

Covered California: Snapshot of 2014 Offerings and Early Enrollment

January 2014

Covered California, California's health benefit exchange (or "marketplace"), opened for enrollment on October 1, 2013 for coverage starting January 1, 2014. There has been debate over Covered California product offerings, including questions about whether PPO products are more prevalent than HMO products and about the breadth of provider networks. To inform the IHA Board, staff compiled available information on current products, premiums, and enrollment, outlined below.

- **Covered California offers HMOs, PPOs and EPOs**, though not all products are available in all 19 geographic regions. Covered California describes product distinctions in their [Plan Options Participant Guide](#) on Pg. 4. An overview of the products offered by region is described below:
 - **Health Maintenance Organization (HMO):** 44 plans offered in 18 regions, ranging from 0 to 5 plans in each region
 - **Preferred Provider Organization (PPO):** 42 plans offered in 19 regions, ranging from 1-3 plans in each region
 - **Exclusive Provider Organization (EPO):** 9 plans offered in 9 regions, ranging from 0-1 plan
- **All health plans participating in Covered California have to offer each of the four metal tiers** (bronze, silver, gold, and platinum), as well as a fifth product known as a Minimum Coverage Plan (this is a high-deductible "catastrophic coverage" product limited to individuals under age 30).
- **The [standard benefit package](#) for each metal tier is the same for all plans regardless of what product is offered.** Emphasis for consumers is on metal tiers rather than products. The higher the metal value, the higher the actuarial value, or percentage of health care expenses paid by the health plan -- regardless of the product type.
- **How many/where are the HMOs in Covered California?** Of the 11 Qualified Health Plans participating in Covered California, all but Blue Shield of California offers an HMO (**see Table 1**).
 - **Kaiser Permanente** – offers an HMO in 18 of the 19 regions
 - **Anthem Blue Cross of California** – offers an HMO in 8 of the 19 regions (Sacramento, Santa Clara, Fresno, and southern California (both LA regions, Orange, Inland Empire, San Diego))
 - **Health Net** – offers an HMO in 5 of the 19 regions of southern California (both LA regions, Orange, Inland Empire, San Diego)
 - Each of these regional care plans offers an HMO in 1-2 regions:
 - Chinese Community Health Plan
 - Contra Costa Health Plan
 - L.A. Care Health Plan
 - Molina Healthcare
 - Sharp Health Plan
 - Valley Health Plan
 - Western Health Advantage
- **How many/where are the PPOs in Covered California?** Of the 11 QHPs participating in CC, three offer PPOs and EPOs.
 - Blue Shield of California offers a PPO in 15 and an EPO in 4 of 19 regions
 - Anthem Blue Cross of California – offers a PPO in 16 and an EPO in 5 of the 19 regions
 - Health Net – offers a PPO in 13 of the 19 regions (no EPOs)
- **Network breadth** has received some attention in the press, but it is difficult to obtain definitive and accurate information on provider networks for the array of products in a simple manner. A snapshot of media coverage, reports that:

