Covered California

Standardized Regulatory Impact Assessment

Proposed Regulations for the Eligibility and Enrollment in the Individual Market

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Submitted to the California Department of Finance on January 12, 2018, in accordance with Senate Bill 617, chapter 496, statutes of 2011.

A. SUMMARY

1. Statement of the Need of the Proposed Regulations

In March 2010, President Obama signed federal health reform legislation called the Patient Protection and Affordable Care Act, or "Affordable Care Act" (ACA). That same year, California chose to operate its own exchange as the California Legislature enacted and the governor signed legislation establishing the California Health Benefit Exchange (now also known as "Covered California") and its governing Board.[1] The enacting legislation required that the Exchange,

- Provide the public with clear standards and eligibility requirements to qualify for federal tax subsidies through the Exchange.

- Establish the criteria and process for eligibility determination, enrollment, and disenrollment of enrollees and potential enrollees in the Exchange.

- Establish a fair and efficient appeals process for prospective and current enrollees of the Exchange. More specifically, this action creates clear guidelines for the public to request and receive a fair hearing.

The Eligibility and Enrollment in the Individual Market regulations establish the Exchange's policies and procedures for: (1) eligibility determination and redetermination; (2) enrollment in qualified health plans; (3) termination of coverage through the Exchange; and (4) an appeals process in the individual Exchange. They provide clear standards and eligibility requirements to qualify for federal tax subsidies through the Exchange and set out the standards and requirements for the qualified health plan issuers regarding enrollment of qualified individuals and termination of coverage for individuals who qualified through the Exchange.

2. Major Regulation Determination

The overall economic impact of these regulations will exceed $50 million each year beginning in 2016. The impacts are the result of changes in the shares of consumer spending devoted to health insurance, healthcare services, and all other categories as well as changes in health insurance company margins and state government spending.

3. Economic Baseline

The proposed regulations were not needed prior to federal health reform legislation passed in 2010. The Exchange opened in October 2013 and its first policies became effective January 1, 2014. Prior to that date, health insurance consumers had no access to a statewide health insurance marketplace nor were federal subsidies available. For a variety of reasons, including its prohibitive cost, approximately 5 million California residents lacked health insurance. Prior to the opening of the Exchange, health insurance was acquired by individuals from insurance companies directly or through agents, as a benefit of employment, or through a public program such as Medi-Cal.

4. Public Outreach and Input

In the process of developing these regulations, the Exchange met with the Department of Health Care Services and stakeholder groups. The regulations were discussed and approved in publicly held, duly noticed meetings of the California Health Exchange Board where interested members of the public were given the opportunity to offer suggestions and comments. In conjunction with these

[1] Stats. 2010, ch. 659, section 2, (SB 900, [Alquist, Steinberg]); Stats 2010, ch. 655 (AB 1602, [Perez].

meetings, the regulations were posted on the Exchange's web site. The proposed regulations reflect comments received from a variety of affected parties.

B. BENEFITS

The ACA has made it possible for millions of Americans to receive health care who could not previously afford it. The proposed regulations facilitate the purchase of qualified health plans through California's marketplace by individuals, most of whom are eligible for federal subsidies to offset a portion of their premiums. Expanded health coverage will improve access to quality health care for nonelderly California adults, thereby helping to save lives and increase the overall health of the public in California.

Expanding healthcare coverage through Covered California will decrease the cost for health care in California by increasing preventative care and providing health care access to more Californians. This will reduce health care costs overall and allow funds that would otherwise be spent on emergency room visits and sick patient care to be spent in other ways that benefit the health and welfare of California residents, worker safety, the environment, or on other state priorities.

Enrolling for health insurance coverage through Covered California is principally determined by a complex decision making process by individuals and firms who are influenced by four principle factors.

- First, given that employer sponsored insurance (ESI) accounts for over half of all forms of health insurance coverage, the choice of employers to offer health insurance and of employees to take up those offers is a substantial determinant of demand for individual policies, including those offered on the Exchange (see Table 1 below). Economic conditions and labor market conditions in particular can also impact the aggregate availability of ESI offers.
- Since affordability is a dominant factor for individuals that may consider purchasing coverage directly on the individual market, the provision of financial assistance by the ACA, which is only available with policies sold on the Exchange, will strongly influence take up of Exchange policies. This financial assistance is provided on a sliding scale based on each applicant's household income based on Modified Adjusted Gross Income (MAGI). Thus, similar to offers of ESI, changes in the economy, such as increases in the minimum wage, that affect family incomes will drive changes in the number of individuals eligible for assistance.
- Eligibility for no-cost Medi-Cal coverage makes that a more attractive alternative for families with income below 138 percent of the federal poverty level.
- Lastly, through 2018, most individuals who did not purchase qualified health insurance coverage through enrollment in Medicaid, Medicare, Children's Health Insurance Plan (CHIP), employer-based, or individually-purchased insurance plans faced the prospect of gradually rising federal penalties that reached $695 per person (up to a maximum of $2,085 per family) or 2.5 percent of taxable income in 2016.

A more extensive description of how these, and other factors, interact to determine the level of take of various forms of health insurance in California as a result of the implementation of the ACA can be found in *California Simulation of Insurance Markets (CalSIM) Version 1.8, Methodology & Assumptions*.[2]

1. Individuals

The financial benefit of these regulations for individuals who enroll for coverage through the Exchange is related to their prior health insurance status and their eligibility for federal subsidies. Enrollees who were previously uninsured now have better and timelier access to healthcare.

[2] Available at http://healthpolicy.ucla.edu/publications/Documents/PDF/calsim_methods.pdf

Enrollees who were previously insured and now receive a federal subsidy will spend less on health insurance, which allows them to spend more on non-health insurance goods and services. The spending shift is equal to the subsidies received. Spending by enrollees who were previously insured but did not receive a federal subsidy will be unchanged.

The implementation of the ACA has significantly reduced the number of Californians who lack health insurance, both by increasing coverage by Medi-Cal and by enrollment through the Exchange. Table 1 below provides a detailed breakdown of the types of coverage used by Californians under the age of 65, which indicates that the use of ESI remains the dominant source of insurance coverage.

Table 1
Types of Coverage for Californians under Age 65
2016 (Millions of Persons)

Employer Sponsored Insurance (ESI)	15.96
Medi-Cal	11.38
Other Public[1]	0.70
Individual Market	
On Exchange with Subsidies	1.16
On Exchange without Subsidies	0.15
Off Exchange	0.96
Uninsured	2.81

Source: 2016 California Health Interview Survey

[1] Inclusive of TRI-CARE, Healthy Kids, Indian Health Services, and other military/veterans programs.

2. Businesses

Health Insurance Carriers
Health insurance carriers that participate in the Exchange will have access to previously uninsured participants and associated premium revenue streams.

Healthcare Providers
Providers of healthcare goods and services will see increased revenue from the expansion of the number of individuals with health coverage.

C. COSTS

1. Individuals

Individuals who purchase insurance on the Exchange who were previously uninsured will reduce their spending on goods and services not related to health insurance and healthcare. The reduction will be equal to the amount of the unsubsidized portion of their premiums and their additional out-of-pocket healthcare spending based on the actuarial value of the policies purchased.

2. Businesses

The proposed regulations impose no direct costs on businesses. Indirectly, businesses outside of the health insurance and healthcare industries will see a reduction in spending on the part of newly insured individuals equal to their new premiums (net of subsidies) and additional out-of-pocket healthcare spending.

D. ECONOMIC IMPACTS

1. Economic Analysis Methodology

The REMI model of the California economy was used to assess economic impacts of the proposed regulations. The annual changes to consumer and healthcare spending beginning in 2016 were entered into the model. Multiple sectors are directly impacted: pharmaceuticals, health care, physician services, dental services, paramedical services, hospitals, nursing homes, health insurance, and state government. The spending impacts were apportioned to these sectors based on premiums paid, out-of-pocket healthcare spending, and federal subsidies paid.

2. Inputs and Assumptions

Enrollment in Exchange policies will have positive and negative impacts on spending on consumer goods and services and on spending in the healthcare and finance sectors. The overall economic impact of these regulations will be determined by the number and type of persons who enroll and pay for insurance coverage through the Exchange. Enrollees consist of those that are eligible for and received federal subsidies and those that do not. Within each of these groups are those that previously had health insurance and those that didn't. The direct economic impact of this enrollment is reflected in the value of the policies sold to these groups and depends on (1) the premiums paid for the policies, (2) the extent to which the people covered by these policies were previously insured and (3) what share of the premiums paid were offset by federal Advanced Premium Tax Credits (APTC).

i. Enrollment and Payments

The impact of these regulations is fundamentally determined by the level and nature of enrollment in health plans sold through the Exchange. After the completion of its second open enrollment, 1.3 million Californians had purchased health insurance through the Exchange. The vast majority of the enrollees reported income levels that made them eligible for financial assistance—earning from 138 percent to 400 percent of the federal poverty level. Silver tier plans were the most popular, accounting for nearly two-thirds of plans selected. Half of all enrollees range from 45 to 64 years of age. The geographic distribution of Exchange enrollees closely mirrors that of the California population as a whole. Appendices 1 through 4 on pages 12 through 17 contain more information on Exchange enrollees. Appendix 6 provides a breakdown of the Covered California enrollment in 2017 by region, plan type and carrier.

Table 2 details the Health Plan Premiums paid during 2016 during which enrollees paid $6.5 billion for health insurance premiums, $5.8 billion of which was paid by those who received federal subsidizes. Of the latter amount, $4.2 billion was offset by APTC, with the remaining $1.6 billion was paid directly by subsidized enrollees. In addition, $724 million was paid as Cost Sharing Reductions (CSR) to reduce out-of-pocket expenses paid by subsidized enrollees for expenses such as copayments and deductibles.

Table 2
2016 Covered California Healthplan Premiums
$Millions

	All	Previously Insured	Previously Uninsured
Subsidized	$5,772	$4,423	$1,349
Un-Subsidized	$735	$563	$172
Total	**$6,508**	**$4,986**	**$1,521**
APTC Recieved	$4,201	$3,219	$982
Net Subsidized Premiums	$1,572	$1,204	$367
CSR	$724	$555	$169

Table 3 APTC Payments by Federal Poverty Level 2016 ($Millions)		
138% FPL or less	$	89
138% FPL to 250% FPL	$	3,320
250% FPL to 400% FPL	$	783
400% FPL or greater	$	6
FPL Unavailable	$	1
Unsubsidized Application	$	1
Total	**$**	**4,202**

The Medical Loss Ratio provision of the ACA requires insurance companies to spend at least 80 percent of premium payments on medical care. Expenses such as administrative costs (including the PMPM) and profits, including executive salaries, overhead, and marketing must be paid out the remaining 20 percent. In 2016, health plans paid approximately $219 million to the Exchange in the form of a Per Member Per Month fee (PMPM).

ii. Modeling Impacts in REMI

Consumer spending not related to healthcare

Spending on goods and services not related to health insurance and healthcare in 2016 increased by $2,687 million. Enrollees who were previously uninsured reduced their spending by the amount spent on the unsubsidized portion of their premiums and the additional out-of-pocket healthcare spending[3] in 2016—$914 million. Enrollees who previously had health insurance could increase spending not related to health insurance and healthcare by the amount of subsidies received and cost sharing reductions paid—$3,773 million.

Healthcare and State Government Spending

Spending on health insurance increased by $1.5 billion, which was equal to the amount of premiums paid by enrollees who were not previously insured. In accordance with the ACA, 80 percent of those premiums, or $1,217 million, was spent on healthcare goods and services. The remaining premium revenues could be used to pay for administration, marketing, and profits, which includes fees paid to marketplaces. After paying PMPMs to the Exchange, Net Insurance spending increased $85 million. An additional $548 million was spent on healthcare goods and services in the form of additional out-of-pocket healthcare spending by those who were not previously insured. Thus overall spending on healthcare goods and services in 2016 increased $1,764 million.

Table 3 shows the estimated annual spending impacts to the affected sectors using the REMI model. The total increase in spending on healthcare goods and services represents the total increase in healthcare spending resulting from the expansion of health insurance enrollment facilitated by the Exchange. This increase was distributed across the healthcare subsectors based on the relative size of these sectors according to REMI model baseline data for 2016.

[3] Based on the actuarial value of the policies purchased

Table 4 2016 Spending Impacts from Enrollment in the Exchange		
Component	**REMI Category**	**Amount** $Millions
Net increase in consumer spending not related to health insurance and healthcare by individuals who were previously uninsured.[1]	Consumer Spending (excluding healthcare goods and services)	$2,687
Increased spending on healthcare goods and services	Consumer Spending (healthcare)	
	Physician services	$420
	Dental services	$92
	Paramedical services	$295
	Hospitals	$809
	Nursing homes	$148
	Total	$1,764
Per Member Per Month fees paid to the Exchange	State Government Spending	$219
Increased health plan spending on administration, marketing, and profits (less PMPM fees)	Net health insurance	$85

[1] Additional consumer spending by the previously insured who now receive subsidies net of reduction in non-health insurance spending by those previously uninsured.

These impacts were projected from 2016 through 2020 based on the assumptions that (1) total enrollment through the Exchange remains stable at approximately 1.3 million from 2016 to 2020[4], (2) that premiums increase 6.7 percent per year on average over the same period and (3) that the ratios of spending between these sectors remains constant.

