

# Covered California

## FACT SHEET



### Affordable insurance is a national priority

**In 2010, the federal government enacted the Patient Protection and Affordable Care Act, which aims to increase the number of Americans with insurance and cut the overall costs of health care.**

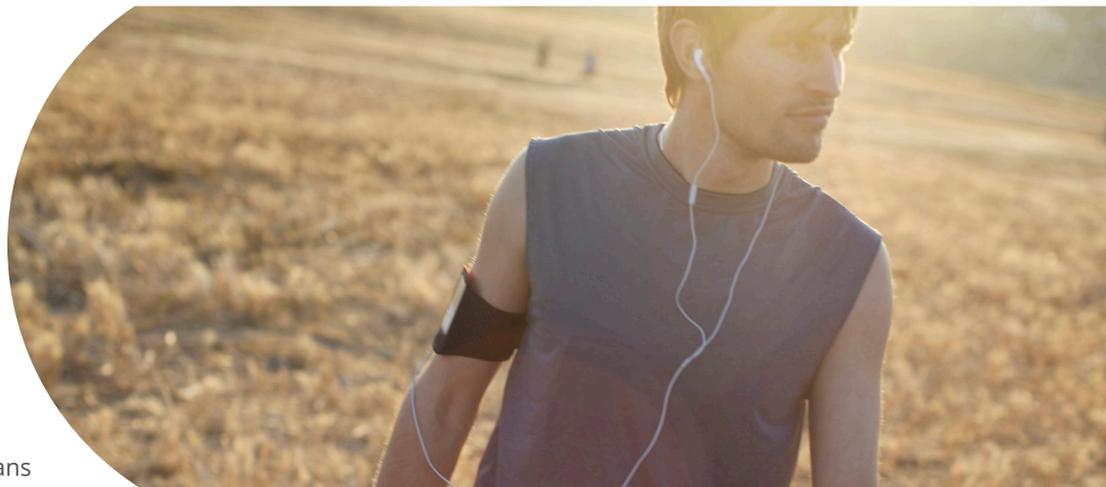
The new law created a number of ways to help reduce the cost of insurance and encourage uninsured people to get covered. The federal law is important to Californians because it provides financial assistance to help individuals and small business pay for health insurance. The law also requires that most people over the age of 18 have health insurance or pay a penalty starting in 2014. If you already have affordable health insurance, you don't need to take any action, unless your health coverage status changes.

To help those without health insurance get covered, the Affordable Care Act also requires that the states either set up their own marketplace to offer health insurance or have one set up by the federal government. These marketplaces will provide an accessible place where you can compare health plans and buy health insurance that works best for you, your family and your budget. California chose to set up its own marketplace — Covered California — as your doorway to health coverage.

### Getting California covered

California was the first state in the nation to enact legislation under the Affordable Care Act. Covered California™ was created to develop an organized marketplace where legal residents of California can buy health coverage that cannot be denied or canceled if you are sick or have pre-existing health conditions.

As of 2014, about 2.6 million Californians will qualify for federal financial assistance and an additional 2.7 million who do not qualify for assistance but could benefit from guaranteed coverage through Covered California or another insurance company. An estimated 2.3 million California residents will enroll in a health plan through Covered California by 2017.



All health plans purchased through Covered California must cover a range of services called Essential Health Benefits. These include services like doctor visits, hospitalization, emergency care, maternity care, pediatrics, prescriptions, medical tests, mental health care and others. Plans must cover preventive

care services like mammograms and colonoscopies with no out-of-pocket cost to consumers. All newly sold health plans, whether offered by Covered California or in the public marketplace, will be required to meet these basic requirements.

## A short history, an ambitious future

As the first state in the nation to enact legislation under the Affordable Care Act, California has an important role to play in ensuring that Covered California is successful. Working together with federal, state and community partners, Covered California will ensure that millions of Californians have an equal opportunity to obtain affordable high-quality health care coverage. With more Californians covered, the state, our neighbors and our families will all be able to make healthy choices that benefit us all.



## A commitment to Californians

Covered California is committed to ensuring that you are aware of your health coverage options and can easily compare health plans and choose the right one.

We know that choosing health insurance can be confusing and we are here to help. We will be providing support services in person, by phone and online. We are training people in local communities across the state who will help you learn about the new health options available. These trained professionals will be able to offer help in many different languages.

## The health insurance marketplace

**Later this year, Covered California will open the marketplace and begin enrolling eligible Californians for health coverage that will begin January 2014. Legal residents of the state of California who do not have health insurance from their employer or another government program can purchase health insurance through Covered California.**

You will be able to buy the same high-quality health insurance from Covered California that is available on the private market today. The advantage of purchasing insurance from Covered California is that you can easily compare different plans. For the first time ever, you can make “apples-to-apples” comparisons across different health plans, thanks to a new ranking system. Also, Covered California is the only place where you can use tax credits or cost-sharing subsidies from government assistance programs to lower your health care costs.

Covered California also will help small businesses provide affordable health coverage to their employees. Through Covered California, businesses with 50 or fewer full-time equivalent employees will be able to purchase health insurance.

Businesses with 25 or fewer full-time employees can learn about possibility eligibility for tax credits. Starting in October 2015, Covered California will be open for larger employers with 100 or fewer full-time equivalent employees.

