



FACT SHEET

Oct. 1, 2013

ENROLLMENT FORECASTS, REPORTING SCHEDULE AND BACKGROUND DATA

Introduction

Covered California™ is the state's marketplace for the federal Patient Protection and Affordable Care Act (Affordable Care Act). Covered California is charged with creating a new health insurance marketplace in which individuals and small businesses can get access to affordable health care. Covered California's goal is to enroll as many eligible Californians in affordable health insurance coverage as possible. Many will enroll in health insurance through Covered California because they are newly eligible for Medi-Cal or because they can take advantage of federal premium assistance. Those who make too much to qualify for premium assistance will still be able to buy plans through Covered California or in the broader individual market. This fact sheet presents Covered California's enrollment forecasts for subsidized coverage and unsubsidized coverage both through Covered California and the broader market.¹ In addition, this fact sheet summarizes the California Department of Health Care Services' (DHCS's) forecasts of new Medi-Cal enrollment for 2014. Also included in this fact sheet is Covered California's reporting schedule for key enrollment data. In addition, Covered California is providing an appendix that gives background eligibility and demographic data for the California market.

Goals and Forecasts

Covered California's goal and aspiration is, over time, to help insure all eligible Californians. We recognize and have planned for the reality that coverage will grow over time. Based on experience in other states and economic modeling, the forecast enrollment for the first year of operations is as follows:

- By the end of the first open enrollment (i.e., before April 1, 2014), Covered California expects to have enrolled between 487,000 and 696,000 subsidy-eligible Californians (those eligible for premium assistance).
- By the end of the second open enrollment (before Jan. 1, 2015), Covered California expects to have enrolled between 840,000 and 1.2 million subsidy-eligible Californians.

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¹ This fact sheet does not address other public and private coverage, including Medicare and Medicaid and employer-sponsored coverage.

DHCS has forecast more than 1 million in new Medi-Cal enrollment for 2014, which is not subject to the open-enrollment provisions for Covered California health insurance plans or the individual market, as follows:

- By the end of 2014, 700,000 who are newly eligible under the Affordable Care Act.
- By the end of 2014, 350,000 who were previously eligible but will benefit from the new streamlined application.

Table 1 displays subsidized and unsubsidized enrollment forecasts for Covered California’s subsidy-eligible enrollees and the unsubsidized individual market through January 2018. As noted above, not all unsubsidized enrollment will occur through Covered California; however, all enrollees will benefit from Affordable Care Act market reforms, such as the elimination of pre-existing condition exclusions and annual and lifetime dollar limits on coverage.

Table 1. Subsidized and Unsubsidized Enrollment Forecasts: 2014 through 2018

	April 2014 (Full Initial Open Enrollment)	January 2015	January 2016	January 2017	January 2018
Forecast of Subsidized Enrollment (Base-Enhanced) ²	487,000 - 696,000	840,000 - 1,200,000	1,110,000 - 1,640,000	1,340,000 - 2,000,000	1,540,000 - 2,070,000
Forecast of Unsubsidized Enrollment ³		1,700,000 - 1,720,000	1,800,000 - 1,820,000	1,930,000 - 2,000,000	2,010,000 - 2,080,000

Data Sources and Reference Tools

The data presented in this fact sheet come from the California Simulation of Insurance Markets (CalSIM):

- CalSIM is a model designed to estimate the impacts of the Affordable Care Act on health care coverage in California. It was developed by the University of California, Berkeley, Center for Labor Research and Education and the University of California, Los Angeles, Center for Health Policy Research. Additional CalSIM data are available at <http://healthpolicy.ucla.edu/programs/health-economics/projects/CalSIM/Pages/default.aspx>. Data from CalSIM Version 1.8 are used throughout this document.

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² Covered California’s enrollment forecasts were based on University of California CalSIM projections that were reviewed by an independent panel of methodology experts. The “base” and “enhanced” levels of potential enrollment are based on economic simulations of enrollment, with the “enhanced” figures reflecting successful multi-language outreach.

³ Unsubsidized totals include both individuals who enroll in Covered California but do not receive premium assistance and those who enroll in the individual market.

Covered California's Enrollment Data Reporting Schedule

Covered California is committed to regular data reporting of service levels, call/contact volume and enrollment. Table 2 displays a schedule of data to be reported on a weekly and monthly basis starting in October 2013. Covered California is also working to schedule reporting of more granular data, shown in Table 3, about where enrollees go to get assistance with enrolling (enrollment channel) and key enrollee attributes.

