



News Release

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FOR IMMEDIATE RELEASE

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Covered California for Small Business Announces Rates and Plans for 2019 with an Average Premium Increase of 4.6 Percent

- *The weighted average rate change is the lowest in the five years since Covered California for Small Business (CCSB) launched in 2014.*
- *CCSB has more than 47,000 members to date, an increase of more than 30 percent over a year ago.*
- *The small business program continues with five carriers offering coverage for employees around the state.*
- *Covered California produced a new video, capturing the experience of one of its CCSB members: <https://vimeo.com/286219647/abfb86c5b2>.*

SACRAMENTO, Calif. — Covered California for Small Business (CCSB) unveiled the health plan choices and rates for small-business employers and their employees for the upcoming 2019 plan year. The statewide weighted average rate change will be 4.6 percent for employers and their employees, which represents the lowest annual increase in the program's five-year history.

"Our small-business exchange continues to grow as we offer a wide range of plan options to business owners and their employees across the state," said Covered California Executive Director Peter V. Lee. "The modest rate change and increase in signups reflect the strides we have made as we seek to offer employers coverage options more tailored to each employee's needs."

This year's rate change of 4.6 percent is lower than the most recent year-over-year trend of 6 percent that larger employers are experiencing (see Table 1) and reduces the program's five year average increase to 5.9 percent.

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“The success of Covered California for Small Business is yet another example of how this new era of health care is working for Californians,” Lee said. “The stability and competitive rates of our small business product helps put competitive market pressure on the entire small employee sector.”

Table 1: Covered California for Small Business Average Rate Change, by Year

Year	Rate Change (Percentage)
2015	5.2
2016	7.9
2017	5.9
2018	5.6
2019	4.6
CCSB 5-year Average	5.9
Avg. Large Business Rate Change in 2017 and 2018¹	6.0

CCSB will be offering five plans in 2019, including two preferred provider organization (PPO) plans from Blue Shield of California and Health Net, both offering their broadest provider networks, and two health maintenance organization (HMO) plans — which are provider and hospital-based — from Kaiser Permanente and Blue Shield. Rounding out the 2019 portfolio of health plans are Chinese Community Health Plan in San Francisco and Sharp Health Plan in San Diego. Also, Health Net will be launching new offerings in the final quarter of 2018.

CCSB has experienced double-digit percentage growth in membership for four consecutive years. Currently, more than 47,000 individuals have insurance through CCSB, representing a growth of approximately 12,000 individuals, or a 33 percent gain in membership over this time last year.

The steady growth makes CCSB one of the largest small-business health options programs in the nation.

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¹ Source: [Willis Towers Watson](#), “Cost increases without plan changes are 6.0% for both 2017 and 2018.”

“We are seeing a growing interest from the Agent community, as they see the value in our full PPO networks for their consumers and the choices we provide for them and their employees,” said Terri Convey, director of Covered California’s Outreach and Sales Division. “This market is working for consumers, bringing the power of choice and stability to California businesses.”

One of those small business owners enrolled in CCSB is George Osorio, the owner of California Collision in Pleasanton. When George first started his business, he realized that many of his employees did not have health insurance, so he worked with CCSB to get his employees the coverage and care they needed. You can view and download George’s story here: <https://vimeo.com/286219647/abfb86c5b2>.

Just like in Covered California’s individual market, consumers may be able to limit increases in their rates, or perhaps even save money on their premiums, by shopping and switching to the lowest-cost plan in the same metal tier.

CCSB’s web-based enrollment and renewal portals for employers, agents and general agents will begin its second enrollment period after a successful launch in 2018. The exchange remains invested in enhancements that allow CCSB to be a leader in moving the small-group insurance market to an e-commerce industry. Additionally, as of September, CCSB has expanded its distribution channels to include two new General Agents, BenefitMall and Beere & Perves.

“We see opportunity in working with both of these organizations in expanding both our Northern California and Southern California reach,” Convey said. “Our goal remains to provide California businesses and their employees’ affordable and dependable health care coverage.”

Businesses with up to 100 employees can apply for health insurance coverage for their workers through Covered California for Small Business. Federal tax credits may be available to employers with 25 or fewer employees. Visit www.CoveredCA.com/for-small-business/ for information on how to apply.

Family dental plans are optional and are provided by Delta Dental of California, Liberty Dental Plan of California, Dental Health Services, and California Dental Network.

About Covered California

Covered California is the state’s health insurance marketplace, where Californians can find affordable, high-quality insurance from top insurance companies. Covered California is the only place where individuals who qualify can get financial assistance on a sliding scale to reduce premium costs. Consumers can then compare health insurance plans and choose the plan that works best for their health needs and budget. Depending on their income, some consumers may qualify for the low-cost or no-cost Medi-Cal program.

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Covered California is an independent part of the state government whose job is to make the health insurance marketplace work for California's consumers. It is overseen by a five-member board appointed by the governor and the legislature. For more information about Covered California, please visit www.CoveredCA.com.

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