

COVERED CALIFORNIA: A PROGRESS REPORT

January 31, 2014

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Summary

In its first several months of open enrollment, Covered California despite its challenges has been a bright spot among state health insurance Exchanges created under the Affordable Care Act. About 23% of national enrollments in 2013 came from California. More than 1.4 million California residents have completed Covered California applications, more than 625,000 people have enrolled in subsidized or unsubsidized health plans, and more than 1.2 million are expected to be newly enrolled in Medi-Cal. Though it experienced a slow start in October, Covered California by the end of the year had surpassed its enrollment goal for the first half of open enrollment. A preliminary assessment also indicates that premiums have generally met affordability targets, of a maximum 9.5% of annual income.

This report will provide a summary of the Covered California rollout, including a breakdown of application and enrollment trends, plan affordability and cost estimations, and questions and concerns for future analysis.

Special thanks to Maria Connie Ballesteros for research assistance on this report.

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SECTION 1. ENROLLMENT

1.1 What are Covered California's enrollment goals?

Subsidy-eligible enrollment goals: Covered California is California's new health insurance Exchange created under the Patient Protection and Affordable Care Act (ACA) of 2010. It's a one-stop shop where people can apply and shop for low-cost or no-cost health insurance coverage, including California Medicaid (called "Medi-Cal"), and get subsidies to help with the costs of a private plan. Prior to launching on October 1, 2013, Covered California announced it aimed to enroll 500,000 to 700,000 subsidy-eligible individuals in Exchange plans by March 31, 2014, the end of the first enrollment period.¹ This is only a portion of the 2.6 million Californians expected to be eligible for subsidies under the ACA. Research centers at UC Berkeley and UCLA expect that 33%, or about 840,000, of those eligible for Exchange subsidies will enroll in a plan by the end of 2014.²

Total enrollment goals (with and without subsidies): Covered California projected that total enrollment would reach 300,000 by the end of 2013; 580,000 by the end of open enrollment on March 31, 2014; and 970,000 by the end of 2014. (Among four scenarios with low to high estimates, this was the "base" projection; See Appendix 1.) Its 2014 budget is based on 1,058,791 enrollees. Unlike the projections above, these total figures include both subsidy-eligible and nonsubsidy-eligible enrollees.³

Medi-Cal enrollment goals: Likewise, an estimated 1.4 million are newly eligible for Medi-Cal in 2014 due to coverage expansions under the Affordable Care Act.⁴ Many of those newly eligible have had coverage through the state's Low Income Health Program (LIHP), which began in 2010 as a bridge to reform under a Section 1115 Medicaid waiver. These beneficiaries (630,000 of them) were auto-enrolled into Medi-Cal on January 1, 2014. An additional 584,000 Covered California applicants were determined likely eligible for Medi-Cal in 2013. In total, this adds up to about 1.2 million new or probable Medi-Cal enrollments on January 1.⁵

Why do the goals matter? A quick ramp-up in enrollment is critical, not only for expanding access to health care and coverage, but also from a financial sustainability perspective. Covered California is receiving federal establishment grants from the U.S. Department of Health and Human Services in 2013 and 2014, but in 2015 and beyond it will rely on plan assessment revenue to cover its operating costs.⁶ Insurers, too, are monitoring early enrollment numbers and the age and demographic mix of enrollees. Both supporters and opponents of the new law are looking to the health insurance Exchanges as a barometer for the success or failure of health care reform. As the largest state-run Exchange, much rests on how successfully Covered California can meet its targets.

¹ Covered California press release, "Covered California is Open for Business." 10/1/13. <http://www.prnewswire.com/news-releases/covered-california-is-open-for-business-225973521.html> However, a 1/23/14 Executive Directors Report presentation gives a slightly different target of 487,000 subsidy eligible enrollees by the end of the first open enrollment (Slide 26: http://www.healthexchange.ca.gov/BoardMeetings/Documents/January%202014/PPT%20-%20Executive%20Director%27s%20Report_January%2023%202014.pdf)

² CalSIM version 1.8 "Statewide Data Book 2014-2019." UCLA Center for Health Policy Research, UC Berkeley Center for Labor Research and Education, March 2013. Page 6.

³ Building Covered California: Blueprint Overview and Establishment Grant Comment Draft" 11/7/12, Slide 9.

⁴ Lucia, Laurel et al. "Medi-Cal Expansion under the Affordable Care Act: Significant Increase in Coverage with Minimal Cost to the State." UC Berkeley Labor Center, January 2013. http://laborcenter.berkeley.edu/healthcare/medi-cal_expansion.shtml

⁵ Covered California press release, "Milestone Enrollment Numbers Released by Covered California and Department of Health Care Services." 1/21/14. <http://coveredcanews.blogspot.com/2014/01/milestone-enrollment-numbers-released.html>

⁶ Building Covered California: Blueprint Overview and Establishment Grant Comment Draft" 11/7/12, Slide 12.

1.2 How has actual enrollment stacked up?⁷

*Applications and Enrollment in First Month, October 1 – 31*⁸

In its first month after launch, there were close to 2.5 million unique visits to Covered California's website (www.CoveredCA.com) and 250,000 calls to the service center. There were also 203,904 electronic applications initiated – an estimated 370,000 individuals, based on average of 1.8 individuals per application. Of applications initiated in the first month, about 48% were completed. Approximately 86,000 people were determined eligible for some type of Exchange coverage (subsidized or unsubsidized) and another 72,000 were determined eligible for Medi-Cal. Of all applications completed in October, roughly 150,000 people, or 39%, were expected to be eligible for Medi-Cal starting in 2014.

A total of 30,830 individuals enrolled in Covered California plans in October, more than the combined amount of the 36 states using the largely dysfunctional federally-run Healthcare.gov website.⁹ This accounts for about 0.4% of the California's 7.1 million uninsured.¹⁰ A high portion of these enrollments were for subsidized coverage. By comparison, the states with the most enrollees behind California (as of November 2) were New York with 16,404 enrollees, Washington with 7,091 and Kentucky with 5,586. In terms of the percentage of uninsured newly covered, Vermont was one of the top performers nationwide, enrolling 3.26% of its uninsured.¹¹

*Applications and Enrollment through December 31*¹²

Applications and enrollments in Covered California picked up in November and December, with a big surge just before the cutoff for January coverage. By December 31, almost 2 million individuals had initiated applications and almost 1.5 million had completed applications. In the rush for January coverage, more than 53,510 of these applicants enrolled in a plan during the three-day period December 16-18. This is greater than the entire number of enrollments for the month of October.¹³ Averaged out for the month, 12,096 people per day selected health plans in December, far exceeding the 995 per day in October.¹⁴

About 500,000 people had enrolled and selected health plans by December 31 – the vast majority of which (424,936) were subsidy-eligible. Additionally, 584,000 applicants were determined likely eligible for Medi-Cal and 630,000 people were transitioned into Medi-Cal from the Low-Income Health Program (LIHP).

⁷ Application and enrollment figures in this section come from Covered California news releases available at www.CoveredCA.com.

⁸ October enrollment data from 11/21/13 Covered California news release "Rate of Applications Completed Nearly Doubles—Covered California Taking in 10 Thousand Per Day." <http://coveredcanews.blogspot.com/2013/11/rate-of-applications-completed-nearly.html>

⁹ Ante, Spencer E. "California Health Exchange Outdoes HealthCare.gov." Wall Street Journal, 11/13/13. <http://blogs.wsj.com/cio/2013/11/13/california-health-exchange-outdoes-healthcare-gov/>

¹⁰ Note: It's unclear what portion of Covered California enrollees were uninsured before applying (vs. had other coverage.)

¹¹ Ante, Spencer E. "California Health Exchange Outdoes HealthCare.gov." Wall Street Journal, 11/13/13. <http://blogs.wsj.com/cio/2013/11/13/california-health-exchange-outdoes-healthcare-gov/>

¹² Enrollment data as of Dec. 31 from Covered California press release "Milestone Enrollment Numbers Released by Covered California and Department of Health Care Services." 1/21/14. <http://coveredcanews.blogspot.com/2014/01/milestone-enrollment-numbers-released.html>

¹³ Covered California news release, 12/19/13. "Covered California enrollment surging in last week for January coverage."

¹⁴ Covered California Executive Directors Report, 1/23/14 Board Meeting. http://www.healthexchange.ca.gov/BoardMeetings/Documents/January%202014/PPT%20-%20Executive%20Director%27s%20Report_January%2023%202014.pdf

These figures exceed 2013 enrollment goals discussed in the previous section. Stacked up against benchmarks for the full six-month enrollment period, at the halfway mark in the enrollment period, it was 85% of the way toward its March 31 target for subsidy-eligible enrollees, and 86% toward its target for total enrollees.¹⁵ By January 15, enrollees had reached 625,000 and surpassed baseline total enrollment goals.

Lastly, of note, more than 289 small businesses have applied for coverage through Covered California's Small Business Health Options Program (SHOP).

