

State Planning and Establishment Grants for the Affordable Care Act's Exchanges 1st Quarter Public Report

Project Quarter Reporting Period:
Quarter 1 (09/30/2010-12/31/2010)

Project Summary

On September 30, 2010 California became the first state in the nation to enact state statute establishing a Health Benefit Exchange pursuant to the provisions of the ACA. California statute establishes the Exchange 1/1/2011 as an independent state agency governed by a five member Board. It is anticipated that the Board will be appointed in early 2011 (as of January 3, 2011, three of the five members have been named) and that the Board will develop governance and operational rules, hire an Executive Officer, and adopt a public meeting calendar in the second grant quarter. During the first grant quarter all tasks associated with the grant were coordinated by staff at the California Health and Human Services Agency (CHHSA). No funds awarded in this grant were expended in the first grant quarter. Consistent with state legislation, all grant funds are being held for expenditure by the Exchange Board. The state has begun compilation of an inventory of existing state-specific data and information and analyses. A first-level market overview will be completed in the second grant quarter. California is being assisted in these efforts by several of the California based health philanthropies. This assistance is taking the form of independent commissioned papers, sponsored projects, and support of staff assigned to CHHSA. California held two broad stakeholder meetings; one as an informational phone conference and the second an in-person meeting to explain more broadly the state's current work on health care reform in general. California has developed a website for the Exchange which will be enhanced on an ongoing basis. CHHSA staff participated in numerous conferences and webinars to offer information regarding the Exchange and to solicit comments from interested parties. CHHSA began establishment of the basic administrative and accounting systems for the Exchange and will continue to do so into the second grant quarter. The process of locating potential office space and managing the administrative processes to support staff hiring and recruitment is underway and will be passed to the Exchange board in the late second quarter/early third grant quarter. Preliminary conversations were held with the Office of Systems Integration (OSI), the state Medicaid agency, the state CHIP agency, and California's Chief Information Officer regarding the technical infrastructure required to comply with the provisions of the ACA. California provided comments and feedback on proposed federal guidance and regulations affecting the Exchange during the first grant quarter.

Stakeholder Involvement

CHHSA performed an introductory conference call with various stakeholders on 10/5/10 to update them on the state's progress in planning for and implementing health care reform. The call included members of different departments and agencies who are

involved with health care reform planning and implementation in California. CHHSA also hosted a stakeholder meeting 10/18/10. It included presentations by Kim Belshe, Secretary of CHHSA, Lesley Cummings, Executive Director (ED) of the Managed Risk Medical Insurance Board (MRMIB), Tim Le Bas, Assistant Deputy Director of the Department of Managed Health Care (DMHC), David Maxwell-Jolly, Director of the Department of Health Care Services (DHCS), Sandra Shewry, Advisor on Health Care Reform to CHHSA, Dr. Mark Horton, Director of California Department of Public Health (CDPH), and Dr. David Carlisle and Barbara Halsey, Directors of the Office of Statewide Health Planning and Development (OSHPD) and the California Workforce Investment Board (CWIB), respectively. This presentation covered a wide range of topics relating to health care reform in California and included a lengthy question and answer session following the presentations, with questions coming from both the live audience and webcast audience. California also has a website available where consumers can find detailed information regarding the status of health care reform in California. This site provides information on a range of subjects and links to various departments and agencies involved with health care reform. The website is healthcare.ca.gov. California also has a website for the California Health Benefit Exchange, where consumers can go to get more information, including public meeting notices, at healthexchange.ca.gov.

Budget

The total budget for the State Planning and Establishment Grants for the Affordable Care Act's Exchanges is \$1,000,000. The budget is broken down into several categories:

- a. Personnel
- b. Fringe Benefits
- c. Travel
- d. Equipment
- e. Supplies
- f. Contractual
- g. Other
 - a. Board and meeting support
 - b. Communications
 - c. Mailing and postage
 - d. Office space and facilities
 - e. Printing and materials

Deliverables

In subsequent quarterly reports, this section will contain information about press releases, news articles, public recognition, and any other documentation allowed by law for public disclosure.