3. Impact Assessment Results

i. Competitiveness

When comparing the competitive advantage of businesses outside of California to those in California, no direct impact is projected. All of the significant effects of enrollment in individual policies sold through the Exchange will apply to all states, even those that do not operate their own exchanges. The Eligibility and Enrollment regulations will align the policies and procedures of the Health Benefit Exchange with Federal standards and are designed in such a way to preserve competitiveness and market stability.

ii. Job Impacts in California

The implementation of these regulations will have both positive and negative impacts on employment in California, but will generate an overall net positive employment impact. As modeled, total employment increased 77,000 in 2016 and an increase of about 103,900 is expected in 2020. The cumulative total over the five years is an increase of about 466,000 jobs.

iii. California Business Impacts

Since the proposed regulations only pertain to enrollment in individual health insurance policies, they will not directly result in the creation or elimination of businesses. Indirectly however, the enrollment for health insurance through the Exchange, part of which will be subsidized by the federal government, will result in additional consumer spending overall. It will also alter the mix of spending between healthcare providers, health insurance carriers and providers of other categories of consumer goods and services. In addition, the establishment and growth of a health insurance exchange in the nation's most populous state will likely attract insurance carriers who did not previously sell policies in California.

[4] Appendix 6 describes the Exchange's forecast methodology used to derive these enrollment projections.

iv. Investment and Incentives

These regulations do not require or mandate any additional investment from individuals or businesses. Any additional investment in the state would be an indirect effect of induced changes in medical care and consumer spending. As modeled, private investment in California increased $1,304 billion in 2016 and is expected to increase $2,124 billion in 2020. The cumulative total over the five years is an increase of $9,380 billion.

v. Personal Income

The direct and indirect impacts of the changes in the affected economic sectors also led to changes in personal income: an increase of $4,735 billion in 2016 and an expected increase of $8,751 billion in 2020. The cumulative total over the five years is an increase of $34,642 billion.

vi. Gross State Product

Increased access to affordable health insurance in California had a positive impact on Gross State Product of $6,321 billion in 2016 and an expected increase of $8,921 billion in 2020. The cumulative total over the five years is an increase of $39,093 billion.

vii. Incentives for Innovation in Products, Materials, or Processes

Improved access to affordable individual health insurance coverage will create new opportunities for individuals and businesses. Since individual health insurance will now be more readily available, the reluctance to leave a job due to uncertainties related to healthcare coverage will diminish. The dependence on employer supplied insurance (ESI) has long been thought to be a source of labor market inefficiencies[5].

Dependence on affordable health insurance creates a substantial inhibition for workers with jobs they are not satisfied with or where their skills are not a good fit to seek other employment opportunities. Research suggests that the dependence on ESI may reduce turnover among make workers by as much as 15–25 percent for men in the absence of affordable insurance alternatives. Without an affordable source of individual health insurance, such as that offered on the Exchange, workers are discouraged from seeking new jobs at which they will be more productive and paid more or from starting a business.

In addition to improved access to affordable insurance, the ACA implemented various measures to control the cost of healthcare itself. It simplified various administrative processes that will reduce paperwork and create uniform electronic standards and operating rules used by private insurers, Medicare, and Medicaid that may save the federal government as much as $20 billion over 10 years. At the same time the federal government made complimentary investments in health information technology. “Electronic health records will supply providers with more accurate and real-time data on their patients, as well as provide checks on drug interactions and decision support to improve the quality of care.” The ACA created, the Patient-Centered Outcomes Research Institute (PCORI) that “will empower physicians and patients with new information regarding the effectiveness of various medical technologies and interventions. The integration of the PCORI's research findings with decision supports, guidelines, and other aspects of electronic health records should greatly enhance the information that physicians and patients can use in choosing the right tests and treatments for a particular situation.” It also created incentives for physicians and hospitals to coordinate care for patients with chronic illnesses, such as congestive heart failure, diabetes, and hypertension.

4. Summary and Interpretation of Economic Impacts

As modeled, these regulations will likely improve the California economy. Significant increases in Gross State Product, investment and personal income will lead to positive impacts throughout the

[5] Dean Baker, AARP Public Policy Institute, Job Lock and Employer-Provided Health Insurance: Evidence from the Literature, March 2015

economy. Table 4 provides a summary of the impacts on employment, investment and incentives, personal income, and Gross State Product detailed above.

Table 5
Difference compared to Conforming California Forecast based on REMI Simulation Analysis

Category	2016	2017	2018	2019	2020	Cumulative
Total Employment *1,000s of Jobs*	77.0	88.5	95.3	101.2	103.9	466.0
Gross Private Domestic Fixed Investment *Billions of Fixed (2009) Dollars*	$1.304	$1.800	$2.024	$2.127	$2.124	$9.380
Personal Income *Billions of Current Dollars*	$4.735	$6.090	$7.047	$8.019	$8.751	$34.642
Gross Domestic Product *Billions of Fixed (2009) Dollars*	$6.321	$7.317	$7.965	$8.569	$8.921	$39.093

5. Federal Policy Uncertainties

Beginning with the change in the federal administration, there have been ongoing discussions and legislative proposals about repealing, replacing or making substantial changes to the Patient Protection and Affordable Care Act. These actions create a great deal of uncertainty about future enrollment in Covered California policies and thus and the level of premium payments and federal tax credits that will flow into the California economy.

Of the proposed policy changes, the elimination of the individual mandate would have the most negative short-term impact on enrollment with Covered California. The Federal Tax Reform act that passed both houses of Congress and has been (as of this writing) sent to the President's desk for signature repeals the individual mandate beginning in 2019. This could lead open enrollment and special enrollment plan selections to drop significantly, leading to a decline in enrollment potentially in excess of 400,000. Additionally, the losses would be weighted to individuals with better health status, which would lead to a deterioration in the risk mix and an increase in premiums up to 25%. While this would have substantial negative impacts on the hundreds of thousands of Californians who would either choose to or would be forced to go without coverage, the resultant rise in premiums caused by a deterioration of the risk mix would to some extent be offset by increased APTC payments which are adjusted in concert with benchmark Silver Plan premiums.

Beyond the Tax Bill, the most prominent other proposals to modify and stabilize ACA health exchange markets are included in The Bipartisan Health Care Stabilization Act of 2017. If enacted, this legislation would (1) fund the ACA's cost sharing reduction (CSR) subsidy payments to insurers; (2) streamline approval and relax affordability guidelines for 1332 Waivers; (3) add catastrophic "copper plans; (4) compel HHS to issue regulations on selling insurance across state lines; and (5) fund consumer outreach initiatives and state reinsurance programs. The principle provisions[6] included as of mid-December 2017 are as follows:

Allow States to Offer Value-Based Insurance Plans:

- *Creates more flexibility for states in the 1332 "guardrail" on affordability to allow for more variation in cost sharing and other health plan design elements, with protections for vulnerable and low-income populations and people with serious health conditions.*
- *Would not diminish existing patient protections under the Affordable Care Act (ACA), including the prohibition on charging more for pre-existing conditions,*

6 https://www.help.senate.gov/imo/media/doc/THE%20BIPARTISAN%20HEALTH%20CARE%20STABILIZATION%20ACT%20OF%202017-%20SECTION%20BY%20SECTION.pdf

guaranteed issue, adult child coverage up to age 26, and the prohibition on annual and lifetime limits.

More Funding Options:

- *Clarifies that states can opt to redirect a portion of their premium tax credits, cost sharing reductions, small business tax credits, and Basic Health Program funds to use for programs like reinsurance or invisible high-risk pools.*
- *Clarifies the "budget neutrality" test is over the entire term of a waiver and the required 10-year budget plan instead of expecting budget neutrality in the first year or every year under a waiver.*
- *Fixes the "double cap" by allowing the Secretary of Health and Human Services (HHS) to take into consideration the effect of the 1332 waiver on other federal programs when calculating deficit neutrality.*
- *Allows funds from the ACA Basic Health Program to be used towards a 1332 waiver and allow 1332 pass-through funding to be used for a Basic Health Program, making it easier for states with a Basic Health Plan to get a waiver.*

Streamlined 1332 Waiver Application Process:

- *Allows Governors to use their existing executive authority to apply for a waiver without needing additional state legislation.*
- *Reduces the HHS review period from 180 days to 90 days.*
- *Establishes a fast-track 45-day approval process, while maintaining the same approval standard as for other waivers, for waivers submitted in response to an urgent situation in a state, such as the risk of "bare counties" or excessive premium increases, or waivers that are the same or similar to a waiver that has already been approved for another state. Waivers granted for urgent situations will be granted three-year provisional approval, with the option to extend, subject to approval.*
- *Requires HHS to create a menu of waiver options that can help states receive approval faster.*
- *More Certainty for States After a Waiver is Approved:*
- *Waivers would be for 6 years, unless a shorter waiver is requested by a state. This is an increase from a current maximum period of 5 years.*
- *Creates unlimited 6-year renewals of a waiver, subject to approval of the renewal.*
- *Prohibits the Secretary of HHS from suspending or terminating a waiver unless the Secretary determines that the state materially failed to comply with the terms and conditions of the waiver.*

Cost Sharing Payments.

- *Appropriates cost sharing reduction subsidies (CSRs) for 2017, 2018, and 2019.*
- *To prevent "double dipping" by insurance companies, requires states to certify that qualified health plan issuers that receive cost sharing reduction subsidy payments after rates are filed for 2018 will ensure that consumers and the Federal Government receive a financial benefit.*

Allow All Individuals to Purchase a Lower-Premium "Copper" Plan in the Individual Market.

- *Under current law, only individuals who are under the age of 30 or who meet a hardship exemption are allowed to purchase a lower premium "copper plan," which is also known as a catastrophic health plan.*
- *Section 4 allows anyone to purchase a copper plan, regardless of age or hardship status.*

- *These plans would be sold in the same risk pool as other metal-level plans.*
- *Copper plans would still be subject to same rules on out-of-pocket cost caps and benefits as catastrophic plans under current law.*

Consumer Outreach, Education, and Assistance.

- *Requires HHS to report on consumer outreach, education, and assistance activities.*
- *Allows HHS to contract with states to conduct outreach and enrollment activities funded by existing user fees designated for these activities.*
- *For plan years 2018 and 2019, requires HHS to fund outreach and enrollment activities using $106 million from existing user fees at the level designated for these activities in the 2018 benefit rule.*

Offering Health Plans in More than One State.

- *Requires HHS to promulgate regulations for the implementation of Health Care Choice Compacts established under section 1333 of the ACA, which would allow plans to be sold across state lines in the individual or small group market.*

E. ALTERNATIVES

State law created the California Health Benefit Exchange and the Health Benefit Exchange Board thereby codifying the establishment of a state-based exchange in California consistent with the federal Affordable Care Act. It also expressly requires the Exchange to adopt all of the requirements of the federal ACA and the requirements contained in federal guidance and regulations. With these mandates to adhere to federal law and regulations, the Exchange had no ability to implement alternative approaches in general, and had only limited opportunities to consider alternative approaches to specific provisions within the regulations.

Given these constraints, there are very few instances in these regulations where the Exchange could exercise its discretion to adopt requirements in the absence of strict federal guidance. Nearly all of these cases involve administrative requirements that have no effective impact on the value of policies offered and minimal impact the number of policies sold.

1. Alternative 1: Do not expand definition of Other Qualifying Life Event to include "Victims of domestic abuse and spousal abandonment"

The imposition of guaranteed issue on insurance carriers in 2014, created the possibility for consumers to sign up and pay premiums only when they needed medical treatment. To ensure healthcare cost stability and predictability, consumers must experience a "qualifying life event" (QLE) to be eligible to enroll in coverage outside of Covered California's open-enrollment period. When enrolling outside of open enrollment, consumers must certify that they have experienced one of several events in order to obtain coverage.

While Covered California's QLEs largely conform to federal quidelines, the Exchange was given the option to expand the definition of Other Qualifying Life Event to include "*Victims of domestic abuse and spousal abandonment.*" The Exchange adopted this option which will entitle more individuals to enroll through the Exchange than if it had not.

i. Costs and Benefits

Alternative 1 results in less enrollment through the Exchange which would reduce the benefits of expanded insurance coverage but would also enhance the stability of the insurance risk pool during special enrollment periods and reduce the number of applications processed by the Exchange and the carriers. According to U.S. Department of Justice Special Report Nonfatal Domestic Violence, 2003–2012, April 2014, "*serious violence by immediate family members fluctuated between 0.3 and*

0.6 per 1,000 from 2003 to 2012." During the 2016 Special Enrollment period, there were 22,700 enrollments allowed under Other Qualifying Life Event.[7] Thus in 2016, between 700 and 1,300 enrollments may have occurred for this reason.

ii. Economic Impacts

As modeled, Alternative 1 would lead to a 0.13% reduction in enrollment and would thus lead to a very small reduction in the estimated economic impact. Compared to the baseline estimate, from 2016 through 2020, estimated employment gains would be reduced by 274,000 jobs, private investment gains by $5.4 billion, income gains by $19 billion, and state GDP gains by $23 billion.

iii. Reason for Rejection

Alternative 1 was rejected because it would have led to less enrollment on the Exchange, whose mission is to increase the number of insured Californians. Lower enrollment would also lead to reduced economic benefits for California. The potential marginal additional stability for the risk pool and cost savings from processing fewer applications is far outweighed by the benefits of additional enrollment.

