ConsumersUnion®

POLICY & ACTION FROM CONSUMER REPORTS

January 14, 2013

Peter Lee, Executive Director
David Panush, Director of Government Relations
Covered California
560 J Street • Suite 290
Sacramento, CA 95814

Re: Bridge Plan: A Strategy to Promote Continuity of Care & Affordability through Contracts with Medi-Cal Managed Care Plans

Dear Mr. Lee and Mr. Panush:

Consumers Union, the policy and advocacy division of Consumer Reports, writes to raise two additional thoughts regarding the Bridge Plan Board Recommendation Brief, based on the revised proposal dated January 10, 2013.

Consumers Union reviewed and commented on the December 18, 2013 Board Options Brief. Below we affirm our earlier comments (submitted January 10, 2013) and raise two additional issues:

- Out-of-pocket costs: Is there any way the proposed Bridge Plan options can reduce cost-sharing for eligible low-income individuals, in addition to lowered premiums (e.g., reducing out-of pocket costs, such as co-payments, for those in the Bridge Plans)?
- Premium aggregation and collection: We note that one ofthe challenges identified in the Board Recommendations Brief asserts that the benefits of increased enrollment and higher reimbursement may be outweighed by the administrative burden of premium collection for Medi-Cal Managed Care Plans. Given that CalHEERS business requirements preserved the design to enable CalHEERS to undertake premium aggregation and collection, we would suggest that the staff and Board revisit the decision on premium aggregation and collection in lieu of the Bridge Plan Options.

As we stated in our letter dated January 10, 2013, we hope to get more details about the proposal, specifically regarding the suggestions to waive aspects of the certification process, in order to ensure that important criteria established by the Board continue to apply to all QHPs, including Medi-Cal Managed Care Plans.

Sincerely,

Julie Silas

Elizabeth Imholz

Consumers Union

Headquarters Office
101 Truman Avenue
Yonkers, New York 10703-1057
(914) 378-2029
(914) 378-2992 (fax)

Washington Office
1101 17th Street, NW #500
Washington, DC 20036
(202) 462-6262
(202) 265-9548 (fax)

West Coast Office
1535 Mission Street
San Francisco, CA 94103-2512
(415) 461-6747
(415) 431-0906 (fax)

South West Office
506 West 14th Street, Suite A
Austin, TX 78701
(512) 477-4431
(512) 477-8934 (fax)