Insurers: The top insurers in the pre-ACA individual market made a strong debut on the Exchange. Anthem secured the largest number of enrollees statewide (31%), with Blue Shield of California (29.6%), Kaiser Permanente (18.7%), and Health Net (16.3%) enrolling large portions as well. These four insurers account for almost 96% of the Covered California market, with the other 4% divvied up among seven insurers. The top three by far held the largest market share in California's individual market prior to the Exchanges. Anthem held 47%, Blue Shield held 21%, and Kaiser held 19% in 2011.¹⁶

Plan Types: About 61% of enrollees signed up for a Silver plan, the second lowest cost of the four metal plan tiers – bronze, silver, gold and platinum – designed to cover 70% of health care costs across the plan (Appendix 7). About 85% of all enrollees got some form of financial assistance for premiums and/or cost sharing.

Enrollee Age Mix: Of the roughly 500,000 individuals enrolled in plans as of December 31, older people were overrepresented, compared to their share of the total population of California. About 28.6% of enrollees were age 55 to 64 (even though they make up only 11% of the population). About 25% of enrollees were age 18 to 34 (they make up 25% of the general population and 36% of those eligible for subsidies). This age group, the so-called "young invincibles," has been a prime target group for outreach and enrollment efforts. The age distribution of enrollees will be critical to monitor in the coming months. According to the Kaiser Family Foundation, enrollment by age group should ideally mirror the pool of potential enrollees. Enrollment of relatively healthy "young invincibles" is needed in every state to pool together low-risk individuals with high-risk individuals, and to subsidize the older and often more costly enrollees who are likely to sign up for coverage. Risk pooling occurs at the state level and affects premiums not just in Exchange plans but in all plans on the individual market. Insurers must set their premiums using a single risk pool including all individual plans purchased or renewed after January 1, 2014, on or off the Exchange. Nationwide, the distribution of potential individual market enrollees is 40% in the 18-34 age group and 17% in the 55+ age group (Figure 1).¹⁷ The age mix of enrollees in California is slightly more favorable than the national average, which has 24% of enrollees in the 18 to 34 age group (compared to California's 25%) and 33% of enrollees in the 55 to 64 age group (compared to California's 28.6%).

¹⁵ Covered California Executive Directors Report, 1/23/14 Board Meeting.

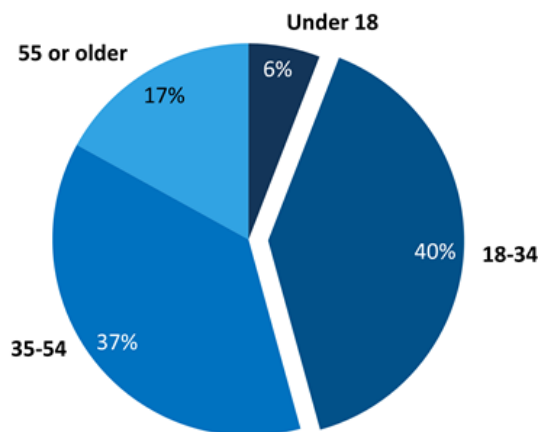
http://www.healthexchange.ca.gov/BoardMeetings/Documents/January%2023,%202014/PPT%20-%20Executive%20Director%27s%20Report_January%2023%202014.pdf

¹⁶ California Health Care Foundation, "The Private Insurance Market in California, 2011."

<http://www.chcf.org/publications/2013/03/data-viz-health-plans>

¹⁷ Levitt, Larry, et al. Kaiser Family Foundation, "The Numbers Behind Young Invincibles and the Affordable Care Act." 12/17/13. <http://kff.org/health-reform/perspective/the-numbers-behind-young-invincibles-and-the-affordable-care-act/>

Figure 1 – National Distribution of Potential Enrollees
Distribution of Potential Individual Market Enrollees by Age



Source: Kaiser Family Foundation analysis of the Survey of Income and Program Participation.



Enrollee Ethnicity and Language: Latinos and African-Americans are underrepresented among Covered California enrollees. Only 3.1% of enrollees are black or African-American, though this group makes up 6.7% of the California population. Similarly, only 18.7% of enrollees as of December 31 were of Hispanic, Latino or Spanish origin, even though Latinos make up about 46% of subsidy-eligible Californians and more than half of the state’s uninsured. Only 5.5% chose Spanish as their primary language for communication even though 28.8% of the California population speak Spanish as a primary language. Many lawmakers and consumer advocates have voiced concerns about slow Latino enrollment. The state has made efforts to address this issue, ramping up outreach to Spanish-speaking individuals, sending out 1 million mailings, and increasing advertising aimed at Latinos. Covered California Executive Director Peter Lee has said that more in-person assistance is needed to reach Latinos and that the education process can be longer for Latinos who haven’t had as much experience with health insurance. About half of the state’s certified enrollment counselors speak Spanish and 10% of Covered California call center workers speak Spanish.¹⁸

1.3 National Enrollment Statistics

National enrollment in health insurance Exchanges has proceeded much more slowly than in California, in large part because of difficulties with the federal Exchange website, Healthcare.gov, developed by CGI Federal. In October, 106,000 people nationwide had chosen and enrolled in health insurance plans, only about a fourth of which were from the 36 states using Healthcare.gov.¹⁹ Similar to California enrollment trends, nationwide enrollment surged toward the end of the year, increasing five-fold in December as applicants sought to get coverage for January 1. There were 1,788,000 enrollments

¹⁸ Terhune, Chad. LA Times article 1/21/14. “Covered California Faulted for Low Latino Enrollment.”

<http://www.latimes.com/business/la-fi-health-exchange-20140122,0,6423681.story#ixzz2raCESNfv>

¹⁹ Stolberg, Sheryl Gay and Craig, Susanne. “Only 106,000 Pick Health Insurance Plans in First Month.” New York Times, 11/13/13. http://www.nytimes.com/2013/11/14/us/health-law-enrollment-figures-far-lower-than-initial-estimates.html?_r=1&

in December, bringing the national total to 2,153,000 plan enrollees. California makes up 23% of these enrollments.²⁰

California is also among states with the highest number of residents eligible for Exchange coverage. Only three states (Texas, California, and Florida) have more than 1 million residents eligible for advance premium tax credits to help pay their premiums, and another seven states have more than 500,000 tax-credit-eligible residents. In all, more than 17 million people nationally are eligible for tax credits in 2014.²¹ (Appendix 2-3)

SECTION 2. PRICES, COSTS & AFFORDABILITY

2.1 Are Covered California premiums affordable?

Below are two rough estimates of premium affordability for plans sold through Covered California, after subsidies are applied. One estimate looks at affordability by family unit: it compares the second-lowest cost silver plan to median family income in each county. The other estimate examines affordability per capita: it compares the lowest-cost silver plan to per-capita income in each county. Note that the second-lowest cost silver plan is what the federal government uses for its affordability benchmarks. The objective behind analyzing costs for both the second-lowest and lowest-cost silver plan is to provide a comprehensive view of affordability across different plan options consumers may choose.

Family premium affordability estimates. These affordability estimates based on family income and size use median family income from the U.S. Census Bureau, by county. Median income was entered into to the Kaiser Family Foundation's subsidy calculator,²² along with zip code, family size (family size of three with two 40-year-old adults and one child), and smoking status (no tobacco use). The average family size in California is 3.57. This estimate rounds down to 3, yielding a more conservative estimate of the subsidies families would receive. The income thresholds for subsidies increase with each additional family member. Key findings for families were:

- The average family premium cost for the second-lowest cost silver plan after subsidies was 9.64% of family income, or \$6,576 annually.
- The smallest was 7.14% of income, or \$3,127 per year, in Imperial County.
- The largest was 14.34%, or \$11,558 per year, in Santa Cruz County.
- Family subsidy amounts by county ranged from \$0 to \$8,900 per year.
- Premiums in reality will be capped between 2% and 9.5% of income for those with incomes below 400% of FPL. The premium cap is based on the second-lowest cost silver plan premium and is tiered, with lower caps for those with lower incomes. Those with income above 400% of FPL don't have a premium cap but if the lowest-cost bronze plan is greater than 8% of their income, then they can get an exemption from the individual mandate or become eligible to buy a catastrophic coverage plan.²³
- See Appendix 4 for detailed calculations by county.

²⁰ U.S. Department of Health and Human Services, ASPE Office of Health Policy, January 2014. "HEALTH INSURANCE MARKETPLACE: JANUARY ENROLLMENT REPORT For the period: October 1, 2013 – December 28, 2013"

²¹ Kaiser Family Foundation. "State-by-State Estimates of the Number of People Eligible for Premium Tax Credits Under the Affordable Care Act." 11/5/13. <http://kff.org/health-reform/issue-brief/state-by-state-estimates-of-the-number-of-people-eligible-for-premium-tax-credits-under-the-affordable-care-act/>

²² Kaiser Family Foundation Subsidy Calculator: <http://kff.org/interactive/subsidy-calculator/>

²³ Covered California, "What is Affordable?" <https://www.coveredca.com/shopandcompare/#affordable>

Per capita premium affordability estimates. These per capita affordability estimates use premiums for all 19 pricing regions that Covered California released in a May 2013 health plan booklet.²⁴ Rates and subsidies used are for the lowest-cost silver plan for a 40-year-old. Because the subsidy amount a person gets depends on how far above or below the Federal Poverty Level their income is, we calculated average per capita income (using U.S. Census Bureau data) as a percentage of FPL for each county. This was used to calculate expected subsidies, and the subsidized premium amounts were compared to average per capita income in each county, to gauge plan affordability. Key findings per capita were:

- The average per capita premium cost for the lowest-cost silver plan after subsidies was 8.28% of per capita income, or \$2,358 annually.
- The smallest was 0% of income, or \$0 per year, in Imperial County. (Subsidies paid the entire cost.)
- The largest was 13.8% of income, or \$4,056 per year, in Solano County.
- Per capita subsidy amounts by county ranged from \$0 to \$3,792 per year.
- As with families, premiums for individuals will in reality will be capped between 2% and 9.5% of income for those with incomes below 400% of FPL. The premium cap is based on the second-lowest cost silver plan premium and is tiered, with lower caps for those with lower incomes. Those with income above 400% of FPL don't have a premium cap but if the lowest-cost bronze plan is greater than 8% of their income, then they can get an exemption from the individual mandate or become eligible to buy a catastrophic coverage plan.²⁵
- Anthem, Blue Shield, Chinese Community Health Plan, and Health Net would get the most enrollments if people enrolled in the lowest-cost silver plan.
- See Appendix 5 for detailed calculations by county.

