

Title of Column: Healthy People

Article Title: What is Covered California?

Covered California has a bit of mystery to it, doesn't it? I decided to unravel this puzzle for myself when it was brought to my attention that over 75% of Californians do not know what Covered California is all about. So bear with me while I attempt to bring us all into the happy realm of the knowledgeable 25%.

Under the Affordable Care Act (ACA), the Federal Government mandated that each State create a Health Care Insurance marketplace or "Exchange". If the State did not wish to create an independent Exchange, the Federal Government would create a Multi-State Exchange. California was the first to create its own Exchange and called it Covered California.

What exactly is an "Exchange"? To make this understandable, let's think of it like a Farmers Market. In a Farmers Market, you have different booths filled with rows of fruits and vegetables. Different stands are operated by different vendors. The beauty of the enterprise is that you can walk through the market comparing the quality and price of one vendor's apples to another's. What is not apparent is that the oversight and organization of the market is run by an individual referred to as the "Market Manager".

Covered California is our Market Manager for Health Care Plans. The organization is responsible for creating a venue for a host of vendors, the private insurance companies. Covered California, a Department of the State of California, has negotiated with these vendors in order to provide an "apples to apples" comparison of health care plans. This allows Californians to come to market and shop for more affordable health care.

Health Care Exchanges are nothing new in the United States. Private Exchanges have been in operation in Utah and New York for years. The State of Massachusetts created their Exchange in 2008. This is the model for the National Affordable Care Act.

"Health Care Insurance Exchanges are very efficient and provide the oversight and structure needed for a large number of applicants. The products have been standardized and the delivery method simplified. Covered California and our community partners, right here in Mendocino County, are working very hard in preparation for October 1, the first day of Open Enrollment, which is right around the corner" stated Stacey Cryer, Director of the County of Mendocino Health and Human Services Agency.

Twelve companies currently comprise the player list in Covered California. Anthem Blue Cross of California and Blue Shield of California will be the providers for Mendocino residents. Business plans will be provided by Blue Shield. These plans will be available on October 1, 2013 in "Open Enrollment", but the mandate for businesses with over 50 full time employees to provide insurance for all employees will not be enacted until 2015.

So what does this all mean for residents in Mendocino County?

The Affordable Care Act will provide health care coverage plans to those who either can't afford to purchase insurance or those who are paying too much. Those residents who have a pre-existing condition and have been denied coverage, will be eligible on

October 1. Those who have private insurance, but have reached their annual or lifetime limits for their care and are paying out of pocket to continue treatments, will no longer face limits. If a resident's income is under \$15,860 annually for a single individual, they will be eligible for the State run Medi-Cal program. If a resident's income is \$15,860 to \$45,960 for a single individual, they would qualify for a plan through Covered California. Residents who are currently paying more than 9.5% of their annual income through their employer provided health care insurance will be eligible to access decreased monthly premiums through Covered California as well.

I have gone to the Covered California website at coveredca.com and played with the cost calculator at the bottom of that home page. This is a useful tool to get a ballpark estimate for your particular situation. It will let you know if your income and household size qualifies you for tax credits and subsidies and what your cost would be for a plan under Covered California.

When I input higher incomes and small households, the monthly premiums were higher than what is available in the marketplace outside of Covered California. This is because the Affordable Care Act is designed to cover those of our community with no access to health care, to assist those who are paying extreme monthly premiums for basic care and to include those with low income and many dependants in the health care system.

I hope my own exploration to uncover the mystery of Covered California has also enlightened you. If you have questions or would like preliminary information, please call the Mendocino County Health and Human Services Agency at 707-463-5437. Calls will be accepted Monday through Thursday and your call will be returned in approximately 24-hours if you leave a message.

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