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- Health Net's network in the Los Angeles region is limited to fewer than one-third of the physicians offered to workers on employer plans ([Los Angeles Times: Insurers limiting doctors, hospitals in health insurance market](#))
- Blue Shield is restricting exchange products to about one-half of its commercial network ([New York Times: Lower Health Insurance Premiums to Come at a Cost of Fewer Choices](#))
- Covered California staff is depending on the Department of Managed Health Care (DMHC) for monitoring network adequacy at this point in time, though that may evolve over the next few years
- **As of 12/28/13, there were approximately 500,000 enrollees in Covered California**, representing approximately one-quarter of national enrollment in exchanges (see **Table 3**). An additional 125,000 enrolled in Covered California in the first two weeks of January.
 - **Metal tier enrollment in Covered California:** 23% selected bronze plans, 61% selected silver plans, 7% selected gold plans, 7% selected platinum plans, and 1% selected catastrophic (restricted to age <30).
 - **Enrollment in Covered California by carrier (see Table 2):** Roughly 95% of new enrollees selected plans from the four largest carriers. Specifically: Anthem has 31% of the market share (155,146 enrollees), Blue Shield of CA has 29.4% of the market share (148,137 enrollees), Kaiser has 18.6% of the market share (93,415 enrollees), and Health Net has 16.2% of market share (81,488 enrollees). The other 7 QHPs made up the remaining 4.8% of the market share (21,922 enrollees).
- **Premiums in Covered California** do not show a clear pattern with respect to whether HMOs or PPOs are the lower-premium offerings. **Table 4** shows premiums for the four metal tiers for four of the 19 geographic regions: the Napa area, San Francisco, the Fresno area, and Orange County. (HMO products are highlighted in blue for easy reference.)
 - HMOs are the lowest-premium options in all four metal tiers in San Francisco (offered by Chinese Community Health Plan)
 - HMOs are the highest-premium products in all metal tiers in the Fresno region (offered by Kaiser and Anthem).
 - In Orange, HMOs are both the highest AND the lowest-premium products in the silver, gold, and platinum category; in the bronze category, only Kaiser offers HMOs and they are the highest-premium options.
 - In the Napa region, the HMOs are in the middle of the pack (neither lowest nor highest-premium), with the exception of the bronze metal tier in which Western Health Advantage offers the low-premium product, an HMO.

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Table 1: 2014 Product Offerings in Covered California

| Pricing Region | Counties | Type of Plans Available | | | Plans available per region |
|----------------|---|--|---|---------------------------------------|----------------------------|
| | | HMO | PPO | EPO | |
| 1 | Alpine, Del Norte, Siskiyou, Modoc, Lassen, Shasta, Trinity, Humboldt, Tehama, Plumas, Nevada, Sierra, Mendocino, Lake, Butte, Glenn, Sutter, Yuba, Colusa, Amador, Calaveras, Tuolumne | 1 plan available (Kaiser - specific areas only) | 1 plan available (Anthem) | 1 plan available (Blue Shield) | 3 |
| 2 | Napa, Sonoma, Solano, Marin | 2 plans available (Kaiser & Western Health Advantage) | 2 plans available (Anthem & Health Net) | 1 plan available (Blue Shield) | 5 |
| 3 | Sacramento, Placer, El Dorado, Yolo | 3 plans available (Kaiser, Anthem & Western Health Advantage) | 2 plans available (Anthem & Blue Shield) | 0 plans available | 5 |
| 4 | San Francisco | 2 plans available (Kaiser & Chinese Community Health Plan) | 2 plans available (Health Net & Blue Shield) | 1 plan available (Anthem) | 5 |
| 5 | Contra Costa | 2 plans available (Kaiser & Contra Costa Health Plan) | 3 plans available (Health Net, Anthem & Blue Shield) | 0 plans available | 5 |
| 6 | Alameda | 1 plans available (Kaiser) | 1 plan available (Anthem) | 1 plan available (Blue Shield) | 3 |
| 7 | Santa Clara | 3 plans available (Kaiser, Anthem & Valley Health Plan) | 3 plans available (Health Net, Anthem & Blue Shield) | 0 plans available | 6 |
| 8 | San Mateo | 2 plans available (Kaiser & Chinese Community Health Plan - San Mateo only) | 3 plans available (Health Net, Anthem & Blue Shield) | 0 plans available | 5 |
| 9 | Santa Cruz, Monterey, San Benito | 0 plans available | 2 plans available (Anthem & Health Net) | 1 plan available (Blue Shield) | 3 |
| 10 | San Joaquin, Stanislaus, Merced, Mariposa, Tulare | 1 plan available (Kaiser - specific areas only) | 3 plans available (Health Net, Anthem & Blue Shield) | 0 plans available | 4 |
| 11 | Fresno, Kings, Madera | 2 plans available (Kaiser & Anthem) | 2 plans available (Anthem & Blue Shield) | 0 plans available | 4 |
| 12 | San Luis Obispo, Ventura, Santa Barbara | 1 plan available (Kaiser - specific areas only) | 2 plans available (Anthem & Blue Shield) | 0 plans available | 3 |
| 13 | Mono, Inyo, Imperial | 1 plan available (Kaiser - specific areas only) | 2 plans available (Anthem & Blue Shield) | 0 plans available | 3 |
| 14 | Kern | 1 plan available (Kaiser) | 3 plans available (Health Net, Anthem & Blue Shield) | 0 plans available | 4 |