Limitations. The above estimates do not describe actual enrollment, premiums paid or subsidies received. Rather, they are affordability estimates based on the plans available through Covered California and incomes in each county. There are several important limitations to be considered:

- For one, actual premiums and subsidies will vary by age, location, income, household size, and the insurer and coverage level that enrollees choose. This detailed demographic and enrollment data for applicants and enrollees has not been released as of the writing of this report.
- Additionally, the rounding of family size (to 3) is based on a statewide average (of 3.57). Rounding down yields a more conservative, underestimation of affordability.
- Average income figures are by county, which may not be representative of the average income for the small subset of people eligible for Exchange coverage. It is unclear whether the pool of eligible Exchange applicants have higher or lower incomes than the countywide average.
- These estimates take into account only premiums but not cost-sharing or deductibles. Plans on the Exchange are standardized such that bronze-level plans are designed to cover 60% of the enrollee's overall costs for health care services, silver plans cover 70%, gold plans cover 80%, and platinum plans cover 90%. (Appendix 7) The enrollee pays the remainder through cost sharing. Therefore, affordability measured by total out-of-

²⁴ "Health Plans & Rates for 2014: Making the Individual Market in California Affordable." Covered California, 5/23/13

²⁵ Covered California, "What is Affordable?" <https://www.coveredca.com/shopandcompare/#affordable>

pocket spending in a year could vary greatly depending on which coverage level a person chooses and her use of health care services.

- Finally, there were discrepancies in the years for which income, premium and Federal Poverty Level data were available. They are therefore not totally aligned, ranging from 2011 to 2013. Actual affordability will be based on 2014 incomes, premiums and Federal Poverty Levels. See Appendix 4-5 for detailed calculations.

How do the premiums and subsidies work?

When people apply for coverage through Covered California, the application is first considered for Medi-Cal (California's version of Medicaid). The information reported on the application is verified using a new federal data hub, which is a connection to common federal data sources such as the IRS and Social Security Administration.²⁶ Low-income adults age 19-64 are generally eligible for Medi-Cal if their income is below 138% of the Federal Poverty Level (FPL) – children and seniors can also qualify under slightly different criteria.²⁷ The income that's counted for most applicants is their Modified Adjusted Gross Income (MAGI) as reported on their federal income tax return.

If ineligible for Medi-Cal, they are then considered for Advance Premium Tax Credits, which are the subsidies that go toward premiums for qualified health plans, as well as cost-sharing assistance. Tax credits and/or reduced cost sharing are available to those with annual household income below 400% of FPL (Figure 2). This assistance is applied to the costs they see on the marketplace when they shop for a plan. Because tax credits are generally paid prospectively, based on projected income for the year ahead, overpayments or underpayments due to changes in income are reconciled at the next tax filing.

People can also apply for coverage directly through an insurance company, but they will not be eligible to receive subsidies unless they apply through Covered California. The unsubsidized premium rates are the same whether people enroll on the Exchange or off the Exchange.

Figure 2 – Income Limits for Subsidies (400% of FPL)

Household size	1	2	3	4	5	6
Household income	\$45,960	\$62,040	\$78,120	\$94,200	\$110,280	\$126,360

Premiums in California are determined by pricing region. California is divided into 19 pricing regions. (Appendix 6) The premiums vary by region and also by income, smoking status, family size and age. To give one example of what premiums can look like, below are the estimated monthly premiums for a single 40-year old at 250% of FPL (\$28,725 per year) in Los Angeles (Figure 3).²⁸

Figure 3 – Monthly Premium for 40-year-old Los Angeles resident, 250% FPL

2nd-lowest Cost Silver Before Subsidies	2nd-lowest Cost Silver After Subsidies	2nd-lowest Cost Bronze Before Subsidies	2nd-lowest Cost Bronze After Subsidies
\$255	\$193	\$188	\$125

Source: Kaiser Family Foundation, "An Early Look at Premiums and Insurer Participation in Health Insurance Marketplaces, 2014." September 2013.

²⁶ The Center for Consumer Information & Insurance Oversight, Federal Marketplace Progress Fact Sheet. 5/31/13. <http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/ffe.html>

²⁷ Note: Different income thresholds are used for people in other eligibility categories (e.g. children and pregnant women).

²⁸ Cox, Cynthia, et al. "An Early Look at Premiums and Insurer Participation in Health Insurance Marketplaces, 2014." Kaiser Family Foundation, September 2013.

Unsubsidized costs on Covered California

The above affordability estimates deal with prices consumers are charged after subsidies are applied to their premiums. However, it's important to distinguish between the prices paid by consumers and the plans' true production costs. How does the Affordable Care Act affect unsubsidized health plan costs on the individual market in California?

- **Family cost estimate (unsubsidized):** To find unsubsidized costs, we can apply the same methods described above for family affordability estimates, using the Kaiser Family Foundation premium calculator to estimate costs for a family of three including two 40-year-old adults and one child, nonsmokers, with median 2011 income. This finds the average unsubsidized premium in California for the second-lowest cost silver plan would be about \$9,867 annually, with a range from \$7,624 in Los Angeles County to \$12,075 in Yolo County. Compare this to the average family premium after subsidies, about \$6,576. (Appendix 4)
- **Per capita cost estimate (unsubsidized):** Unsubsidized premiums per capita can be projected using the May 2013 pricing booklet released by Covered California. Using these figures, the unsubsidized annual premium for the lowest-cost silver plan for a 40-year-old in California would average \$3,679, ranging from \$2,664 in Los Angeles County to \$4,056 in Sonoma County. After subsidies, the average per capita premium in California would be \$2,358. (Appendix 5)²⁹
- **Pre-ACA premiums and deductibles:** In January 2013, before the launch of Covered California, median California premiums for plans sold on the individual market were \$2,232 for a 30-year-old single male nonsmoker, with a \$2,500 deductible. For a family of four (parents age 40) the median family premium was \$8,841 with a family deductible of \$15,000. For a couple (age 55), the median annual premium was \$10,020 with a family deductible of \$5,000.³⁰ When looking at premiums before and after the ACA, it's important to note that it's difficult to draw true comparisons due to differences in benefits and cost-sharing structures. However, some have raised concerns that if more people join plans with high deductibles and copays through the Exchange, the net result may be cost shifting to patients and providers.

Factors influencing true costs of Covered California plans include their networks and reimbursement rates, the actuarial standards for different coverage tiers, the risk mix and use of health care services among enrollees, and what's covered in the benefit package. All qualified health plans are must cover essential health benefits and can't charge cost sharing for most preventive services.³¹ Some news reports, citing the Government Accountability Office,³² have indicated that the ACA raised premium costs, but lowered the high deductibles previously found in many plans.³³ There is also now an annual cap on out-of-pocket spending. The cap is \$6,350 for an individual plan (not including premium) and \$12,700 for a family plan.³⁴ See Appendix 7 for standard benefits and out-of-pocket costs for Covered California plans.

²⁹ Note: Family and per capita average premiums are by necessity unweighted. Information was not available to take into account variations in the number of enrollments per county, plans chosen or subsidies received.

³⁰ Premium amounts as listed on Healthcare.gov Plan Finder. Source: <http://www.gao.gov/products/GAO-13-712R>

³¹ As of 2014, catastrophic policies are not available except to children and young adults under age 30 and people exempt from the individual mandate due to affordability. Source: KFF Subsidy Calculator

³² GAO, Private Health Insurance: The Range of Base Premiums in the Individual Market by State in January 2013 <http://www.gao.gov/products/GAO-13-712R>

³³ California HealthLine, "ACA Raised Premium Costs, Eliminated Larger Deductibles, GAO Says." 12/16/13. <http://www.californiahealthline.org/articles/2013/12/16/aca-raised-premium-costs-eliminated-larger-deductibles-gao-finds>

³⁴ Healthcare.gov, How do I choose marketplace insurance? <https://www.healthcare.gov/how-do-i-choose-marketplace-insurance/>

Covered California provider networks

Plans in health Exchanges nationwide are using narrow provider networks in efforts to keep costs down and premiums affordable. There are concerns about what this trade-off (smaller networks for lower costs) will mean for consumer choice, access to care, and new enrollees' ability to keep their doctors when they transition into the Exchange.

