



On the Path to Enrollment: Getting Californians Covered Under the ACA

CHANGES FOR THE SECOND OPEN ENROLLMENT PERIOD, 2014-15

Covered California, the state's health insurance marketplace set up under the Affordable Care Act, offers a number of programs and channels to assist those navigating the health insurance enrollment system. The California HealthCare Foundation's October 2013 report *On the Path to Enrollment: Getting Californians Covered Under the ACA* outlines the outreach and education, enrollment assistance, and consumer assistance programs implemented during the first year of Covered California's operation.

To prepare for its second open enrollment period (OEP) — November 15, 2014, through February 15, 2015 — Covered California made adjustments to its community-based assistance programs for consumers. This issue brief summarizes the changes to Covered California's Outreach and Education, and enrollment assistance programs that have been implemented or announced in 2014.¹ More detail about these programs, explanation of federal law, and a discussion of consumer assistance resources for people already enrolled in insurance, can be found in the 2013 paper.²

One-on-one enrollment assistance is also available through Covered California's service center and through county social services offices. This paper does not cover those enrollment channels.

Outreach and Education

Marketing Campaign

In its second OEP, Covered California anticipates spending approximately the same amount on marketing as it did in its first year (\$73.7 million in 2014-15 versus \$74.1 million in 2013-14). Marketing and media efforts will focus in particular on "multicultural segments," defined as Latino, African American, and Asian communities. Key messages will include affordability (Covered California as the only place to receive tax credits to help pay for private health insurance), accessibility, and "peace of mind." Communications will also emphasize the availability of free, local, in-person enrollment assistance.³

Outreach and Education Grant Program

Covered California's Outreach and Education Grant Program funds entities to conduct outreach and education to individuals potentially eligible for coverage through Covered California, and to small businesses eligible to purchase coverage through the Small Business Health Options Program (SHOP). Grantee organizations are required to provide consumers with information about all insurance affordability programs, including both Covered California and Medi-Cal. Individuals providing these educational services must be certified under the Outreach and Education Grant Program and are referred to as Covered California certified educators.

Two cycles of Covered California's Outreach and Education Grant Program have been funded, with grants totaling \$40 million to nearly 50 organizations (with more than 250 subcontractor organizations).⁴ As of October 2014, more than 2,000 individuals were serving as certified educators in California; Covered California reported that they had reached 16.1 million individual consumers, 1.4 million business owners, and 1.3 million medical professionals.⁵

For the second OEP, the key change related to outreach is the addition of the Navigator Program. Navigators are enrollment assisters who are also responsible for outreach and education. (See further discussion of the Navigator Program, below.)

Glossary

Certified Application Counselor (CAC). All marketplaces are federally mandated to have CACs in place as an enrollment assistance channel. There is no funding or required compensation under federal law.

Certified Enrollment Counselor (CEC).* Certified and trained by Covered California to assist with enrollment in coverage through Covered California and Medi-Cal, CECs are employed or contracted by Certified Enrollment Entities.

Certified Enrollment Entity (CEE).* The organizations participating in the enrollment assistance program, CEEs contract with individual CECs to perform enrollment assistance.

Certified Insurance Agent. Agents are licensed by the state and certified by Covered California to assist consumers seeking coverage through Covered California and Medi-Cal.

Navigator. All marketplaces, state-run and federally facilitated, are required under federal law to have navigators in place to conduct outreach and education and to provide enrollment assistance. States cannot use establishment grants, but they may use fees assessed on qualified health plans, to fund navigator programs.

Non-Navigator/In-Person Assister. Under federal law, non-navigator assisters (or in-person assisters) are optional for state-based marketplaces, and states can use federal establishment funds to support these programs. Covered California's enrollment assistance program was initially established under this federal category.

*Term used by Covered California.

Enrollment Assistance

The ACA requires state-based marketplaces to provide enrollment assistance to consumers but gives states significant discretion in the design and implementation of these programs. In October 2014, Covered California implemented a Navigator Program that will be the centerpiece of its enrollment assistance program, and has announced plans for further changes to the program to begin in 2015, after the second OEP. These changes come in response to the ending of certain federal funding streams, to federal requirements mandating certain types of assistance programs, and to lessons learned about how consumers were assisted during the first OEP.

Structure for 2014-15

The current structure of Covered California's enrollment assistance program, which will remain in place through the second OEP, includes both the Navigator and Non-Navigator/In-Person Assistance (IPA) Programs — federal categories of enrollment assistance with different funding sources.

Organizations participating in the enrollment assistance program are referred to as certified enrollment entities (CEEs), and individuals serving consumers and small businesses are called certified enrollment counselors (CECs), regardless of whether the entity is funded as a navigator or is under the Non-Navigator/IPA Program. As of September 2014, before the Navigator Program launched, Covered California had certified more than 6,000 CECs,⁶ who in the first OEP enrolled 339,000 individuals, 32% in Covered California and 68% in Medi-Cal.⁷ A list of

CEEs and CECs, searchable by language and location, is posted on the Covered California website at www.coveredca.com/get-help/local.

