



CALIFORNIA HEALTHCARE FOUNDATION



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

OCTOBER 2013

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## 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.

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## 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](http://www.chcf.org).

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# Creating a Continuum of Support for Consumers

**B**eginning January 1, 2014, millions of Californians will be eligible for new health insurance coverage. Many will need help understanding, accessing, and using these benefits. This report provides information about the outreach, enrollment, and assistance programs outlined in the ACA, and about California's efforts to realize this continuum of consumer support. It focuses primarily on community-based structures funded or administered by state government, and does not include the many private efforts in this area.<sup>1</sup> Differences between Covered California and the Medi-Cal agency's outreach, enrollment, and consumer assistance efforts are highlighted where applicable. This information is current as of October 1, 2013. To access updates to this report, visit: [www.chcf.org](http://www.chcf.org).

The federal Patient Protection and Affordable Care Act of 2010 (ACA) requires states to modernize, streamline, and simplify their eligibility and enrollment systems and processes so that consumers and small businesses can easily enroll in, access, and keep their health coverage. It also requires states to make enrollment available through multiple channels — online, by phone, and in person.

Some Californians will find their own way through the enrollment process and will use one of the many self-service options available. Online enrollment is available for all programs through Covered California's

website via a new eligibility and enrollment system called CalHEERS (California Healthcare Eligibility, Enrollment and Retention System), which was jointly developed by Covered California and the California Department of Health Care Services (DHCS). Covered California also has a phone service center that will assist consumers in applying for coverage and premium assistance programs.<sup>2</sup> A paper application can be mailed in for eligibility determination, and enrollment is also available through county social services offices and online portals, and through a variety of health provider sites.

Recognizing that some people will not find these sources on their own, or be able to navigate them alone, the ACA also includes a number of provisions aimed at ensuring that consumers have access to the help they need to learn about and enroll in coverage. California's diverse population will require a dynamic mix of consumer support tools to help resolve enrollment barriers that include cultural and linguistic access issues, low levels of health literacy among underserved and previously uninsured people, and the general difficulties of enrollment in public programs and health insurance. Studies suggest that many Californians will need or want some type of one-on-one help in applying for health coverage.<sup>3</sup> In response, California is establishing a network of community-based services, including outreach to bring people in, problem-solving assistance for those already insured, as well as help in applying.

**Figure 1. Continuum of Consumer Support**



Covered California and DHCS are working to create a continuum of consumer support as envisioned under the ACA by:

1. Developing and implementing a statewide marketing and outreach campaign in conjunction with a Community Mobilization Grant Program that provides outreach and education to consumers and small businesses.
2. Increasing access to enrollment assistance through the implementation of an Enrollment Assistance Program that includes the federal Navigator and In-Person Assistance (IPA) programs.
3. Expanding and improving consumer assistance programs to get individuals, families, and small businesses the help they need when they face problems applying for or using health coverage.

## Abbreviations Explained

**ACA.** The Patient Protection and Affordable Care Act was passed by Congress and signed into law by President Obama on March 23, 2010.

**CalHEERS.** The California Healthcare Eligibility, Enrollment, and Retention System, California's enrollment web portal, online application, and business rules engine that facilitates enrollment in Covered California qualified health plans and Modified Adjusted Gross Income-based Medi-Cal.

**LIHP.** The Low-Income Health Program is California's Bridge to Reform Demonstration program that provides health care coverage to eligible low-income adults. It is an optional, local program that will run from July 2011 through December 2013, at which time LIHP enrollees will become eligible for Medi-Cal under the ACA.

**QHP.** A qualified health plan is an insurance plan that provides essential health benefits and follows established limits on cost-sharing (e.g., deductibles, copayments, and out-of-pocket maximum amounts), among other requirements. QHPs are certified by Covered California.

**SHOP.** The Small Business Health Options Program is the marketplace that will allow small business owners to shop, compare, and purchase coverage for themselves and their employees.

## State Agencies and Programs

**DHCS.** California Department of Health Care Services

## Federal Agencies and Programs

**CCIIO.** Centers for Medicare & Medicaid Services' Center for Consumer Information and Insurance Oversight

**CHIP.** Children's Health Insurance Program

**CHIPRA.** Children's Health Insurance Program Reauthorization Act

**CMS.** Centers for Medicare & Medicaid Services

**HHS.** US Department of Health and Human Services

**HRSA.** US Department of Health and Human Services Health Resources and Services Administration

## Outreach and Education

California's success in maximizing enrollment in coverage hinges on its ability to educate consumers and small businesses about the health coverage and premium assistance programs available in 2014 and beyond, and on the participation of community-based organizations and health care providers in this task. This section provides a summary of outreach and education efforts underway and planned.

### Federal Requirements and Funding

The ACA requires marketplaces to conduct outreach and education to consumers eligible for qualified health plans (QHPs), premium assistance programs, and insurance affordability programs.<sup>4</sup> While federal law does not specify the scope of outreach and education activities that states must conduct, it does dictate that these efforts must comply with federal accessibility standards and antidiscrimination provisions, including access for individuals with disabilities and populations with limited English proficiency.<sup>5</sup> To fund these consumer outreach and education activities, marketplaces may use federal establishment funds. Covered California received \$88.7 million in federal funding for outreach and education in 2013 and \$130 million for such efforts in 2014.<sup>6</sup>

While the use of ACA funds for Medicaid outreach and education is limited, California is funding targeted outreach through private philanthropic dollars matched with federal Medicaid funds. (See Appendix B.)

### What Is California Doing?

To ensure that consumers are informed of their health care options and ways they can enroll in coverage, Covered California has launched a statewide marketing campaign and is deploying a team of certified educators in local communities to conduct outreach and education. In addition, DHCS is planning to implement a Medi-Cal outreach grant program using foundation and federal funds, although details about this program are not yet available. (See Appendix B for a discussion of Medi-Cal outreach funding.)

### Statewide Marketing Campaign

Using federal establishment grants, Covered California is implementing a marketing and education campaign with the goal of reaching every resident in the state. The campaign emphasizes the importance of health coverage and seeks to drive individuals and small businesses to the Covered California marketplace, specifically to enrollment channels such as the Covered California customer service center, the Covered California website, and certified enrollment counselors.<sup>7</sup>

The statewide marketing and media campaign is expected to reach 39 million Californians where they “live, learn, work, worship, and play.”<sup>8</sup> The campaign will shift over time from general education messages to information on ways consumers can enroll in coverage. Components of the campaign include:

- ▶ Earned and paid media communications (television, radio, magazine, and newspaper advertising)
- ▶ Community Mobilization Grant Program
- ▶ Social media, email, and text messaging
- ▶ Website and customer service center that provide information about Covered California and insurance affordability programs (including Medi-Cal)

For Covered California's plan for staging the statewide marketing campaign, see Table 1.

Covered California is creating fact sheets, brochures, and other marketing materials in 12 Medi-Cal threshold languages (primary languages of the beneficiary population) for organizations interested in distributing them to consumers in their communities. Starting in the summer of 2013, outreach and education materials have been available for download from the Covered California website, and printed materials have been available to organizations on request.

### Covered California Statewide Community Mobilization Program

The Community Mobilization Program aims to establish local partnerships with a variety of entities to educate eligible consumers and businesses about Covered California and to encourage them to enroll directly or connect to enrollment assistance. The Community Mobilization Program includes two components: the Outreach and Education Grant Program and the Community Outreach Network.

**Table 1. Covered California Statewide Outreach and Marketing Campaign Plan**

PHASE	TIMELINE	PURPOSE
Consumer Outreach and Education	June to September 2013	Raise awareness about the Covered California health insurance marketplace
Get Ready, Get Set	September to October 2013	Inform those eligible about new health coverage opportunities
Enroll	October 2013 to March 2014	Guide consumers and small businesses to enrollment channels
Reinforcement and Special Enrollment	April to July 2014	Promote enrollment for those who experience a change of circumstances (e.g., marriage, birth, loss in coverage)
Get Ready, Get Set	July to September 2014	Inform those eligible about new health coverage opportunities
Enroll	October to December 2014	Guide consumers and small businesses to enrollment channels

Sources: California Health Benefit Exchange, Department of Health Care Services, and the Managed Risk Medical Insurance Board. Phase I and II; Statewide Marketing, Outreach & Education Program; Final Design Options, Recommendations and Work Plan for the California Health Benefits Marketplace; [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).