Aetna, United and Cigna notably decided not participate in Covered California at all in the first year. Additionally, one insurer, Alameda Alliance, was dropped due to failure to meet state licensure requirements to sell plans on Covered California, bringing the number of insurers from 12 to 11.³⁵ One recent news article quoted Dr. Jeff Rideout, Covered California's senior medical adviser, saying that among insurers who are participating, some are creating new networks for their Exchange enrollees and some are using their existing networks. He emphasized that 80% of the state's doctors and hospitals are included in at least one of the plans.³⁶ However, some major medical centers are missing or are available in only a few plan networks: UCLA Medical Center is in only one insurer's network and Cedars-Sinai Medical Center in Los Angeles is not included in any.³⁷ A Los Angeles Times analysis found that provider networks in Health Net's Exchange plans are about a third of the size of its employer policies on the large group market, with 204 primary care providers in San Diego.³⁸

Major medical centers were left out of networks not only in California, but also in Illinois, Indiana, Kentucky, Tennessee, and other states, according to a PricewaterhouseCoopers study. Blue Shield of California has created a separate provider network for Exchange enrollees, which has 30,000 doctors (53% of the number in its broadest commercial network) and 235 hospitals (78% of its broadest commercial network).³⁹

Some suggest, however, that this is one snapshot of a broader trend toward more narrow provider networks, both on and off the Exchange, and that many cost-conscious enrollees prefer narrower networks if it means lower premiums. There are network adequacy requirements in the Affordable Care Act designed to provide some protection in this regard. These requirements say that plans must include hospitals that provide specialty services and they must establish an external appeals process to allow people to seek the care they need.⁴⁰ In practice, it remains to be seen how effective these provisions will be at ensuring access to medically appropriate care in limited networks.

³⁵ Terhune, Chad. "Health insurer Alameda Alliance dropped from Covered California." LA Times, 11/1/13.

<http://www.latimes.com/business/la-fi-exchange-plan-out-20131102,0,3452749.story#axzz2oRvVggTT>

³⁶ Covered California news release, "Covered California Unveils Robust Network Coverage for 2014." 12/11/13.

<http://coveredcanews.blogspot.com/2013/12/covered-california-unveils-robust.html>

³⁷ McQueen, M.P. "Less choice, lower premiums: Many exchange plans will offer narrow networks," Modern HealthCare, 8/17/13. <http://www.modernhealthcare.com/article/20130817/MAGAZINE/308179921>

³⁸ <http://www.californiahealthline.org/insight/2013/narrow-networks-in-covered-california-plans-causing-confusion-in-san-diego>

³⁹ Zamosky, Lisa. "Narrow Networks in Covered California Plans Causing Confusion in San Diego," California HealthLine 12/12/13. http://www.nytimes.com/2013/09/23/health/lower-health-insurance-premiums-to-come-at-cost-of-fewer-choices.html?_r=0

⁴⁰ Cohn, Jonathan. "You Might Lose Your Doctor, but Don't Blame Obamacare." New Republic, 11/26/13. <http://www.newrepublic.com/article/115738/obamacare-provider-shock-gop-spreads-another-myth>

2.2 National prices and costs

From a national affordability perspective, average individual premiums nationwide are lower than initially projected by the Congressional Budget Office (Appendix 8). Premiums for marketplaces were projected to be \$4,700 in 2014. The actual premiums are around \$3,936. That's \$764, or 16%, lower than expected.⁴¹ In New York, for example, premiums for an individual market plan in NY will be about 50% lower in 2014 than current premiums on average.⁴²

A U.S. Department of Health and Human Services report released in September says that in 15 states, the second lowest cost silver plan will cost less than \$300 per month (unsubsidized). In California the unsubsidized weighted premiums are \$373 per month for the second-lowest cost silver plan, roughly in the middle of the range of average premiums. New York's premiums for the second-lowest cost silver are slightly lower, at \$349 per month. The highest is in Wyoming, where the unsubsidized premium for the second-lowest cost silver plan is \$516; the lowest is Tennessee, at \$245. For a full list of average weighted premiums before tax credits, by state, see Appendix 9.⁴³

After tax credits, these premium rates become more affordable. HHS cites Texas as an example, where after tax credits an average 27-year-old with an annual income of \$25,000 is expected to pay \$145 per month for the second lowest-cost silver plan. Similarly, a family of four in Texas with income of \$50,000 is expected to pay \$282 per month for the second lowest cost silver plan. The report also notes that plan competition and transparency in each state play a role in setting the premiums on the Exchange. Premiums are generally lower in states with more competition and transparency.⁴⁴

SECTION 3. CHALLENGES

3.1 Website Issues in California

Covered California and other state-based Exchanges have fared better than the Healthcare.gov website being used for the federally-run Exchanges. However, Covered California has not been immune to technical issues. Its online doctor/hospital search tool has had problems since the site launched. They temporarily removed the tool on October 9. There have also been complaints of repeated error messages and general slowness, and long phone wait times.

Insurer participation has also declined since one insurer, Alameda Alliance, was dropped in November because it failed to get necessary state licensure to sell on the Exchange. This reduced number of insurers on the Exchange to 11: Anthem Blue Cross, Blue Shield of CA, Chinese Community Health Plan, Contra Costa Health Plan, Health Net, Kaiser Permanente, L.A. Health Care Plan, Molina Healthcare, Sharp Health Plan, Valley Health Plan, and Western Health Advantage.

The CoveredCA.com website had its first major scheduled upgrade on November 22, bringing online self-service enrollment for small business and further streamlining individual enrollment processes.

⁴¹ Spiro, Topher and Gruber, Jonathan. "The Affordable Care Act's Lower-Than-Projected Premiums Will Save \$190 Billion." Center for American Progress, 10/23/13. <http://www.americanprogress.org/issues/healthcare/report/2013/10/23/77537/the-affordable-care-acts-lower-than-projected-premiums-will-save-190-billion/>

⁴² Roni Caryn and Abelson, Reed. "Health Plan Cost for New Yorkers Set to Fall 50%." New York Times, 7/16/13. <http://www.nytimes.com/2013/07/17/health/health-plan-cost-for-new-yorkers-set-to-fall-50.html>

⁴³ HHS weighted state premiums by the number of uninsured potentially eligible for the Marketplaces.

⁴⁴ HHS report containing state-by-state pricing data: <http://www.hhs.gov/healthcare/facts/blog/2013/09/marketplace-premiums.html>

3.2 Cancellations of Plans That Don't Meet Basic Standards

A wave of cancellations of individual market policies that don't meet basic ACA coverage standards stirred up controversy in California and nationwide during the first months of open enrollment. Insurers had the option to grandfather these soon-to-be obsolete plans for a year, until the end of 2014. However, many instead decided to cancel these plans, and they are charging higher premiums for replacement plans they are required to offer. This has been a contentious issue, especially given that President Obama said that people could keep their previous health care plan under ACA.

In search of a solution, President Obama met with insurers and asked states to allow carriers to renew cancelled policies. Covered California voted unanimously on November 21 against doing so, deciding to uphold end-of-the-year deadline for health insurers to discontinue plans that don't meet basic standards. It outlined several strategies to facilitate enrollment for those dropped from their policies. It extended the enrollment deadline one week to December 23 for those who want coverage effective January 1; it extended the deadline for payments to January 5; it launched a hotline for resolving enrollment questions; and conducted direct outreach to the nearly 1.13 million affected individuals in California, sending them information that explains their new coverage options.⁴⁵

On December 19, HHS announced that individuals in this situation whose insurance policies were cancelled can qualify for a hardship exemption that allows them to buy catastrophic coverage on the Exchange, and won't face a penalty if they don't have insurance in 2014. The premiums for catastrophic plans average 20% lower than other Exchange plans. They provide free preventive services and three primary care visits a year, but most other medical expenses fall on the enrollee until they reach a high deductible.

Nationwide, these plan cancellations affect a relatively small portion of the population. About 15 million Americans have plans on the individual market (about 5% of the U.S. population). Of these, about 1.6 million Americans under age 65 at risk of losing their plan and also ineligible for subsidies on the Exchange.⁴⁶

⁴⁵ Pear, Robert. "Another Rule in Health Law is Scaled Back." New York Times, 12/19/13.

http://www.nytimes.com/2013/12/20/us/politics/white-house-exempts-some-from-health-law-penalties.html?_r=1&

⁴⁶ Ollove, Michael and Vestal, Christine. "Q&A: Sorting Out the Controversy Over Canceled Insurance Policies," The Pew Charitable Trusts, 11/22/13. <http://www.pewstates.org/projects/stateline/headlines/qa-sorting-out-the-controversy-over-canceled-insurance-policies-85899521972>

Conclusions

Covered California has been viewed as one of the more successful Exchanges in the rollout this fall.⁴⁷ Almost 1.5 million California residents have completed Covered California applications and, as of January 15, more than 625,000 people have enrolled in subsidized or unsubsidized health plans, making up a substantial portion Exchange enrollments nationwide. In addition to private plan enrollments, about 584,000 of applicants will likely be eligible for Medi-Cal coverage (adding to the 630,000 new Medi-Cal enrollees transitioning from the Low Income Health Program).