2. Alternative 2: Adopt Minimum Grace Period for Incomplete Applications

In order to assess an applicant's eligibility to enroll on the Exchange and eligibility for financial assistance, applicants are asked to supply various pieces of personal information. Since many enrollment actions are executed via the Exchange's web site (www.coveredca.com) or by a phone call to a service center, it would be unrealistic to expect each and every applicant to be able to immediately supply all information requested in real time. Therefore a grace period was granted for enrollees to supply missing information after their applications were submitted. If the missing information is not supplied during the grace period, their coverage would be terminated.

The Exchange was given the option to set the grace period for applicants who submit incomplete applications to provide the missing information. The regulations allow applicants 90 calendar days from the date they were notified that their application was incomplete to provide the missing information or until the end of the relevant enrollment period but no less than 30 days from the date of the incomplete application notice. Federal regulations allow the Exchange to set the grace period from as little as 10 calendar days to as much as 90 days from the date of the incomplete application notice.

i. Costs and Benefits

During 2014[8], an estimated 42,500 incomplete applications were received, of which 30,700 were completed within 10 days and another 18,900 were completed within 90 days. On average each application received in 2014 represented 1.3 enrollees. Thus, limiting the grace period to 10 days would have reduced enrollment by 24,600. Since potential enrollees who submit incomplete applications can ultimately be enrolled if the missing information is supplied, their applications must be retained and tracked during the grace period. Restricting the duration of the grace period could potentially reduce the quantity of incomplete application files the Exchange must store.

ii. Economic Impacts

As modeled, Alternative 2 would lead to a 2.6% reduction in enrollment and would thus lead to a very small reduction in the estimated economic impact. Compared to the baseline estimate, from 2016 through 2020, estimated employment gains would be reduced by 273,000 jobs, private investment gains by $5.4 billion, income gains by $18.7 billion, and state GDP gains by $23 billion.

iii. Reason for Rejection

[7] Includes "Null" reason code.

[8] The latest date that information is available.

Alternative 2 was rejected because it would have led to less enrollment on the Exchange, whose mission is to increase the number of insured Californians. Lower enrollment would also lead to reduced economic benefits for California. The potential administrative cost savings from maintaining fewer incomplete applications is far outweighed by the benefits of additional enrollment.

F. FISCAL IMPACTS

1. Local Government

The proposed regulations do not affect local government.

2. Covered California

California chose to operate its own exchange (”marketplace”) thereby creating Covered California and its governing Board. The Exchange is funded exclusively by policy assessments on health plans sold through the Exchange, which totaled $219 million in 2016. Starting in 2017, the plan assessment was changed to a Percent of Premium basis, initially set at 4 percent. No state California General Fund money can be used to support the Exchange. No liability incurred by the Exchange or any of its officers or employees may be satisfied using moneys from the General Fund.

3. Other State Agencies

Covered California interacts with a number of state publicly funded health programs which include the Department of Social Services, the Office of Systems Integration/Department of Health Care Services, the California Department of Insurance, and the Department of Managed Health Care. Typically these interactions are funded through reimbursement agreements or interagency agreements. Covered California utilizes the Health Care Trust Fund with resources largely assessed on premiums to pay interagency agreement costs. In total, the amount budgeted for FY 2017-18 is $42.5 million paid from the Health Care Trust Fund from assessments levied on insurance premiums.

i. Department of Social Services

Government Code Section 100506.3 requires the Board to enter into a contract with the State Department of Social Services to serve as the Exchange appeals entity to hear appeals as specified. For FY 2017-18 Covered California has budgeted approximately $11.4 million for work associated with appeals provided by Department of Social Services. To the extent there are more or less appeals in the future, the interagency agreement will be amended to adjust costs as appropriate.

In addition to appeals, the Exchange has also budgeted approximately $3 million for a separate contract with California Department of Social Services for the purpose of reimbursing the Department of Social Services for a designated portion of the total application maintenance costs for the Statewide Automated Welfare Systems (SAWS)/California Health Care Eligibility, Enrollment & Retention System (CALHEERS) interface.

ii. Department of Managed Health Care/California Department of Insurance

Regulation and oversight of health insurance in California is performed by two departments: the Department of Managed Health Care (which primarily regulates health maintenance organizations) and the California Department of Insurance (which regulates traditional health insurance.) Most of the Health Plans offered through Covered California are regulated by the Department of Managed Health Care. Both Departments license and review rates for health plans under their jurisdiction. Health plans are required to apply for and maintain a license to operate as a health plan in California. The Departments review all aspects of the plan’s operations to ensure compliance with California law. This includes, but is not limited to, Evidences of Coverage, contracts with doctors and hospitals, provider networks, and complaint and grievance systems. Additionally, the Departments review proposed premium rate increases to make sure health plans are providing detailed information to

the public to justify proposed increases. While the Departments do not have the authority to deny rate increases, their efforts improve accountability in health plan rate setting. The Departments incurs costs for licensing and rate review for Covered California plans. Those costs are funded by fees assessed on plans by the Departments.

iii. Office of Systems Integration

Government Code Section 100503 requires the board to determine the criteria and process for eligibility, enrollment, and disenrollment of enrollees and potential enrollees in the Exchange and coordinate that process with state and local government entities administering other health care coverage as specified. Through interagency agreements between the Office of Systems Integration and, Covered California and the Department of Health Care Services, the State of California operates the California Health Care Eligibility, Enrollment, and Retention System (CalHEERS). This system serves as the consolidated system support for eligibility, enrollment, and retention for Covered California, Medi-Cal, and Healthy Families. As authorized by the Center for Medicaid Services (CMS), funding for the CalHEERS system is cost allocated with Covered California proposing to pay 12.1 percent and Department of Health Care Services paying 87.9 percent for FFY 2017-18. The Department of Health Care Services uses a combination of Federal Funds and State General Fund to pay their share. For FY 2017-18 Covered California has budgeted $31.4 million to reimburse the California Office of Systems Integration for CalHEERS and other system related costs. As total project costs change and membership changes in the future, adjustments will be made to the cost allocation as necessary.

iv. Department of Health Care Services

Covered California has a number of interagency agreements and relationships with the Department of Health Care Services. These include an interagency agreement for a timekeeping system ($115,000); access to the Medi-Cal Eligibility Data System (MEDS) ($3,000); and support in detecting, investigating and prosecuting fraud and abuse ($50,000).

In addition, Government Code Section 100504(a)(7) authorizes the Board to collaborate with the state Department of Health Services to the extent possible to allow an individual the option to remain enrolled with his or her carrier and provider network in the event the individual experiences a loss of eligibility of premium tax credits and becomes eligible for the Medi-Cal program or, loses eligibility for the Medi-Cal program or the Healthy Families Program and becomes eligible for premium tax credits through the exchange. Covered California and Medi-Cal have and continue to work collaboratively on transitioning consumers from one program to the other.

Furthermore when consumers determine eligibility for Medi-Cal, some will likely be determined eligible for Covered California and conversely when consumers determine eligibility for Covered California some will likely be determined eligible for Medi-Cal.

Covered California supports enrollees who are members of families or households in which other members are eligible for and receive health insurance from the state's Medi-Cal program. From 10 to 20 percent of Covered California enrollees are members of these mixed cases and present an additional workload on county eligibility workers. Medi-Cal recipients are subject to an annual recertification or renewal process that is spread evenly throughout each calendar year. Covered California's annual open enrollment period, in contrast, is limited to a few specific Open Enrollment months each year during which all of these mixed household cases are reevaluated for eligibility for Medi-Cal. This results in a very large unseasonal volume of mixed case Medi-Cal redeterminations and increased workload for local eligibility workers.

v. Employment Development Department

The Employment Development Department (EDD) provides inserting and mailing services for Covered California. Covered California provides and insert for inclusion into existing Unemployment

Insurance program jobs and mailed to approximately 4.7 million recipients. The FY 2017-18 budget for these services is $87,000.

G. APPENDICES

1. Covered California Enrollees by Metal Tier by County
2. Covered California Enrollees by Gender by County
3. Covered California Enrollees by Age by County
4. Covered California Enrollees by Federal Poverty Level by County
5. 2017 Covered California Enrollment by Region, Plan and Carrier
6. Covered California Enrollment and Revenue Forecast

APPENDIX 1: Covered California Enrollees by Metal Tier by County

County	Minimum Coverage	Bronze	Silver	Silver - Enhanced 73	Silver - Enhanced 87	Silver - Enhanced 94	Gold	Platinum	Grand Total
Alameda	440	17,650	9,270	6,170	14,680	7,120	3,060	3,040	**61,430**
Alpine	0	20	10	10	10	0	10	0	**60**
Amador	10	340	170	160	390	150	50	30	**1,300**
Butte	20	2,300	840	700	1,740	800	250	170	**6,820**
Calaveras	10	580	310	180	380	180	90	50	**1,780**
Colusa	0	410	100	80	250	160	20	10	**1,030**
Contra Costa	220	10,210	6,380	3,520	8,720	4,060	2,360	2,270	**37,740**
Del Norte	0	220	80	60	150	60	40	10	**620**
El Dorado	20	2,440	1,320	810	1,810	710	370	320	**7,800**
Fresno	90	5,630	2,030	1,960	6,310	3,670	640	630	**20,960**
Glenn	0	350	100	80	240	100	30	10	**910**
Humboldt	30	1,840	840	670	1,420	650	190	140	**5,780**
Imperial	10	3,310	280	300	1,020	640	80	30	**5,670**
Inyo	0	210	120	60	150	80	40	20	**680**
Kern	110	4,310	1,550	1,500	5,230	3,060	680	650	**17,090**
Kings	10	530	170	230	610	340	90	40	**2,020**
Lake	10	680	310	260	620	230	110	50	**2,270**
Lassen	0	120	70	60	110	30	10	10	**410**
Los Angeles	2,490	65,460	42,900	34,470	103,770	66,940	20,740	17,780	**354,550**
Madera	10	980	470	410	1,230	580	130	110	**3,920**
Marin	60	3,960	2,470	980	2,020	930	790	750	**11,960**
Mariposa	0	160	130	70	200	80	40	20	**700**
Mendocino	20	1,390	610	530	1,080	410	170	110	**4,320**
Merced	20	1,580	920	1,000	3,100	1,430	370	150	**8,570**
Modoc	0	80	30	30	70	50	10	0	**270**
Mono	0	350	120	100	210	80	30	20	**910**
Monterey	50	5,120	1,900	1,210	3,110	1,550	430	220	**13,590**
Napa	30	1,730	820	530	1,170	400	280	240	**5,200**
Nevada	20	2,220	930	620	1,440	580	250	140	**6,200**
Orange	710	26,010	17,540	12,260	34,820	21,090	8,090	6,440	**126,960**
Placer	70	4,180	2,230	1,280	2,970	1,520	730	510	**13,490**
Plumas	0	250	150	110	190	70	30	10	**810**
Riverside	330	14,410	7,470	6,240	18,720	11,010	3,660	3,410	**65,250**
Sacramento	250	12,750	4,810	3,940	11,120	6,210	1,480	1,610	**42,170**
San Benito	0	410	310	220	460	230	90	50	**1,770**
San Bernardino	260	11,550	5,390	4,930	15,080	9,290	2,460	2,490	**51,450**
San Diego	860	32,140	15,600	10,810	30,670	17,210	6,970	6,390	**120,650**
San Francisco	400	11,440	5,170	3,480	8,070	3,300	1,750	1,820	**35,430**
San Joaquin	110	5,350	2,640	2,350	7,390	3,720	970	820	**23,350**
San Luis Obispo	60	3,550	1,950	1,260	2,660	1,240	540	320	**11,580**
San Mateo	170	7,660	4,320	2,460	5,210	2,180	1,490	1,290	**24,780**
Santa Barbara	100	4,800	2,330	1,580	3,710	1,720	730	430	**15,400**
Santa Clara	550	19,830	8,900	5,370	12,810	6,930	2,690	2,270	**59,350**
Santa Cruz	40	3,660	2,540	1,500	3,350	1,390	840	450	**13,770**
Shasta	20	2,590	880	610	1,530	860	250	100	**6,840**
Sierra	0	30	10	10	30	10	10	0	**100**
Siskiyou	10	660	190	150	320	150	40	30	**1,550**
Solano	70	3,400	1,450	1,140	2,690	1,360	410	640	**11,160**
Sonoma	140	7,470	3,680	2,200	4,680	1,900	1,060	860	**21,990**
Stanislaus	60	3,800	2,190	2,050	5,500	2,690	740	770	**17,800**
Sutter	20	1,300	250	270	850	630	100	50	**3,470**
Tehama	0	670	230	170	470	240	70	30	**1,880**
Trinity	0	160	60	60	150	70	10	20	**530**
Tulare	30	1,710	1,060	1,300	3,750	1,790	390	160	**10,190**
Tuolumne	10	670	290	270	540	290	100	50	**2,220**
Ventura	150	9,140	4,950	3,260	7,920	4,350	1,580	1,140	**32,490**
Yolo	30	1,640	660	480	1,330	650	300	240	**5,330**
Yuba	10	480	170	170	520	230	50	50	**1,680**
TOTAL	**8,140**	**325,890**	**172,670**	**126,690**	**348,750**	**197,400**	**68,990**	**59,470**	**1,308,000**