### **Outreach and Education Grant Program**

Covered California's Outreach and Education Grant Program provided funding to entities to conduct outreach and education for individuals eligible for coverage through Covered California (whether or not they qualify for premium assistance) and small businesses eligible to purchase coverage through the Small Business Health Options Program (SHOP). Grantee organizations are required to provide consumers with information about Covered California and all insurance affordability programs, including Medi-Cal. The individuals providing these educational services are certified under the Outreach and Education Grant Program and are referred to as Covered California certified educators. Certified educators reinforce messages about Covered California by providing local, culturally and linguistically appropriate outreach and education, including one-on-one and group activities to meet different consumer needs. Grantees are not allowed to use grant funds for paid media or media outreach, but are allowed to use their own funds for these activities.<sup>9</sup>

Two cycles of Covered California's Outreach and Education Grant Program have been implemented. In total, Covered California awarded \$40 million through this program to support consumer outreach and education through December 31, 2014.<sup>10</sup>

### **CYCLE I**

In Cycle I, organizations received funding to provide outreach and education to consumers and small businesses eligible for Covered California, with organizations identifying their own target populations. Cycle I outreach and education grants funded activities from July 2013 through December 2014.

#### *Funding Allocation and Awards*

Covered California awarded \$37 million to 48 lead organizations (43 grantees for individual outreach and 5 grantees for small business outreach) representing a network of more than 250 organizations across the state.<sup>11</sup> Grants ranged from \$250,000 to \$1 million, based on the projected number of Covered California-eligible individuals to be reached and the category of funding (single county, multicounty, or statewide). The statewide network of grantees is expected to reach consumers and small businesses in all Medi-Cal threshold languages and in other languages as well. To view a list and profiles of the awardees, visit [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).

Covered California set aside \$3 million for future efforts to address under-reached populations and to expand funding for Cycle I grantees with successful outreach and education strategies.<sup>12</sup>

### *Eligible Entities*

Cycle I awards focused on organizations that can provide information in a variety of languages, with an emphasis on Spanish, and on organizations that expressed interest in also participating in the Enrollment Assistance Program. Among the eligible entities were nonprofit organizations, advocacy groups, professional associations, health care providers, educational institutions, and Native American organizations. For-profit entities could apply as subcontractors within a collaborative. Minimum qualifications for Cycle I applicants included prior experience with outreach and education, relationships with and knowledge of the cultural and linguistic preferences of the eligible populations, and basic knowledge of the ACA.<sup>13</sup>

### *Roles and Responsibilities*

Grantees are required to ensure that consumers and small business owners receive accurate, impartial, and culturally and linguistically appropriate information about Covered California and generate enrollment “leads” for the Enrollment Assistance Program and the Covered California customer service center. Outreach and education activities should (1) raise public awareness and understanding of Covered California; (2) provide information about available affordable health coverage options, cost-sharing provisions, tax credits, and enrollment avenues and periods; and (3) motivate consumers and small businesses to apply for coverage for themselves, their families, or employees.

Prior to conducting outreach and education, certified educators are required to complete a training course, and to pass an online certification exam with a score of 80% or higher. Grantees are also required to share best practices and to use Covered California materials during outreach and education efforts (e.g., to use the premium calculator on the Covered California website). Certified educators began outreach activities in July 2013. As of September 2013, more than 1,700 individuals are serving as certified educators.<sup>14</sup> For more information on grantee roles and responsibilities, visit [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).

## CYCLE II

Cycle II grants focused on training providers to inform their patients about Covered California and insurance affordability programs available in the state.<sup>15</sup> These grants provided funds for activities from September 2013 through December 2014.

### *Funding Allocation and Awards*

Four organizations received a total of \$3.1 million to conduct outreach and education to medical professionals and providers about Covered California.<sup>16</sup> Education to providers will be conducted through “conferences, physician tool kits, [online curricula], peer-to-peer training sessions, and [through] smartphone [applications].”<sup>17</sup> Cycle II awards for statewide or regional applications (single-county applications were not considered) ranged from \$200,000 to \$1.5 million. It is expected that Cycle II grantees will educate more than 200,000 health care professionals across the state. To view a list and profiles of the awardees, go to [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).

### *Eligible Entities*

The following entities were eligible for Cycle II funding: statewide associations, provider academies, and statewide or regional organizations that reach an expansive network of health care providers. Minimum qualifications included prior experience with and demonstrated success in providing education to health care providers, and knowledge of and experience in developing and delivering education, training, and professional development to health care professionals. As with Cycle I, entities that were not eligible to apply as a lead organization could apply as subcontractors, and collaborative applications were encouraged.

### *Roles and Responsibilities*

In Cycle II, Covered California sought proposals that focused on “the delivery of in-depth education about Covered California to health care professionals.”<sup>18</sup> As in Cycle I, Cycle II grantees are required to successfully complete Covered California training and to pass a certification exam with a score of 80% or higher. To stay abreast of policy and program changes, Cycle II grantees are also required to participate in updates and special topic trainings, webinars, forums, and meetings provided throughout the grant period. For more information on grantee roles and responsibilities, visit [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).

## Community Outreach Network

The Community Outreach Network brings together organizations interested in conducting consumer outreach and education about Covered California. While there is no funding for participating organizations, these organizations are required to sign a memorandum of understanding with Covered California. According to Covered California staff, network members will receive messaging, materials, and access to a free, abbreviated version of the Certified Educator online training, though Community Outreach Network members do not have to be certified.

In July 2013, Covered California invited groups to complete a form indicating interest in participating in the Community Outreach Network. More than 300 organizations have submitted that form. One-third (29.5%) of these interested entities are in Los Angeles County, 73% serve the Latino population, and 55% serve the Asian community.<sup>19</sup>

## Medi-Cal Focused Outreach

DHCS is working with Covered California on the state-wide marketing and outreach campaign, and will also fund an outreach program, using county-based grants to target mixed-status families (those whose members are eligible for different programs or who have differing eligibility status), the homeless, school-age children, and other vulnerable populations.<sup>20</sup> Twenty-five million dollars has been allocated for these outreach grants, but as of September 30, 2013, DHCS had yet to release information about the grants or the application process. (See Appendices B and C.)

DHCS also intends to conduct outreach and provide transition assistance to Low-Income Health Program (LIHP) enrollees, who will transition to Medi-Cal or Covered California on January 1, 2014, based on eligibility.<sup>21</sup> Foundation funding has also allowed some counties to begin conducting outreach and education to individuals who will be newly eligible for Medi-Cal or who will transition from LIHP to Medi-Cal in 2014.<sup>22</sup>

## Additional Resources

- ▶ Final Design Options, Recommendations, and Work Plan for the California Health Benefits Marketplace: [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov)
- ▶ Covered California Outreach and Education Program and Community Outreach Network: [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov)
- ▶ Covered California: [www.coveredca.com](http://www.coveredca.com)
- ▶ The California Endowment's Asegúrate/Get Covered Campaign: [www.asegurate.com](http://www.asegurate.com)

# Enrollment Assistance

**M**any individuals and businesses who will apply for or purchase health coverage beginning in October 2013 will be doing so for the first time. Even those who have purchased coverage in the past, or who are familiar with California's current public coverage programs, will be introduced to new options and a new enrollment process as a result of ACA-mandated simplifications.

New coverage options and changes to existing coverage programs will result in questions and confusion among consumers and small business owners, making one-on-one enrollment assistance critical for some. California consumers will be able to get help applying for coverage through Covered California's website and customer service centers, and from county social services offices, but community-based enrollment assisters will also play an important role. This section describes these community-based structures.

## Federal Requirements and Funding

The ACA designates four types of enrollment assisters that states and marketplaces can use to help consumers and small businesses apply for coverage and premium assistance programs:

1. Navigators
2. Non-navigator assistance personnel (including the In-Person Assistance Program)
3. Certified Application Counselors (CACs)
4. Insurance agents and brokers

States, like California, that have their own marketplaces are required to have navigators and Certified Application Counselors as part of their enrollment efforts, and may use non-navigator assistance personnel and insurance agents and brokers to assist in enrollment.<sup>23</sup> In general, federal regulations require navigators, non-navigator assistance personnel, CACs, and insurance brokers and agents to provide enrollment support to all consumers, regardless of program eligibility.

Funding through the ACA for enrollment assistance is limited and varies depending on the type of assister. State-based marketplaces may use federal establishment grants to support In-Person Assistance Programs.

### Abbreviations Explained

**CAC.** Certified Application Counselor

**CEC.** Certified Enrollment Counselor

**CEE.** Certified Enrollment Entity

**IPA.** In-Person Assistance

Terms used currently by Covered California's Enrollment Assistance Program.

**CAA.** Certified Application Assister

Term used in Healthy Families/Medi-Cal for Children enrollment efforts since 1998.

