

# 2015 OPEN ENROLLMENT

Major observations from second open enrollment and first renewal period:

- **Strong Enrollment:** Nearly 500,000 new enrollees in Covered California and more than 780,000 in Medi-Cal.
- **High renewal rate:** 2014 consumers stayed with Covered California.
- **Higher share of Latinos and African-Americans** among new enrollees: our targeted outreach, education, and marketing efforts appear to be showing results.
- **A younger mix of new enrollees:** ensuring a good risk mix.
- **Price matters:** Renewal and new enrollment tied to better rate position.
- **Service Center enhancements paid off:** representatives handled twice the call volume compared to last year and improved customer service.
- Significant analysis needed on outreach efforts, demographics of new and renewing consumers, and lessons learned.

# 2015 OPEN ENROLLMENT

Through February 22:

# 495,073

New Individuals Selected a Qualified Health Plan for 2015

- Level of new enrollments during open enrollment consistent with medium forecast for 2015.

# 2015 RENEWAL of 2014 ENROLLEES

As of December 2014:

**944,000 –or– 92%**

of Covered California consumers renewed for 2015.

# 2015 ENROLLMENT

Continued strong enrollment among subsidy-eligible consumers.

	2014 Open Enrollment (%)	2015 Enrollment to date					
	Total	Renewal (As current on 2/26/2015*)		2015 New (Plan selections as of 2/22/2015)		Total	
	Column %	Count	Column %	Count	Column %	Count	Column %
Eligible for Subsidy	88%	834,587	91%	436,970	88%	1,271,542	90%
Unsubsidized	12%	78,718	9%	58,103	12%	136,820	10%
<b>Total</b>	<b>100%</b>	<b>913,305</b>	<b>100%</b>	<b>495,073</b>	<b>100%</b>	<b>1,408,362</b>	<b>100%</b>

\* Note: Number is less than 944,000 total renewed due to regular monthly inflow and outflow of consumers who gain and lose other sources of coverage.

# 2015 OPEN ENROLLMENT & RENEWAL

## Comparing experience over the past year to projections:

- *New consumers added during open enrollment 2015:*
  - Consistent with forecast.
- *Effectuations during 2014:*
  - Slightly lower (80%) than forecast (85%)
- *Retention rate during 2014:*
  - Better than forecast, with more enrolled members staying with Covered California.
- *Special Enrollment growth during 2014:*
  - Special enrollment – especially due to loss of job-based coverage and transition out of Medi-Cal – was more modest than anticipated. As a result, by December 2014, the “base” of consumers with an option to renew was lower than forecast.
- *Renewal Rate for 2014 consumers:*
  - Of the consumer who could renew, 92% decided to continue their coverage with Covered California.

Forecasts for 2015	Total
Low	1,300,000
Medium	1,700,000
High	1,900,000
<b>Actual 2015*</b>	<b>~1,400,000</b>

\* Sum of 2015 open enrollment plan selections through 2/22/2015 and renewals current on 2/26/2015.

# 2015 OPEN ENROLLMENT

Californians are receiving new coverage:

495,073

New enrollments in  
Covered California

(through 2/22/2015)

+ 779,000

New enrollments in Medi-Cal  
(through 1/31/2015)

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1,274,073

Individuals with new  
coverage for 2015.

# 2015 OPEN ENROLLMENT v. 2014 OPEN ENROLLMENT

## Race/Ethnicity

Distribution of new 2015 enrollments is closer to the CalSIM estimates of subsidy-eligible population:

- Latino and African-American shares of new enrollees increased in 2015 relative to 2014.