Table 2. Enrollment Data Reporting Schedule
Weekly (Starting Oct. 8, 2013)
<p>In-person enrollment support:</p> <ul style="list-style-type: none"> • Certified county eligibility workers • Covered California Certified Insurance Agents • Covered California Certified Enrollment Entities • Covered California Certified Enrollment Counselors <p>Service (for individual and for Covered California's Small Business Health Options Program [SHOP]):</p> <ul style="list-style-type: none"> • Total call volume • Average wait time • Average handle time • Web visits (at CoveredCA.com) • Average Web session time (at CoveredCA.com) • Referred to county — quick sort • Referred to county — other
Monthly (Starting Nov. 15, 2013)
<p>Enrollment applications (and effectuations)⁴:</p> <ul style="list-style-type: none"> • Subsidized coverage (those who enroll and are eligible for premium assistance in the form of the federal tax subsidy) • Non-subsidized coverage • Enrollment in the Small Business Health Options Program (SHOP)

Table 3. Enrollment Data Reporting Elements to Be Scheduled
<p>Enrollment in Medi-Cal:</p> <ul style="list-style-type: none"> • Newly eligible — effective Jan. 1, 2014 <p>Enrollment by channel:</p> <ul style="list-style-type: none"> • Certified county eligibility workers • Covered California Certified Insurance Agents • Covered California Certified Enrollment Entities • Covered California Certified Enrollment Counselors • Covered California Service Center representatives • Self-service online <p>Enrollment by key enrollee attributes:</p> <ul style="list-style-type: none"> • Language • Race/ethnicity • Age groupings • Federal poverty level percentage band • Metal level (plans are categorized as Bronze, Silver, Gold and Platinum) • Plan • County

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⁴ "Enrollment" reflects the complete submission of an approved application for coverage. For Covered California plans, coverage is not actually effectuated until the consumer pays his or her portion of the premium and coverage begins. By definition, there will be no consumers who have coverage effective prior to Jan. 1, 2014. Starting in January, reporting will include:

- The number of newly insured whose coverage was effective that month.
- The number of individuals who dis-enroll (e.g., because they get employer-sponsored coverage through a new job).
- The cumulative number of active insured individuals.

APPENDIX

California Market Background Eligibility and Demographic Data

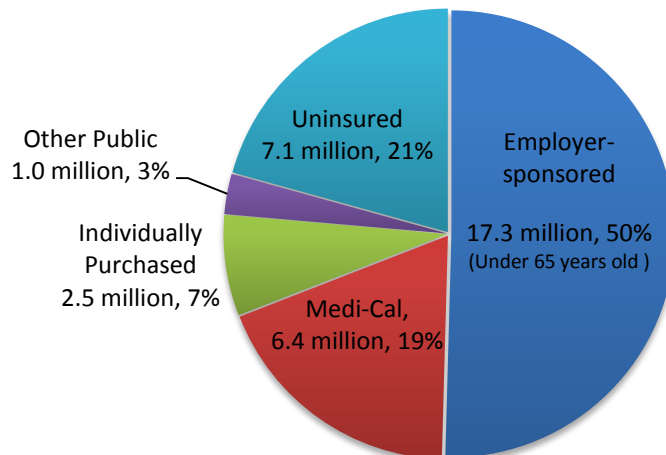
As a resource for stakeholders, reporters and others interested in Covered California's mission, this appendix provides some key background information from independent sources on the demographics and eligibility for insurance coverage of the California market. Specifically, we provide information on the following five questions:

1. What does health insurance coverage in California look like today?
2. How will coverage expansions benefit California's uninsured?
3. How many people are eligible to enroll in Covered California?
4. Where do the 5.3 million Covered California-eligible individuals get their coverage today?
5. What is the demographic mix, language spoken and geographic distribution of the 2.6 million Californians who are eligible for federal subsidies?

1. What does health insurance coverage in California look like today?

Figure 1 shows that the majority of Californians who are under 65 get their coverage through their employer today. The Affordable Care Act will provide new coverage options for those who are uninsured and purchasing coverage through the individual market today. (*Source:* Employee Benefit Research Institute. 2012. "Sources of Health Insurance and Characteristics of the Uninsured: Analysis of the March 2012 Current Population Survey." Issue Brief No. 276. September.) The estimate for the uninsured in this report reflects the total number of individuals who were uninsured at some point in the year.