They may also use establishment grants to plan their Navigator Programs, but not to provide grants for navigator activities themselves. Instead, navigator grants must be funded through marketplace budgets, for example through fees assessed on QHPs. The ACA does not allocate any federal funds for CACs or for brokers and agents. For Medicaid and CHIP populations, states can continue to use traditional funding streams (e.g., Medicaid administrative claiming funds and CHIPRA grants). States can also use other state, local, and private resources to support all of these programs.

Federal rules governing Certified Application Counselors, and navigator and non-navigator assisters, were published in July 2013.<sup>24</sup> Because California is operating a state-based marketplace, not all of the provisions outlined in the final rules apply to California. (See Appendix A for an overview of the federal regulations relating to enrollment assistance under the ACA.)

## What Is California Doing?

Covered California is integrating its Navigator and In-Person Assistance (IPA) Programs under one umbrella, called the Covered California Enrollment Assistance Program. Covered California will also work with insurance agents and brokers to enroll individuals and small businesses into coverage. On the Medi-Cal side, DHCS will be supporting the Enrollment Assistance Program through \$28 million in funding for enrollment support for successful Medi-Cal applications. (See Appendices B and C.) At this time, neither Covered California nor DHCS has provided details about the state's implementation of a CAC Program.

## Covered California’s Enrollment Assistance Program

Within the Covered California Enrollment Assistance Program, most features of the Navigator and IPA Programs will be the same. The goal is that the two programs appear as one from the consumer’s perspective. Organizations participating in the Enrollment Assistance Program are referred to as certified enrollment entities (CEEs), and affiliated individuals serving consumers and small businesses are called certified enrollment counselors (CECs), regardless of whether the entity is funded as a navigator or an IPA. Covered California anticipates that 3,600 organizations will become CEEs and that 21,000 individuals will become CECs.<sup>25</sup>

Behind the scenes, California’s Navigator and IPA Programs will have slightly different structures and roles. Covered California has clarified navigator and IPA duties as shown in Table 2.

### Populations Served

CECs are required to provide culturally and linguistically appropriate one-on-one enrollment support to individuals seeking enrollment assistance, whether they are eligible for Covered California or Medi-Cal. CECs may also provide small businesses with information about Covered California, though Covered California indicates that small business owners will primarily receive enrollment assistance through Covered California–certified insurance agents and brokers.

### Eligible Entities and Qualifications

Building upon federal requirements, Covered California has expanded the list of eligible certified enrollment entities to include a broad cross-section of individuals, organizations, and state agencies (e.g., school districts, licensed attorneys, community health centers).<sup>26</sup> (See Table 3.)

**Table 2. Comparison of Program Elements: In-Person Assistance vs. Navigator**

	IN-PERSON ASSISTANCE	NAVIGATOR
<b>Eligible Entities</b>	Same for both programs	
<b>Certification and Training Standards</b>	Same for both programs, though training dates, duration, and some content may vary	
<b>Compensation</b>	Fee for successful enrollment (\$58) or renewal (\$25)	Competitive grant-based program
<b>Key Implementation Dates</b>	July 2013: CEE application release September 2013: CEE and CEC training begins October 1, 2013: Enrollment assistance begins	February 2014: Grant application release March 2014: Grant applications due June 2014: Grant awardees announced, training and certification begins July 2014: Enrollment assistance begins
<b>Roles and Responsibilities</b>		
▶ Conduct public education to raise awareness of the availability of Covered California products	—	✓
▶ Distribute fair and impartial information concerning enrollment into QHPs	✓	✓
▶ Facilitate enrollment into QHPs available through Covered California	✓	✓
▶ Provide referrals to Consumer Assistance Programs	✓	✓
▶ Provide information that is culturally and linguistically appropriate	✓	✓

Source: Compiled from various Covered California Enrollment Assistance Program webinars: [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).

**Table 3. Entities That Can Participate in the Enrollment Assistance Program**

<b>Eligible for Payment</b>
American Indian tribe or tribal organizations
Chambers of Commerce
City government agencies
Commercial fishing and industry organizations
Community health centers
Community colleges and universities
County social services offices (employing eligibility workers)
Faith-based organizations
Indian Health Services facilities
Labor unions
Licensed attorneys (e.g., family law attorneys)
Nonprofit community organizations
Ranching and farming organizations
Resource partners of small businesses
School districts
Tax preparers
Trade, industry, and professional organizations
<b>Not Eligible for Payment</b>
County health departments that provide health care services to consumers
Licensed health care centers
Licensed health care institutions
Licensed health care providers

Not all CEEs are eligible for compensation, however. Most licensed health care clinics, licensed health care institutions, licensed health care providers, and county health departments that provide health care services to consumers have been deemed ineligible for compensation, since, per Covered California, they derive a direct benefit from providing health care to individuals enrolled in coverage. Some licensed health care clinics — including community health centers, federally qualified health centers, free clinics, and urban Indian health centers and health care facilities managed by Indian Health Services — are eligible for compensation, because they have historically served underserved and uninsured populations.<sup>27</sup> (Many such health centers have separately received federal grants to expand their enrollment assistance work and to prepare to help consumers with the new health coverage options.)

Entities funded through the Outreach and Education Grant Program may also receive Enrollment Assistance Program funding, provided they meet eligibility criteria and complete the application process. Within the Enrollment Assistance Program, however, organizations will have to choose: They may not serve as both a navigator entity and an IPA entity at the same time.

To qualify for participation, CEEs and their individual certified enrollment counselors must meet federal requirements for the Navigator and IPA Programs (see Appendix A). In addition, Covered California requires CEEs and CECs to:

- ▶ Comply with fingerprinting and background checks<sup>28</sup>
- ▶ Meet a minimum threshold for general liability insurance (required for the CEE, not the individual CEC)<sup>29</sup>
- ▶ Satisfy Covered California conflict-of-interest standards<sup>30</sup>
- ▶ Comply with monitoring and reporting requirements

**Training and Certification**

Organizations applying to become CEEs and all individual CECs must complete Covered California training and certification requirements.

Training for CEEs and CECs began in September 2013. The topics covered by the 2.5-hour online course for CEEs include:

- ▶ Background information about Covered California
- ▶ CEE and CEC roles and responsibilities
- ▶ CEC recruitment and support
- ▶ Compensation
- ▶ Monitoring
- ▶ Reporting
- ▶ Quality assurance<sup>31</sup>

Training for individual CECs is 2.5 days long and covers:

- ▶ ACA guidelines
- ▶ Eligibility and enrollment policies
- ▶ Code-of-conduct and ethics requirements
- ▶ Privacy and security standards
- ▶ Post-enrollment activities

Individual CECs must then pass an exam to receive Covered California certification. CECs will be required to complete an annual recertification.

Covered California is developing an abbreviated version of the CEC training for certified educators who have completed the outreach and education grant program training, given the substantial overlap between the two training curricula.

### *Compensation*

A key difference between the navigator and IPA components of the Enrollment Assistance Program is the compensation structure. The navigator component is a competitive grant-based program. Covered California anticipates providing \$5 million in navigator funding in 2013–2014.<sup>32</sup> The IPA component relies on a per-application compensation structure: \$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 Covered California QHPs.<sup>33</sup>

The same level of compensation will be available for successful enrollment in Medi-Cal. (See Appendix B.) Payment for Medi-Cal enrollment activities is available

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.<sup>34</sup>

Successful enrollments will be tracked through CalHEERS. In both the navigator and IPA components, compensation goes to the CEE and not to the individual CEC. Each CEE is permitted to determine its own process for paying individual CECs for successful enrollments or renewals, as well as the amount of the payment.

### *Implementation Status*

Implementation dates for the navigator and IPA components also differ. The IPA Program began in September 2013, while the Navigator Program launches in June 2014. As of September 2013, Covered California had received more than 1,000 CEE applications representing more than 2,300 CECs.<sup>35</sup> A list of certified enrollment entities and certified enrollment counselors will be posted on the Covered California website, and individuals and families will be able to search for CEEs and CECs based on language, location, and other factors.

## **Certified Application Counselors**

At the time of publication, neither Covered California nor DHCS had announced whether or when a CAC program will be implemented.

## **Insurance Agents and Brokers**

Under the ACA, states have the option of letting insurance agents and brokers enroll individuals and businesses in QHPs.<sup>36</sup> California has chosen to allow certified insurance agents and brokers to enroll individuals in Covered California QHPs and small businesses in SHOP.<sup>37</sup> Like navigators and IPAs, insurance agents and brokers are required to provide fair and impartial information about all QHPs sold in the state. Unlike navigators or IPAs, agents can, within the scope of their license, also recommend a specific plan. Given the complexities of business coverage and the ongoing service needed by small business owners, certified insurance agents will be the only enrollment entities allowed to enroll consumers into Covered California SHOP.