Source: Covered California Active Member Profile

APPENDIX 2: Covered California Enrollees by Gender by County

County	Female	Male	Grand Total
Alameda	32,070	29,300	**61,370**
Alpine	30	30	**60**
Amador	710	590	**1,300**
Butte	3,690	3,130	**6,820**
Calaveras	960	820	**1,780**
Colusa	530	480	**1,010**
Contra Costa	19,880	17,820	**37,700**
Del Norte	330	280	**610**
El Dorado	4,090	3,700	**7,790**
Fresno	10,660	10,260	**20,920**
Glenn	460	440	**900**
Humboldt	3,070	2,710	**5,780**
Imperial	2,760	2,890	**5,650**
Inyo	360	320	**680**
Kern	9,040	8,020	**17,060**
Kings	1,060	960	**2,020**
Lake	1,230	1,030	**2,260**
Lassen	220	200	**420**
Los Angeles	181,340	172,870	**354,210**
Madera	2,080	1,830	**3,910**
Marin	6,460	5,470	**11,930**
Mariposa	370	330	**700**
Mendocino	2,270	2,040	**4,310**
Merced	4,380	4,180	**8,560**
Modoc	150	120	**270**
Mono	440	460	**900**
Monterey	7,080	6,500	**13,580**
Napa	2,830	2,370	**5,200**
Nevada	3,340	2,840	**6,180**
Orange	66,650	60,220	**126,870**
Placer	7,200	6,280	**13,480**
Plumas	430	380	**810**
Riverside	34,180	30,970	**65,150**
Sacramento	21,730	20,410	**42,140**
San Benito	940	830	**1,770**
San Bernardino	27,250	24,110	**51,360**
San Diego	62,640	57,920	**120,560**
San Francisco	17,180	18,210	**35,390**
San Joaquin	12,120	11,200	**23,320**
San Luis Obispo	6,210	5,350	**11,560**
San Mateo	12,890	11,860	**24,750**
Santa Barbara	8,190	7,190	**15,380**
Santa Clara	30,710	28,580	**59,290**
Santa Cruz	7,190	6,580	**13,770**
Shasta	3,710	3,110	**6,820**
Sierra	40	60	**100**
Siskiyou	830	700	**1,530**
Solano	6,070	5,070	**11,140**
Sonoma	12,060	9,900	**21,960**
Stanislaus	9,380	8,420	**17,800**
Sutter	1,790	1,690	**3,480**
Tehama	1,010	880	**1,890**
Trinity	280	260	**540**
Tulare	5,300	4,880	**10,180**
Tuolumne	1,230	970	**2,200**
Ventura	17,290	15,180	**32,470**
Yolo	2,700	2,600	**5,300**
Yuba	900	770	**1,670**
TOTAL	**679,990**	**626,570**	**1,306,560**

Source: Covered California Active Member Profile

APPENDIX 3: Covered California Enrollees by Age by County

County	Age 0 to 18	Age 19 to 29	Age 30 to 44	Age 45 to 64	Age 65+	Grand Total
Alameda	4,100	11,190	16,410	28,820	910	**61,430**
Alpine	0	0	20	40	0	**60**
Amador	60	140	240	830	20	**1,290**
Butte	330	980	1,460	3,940	110	**6,820**
Calaveras	100	180	300	1,170	30	**1,780**
Colusa	40	140	220	600	20	**1,020**
Contra Costa	2,980	6,400	8,730	19,030	610	**37,750**
Del Norte	40	70	110	390	10	**620**
El Dorado	560	1,080	1,480	4,580	110	**7,810**
Fresno	670	3,850	4,740	11,350	330	**20,940**
Glenn	40	110	170	580	10	**910**
Humboldt	320	770	1,650	2,970	70	**5,780**
Imperial	120	940	980	3,450	150	**5,640**
Inyo	40	80	160	390	10	**680**
Kern	670	2,940	3,740	9,480	250	**17,080**
Kings	50	290	410	1,230	40	**2,020**
Lake	80	230	380	1,550	40	**2,280**
Lassen	20	50	70	280	0	**420**
Los Angeles	15,380	66,520	88,340	179,850	4,450	**354,540**
Madera	170	620	750	2,330	60	**3,930**
Marin	1,330	1,440	2,260	6,700	210	**11,940**
Mariposa	30	80	150	410	20	**690**
Mendocino	220	410	980	2,610	90	**4,310**
Merced	290	1,490	1,990	4,650	160	**8,580**
Modoc	20	20	40	190	10	**280**
Mono	50	140	250	460	10	**910**
Monterey	780	2,180	3,010	7,410	210	**13,590**
Napa	360	860	1,180	2,720	80	**5,200**
Nevada	420	680	1,390	3,600	100	**6,190**
Orange	7,940	23,230	28,220	65,890	1,680	**126,960**
Placer	1,120	2,130	3,180	6,880	170	**13,480**
Plumas	20	70	120	580	10	**800**
Riverside	3,210	10,570	14,240	36,270	960	**65,250**
Sacramento	1,940	8,130	11,060	20,440	600	**42,170**
San Benito	110	280	360	990	30	**1,770**
San Bernardino	2,030	8,910	11,240	28,490	760	**51,430**
San Diego	7,380	21,200	29,440	60,730	1,890	**120,640**
San Francisco	1,560	6,470	11,050	15,950	410	**35,440**
San Joaquin	1,090	4,200	5,530	12,100	420	**23,340**
San Luis Obispo	750	1,740	2,480	6,430	170	**11,570**
San Mateo	1,860	4,300	5,670	12,490	450	**24,770**
Santa Barbara	1,000	2,640	3,240	8,270	240	**15,390**
Santa Clara	4,010	10,520	13,380	30,390	1,040	**59,340**
Santa Cruz	920	2,160	3,080	7,380	250	**13,790**
Shasta	410	780	1,460	4,080	100	**6,830**
Sierra	0	10	10	70	0	**90**
Siskiyou	60	150	250	1,040	30	**1,530**
Solano	580	2,060	2,590	5,750	170	**11,150**
Sonoma	1,650	3,310	5,010	11,680	330	**21,980**
Stanislaus	870	3,080	4,170	9,470	230	**17,820**
Sutter	120	590	870	1,850	60	**3,490**
Tehama	100	200	360	1,200	50	**1,910**
Trinity	20	40	100	360	10	**530**
Tulare	300	1,600	2,010	6,090	190	**10,190**
Tuolumne	120	240	440	1,360	40	**2,200**
Ventura	2,340	5,580	6,790	17,330	460	**32,500**
Yolo	320	1,080	1,280	2,560	80	**5,320**
Yuba	70	230	320	1,030	30	**1,680**
TOTAL	**71,170**	**229,380**	**309,560**	**678,760**	**18,980**	**1,307,850**

Source: Covered California Active Member Profile

APPENDIX 4: Covered California Enrollees by Federal Poverty Level (FPL) by County

County	138% FPL or less	138% FPL to 150% FPL	150% FPL to 200% FPL	200% FPL to 250% FPL	250% FPL to 400% FPL	400% FPL or greater	Unsubsidized Application	Grand Total
Alameda	1,660	6,960	18,820	11,150	16,890	2,670	3,270	**61,420**
Alpine	0	10	20	10	20	0	10	**70**
Amador	30	150	450	250	350	30	50	**1,310**
Butte	150	790	2,300	1,350	1,870	150	210	**6,820**
Calaveras	20	200	490	320	600	60	90	**1,780**
Colusa	40	160	440	160	190	10	20	**1,020**
Contra Costa	1,060	4,020	11,170	6,560	11,370	1,480	2,100	**37,760**
Del Norte	20	60	190	120	190	10	20	**610**
El Dorado	150	740	2,320	1,420	2,550	240	390	**7,810**
Fresno	760	3,610	8,380	3,560	3,810	360	470	**20,950**
Glenn	20	90	360	190	210	20	30	**920**
Humboldt	100	680	1,870	1,160	1,640	170	180	**5,800**
Imperial	200	940	2,410	1,120	920	20	30	**5,640**
Inyo	10	90	200	120	210	30	30	**690**
Kern	780	2,910	6,950	2,800	2,960	260	420	**17,080**
Kings	80	330	820	400	330	30	30	**2,020**
Lake	40	230	800	420	630	70	70	**2,260**
Lassen	10	30	140	90	130	10	10	**420**
Los Angeles	11,620	67,230	126,390	56,680	63,510	11,540	17,570	**354,540**
Madera	120	580	1,550	680	880	40	80	**3,930**
Marin	350	960	2,700	1,880	4,170	660	1,230	**11,950**
Mariposa	20	80	240	130	180	20	20	**690**
Mendocino	110	430	1,380	870	1,240	160	150	**4,340**
Merced	300	1,290	3,610	1,500	1,640	110	130	**8,580**
Modoc	20	40	90	70	50	0		**270**
Mono	30	80	260	190	300	20	30	**910**
Monterey	400	1,550	4,350	2,590	3,950	300	460	**13,600**
Napa	120	420	1,590	980	1,640	180	280	**5,210**
Nevada	110	580	1,810	1,130	2,070	200	300	**6,200**
Orange	3,680	20,810	41,900	20,850	30,210	3,770	5,720	**126,940**
Placer	320	1,490	3,870	2,360	4,470	380	610	**13,500**
Plumas	10	70	240	180	270	30	10	**810**
Riverside	2,320	10,720	23,890	11,050	13,210	1,530	2,540	**65,260**
Sacramento	1,310	6,260	15,100	7,840	9,540	910	1,220	**42,180**
San Benito	50	210	550	330	550	40	40	**1,770**
San Bernardino	1,670	9,300	19,530	8,950	9,360	1,130	1,500	**51,440**
San Diego	3,700	17,490	40,230	20,520	28,960	3,780	5,960	**120,640**
San Francisco	930	3,360	10,640	6,780	9,020	1,980	2,720	**35,430**
San Joaquin	720	3,560	9,030	3,980	5,020	510	530	**23,350**
San Luis Obispo	210	1,260	3,360	2,160	3,830	370	370	**11,560**
San Mateo	750	2,170	6,830	4,490	7,780	1,090	1,660	**24,770**
Santa Barbara	440	1,760	4,700	2,850	4,480	490	680	**15,400**
Santa Clara	1,640	7,100	17,500	10,540	16,450	2,470	3,640	**59,340**
Santa Cruz	360	1,300	4,050	2,480	4,420	560	610	**13,780**
Shasta	140	890	2,110	1,230	2,140	140	180	**6,830**
Sierra	0	10	30	20	40	0	0	**100**
Siskiyou	20	160	480	310	470	30	70	**1,540**
Solano	330	1,340	3,580	2,140	3,120	300	330	**11,140**
Sonoma	550	1,950	6,360	4,040	7,320	750	1,020	**21,990**
Stanislaus	490	2,540	6,580	3,420	4,090	310	380	**17,810**
Sutter	140	630	1,320	620	640	60	70	**3,480**
Tehama	60	240	660	340	540	30	40	**1,910**
Trinity	10	70	180	120	130	10	10	**530**
Tulare	340	1,630	4,290	1,880	1,760	120	180	**10,200**
Tuolumne	50	270	660	440	670	70	50	**2,210**
Ventura	910	4,300	10,190	5,860	9,240	760	1,230	**32,490**
Yolo	190	640	1,840	970	1,240	170	280	**5,330**
Yuba	60	210	680	310	340	30	40	**1,670**
TOTAL	**39,730**	**196,980**	**442,480**	**224,960**	**303,810**	**40,670**	**59,370**	**1,308,000**

Source: Covered California Active Member Profile

APPENDIX 5: 2017 Covered California Enrollment by Region, Plan and Carrier

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
1	Alpine, Del Norte, Siskiyou, Modoc, Lassen, Shasta, Trinity, Humboldt, Tehama, Plumas, Nevada, Sierra, Mendocino, Lake, Butte, Glenn, Sutter, Yuba, Colusa, Amador, Calaveras, and Tuolumne.	Anthem	EPO	Catastrophic		$ 242.92	230
		Anthem	EPO	Bronze		$ 287.20	11,106
		Anthem	EPO	Silver		$ 407.86	23,936
		Anthem	EPO	Gold		$ 515.51	886
		Anthem	EPO	Platinum		$ 613.25	367
		Anthem	EPO	HDHP		$ 281.33	6,618
		Blue Shield	HMO	Silver		$ 540.02	3
		Blue Shield	HMO	Gold		$ 654.97	-
		Blue Shield	HMO	Platinum		$ 809.41	-
		Blue Shield	PPO	Catastrophic		$ 352.48	6
		Blue Shield	PPO	Bronze		$ 382.90	1,601
		Blue Shield	PPO	Silver		$ 450.37	9,167
		Blue Shield	PPO	Gold		$ 559.11	433
		Blue Shield	PPO	Platinum		$ 715.50	132
		Blue Shield	PPO	HDHP		$ 370.84	1,186
		HealthNet CA	HCSP	Catastrophic		$ 308.46	-
		HealthNet CA	HCSP	Bronze		$ 391.40	4
		HealthNet CA	HCSP	Silver		$ 519.39	4
		HealthNet CA	HCSP	Gold		$ 647.36	-
		HealthNet CA	HCSP	Platinum		$ 764.84	1
		Kaiser	HMO	Catastrophic		$ 254.48	3
		Kaiser	HMO	Bronze		$ 291.25	135
		Kaiser	HMO	Silver		$ 401.60	325
		Kaiser	HMO	Gold	Coinsurance	$ 444.76	8
		Kaiser	HMO	Gold	Copay	$ 465.46	12
		Kaiser	HMO	Platinum		$ 513.73	23
		Kaiser	HMO	HDHP		$ 293.65	31