Figure 1. Insurance Coverage in California in 2013

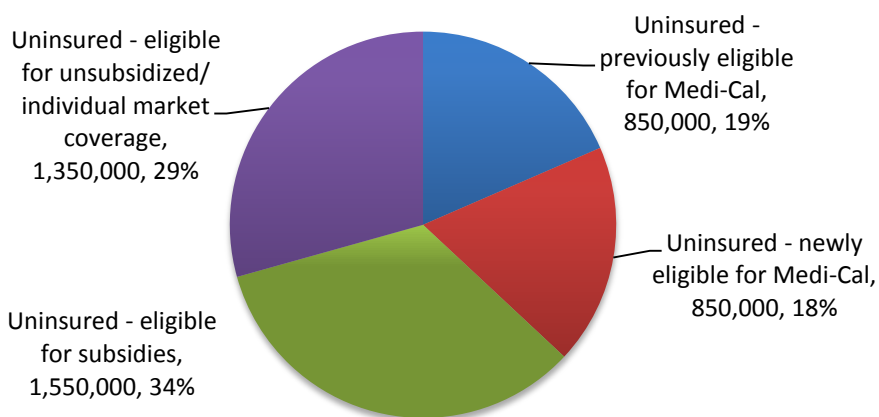


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2. How will coverage expansions benefit California’s uninsured?

Figure 2 looks at the uninsured from a “point-in-time” estimate and describes the 4.6 million currently uninsured Californians who will be able to get coverage and the source of that potential coverage: Medi-Cal, Covered California or the individual market. For many, coverage expansions will come with subsidies to help pay for part or all of the cost of health care. For those who do not qualify for subsidies, changes to the individual market will ensure that all individuals can access coverage without being turned down due to a preexisting condition. (Source: CalSIM Version 1.8, available at <http://www.healthexchange.ca.gov/StakeHolders/Pages/CalSIM18Data.aspx>.) In addition to this 4.6 million, there are an estimated 1 million uninsured individuals who will not be eligible for Medi-Cal or Covered California’s other coverage expansions under the Affordable Care Act due to immigration status.

Figure 2. Uninsured Californians by Eligibility for Coverage in 2014



Notes:

- A million uninsured individuals will not be eligible for Medi-Cal or Covered California due to their immigration status.
- These data are point-in-time estimates that capture the state of being uninsured at any given point in the year. Point-in-time estimates are lower than full-year estimates, which capture the total number of people who are uninsured throughout the year.

3. How many people are eligible to enroll in Covered California?

Covered California is conducting a broad marketing and outreach campaign to ensure that all individuals who are eligible for new and expanded coverage understand their options. Covered California’s primary target of marketing and outreach efforts is the more than 5.3 million California residents as of 2014 who are either eligible for subsidies or now benefit from the guaranteed coverage and new insurance protections from the Affordable Care Act. (Source: CalSIM Version 1.8, available at <http://www.healthexchange.ca.gov/StakeHolders/Pages/CalSIM18Data.aspx>.)

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These include:

- 2.6 million who qualify for subsidies in Covered California.
- 2.7 million who do not qualify for subsidies but now benefit from guaranteed coverage and can enroll inside or outside of Covered California.

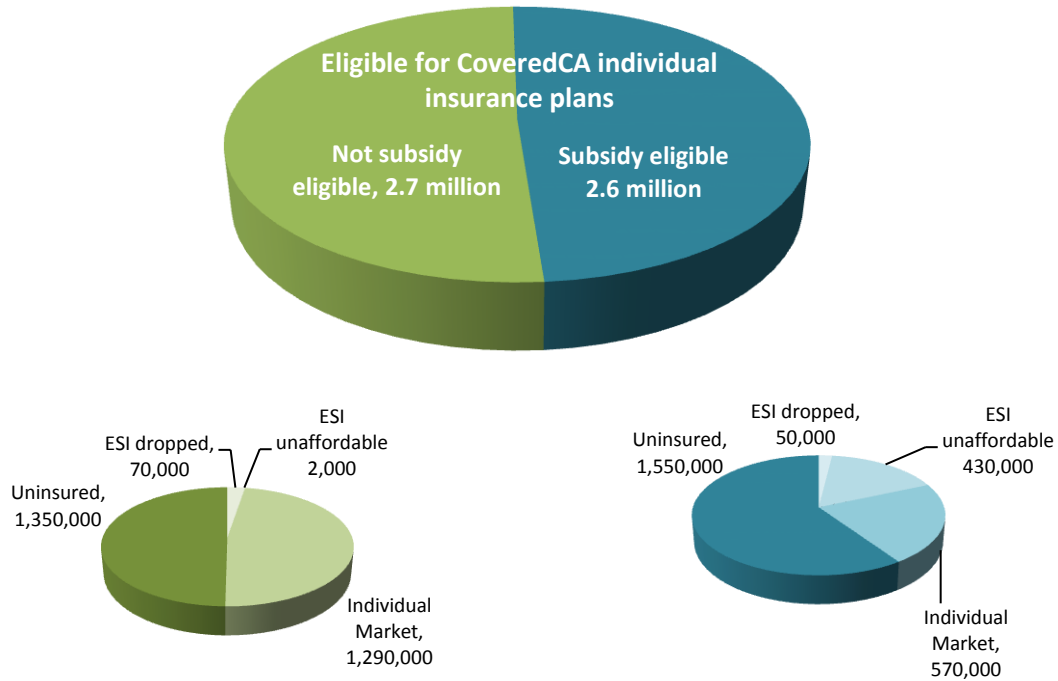
4. Where do the 5.3 million individuals eligible for Covered California individual insurance get their coverage today?