### *Populations Served*

Federal law does not require agents and brokers to be navigators or to support enrollment in Medicaid (Medi-Cal in California). However, going beyond federal requirements, Covered California does require insurance

agents and brokers to provide information on all QHPs and insurance affordability programs available in the state, including Medi-Cal.<sup>38</sup> Certified agents and brokers will use CalHEERS or the single, streamlined paper application to enroll individuals and families in Medi-Cal.

#### *Qualifications, Roles, and Responsibilities*

Insurance agents and brokers who wish to enroll individuals in Covered California must be certified and registered with Covered California and complete Covered California training. Agents and brokers are required to have an active California life and health agent license in good standing and sign an agent agreement with Covered California. They must maintain errors and omissions insurance and adhere to brand and marketing rules. Agents and brokers must also adhere to privacy and security standards, as required by Covered California and state and federal law. Strict anti-steering rules prohibit agents from recommending plans based on compensation or other inducements from insurance carriers.<sup>39</sup>

#### *Training and Certification*

The core training modules for insurance agents and brokers are essentially the same as those for the Enrollment Assistance Program, but they are tailored to meet the needs of agents and brokers. While agents and brokers are not required to pay for training, a nominal fee is required by the California Department of Insurance for endorsement and filing fees. Training will be the same for the SHOP and individual marketplaces.<sup>40</sup> Agent and broker training began in September 2013.

#### *Compensation*

Compensation for Covered California–certified insurance agents and brokers varies based on the market segment served. Certified agents who help families and individuals enroll in Covered California will receive compensation directly from the health plans and through other channels of funding. Certified agents who help small businesses enroll in Covered California under the SHOP marketplace will receive compensation from Covered California. Neither Covered California nor DHCS will compensate agents and brokers for enrollment support provided to Medi-Cal eligible populations due to state and federal funding limitations for Medi-Cal enrollment.<sup>41</sup> (See Appendix B.)

#### *Implementation Status*

Covered California is currently working to recruit insurance agents and brokers. While there are an estimated 205,000 agent and broker license holders in California, only 30,000 are estimated to be active in the individual and small-group market. As of September 2013, more than 13,500 agents have registered with Covered California, and 1,200 have completed the training.<sup>42</sup> Agent recruitment is being coordinated by Covered California staff, Pinnacle Claims Management (the SHOP administrator), and various agent associations.

**Table 4. Enrollment Assistance: Certified Agents and Brokers vs. Certified Enrollment Counselors**

COVERAGE TYPE	CERTIFIED INSURANCE AGENT OR BROKER	ENROLLMENT ASSISTANCE PROGRAM	
		In-Person Assistance	Navigator
<b>Covered California</b>			
▶ Small Business Health Options Program (SHOP) marketplace	✓	—	—
▶ Individual marketplace	✓	✓	✓
<b>Medi-Cal</b>	✓	✓	✓
<b>Private commercial health plans</b>	✓	—	—

Source: Covered California.

## Medi-Cal Enrollment Assistance and the Certified Application Assister Program

From 1998 to 2012, the Managed Risk Medical Insurance Board (MRMIB) operated the Certified Application Assister (CAA) Program dedicated to helping children and families enroll in Healthy Families or Medi-Cal.<sup>43</sup> With the transfer of most Healthy Families Program enrollees to Medi-Cal, this program is now maintained by DHCS.<sup>44</sup> Under the program, community-based organizations, health care providers, and local government agencies applied to become enrollment entities, and then employed CAAs to do the enrollment work. Currently, there are more than 4,000 registered enrollment entities and 23,000 certified application assistants in California, though it is not known how many of these enrollment entities and CAAs are active.<sup>45</sup> There is no dedicated funding for the CAA program, and many EEs rely on local foundations and a patchwork of other funding sources to sustain their CAA outreach, enrollment, and retention services.

Under DHCS, CAAs have been assisting with the Healthy Families-to-Medi-Cal transition and ongoing Medi-Cal enrollment and retention. Although not required to do so, many CAAs provide referrals and enrollment assistance to children and families eligible for other local free or low-cost health programs and services.

It has yet to be determined if or how the Medi-Cal CAA Program and the Covered California Enrollment Assistance Program will work together. Covered California staff indicate that many Medi-Cal CAA entities could be eligible for Enrollment Assistance Program funding, with the exception of those enrollment entities or CAAs that work for or receive funding from health plans.<sup>46</sup> Importantly, the Medi-Cal focused enrollment assistance program — described in Appendices B and C — will be layered onto Covered California's Enrollment Assistance Program. The per-successful-application payments of \$58 will only be available to CECs, and not to CAAs who do not affiliate with that program. Covered California interest forms have been sent to active enrollment entities, but since there is as yet no guidance regarding the Medi-Cal enrollment assistance payments, this policy may not yet be well understood. Similarly, DHCS has not indicated whether active CAAs will be required to provide enrollment assistance to Covered California-eligible individuals.

### Additional Resources

- ▶ Covered California Enrollment Assistance Program: [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov)

Help desk: [assisterinfo@ccgrantsandassisters.org](mailto:assisterinfo@ccgrantsandassisters.org)  
888-402-0737

- ▶ Covered California insurance agents and brokers:

SHOP: [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov)  
Stakeholder: [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov)

- ▶ Medi-Cal Enrollment Entity and Certified Application Assister: [www.healthyfamilies.ca.gov](http://www.healthyfamilies.ca.gov)

Help: [ee-caalaison@maximus.com](mailto:ee-caalaison@maximus.com)  
800-279-5012

- ▶ General Resources:

How Can Consumers Get Help Enrolling in Health Coverage? (Enroll America, March 2013)  
[www.enrollamerica.org](http://www.enrollamerica.org)

Navigators, Assisters, and Counselors, Oh My! (Community Catalyst, February 2013)  
[blog.communitycatalyst.org](http://blog.communitycatalyst.org)

Navigators and In-Person Assisters: State Policy and Program Design Considerations (State Health Reform Assistance Network, March 2013)  
[www.statenetwork.org](http://www.statenetwork.org)

# Consumer Assistance Programs

In addition to making significant investments to ensure consumers are informed of and receive help applying for coverage, the ACA requires states to help consumers who have problems accessing and retaining care. In many states, consumer assistance programs have played this role. This section provides an overview of California's existing consumer assistance programs and outlines how California is taking advantage of federal funds to maximize access to these resources in the state.

## Existing Programs

In California, a number of consumer assistance programs predate the ACA. They are administered by various public and private agencies, with different funding sources. (See Table 6 on page 17.) Some provide support to specific populations: for example, the Medi-Cal Managed Care Office of the Ombudsman — run by DHCS — handles issues related to Medi-Cal managed care plans. Others provide support to all consumers regardless of their program enrollment: California's Department of Managed Health Care Consumer Help Center offers assistance to individuals enrolled in HMOs and some other health plans, regardless of payer, and refers Medi-Cal cases to the DHCS Office of the Ombudsman as appropriate. In addition, all health plans must have an internal consumer assistance process to help beneficiaries resolve grievances with the plan. As a result, the network of consumer assistance programs is overlapping, and can be confusing to consumers.

### Abbreviations Explained

**CAP.** Consumer Assistance Program grants

**CDI.** California Department of Insurance

**DMHC.** California Department of Managed Health Care

**HCA.** Health Care Alliance

**OPA.** State of California Office of the Patient Advocate

## Federal Requirements and Funding

The ACA required the US Department of Health and Human Services (HHS) to provide grants to states to establish, expand, or support the creation of consumer assistance programs and/or health insurance ombudsman programs.<sup>47,48</sup> These are referred to as Consumer Assistance Program grants, or CAP grants. Between 2010 and 2012, HHS provided \$45.4 million in CAP grants to 35 states and Washington, DC.<sup>49</sup> States were not required to provide matching funds to receive CAP grants. As a result of federal budget and deficit-reduction negotiations, funding for new CAP grants has been eliminated; the final grants expired August 31, 2012.

