



# CalOptima Health

## The Benefits of CalOptima Health's Participation in Covered California

### Community Listening Session

- Session 1: August 14, 2024 at 1:30 p.m. – 2:30 p.m.
- Session 2: August 29, 2024 at 8:00 a.m. – 9:00 a.m.

### Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

### Our Vision

By 2027, remove barriers to health care access for our members, implement same-day treatment authorizations and real-time claims payments for our providers, and annually assess members' social determinants of health.

# Housekeeping

- There will be an opportunity to ask questions and provide input at the end of the presentation
- Please ensure your microphone is on mute until it is your turn to speak
- Alternatively, feel free to submit questions/comments in the Q&A box
- This listening session is not being recorded
- Slides from the presentation, along with an FAQ, will be available after the listening session

# Agenda

- Covered California – Background
- Overview of the Orange County Covered California Landscape
- Value Proposition for CalOptima Health Participation
- Member Story
- Guiding Principles
- Engaging Stakeholders and Obtaining Feedback
- High Level Timeline
- Feedback

# Background

- Covered California (Covered CA) is the California state-based Marketplace program through which eligible Californians can purchase individual insurance coverage for themselves and their families.
- California residents who are not eligible for Medi-Cal or employer-sponsored insurance can purchase a plan through Covered CA.
- The type of plans offered in Covered CA are called Qualified Health Plans (QHPs).
- Premium subsidies are available to qualifying individuals/families.
- CalOptima Health would be seeking to join the Covered CA market for the 2027 plan year.
- Covered CA advises that new plans will need a two-year runway to prepare for participation.

# Background (cont.)

## WHO CAN PURCHASE A COVERED CALIFORNIA PLAN?

- Must live in the region covered by the plan for which they are applying
- Must be a U.S. citizen, U.S. national, or a lawfully present immigrants
- Must not be incarcerated (unless pending disposition of charges)

## WHAT FINANCIAL ASSISTANCE IS AVAILABLE?

- Advanced Premium Tax Credit (APTC): Reduces **premium costs**, calculated based on income, up to a maximum cost of 8.5% of income
- Cost-Sharing Reduction (CSR): Reduces additional **out-of-pocket costs** (such as deductibles and co-pays) only for individuals with an income up to 250% federal poverty level (FPL)

# Background (cont.)


## WHAT ARE METAL TIERS?

- Every plan must offer five coverage options, called metal tiers:
  - Catastrophic, Bronze, Silver, Gold, Platinum
- Each metal tier varies in its premium vs. out-of-pocket costs
- CSR-eligible individuals must enroll in a Silver plan to receive the CSRs

## WHO CAN PURCHASE A CATASTROPHIC PLAN?

- Must be under 30 years old before the beginning of the plan year
- If over 30, must obtain a “hardship exemption” or an “affordability exemption” from Covered California
- Granted based on determination that consumer cannot “afford” to pay higher premium
- Each family member must meet the eligibility requirements each plan year

# Background (cont.)



**Federal Premium Tax Credit\*** Tax credit continues beyond 400%

**SEE NOTE BELOW FOR INCOMES IN THIS RANGE**

**American Indian / Alaska Native (AIAN) Zero Cost Sharing** (100%-300%)

**AIAN Limited Cost Sharing** (over 300%)

**Silver 94** (100%-150%)    **Silver 87** (>150%-200%)    **Silver 73** (>200%-250%)

Household Size	% FPL	0%	100%	138%	150%	200%	213%	250%	266%	300%	322%	400%*
	1	\$0	\$14,580	\$20,783	\$21,870	\$29,160	\$32,078	\$36,450	\$40,060	\$43,740	\$48,494	\$58,320
2	\$0	\$19,720	\$28,208	\$29,580	\$39,440	\$43,538	\$49,300	\$54,371	\$59,360	\$65,817	\$78,880	
3	\$0	\$24,860	\$35,632	\$37,290	\$49,720	\$54,997	\$62,150	\$68,682	\$74,580	\$83,141	\$99,440	
4	\$0	\$30,000	\$43,056	\$45,000	\$60,000	\$66,456	\$75,000	\$82,992	\$90,000	\$100,464	\$120,000	
5	\$0	\$35,140	\$50,481	\$52,710	\$70,280	\$77,916	\$87,850	\$97,303	\$105,420	\$117,788	\$140,560	
6	\$0	\$40,280	\$57,905	\$60,420	\$80,560	\$89,375	\$100,700	\$111,614	\$120,840	\$135,112	\$161,120	
7	\$0	\$45,420	\$65,330	\$68,130	\$90,840	\$100,835	\$113,550	\$125,925	\$136,260	\$152,435	\$181,680	
8	\$0	\$50,560	\$72,754	\$75,840	\$101,120	\$112,294	\$126,400	\$140,236	\$151,680	\$169,759	\$202,240	
add'l. add.	\$0	\$5,140	\$7,425	\$7,710	\$10,280	\$11,460	\$12,850	\$14,311	\$15,420	\$17,324	\$20,560	