	CalSIM 1.91 (%)	Race & Ethnicity - SUBSIDY ELIGIBLE <i>RESPONDENTS</i> ONLY -			
		2014 Open Enrollment (Plan selections 10/1/13 – 3/31/14)		2015 New (Plan selections through 2/22/2015)	
		Total			
		Count	Column %	Count	Column %
Asian	21%	208,357	23%	53,076	18%
Native Hawaiian or Pacific Islander		2,237	<1%	895	<1%
Black or African American	5%	26,038	3%	10,359	4%
Latino	38%	280,025	31%	105,553	37%
White	34%	317,311	35%	99,512	34%
American Indian or Alaskan Native	4%	2,496	<1%	1,289	<1%
Other		26,305	3%	9,708	3%
Multiple Races		50,101	5%	9,163	3%
<b>Total</b>	<b>100%</b>	<b>912,870</b>	<b>100%</b>	<b>289,555</b>	<b>100%</b>

Note: Excludes individuals who did not respond to the race or ethnicity questions: 195,144 (23%) for 2014 and 147,415 (34%) for 2015.

# 2015 OPEN ENROLLMENT

## Age

A younger mix of new enrollees.

	Age			
	2014 Open Enrollment (Plan selections 10/1/13 – 3/31/14)		2015 New (Plan selections through 2/22/2015)	
	Count	Column %	Count	Column %
Age 17 or less	77,963	6%	26,726	5%
Age 18 to 25	161,762	12%	64,093	13%
Age 26 to 34	241,066	17%	101,895	21%
Age 35 to 44	238,801	17%	83,867	17%
Age 45 to 54	338,439	24%	113,730	23%
Age 55 to 64	336,525	24%	101,909	21%
Age 65 or more	1,373	<1%	2,853	1%
Total	1,395,929	100%	495,073	100%



# 2015 OPEN ENROLLMENT

## Gender

	Gender			
	2014 Open Enrollment (Plan selections 10/1/13 – 3/31/14)		2015 New (Plan selections through 2/22/2015)	
	Count	Column %	Count	Column %
Female	724,433	52%	248,435	50%
Male	671,496	48%	246,638	50%
Total	1,395,929	100%	495,073	100%

# 2015 OPEN ENROLLMENT

## Service Channel

- Consumers increasingly sought in-person assistance.
- Consumer self-service enrollment remained high.
- Service Center Representatives continued to play a critical role in enrolling consumers.

	Service Channel			
	2014 Open Enrollment (Plan selections 10/1/13 – 3/31/14)		2015 New (Plan selections through 2/22/2015)	
	Count	Column %	Count	Column %
Certified Insurance Agent	548,847	39%	214,517	43%
Certified Enrollment Counselors and Navigators	123,270	9%	51,040	10%
County Eligibility Worker	8,834	1%	739	<1%
Consumer	577,376	41%	149,077	30%
Certified Plan-based Enroller	13,588	1%	17,698	4%
Covered California Service Center Representative	124,014	9%	62,002	13%
<b>Total</b>	<b>1,395,929</b>	<b>100%</b>	<b>495,073</b>	<b>100%</b>

# 2015 OPEN ENROLLMENT

## Issuer

	Issuer			
	<b>2014 Open Enrollment</b> (Plan selections 10/1/13 – 3/31/14)	<b>Renewal</b> (As current on 2/26/2015)	<b>2015 New</b> (Plan selections through 2/22/2015)	<b>2015 Total</b> (Plan selections through 2/22/2015 and renewals current on 2/26/2015)
	Count	Column %	Count	Count
Anthem	30%	28%	28%	28%
Blue Shield	27%	28%	19%	25%
Chinese Community	1%	1%	1%	1%
Health Net	19%	17%	19%	18%
Kaiser Permanente	17%	22%	28%	24%
LA Care	3%	2%	1%	2%
Molina Health Care	1%	1%	3%	2%
SHARP Health Plan	1%	1%	2%	1%
Valley Health	<1%	<1%	<1%	<1%
Western Health	<1%	<1%	1%	<1%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Note: Does not include Contra Costa who was an Issuer in 2014.

# 2015 OPEN ENROLLMENT

## Metal Tier Selection - Subsidized

Subsidy-eligible consumers continue to prefer a Silver plan.