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
2	Napa, Sonoma, Solano, and Marin.	Anthem	EPO	Catastrophic		$ 314.56	36
		Anthem	EPO	Bronze		$ 371.90	1,717
		Anthem	EPO	Silver		$ 528.13	1,438
		Anthem	EPO	Gold		$ 667.54	125
		Anthem	EPO	Platinum		$ 794.09	125
		Anthem	EPO	HDHP		$ 364.28	716
		Blue Shield	HMO	Silver		$ 536.46	-
		Blue Shield	HMO	Gold		$ 650.65	-
		Blue Shield	HMO	Platinum		$ 804.08	-
		Blue Shield	PPO	Catastrophic		$ 369.51	8
		Blue Shield	PPO	Bronze		$ 401.40	919
		Blue Shield	PPO	Silver		$ 472.13	6,379
		Blue Shield	PPO	Gold		$ 586.14	670
		Blue Shield	PPO	Platinum		$ 750.08	155
		Blue Shield	PPO	HDHP		$ 388.77	533
		HealthNet Life	EPO	Catastrophic		$ 299.07	9
		HealthNet Life	EPO	Bronze		$ 379.47	135
		HealthNet Life	EPO	Silver		$ 503.56	168
		HealthNet Life	EPO	Gold		$ 627.62	15
		HealthNet Life	EPO	Platinum		$ 741.53	10
		Kaiser	HMO	Catastrophic		$ 267.88	223
		Kaiser	HMO	Bronze		$ 306.58	8,239
		Kaiser	HMO	Silver		$ 422.74	16,935
		Kaiser	HMO	Gold	Coinsurance	$ 468.16	510
		Kaiser	HMO	Gold	Copay	$ 489.96	1,308
		Kaiser	HMO	Platinum		$ 540.77	1,489
		Kaiser	HMO	HDHP		$ 309.10	2,881
		Western	HMO	Catastrophic		$ 246.73	91
		Western	HMO	Bronze		$ 302.85	2,448
		Western	HMO	Silver		$ 395.04	4,498
		Western	HMO	Gold		$ 473.87	230
		Western	HMO	Platinum		$ 513.73	214
		Western	HMO	HDHP		$ 310.04	483

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
3	Sacramento, Placer, El Dorado, and Yolo.	Anthem	HMO	Silver		$ 705.61	4
		Anthem	HMO	Gold		$ 863.53	1
		Anthem	HMO	Platinum		$ 1,039.92	3
		Anthem	EPO	Catastrophic		$ 280.47	109
		Anthem	EPO	Bronze		$ 331.60	5,115
		Anthem	EPO	Silver		$ 470.89	5,953
		Anthem	EPO	Gold		$ 595.19	153
		Anthem	EPO	Platinum		$ 708.02	115
		Anthem	EPO	HDHP		$ 324.80	2,415
		Blue Shield	HMO	Silver		$ 512.04	33
		Blue Shield	HMO	Gold		$ 621.04	5
		Blue Shield	HMO	Platinum		$ 767.48	1
		Blue Shield	PPO	Catastrophic		$ 374.85	11
		Blue Shield	PPO	Bronze		$ 407.19	1,240
		Blue Shield	PPO	Silver		$ 478.95	8,350
		Blue Shield	PPO	Gold		$ 594.59	611
		Blue Shield	PPO	Platinum		$ 760.90	249
		Blue Shield	PPO	HDHP		$ 394.37	696
		HealthNet CA	HCSP	Catastrophic		$ 297.72	5
		HealthNet CA	HCSP	Bronze		$ 377.78	111
		HealthNet CA	HCSP	Silver		$ 501.31	68
		HealthNet CA	HCSP	Gold		$ 624.82	6
		HealthNet CA	HCSP	Platinum		$ 738.22	3
		Kaiser	HMO	Catastrophic		$ 254.48	397
		Kaiser	HMO	Bronze		$ 291.25	11,093
		Kaiser	HMO	Silver		$ 401.60	28,809
		Kaiser	HMO	Gold	Coinsurance	$ 444.76	729
		Kaiser	HMO	Gold	Copay	$ 465.46	1,575
		Kaiser	HMO	Platinum		$ 513.73	1,768
		Kaiser	HMO	HDHP		$ 293.65	3,593
		Western	HMO	Catastrophic		$ 271.29	28
		Western	HMO	Bronze		$ 332.60	799
		Western	HMO	Silver		$ 426.16	3,403
		Western	HMO	Gold		$ 511.80	276
		Western	HMO	Platinum		$ 567.22	222
		Western	HMO	HDHP		$ 344.00	190

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
4	San Francisco.	Anthem	EPO	Catastrophic		$ 323.42	55
		Anthem	EPO	Bronze		$ 382.38	922
		Anthem	EPO	Silver		$ 543.01	803
		Anthem	EPO	Gold		$ 686.34	85
		Anthem	EPO	Platinum		$ 816.46	126
		Anthem	EPO	HDHP		$ 374.54	479
		Blue Shield	HMO	Silver		$ 496.69	52
		Blue Shield	HMO	Gold		$ 602.42	21
		Blue Shield	HMO	Platinum		$ 744.47	3
		Blue Shield	PPO	Catastrophic		$ 378.59	46
		Blue Shield	PPO	Bronze		$ 411.26	1,013
		Blue Shield	PPO	Silver		$ 483.73	6,298
		Blue Shield	PPO	Gold		$ 600.53	860
		Blue Shield	PPO	Platinum		$ 768.51	380
		Blue Shield	PPO	HDHP		$ 398.31	474
		Chinese C.	HMO	Catastrophic		$ 310.27	12
		Chinese C.	HMO	Bronze		$ 313.64	3,358
		Chinese C.	HMO	Silver		$ 406.85	6,100
		Chinese C.	HMO	Gold		$ 501.58	59
		Chinese C.	HMO	Platinum		$ 553.40	58
		HealthNet Life	EPO	Catastrophic		$ 322.61	27
		HealthNet Life	EPO	Bronze		$ 409.35	79
		HealthNet Life	EPO	Silver		$ 543.20	93
		HealthNet Life	EPO	Gold		$ 677.03	4
		HealthNet Life	EPO	Platinum		$ 799.91	13
		Kaiser	HMO	Catastrophic		$ 281.27	411
		Kaiser	HMO	Bronze		$ 321.91	5,163
		Kaiser	HMO	Silver		$ 443.88	6,811
		Kaiser	HMO	Gold	Coinsurance	$ 491.57	234
		Kaiser	HMO	Gold	Copay	$ 514.46	546
		Kaiser	HMO	Platinum		$ 567.81	646
		Kaiser	HMO	HDHP		$ 324.56	1,736
		Oscar	EPO	Catastrophic		$ 350.95	1
		Oscar	EPO	Bronze		$ 371.60	42
		Oscar	EPO	Silver		$ 482.98	32
		Oscar	EPO	Gold		$ 559.52	16
		Oscar	EPO	Platinum		$ 635.63	7

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
5	Contra Costa.	Anthem	EPO	Catastrophic		$ 314.08	21
		Anthem	EPO	Bronze		$ 371.34	397
		Anthem	EPO	Silver		$ 527.33	365
		Anthem	EPO	Gold		$ 666.53	34
		Anthem	EPO	Platinum		$ 792.88	37
		Anthem	EPO	HDHP		$ 363.73	199
		Blue Shield	HMO	Silver		$ 523.24	18
		Blue Shield	HMO	Gold		$ 634.63	2
		Blue Shield	HMO	Platinum		$ 784.27	1
		Blue Shield	PPO	Catastrophic		$ 352.49	12
		Blue Shield	PPO	Bronze		$ 382.91	1,172
		Blue Shield	PPO	Silver		$ 450.38	9,499
		Blue Shield	PPO	Gold		$ 559.13	1,004
		Blue Shield	PPO	Platinum		$ 715.52	267
		Blue Shield	PPO	HDHP		$ 370.85	510
		HealthNet Life	EPO	Catastrophic		$ 290.68	25
		HealthNet Life	EPO	Bronze		$ 368.83	175
		HealthNet Life	EPO	Silver		$ 489.43	233
		HealthNet Life	EPO	Gold		$ 610.02	35
		HealthNet Life	EPO	Platinum		$ 720.74	16
		Kaiser	HMO	Catastrophic		$ 254.48	247
		Kaiser	HMO	Bronze		$ 291.25	6,394
		Kaiser	HMO	Silver		$ 401.60	15,667
		Kaiser	HMO	Gold	Coinsurance	$ 444.76	633
		Kaiser	HMO	Gold	Copay	$ 465.46	1,274
		Kaiser	HMO	Platinum		$ 513.73	1,427
		Kaiser	HMO	HDHP		$ 293.65	2,056

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
6	Alameda.	Anthem	EPO	Catastrophic		$ 314.84	46
		Anthem	EPO	Bronze		$ 372.23	1,199
		Anthem	EPO	Silver		$ 528.59	1,392
		Anthem	EPO	Gold		$ 668.13	115
		Anthem	EPO	Platinum		$ 794.79	102
		Anthem	EPO	HDHP		$ 364.60	386
		Blue Shield	HMO	Silver		$ 418.62	27
		Blue Shield	HMO	Gold		$ 507.73	3
		Blue Shield	HMO	Platinum		$ 627.45	-
		Blue Shield	PPO	Catastrophic		$ 324.58	27
		Blue Shield	PPO	Bronze		$ 352.59	2,483
		Blue Shield	PPO	Silver		$ 414.72	15,101
		Blue Shield	PPO	Gold		$ 514.86	1,125
		Blue Shield	PPO	Platinum		$ 658.87	401
		Blue Shield	PPO	HDHP		$ 341.49	916
		Kaiser	HMO	Catastrophic		$ 261.19	561
		Kaiser	HMO	Bronze		$ 298.91	11,534
		Kaiser	HMO	Silver		$ 412.17	20,503
		Kaiser	HMO	Gold	Coinsurance	$ 456.46	608
		Kaiser	HMO	Gold	Copay	$ 477.71	1,501
		Kaiser	HMO	Platinum		$ 527.25	1,867
		Kaiser	HMO	HDHP		$ 301.38	3,819

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
7	Santa Clara.	Anthem	HMO	Silver		$ 446.76	644
		Anthem	HMO	Gold		$ 546.75	29
		Anthem	HMO	Platinum		$ 658.36	10
		Anthem	EPO	Catastrophic		$ 243.85	194
		Anthem	EPO	Bronze		$ 288.30	6,539
		Anthem	EPO	Silver		$ 409.41	10,266
		Anthem	EPO	Gold		$ 517.47	307
		Anthem	EPO	Platinum		$ 615.59	118
		Anthem	EPO	HDHP		$ 282.40	2,313
		Blue Shield	HMO	Silver		$ 448.13	307
		Blue Shield	HMO	Gold		$ 543.52	17
		Blue Shield	HMO	Platinum		$ 671.68	1
		Blue Shield	PPO	Catastrophic		$ 407.73	12
		Blue Shield	PPO	Bronze		$ 442.92	861
		Blue Shield	PPO	Silver		$ 520.96	3,897
		Blue Shield	PPO	Gold		$ 646.75	529
		Blue Shield	PPO	Platinum		$ 827.65	154
		Blue Shield	PPO	HDHP		$ 428.97	342
		HealthNet CA	HCSP	Catastrophic		$ 285.20	11
		HealthNet CA	HCSP	Bronze		$ 361.88	257
		HealthNet CA	HCSP	Silver		$ 480.21	625
		HealthNet CA	HCSP	Gold		$ 598.52	54
		HealthNet CA	HCSP	Platinum		$ 707.15	37
		Kaiser	HMO	Catastrophic		$ 261.19	297
		Kaiser	HMO	Bronze		$ 298.91	7,351
		Kaiser	HMO	Silver		$ 412.17	13,731
		Kaiser	HMO	Gold	Coinsurance	$ 456.46	421
		Kaiser	HMO	Gold	Copay	$ 477.71	1,083
		Kaiser	HMO	Platinum		$ 527.25	1,219
		Kaiser	HMO	HDHP		$ 301.38	2,258
		Valley	HMO	Catastrophic		$ 223.48	223
		Valley	HMO	Bronze		$ 277.85	1,707
		Valley	HMO	Silver		$ 367.58	3,737
		Valley	HMO	Gold		$ 427.53	141
		Valley	HMO	Platinum		$ 480.64	74