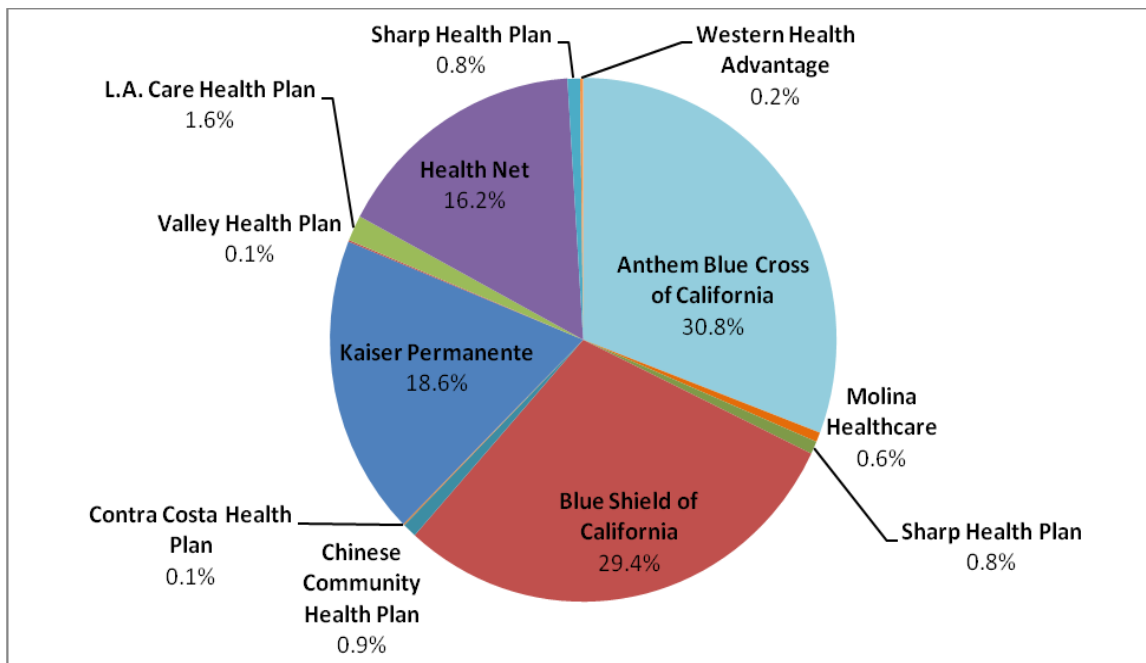
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| | | | | | |
|---------------|--------------------------|--|---|----------------------------------|----------|
| 15 | Los Angeles (1 of 2) | 5 plans available (Anthem, Health Net, Kaiser, L.A. Care Health Plan & Molina) | 2 plans available (Health Net & Blue Shield) | 1 plan available (Anthem) | 8 |
| 16 | Los Angeles (2 of 2) | 5 plans available (Anthem, Health Net, Kaiser, L.A. Care Health Plan & Molina) | 2 plans available (Health Net & Blue Shield) | 1 plan available (Anthem) | 8 |
| 17 | San Bernadino, Riverside | 4 plans available (Anthem, Health Net, Kaiser & Molina) | 3 plans available (Health Net, Anthem & Blue Shield) | 0 plans available | 7 |
| 18 | Orange | 3 plans available (Anthem, Health Net & Kaiser) | 2 plans available (Health Net & Blue Shield) | 1 plan available (Anthem) | 6 |
| 19 | San Diego | 5 plans available (Anthem, Health Net, Kaiser, Molina & Sharp – co-pay & coinsurance options) | 2 plans available (Health Net & Blue Shield) | 1 plan available (Anthem) | 8 |
| Total: | | 44 HMO Plans | 42 PPO Plans | 9 EPO | |