Notably, the insurers that have attracted the most California enrollees are Anthem, Blue Shield and Kaiser, which were also the biggest players in California's individual market prior to the Exchange. Anthem retained the biggest market share, although it captured 31% of Exchange enrollees compared to 47% of the pre-Exchange individual market, a drop of 16 percentage points. Blue Shield, on the other hand, saw an increased market share – from 21% pre-Exchange to 29.6% on the Exchange. Kaiser remained consistent around 19%.

As of December 31, Covered California exceeded its three-month enrollment goals, although the mix of enrollees skews toward the older and relatively less healthy population. Enrollments in October among “young invincibles” age 18-34 mirror their representation in the state's population, but people age 55-64 were over-represented. This is consistent with national trends. Meeting enrollment targets in the coming year and getting a favorable mix of enrollees will be critical factors in Covered California's long-term financial sustainability and affordability for consumers.

Regarding affordability, premiums on Exchanges nationwide are lower than initially projected. In California, our rough estimates indicate that an individual searching Covered California would find premiums on average to be 8.28% of per capita income, or \$2,358 annually, for the lowest-cost silver plan after subsidies. A family of three would find premiums on average to be 9.64% of family income, or \$6,576, for the second-lowest cost silver plan after subsidies. For subsidy-eligible individuals, however, premiums for the second-lowest cost silver plan are capped at 9.5% of income or less. Protections are also in place for non-subsidy eligible individuals, who are exempted from the individual mandate or can buy catastrophic coverage if the lowest-cost bronze plan exceeds 8% of their annual income. Actual enrollment and income data is needed to better analyze plan affordability.

Unsubsidized premium costs should also be monitored to see how Exchanges impact overall health care costs in the individual market. Some reports suggest that the Exchanges have not brought premiums down, but have enhanced coverage and decreased deductibles. Drawing comparisons between individual market costs before and after the Exchanges is challenging given differences in coverage and benefits. California's weighted average premiums for the second-lowest cost silver plan are \$373 per month without subsidies, higher than New York (\$349) and Texas (\$305) but squarely in the middle of the national price range, which are as low as \$245 a month in Tennessee and as high as \$516 a month in Wyoming.

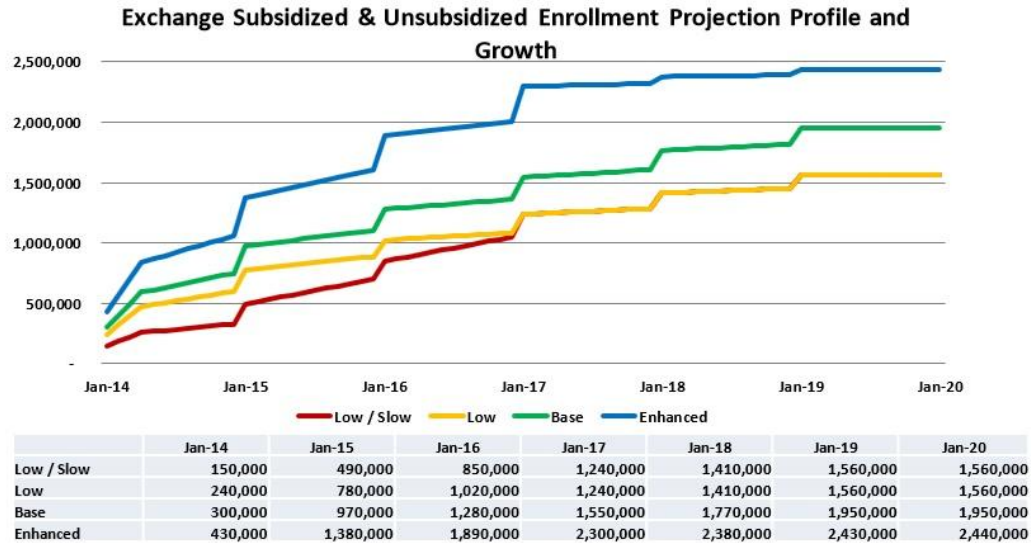
Questions and concerns have been raised on a number of fronts, to be considered in future research and analyses. These include how narrow networks in the Exchanges will affect access and choice, the implications of unexpected individual policy cancellations leading up to 2014, the potential for cost shifting to patients and providers, and the impact of last-minute policy changes to delay penalties for certain uninsured individuals and large employers who don't offer coverage. Affordability, access, quality, and choice in California are sure to be closely watched in 2014 as these and health reform policies continue to unfold.

⁴⁷ Krugman, Paul. “California, Here We Come?” New York Times, 11/24/13.
<http://www.nytimes.com/2013/11/25/opinion/krugman-california-here-we-come.html>

APPENDICES

Appendix 1 – Covered California Enrollment Projections

“Aim High” and Plan for Uncertainty



Covered California is seeking to enroll as many Californians as possible. Covered California is working to meet and exceed its goals, while at the same time planning for lower enrollment by developing budgets that can be adjusted and constantly adjusting its marketing, outreach and operations as needed based on new information and experience.



Working Comment Draft – 11/7/2012

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Source: Covered California, “Building Covered California: Blueprint Overview and Establishment Grant Comment Draft,” 11/7/12.

Appendix 2 – Potential Market Size and Number Eligible for Tax Credits, by State

Estimated Number of Tax-Credit-Eligible Individuals and Potential Market for Marketplace Coverage, By State		
	Number of Tax Credit Eligible Residents	Potential Market Size
National	17,187,000	28,605,000
Alabama	270,000	464,000
Alaska	55,000	78,000
Arizona	313,000	551,000
Arkansas	150,000	227,000
California	1,903,000	3,291,000
Colorado	254,000	501,000
Connecticut	109,000	216,000
Delaware	29,000	48,000
District of Columbia	9,000	36,000
Florida	1,587,000	2,545,000
Georgia	654,000	1,063,000
Hawaii	29,000	58,000
Idaho	130,000	202,000
Illinois	501,000	937,000
Indiana	354,000	525,000
Iowa	127,000	262,000
Kansas	161,000	298,000
Kentucky	192,000	302,000
Louisiana	344,000	489,000
Maine	77,000	122,000
Maryland	201,000	419,000
Massachusetts	118,000	259,000
Michigan	436,000	725,000
Minnesota	90,000	298,000
Mississippi	204,000	298,000
Missouri	386,000	657,000
Montana	97,000	152,000
Nebraska	122,000	239,000
Nevada	155,000	249,000
New Hampshire	81,000	137,000
New Jersey	400,000	628,000
New Mexico	118,000	193,000
New York	779,000	1,264,000
North Carolina	684,000	1,073,000
North Dakota	43,000	77,000
Ohio	544,000	812,000
Oklahoma	256,000	446,000

Oregon	187,000	337,000
Pennsylvania	715,000	1,276,000
Rhode Island	40,000	70,000
South Carolina	336,000	491,000
South Dakota	70,000	118,000
Tennessee	387,000	645,000
Texas	2,049,000	3,143,000
Utah	206,000	331,000
Vermont	27,000	45,000
Virginia	518,000	823,000
Washington	272,000	507,000
West Virginia	71,000	117,000
Wisconsin	301,000	482,000
Wyoming	47,000	80,000

Source: Kaiser Family Foundation, " State-by-State Estimates of the Number of People Eligible for Premium Tax Credits Under the Affordable Care Act." 11/5/13. <http://kff.org/health-reform/issue-brief/state-by-state-estimates-of-the-number-of-people-eligible-for-premium-tax-credits-under-the-affordable-care-act/>

Appendix 3 – Exchange Applications and Enrollments, by State

TOTAL MARKETPLACE APPLICATIONS, ELIGIBILITY DETERMINATIONS, AND MARKETPLACE PLAN SELECTIONS BY MARKETPLACE TYPE AND STATE, 10-1-2013 TO 12-28-2013

