



News Release

Media line: (916) 206-7777

Email: media@covered.ca.gov

FOR IMMEDIATE RELEASE

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Covered California Announces Lower Prices for Most Enrollees in 2018 as Open Enrollment Approaches

- *Open enrollment begins Nov. 1 and runs through Jan. 31 — twice as long as the federal open-enrollment period.*
- *New data on affordability shows that what 1.1 million subsidized consumers pay for their coverage will **decrease** by an average of 1.5 percent in 2018.*
- *Consumers in the individual market who do not receive subsidies will pay an average of \$115 per month **less** than in 2017 thanks to California's healthy risk mix.*
- *A \$111 million investment in marketing and outreach includes new statewide multi-cultural, multi-lingual television ads delivering the message that "Life can change in an instant."*
- *Newly designed "responsive" website and provider search tools will make shopping easier than ever before.*
- *Covered California will promote the beginning of open enrollment with a 22-stop bus tour visiting 19 cities throughout California, including locations where murals will be painted to attract attention to enrollment locations and promote health.*

SACRAMENTO, Calif. — Covered California will kick off open enrollment Wednesday with the launch of a new comprehensive marketing and outreach campaign as well as upgrades to the consumer shopping experience for those seeking health insurance.

"While we know there is confusion because of the uncertainty in Washington, we want people to know that Covered California is rock solid," said Peter V. Lee, executive

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director of Covered California. “We’re offering stability, choice and affordable options in 2018 in the face of uncertainty in much of the country.”

Open enrollment is the one time of year when anyone who needs health insurance can enroll without needing to meet special qualifying conditions. Covered California’s open-enrollment period will continue for three months, while open enrollment in 42 other states will end on Dec. 15.

“While we encourage all consumers to sign up by Dec. 15 to get coverage that starts on Jan. 1, we will continue with open enrollment through Jan. 31 to give our consumers time to explore their options, change plans if they need to and shop for the health coverage that’s right for them,” Lee said.

A new analysis by Covered California shows the importance of going to <http://www.CoveredCA.com> to shop and compare, because some changes in 2018 rates may work in the consumer’s favor.

“For the 1.1 million Californians who enroll with us and get financial help, on average the price they pay will actually go down — even though their underlying rate is going up,” Lee said. “And Californians who are uninsured need to see if they, too, can get great coverage that costs them only a small fraction of the health plan’s regular rate.”

The analysis looked at the real-world impact on the price consumers will pay after the cost-sharing reduction (CSR) surcharge, which will increase the amount of financial help available to consumers.

Among the findings from the analysis:

- The average price subsidized consumers will pay for coverage will go down by about 1.5 percent from 2017 to 2018 — a decrease of \$9 per month or \$108 per year. As a result, Californians receiving financial help will be paying at least \$118 million less for their coverage in 2018 than they did in 2017.
- Subsidized consumers who keep their existing plans will be paying on average \$115 per month for coverage that has a monthly total premium of \$579, which is an average monthly savings of more than \$450 per month.
- Everyone who does not receive financial help — representing about 15 percent of those enrolled through Covered California and the 1.1 million Californians who purchase directly from their plan “off-exchange” — can avoid paying the CSR surcharge by switching tiers or purchasing a near-mirrored Silver plan off-exchange.
- In 2017, unsubsidized Californians paid on average \$115 less per month, or \$1,380 less per year, because the state’s consumer pool is one of the healthiest in the nation, with costs approximately 20 percent lower than those in the federally facilitated marketplace. Consequently, unsubsidized Californians saved more than \$1.3 billion in 2017 thanks to the state’s healthy risk mix.

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The complete analysis can be found here:

https://www.coveredca.com/news/pdfs/CoveredCA_Affordability_Delivered_11-2017.pdf.

Research commissioned by Covered California this summer indicates that consumers are very familiar with Covered California, with 96 percent of those surveyed having heard about Covered California and the Patient Protection and Affordable Care Act. However, there is some concern about the future due to ongoing discussions at the federal level.

“The distant thunder in Washington is causing concern among Californians,” Lee said. “We want to make sure they know Covered California is stable, offering the same quality coverage in 2018 that we have offered since we opened our doors in 2014.”

In an effort to carry that message to Californians, Covered California will launch its new statewide advertising campaign on Wednesday with the message “Life can change in an instant” to drive home the message that anyone can find themselves suddenly needing health insurance.

“We all know someone who was suddenly injured or who received an unexpected diagnosis. Our new ads show incidents Californians can relate to — cutting your hand in the kitchen, slipping on stairs or falling off a ladder — to drive home the value of health insurance,” Lee said.

The ads were shot with the help of actors wearing helmet cameras to capture the incident from the viewer’s first-person perspective.

The advertising campaign, which includes ads in English, Spanish, Cantonese, Mandarin, Korean and Vietnamese, can be viewed here:

<https://vimeopro.com/coveredcanews/instant-tv>.

In addition to television, the campaign message is also integrated in all advertising mediums, including radio digital, out-of-home (billboards, bus shelters and convenience store posters) and print advertisements, all of which promote the need for and value of having health insurance, as well as tailored messages reminding Californians how to sign up for coverage.

On Wednesday, Covered California will begin a bus tour to promote open enrollment across the state, with stops at enrollment locations where murals will be painted during open enrollment to promote health and draw attention to locations where individuals can enroll in coverage and get the care they need.

“Covered California is part of the fabric of California in communities all across the state, and community art is increasingly part of that fabric as well,” Lee said.

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All artwork is consistent with local city ordinances and reflects the communities and activities of the diverse people of California, promoting health and attracting attention to locations where individuals can enroll. *(More information about mural locations and artists will be shared with the media in the days ahead).*

Lee said shopping and enrolling in coverage is easier than ever this year due to upgrades to the online experience:

- For the first time, Covered California’s website, www.CoveredCA.com, is mobile-friendly, enabling consumers to shop, find local help, enroll and manage their account on a cell phone or tablet.
- The application for health coverage has been simplified for easier navigation.
- Upgrades to the website make it easier for consumers to find resources and in-language phone support in 12 languages on the homepage and under a new “Contact Us” page (<https://www.coveredca.com/find-help/contact/>).

The upgrades and new advertising begin as Covered California starts its fifth open-enrollment period with current membership of about 1.3 million enrollees.

Since 2014, more than 3 million people have purchased health insurance through Covered California, and nearly 4 million have enrolled in the state’s Medi-Cal program. Together, the gains have cut the rate of the uninsured in California by more than half.

Consumers interested in learning more about their coverage options should go to www.CoveredCA.com where they can get help to enroll. Free, confidential help is available at more than 800 storefronts statewide or by working with more than 17,000 certified enrollers who can assist consumers in understanding their choices and enrolling, including individuals who can assist in other languages. In addition, consumers can reach the Covered California service center by calling (800) 300-1506.

About Covered California

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

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

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