

Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

A. GENERAL INFORMATION

1. Date	2. Department
February 12, 2016	California Health Benefit Exchange/Covered California

3. Organizational Placement (Division/Branch/Office Name)

Executive Office

4. CEA Position Title

Associate Director

5. Summary of proposed position description and how it relates to the program's mission or purpose. (2-3 sentences)

The California Health Benefit Exchange/Covered California requests establishment of a CEA A to serve as an extension of the Directorate providing advice to the Directorate on the most complex, urgent and time-sensitive matters of policy critical to the administration of departmental programs. Specifically, the Associate Director will work on high level projects and oversee and make recommendations on policy formulation and implementation crossing program lines and within the various programs to ensure consistency with Covered California mission, goals and objectives. The incumbent will work collaboratively with internal program staff and external groups and departments to understand health care reform and the healthcare needs of all Californians; and will communicate that understanding to the Department's Executive staff for policy and programmatic consideration.

6. Reports to: (Class Title/Level)

Executive Director and Chief Deputy Executive Director, Level 1

7. Relationship with Department Director (Select one)

Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.

Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain):

8. Organizational Level (Select one)

1st 2nd 3rd 4th 5th (mega departments only - 17,001+ allocated positions)

B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

Covered California is making significant progress in the development and implementation of the programs, systems and support services required to provide health coverage for over 4 million Californians at full implementation. Covered California leads the development and implementation efforts across the nation and all program elements are of high interest to the public, media, and legislature.

The Associate Director is a member of Covered California's executive staff and is a key member of the Executive Director's staff. As the only State agency responsible for providing consumers choices for health care coverage, there are a significant number of public policy issues engaging Covered California. The Associate Director provides high-level guidance to Leadership on policy and operational matters that cross program lines and are critical to Covered California's mission. This could include developing strategic approaches to assess program effectiveness, to improve program performance, and to control program costs. The Associate Director may also convene and support an advisory body of experts to ensure that Covered California's programs and policies reflect best practices and consider the needs of all Californians. In this capacity, the Associate Director will be responsible for representing Covered California's official position with the advisory body on matters presented for discussion and consideration.

The Associate Director will have lead responsibility for preparing sensitive/critical correspondence, decision memoranda, reports, etc., for policy considerations and decision making. Additionally the incumbent will be responsible for formulating high level responses consistent with the mission, goals and objectives of Covered California in reaction to proposed state and federal legislation, reports, correspondence, special studies and research impacting Covered California interests and programs. Typically, these high-level assignments will require timely responses in very short time frames. The incumbent will analyze findings for Covered California implications, discuss the findings and make recommendations to Leadership regarding the impacts and potential outcomes.

The incumbent has delegated signature authority for any of the documents reviewed on behalf of the Directorate. Examples include legislatively or budgetary mandated reports, responses to the Federal government on funding and operational issues, audits, special studies, legislative correspondence, etc. The incumbent uses sound judgment in determining whether to personally approve and sign off on departmental responses for such correspondence or to refer to the Executive Director or Chief Deputy Executive Director for signature.

B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.
- Program is indirectly related to department's primary mission.
- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: The purpose of this position is critical to the mission of Covered California as it will be responsible for providing guidance at the Executive level on urgent, time-sensitive policies that cross program lines to ensure consistency with Covered California's mission, goals and objectives. As Covered California continues in its developmental phase, and its organization is beginning to solidify, policy development remains at a very high level. Some of the Division Directors are new to State Service and are, understandably, focused on their areas of responsibility. Many of the programs have overlapping responsibility, and it is essential that policy developed in one area is coordinated with all other impacted programs, particularly on the extremely sensitive, urgent issues. This position provides leadership and guidance to ensure that such policies reflect best practices; and consider the needs of all programs, the broader health care community and consumers.

B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

Health Care reform has been a very complex and controversial issue at the national and state level for many years. To address this matter, the Patient Protection and Affordable Care Act (PPACA) was signed into law on March 23, 2010. In the Fall of 2010, California enacted the first state law in the nation establishing the California Health Benefit Exchange (Exchange) pursuant to the federal Act. This law, the California Patient Protection and Affordable Care Act (CA-ACA), charged the Exchange with responsibility to reduce the number of uninsured Californians by creating an organized, transparent marketplace for Californians to purchase affordable, quality health care coverage for individuals and for small businesses with 50 or fewer employees, to claim available federal tax credits and cost sharing subsidies, and, in the process, to strengthen California's health care delivery system.

The enabling legislation established Covered California as an independent public entity governed by a five-member board. Covered California is the health insurance purchasing pool for small business and individuals in California. The enabling statute imposes requirements on participating and non-participating health plans and insurers. It also requires an integrated enrollment system that provides seamless coverage to impacted program participants of other state administered health coverage programs (Healthy Families, Medi-Cal, Access for Infants and Mothers, etc.). Covered California represents an important component of health care reform. The legislative goals are unparalleled to any prior change in the health care field and the time frames to accomplish the work are aggressive. The unprecedented legislative, regulatory, policy and program development work needed to establish Covered California and to continue its successful operation demand intensive, high level, policy and program development in all program areas.

