SAN DIEGANS FOR HEALTHCARE COVERAGE

A COALITION FOR HEALTH

January 4, 2013

Covered California
560 J Street, Suite 290
Sacramento, CA 95814

RE: San Diegans for Healthcare Coverage Comments and Recommendations
Medi-Cal Bridge Health Plan Covered California Participation

This letter is to provide comments and recommendations on the strategies for including Medi-Cal bridge plans presented at your December 18, 2012 Covered California board meeting on behalf of San Diegans for Healthcare Coverage (SDHCC). SDHCC is a 501(c)3 not-for-profit stakeholder coalition formed in 2001 with a mission of expanding coverage and access to care. Our unique coalition includes a broad range of constituency groups representing business, labor, consumers, hospitals, clinics, physicians, health plans, academia, community organizations and local government (Attachment 1). Since passage of the Affordable Care Act, our coalition continues to work with our community to plan for successful implementation to maximize the benefits of reform for all San Diegans.

We would like to commend you and your staff for seeking strategies to incorporate a bridge between Medi-Cal and Exchange programs to allow for continuity of care for those with fluctuating incomes and the potential to improve affordability for the lowest income Exchange eligible individuals. There are many unanswered questions and the concept is new; however, we are encouraged and hopeful that there are solutions to address the challenges identified in your Board Options Brief. Following are our initial comments and suggestions on this evolving concept.

Unbiased education and consumer choice must be transparently preserved. Consumers should be informed and offered all Exchange coverage options for which they are eligible and educated by an unbiased source regarding the pros and cons of those options. Most will select the lowest cost option by default; however, neither Covered California nor health plans should be subjected to allegations of steering or providing misinformation as history demonstrates is quite possible.

Implement bridge plan program using a staged approach to manage risk, network adequacy and access to care. Currently, most two-plan and Geographic Managed Care (GMC) counties include commercial plan participation in the Medi-Cal program (ie, Anthem, Health Net and/or Kaiser in 16 of 18 counties). If these plans are willing to participate in a bridge program, then they should be encouraged to do so through their broader networks with few concerns regarding transition issues. For County Organized Heath Systems (COHS) and Medi-Cal health plans that do not currently offer commercial products, one suggested strategy to provide a bridge is to start with Medi-Cal to Exchange program enrollment. Once these plans have had time to expand their networks and meet other requirements, then new enrollments for lower income bands (e.g., up to200%) could be encouraged.

Any Medi-Cal health plan should be allowed to participate in the bridge program. The question was raised in your Options Brief whether to limit participation to Local Initiatives or community plans. While affordability is a

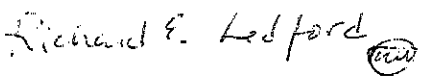
key driver, two additional goals identified are to offer continuity to enrollees and to ensure safety net participation. Therefore, any Medi-Cal plan that meets Exchange requirements should be encouraged to participate in the bridge program. This inclusive approach may also help to address concerns raised in the brief about commercial plan objections.

Finally, we emphatically agree with staff statements that any Medi-Cal health plan bridge program must be structured to ensure that California maximizes premium assistance (tax credit) levels (does not become second lowest silver plan reducing premium assistance calculations) and provides ample protection to consumers.

Thank you for this opportunity to provide initial comments. We look forward to Covered California's exploration of this strategy to enhance continuity, include the safety net and improve affordability of coverage and care for low to modest income Californians.

As we stated at the start, there are many unanswered questions and this concept is new. We have had little time to secure input and feedback from our full coalition; however, we are hopeful that challenges can be overcome and the bridge program will be viewed as a viable and beneficial opportunity for consumers.

Sincerely,



Richard E. Ledford, President and Chair
San Diegans for Healthcare Coverage
Board of Directors

Cc: Covered California Board of Directors
David Panush
San Diegans for Healthcare Coverage Board of Directors
Jan C. Spencley, Executive Director

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Attachment 1

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San Diegans for Healthcare Coverage

A COALITION FOR HEALTH

January 15, 2013

Covered California
560 J Street, Suite 290
Sacramento, CA 95814

RE: San Diegans for Healthcare Coverage Comments and Recommendations
Medi-Cal Bridge Plan

This letter is to provide additional comments on behalf of San Diegans for Healthcare Coverage (SDHCC) on the updated *Bridge Plan: A Strategy to Promote Continuity of Care and Affordability through Contracts with Medi-Cal Managed Care Plans* dated January 10, 2013. We appreciate your flexibility with allowing us an additional couple of days to review the updated document as we were only made aware of it yesterday. SDHCC is a 501(c)3 not-for-profit stakeholder coalition formed in 2001 with a mission of expanding coverage and access to care. Our unique coalition includes a broad range of constituency groups representing business, labor, consumers, hospitals, clinics, physicians, health plans, academia, community organizations and local government (Attachment 1). Since passage of the Affordable Care Act, our coalition continues to work with our community to plan for successful implementation to maximize the benefits of reform for all San Diegans.