Metal Tier - SUBSIDIZED only				
	2014 Open Enrollment (Plan selections 10/1/13 – 3/31/14)		2015 New (Plan selections through 2/22/2015)	
	Count	Column %	Count	Column %
Minimum Coverage	6,534	1%	2,902	1%
Bronze	297,448	24%	128,342	29%
Silver	809,085	66%	274,351	63%
Gold	61,507	5%	17,866	4%
Platinum	47,746	4%	13,509	3%
<b>Total</b>	<b>1,222,320</b>	<b>100%</b>	<b>436,970</b>	<b>100%</b>

# 2015 OPEN ENROLLMENT

## Metal Tier Selection - Unsubsidized

Unsubsidized consumers are moving away from Gold and Platinum plans and towards Silver and Bronze plans.

	Metal Tier - UNSUBSIDIZED only			
	2014 Open Enrollment (Plan selections 10/1/13 – 3/31/14)		2015 New (Plan selections through 2/22/2015)	
	Count	Column %	Count	Column %
Minimum Coverage	13,160	8%	4,148	7%
Bronze	61,880	36%	22,366	39%
Silver	51,722	30%	18,793	32%
Gold	21,851	13%	6,336	11%
Platinum	24,996	14%	6,460	11%
Total	173,609	100%	58,103	100%

## UPDATE ON 2014 SUBSIDY AND COST-SHARING NUMBERS

- The Federal Advanced Premium Tax Credit (APTC) in California for 2014 was \$3.2 billion paid to health insurance companies.
- Consumers paid \$1.1 billion into their health care plans.
- The average family received \$5,200 a year in subsidies to help pay for health care.
- 60 percent of consumers received, on average, \$1,200 a year in cost-sharing reductions.

# TAX PENALTY UPDATE

- Starting in the 2014 tax year, individuals who do not have health care could face a “shared responsibility payment” penalty on their taxes.
- The penalty will increase dramatically over the next two years for those who remain uninsured.
- Covered California is taking steps to make sure the penalties are kept to a minimum by:
  - Updating website with valuable tax and 1095a information
  - Hosting informational webinars
  - Increasing messaging and outreach surrounding tax penalties
  - Introducing a limited time Special Enrollment period for those unaware of the tax penalty (from 2/23 to 4/30)

# SPECIAL ENROLLMENT PERIOD



# 2015 SPECIAL ENROLLMENT PERIOD UNDERWAY

- New for 2015 and for a time-limited time only (February 23<sup>rd</sup> – April 30<sup>th</sup>, 2015), consumers who did not realize there was a tax penalty in 2014 or learned they may face a penalty in 2015 will be able to enroll under the “Informed of Penalty Risk” special enrollment event.
- As in 2014, Consumers will continue to be able to apply for the Medi-Cal Program throughout the year.
- Consumers are also eligible for special enrollment under qualifying life events like:
  - Loss of health insurance
  - Marriage
  - Birth
  - Income changes
- For more information on special enrollment and the full list of qualifying life events, please visit the Covered California website at:  
<http://www.coveredca.com/individuals-and-families/getting-covered/special-enrollment/>