The statutes creating Covered California authorize it to operate under the authority of an independent Board, which has full and complete statutory authority for oversight of operations. In the process of developing the initial roles and responsibilities of Covered California's programs, each division operated independently to achieve mandates and the provisions of our initial federal grants. However, as we have progressed, urgent, complex and sensitive issues crossing program lines are multiplying and it has become clear that there is a growing need for an executive level special advisor to quickly address these issues and ensure consistency with Covered California's mission, strategic goals and objectives. This could include developing strategic approaches to marketing, advertising, and negotiations with health plan providers; to assess operational effectiveness, to improve program performance, and to control program costs. It also includes other work at the executive level involving coordinated responses from multiple programs, such as audit responses, urgent, time-sensitive responses to critical inquiries (legislative, Governor, Congressional, etc) and/or correspondence. As a result, this position is required to achieve enhanced internal policy coordination and collaboration across program lines, and as a high level management assistant/advisor, to relieve the Executive Director, Chief Deputy Executive Director of this detail.

C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

1. Federal Regulatory Changes

This position will be heavily involved in tracking the most complex and sensitive issue/proposed regulations at the Federal level. The incumbent will be expected to be the technical expert on these topics, represent Covered California on Work Groups, collaborate with impacted programs and the Policy Division, keep the Directorate informed and prepare any necessary comments, issue papers and/or other high level executive documents on the impact to Covered California of proposed regulatory changes. Examples of include:

- Affordable Care Act - Much controversy and debate over the Affordable Care Act remains, but it is certain that under a new President and a new Congress there will be substantial efforts to amend and revise it. While Republicans may seek to repeal the Act, it is very likely that more practical changes could be sought and they will work with Democrats to improve or alter the law by eliminating certain elements both parties dislike; such as medical device taxes, Cadillac insurance plan tax and perhaps the employer mandate. There are an array of potential changes that are directly related to Covered California that will be important to follow and about which Covered California is uniquely positioned to provide technical assistance, including use of standardized benefits, the administration of subsidies and integration of exchange subsidy administration with a state Medicaid program.
- Drug Prices – While Covered California has adopted policies related to protecting consumers from high cost drugs, the incumbent will be engaged in following federal and other state's efforts to address high cost drugs and briefing executive management as the issues mature.
- Health Care Entitlements such as Medicare and Medicaid. Some proponents have indicated that the current Medicare construct should be phased out while others have suggested cutting off benefits for wealthy retirees. Sharper differences are over Medicaid where most Republicans call for turning the entitlement into a state run block grant program with a fixed federal contribution and Democrats are pressing for further expansion of coverage to those living just above the poverty line. Continued congressional debate is anticipated in the near future.
- Reproductive Health - The Planned Parenthood firestorm is just the latest in a battle that has been raging for more than 40 years. While states have taken a number of steps to limit access to abortions, Congress has remained stalemated over enacting federal laws to do so. However, there have been recent proposals to "de-fund" Planned Parenthood, and the issue is anticipated to remain under scrutiny. Issues of this nature would impact the terms and conditions of Covered California's agreements with plan providers.

2 – Delivery Reform

Initiatives will require striking a balance of working with major provider organizations – including hospitals, medical groups, etc. to align what we do with payment contract provisions with our partners like CalPERS, DHCS, CMS, etc. Payment Methodology reform is a policy example in this area. Health care costs in California and the U.S. overall, are growing at an unsustainable rate, and threaten the country's and California's ability to invest in other priorities such as education and infrastructure. The goal of payment reform is to maximize the value of health care, where value is defined as better quality at lower costs. Many agree that the fee-for-service (FFS) payment structure and perceived high levels of administrative waste are key contributors to cost growth that could be mitigated by payment reform. Any reforms in payment methodologies would have a major impact on Covered California agreements with plan providers.

An example of payment reform is the State innovation Model (SIM). This initiative creates a unique opportunity for state-led multi-purchaser payment reform. Covered California is a major stakeholder working with CCHHS to develop implementation strategies and policy recommendations in the design of a multi-payer health care payment reform initiative that moves the state toward value-based care, reduces the rate of health care cost growth, and maximizes the value of existing expenditures rather than investing new funds in the health care system. Issues to be addressed include:

- Establishing a typology characterizing methods of provider payment in the health system and defining terms related to each payment strategy;
- Describing past and current examples of payment and delivery system reforms in the U.S. and reviewing existing evidence of effectiveness in achieving savings; and,
- Presenting initial considerations for California's Design Grant work group related to possible payment reform models.

3 – Special studies

Increasingly Covered California will be working with State and national policy makers on the future of health care policy and using data and research that we generate to inform critical debates and policy issues. While this position will coordinate and work closely with Director of Policy, the design and coordination of policy research will require their engagement. The incumbent will serve as liaison with major think-tanks, research institutions and policy-making bodies to help develop research using Covered California data and then help direct how those research processes are conducted. Relation of income level to getting access to needed care is an example of such a research topic.

C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

As sensitive policy issues, proposals and/or special projects arise to the Executive Director's Office, the Associate Director will be responsible for assessing them, determining impact on other program areas, collaborating with the Directors of all impacted program areas and the Director of Policy to ensure their needs are addressed, and then formulating recommendations for action by the Chief Deputy Executive Director and the Executive Director.

As previously stated, the Associate Director has delegated signature authority for the documents reviewed on behalf of the Directorate. This include legislatively mandated reports, responses to the Federal government on funding/operational issues, audits, legislative correspondence, etc. The incumbent uses sound judgment in determining whether to return the document, personally approve and sign off on departmental responses or to refer to the Executive Director or Chief Deputy Executive Director for signature.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

Both, depending on the issue. The Associate Director may be assigned to represent the Executive Director on special committees, advisory groups and special projects that deal with existing or new policy. In this capacity, the Associate Director will represent Covered California and determine/articulate its position, and make commitments within delegated parameters. Additionally, the Associate Director will have lead responsibility for preparing correspondence, decision memorandum, reports, etc. for policy consideration and decision making on particularly sensitive and/or complex matters.