Comparison of Program Elements: Non-Navigator/IPA vs. Navigator

During the 2014-15 OEP, two elements of the enrollment assistance program will be in place. The Non-Navigator/IPA Program was launched in 2013 and was the exclusive community-based in-person assistance program during the first OEP; the Non-Navigator Program will continue through the second OEP but is scheduled to be transformed in 2015 to the Certified Application Counselor (CAC) Program (see box). The Navigator Program, by contrast, is first being implemented in 2014, with grant applications due in July, training and certification for grantees in October, and enrollment assistance also beginning in October. The Navigator Program is intended to continue indefinitely.

Non-Navigator/IPA Changes Following the Second Open Enrollment Period

After the second OEP ends in February 2015, the Non-Navigator/IPA Program will become the Certified Application Counselor program. At that time, entities that do not receive navigator grants will be moved to this program. Although details have not been confirmed, it is expected that regulations for the CAC program will mirror those of the IPA program, although without the compensation element.

The same types of entities are eligible for both programs. These include Indian tribes, colleges and universities, faith-based organizations, nonprofit community organizations, safety-net clinics, and school districts, among others. Certification and training standards are likewise the same for both programs. And participants in both programs are compensated for successful enrollments, though the method of compensation differs (see below).

CECs working under both programs share roles and responsibilities, which include:

- ▶ Distributing fair and impartial information concerning enrollment into Qualifying Health Plans (QHPs)
- ▶ Facilitating enrollment into QHPs available through Covered California
- ▶ Providing referrals to consumer assistance programs (e.g., ombudsman programs and the Office of the Patient Advocate)⁸
- ▶ Providing information that is culturally and linguistically appropriate
- ▶ Providing support for consumers renewing their Covered California insurance coverage
- ▶ Providing health literacy education

In addition, Navigators are responsible for conducting public education to raise awareness of the availability of Covered California products.⁹

The primary difference between California's Navigator and Non-Navigator/IPA Programs is the compensation structure. Participating CEEs in the

Non-Navigator/IPA Program are compensated per application: \$58 per successful enrollment (defined as the completion and submission of an application that results in enrollment, including initial premium payment) and \$25 per successful renewal, in a Covered California QHP. (Regarding payment for enrollments in Medi-Cal, see Medi-Cal Enrollment Assistance, below.) Each CEE determines its own process for paying individual CECs for successful enrollments or renewals, including the amount paid to CECs. As of September 2014, CEEs had received \$2,352,248 for successful QHP application assistance.¹⁰

The navigator component, by contrast, is a competitive grant-based program. In September 2014, Covered California announced awards to 66 organizations with 161 subcontractors.¹¹ Final grants totaled \$17.1 million, including \$14.65 million in new navigator funding and \$3 million in rollover funding from outreach and education grantees, who were permitted to apply to be navigators and to roll over remaining outreach and education funds into the new program. Navigator grantees set targets for the number of Covered California enrollments they aim to achieve. The lead organization is responsible for tracking the number of completed applications and for meeting a certain percentage of the target number in order to receive payment from Covered California. While navigators, like all enrollment assisters, will be trained to provide education about and enrollment assistance for Medi-Cal as well as for QHPs, navigators will only be able to count QHP applications toward their enrollment targets. Navigators are also eligible to receive Medi-Cal in-person enrollment assistance payments.

Certified Insurance Agents

Under the ACA, states can allow insurance agents and brokers to enroll individuals and businesses in QHPs and SHOP, and California has chosen to do so. During the first OEP, agents and brokers produced 40% of individual enrollments (roughly equivalent to the number who enrolled through CECs) and 77% of SHOP enrollments.¹² Going into the 2014-15 OEP, Covered California has certified more than 12,000 insurance agents to assist with QHP enrollment.

Federal law does not require agents and brokers to be navigators or to support enrollment in Medicaid. However, Covered California does require insurance agents and brokers to at minimum provide information on all QHPs and insurance affordability programs available in the state, including Medi-Cal. Certified insurance agents have also been eligible to receive Medi-Cal in-person enrollment assistance payments, as discussed in the following section.

Medi-Cal Enrollment Assistance

Although CECs, navigators, and insurance agents all provide information on Medi-Cal enrollment as well as enrollment into Covered California QHPs, the enrollment assistance infrastructure for the programs is not seamless. The move to the grant-based Navigator Program, along with limitations on funding for Medi-Cal enrollment, may exacerbate this imbalance during the second OEP and into the future. Families with mixed program eligibility (for example, parents eligible for Covered California and children for Medi-Cal), and people whose income changes lead them to move

back and forth between programs, are particularly likely to be affected by the different assistance structures.