Source: [Health Insurance Companies for 2014: Covered California Health Plans, updated October 2013](#)

Table 2: Covered California Enrollment in October, November, and December 2013, Across Carriers



Source: [Milestone Enrollment Numbers Released By Covered California and Department of Health Care Services: Press Release, January 21, 2014](#)

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**Table 3: Characteristics of Marketplace (Exchange) Plan Selection
by Gender, Age, Metal Level, and Financial Assistance, 10/1/2013-12/28/13**

| | California | | National | |
|-----------------------------|------------|---------|-----------|----------|
| | Number | Percent | Number* | Percent* |
| Total | 498,794 | -- | 2,153,421 | -- |
| By Gender | | | | |
| Female | 264,361 | 53% | 1,134,070 | 54% |
| Male | 234,433 | 47% | 979,741 | 46% |
| By Age | | | | |
| Age <18 | 34,916 | 7% | 126,735 | 6% |
| Age 18-25 | 49,879 | 10% | 180,207 | 9% |
| Age 26-34 | 74,819 | 15% | 309,253 | 15% |
| Age 35-44 | 79,807 | 16% | 308,250 | 15% |
| Age 45-54 | 119,711 | 24% | 452,681 | 22% |
| Age 55-64 | 139,662 | 28% | 674,363 | 33% |
| Age >=65 | 0 | 0% | 6,718 | 0% |
| By Metal Level | | | | |
| Bronze | 114,722 | 23% | 378,321 | 20% |
| Silver | 304,264 | 61% | 1,136,036 | 60% |
| Gold | 34,916 | 7% | 253,901 | 13% |
| Platinum | 34,916 | 7% | 132,543 | 7% |
| Catastrophic | 4,988 | 1% | 20,224 | 1% |
| Financial Assistance | | | | |
| With FA | 423,975 | 85% | 1,646,237 | 79% |
| Without FA | 74,819 | 15% | 436,603 | 21% |

*For each variable, there are enrollees for whom the specific variable is unknown (e.g., age is unknown). For each categorical variable, both numbers and percentages exclude enrollees for whom data is unknown, but "Total" number includes all enrollees.

Source: [Health Insurance Marketplace: January Enrollment Report. ASPE Issue Brief, January 13, 2014.](#)

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Table 4: Covered California Monthly Premiums in 4 regions for a 28 year old single adult, 1/1/14