Total Marketplace Applications, Eligibility Determinations, and Marketplace Plan Selections By Marketplace Type and State (1) 10-1-2013 to 12-28-2013							
State Name	Total Number of Completed Applications (2)	Total Individuals Applying for Coverage in Completed Applications (3)	Number of Individuals Determined Eligible to Enroll in a Marketplace Plan		Determined or Assessed Eligible for Medicaid / CHIP by the Marketplace (6)	Pending/ Other (7)	Number of Individuals Who Have Selected a Marketplace Plan (8)
			Total Eligible to Enroll in a Marketplace Plan (4)	Eligible to Enroll in a Marketplace Plan with Financial Assistance (5)			
	Number	Number	Number	Number	Number	Number	Number
States Implementing Their Own Marketplaces (SBMs)							
California (9)	766,682	1,410,359	697,188	529,013	181,817	531,354	498,794
Colorado (10)	61,515	100,028	98,289	31,577	N/A	1,739	50,125
Connecticut	56,654	84,849	56,283	37,438	26,468	2,098	36,000
District of Columbia	9,319	N/A	4,469	846	3,468	N/A	3,043
Hawaii (11)	11,956	17,434	6,556	855	N/A	10,878	2,192
Kentucky	143,304	265,051	158,870	54,912	100,359	5,822	33,036
Maryland	58,422	66,162	23,097	18,732	43,065	0	18,272
Massachusetts (12)	48,316	37,361	5,943	N/A	N/A	31,418	5,428
Minnesota (13)	72,047	125,470	74,456	23,544	33,759	17,255	19,420
Nevada	64,019	160,697	57,750	36,976	68,153	34,794	22,566
New York (14)	N/A	557,213	384,977	172,401	92,737	79,499	156,902
Oregon (15)	56,432	83,669	35,655	26,140	39,711	8,303	18,337
Rhode Island	29,062	44,168	15,816	11,536	17,715	10,637	9,803
Vermont	23,898	44,790	36,858	12,036	11,652	N/A	15,015
Washington (16)	244,428	477,634	138,501	70,747	214,485	124,648	68,058
SBM Subtotal	1,646,054	3,474,885	1,794,708	1,026,753	833,389	858,445	956,991
States With Marketplaces that are Supported by or Fully-Run by HHS (FFM)							
Idaho (17)	25,828	48,082	40,205	26,665	5,574	2,303	19,922
New Mexico (17)	21,422	33,258	20,350	11,503	12,327	581	7,688
Alabama	61,749	93,074	79,247	37,275	9,676	4,151	28,663
Alaska	6,386	9,827	8,004	4,637	1,509	314	3,356
Arizona	75,162	123,252	79,870	41,983	40,452	2,930	27,943
Arkansas	45,877	66,693	31,656	19,168	29,775	5,262	12,763
Delaware	9,129	14,088	8,887	4,637	4,640	561	3,273
Florida	361,332	558,099	486,251	247,367	58,392	13,456	158,030
Georgia	140,839	224,302	187,307	83,495	30,983	6,012	58,611
Illinois	158,123	246,993	155,279	85,370	82,286	9,428	61,111
Indiana	79,719	126,217	79,195	48,305	42,898	4,124	30,443

Total Marketplace Applications, Eligibility Determinations, and Marketplace Plan Selections By Marketplace Type and State (1) <i>10-1-2013 to 12-28-2013</i>							
State Name	Total Number of Completed Applications (2)	Total Individuals Applying for Coverage in Completed Applications (3)	Number of Individuals Determined Eligible to Enroll in a Marketplace Plan		Determined or Assessed Eligible for Medicaid / CHIP by the Marketplace (6)	Pending/ Other (7)	Number of Individuals Who Have Selected a Marketplace Plan (8)
			Total Eligible to Enroll in a Marketplace Plan (4)	Eligible to Enroll in a Marketplace Plan with Financial Assistance (5)			
	Number	Number	Number	Number	Number	Number	Number
Iowa	29,099	44,453	24,975	13,367	17,843	1,635	7,475
Kansas	27,763	45,228	38,179	18,896	5,508	1,541	14,242
Louisiana	43,700	61,396	54,982	26,019	4,850	1,564	17,548
Maine	20,778	32,719	28,787	17,988	3,236	696	13,704
Michigan	136,484	211,793	185,376	101,539	22,221	4,196	75,511
Mississippi	25,140	35,611	31,006	12,881	3,652	953	8,045
Missouri	71,658	112,932	93,583	46,890	15,849	3,500	33,138
Montana	18,010	28,118	25,242	16,153	2,051	825	13,135
Nebraska	24,621	42,578	35,024	20,918	6,873	681	14,464
New Hampshire	19,441	30,204	26,621	13,516	3,112	471	11,446
New Jersey	124,598	195,033	108,126	56,125	71,142	15,765	34,751
North Carolina	175,515	274,163	236,335	140,737	31,279	6,549	107,778
North Dakota	5,342	8,998	5,984	3,638	2,686	328	2,624
Ohio	113,063	175,568	123,668	63,255	48,971	2,929	39,955
Oklahoma	32,908	51,623	44,423	20,032	6,476	724	14,999
Pennsylvania	161,687	234,996	209,003	105,218	17,897	8,096	81,320
South Carolina	57,448	86,371	74,162	35,842	10,793	1,416	24,116
South Dakota	6,643	11,163	9,366	5,073	1,485	312	3,194
Tennessee	87,890	132,965	109,971	52,480	17,066	5,928	36,250
Texas	273,496	457,382	390,658	180,349	47,177	19,547	118,532
Utah	31,952	67,278	43,446	27,966	20,543	3,289	18,633
Virginia	102,282	164,144	142,719	63,705	17,307	4,118	44,676
West Virginia	18,284	26,775	14,171	7,917	10,295	2,309	4,889
Wisconsin	102,755	156,880	104,502	63,901	43,444	8,934	40,752
Wyoming	6,047	9,683	8,530	5,104	852	301	3,450
FFM Subtotal	2,702,170	4,241,939	3,345,090	1,729,914	751,120	145,729	1,196,430
MARKETPLACE TOTAL, All States	4,348,224	7,716,824	5,139,798	2,756,667	1,584,509	1,004,174	2,153,421

Source: U.S. Department of Health and Human Services, ASPE Issue Brief 1/13/14

Appendix 4 – Family Premium Affordability Calculations

COUNTY	Median Family Income, 5-Year Estimate, 2011	% of FPL for Family of 3 in 2011	Annual Unsubsidized Premium	Annual Subsidized Premium from KFF, based on Family of 3 at the Median 2011 Family Income Level	% of Income
Alameda	\$87,012	470%	\$10,804	\$10,804 per year (which equals 12.42% of your household income and covers 100% of the overall premium)	12.42%
Alpine	\$81,750	441%	\$9,638	\$9,638 per year (which equals 11.79% of your household income and covers 100% of the overall premium)	11.79%
Amador	\$69,521	375%	\$9,571	\$6,604 per year (which equals 9.5% of your household income and covers 69% of the overall premium)	9.50%
Butte	\$54,175	292%	\$9,582	\$4,791 per year (which equals 8.84% of your household income and covers 50% of the overall premium)	8.84%
Calaveras	\$67,253	363%	\$9,680	\$6,389 per year (which equals 9.5% of your household income and covers 66% of the overall premium)	9.50%
Colusa	\$55,063	297%	\$9,692	\$4,943 per year (which equals 8.98% of your household income and covers 51% of the overall premium)	8.98%
Contra Costa	\$93,437	504%	\$10,487	\$10,487 per year (which equals 11.22% of your household income and covers 100% of the overall premium)	11.22%
Del Norte	\$52,076	281%	\$9,661	\$4,444 per year (which equals 8.53% of your household income and covers 46% of the overall premium)	8.53%
El Dorado	\$82,930	448%	\$10,082	\$10,082 per year (which equals 12.16% of your household income and covers 100% of the overall premium)	12.16%
Fresno	\$52,832	285%	\$8,783	\$4,567 per year (which equals 8.64% of your household income and covers 52% of the overall premium)	8.64%
Glenn	\$51,067	276%	\$9,730	\$4,281 per year (which equals 8.38% of your household income and covers 44% of the overall premium)	8.38%
Humbolt	\$52,317	282%	\$9,538	\$4,483 per year (which equals 8.57% of your household income and covers 47% of the overall premium)	8.57%
Imperial	\$43,769	236%	\$12,027	\$3,127 per year (which equals 7.14% of your household income and covers 26% of the overall premium)	7.14%
Inyo	\$68,204	368%	\$11,998	\$6,479 per year (which equals 9.5% of your household income and covers 54% of the overall premium)	9.50%
Kern	\$52,041	281%	\$8,535	\$4,438 per year (which equals 8.53% of your household income and covers 52% of the overall premium)	8.53%
Kings	\$51,932	280%	\$8,667	\$4,420 per year (which equals 8.51% of your household income and covers 51% of the overall premium)	8.51%
Lake	\$50,278	271%	\$9,665	\$4,156 per year (which equals 8.27% of your household income and covers 43% of the overall premium)	8.27%

Lassen	\$65,396	353%	\$9,708	\$6,213 per year (which equals 9.5% of your household income and covers 64% of the overall premium)	9.50%
Los Angeles	\$62,595	338%	\$7,624	\$5,947 per year (which equals 9.5% of your household income and covers 78% of the overall premium)	9.50%
Los Angeles	\$62,595	338%	\$7,624	\$5,947 per year (which equals 9.5% of your household income and covers 78% of the overall premium)	9.50%
Madera	\$51,658	279%	\$8,752	\$4,376 per year (which equals 8.47% of your household income and covers 50% of the overall premium)	8.47%
Marin	\$113,826	614%	\$10,370	\$10,370 per year (which equals 9.11% of your household income and covers 100% of the overall premium)	9.11%
Mariposa	\$58,237	314%	\$9,825	\$5,502 per year (which equals 9.45% of your household income and covers 56% of the overall premium)	9.45%
Mendocino	\$54,083	292%	\$9,552	\$4,776 per year (which equals 8.83% of your household income and covers 50% of the overall premium)	8.83%
Merced	\$48,429	261%	\$9,660	\$3,864 per year (which equals 7.98% of your household income and covers 40% of the overall premium)	7.98%
Modoc	\$46,047	248%	\$9,661	\$3,478 per year (which equals 7.55% of your household income and covers 36% of the overall premium)	7.55%
Mono	\$78,079	421%	\$11,965	\$7,418 per year (which equals 9.5% of your household income and covers 62% of the overall premium)	9.50%
Monterey	\$63,523	343%	\$11,606	\$6,035 per year (which equals 9.5% of your household income and covers 52% of the overall premium)	9.50%
Napa	\$79,884	431%	\$10,370	\$10,370 per year (which equals 12.98% of your household income and covers 100% of the overall premium)	12.98%
Nevada	\$69,807	377%	\$9,612	\$6,632 per year (which equals 9.5% of your household income and covers 69% of the overall premium)	9.50%
Orange	\$85,009	459%	\$8,644	\$8,644 per year (which equals 10.17% of your household income and covers 100% of the overall premium)	10.17%
Placer	\$90,446	488%	\$10,082	\$10,082 per year (which equals 11.15% of your household income and covers 100% of the overall premium)	11.15%
Plumas	\$53,128	287%	\$9,617	\$4,616 per year (which equals 8.69% of your household income and covers 48% of the overall premium)	8.69%
Riverside	\$65,457	353%	\$7,871	\$6,218 per year (which equals 9.5% of your household income and covers 79% of the overall premium)	9.50%
Sacramento	\$65,720	355%	\$10,069	\$6,243 per year (which equals 9.5% of your household income and covers 62% of the overall premium)	9.50%

