



**Contra  
Costa  
County**

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: January 22, 2013

Subject: Oral Update on the Health Care Benefit Exchange Proposal

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**RECOMMENDATION(S):**

ACCEPT the oral report from the County Administrator regarding the County's proposal to the State of California to operate a Health Benefit Exchange Call Center, and, if awarded a contract, support the Employment and Human Services Department efforts to meet all the required deadlines to open the center.

**FISCAL IMPACT:**

No fiscal impact - informational only.

**BACKGROUND:**

The Board of Supervisors, at their meeting on December 4, 2012, gave the Employment and Human Services Department unanimous approval to submit a proposal to the State of California, California Health Benefit Exchange/California Covered, to operate a Health Care Benefits Exchange (HBEX) call center. On December 12, 2012 the Employment and Human Services Department, at the direction of the Board of Supervisors, submitted a response to a Request For Offers (RFO).

Contra Costa County's Employment and Human Services Department (EHSD) submitted a

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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **01/22/2013** ☒ APPROVED AS RECOMMENDED ☒ OTHER

Clerks Notes:

See Addendum

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Mary N. Piepho, District III Supervisor  
Karen Mitchoff, District IV Supervisor  
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 22, 2013

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Dorothy Sansoe,  
925-335-1009

cc:

response to this RFO for multiple reasons, but the primary one is because we want to partner with the State and the Exchange in ensuring that expanded

## BACKGROUND: (CONT'D)

healthcare coverage is made available, in a user-friendly fashion, to all eligible California residents. In addition, we believe that working with the Exchange would benefit not only EHSD in a variety of ways, but that participation would benefit the entire County.

Not only does the work of California Covered and the Exchange help to further the mission of the Employment and Human Services Department, but we believe that locating a service center in this county will be a boost to our economy. Of the eight counties in the Bay area, Contra Costa has been among those most hard hit by the economic downturn. At one point over the past 6 years our County's unemployment rate was over 12% and several cities within the County were particularly affected by job losses and foreclosures with even higher unemployment rates.

The Board of Supervisors has long seen the importance of and accepted a leadership role in financing and providing health care to county residents, regardless of their ability to pay for the costs of that care. This County has a lengthy history of owning and operating a public hospital and health clinics and it was the first county in California to own and operate its own health plan.

Two counties submitted responses to the RFO - Contra Costa and Stanislaus. The State has been meeting with both Counties regarding their submissions and the staff and administration has met with them twice to go over the proposal. The State representatives were also given a tour of the Medi-Cal Call Center in Antioch.

The proposal submitted by the Employment and Human Services Department is cost neutral to the County - no General Fund impacted is expected should Contra Costa County be awarded the contract.

On Friday, January 18, 2013, the Health Benefit Exchange/California Covered will announce their decision whether to partner with Contra Costa County, Stanislaus County, or to open State operated call centers only. The oral report to be given to the Board at their January 22, 2012 will inform the Board and the public about the decision, and if Contra Costa County is awarded a contract, request the Board's support in the Department's efforts to meet the deadlines to open the call center.

## CONSEQUENCE OF NEGATIVE ACTION:

The Board and the public will not receive current information.

## CHILDREN'S IMPACT STATEMENT:

Not applicable.

## CLERK'S ADDENDUM

*David Twa, County Administrator presented the staff report. Mr. Twa provided the following information in addition to the Board Order: In December 2012, the Board of Supervisors authorized the Employment and Human Services Department to submit an offer to the California Health Exchange Board to operate a call center for the State Health Care Exchange, under the provisions of the Affordable Care Act. On Friday, January 18, 2013 the County received acknowledgment from the California Health Exchange Board that Contra Costa County has been chosen as a site for a call center. Contra Costa is the only county to have been selected so far. The State intends to operate two other service centers with state employees, the proposed location of which is not yet known. The State plan to implement the call centers and other elements of the Affordable Care Act has been named "Covered California". It is expected that this program will be funded entirely with state and federal dollars, there are no costs to the County General Fund. The state noted that the proposed costs to operate the call center is approximately 13% higher than their own projected costs. This is due to several factors, including the higher cost of living in the Bay Area. Mr. Twa cautioned that the initial contract entered into would very likely be the best deal obtainable, history with state and federal funded programs indicating that as operational expenses rise over time, the funding does not. Next week, the Employment and Human Services Department will enter into contract negotiations. The final contract must be approved by the Board of Supervisors and the state exchange before official project development activities can occur. The timelines are very ambitious for implementation. The Affordable Care Act requires that the health plan enrollment begin by October 2013. The County will use an existing eligibility work classification to move promptly to be in a position to hire and train approximately 90 full time and 90 part-time or intermittent service agents. As a service center serving a highly diverse population, there will be a need for employees with multilingual skills. The County hopes to have the center operational by July 1, 2013 to begin the training sessions. It is expected that the hours of operation for the service center would be Monday – Friday, 8 a.m. to 6 p.m. and Saturdays 6 a.m. to 5 p.m. Hours of operation would need to be expanded during open enrollment periods. The County is looking at potential site locations in both east and west county. One site in West County looks to be promising. Mr. Twa noted the unemployment rates in east and west county and the positive impact of approximately 180 good paying jobs to those areas. Supervisor Piepho expressed hopefulness that in some way the implementation of the goals of the Community Corrections Partnership are considered. By unanimous vote: ACCEPTED the oral report from the County and SUPPORTS the Employment and Human Services Department efforts to meet all the required deadlines to open the center.*