**Table 5. Entities Eligible to Apply for CAP Grants**

- ▶ State insurance departments
- ▶ State attorneys general offices
- ▶ Independent state consumer assistance agencies
- ▶ Other state agencies
- ▶ Nonprofit organizations that partner with the state

CAP grants were designed to allow states to help consumers who are experiencing problems with their health coverage and to protect consumers against abusive practices by health insurers. To qualify for funding, eligible state entities were required to identify an independent consumer assistance program or ombudsman program that receives and responds to consumer inquiries and complaints about health plans. These programs had to meet all of the following criteria:

- ▶ Help enroll consumers in coverage by providing information about coverage available in the state or by referring consumers to appropriate resources
- ▶ Educate consumers on their rights and responsibilities to promote action against health plan abuses
- ▶ Help consumers file complaints and appeals, including grievances, against health plans
- ▶ Help consumers who have problems obtaining premium tax credits
- ▶ Collect, track, quantify, and report (to HHS, other federal agencies, and state insurance regulators) problems and issues related by consumers to help identify and rectify systemic barriers to care<sup>50</sup>

## Health Consumer Alliance

The Health Consumer Alliance (HCA) is a private network of organizations that provides independent consumer assistance to residents throughout California. HCA interacts with a number of the governmental consumer assistance programs. The DMHC Help Center works with HCA under a contract through which DMHC, the California Department of Insurance (CDI), and the State of California Office of the Patient Advocate (OPA) may all refer callers to the HCA (referrals vary by issue and regulatory agency). HCA staff provide general information to consumers about coverage options available in the state, help insured consumers navigate the internal health plan grievance process and the external appeals process, and assist Medi-Cal Managed Care beneficiaries and private insurance enrollees who need help accessing health care services. More recently, Covered California announced that they too would partner with HCA to provide consumer assistance to members. HCA includes nine Consumer Assistance Programs and two support centers (National Health Law Program and Western Center on Law and Poverty) serving all California counties.

The ACA also requires all state marketplaces and Navigator Programs to provide applicants and beneficiaries with information about consumer assistance programs in the state.<sup>51</sup>

## What Is California Doing?

In California, most existing consumer assistance programs have been augmented through CAP grants. Since 2010, California has received and distributed over \$8.8 million in CAP grants, accounting for approximately 20% of all HHS CAP funding.<sup>52</sup>

In June 2013, Covered California announced a grant of \$3.4 million from the state's marketplace establishment funds to the Health Consumer Alliance (HCA) to provide consumer assistance programs for Covered California.<sup>53</sup> Covered California's June 2013 press release announced that "the Health Consumer Alliance's resources will enhance Covered California's ability to assist consumers with grievance and appeals processes, collect and report data on consumers' issues, and help consumers obtain health coverage."<sup>54</sup> The California Endowment has also

committed \$9 million over three years for HCA to provide similar assistance to Medi-Cal beneficiaries and others seeking coverage and/or assistance.

For a list of consumer assistance programs and how they have been enhanced by the ACA, see Table 6 on page 17.

### *Implementation Status*

The state's Consumer Assistance Programs and HCA are currently open and available to help consumers.

### *Additional Resources*

- ▶ Center for Consumer Information and Insurance Oversight — Consumer Assistance Program grants: [www.cms.gov/CCIIO](http://www.cms.gov/CCIIO)
- ▶ Board Recommendation Brief — Consumer Assistance/Ombudsman Support Options (Covered California, November 2012): [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov)
- ▶ Consumer Assistance Programs — Federal and State (National Conference of State Legislatures, January 2011): [www.ncsl.org](http://www.ncsl.org)
- ▶ Families USA Consumer Assistance Programs Resource Center: [www.familiesusa.org](http://www.familiesusa.org)

**Table 6. California’s Consumer Assistance Programs**

PROGRAM	AGENCY OVERSIGHT	POPULATIONS SERVED	ASSISTANCE PROVIDED	ACA-RELATED FUNDING
<b>State Administered</b>				
<b>Health Care Help and Information</b> <a href="http://www.healthhelp.ca.gov">www.healthhelp.ca.gov</a> <a href="mailto:helpline@dmhc.ca.gov">helpline@dmhc.ca.gov</a> 888-466-2219	California Department of Managed Health Care	Beneficiaries enrolled in HMOs and Anthem Blue Cross/Blue Shield PPOs	Helps consumers file complaints against their health plan and provides independent medical review  Partners with the HCA to provide local one-on-one assistance to consumers across the state	CAP Grant
<b>Office of the Patient Advocate (OPA)</b> <a href="http://www.opa.ca.gov">www.opa.ca.gov</a> <a href="mailto:contactopa@opa.ca.gov">contactopa@opa.ca.gov</a> 866-466-8900	California Health and Human Services Agency	Beneficiaries enrolled in any health coverage plan or program	Offers information about consumer rights and responsibilities, how to deal with problems, how to find health care, and health care reform information  Publishes annual consumer Health Care Quality Report Cards that rate the state’s health plans and medical groups	CAP Grant
<b>Consumer Hotline</b> <a href="http://www.insurance.ca.gov">www.insurance.ca.gov</a> 800-927-Help (4357) 800-482-4TDD (4833)	California Department of Insurance	Beneficiaries enrolled in PPOs (except for Anthem Blue Cross/Blue Shield), EPOs, and fee-for-service insurance (i.e., traditional or indemnity)	Helps consumers with insurance-related complaints and provides independent medical reviews	CAP Grant
<b>Medi-Cal Managed Care Office of the Ombudsman</b> <a href="http://www.dhcs.ca.gov">www.dhcs.ca.gov</a> <a href="mailto:mmcdombudsmanoffice@dhcs.ca.gov">mmcdombudsmanoffice@dhcs.ca.gov</a> 888-452-8609	Department of Health Care Services	Beneficiaries enrolled in Medi-Cal managed care plans	Helps resolve issues between Medi-Cal managed care members and managed care health plans  Conducts impartial investigations of member complaints about managed care health plans.	
<b>Independent Community-Based</b>				
<b>Health Consumer Alliance (HCA)</b> <a href="http://www.healthconsumer.org">www.healthconsumer.org</a> Visit the HCA website to find the number for local HCA Consumer Assistance Programs	Partnership of community-based legal services organizations	Beneficiaries enrolled in HMOs, PPOs, EPOs, and Medi-Cal managed care	Provides information and education to consumers about available health coverage options  Helps consumers file grievances and administrative appeals, and offers policy advocacy and litigation support  Partners with the Department of Managed Health Care and with Covered California to provide comprehensive, local one-on-one assistance to individuals and families	CAP Grant through DMHC  Establishment grant through Covered California

Sources: Compiled from the following agency websites: Department of Managed Health Care, California Department of Insurance, California Office of the Patient Advocate, Department of Health Care Services, and Health Consumer Alliance.

## Appendix A. Consumer Enrollment Assistance Under the ACA: Federal Guidelines

Please note, the following types of enrollment assistance are outlined in federal regulations. Covered California and/or DHCS may use different terms for California’s enrollment assistance programs.

	NAVIGATORS	NON-NAVIGATOR ASSISTANCE PERSONNEL (also applicable to IPAs)	CERTIFIED APPLICATION COUNSELORS (CACs)	INSURANCE BROKERS AND AGENTS
<b>Federal Requirement or State Option</b>	Required for all marketplaces	Optional for state-based marketplaces; not available in states with federally facilitated marketplaces or state partnership marketplaces	Optional for state Medicaid agencies and required in all marketplaces	Optional for all states, regardless of marketplace type (e.g., federally facilitated, state-based, or state partnership)
<b>Populations Served</b>	Medicaid, CHIP, and marketplace-eligible populations (including small businesses)	Marketplace-eligible populations are served, but non-navigators may also provide services and referrals for public coverage (such as Medi-Cal)	Medicaid, CHIP, and marketplace-eligible populations	Marketplace-eligible populations (including small businesses)
<b>Eligible Entities</b>	<p>Federal rules list eight types of entities eligible to become navigators, including unions, community nonprofits, and Chambers of Commerce, among others.</p> <p>Marketplaces must select at least two types of entities to be navigators, and at a minimum, one entity must be a community- and consumer-focused nonprofit group.</p> <p>Health plan insurance or stop-loss insurance issuers, subsidiaries, associations, and entities that receive direct or indirect consideration from a health plan or stop-loss insurance issuer are barred from serving as navigators.</p> <p>Insurance agents and brokers seeking to be navigators are barred from receiving compensation or consideration from any health issuer or stop-loss insurance issuer during their time as navigators.</p>	<p>States may determine which entities are eligible to be IPAs.</p> <p>Health plan insurance or stop-loss insurance issuers, subsidiaries, associations, and entities that receive direct or indirect consideration from a health plan or stop-loss insurance issuer are barred from serving as non-navigator assistance personnel.</p>	<p>Medicaid agencies and marketplaces may determine which entities are eligible to be CACs. Previously, federal regulators have said that trusted community-based organizations, providers, or other organizations with expertise in social service programs could serve as CACs.</p>	<p>Those that meet applicable state training and state certification/licensing standards and that register with the marketplace.</p> <p>May qualify to be navigators, however they are barred from receiving direct or indirect consideration from a health plan, subsidiaries of a health plan, or health plan associations during their time as navigators.</p>