San Benito	\$73,150	395%	\$11,582	\$6,949 per year (which equals 9.5% of your household income and covers 60% of the overall premium)	9.50%
San Bernardino	\$61,525	332%	\$7,793	\$5,845 per year (which equals 9.5% of your household income and covers 75% of the overall premium)	9.50%
San Diego	\$74,633	403%	\$8,646	\$7,090 per year (which equals 9.5% of your household income and covers 82% of the overall premium)	9.50%
San Francisco	\$87,329	471%	\$11,283	\$11,283 per year (which equals 12.92% of your household income and covers 100% of the overall premium)	12.92%
San Joaquin	\$60,725	328%	\$9,778	\$5,769 per year (which equals 9.5% of your household income and covers 59% of the overall premium)	9.50%
San Luis Obispo	\$74,841	404%	\$9,875	\$7,110 per year (which equals 9.5% of your household income and covers 72% of the overall premium)	9.50%
San Mateo	\$104,370	563%	\$11,590	\$11,590 per year (which equals 11.11% of your household income and covers 100% of the overall premium)	11.11%
Santa Barbara	\$71,695	387%	\$9,871	\$6,811 per year (which equals 9.5% of your household income and covers 69% of the overall premium)	9.50%
Santa Clara	\$103,255	557%	\$10,290	\$10,290 per year (which equals 9.97% of your household income and covers 100% of the overall premium)	9.97%
Santa Cruz	\$80,572	435%	\$11,558	\$11,558 per year (which equals 14.34% of your household income and covers 100% of the overall premium)	14.34%
Shasta	\$55,250	298%	\$9,567	\$4,975 per year (which equals 9% of your household income and covers 52% of the overall premium)	9.00%
Sierra	\$56,469	305%	\$9,606	\$5,187 per year (which equals 9.19% of your household income and covers 54% of the overall premium)	9.19%
Siskiyou	\$47,632	257%	\$9,572	\$3,733 per year (which equals 7.84% of your household income and covers 39% of the overall premium)	7.84%
Solano	\$79,316	428%	\$10,370	\$10,370 per year (which equals 13.07% of your household income and covers 100% of the overall premium)	13.07%
Sonoma	\$78,227	422%	\$10,370	\$10,370 per year (which equals 13.26% of your household income and covers 100% of the overall premium)	13.26%
Stanislaus	\$56,996	308%	\$9,778	\$5,280 per year (which equals 9.26% of your household income and covers 54% of the overall premium)	9.26%
Sutter	\$54,737	295%	\$9,582	\$4,887 per year (which equals 8.93% of your household income and covers 51% of the overall premium)	8.93%
Tehama	\$46,805	253%	\$9,724	\$3,598 per year (which equals 7.69% of your household income and covers 37% of the overall premium)	7.69%

Trinity	\$46,980	254%	\$9,545	\$3,627 per year (which equals 7.72% of your household income and covers 38% of the overall premium)	7.72%
Tulare	\$46,881	253%	\$9,759	\$3,611 per year (which equals 7.7% of your household income and covers 37% of the overall premium)	7.70%
Tuolumne	\$59,710	322%	\$9,614	\$5,672 per year (which equals 9.5% of your household income and covers 59% of the overall premium)	9.50%
Ventura	\$86,321	466%	\$9,855	\$9,855 per year (which equals 11.42% of your household income and covers 100% of the overall premium)	11.42%
Yolo	\$74,991	405%	\$12,075	\$7,124 per year (which equals 9.5% of your household income and covers 59% of the overall premium)	9.50%
Yuba	\$52,775	285%	\$9,698	\$4,558 per year (which equals 8.64% of your household income and covers 47% of the overall premium)	8.64%

Source: The Petris Center, U.C. Berkeley

Appendix 5 – Per Capita Premium Affordability Calculations

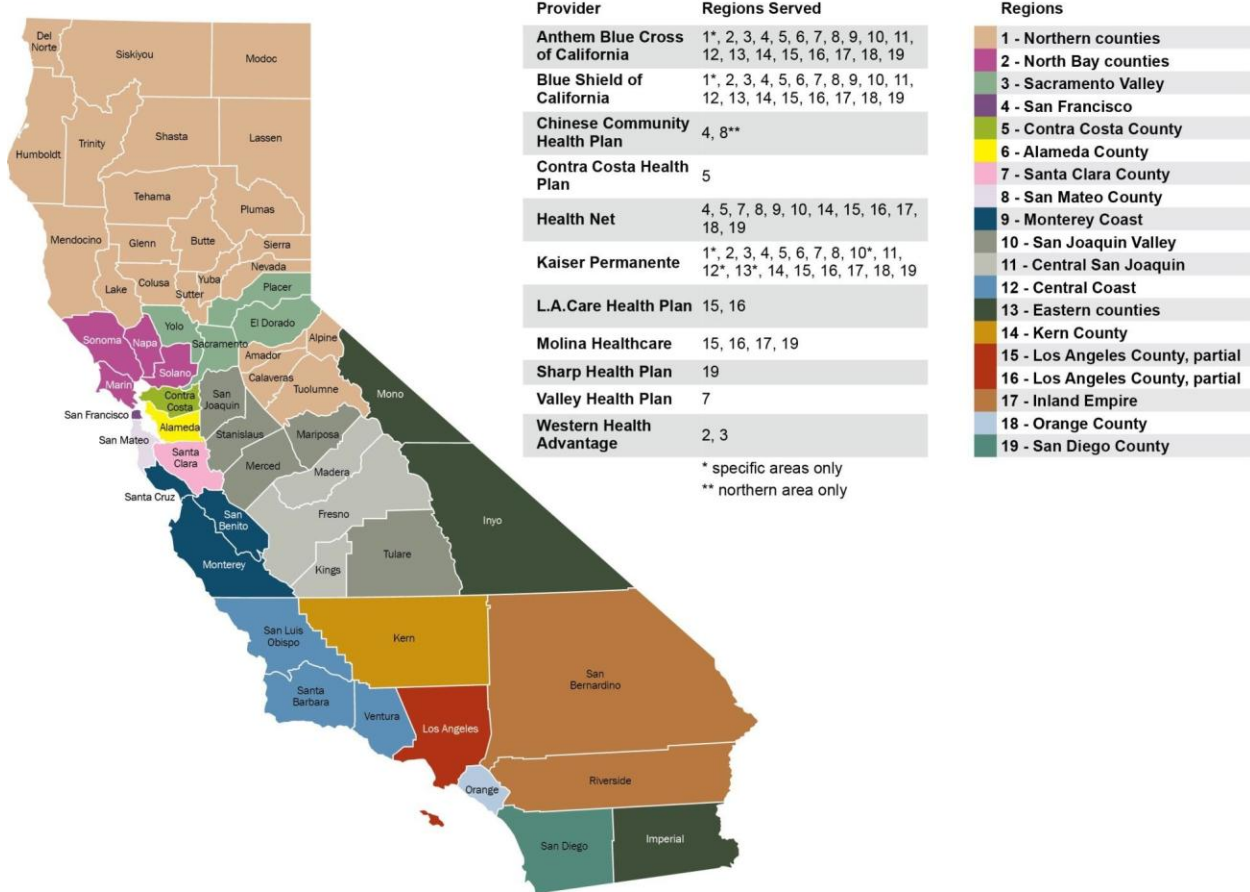
COUNTY	Example monthly premium, lowest cost silver plan for 40-year old after subsidy -- May 2013 Rates released by Covered CA	Annual Unsubsidized Premium	Annual Subsidized Premium	Annual Single Premium (Subsidized) as % of Per Capita Income	Maximum % of Income to Pay for Premiums (Based on % of FPL)	Per capita income in the past 12 months (2011 dollars), 2007-2011
Alameda	\$317 at 400% FPL; with \$0 subsidy (Blue Shield EPO)	\$3,804	\$3,804	10.9%	9.5%	\$34,937
Alpine	\$309 at 400% FPL; with \$0 subsidy (Anthem PPO)	\$3,708	\$3,708	12.5%	6.3% - 9.5%	\$29,576
Amador	\$184 at 250% FPL; with \$126 subsidy (Anthem PPO)	\$3,720	\$2,208	7.9%	6.3% - 9.5%	\$28,030
Butte	\$184 at 250% FPL; with \$126 subsidy (Anthem PPO)	\$3,720	\$2,208	9.4%	6.3% - 9.5%	\$23,431
Calaveras	\$184 at 250% FPL; with \$126 subsidy (Anthem PPO)	\$3,720	\$2,208	7.7%	6.3% - 9.5%	\$28,667
Colusa	\$112 at 200% FPL; with \$198 subsidy (Anthem PPO)	\$3,720	\$1,344	6.3%	5.15% - 6.3%	\$21,271
Contra Costa	\$328 at 400% FPL; with \$0 subsidy (Blue Shield PPO)	\$3,936	\$3,936	10.3%	9.5%	\$38,141
Del Norte	\$112 at 200% FPL; with \$198 subsidy (Anthem PPO)	\$3,720	\$1,344	7.0%	5.15% - 6.3%	\$19,247
El Dorado	\$332 at 400% FPL; with \$0 subsidy (Anthem PPO)	\$3,984	\$3,984	11.6%	9.5%	\$34,385
Fresno	\$116 at 200% FPL; with \$168 subsidy (Blue Shield PPO)	\$3,408	\$1,392	6.7%	5.15% - 6.3%	\$20,638
Glenn	\$112 at 200% FPL; with \$198 subsidy (Anthem PPO)	\$3,720	\$1,344	6.3%	5.15% - 6.3%	\$21,254
Humboldt	\$184 at 250% FPL; with \$126 subsidy (Anthem PPO)	\$3,720	\$2,208	9.1%	6.3% - 9.5%	\$24,209
Imperial	\$0 at 150% FPL; with \$316 subsidy (Kaiser Permanente HMO)	\$3,792	\$0	0.0%	4% - 5.15%	\$16,593