**Medi-Cal**

- Medi-Cal for Adults
- Medi-Cal for Pregnant Individuals
- Medi-Cal Access Program (for Pregnant Individuals)
- Medi-Cal for Kids (0-18 Yrs.)
- CCHIP (San Francisco, San Mateo, and Santa Clara county residents)

**Note:** Most consumers up to 138% FPL will be eligible for Medi-Cal. If ineligible for Medi-Cal, consumers may qualify for a Covered California health plan with financial help including: federal premium tax credit, Silver (94, 87, 73) plans and Zero Cost Sharing and Limited Cost Sharing AIAN plans.

**Silver 94, 87 and 73 plans** have no deductibles, and lower co-pays and out-of-pocket maximum costs.

\* Consumers at 400% FPL or higher may receive a federal premium tax credit to lower their premium to a maximum of 8.5 percent of their income based on the second-lowest-cost Silver plan in their area. See the chart on page 2 for more information.

# Covered California Website

**Special Enrollment**

## Have a plan for all life's changes.

Apply for a health plan outside open enrollment if you've experienced a [qualifying life event](#).

**Household Income** ⓘ    **ZIP Code**

\$ 28,000    95834

**Household Size** ⓘ    **How many need coverage?**

1    1

**Age of People Needing Coverage** ⓘ

45

**Quick Quote**

✓

**\$63**  
per month

**for a Silver plan.**  
**Bronze plans as low as \$0.**

After financial help from: **Covered California**

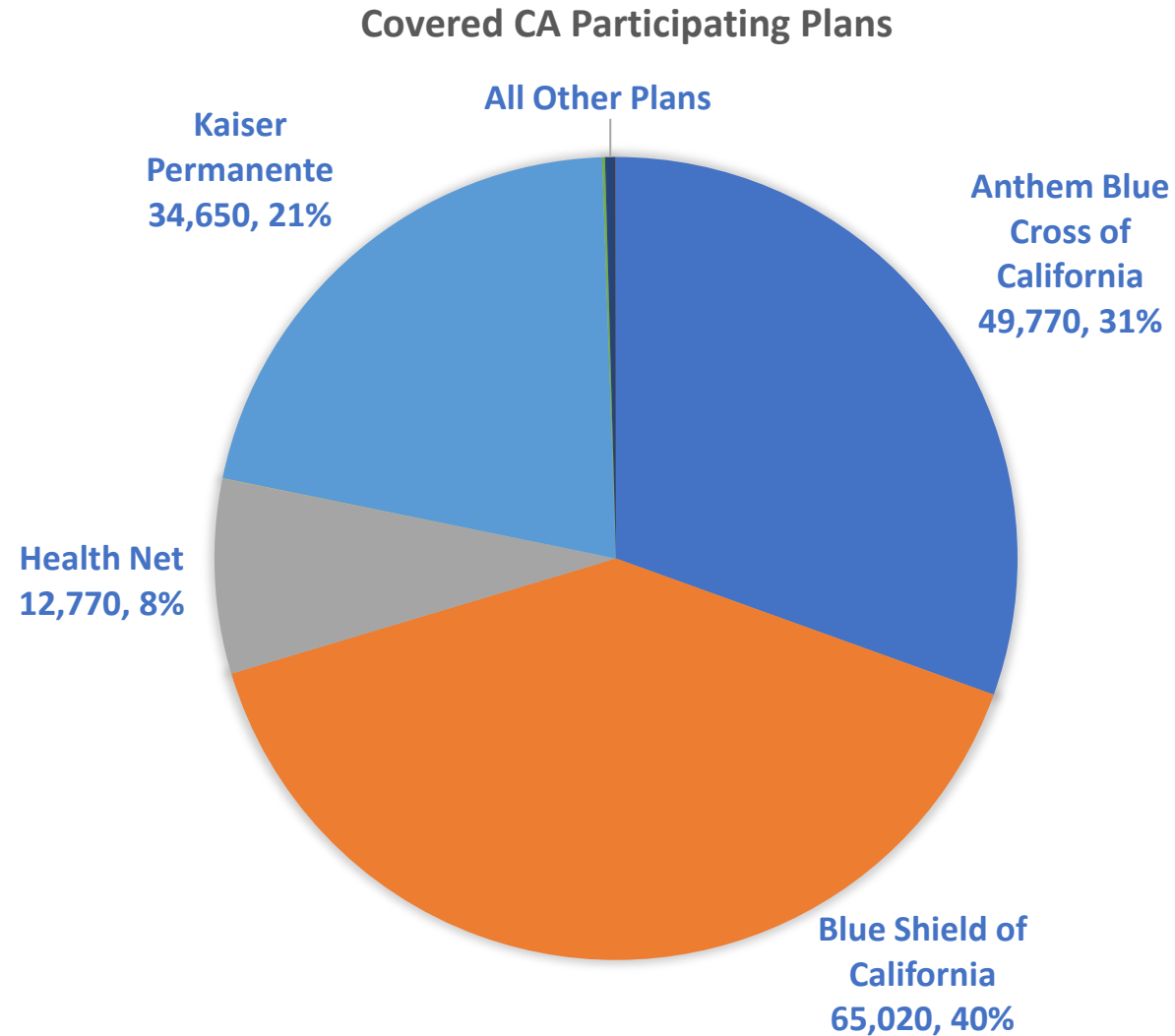
- ✓ Financial Help: **\$507 per month**
- ✓ Bronze, Gold and Platinum plans also available

