

July 21, 2011

The Honorable Diana Dooley  
Chair, California Health Benefits Exchange

The Honorable Kim Belshé  
The Honorable Paul Fearer  
The Honorable Susan Kennedy  
The Honorable Robert Ross, M.D.  
Members, California Health Benefits Exchange

Re: Exchange Board Staff Recommendations on Legislation

Dear Members of the California Health Benefits Exchange:

Planned Parenthood is writing in advance of the July 22 Board meeting where you will be discussing and taking action on pending legislation. Planned Parenthood Affiliates of California represents more than 100 community health centers throughout the state providing services for nearly 1 million Californians every year. We offer comments on several of the bills under consideration.

It is true that many details of health care reform have yet to be decided at both the state and federal level. Despite this uncertainty, it is critical that California continue its momentum in implementing health reform to ensure that the health coverage expansions outlined in the Affordable Care Act (ACA) and California legislation are operational beginning in 2014. Due to the reality of the short timeline between now and January 1, 2014, we believe that implementing legislation is needed this year.

While we understand and respect the challenges of implementing health reform, as safety net providers we are dedicated to establishing affordable coverage for the millions of Californians who face difficulty accessing the vital health care they need. Planned Parenthood believes that the current legislative agenda implementing the ACA is a step in the right direction and supports the following measures:

**AB714 (Atkins): Pre-Enrollment from Existing Public Programs**

AB 714 presents a golden opportunity to use current infrastructure to reach consumers who are currently enrolled in state-sponsored programs like Family PACT. Pre-enrolling patients will help ensure robust participation in expanded Medi-Cal and the Exchange starting January 1, 2014 and allow California to draw down the maximum amount of federal funding possible.

Allowing for a smooth transition will ensure patients have access to a seamless delivery system of quality care and will save the state money.

The Family PACT program currently provides reproductive health services to 1.67 million Californians, and the majority of these patients will become eligible for coverage in 2014. We have been pleased to work with the bill's author and sponsor to add patient protection measures and are fully in support of this very important enrollment bill.

To ensure robust participation in the Exchange on Day One, consumer enrollment needs to begin sooner rather than later. Without the statutory authority this year, the transfer of millions of lives will need to occur in the extremely narrow window of the first few months of 2013.

Waiting until 2013 to educate millions of Californians about the availability of coverage through health reform is not conducive to the success of the Exchange. Failing to take advantage of the time needed to move millions of health lives to the Exchange when there is the opportunity to begin that work in 2012 could undermine the viability of the Exchange.

### **AB1296 (Bonilla): Health Care Eligibility, Enrollment and Retention**

The Affordable Care Act (ACA) requires states to have a seamless, “no wrong door” system for determining eligibility for and enrolling people into public health coverage programs. AB 1296 would implement these components of the ACA by requiring the creation of a unified application – on paper, by telephone and online – for Medi-Cal, the Exchange, Healthy Families, Access for Infants and Mothers (AIM) and a Basic Health Program. This application system would allow for real-time determination of eligibility whenever possible and enroll consumers into the most beneficial program for which they are eligible.

On January 1, 2014 most Californians will be required by law to have health insurance and there will be new programs available through the Medi-Cal expansion and subsidies in the Exchange. To encourage robust participation in these programs, California must create a user-friendly system to enroll consumers into coverage. Federal resources are available to build the system – 100% federal funds for the Exchange and 90% federal funds for the Medi-Cal side.

As safety net providers, Planned Parenthood understands the importance to low income patients of being able to easily and seamlessly access care. By using a single application and eligibility process, California can ensure consistent coverage for those eligible and save money by drawing down the maximum federal funding.

### **SB703 (Hernandez): Basic Health Plan**

Planned Parenthood sees the Basic Health Plan (BHP) as an opportunity to provide lower cost health care for Californians living under 200% FPL. Despite affordability measures built into the Exchange, like sliding scale premium tax credits, lower cost sharing and out-of-pocket limits, the cost of Exchange coverage will likely still be cost-prohibitive for many low income families.

Planned Parenthood is especially concerned with the effect this cost will have on access to reproductive health services. California currently has the most successful and cost-effective family planning program in the country. Family PACT currently provides no-cost or low-cost family planning services to those with incomes under 200% FPL who are not eligible for Medi-Cal. In 2014, the majority of this population will become eligible for coverage either within expanded Medi-Cal or the Exchange. For those in the Exchange, the cost of accessing care will create barriers to family planning services that do not currently exist. Planned Parenthood supports the creation of a BHP as a way to provide more affordable health care coverage, including family planning and other reproductive health services, for low income communities.

Planned Parenthood is ready to work with the Exchange Board and staff to establish and implement successful health reform in California, especially in regards to ensuring continued barrier-free access to reproductive health care. We urge the Board to encourage staff to engage directly on these bills in the next few months. Thank you for your consideration.

Sincerely,

Kathy Kneer  
President/ CEO