# SMALL BUSINESS HEALTH OPTIONS PROGRAM (SHOP) UPDATE

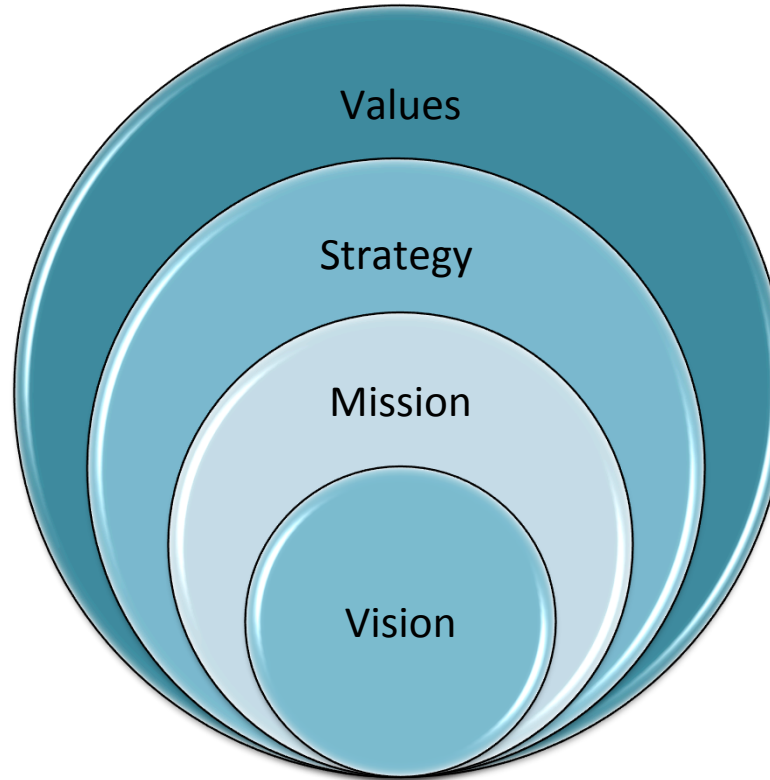
# SMALL BUSINESS HEALTH OPTIONS PROGRAM (SHOP) UPDATE

As of February 1, 2015:

- Total Number of Employers: 2,311
- Total Number of Members: 15,671
- Total Number of Agent Assisted Employers: 1,952 (84.47%)
- April Board Meeting: Marketing Update and Lessons Learned.

# PLANNING FOR SUSTAINABILITY: COVERED CALIFORNIA'S VISION, MISSION AND PILLARS

# WHAT GUIDES COVERED CALIFORNIA?



# COVERED CALIFORNIA'S VISION AND MISSION: THE TARGET

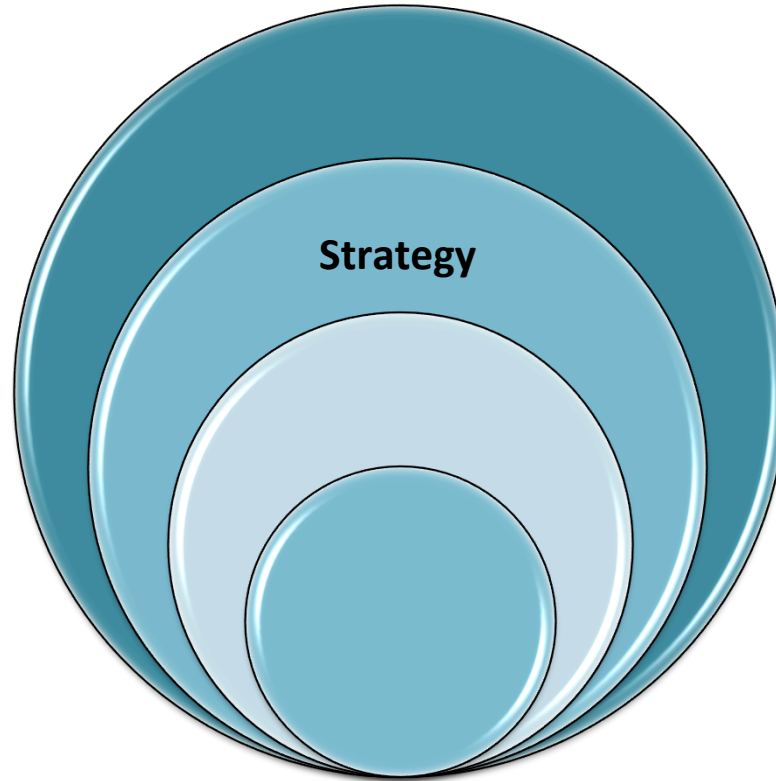
## Vision

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.

# WHAT GUIDES COVERED CALIFORNIA?



# COVERED CALIFORNIA'S STRATEGIC PILLARS: WHAT WE DO

## Affordable Plans

Consumers purchase and keep Covered California products based on their perception that this is a good value for them.

## Needed Care

Consumers receive the right care at the right time.