Medi-Cal enrollment is available year-round; there is no OEP as there is for Covered California.

Funding for Medi-Cal Enrollment Assistance

Although the federal grants to Covered California that fund the non-navigator/IPA payments and navigator grants reimburse only for QHP and not Medi-Cal enrollment, a combination of private foundation funds and federal dollars created a financing stream for Medi-Cal application assistance in the first OEP. The California Endowment provided \$26.5 million to DHCS, which was matched with federal funds to provide a total of \$53 million to support Medi-Cal enrollment efforts by CECs and certified insurance agents.

Of that total, \$25 million was earmarked for county Medi-Cal outreach and enrollment grants, which were announced in spring 2014 and range from \$100,000 to \$7 million. The grants, which run through June 2016, support existing efforts to enroll Medi-Cal eligible consumers and focus on certain target populations:

- ▶ People with mental health disorder needs
- ▶ People with substance use disorder needs
- ▶ People who are homeless
- ▶ Young men of color

- ▶ People who are in county jail or state prison, on state parole, on county probation, or under post-release community supervision
- ▶ Families of mixed immigration status
- ▶ People with limited English proficiency¹³

The remainder of the \$53 million fund — \$28 million — went to support Medi-Cal in-person enrollment assistance payments. These payments are administered through the Covered California enrollment assistance program, and the payment structure is identical to non-navigator/IPA payments for enrollment in a QHP: \$58 per successful Medi-Cal enrollment for assistance provided to newly eligible individuals and to those who have not been enrolled in the Medi-Cal program during the 12 months prior to submitting an application. Thus, through the federally matched grant funds, CECs were able to treat QHP and Medi-Cal applicants similarly and be paid equally regardless of the applicant's eventual program eligibility. In fact, in the first OEP, CECs processed over twice as many Medi-Cal applications as Covered California QHP enrollees.

Payments to CECs for Medi-Cal applicants have been released only slowly. The first payments did not become available until July 2014 and were earmarked for applications that included at least one newly eligible 19- to 64-year-old. DHCS and Covered California continue to issue payments for all other eligible Medi-Cal applications.¹⁴ As of September 2014, \$1,184,650 had gone to CECs to reimburse for Medi-Cal application assistance.¹⁵

In 2014, The California Endowment offered the state an additional \$6 million to support Medi-Cal renewal

(as opposed to initial enrollment) payments to CEEs and agents. Governor Brown did not include those funds in the state budget for 2014-15, but eventually signed Senate Bill 18, which requires California to accept the funds — thereby drawing down an equivalent amount in federal dollars — for assistance with Medi-Cal renewals.¹⁶ As a result, CEEs, navigators, and agents currently have access to funding for both Medi-Cal enrollment and renewal, as long as those dollars remain available. In the long run, however, there is no guarantee of ongoing funding for community-based Medi-Cal assistance, nor of continued coordination of community-based funding and programming between Covered California and DHCS.

About the Author

Community Health Councils (CHC) is a nonprofit, community-based health advocacy, policy, and educational organization. The organization's mission is to promote social justice and to achieve equity in community and environmental resources for underserved populations.

Sonya Vasquez, MSW, is policy director at CHC.

About the Foundation

The California HealthCare Foundation works as a catalyst to fulfill the promise of better health care for all Californians. We support ideas and innovations that improve quality, increase efficiency, and lower the costs of care. For more information, visit www.chcf.org.

©2014 California HealthCare Foundation

Endnotes

1. The information in this paper is current as of October 2014. For a background discussion about ACA requirements, see *On the Path to Enrollment: Getting Californians Covered Under the ACA* (October 2013), www.chcf.org.
2. There were no significant changes to the consumer assistance programs for those already enrolled in public insurance.
3. Covered California, *Covered California Open Enrollment 2013-2014: Lessons Learned* (October 2014), 86-89.
4. Covered California, *Open Enrollment*, 46.
5. Covered California, *Open Enrollment*, 47.
6. Covered California, *Executive Director's Report* (September 18, 2014): 32, board.coveredca.com/meetings/2014/9-18/index.shtml.
7. Covered California, *Open Enrollment*, 60.
8. California HealthCare Foundation, *On the Path to Enrollment*, 15, www.chcf.org.
9. Compiled from various Covered California Enrollment Assistance Program webinars, www.healthexchange.ca.gov.
10. Covered California, *Executive Director's Report* (September 18, 2014): 33.
11. Covered California, *Navigator Grant Funding Announcement Report* (September 18, 2014), hbex.coveredca.com/navigator-program.
12. Covered California, *Open Enrollment*, 57.
13. California Department of Health Care Services, "Outreach and Enrollment Workgroup," www.dhcs.ca.gov.
14. California Department of Health Care Services, "Outreach."
15. Covered California, *Executive Director's Report* (September 18, 2014): 33.
16. Medi-Cal Renewal, Senate Bill 18, Chapter 551 (2014).