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
8	San Mateo.	Anthem	EPO	Catastrophic		$ 305.98	42
		Anthem	EPO	Bronze		$ 361.75	932
		Anthem	EPO	Silver		$ 513.72	1,149
		Anthem	EPO	Gold		$ 649.31	87
		Anthem	EPO	Platinum		$ 772.42	48
		Anthem	EPO	HDHP		$ 354.34	393
		Blue Shield	HMO	Silver		$ 564.39	24
		Blue Shield	HMO	Gold		$ 684.53	-
		Blue Shield	HMO	Platinum		$ 845.94	1
		Blue Shield	PPO	Catastrophic		$ 425.56	9
		Blue Shield	PPO	Bronze		$ 462.29	501
		Blue Shield	PPO	Silver		$ 543.75	2,566
		Blue Shield	PPO	Gold		$ 675.04	375
		Blue Shield	PPO	Platinum		$ 863.85	94
		Blue Shield	PPO	HDHP		$ 447.73	248
		Chinese C.	HMO	Catastrophic		$ 339.75	1
		Chinese C.	HMO	Bronze		$ 343.44	724
		Chinese C.	HMO	Silver		$ 445.50	1,287
		Chinese C.	HMO	Gold		$ 549.23	8
		Chinese C.	HMO	Platinum		$ 605.97	5
		HealthNet Life	EPO	Catastrophic		$ 347.02	11
		HealthNet Life	EPO	Bronze		$ 440.32	194
		HealthNet Life	EPO	Silver		$ 584.29	326
		HealthNet Life	EPO	Gold		$ 728.25	56
		HealthNet Life	EPO	Platinum		$ 860.42	30
		Kaiser	HMO	Catastrophic		$ 281.27	197
		Kaiser	HMO	Bronze		$ 321.91	4,079
		Kaiser	HMO	Silver		$ 443.88	8,806
		Kaiser	HMO	Gold	Coinsurance	$ 491.57	305
		Kaiser	HMO	Gold	Copay	$ 514.46	628
		Kaiser	HMO	Platinum		$ 567.81	705
		Kaiser	HMO	HDHP		$ 324.56	1,186

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
9	Santa Cruz, Monterey, and San Benito.	Anthem	EPO	Catastrophic		$ 335.51	60
		Anthem	EPO	Bronze		$ 396.68	4,273
		Anthem	EPO	Silver		$ 563.30	4,893
		Anthem	EPO	Gold		$ 712.00	159
		Anthem	EPO	Platinum		$ 846.98	77
		Anthem	EPO	HDHP		$ 388.55	1,815
		Blue Shield	HMO	Silver		$ 417.37	2,380
		Blue Shield	HMO	Gold		$ 506.21	51
		Blue Shield	HMO	Platinum		$ 625.58	3
		Blue Shield	PPO	Catastrophic		$ 421.19	9
		Blue Shield	PPO	Bronze		$ 457.54	1,440
		Blue Shield	PPO	Silver		$ 538.17	7,465
		Blue Shield	PPO	Gold		$ 668.11	394
		Blue Shield	PPO	Platinum		$ 854.99	94
		Blue Shield	PPO	HDHP		$ 443.14	553
		HealthNet Life	EPO	Catastrophic		$ 302.76	15
		HealthNet Life	EPO	Bronze		$ 384.16	304
		HealthNet Life	EPO	Silver		$ 509.78	225
		HealthNet Life	EPO	Gold		$ 635.38	12
		HealthNet Life	EPO	Platinum		$ 750.69	10
		Kaiser	HMO	Catastrophic		$ 261.19	43
		Kaiser	HMO	Bronze		$ 298.91	1,959
		Kaiser	HMO	Silver		$ 412.17	1,859
		Kaiser	HMO	Gold	Coinsurance	$ 456.46	108
		Kaiser	HMO	Gold	Copay	$ 477.71	87
		Kaiser	HMO	Platinum		$ 527.25	55
		Kaiser	HMO	HDHP		$ 301.38	704

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
10	San Joaquin, Stanislaus, Merced, Mariposa, and Tulare.	Anthem	EPO	Catastrophic		$ 208.58	203
		Anthem	EPO	Bronze		$ 246.58	7,549
		Anthem	EPO	Silver		$ 350.18	32,272
		Anthem	EPO	Gold		$ 442.58	1,238
		Anthem	EPO	Platinum		$ 526.48	797
		Anthem	EPO	HDHP		$ 241.55	2,949
		Blue Shield	HMO	Silver		$ 468.57	23
		Blue Shield	HMO	Gold		$ 568.31	-
		Blue Shield	HMO	Platinum		$ 702.32	1
		Blue Shield	PPO	Catastrophic		$ 354.07	-
		Blue Shield	PPO	Bronze		$ 384.63	263
		Blue Shield	PPO	Silver		$ 452.41	2,898
		Blue Shield	PPO	Gold		$ 561.65	212
		Blue Shield	PPO	Platinum		$ 718.75	80
		Blue Shield	PPO	HDHP		$ 372.52	123
		HealthNet Life	EPO	Catastrophic		$ 296.24	7
		HealthNet Life	EPO	Bronze		$ 375.90	100
		HealthNet Life	EPO	Silver		$ 498.82	162
		HealthNet Life	EPO	Gold		$ 621.72	12
		HealthNet Life	EPO	Platinum		$ 734.55	2
		Kaiser	HMO	Catastrophic		$ 227.70	149
		Kaiser	HMO	Bronze		$ 260.59	3,831
		Kaiser	HMO	Silver		$ 359.33	11,146
		Kaiser	HMO	Gold	Coinsurance	$ 397.94	325
		Kaiser	HMO	Gold	Copay	$ 416.47	725
		Kaiser	HMO	Platinum		$ 459.65	1,009
		Kaiser	HMO	HDHP		$ 262.74	1,070

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
11	Madera, Fresno, and Kings.	Anthem	HMO	Silver		$ 411.64	113
		Anthem	HMO	Gold		$ 503.80	13
		Anthem	HMO	Platinum		$ 606.68	13
		Anthem	PPO	Catastrophic		$ 212.52	104
		Anthem	PPO	Bronze		$ 251.22	2,493
		Anthem	PPO	Silver		$ 356.78	4,501
		Anthem	PPO	Gold		$ 450.92	220
		Anthem	PPO	Platinum		$ 536.40	132
		Anthem	PPO	HDHP		$ 246.10	1,561
		Blue Shield	PPO	Catastrophic		$ 253.88	8
		Blue Shield	PPO	Bronze		$ 275.79	789
		Blue Shield	PPO	Silver		$ 324.39	11,924
		Blue Shield	PPO	Gold		$ 402.72	426
		Blue Shield	PPO	Platinum		$ 515.36	107
		Blue Shield	PPO	HDHP		$ 267.11	185
		HealthNet CA	HCSP	Catastrophic		$ 265.34	1
		HealthNet CA	HCSP	Bronze		$ 336.68	17
		HealthNet CA	HCSP	Silver		$ 446.76	11
		HealthNet CA	HCSP	Gold		$ 556.84	4
		HealthNet CA	HCSP	Platinum		$ 657.90	3
		Kaiser	HMO	Catastrophic		$ 216.98	92
		Kaiser	HMO	Bronze		$ 248.33	2,012
		Kaiser	HMO	Silver		$ 342.42	5,528
		Kaiser	HMO	Gold	Coinsurance	$ 379.21	118
		Kaiser	HMO	Gold	Copay	$ 396.87	345
		Kaiser	HMO	Platinum		$ 438.02	420
		Kaiser	HMO	HDHP		$ 250.37	712

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
12	San Luis Obispo, Santa Barbara, and Ventura.	Anthem	PPO	Catastrophic		$ 260.16	266
		Anthem	PPO	Bronze		$ 307.54	7,769
		Anthem	PPO	Silver		$ 436.77	10,789
		Anthem	PPO	Gold		$ 552.01	693
		Anthem	PPO	Platinum		$ 656.65	509
		Anthem	PPO	HDHP		$ 301.28	4,520
		Blue Shield	HMO	Silver		$ 327.84	1,618
		Blue Shield	HMO	Gold		$ 397.63	64
		Blue Shield	HMO	Platinum		$ 491.39	7
		Blue Shield	PPO	Catastrophic		$ 304.96	25
		Blue Shield	PPO	Bronze		$ 331.28	2,276
		Blue Shield	PPO	Silver		$ 389.65	25,890
		Blue Shield	PPO	Gold		$ 483.74	1,430
		Blue Shield	PPO	Platinum		$ 619.04	336
		Blue Shield	PPO	HDHP		$ 320.85	764
		Kaiser	HMO	Catastrophic		$ 244.04	87
		Kaiser	HMO	Bronze		$ 279.29	2,804
		Kaiser	HMO	Silver		$ 385.11	4,405
		Kaiser	HMO	Gold	Coinsurance	$ 426.50	152
		Kaiser	HMO	Gold	Copay	$ 446.35	328
		Kaiser	HMO	Platinum		$ 492.64	374
		Kaiser	HMO	HDHP		$ 281.59	983

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
13	Mono, Inyo, and Imperial.	Anthem	PPO	Catastrophic		$ 274.76	6
		Anthem	PPO	Bronze		$ 324.79	1,040
		Anthem	PPO	Silver		$ 461.27	1,312
		Anthem	PPO	Gold		$ 582.97	65
		Anthem	PPO	Platinum		$ 693.49	16
		Anthem	PPO	HDHP		$ 318.18	289
		Blue Shield	PPO	Catastrophic		$ 383.88	-
		Blue Shield	PPO	Bronze		$ 417.01	206
		Blue Shield	PPO	Silver		$ 490.49	796
		Blue Shield	PPO	Gold		$ 608.93	46
		Blue Shield	PPO	Platinum		$ 779.25	14
		Blue Shield	PPO	HDHP		$ 403.88	79
		Kaiser	HMO	Catastrophic		$ 231.72	-
		Kaiser	HMO	Bronze		$ 265.19	7
		Kaiser	HMO	Silver		$ 365.67	17
		Kaiser	HMO	Gold	Coinsurance	$ 404.96	-
		Kaiser	HMO	Gold	Copay	$ 423.81	-
		Kaiser	HMO	Platinum		$ 467.76	1
		Kaiser	HMO	HDHP		$ 267.37	2
		Molina	HMO	Catastrophic		$ 235.98	9
		Molina	HMO	Bronze		$ 242.79	955
		Molina	HMO	Silver		$ 310.08	4,622
		Molina	HMO	Gold		$ 347.58	1,733
		Molina	HMO	Platinum		$ 401.65	1,398

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
14	Kern.	Anthem	PPO	Catastrophic		$ 207.24	53
		Anthem	PPO	Bronze		$ 244.98	1,653
		Anthem	PPO	Silver		$ 347.91	2,303
		Anthem	PPO	Gold		$ 439.71	88
		Anthem	PPO	Platinum		$ 523.07	83
		Anthem	PPO	HDHP		$ 239.98	1,090
		Blue Shield	HMO	Silver		$ 376.51	13
		Blue Shield	HMO	Gold		$ 456.66	1
		Blue Shield	HMO	Platinum		$ 564.34	-
		Blue Shield	PPO	Catastrophic		$ 265.68	4
		Blue Shield	PPO	Bronze		$ 288.62	317
		Blue Shield	PPO	Silver		$ 339.47	6,267
		Blue Shield	PPO	Gold		$ 421.44	370
		Blue Shield	PPO	Platinum		$ 539.32	101
		Blue Shield	PPO	HDHP		$ 279.53	108
		HealthNet CA	HMO	Silver		$ 298.25	2,366
		HealthNet CA	HMO	Gold		$ 375.83	58
		HealthNet CA	HMO	Platinum		$ 416.69	31
		HealthNet CA	HCSP	Catastrophic		$ 230.61	5
		HealthNet CA	HCSP	Bronze		$ 292.62	45
		Kaiser	HMO	Catastrophic		$ 221.74	29
		Kaiser	HMO	Bronze		$ 253.77	700
		Kaiser	HMO	Silver		$ 349.92	1,993
		Kaiser	HMO	Gold	Coinsurance	$ 387.52	82
		Kaiser	HMO	Gold	Copay	$ 405.56	156
		Kaiser	HMO	Platinum		$ 447.62	231
		Kaiser	HMO	HDHP		$ 255.86	227