Calculate    Continue





# Orange County's Covered CA Plans



# Value Proposition for Participation

- **Opportunity:** The recent reinstatement of Medi-Cal renewals and existing churn in eligibility for low-income populations compromises continuity of care for members and results in mixed-coverage households with varying provider networks.
- **Solution:** Entry into the Covered CA market will bridge the coverage gap when our members lose Medi-Cal coverage and keep family members in aligned networks at affordable premiums.
- **Value:** CalOptima Health is the largest health plan in Orange County with broad partnerships and a commitment to reinvesting in our local community.
- **Call to Action:** CalOptima Health has a responsibility to protect access to and continuity of high-quality care for our members throughout their life span.

# Member Story

- A CalOptima Health member undergoing breast cancer treatment recently received a Medi-Cal disenrollment notice due to her current income level that was assessed during the redetermination process.
- The member was very concerned about the following:
  - Maintaining access to the same providers that are administering her current treatment plan.
  - Inability to afford her out-of-pocket treatment costs under any of the currently available Covered CA plans.
- Due to her lack of Medi-Cal eligibility, CalOptima Health was prohibited from exercising “continuity of care” (COC) provisions.
  - COC provisions to maintain access to her current providers can only be exercised at the discretion of her *new* plan — and may be time-limited.

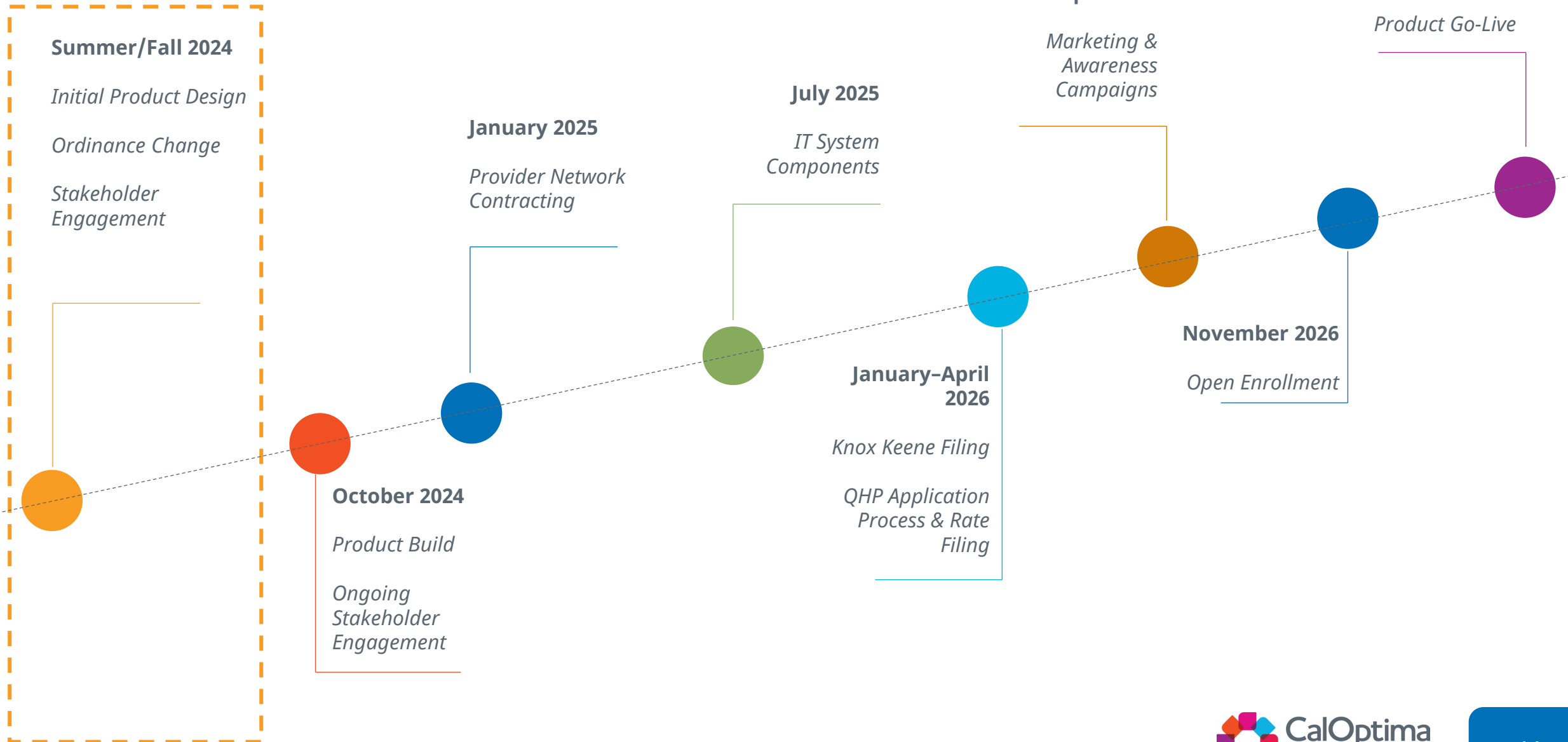
# CalOptima Health Covered CA Guiding Principles

1. Through Covered CA participation, provide continuous, high-quality care to our members across changes in life circumstances.
2. Ensure sufficient provider reimbursement in alignment with the current Covered CA market in Orange County.