| REGION 2 - Napa, Sonoma, Solano, Marin | | | | | | | |
|--|---------|----------------------|---------|--------------------|---------|-----------------------|---------|
| Bronze | | Silver | | Gold | | Platium | |
| Plan: | Premium | Plan: | Premium | Plan: | Premium | Plan: | Premium |
| WHA Bronze 60 HMO | \$218 | BSC Silver 70 EPO | \$290 | BSC Gold 80 EPO | \$342 | BSC Platium 90 EPO | \$392 |
| Anthem Bronze 60 PPO | \$220 | Anthem Silver 70 PPO | \$294 | Anthem Gold 80 PPO | \$354 | WHA Platium 90 HMO | \$401 |
| Anthem Bronze 60 HSA PPO | \$222 | KP Silver 70 HMO | \$313 | WHA Gold 80 HMO | \$369 | KP Platium 90 HMO | \$410 |
| WHA Bronze 60 HSA HMO | \$226 | WHA Silver 70 HMO | \$317 | KP Gold 80 HMO | \$381 | Anthem Platium 90 PPO | \$410 |
| KP HSA HMO | \$230 | HN Silver 70 PPO | \$348 | HN Gold 80 PPO | \$415 | HN Platium 90 PPO | \$498 |
| KP Bronze 60 HMO | \$234 | | | | | | |
| BSC Bronze 60 HSA EPO | \$236 | | | | | | |
| BSC Bronze 60 EPO | \$240 | | | | | | |
| HN Bronze 60 PPO | \$241 | | | | | | |
| | | | | | | | |
| REGION 4 - San Francisco | | | | | | | |
| Bronze | | Silver | | Gold | | Platium | |
| Plan: | Premium | Plan: | Premium | Plan: | Premium | Plan: | Premium |
| CCHP Bronze 60 HMO | \$199 | CCHP Silver 70 HMO | \$279 | CCHP Gold 80 HMO | \$366 | CCHP Platium 90 HMO | \$407 |
| Anthem Bronze 60 EPO | \$239 | Anthem Silver 70 EPO | \$320 | BSC Gold 80 PPO | \$379 | KP Platium 90 HMO | \$430 |
| Anthem Bronze 60 HSA EPO | \$241 | BSC Silver 70 PPO | \$322 | Anthem Gold 80 EPO | \$385 | BSC Platium 90 PPO | \$434 |
| KP Bronze 60 HSA HMO | \$242 | KP Silver 70 HMO | \$329 | KP Gold 80 HMO | \$400 | Anthem Platium 90 EPO | \$447 |
| KP Bronze 60 HMO | \$246 | HN Silver 70 PPO | \$360 | HN Gold 80 PPO | \$430 | HN Platium 90 PPO | \$516 |
| HN Bronze 60 PPO | \$249 | | | | | | |
| BSC Bronze 60 HSA PPO | \$261 | | | | | | |
| BSC Bronze 60 PPO | \$266 | | | | | | |
| | | | | | | | |
| REGION 11 - Fresno, Kings, Madera | | | | | | | |
| Bronze | | Silver | | Gold | | Platium | |
| Plan: | Premium | Plan: | Premium | Plan: | Premium | Plan: | Premium |
| Anthem Bronze 60 PPO | \$185 | BSC Silver 70 PPO | \$244 | BSC Gold 80 PPO | \$287 | BSC Platium 90 PPO | \$329 |
| Anthem Bronze 60 HSA PPO | \$186 | Anthem Silver 70 PPO | \$248 | Anthem Gold 80 PPO | \$298 | Anthem Platium 90 PPO | \$345 |
| BSC Bronze 60 HSA PPO | \$198 | KP Silver 70 HMO | \$282 | KP Gold 80 HMO | \$343 | KP Platium 90 HMO | \$369 |
| BSC Bronze 60 PPO | \$201 | Anthem Silver 70 HMO | \$286 | Anthem Gold 80 HMO | \$358 | Anthem Platium 90 HMO | \$409 |
| KP Bronze 60 HSA HMO | \$207 | | | | | | |
| KP Bronze 60 HMO | \$210 | | | | | | |
| | | | | | | | |
| REGION 18 - Orange County | | | | | | | |
| Bronze | | Silver | | Gold | | Platium | |
| Plan: | Premium | Plan: | Premium | Plan: | Premium | Plan: | Premium |
| Anthem Bronze 60 EPO | \$185 | HN Silver 70 HMO | \$216 | HN Gold 80 HMO | \$245 | HN Platium 90 HMO | \$276 |
| Anthem Bronze 60 HSA EPO | \$186 | Anthem Silver 70 HMO | \$245 | BSC Gold 80 PPO | \$293 | BSC Platium 90 PPO | \$336 |
| HN Bronze 60 PPO | \$200 | Anthem Silver 70 EPO | \$247 | Anthem Gold 80 EPO | \$298 | Anthem Platium 90 EPO | \$345 |
| BSC Bronze 60 HSA PPO | \$202 | BSC Silver 70 PPO | \$249 | Anthem Gold 80 HMO | \$307 | Anthem Platium 90 HMO | \$351 |
| BSC Bronze 60 PPO | \$206 | KP Silver 70 HMO | \$285 | KP Gold 80 HMO | \$346 | KP Platium 90 HMO | \$372 |
| KP Bronze 60 HSA HMO | \$209 | | | | | | |
| KP Bronze 60 HMO | \$213 | | | | | | |

WHA=Western Health Advantage; CCHP=Chinese Community Health Plan; KP=Kaiser Permanente; BSC=Blue Shield; HN=Health Net