance easier, with financial help for millions of Californians who can’t afford coverage on their own.

Cost savings

- More Californians can get covered with a few or no monthly premiums and save thousands of dollars a year.

Your options and what you need to do:

Your options:

- Option 1: Keep Plan
- Option 2: Change Plan

What’s next?

1. You can keep the plan we picked for you. (You’ll see a bill from your insurer for your payment due date. After you pay your bill, you will get your insurance cards and can start using your coverage.)

2. You can choose a different plan offered through Covered California. Use our website to compare other plans and prices. You can also call us if you have questions. You still have until [September date] to change plans.

For help call CoveredCA at 1-800-322-3273.
A new MCT tile has been added to the Account Creation flow as a secondary path if the consumer bypasses the CoveredCA.com microsite.

Consumers can select this option to access their APS MCT Dashboard using the access code from their eligibility notice.
STREAMLINED ACCOUNT CREATION FOR SB 260
The primary call-to-action (CTA) ‘Keep or Cancel Plan’ is located right at the top to drive the consumer to our Opt-In/Opt-Out (OIOO) flow.

We use dynamic messaging to inform the consumer of important dates and familiar iconography to communicate plan details.
The ‘You Have Options’ module is meant to communicate to the consumer that they have choices. This has a link for the Enrollment Dashboard, and dynamically displays carriers’ logos by their rating region.

The ‘Report a Change’ module allows the consumer to report any changes to their information prior to enrollment.

The ‘Contact Us’ module dynamically provides contact phone numbers based on program eligibility.
OPT-IN / OPT-OUT FOR ZERO-DOLLAR NET PREMIUM

Choose Enrollment Groups & Keep or Cancel

APS-MCT Dashboard

Sign & Submit
OPT-IN / OPT-OUT FOR NON-ZERO-DOLLAR NET PREMIUM

Choose Enrollment Groups & Keep or Cancel

Payment Required Modal
When at least one household member opts out (selects ‘Cancel’), the consumer will be taken to the Cancel Coverage survey.

This survey will be required but includes a “Prefer not to answer” reason.

The survey will collect one response per session.
CONSUMER SERVICE CENTER: IVR OPTIONS

Phone support:
Covered California will provide specialized phone support including a vanity phone number, an interactive voice response (IVR) menu with automated opt-in and opt-out options and prompts for Service Center Representatives to facilitate live assistance.

Consumers can complete their actions via phone by calling the dedicated toll-free phone number.

IVR Functionality:

- Consumers would need to complete the authentication process (Zip, DOB, Full SSN)
- Consumers with $0 net premium plans will be able to Opt-In to keep the plan and continue their coverage
- All APS consumers will be able to Opt-out of coverage
- Consumers can request assistance from a Service Center Representative (SCR) anytime during the process if needed
- If consumers need to make different choices for members in the same case, the system will route to an SCR to help them complete the process
REMINDER: TOOLS & RESOURCES
COVERED CALIFORNIA STOREFRONTS

• 95% of all Californians are within a 15-minute drive from one of Covered California’s storefront locations.

• Statewide – 548 storefront locations*

• Bay Area – 56 storefront locations*

• INTERESTED TO BE ONE? Certified Agents and Enrollers with an office location that meets the requirements of a storefront can apply today! Click on the link below:

https://hbex.coveredca.com/toolkit/storefronts/Storefront_Tool_Kit_FINAL.pdf

*Data as of 6/14/2022
ENROLLMENT PARTNER TOOLKITS

https://hbex.coveredca.com/toolkit/

### Special Enrollment Resources

<table>
<thead>
<tr>
<th>Resource</th>
<th>Type</th>
<th>Description</th>
<th>Date Updated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Enrollment Period</td>
<td>Quick Guide</td>
<td>Special Enrollment at a glance.</td>
<td>3/8/2022</td>
</tr>
<tr>
<td>Special Enrollment Period Verification</td>
<td>Quick Guide</td>
<td>Information on Covered California’s Special Enrollment Verification process and how to assist consumers with Special Enrollment verification needs.</td>
<td>3/8/2022</td>
</tr>
<tr>
<td>Special Enrollment Period Job Aid</td>
<td>Job Aid</td>
<td>Walkthrough of the online application for Special Enrollment.</td>
<td>3/8/2022</td>
</tr>
<tr>
<td>Special Enrollment FAQ (Coming Soon)</td>
<td>FAQ</td>
<td>Commonly asked questions and answers regarding Special Enrollment.</td>
<td></td>
</tr>
<tr>
<td>App-based Driver Stipend</td>
<td>Quick Guide</td>
<td>Information about health care stipends available to qualified app-based drivers.</td>
<td>3/2/2022</td>
</tr>
<tr>
<td>CalHEERS Online Application</td>
<td>Job Aid</td>
<td>A step-by-step guide to assist enrollers with the CalHEERS Online Application.</td>
<td>2/18/2022</td>
</tr>
</tbody>
</table>

### Health, Dental, and Vision Plans

<table>
<thead>
<tr>
<th>Resource</th>
<th>Type</th>
<th>Description</th>
<th>Date Updated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Benefit Design</td>
<td>Handout</td>
<td>Handout to provide consumers with a clear view of the standard benefit and options for enrollment.</td>
<td>10/4/2021</td>
</tr>
</tbody>
</table>
Preparing for the Unwinding the COVID-19 Public Health Emergency: Continuing Coverage for Californians

June 2022

Contact Information:

Email kickoffevents@covered.ca.gov or marc.ross@covered.ca.gov with any additional questions, comments, or requests.