	NAVIGATORS	NON-NAVIGATOR ASSISTANCE PERSONNEL (also applicable to IPAs)	CERTIFIED APPLICATION COUNSELORS (CACs)	INSURANCE BROKERS AND AGENTS
<b>Qualifications</b>	<p>Ability to perform the duties listed under “Roles and Responsibilities”</p> <p>Existing, or ability to readily establish, relationships with employers, employees, and consumers eligible for enrollment in a QHP</p> <p>Completion of certification and training requirements outlined by the state or marketplace</p> <p>No conflict of interest during time as a navigator</p> <p>Compliance with privacy and security standards</p>	<p>Must meet marketplace conflict-of-interest, training, accessibility, and privacy and security standards</p>	<p>Medicaid agencies and marketplaces may determine qualifications for CACs.</p>	<p>States may determine qualifications.</p>
<b>Roles and Responsibilities</b>	<p>Conduct outreach and public education</p> <p>Maintain expertise in eligibility, enrollment, and program specifications and conduct public-education activities to raise awareness about the marketplace</p> <p>Provide information and services on the full range of QHPs offered in the state in a fair, accurate, and impartial manner, including other health programs</p> <p>Facilitate selection of a QHP</p> <p>Refer individuals with a grievance, complaint, or question regarding their health plan, coverage, or an eligibility determination to a consumer-assistance program, ombudsman office, or other state agency</p> <p>Provide culturally and linguistically appropriate information and services to meet the needs of marketplace consumers, including individuals with limited English proficiency and individuals with disabilities</p>	<p>Filing applications</p> <p>Obtaining eligibility determinations</p> <p>Reporting changes in status</p> <p>Comparing coverage options</p> <p>Selecting and enrolling in a QHP</p>	<p>Proposed rules differ on the duties that CACs must perform in marketplaces versus under the Medicaid agency.</p> <p>CACs in the marketplace must:</p> <ul style="list-style-type: none"> <li>▶ Provide information about the full range of QHP options and insurance affordability programs for which the consumer may be eligible</li> <li>▶ Help individuals and employees to apply for QHP coverage and insurance affordability programs</li> <li>▶ Help facilitate enrollment in QHPs and insurance affordability programs</li> </ul> <p>CACs under the state Medicaid agency must:</p> <ul style="list-style-type: none"> <li>▶ Help individuals complete applications or renewals</li> <li>▶ Help individuals gather and submit required documentation</li> <li>▶ Interact with Medicaid agencies to check on the status of an application or renewal</li> <li>▶ Assist individuals in responding to requests from a Medicaid agency</li> </ul> <p>State Medicaid agencies may allow CACs to perform all or some of the duties outlined above.</p> <p>CACs may not impose, accept, or receive payment or compensation from applicants or beneficiaries for application assistance.</p>	<p>Enroll individuals, employers, or employees in any QHP in the individual or small-group market</p> <p>Enroll individuals, employers, or employees in any QHP through the marketplace as outlined in § 155.220 (c)</p> <p>Assist individuals in applying for advance payment of the premium tax credit and cost-sharing reductions for QHPs</p> <p>Note: Unlike navigators, insurance agents and brokers are not required by federal rules to provide information on the full range of QHPs sold in a state.</p>

	NAVIGATORS	NON-NAVIGATOR ASSISTANCE PERSONNEL (also applicable to IPAs)	CERTIFIED APPLICATION COUNSELORS (CACs)	INSURANCE BROKERS AND AGENTS
<b>Training and Certification</b>	<p>Navigators must successfully complete federal or state training and certification requirements prior to conducting any activities.</p> <p>Navigators must be trained in 15 content areas that altogether ensure expertise in:</p> <ul style="list-style-type: none"> <li>▶ Meeting the needs of underserved and vulnerable populations</li> <li>▶ Outreach and education methods and strategies</li> <li>▶ Providing culturally and linguistically appropriate services</li> <li>▶ Ensuring access for persons with disabilities</li> <li>▶ Eligibility and enrollment rules and procedures</li> <li>▶ QHP coverage and insurance affordability programs</li> <li>▶ Privacy and security standards</li> <li>▶ Serving both individuals and small businesses</li> </ul> <p>Navigators must be recertified on at least an annual basis.</p>	<p>Non-navigator assistance personnel must complete state and federal training and certification requirements prior to conducting any activities.</p> <p>Non-Navigator Assistance Programs in state marketplaces may use federal navigator training and certification standards for their Non-Navigator Assistance Programs or they may use their own training program, provided it is approved by HHS.</p>	<p>CACs in the marketplace must:</p> <ul style="list-style-type: none"> <li>▶ Complete training in eligibility and benefit rules for QHPs and all insurance affordability programs prior to serving as a CAC</li> <li>▶ Agree to act in the best interest of the applicant</li> <li>▶ Disclose any potential conflicts of interest</li> <li>▶ Comply with privacy and security standards</li> </ul> <p>CACs under the state Medicaid agency must :</p> <ul style="list-style-type: none"> <li>▶ Be authorized and registered with the agency to provide application and renewal assistance</li> <li>▶ Be trained in eligibility and benefit rules for QHPs and all insurance affordability programs and pass a certification exam</li> <li>▶ Adhere to confidentiality, privacy, and conflict-of-interest standards</li> <li>▶ Provide information in a manner that is accessible to individuals with disabilities (directly or through referral to navigators or non-navigator assistance personnel)</li> <li>▶ Enter into an agreement with the marketplace or the entity authorized to certify CACs</li> </ul>	<p>Must establish an agreement with the marketplace whereby brokers and agents:</p> <ul style="list-style-type: none"> <li>▶ Register with the marketplace before providing enrollment assistance</li> <li>▶ Receive training in the range of QHP options and insurance affordability programs</li> <li>▶ Comply with the marketplace's and state's privacy and security standards and confidentiality and conflict-of-interest standards</li> </ul>
<b>Funding and Compensation</b>	<p>States are barred from using federal marketplace establishment funds for Navigator Programs. Marketplaces may use fees assessed on QHPs to fund Navigator Programs.</p> <p>Medicaid administrative funding can be used to fund the Navigator Program if proportioned.</p>	<p>States may use federal establishment funds for Non-Navigator Assistance Personnel Programs. States may also use other local, state, or private funds.</p>	<p>There is no funding or required compensation for CACs. Medicaid administrative funds may be used by state agencies. Medicaid agencies and marketplaces may use local, state, or private funding for their CAC Programs. Final rules explicitly bar CACs from imposing any charges or fees on consumers for application assistance.</p>	<p>States and marketplaces may determine compensation, if any.</p> <p>No federal funding is provided.</p>
<b>Federal Law or Guidance</b>	45 CFR §§ 155.210 and 155.215	45 CFR § 155.215	Marketplace CACs: 45 CFR § 155.225  Medicaid agency CACs: 42 CFR § 435.908	45 CFR § 155.220

## Appendix B. Outreach and Enrollment Assistance Funding: Restrictions on Medi-Cal Activities

The ACA requires states that establish health insurance marketplaces to provide all individuals and small businesses with outreach and enrollment assistance, and gives them funding to do so, primarily through federal “establishment grants” under Section 1311(a) of the ACA.<sup>55</sup> Restrictions on the use of Covered California funds and more limited Medi-Cal outreach and enrollment resources complicate this task in California.

The ACA restricts the use of federal marketplace establishment funds for direct outreach, education, and enrollment support. Federal guidance states that this money can “only fund costs for establishment activities that are integral to Exchange operations and meeting Exchange requirements.”<sup>56</sup> Specifically, establishment funding may not be used “to improve systems or processes solely related to Medicaid/CHIP, or any other State or Federal program’s eligibility.”<sup>57</sup> Covered California staff have said that, based on this language and guidance from federal officials, marketplace establishment funds can only be used for efforts aimed at establishing the marketplace or reaching marketplace-eligible consumers — and not potential Medi-Cal enrollees. Covered California is allowed to and has been using establishment funds to develop training and certification processes for its outreach and enrollment assistance programs, and these include information on Medi-Cal eligibility standards and enrollment processes.