## Effective Outreach & Education

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

## Positive Consumer Experience

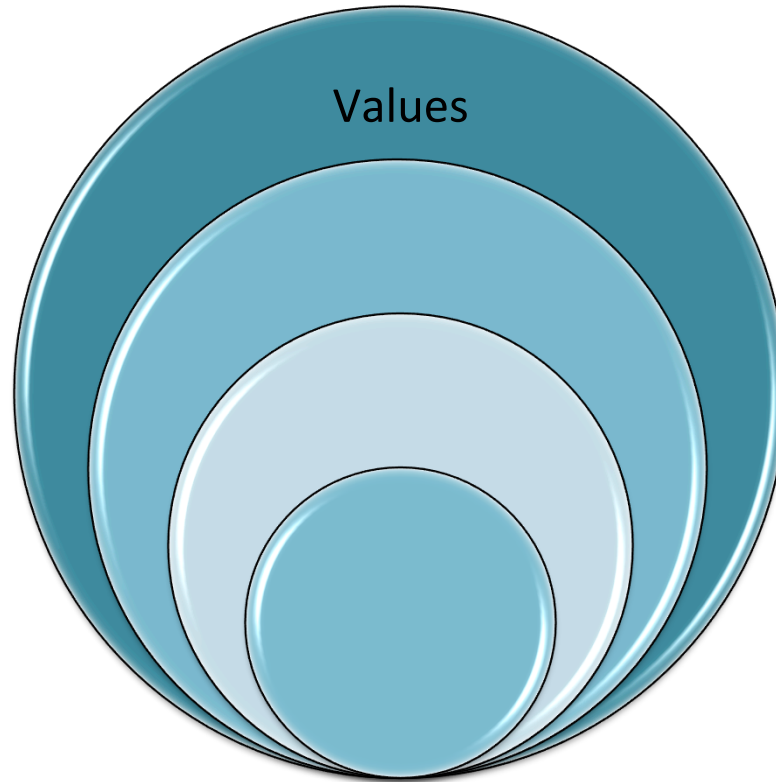
Consumers have a positive experience from initial enrollment to keeping their coverage.

## Organizational Excellence

Covered California has the right tools, processes, and resources to support our team to deliver on our mission.



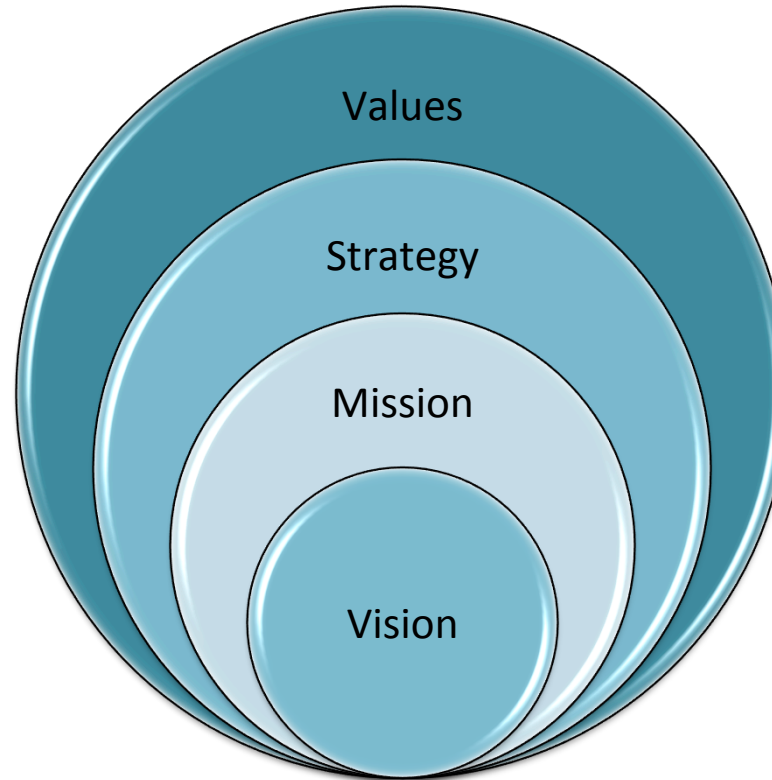
# WHAT GUIDES COVERED CALIFORNIA?



