
OCTOBER 22, 2024

**AGENDA ITEM 6
ACTION ITEM**

SCHOLARSHARE INVESTMENT BOARD

Resolution to Approve Agreement(s) with Covered California for Incentives to Eligible California Kids Investment and Development Savings Program Accounts

Recommendation

ScholarShare Investment Board (SIB or Board) staff recommend that the Board adopt Resolution No. 2024-09 authorizing the Executive Director to enter into an agreement with Covered California (CCA) to accept payments made on behalf of CCA, which are to be deposited into beneficiary accounts for the California Kids Investment and Development Savings Program (CalKIDS or Program).

Background

SIB and CCA will implement a pilot project, anticipated to launch in early-2025, to encourage parents of newborns and children under the age of two (2) to participate in important healthcare milestones. According to CCA findings, California's ranking is among the lowest in the nation for children's healthcare. CCA aims to address this through its new Population Health Investments (PopHI) project, which is funded by contractual health plan issuer payments through CCA's Quality Transformation Initiative. The Quality Transformation Initiative requires health plan issuers that fail to meet certain quality thresholds to make payments to support PopHI, which directly support CCA enrollees as an additional benefit included in their health care coverage. In reviewing research, CCA recognizes how incentive-based approaches have been important in promoting vaccinations and pediatric visits. For these reasons, CCA and SIB will partner to incentivize public health initiatives through CalKIDS. Based on available funding and enrollment projections, CCA believes this project will impact approximately 2,500-3,000 children.

This project will include the following components:

- **Data Agreement:** CCA will provide final information to SIB of the children who have been identified as eligible to receive the CalKIDS incentive.
- **Fund Transfer Process:** SIB and CCA, through its third-party vendor, will transfer funds collected through the Quality Transformation Initiative to SIB to be deposited into CalKIDS accounts for the eligible children who have met the goals of the applicable CCA incentive. SIB will receive a total amount from CCA not to exceed \$2,400,000 through March 31, 2026.
- **Key Milestones:** Eligible children will receive an incentive amount, which may range between \$25 to \$150, in their CalKIDS account for claiming their CalKIDS account and completing a combination of the activities related to attending well-child visits and receiving recommended vaccinations noted below. Exact milestones and amounts will be coordinated between SIB and CCA and are subject to change.

- Attending well-child visits at 2,4,6 months of age and receipt of Diphtheria, Tetanus and Pertussis (DTaP), Polio, Hepatitis B (HepB), Haemophilus Influenza type B (HiB), Pneumococcal conjugate vaccine (PCV) or Prevnar 20, Rotavirus.
- Attending 12 or 15 month well-child visit and receipt of measles, mumps and rubella (MMR), Chickenpox, Hepatitis A (HepA), DTaP, Prevnar 20 or Hib
- Attending 18 month well-child visit and receipt of HepA.
- Additional bonus for influenza vaccine receipt.
- Legal Consideration: SIB has ensured that contractually it will not be obligated to pay incentives that are marketed and promoted by CCA or PopHI as part of this collaboration, if there is an unforeseen issue of payment to eligible CCA children. All obligation for incentive payments rests with CCA.

Presenter

Noah Lightman, Manager, CSA Initiatives, ScholarShare Investment Board

**SCHOLARSHARE INVESTMENT BOARD
RESOLUTION NO. 2024-09**

**RESOLUTION OF THE SCHOLARSHARE INVESTMENT BOARD
TO ENTER INTO AGREEMENT(S) WITH COVERED CALIFORNIA
FOR INCENTIVES TO THE CALIFORNIA KIDS INVESTMENT
AND DEVELOPMENT SAVINGS PROGRAM**

WHEREAS, the California Kids Investment and Development Savings Program (“CaKIDS” or the “Program”) and CaKIDS fund are established pursuant to Education Code sections 69996.1 and 69996.9, respectively;

WHEREAS, the ScholarShare Investment Board (the “SIB” or “Board”) was created under Education Code section 69980 et seq. (the “Golden State ScholarShare Trust Act” or “Act”);

WHEREAS, Section 69996.4(e) of the Education Code provides that the Board shall have the powers and authority to accept any grants, gifts, appropriations, and other moneys from any unit of federal, state, or local government or any other person, firm, partnership, or corporation for deposit to the fund;

WHEREAS, Covered California (“CCA”) was established as an independent public entity pursuant to Government Code section 100500, to increase the number of insured Californians, improve health care quality, lower costs, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and providers that give them the best value;

WHEREAS, CCA receives private funds through its Quality Transformation Initiative from health insurance plans which fail to meet contractual quality targets, which monies shall be used for Population Health Investments (“PopHI”) designed by CCA to support health initiatives for underrepresented CCA enrollee populations such as promoting well-child visits and vaccinations;

WHEREAS, CCA believes CaKIDS is an important state resource driven by evidence-based research in supporting family outcomes and can be used as a tool in incentivizing community-health initiatives;

WHEREAS, SIB and CCA have agreed to a partnership whereby SIB will add Quality Transformation Initiative funds into CaKIDS accounts for newborns and children under 2 years of age as an incentive when families meet goals tied to well-child visits and recommended vaccinations; and

WHEREAS, the Executive Director of SIB (“Executive Director”) is authorized to enter into a financial and data-receiving agreement with CCA to implement this partnership.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes the Executive Director to enter into any and all necessary agreement(s) with CCA for the purposes described herein, which include the following partnership guidelines for CCA to add non-state funds as incentives into eligible CaKIDS accounts:

1. CCA will provide final information to SIB on eligible newborns and children under 2 years of age who have completed recommended health milestones, as determined by CCA, and therefore are eligible to receive an incentive towards their CaKIDS account.

2. As a condition of receiving the incentive, CCA will collect and verify enrollment consent forms from the legal guardian of the child to transfer the necessary data to SIB to facilitate deposits into eligible CalKIDS accounts.
3. CCA, through its selected third-party vendor, will provide an amount not to exceed \$2,400,000 through March 31, 2026, to CalKIDS for children identified as eligible by CCA under the incentive program.

BE IT FURTHER RESOLVED, that this Resolution becomes effective upon its adoption by the Board.

Attest: _____
Chairperson

Date of Adoption: _____