State law also restricts the use of some funds for Medi-Cal enrollment assistance. Under the ACA, marketplaces must fund enrollment support for consumers through Navigator Programs. Federal regulations allow marketplaces like Covered California to collect fees from qualified health plans (QHPs) sold in the marketplace to fund these programs. California’s Proposition 26 requires that monies collected from a levy, charge, or other tax be allocated to fairly or reasonably account for the payer’s burden.<sup>58</sup> Because Covered California expects to use QHP fees to support its day-to-day operations (including consumer enrollment support), Covered California’s staff have determined that QHP fees can only fund enrollment assistance for Covered California–eligible consumers and not for Medi-Cal enrollees.<sup>59</sup>

Despite these restrictions, California does have money for Medi-Cal consumer support. In June 2013, California lawmakers approved the acceptance of a \$26.5 million grant from The California Endowment (see Appendix C for bill language), which will be matched with federal funds to provide a total of \$53 million to support Medi-Cal efforts.<sup>60</sup> Under the statute, \$25 million will support county outreach grants, and \$28 million will support enrollment assistance fees.

In addition, the ACA provides funding to states and local entities for Medicaid and Children’s Health Insurance Program (CHIP) outreach through Children’s Health Insurance Program Reauthorization Act (CHIPRA) grants, and states may also claim Medicaid administrative funding for outreach activities.<sup>61</sup> In July 2013, the federal Health Resources and Services Administration (HRSA) announced \$150 million in awards to health centers across the nation to provide outreach about and to support enrollment into marketplace insurance options, Medicaid, and the Children’s Health Insurance Program (CHIP). In California, 125 health centers received funds totaling \$21.9 million for consumer outreach and enrollment.

## Appendix C. Budget Language: Medi-Cal Funding for Outreach and Enrollment

### ASSEMBLY BILL 82, CHAPTER 23 STATUTES OF 2013

#### Section 70

- (a) The State Department of Health Care Services shall accept contributions by private foundations in the amount of at least fourteen million dollars (\$14,000,000) for the purpose of this section and shall immediately seek an equal amount of federal matching funds.
- (b) Entities and persons that are eligible for Medi-Cal in-person enrollment assistance payments of fifty-eight dollars (\$58) per approved Medi-Cal application and payment processing costs shall be those trained and eligible for in-person enrollment assistance payments by the California Health Benefit Exchange. The payments may be made by the State Department of Health Care Services or through the California Health Benefit Exchange in-person assistance payment system.
- (c) Enrollment assistance payments shall be made only for Medi-Cal applicants newly eligible for coverage pursuant to the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), or those who have not been enrolled in the Medi-Cal program during the previous 12 months prior to making the application.
- (d) The commencement of enrollment assistance payments shall be consistent with those of the California Health Benefit Exchange.
- (e) The State Department of Health Care Services or the California Health Benefit Exchange shall provide monthly and cumulative payment updates and number of persons enrolled through in-person assistance payments on its Internet Web site.

#### Section 71

- (a) (1) The State Department of Health Care Services shall accept funding from private foundations in the amount of at least \$12.5 million to provide allocations for the management and funding of Medi-Cal outreach and enrollment plans specific to the provisions contained in this section.
  - (2) The department shall seek necessary federal approval for purposes of obtaining federal funding for activities conducted under this section.
  - (3) Notwithstanding any other law, and in a manner that the Director of Health Care Services shall provide, the department may make allocations to fund Medi-Cal outreach and enrollment activities as described in this section.
- (b) (1) Funds appropriated by the Legislature to the department for the purposes of this section shall be made available to selected counties, counties acting jointly, and the County Medical Services Program Governing Board pursuant to Section 16809 of the Welfare and Institutions Code.
  - (2) Selected counties, counties acting jointly, and the County Medical Services Program Governing Board may partner with community-based organizations as applicable to conduct outreach and enrollment to the target population as contained in subdivision (d).
  - (3) The director may, at his or her discretion, also give consideration to community-based organizations in an area or region of the state if a county, or counties acting jointly do not seek an allocation or funds are made available.
  - (4) For purposes of this section only, "county" shall be defined as county, city and county, a consortium of counties serving a region consisting of more than one county, the County Medical Services Program Governing Board, or a health authority.

- (c) (1) The allocations shall be apportioned geographically, by the entities identified in subdivision (b), according to the estimated number of persons who are eligible but not enrolled in Medi-Cal and who will be newly Medi-Cal eligible as of January 1, 2014.
- (2) The department may determine the number of allocations and the application process. The director may consult or obtain technical assistance from private foundations in implementation of the application and allocation process.
- (3) The department shall coordinate and partner with the California Health Benefit Exchange on certified application assister and outreach, enrollment, and marketing activities related to the federal Patient Protection and Affordable Care Act.
- (d) Notwithstanding any other law, the department shall develop selection criteria to allocate funds for the Medi-Cal outreach and enrollment activities with special emphasis targeting all of the following populations:
- (1) Persons with mental health disorder needs.
  - (2) Persons with substance use disorder needs.
  - (3) Persons who are homeless.
  - (4) Young men of color.
  - (5) Persons who are in county jail, in state prison, on state parole, on county probation, or under postrelease community supervision.
  - (6) Families of mixed-immigration status.
  - (7) Persons with limited English proficiency.
- (e) (1) The funds allocated under this section shall be used only for the Medi-Cal outreach and enrollment activities and may supplement, but shall not supplant, existing local, state, and foundation funding of county outreach and enrollment activities.
- (2) Notwithstanding Section 10744 of the Welfare and Institutions Code, the department may recoup or withhold all or part of an allocation for failure to comply with any requirements or standards set forth by the department for the purposes of this section.
- (f) The department shall begin the payment for the outreach and enrollment allocation program no later than February 1, 2014.
- (g) Under the terms of the approved allocation for the outreach and enrollment program, funded entities under this section shall not receive payment for in-person assister payments for assisting potential Medi-Cal enrollees.
- (h) The department shall require progress reports, in a manner as determined by the department, from those receiving allocations under this section.
- (i) To the extent federal funding is received for the services specified in this section, reimbursements for costs incurred under the approved allocations shall be made in compliance with federal law.
- (j) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section by means of all-county letters, provider bulletins, or similar instructions.
- (k) The department may use a portion of the private foundation funding pursuant to paragraph (a) to carry out the activities under this section.

## Appendix D. Glossary

**Affordable Care Act (ACA).** The Patient Protection and Affordable Care Act was passed by Congress and signed into law by President Obama on March 23, 2010, to provide quality, affordable health care for millions of Americans.

**California Health Eligibility, Enrollment, Retention System (CalHEERS).** Covered California's enrollment web portal, online application, and business rules engine facilitates enrollment in Covered California QHPs and modified adjusted gross income-based Medi-Cal.

**Cost-sharing subsidies.** These subsidies help reduce out-of-pocket expenses, such as copayments and coinsurance for services, and are tied to family income level. Cost-sharing subsidies are available for people with incomes between 100% and 250% of the federal poverty level and who purchase coverage through Covered California.

**Federal establishment funds.** This funding is available to states under Section 1311(a) of the ACA to support implementation of health insurance marketplaces. Covered California officials indicate that federal guidance requires states to use funds for activities related to the marketplace and/or marketplace-eligible populations.

**Health insurance affordability program.** State Medicaid programs (Medi-Cal in California); state Children's Health Insurance Programs (CHIP) (formerly Healthy Families in California); State Basic Health Programs established under Section 1331 of the ACA (not applicable to date in California, though "bridge plans" have been proposed in pending legislation); programs that make available coverage in a QHP through the marketplace with advance payments of the premium tax credit established under Section 36B of the Internal Revenue Code (Covered California); or programs that make available coverage in a QHP through the marketplace with cost-sharing reductions established under Section 1402 of the ACA (Covered California).<sup>62</sup>

**Open enrollment period.** Covered California's open enrollment period will generally run from October 15 to December 7 each year. The open enrollment period is extended during the marketplace's first open enrollment period, from October 1, 2013, to March 31, 2014.

**Premium assistance.** This term encompasses premium tax credits, advance premium tax credits, and cost-sharing subsidies, which are available to consumers who have annual incomes between 100% and 400% of the federal poverty level and who purchase qualified coverage through Covered California.

**Premium tax credit.** These tax credits help lower insurance costs for individuals and families when they purchase insurance through Covered California. Depending on eligibility, the credit may come in the form of an advance which is applied to the monthly premium payment. Premium tax credits are available for individuals who have annual incomes between 138% and 400% of the federal poverty level and who purchase private insurance through Covered California.

**Qualified health plan (QHP).** These insurance plans are certified by Covered California, provide essential health benefits, and follow established limits on cost-sharing (e.g., deductibles, copayments, and out-of-pocket maximum amounts).

**Special enrollment period.** This is a time period outside of the open enrollment period during which individuals have a right to sign up for health coverage. A special enrollment period of 30 days is allowed following certain life events that involve a change in family status (e.g., birth of a child or marriage) or loss of other job-based health coverage.