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
15	Los Angeles County ZIP Codes starting with 906 to 912, inclusive, 915, 917, 918, and 935.	Anthem	HMO	Silver		$ 286.55	3,378
		Anthem	HMO	Gold		$ 350.66	201
		Anthem	HMO	Platinum		$ 422.24	93
		Anthem	EPO	Catastrophic		$ 215.87	292
		Anthem	EPO	Bronze		$ 255.22	2,400
		Anthem	EPO	Silver		$ 362.43	2,650
		Anthem	EPO	Gold		$ 458.09	292
		Anthem	EPO	Platinum		$ 544.94	225
		Anthem	EPO	HDHP		$ 249.99	1,873
		Blue Shield	HMO	Silver		$ 283.97	1,234
		Blue Shield	HMO	Gold		$ 344.42	124
		Blue Shield	HMO	Platinum		$ 425.63	30
		Blue Shield	PPO	Catastrophic		$ 232.47	148
		Blue Shield	PPO	Bronze		$ 252.53	4,705
		Blue Shield	PPO	Silver		$ 297.03	50,058
		Blue Shield	PPO	Gold		$ 368.75	3,565
		Blue Shield	PPO	Platinum		$ 471.89	1,376
		Blue Shield	PPO	HDHP		$ 244.58	1,739
		HealthNet CA	HMO	Silver		$ 269.16	31,172
		HealthNet CA	HMO	Gold		$ 339.17	1,122
		HealthNet CA	HMO	Platinum		$ 376.04	956
		HealthNet CA	HCSP	Catastrophic		$ 211.09	120
		HealthNet CA	HCSP	Bronze		$ 267.84	115
		Kaiser	HMO	Catastrophic		$ 202.97	904
		Kaiser	HMO	Bronze		$ 232.29	7,144
		Kaiser	HMO	Silver		$ 320.30	11,247
		Kaiser	HMO	Gold	Coinsurance	$ 354.72	361
		Kaiser	HMO	Gold	Copay	$ 371.23	961
		Kaiser	HMO	Platinum		$ 409.73	1,790
		Kaiser	HMO	HDHP		$ 234.20	2,351
		L.A. Care	HMO	Catastrophic		$ 219.08	10
		L.A. Care	HMO	Bronze		$ 230.73	1,697
		L.A. Care	HMO	Silver		$ 258.27	8,735
		L.A. Care	HMO	Gold		$ 304.18	396
		L.A. Care	HMO	Platinum		$ 353.60	298
		Molina	HMO	Catastrophic		$ 190.85	227
		Molina	HMO	Bronze		$ 196.35	9,554
		Molina	HMO	Silver		$ 250.76	15,141
		Molina	HMO	Gold		$ 281.09	510
		Molina	HMO	Platinum		$ 324.81	145

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
16	Los Angeles County ZIP Codes in other than those identified in clause (xv).	Anthem	HMO	Silver		$ 302.04	12,471
		Anthem	HMO	Gold		$ 369.64	597
		Anthem	HMO	Platinum		$ 445.09	225
		Anthem	EPO	Catastrophic		$ 250.52	346
		Anthem	EPO	Bronze		$ 296.20	5,334
		Anthem	EPO	Silver		$ 420.63	6,905
		Anthem	EPO	Gold		$ 531.66	743
		Anthem	EPO	Platinum		$ 632.46	714
		Anthem	EPO	HDHP		$ 290.13	2,162
		Blue Shield	HMO	Silver		$ 358.23	387
		Blue Shield	HMO	Gold		$ 434.48	34
		Blue Shield	HMO	Platinum		$ 536.94	12
		Blue Shield	PPO	Catastrophic		$ 298.36	101
		Blue Shield	PPO	Bronze		$ 324.11	3,200
		Blue Shield	PPO	Silver		$ 381.22	31,541
		Blue Shield	PPO	Gold		$ 473.27	4,433
		Blue Shield	PPO	Platinum		$ 605.64	1,992
		Blue Shield	PPO	HDHP		$ 313.90	1,240
		HealthNet CA	HMO	Silver		$ 289.12	29,918
		HealthNet CA	HMO	Gold		$ 364.33	1,318
		HealthNet CA	HMO	Platinum		$ 403.94	947
		HealthNet CA	HCSP	Catastrophic		$ 244.42	77
		HealthNet CA	HCSP	Bronze		$ 310.15	58
		Kaiser	HMO	Catastrophic		$ 212.51	1,804
		Kaiser	HMO	Bronze		$ 243.22	13,058
		Kaiser	HMO	Silver		$ 335.37	19,502
		Kaiser	HMO	Gold	Coinsurance	$ 371.41	774
		Kaiser	HMO	Gold	Copay	$ 388.70	1,685
		Kaiser	HMO	Platinum		$ 429.01	2,558
		Kaiser	HMO	HDHP		$ 245.22	4,540
		L.A. Care	HMO	Catastrophic		$ 229.45	36
		L.A. Care	HMO	Bronze		$ 241.65	2,594
		L.A. Care	HMO	Silver		$ 270.49	9,123
		L.A. Care	HMO	Gold		$ 318.57	544
		L.A. Care	HMO	Platinum		$ 370.34	329
		Molina	HMO	Catastrophic		$ 194.95	729
		Molina	HMO	Bronze		$ 200.57	18,668
		Molina	HMO	Silver		$ 256.16	31,698
		Molina	HMO	Gold		$ 287.13	1,673
		Molina	HMO	Platinum		$ 331.80	444
		Oscar	EPO	Catastrophic		$ 241.57	40
		Oscar	EPO	Bronze		$ 255.78	1,286
		Oscar	EPO	Silver		$ 332.44	1,996
		Oscar	EPO	Gold		$ 385.13	322
		Oscar	EPO	Platinum		$ 437.52	161

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
17	San Bernardino and Riverside.	Anthem	HMO	Silver		$ 322.44	1,465
		Anthem	HMO	Gold		$ 394.60	66
		Anthem	HMO	Platinum		$ 475.17	57
		Anthem	EPO	Catastrophic		$ 235.09	138
		Anthem	EPO	Bronze		$ 277.94	1,654
		Anthem	EPO	Silver		$ 394.70	2,207
		Anthem	EPO	Gold		$ 498.89	188
		Anthem	EPO	Platinum		$ 593.46	239
		Anthem	EPO	HDHP		$ 272.25	730
		Blue Shield	HMO	Silver		$ 301.66	1,355
		Blue Shield	HMO	Gold		$ 365.88	115
		Blue Shield	HMO	Platinum		$ 452.15	16
		Blue Shield	PPO	Catastrophic		$ 255.29	45
		Blue Shield	PPO	Bronze		$ 277.33	2,679
		Blue Shield	PPO	Silver		$ 326.20	23,386
		Blue Shield	PPO	Gold		$ 404.96	1,911
		Blue Shield	PPO	Platinum		$ 518.23	770
		Blue Shield	PPO	HDHP		$ 268.60	1,068
		HealthNet CA	HMO	Silver		$ 267.70	26,741
		HealthNet CA	HMO	Gold		$ 337.33	1,511
		HealthNet CA	HMO	Platinum		$ 374.01	1,265
		HealthNet CA	HCSP	Catastrophic		$ 239.00	49
		HealthNet CA	HCSP	Bronze		$ 303.26	25
		Kaiser	HMO	Catastrophic		$ 214.57	509
		Kaiser	HMO	Bronze		$ 245.57	7,078
		Kaiser	HMO	Silver		$ 338.61	12,224
		Kaiser	HMO	Gold	Coinsurance	$ 375.00	386
		Kaiser	HMO	Gold	Copay	$ 392.46	1,163
		Kaiser	HMO	Platinum		$ 433.16	1,858
		Kaiser	HMO	HDHP		$ 247.59	2,331
		Molina	HMO	Catastrophic		$ 194.95	378
		Molina	HMO	Bronze		$ 200.57	13,873
		Molina	HMO	Silver		$ 256.16	20,266
		Molina	HMO	Gold		$ 287.13	1,174
		Molina	HMO	Platinum		$ 331.80	317

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
18	Orange.	Anthem	HMO	Silver		$ 345.38	1,660
		Anthem	HMO	Gold		$ 422.71	80
		Anthem	HMO	Platinum		$ 508.98	61
		Anthem	EPO	Catastrophic		$ 221.97	508
		Anthem	EPO	Bronze		$ 262.44	8,432
		Anthem	EPO	Silver		$ 372.68	5,823
		Anthem	EPO	Gold		$ 471.06	357
		Anthem	EPO	Platinum		$ 560.35	369
		Anthem	EPO	HDHP		$ 257.06	3,625
		Blue Shield	HMO	Silver		$ 345.88	824
		Blue Shield	HMO	Gold		$ 419.50	128
		Blue Shield	HMO	Platinum		$ 518.42	38
		Blue Shield	PPO	Catastrophic		$ 282.84	72
		Blue Shield	PPO	Bronze		$ 307.25	3,748
		Blue Shield	PPO	Silver		$ 361.39	34,223
		Blue Shield	PPO	Gold		$ 448.65	3,592
		Blue Shield	PPO	Platinum		$ 574.14	1,420
		Blue Shield	PPO	HDHP		$ 297.58	1,386
		HealthNet CA	HMO	Silver		$ 299.37	27,152
		HealthNet CA	HMO	Gold		$ 377.24	822
		HealthNet CA	HMO	Platinum		$ 418.26	549
		HealthNet CA	HCSP	Catastrophic		$ 228.03	87
		HealthNet CA	HCSP	Bronze		$ 289.34	339
		Kaiser	HMO	Catastrophic		$ 231.72	475
		Kaiser	HMO	Bronze		$ 265.19	6,270
		Kaiser	HMO	Silver		$ 365.67	8,856
		Kaiser	HMO	Gold	Coinsurance	$ 404.96	395
		Kaiser	HMO	Gold	Copay	$ 423.81	846
		Kaiser	HMO	Platinum		$ 467.76	1,387
		Kaiser	HMO	HDHP		$ 267.37	1,906
		Molina	HMO	Catastrophic		$ 221.63	100
		Molina	HMO	Bronze		$ 228.01	7,552
		Molina	HMO	Silver		$ 291.21	7,679
		Molina	HMO	Gold		$ 326.42	432
		Molina	HMO	Platinum		$ 377.20	78
		Oscar	EPO	Catastrophic		$ 239.14	6
		Oscar	EPO	Bronze		$ 253.21	642
		Oscar	EPO	Silver		$ 329.11	1,041
		Oscar	EPO	Gold		$ 381.26	79
		Oscar	EPO	Platinum		$ 433.12	60

Region		Carrier	Network Type	Metal Level	Plan Type	Premium/Mo.	Enrollment
19	San Diego.	Anthem	HMO	Silver		$ 444.04	146
		Anthem	HMO	Gold		$ 543.43	26
		Anthem	HMO	Platinum		$ 654.40	29
		Anthem	EPO	Catastrophic		$ 277.47	43
		Anthem	EPO	Bronze		$ 328.05	1,769
		Anthem	EPO	Silver		$ 465.86	1,729
		Anthem	EPO	Gold		$ 588.81	102
		Anthem	EPO	Platinum		$ 700.45	150
		Anthem	EPO	HDHP		$ 321.33	632
		Blue Shield	HMO	Silver		$ 433.34	35
		Blue Shield	HMO	Gold		$ 525.59	10
		Blue Shield	HMO	Platinum		$ 649.53	2
		Blue Shield	PPO	Catastrophic		$ 317.77	25
		Blue Shield	PPO	Bronze		$ 345.19	1,999
		Blue Shield	PPO	Silver		$ 406.02	14,689
		Blue Shield	PPO	Gold		$ 504.05	1,837
		Blue Shield	PPO	Platinum		$ 645.04	701
		Blue Shield	PPO	HDHP		$ 334.32	1,085
		HealthNet CA	HMO	Silver		$ 306.91	18,328
		HealthNet CA	HMO	Gold		$ 386.75	827
		HealthNet CA	HMO	Platinum		$ 428.80	528
		HealthNet CA	HCSP	Catastrophic		$ 230.33	142
		HealthNet CA	HCSP	Bronze		$ 292.27	602
		Kaiser	HMO	Catastrophic		$ 224.30	349
		Kaiser	HMO	Bronze		$ 256.70	8,484
		Kaiser	HMO	Silver		$ 353.97	12,997
		Kaiser	HMO	Gold	Coinsurance	$ 392.00	340
		Kaiser	HMO	Gold	Copay	$ 410.25	1,106
		Kaiser	HMO	Platinum		$ 452.80	1,424
		Kaiser	HMO	HDHP		$ 258.82	2,921
		Molina	HMO	Catastrophic		$ 225.72	22
		Molina	HMO	Bronze		$ 232.24	9,779
		Molina	HMO	Silver		$ 296.60	13,390
		Molina	HMO	Gold		$ 332.47	502
		Molina	HMO	Platinum		$ 384.19	140
		Sharp	HMO	Catastrophic		$ 201.37	830
		Sharp	HMO	Bronze		$ 250.14	9,891
		Sharp	HMO	Silver		$ 375.29	2,645
		Sharp	HMO	Silver		$ 355.55	7,419
		Sharp	HMO	Gold		$ 431.88	537
		Sharp	HMO	Gold		$ 419.19	798
		Sharp	HMO	Platinum		$ 488.47	517
		Sharp	HMO	Platinum		$ 468.01	805
		Sharp	HMO	HDHP		$ 252.25	2,226

Appendix 6: Covered California Enrollment and Revenue Forecast

The following describes the forecasting methodology used to develop the enrollment and revenue outlook to support the Exchange's fiscal year 2017-18 budget (source: *Covered California Fiscal Year 2017-18 Budget,* August 17, 2017).

VI. Covered California Enrollment and Revenue Forecast

The enrollment and revenue forecast used for the FY 2017–18 budget was informed by modeling done by PricewaterhouseCoopers in partnership with the University of California. The forecast relies on the experience gained from 37 months of active enrollment through the fourth open-enrollment period that ended on Jan. 31, 2017. The enrollment activity achieved during this open enrollment was consistent with the FY 2016–17 forecast, which projected that Covered California had entered a phase of stable enrollment. Open enrollment for the 2017 benefit year resulted in enrollment in line with the Base Estimate of approximately 1.4 million enrollees. The Base Estimate used in the FY 2017–18 forecast continues to project a stable enrollment outlook going forward, but Covered California has modeled alternate enrollment to reflect the uncertainty of the political environment.