Most individuals who are eligible for subsidies in Covered California are currently uninsured, while others purchase coverage in the individual market. A smaller number of subsidy-eligible individuals currently have employer-sponsored insurance (ESI), but this coverage is either unaffordable (greater than 9.5 percent of the individuals' income) or will no longer be offered on Jan. 1, 2014. Figure 3 shows the current coverage status of those who will be eligible to purchase subsidized and unsubsidized coverage through Covered California in 2014. (Source: CalSIM Version 1.8, available at <http://www.healthexchange.ca.gov/StakeHolders/Pages/CalSIM18Data.aspx>.) Some important observations based on this data are listed below.

- The largest subgroup among those eligible are the 1,550,000 Californians who are currently uninsured who will now benefit from having federal premium assistance to make health care more affordable.
- Among the individuals who will be eligible for financial assistance through Covered California are 570,000 Californians who are purchasing health insurance on the individual market today. These individuals already see the value of carrying health insurance and will see immediate assistance.
- Of those who are not eligible for financial assistance, but do benefit from the new insurance protections, the number of Californians is approximately equally divided between those who have insurance today (1,290,000) and those who are uninsured (1,350,000).
- For the 1,290,000 with insurance today, their rates may change — going up or down depending on their current coverage, age and other factors — but starting in 2014 they will be getting insurance that covers all essential health benefits.
- For the 1,350,000 who are uninsured, they now will be able to choose among a range of health plans and different levels of benefits — and they cannot be denied based on their pre-existing condition.

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Figure 3. Covered California's Target Audience



5. What is the demographic mix, language spoken and geographic distribution of the 2.6 million Californians who are eligible for federal subsidies?

Although Covered California directs marketing and outreach to all of the 5.3 million Californians who are eligible to purchase in the marketplace, there is an explicit emphasis on reaching the 2.6 million Californians who are eligible for premium assistance and cost-sharing subsidies through Covered California. By ensuring substantial enrollment among the subsidy-eligible population, Covered California will be ensuring balanced risk mix that will ensure lower premiums for everyone in the individual market going forward. Mirroring California itself, the subsidy-eligible population is diverse in terms of race/ethnicity, primary spoken language and geographic distribution (Figures 4 and 5). (Source: CalSIM Version 1.8, available at <http://www.healthexchange.ca.gov/StakeHolders/Pages/CalSIM18Data.aspx>.) Covered California’s marketing and outreach campaign will reach the subsidy-eligible population in their language where they live, work and play, which means that it is reaching out to all parts of California and targeting different populations and languages.

About half of Covered California’s subsidy-eligible population is Latino, and more than 25 percent primarily speak Spanish. An additional 13 percent, or 350,000 subsidy-eligible Californians, speak an Asian language, such as Chinese or Vietnamese, or another language.

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Figure 4. Subsidy-Eligible Population by Race/Ethnicity

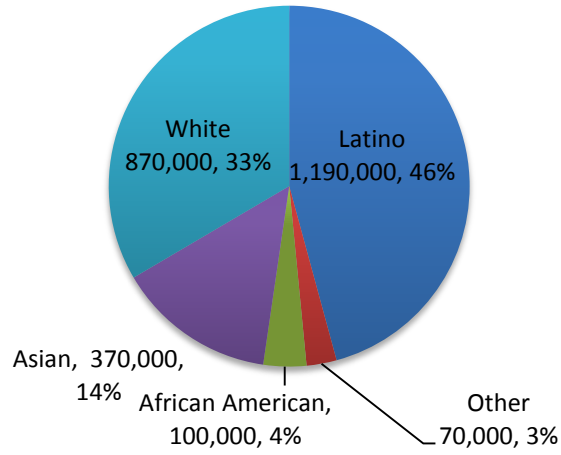


Figure 5. Subsidy-Eligible Population by Geographic Distribution