**Small business.** Under the ACA, a business with 1 to 50 eligible employees is considered a small business.

**Small Business Health Options Program (SHOP).** Covered California's marketplace for small business owners to shop, compare, and purchase coverage for themselves or for their employees.

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## Endnotes

1. This report also does not include detailed information about similar resources for Medicare, local health coverage programs, employer-sponsored insurance, or other private insurance.
2. "Premium assistance" in this report refers to premium tax credits, advance premium tax credits, and cost-sharing subsidies as defined in 26 CFR Parts 1 and 602 of the IRS Tax Code. In California, individuals between 139% FPL and 400% FPL are eligible for premium assistance through Covered California. Cost-sharing subsidies are available for individuals and families between 139% and 250% FPL. Premium assistance, as used in this report, does not refer to federal Medicaid premium assistance.
3. Lake Research Partners, "Enrolling in Health Coverage in California: Preliminary Insights from Consumers on Enrollment Methods for Public and Private Health Coverage," August 2011, [www.chcf.org](http://www.chcf.org); Richard Heath and Associates, "Phase I and II Statewide Assistors Program Design Options, Recommendations, and Final Work Plan for the California Health Benefits Marketplace," June 2012, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
4. 45 CFR Section 155.205(e).
5. Federal accessibility standards and antidiscrimination provisions require health insurance marketplaces to provide information to applicants and enrollees in plain language and in a manner that is accessible and timely to individuals living with disabilities and individuals who have limited English proficiency. Federal accessibility standards are outlined in 45 CFR Section 155.205(c) and Section 1557 of the ACA. Marketplaces must also comply with federal civil rights laws, such as Title VI of the Civil Rights Act of 1964 and Section 504 of the Rehabilitation Act of 1973.
6. Covered California, "Building Covered California: Blueprint Overview and Establishment Grant California Health Benefit Exchange," November 14, 2012, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
7. Covered California, "Statewide Marketing, Outreach & Education Program Final Design Options, Recommendations and Work Plan for the California Health Benefits Marketplace," June 26, 2012, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
8. Covered California, "Marketing, Outreach and Enrollment Assistance Stakeholders Advisory Group, Background Reading," February 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
9. Federal rules restrict the use of establishment funds for direct outreach, education, and enrollment support. Per federal guidance, establishment funds "only fund costs for establishment activities that are integral to Exchange operations and meeting Exchange requirements." As such, Covered California staff have stated that marketplace establishment funds can only be used for efforts aimed at establishing the marketplace or reaching marketplace-eligible consumers.

10. The outreach and education grant program is funded using Covered California federal implementation funding.
11. Grants to support outreach and education for the individual marketplace totaled \$34 million, with \$3 million for outreach to small business owners about the SHOP marketplace.
12. Covered California, "Outreach and Marketing Update," Covered California Board of Directors meeting, May 23, 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
13. Covered California, "Outreach and Education Grant Program Application," Exhibit C, Paragraph XI, D (1), January 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
14. Covered California, "Executive Director's Report," Covered California Board of Directors Meeting, September 19, 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
15. Covered California, "Provider Education Grant Application," June 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
16. Covered California, "Executive Director's Report," Covered California Board of Directors Meeting Materials, August 22, 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
17. Ibid.
18. Covered California, "Provider Education Grant Application," June 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
19. Covered California, "Executive Director's Report," Covered California Board of Directors Meeting August 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
20. Assembly Bill 82, Chapter 23, Statutes of 2013, Sections 70 and 71.
21. Department of Health Care Services, "Communication and Outreach Strategy for Low-Income Health Program Transition," June 2013, [www.dhcs.ca.gov](http://www.dhcs.ca.gov).
22. Blue Shield of California Foundation, "Blue Shield of California Foundation Announces \$11.4 Million in First-Quarter Grants," March 21, 2012, [www.bcbs.com](http://www.bcbs.com).
23. See Enroll America's paper, "How Can Consumers Get Help Enrolling in Health Coverage?" March 2013, [www.enrollamerica.org](http://www.enrollamerica.org), for discussion of requirements for states with partnership marketplaces and those participating in the federally facilitated marketplace.
24. Federal Register, Notice of Proposed Rulemaking, 45 CFR, Part 155, CMS-9955-P: Patient Protection and Affordable Care Act; Exchange Functions: Standards for Navigators and Non-Navigator Assistance Personnel, Vol. 78, No. 66, April 2013.
25. Covered California, "Assisters Program: In-Person Assistance and Navigator Webinar," February 7, 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
26. Covered California, "Draft Enrollment Assistance Regulations," Covered California Board of Directors meeting materials, June 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
27. For a complete list of community health centers eligible for Enrollment Assistance Program funding, see California Code of Regulations Title 10, Chapter 12, Article 8, Section 6668.
28. Covered California will cover the cost of fingerprint checks for all CEEs and CECs through December 2014. After that, Covered California will review its policy, and CEEs may be required to pay future fingerprinting costs.
29. Covered California is seeking federal guidance regarding errors and omissions insurance requirements.
30. Covered California conflict-of-interest standards are at CCR, Title 10, Section 6666, Article 8.
31. Covered California, "In-Person Assistance Program Webinar," September 6, 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
32. Covered California, "Request for Approval of Proposed FY 2013-14 Budget," Covered California Board of Directors meeting, June 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
33. The "per successful application/renewal fee" applies regardless of the number of individuals listed on an application. For example, one successful application with one person applying for coverage would result in a \$58 payment, as would one successful application with four persons applying for coverage. The same standards apply for renewal activities.
34. Assembly Bill 82, Chapter 23, Statutes of 2013, Section 70.
35. Covered California, "Executive Director's Report," September 19, 2013.
36. 45 CFR Section 155.220.
37. Covered California, "Agent's Webinar," March 8, 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
38. Federal regulations (45 CFR Section 155.220) require agents to be trained in QHPs and insurance affordability programs, [www.ecfr.gov](http://www.ecfr.gov). Covered California's agent agreement states that agents must enroll individuals into Medi-Cal if they are found eligible, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
39. Covered California, "Agent's Webinar," March 8, 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
40. Ibid.
41. Please see the enrollment assistance program regulations at [www.oal.ca.gov](http://www.oal.ca.gov).
42. Covered California, "Executive Director's Report," September 19, 2013.
43. 10 CCR Section 2699.6629.
44. Pursuant to Assembly Bill 1494 (Committee on Budget, Chapter 28, Statutes of 2012) all Healthy Families children will be moved to Medi-Cal in 2013. As part of this transition, DHCS will oversee and monitor the EE/CAA program.
45. Managed Risk Medical Insurance Board data from March 2011.
46. Discussion with Covered California staff members.

47. "States" means each of the 50 states, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands per the ACA Consumer Assistance Program grants funding announcement, CA-CAP-12-002, June 2012.
48. Public Health Service Act, Section 2793, added under Section 1002 of the Patient Protection and Affordable Care Act.
49. Kaiser Family Foundation, "State Health Facts: Consumer Assistance Program Grants Under the Affordable Care Act, as of FY 2012."
50. Section 1002 of the Patient Protection and Affordable Care Act.
51. 45 CFR Section 155.205 (d).
52. Ibid.
53. Covered California, "Covered California Teams with Legal Aid Consortium to Help Consumers Access Health Care," June 2013, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov). This partnership between Covered California and HCA is distinct from the federal CAP grant partnership between HCA and DMHC, CDI, and OPA.
54. Ibid.
55. 45 CFR Sections 155.205(d), 155.205(e), 155.210, and 155.220
56. US Department of Health and Human Services, Centers for Medicare & Medicaid Services Center for Consumer Information & Insurance Oversight, "Cooperative Agreement to Support Establishment of the Affordable Care Act's Health Insurance Exchanges," November 30, 2012, [www.cms.gov](http://www.cms.gov).
57. Ibid.
58. CalTax, "Understanding Proposition 26: A Sponsor's Guide to California's New Tax Structure," August 2011.
59. Covered California, "Assisters Program for the California Health Benefits Marketplace: Summary of Comments and Recommendations," June 12, 2012, [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov).
60. Assembly Bill 82 (Chapter 23, Statutes of 2013) Sections 70 and 71.
61. Existing sources of federal Medicaid outreach and enrollment funding include Medicaid Administrative Activities reimbursements, Children's Health Insurance Program Reauthorization Act funds for children's outreach and enrollment, and community health center funding for outreach and enrollment provided through Health Resources and Services Administration, US Department of Health and Human Services.
62. 42 CFR 431, 435, and 457.