The Base Estimate takes into consideration two factors that affect the overall enrollment trend. Covered California has adopted a policy of pre-verification of qualifying life events that allows individuals to enroll during special enrollment. Based on survey evidence, this policy could notably dampen the pace of enrollment outside of open enrollment. Conversely, based on a market analysis completed by PricewaterhouseCoopers (PwC) in 2016, the scheduled increase in California's minimum wage anticipates additional enrollment by boosting income for those near the subsidy-eligibility range that could shift people from Medi-Cal to Covered California.

Effective January 2017, Covered California's assessment fee switched from a flat per-member, per-month fee to a percentage assessment on total premiums paid. Currently at 4 percent, this fee is being assessed on Covered California's 1.4 million enrollees. In addition, there are approximately 800,000 people in the individual market who benefit from the rates negotiated by Covered California, even though they are not directly enrolled through the exchange. The Affordable Care Act requires the rates for these on- and off-exchange plans be the same. Since the specific health plan products offered by Covered California represent approximately 62 percent of the total enrollment in individual coverage, the Affordable Care Act assessment essentially requires the health plans to spread the assessment fee across the entire individual market. To the extent that carriers have members who do not purchase through Covered California, but who pay the same rate, the actual assessment is spread across the entire individual market for those health plans offered by Covered California. With this budget, Covered California will maintain the 4 percent on-exchange assessment, which converts to an estimate that the actual average effective assessment rate is approximately 2.5 percent across the entire individual market.

Forecasting Potential Enrollment

The 2016 enrollment forecast, used for the FY 2016–17 budget, was based on the experience and lessons learned in 2015 as well as insights from the market analysis completed by PwC and the University of California. Adding to these insights, the 2017 forecast reflected the experience of an additional year of enrollment history. Based on the 2016 benefit year and the 2017 open-enrollment experience, Covered California's Base Estimate is that it will see stable enrollment going forward with the exception of the impact of more stringent pre-verification of qualifying life events beginning with 2018 special enrollment. This "stable enrollment" is based on Covered California's maintaining its significant marketing, outreach and customer service investments — all of which contribute to both our retention of existing insured and the ability to enroll about 700,000 new enrollees needed to maintain the same overall enrollment figure.

Table 2 summarizes the Base Estimate's revenue projections derived from the individual market and Covered California for Small Business forecasts. Due to the assumed impact of pre-verification beginning with 2018 special enrollment, projected enrollment during FY 2017–18 is approximately 60,000 lives, or 4 percent, below the 2016 forecast for this period.

TABLE 2
Covered California Revenue and Outlook Enrollment Summary
(Base Estimate)

Market	PMPM Revenue ($millions), Cash Basis				
	2016-17	**2017-18**	**2018-19**	**2019-20**	**2020-21**
Individual Market - Medical	$234.6	$302.5	$311.6	$313.4	$311.2
Individual Market - Dental	$1.1	$1.1	$1.1	$1.1	$1.2
CCSB	$6.4	$10.8	$13.0	$16.6	$19.5
Total Revenue	$242.1	$314.4	$325.8	$331.0	$331.9
Effectuated Enrollment (year-end)	1.37	1.32	1.31	1.31	1.33

Key Assumptions of the Individual Market Base Estimate

This projection begins after the fourth open enrollment period and takes into account the following factors, each of which is then described in more detail:

- The number of new consumers who chose health plans during open enrollment.
- The pace that new enrollees acquired coverage through Covered California during 2016 special enrollment and the likely impact of pre-verification.
- The rate at which enrolled individuals leave Covered California through termination or by failing to renew coverage.
- The likelihood that an individual who selects a plan will pay his or her premium.

- The impact of rising minimum wage on the subsidy-eligible population.
- Potential medical cost trends reflected in premiums.

Health Plan Selections During Open Enrollment
During the 2017 open enrollment, approximately 412,000 new consumers signed up for coverage. The forecast projects that a comparable level of new consumers will select plans during future open-enrollment periods.

Monthly Enrollment Rate During Special Enrollment
During the entire 2016 special-enrollment period (April through December), plan selections averaged 33,700 per month. This pace is expected to slow noticeably beginning in 2018. Covered California plans to implement pre-enrollment verification of consumers' eligibility for special enrollment in 2018. Based on a random sampling of special-enrollment enrollees to verify their qualifying life event that they had self-certified prior to enrollment, 28 percent of the sampled enrollees either (a) responded and were determined ineligible, (b) did not respond and were then unenrolled, or (c) had already unenrolled. A special enrollment verification on the federal exchange indicated a non-verification rate of 20 percent. While non-verification of eligibility does not mean consumers are not in fact eligible, for this forecast, the special enrollment assumption was reduced 25 percent from historic trends. Combining this adjustment with the increase in the minimum wage resulted in a net reduction in the assumed average special-enrollment pace to 24,800 as the base monthly enrollment assumption for 2018 and beyond.

Effectuation Rate
Based on the experience of 2016 and the fourth open enrollment, 80 percent of new enrollees during open enrollment will pay at least their first month's premium. Likewise, during special enrollment, 69 percent of enrollees on average will make their first payment. These rates are comparable to those used in previous forecasts.

Disenrollment Rate
Based on the experience of 2016, the forecast projects that, on average, 3 percent of enrollees will leave Covered California each month and 17.2 percent of those enrolled at the end of the year will not renew coverage.

Subsidized and Unsubsidized Enrollments
In line with the previous forecast, this outlook projects that 90 percent of enrollees qualify for financial assistance on average.

Impact of Rising Minimum Wage
The base forecast projects that the scheduled escalation of California's minimum wage will result in additional enrollment of individuals as they become eligible for subsidies and transition from Medi-Cal. The assumed enrollment impacts were derived from estimates produced by PwC as part of its 2016 market analysis. Given the stability of enrollment through the latest open enrollment, the projected impact going forward is

approximately one-fourth of the potentially newly eligible. The previous forecast assumed one-third of the newly eligible would enroll.

Revenue and Change in Health Insurance Premiums
The revenue forecast reflects the shift to a percent of premium assessment in 2017, with a rate of 4 percent of gross health insurance premiums through 2018, which equates to 2.6 percent across the entire individual market for plans controlled by Covered California. The base forecast currently projects its assessment rate to gradually decrease to 3.25 percent by 2021, which equates to 2.1 percent across the entire individual market for the plans contracted by Covered California.

The projected premium growth for the Base Estimate assumes an underlying 7 percent-per-year medical trend driven by annual cost increases in hospital services, professional medical services and pharmaceuticals. In 2018, the renewal of the health insurance provider fee will boost that growth rate to 9 percent for that year only. The assumed cost, and thus premium, growth trend in the forecast is 7 percent per year thereafter.

According to the base enrollment outlook, annual individual plan assessments are projected to decrease as a percentage of premiums, as total premiums increase, in upcoming years. On a cash basis, Covered California received $235.7 million in individual market revenues in FY 2016–17, and projects to have $302.5 million in 2017–18, $311.6 million in 2018–19, $313.4 million in 2019–20 and $311.2 million in 2020–21.

Forecast Uncertainties

The greatest uncertainties facing Covered California's enrollment and revenue outlook stem from the potential for major federal legislative or regulatory actions to change key provisions of the Affordable Care Act. The new administration has been working with Congress to pass legislation that could substantially alter the nature of the tax credit subsidies, abolish the individual mandate, change the regulatory basis for premium setting, and/or change a variety of other provisions of the Affordable Care Act. It is possible that some changes could be made by executive order without legislation. At this point, none of the changes being considered has been enacted, but legislation — the American Health Care Act (AHCA) — was passed by the U.S. House of Representatives and will now be considered by the Senate.

To prepare for a range of outcomes that could result from these efforts, Covered California engaged PwC to supplement their work on the 2016 Market Analysis, which evaluated some of the potential policy changes now being considered. The supplemental analysis focused on several key changes that were included in the AHCA.

Of the policy changes analyzed, the elimination of the individual mandate would have the most negative short-term impact on enrollment with Covered California. Based on the PwC analysis, if the enforcement of the individual mandate ended, open enrollment and special enrollment plan selections would drop significantly, leading to a decline in enrollment potentially in excess of 400,000 by the end of 2018. Additionally, the losses

would be weighted to individuals with better health status, which would lead to a deterioration in the risk mix and an increase in premiums.

This enrollment decline would be dramatic, representing nearly one-third of Covered California's enrollees. While this would have huge negative impacts on the hundreds of thousands of Californians who would either choose to or would be forced to go without coverage, from Covered California's financial perspective, this loss could be manageable. Covered California plans to maintain reserves adequate to cover between nine and 12 months of operating costs. The FY 2017–18 multi-year spending plan projects ending the year with 11 months of reserves.

Supplemental Adult Dental Forecast

In 2016, Covered California added dental coverage for adults as a supplemental benefit. Pediatric dental coverage is defined by law as an "essential health benefit" and has always been part of our offerings. As a supplemental benefit, purchase by consumers is voluntary and there are no federal subsidies to reduce the cost of those premiums. The forecast of dental coverage in the individual market extends to 2021. For the first three months of 2016, about 12 percent of those who enrolled or renewed signed up for dental coverage. The dental forecast projects the same 12 percent rate of enrollment through 2021. In 2017, the revenue assessment shifts to a percentage of premium similar to that of the individual market program for health plans. Premium growth for dental insurance assumes the same rate of growth as the medical program (see the "Revenue and Change in Health Insurance Premiums" section). The revenue projected in the dental forecast reflects premium growth and an assessment rate, 4 percent of gross premiums, equal to the individual medical forecast. The base dental forecast projects that $1.1 million in dental assessment revenues will be generated annually from FY 2017–18 through FY 2020–21.

Covered California for Small Business Forecast

The enrollment outlook of Covered California for Small Business (CCSB) builds on the operational improvements (e.g., group onboarding at, or better than, industry standard; timely commission payments; quickly resolving account maintenance issues), and better support from our agents and brokers. The CCSB program anticipates that enrollment will continue to grow in 2018. The sales and operations teams are continuing to improve and maintain better relationships with brokers. The focus continues to be on expanding activities such as implementation of agency-level agreements and strategic technology implementations. They continue to focus on group retention by improving communication outreach.

Key Assumptions of the Covered California for Small Business Market Forecast

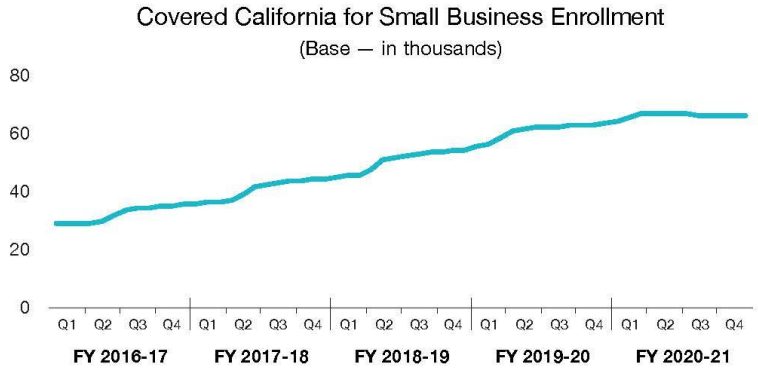
Because of these anticipated improvements and the trends seen over the past year, overall CCSB enrollment is expected to rise modestly through FY 2020–21. Similar to the individual market enrollment projections, a Base Estimate enrollment forecast has been developed. (See Figure 1.) The updated forecast is built on the experience of the

past three years and takes into account the overall size and expected growth of the small business exchange market in California. CCSB currently represents about 8 percent of the exchange market. The base forecast assumes that expected program improvements will grow CCSB market share to 9 percent in 2019. Thereafter, CCSB enrollment growth will keep pace with the anticipated growth of the small business exchange market.

Beginning in 2017, the Covered California assessment rate was based on a percentage of gross health plan premium at 5.2 percent. For plan year 2018, this rate will be continued at 5.2 percent.

FIGURE 1

Covered California for Small Business
Base Estimate Enrollment and Revenue Scenarios



Covered California for Small Business Sensitivity Analysis

The base enrollment forecast assumes a moderately improved market share for CCSB. The low alternative assumes that CCSB does not keep pace with the overall small-business exchange market and its share drops from its current 8 percent to

approximately 6 percent. The high alternative assumes that the share increases to 20 percent by 2020 and then keeps pace with overall market growth. (See Table 3.)

TABLE 3

Covered California for Small Business

	Fiscal Year End Enrollment					Revenue ($millions)				
Fiscal Year	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**
High	36,682	54,210	88,261	129,400	170,480	$7.3	$11.1	$18.5	$31.1	$44.8
Base	35,251	44,314	54,288	63,459	67,176	$7.3	$10.8	$13.1	$16.7	$19.6
Low	34,861	40,022	44,564	49,303	53,670	$7.3	$9.3	$11.2	$13.2	$15.3