# COVERED CALIFORNIA'S GUIDING VALUES: HOW WE DO IT

- **Consumer-focused**: At the center of Covered California's efforts are the people it serves, including patients and their families, and small business owners and their employees. Covered California will offer a consumer-friendly experience that is accessible to all Californians, recognizing the diverse cultural, language, economic, educational and health status needs of those we serve.
- **Affordability**: The Exchange will provide affordable health insurance while assuring quality and access.
- **Catalyst**: Covered California will be a catalyst for change in California's health care system, using its market role to stimulate new strategies for providing high-quality, affordable health care, promoting prevention and wellness, and reducing health disparities.
- **Integrity**: The Exchange will earn the public's trust through its commitment to accountability, responsiveness, transparency, speed, agility, reliability, and cooperation.
- **Partnership**: The Exchange welcomes partnerships, and its efforts will be guided by working with consumers, providers, health plans, employers and other purchasers, government partners, and other stakeholders.
- **Results**: Covered California will be measured by its contributions to expanding coverage and access, improving health care quality, promoting better health and health equity, and lowering costs for all Californians.

# What Guides Covered California?



# OPEN ENROLLMENT RECAP

- The infrastructure expansion completed since last open enrollment allowed the technical team to continue to release fixes and enhancements into production without requiring outages.
- During the first open enrollment, outages were required for enhancements and fixes almost every weekend. For this second open enrollment, a total of two planned outages occurred, both during overnight hours. There was one hardware failure resulting in a short unplanned production outage of approximately 15 minutes.
- The highest single volume day for Covered California plan enrollment was February 15. On this single day, over 36,000 plan enrollments were completed with no reported or measured performance issues.
- Changes were implemented to allow service channels to help consumers who started applications on or before February 15 complete their applications by February 20.

# SYSTEM ENHANCEMENTS

- Major release March 2 to improve the Single Streamlined Application and integration with Statewide Automated Welfare Systems (SAWS)
- Adds more context-sensitive help for consumers
  - Pop-up windows to “Learn More” which explain enrollment options in more detail
  - A “Help Me Decide” panel to assist you in determining whether or not a consumer is eligible for tax credits or Medi-Cal
- Adds additional help to ensure consumers are found eligible for the correct Insurance Affordability Programs
  - Adds additional information to help former foster youth and pregnant women better understand their options under Medi-Cal (further improvements to automate eligibility will be forthcoming)
  - Options on the immigration drop-down menu to accommodate a variety of immigration status scenarios
  - Updated income reporting features such as:
    - The ability to report negative self-employment income
    - The ability to display a consumer’s total current monthly income alongside their expected yearly income
    - Expanded drop-down choices

# SERVICE CENTER UPDATE

Service Center has seen an increased call volume and enrollment in 2015. This is in part due to:

- **Improving Customer Service**
  - Continued training for SCRs in both voice and chat assistance and reorganizing as needed to service incoming volumes
  - Utilization of Service Center resources to provide outreach to consumers who are in various stages of completion in their application
  - Increased number of SCRs to accommodate incoming call surges.
  - Increased number of bilingual staff to better align with current market and consumer demands
    - Current multi-lingual resources have increased over 380% from last open enrollment. We now 247 bilingual staff as of February 2015
- **Enhance Technology Solutions**
  - Continued IVR enhancements to improve self-service and native language support
  - Reporting through CRM to track the daily disposition of incoming contacts will provide key information to establish possible solutions to provide identified consumer support needs
  - After call work automated time was reconfigured to enhance SCR productivity.
- **Clarifying channels and improved communications**
  - Extended Service Center hours of operation through the open enrollment period: 8am to 8pm Monday through Friday and 8am to 6pm on Saturdays and Sunday coverage January through February 22<sup>nd</sup>
  - Service Center returned to the special enrollment hours of operation on Monday, February 16<sup>th</sup> of 8am to 6pm Monday through Friday and 8am to 5pm on Saturdays