We appreciate the fact that many of our previous comments appear to have been addressed in this updated draft and commend you and your staff for pursuing strategies to incorporate a bridge between Medi-Cal and Exchange programs to allow for continuity of care for those with fluctuating incomes and the potential to improve affordability for the lowest income Exchange eligible individuals. Following are our additional comments, suggestions and outstanding questions on this rapidly evolving concept

Consumer Choice. The document states that "....individuals would be encouraged, but not required, to stay in their prior Medi-Cal Managed Care plan -- the Bridge plan. However, the enhanced affordability option would *only* be available if the individual remained in their Medi-Cal Managed Care plan." While this may be the intent, we would recommend that the individual be allowed the option of any Medi-Cal Bridge Plan available in their area to provide consumers more than one affordability choice (where applicable) and not "locking" them into one particular bridge plan if they wish to access an affordable option.

Expanding Medi-Cal Health Plan Enrollment to those 139-200% FPL. As noted previously, most two-plan and Geographic Managed Care (GMC) counties include commercial plan participation in the Medi-Cal program (ie, Anthem, Health Net and/or Kaiser in 16 of 18 counties). If these plans are willing to participate in a bridge program, then they should be encouraged to do so through their broader networks with few concerns regarding transition issues. However, for County Organized Heath Systems (COHS) and Medi-Cal health plans that do not currently offer commercial individual products, we believe there should be a streamlined and collaborative approach to meeting regulatory and QHP requirements. Once these plans have had time to expand their networks and meet these other requirements, then new enrollments of Exchange eligible individuals up to 200% should be allowed. As your concept paper notes, Medi-Cal health plans are assuming large and challenging burdens over the coming year -- taking on Seniors and Persons with Disabilities, Healthy Families Children and Dual Eligibles -- while at the same time establishing additional provider contracts, information systems to

support premium collection, and new payment structures and claims processing systems. While affordability is one key concern, assuring that there are adequate provider networks, access to timely and appropriate care and consumer protections should not be secondary concerns; those requirements that provide those assurances should not be waived, but the path to meeting them streamlined. That said, we support the flexibility for more limited participation in Covered California (e.g., offer only silver and not all metal tier plans) and pursuing federal approvals necessary to do so.

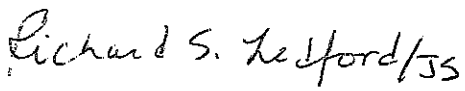
Legal Residents Between 0-138% of FPL. In this and other documents, those legally residing in the United States and falling between 0-138% of the federal poverty level but not eligible for Medi-Cal do not seem to be addressed. As it is our understanding that they are eligible for Covered California enrollment, we believe that these populations, and that income band, should be explicitly incorporated into this and any other applicable documents and tables.

Governor's Proposed Option for Expansion of Medi-Cal through Counties. It would appear that the Governor's proposed option to expand Medi-Cal through counties would diminish the benefits of the Bridge Program for the newly eligible Medi-Cal population. Most county programs do not provide care through Medi-Cal Health Plans. We would encourage Covered California to engage in these discussions to help ensure that the newly eligible consumer is able to benefit from the Bridge Program and its intended outcomes.

While we have not repeated them in this letter, our previous comments regarding unbiased education and information, consumer choice, not limiting the bridge option to a single plan in an area and the emphatic agreement that any Medi-Cal Bridge program must be structured to ensure that California maximizes premium assistance (tax credit) levels.

Thank you for this opportunity to provide additional comments. We look forward to Covered California's further definition of this strategy to enhance continuity, include the safety net and improve affordability of coverage and care for low to modest income Californians.

Sincerely,



Richard S. Ledford, President and Chair
San Diegans for Healthcare Coverage Board of Directors

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