
Bridge Plan: A Strategy to Promote Safety Net Continuity & Affordability

David Panush
Director, External Affairs

California Health Benefit Exchange Board Meeting
January 17, 2012



COVERED
CALIFORNIA

Covered California

Affordability and Safety Net Goals

Affordability -- Maximize enrollment for level of income subsidy eligible;

Encourage access and use of local safety net providers;

Encourage Medi-Cal Managed Care Plans to participate.

Recommendations

1. Contract with Bridge Plans for Medi-Cal, Medi-Cal/CHIP to allow transitioning enrollees to stay in their Medi-Cal Managed Care Plan. Also parents of Medi-Cal/CHIP children.
2. Seek Federal approval and support state legislation to allow other low income consumers – between 138% and 200% FPL -- to also participate. Also parents of Medi-Cal/CHIP children.
3. Streamline QHP certification for Medi-Cal Managed Care plans & Bridge Plan to participate.



Modeling Premium at \$400

Assuming Second Lowest Premium at \$400

		Member Contribution		
Lowest Premium	% Below	133% FPL	150% FPL	200% FPL
\$380	5%	\$16	\$34	\$94
\$360	10%	0	\$14	\$74
\$344	14%	0	0	\$58

Source: Milliman Illustration based on draft working analysis, 12/2/2012.

Based on “average” enrollee cost sharing; actual would vary by age.

Modeling Premium at \$500

Assuming Second Lowest Premium at \$500

		Member Contribution		
Lowest Premium	% Below	133% FPL	150% FPL	200% FPL
\$475	5%	\$11	\$29	\$89
\$450	10%	0	\$4	\$64
\$430	14%	0	0	\$44

Source: Milliman Illustration based on draft working analysis, 12/2/2012.

Based on “average” enrollee cost sharing; actual would vary by age.

1. Bridge Plans for Transitional Medi-Cal Eligibles and Medi-Cal/CHIP Parents

Covered California would negotiate contracted with qualified Medi-Cal Managed Care Plans that Serve as “Bridge” Plans for continuity of care and keeping families together.

Eligible consumers: Individuals transitioning from Medi-Cal or Medi-Cal/CHIP within 180 days. (About 1.1 million people) Also parents of Medi-Cal/CHIP parents. (150,000-300,000 people)

Sequenced Bidding Process to allow Bridge Plans to bid to be lowest cost silver plan.



2. Bridge Plans Should Cover Eligible Population up to 200% of FPL & Medi-Cal/CHIP Parents

Expand Bridge Plan eligible population to those under 200% of FPL and parents of Medi-Cal/CHIP parents (up to 250% of FPL). (About 930,000 individuals).

Support authorizing state legislation and seek federal approval.

Contracting process would need to be modified to accommodate approach and allow federal approval.



3. Streamlining QHP Solicitation Process

For Medi-Cal Managed Care Plans –

Allow Medi-Cal Managed Care plans to respond only to those elements of the solicitation that are applicable to a non-commercial health plan.

Accept state Medi-Cal quality and performance requirements as satisfying Exchange quality requirements for year one (2014) certification as a Qualified Health Plan.

For plans that are not accredited by NCQA or URAC now, require Medi-Cal Managed Care plans to initiate the accreditation process now with the intention of completing the process in 2016.

Coordinate with DMHC to assure streamlined licensure.



Streamlining QHP Solicitation Process

For Medi-Cal Managed Care – Bridge Plans –

Create a revised QHP certification timeline for Bridge Plans.

Allow Covered California to waive requirement that Bridge Plans offer all precious metal tiers and catastrophic plans. (Requires State Law Change).

Support policy to allow Bridge Plans to offer benefit contracts on an interim basis – not to exceed two years – while they pursue DMHC regulatory approval. This would address timelines necessary for material modifications of existing plan licenses.

Allow Medi-Cal quality reporting features such as HEDIS measures to be used in lieu of other quality data requirements.