3. Consistently engage external stakeholders on an ongoing basis to inform the design and development of the program in a transparent way.
4. Be strong stewards of public funds by identifying opportunities for efficiency and careful investment in needed capabilities.
5. Ensure ongoing reinvestment in the Orange County community as a key tenet of Covered CA participation.
6. Start small and target individuals and families churning on and off Medi-Cal coverage.

# Engaging Stakeholders in this Process

- CalOptima Health is engaging stakeholders in discussions about participation in Covered CA.
- A small steering group made up of external stakeholders will begin meeting in August to inform the development of the program.
- Community Listening Sessions offer an opportunity to hear from a broad range of stakeholders and to obtain feedback.
- CalOptima Health is sharing information on the Covered CA topic during our ongoing meetings with health networks and providers.

# High-Level Timeline



# Question & Answer

# We want your feedback!

- 1) What has your experience been like with Covered CA?
- 2) What considerations should CalOptima Health keep in mind that can help inform how we would participate in Covered CA?
- 3) What experiences have you had with navigating/enrolling/disenrolling in insurance plans in Covered CA?
- 4) What resources and information would you like to see offered as part of CalOptima Health's introduction of Covered CA?

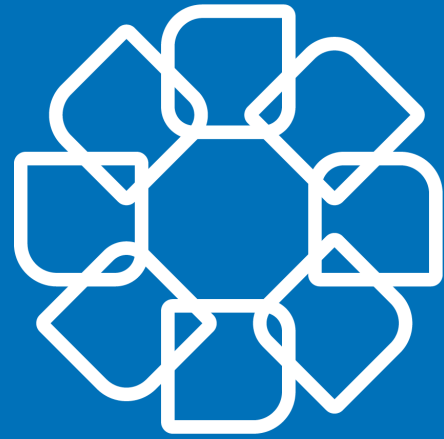


# We want your feedback!

Please send additional questions or input to:

[StrategicDevelopment@caloptima.org](mailto:StrategicDevelopment@caloptima.org)

An FAQ document addressing questions from both Community Listening Sessions will be distributed to all attendees.



# CalOptima Health

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