Inyo	\$113 at 250% FPL; with \$203 subsidy (Kaiser Permanente HMO)	\$3,792	\$1,356	4.9%	6.3% - 9.5%	\$27,532
Kern	\$116 at 200% FPL; with \$160 subsidy (Blue Shield PPO)	\$3,312	\$1,392	6.9%	5.15% - 6.3%	\$20,167
Kings	\$116 at 200% FPL; with \$168 subsidy (Blue Shield PPO)	\$3,408	\$1,392	7.6%	4% - 5.15%	\$18,296
Lake	\$112 at 200% FPL; with \$198 subsidy (Anthem PPO)	\$3,720	\$1,344	6.0%	6.3% - 9.5%	\$22,238
Lassen	\$112 at 200% FPL; with \$198 subsidy (Anthem PPO)	\$3,720	\$1,344	6.9%	5.15% - 6.3%	\$19,339
Los Angeles	NORTH L.A. \$162 at 250% FPL; with \$60 subsidy (Health Net HMO)--	\$2,664	\$1,944	7.0%	6.3% - 9.5%	\$27,954
Los Angeles	SOUTH L.A. \$175 with \$66 subsidy (Health Net HMO)	\$2,892	\$2,100	7.5%	6.3% - 9.5%	\$27,954
Madera	\$116 at 200% FPL; with \$168 subsidy (Blue Shield PPO)	\$3,408	\$1,392	7.4%	4% - 5.15%	\$18,817
Marin	\$338 at 400% FPL; with \$0 subsidy (Blue Shield EPO)	\$4,056	\$4,056	7.4%	None	\$54,605
Mariposa	\$166 at 250% FPL; with \$129 subsidy (Anthem PPO)	\$3,540	\$1,992	7.3%	6.3% - 9.5%	\$27,209
Mendocino	\$184 at 250% FPL; with \$126 subsidy (Anthem PPO)	\$3,720	\$2,208	9.4%	6.3% - 9.5%	\$23,585
Merced	\$94 at 200% FPL; with \$201 subsidy (Anthem PPO)	\$3,540	\$1,128	6.2%	4% - 5.15%	\$18,304
Modoc	\$112 at 200% FPL; with \$198 subsidy (Anthem PPO)	\$3,720	\$1,344	6.5%	5.15% - 6.3%	\$20,769
Mono	\$284 at 400% FPL; with \$32 subsidy (Kaiser Permanente HMO)	\$3,792	\$3,408	11.8%	6.3% - 9.5%	\$28,789
Monterey	\$146 at 250% FPL; with \$189 subsidy (Blue Shield EPO)	\$4,020	\$1,752	6.9%	6.3% - 9.5%	\$25,508
Napa	\$338 at 400% FPL; with \$0 subsidy (Blue Shield EPO)	\$4,056	\$4,056	11.5%	9.5%	\$35,309
Nevada	\$309 at 400% FPL; with \$0 subsidy (Anthem PPO)	\$3,708	\$3,708	11.7%	6.3% - 9.5%	\$31,607
Orange	\$252 at 400% FPL; with \$0 subsidy	\$3,024	\$3,024	8.8%	9.5%	\$34,416
Placer	\$332 at 400% FPL; with \$0 subsidy (Anthem PPO)	\$3,984	\$3,984	11.2%	9.5%	\$35,583
Plumas	\$184 at 250% FPL; with \$126 subsidy (Anthem PPO)	\$3,720	\$2,208	7.9%	6.3% - 9.5%	\$28,104
Riverside	\$180 at 250% FPL; with \$67 subsidy (Health Net HMO)	\$2,964	\$2,160	8.8%	6.3% - 9.5%	\$24,516
Sacramento	\$191 at 250% FPL; with \$140 subsidy (Anthem PPO)	\$3,972	\$2,292	8.4%	6.3% - 9.5%	\$27,180
San Benito	\$146 at 250% FPL; with \$189 subsidy (Blue Shield EPO)	\$4,020	\$1,752	6.7%	6.3% - 9.5%	\$26,300
San Bernardino	\$108 at 200% FPL; with \$139 subsidy (Health Net HMO)	\$2,964	\$1,296	5.9%	6.3% - 9.5%	\$21,932
San Diego	\$269 at 400% FPL; with \$0 subsidy (Health Net HMO)	\$3,228	\$3,228	10.4%	6.3% - 9.5%	\$30,955
San Francisco	\$297 at 400% FPL; with \$9 subsidy (Chinese Community Health Plan HMO)	\$3,672	\$3,564	7.6%	9.5%	\$46,777
San Joaquin	\$94 at 200% FPL; with \$201 subsidy (Anthem PPO)	\$3,540	\$1,128	4.9%	6.3% - 9.5%	\$22,857
San Luis Obispo	\$314 at 400% FPL; with \$0 subsidy (Blue Shield PPO)	\$3,768	\$3,768	12.5%	6.3% - 9.5%	\$30,204

San Mateo	\$311 at 400% FPL; with \$19 subsidy (Chinese Community Health Plan HMO)	\$3,960	\$3,732	8.2%	9.5%	\$45,346
Santa Barbara	\$314 at 400% FPL; with \$0 subsidy (Blue Shield PPO)	\$3,768	\$3,768	12.4%	6.3% - 9.5%	\$30,330
Santa Clara	\$336 at 400% FPL; with \$0 subsidy (Anthem PPO)	\$4,032	\$4,032	9.9%	9.5%	\$40,698
Santa Cruz	\$317 at 400% FPL; with \$18 subsidy (Chinese Community Health Plan HMO)	\$4,020	\$3,804	11.5%	9.5%	\$32,975
Shasta	\$184 at 250% FPL; with \$126 subsidy (Anthem PPO)	\$3,720	\$2,208	9.3%	6.3% - 9.5%	\$23,691
Sierra	\$184 at 250% FPL; with \$126 subsidy (Anthem PPO)	\$3,720	\$2,208	8.4%	6.3% - 9.5%	\$26,137
Siskiyou	\$112 at 200% FPL; with \$198 subsidy (Anthem PPO)	\$3,720	\$1,344	6.0%	6.3% - 9.5%	\$22,335
Solano	\$338 at 400% FPL; with \$0 subsidy (Blue Shield EPO)	\$4,056	\$4,056	13.8%	6.3% - 9.5%	\$29,367
Sonoma	\$338 at 400% FPL; with \$0 subsidy (Blue Shield EPO)	\$4,056	\$4,056	12.2%	9.5%	\$33,119
Stanislaus	\$94 at 200% FPL; with \$201 subsidy (Anthem PPO)	\$3,540	\$1,128	5.2%	6.3%	\$21,820
Sutter	\$112 at 200% FPL; with \$198 subsidy (Anthem PPO)	\$3,720	\$1,344	6.0%	6.3% - 9.5%	\$22,464
Tehama	\$112 at 200% FPL; with \$198 subsidy (Anthem PPO)	\$3,720	\$1,344	6.5%	5.15% - 6.3%	\$20,689
Trinity	\$112 at 200% FPL; with \$198 subsidy (Anthem PPO)	\$3,720	\$1,344	6.0%	6.3% - 9.5%	\$22,551
Tulare	\$94 at 200% FPL; with \$201 subsidy (Anthem PPO)	\$3,540	\$1,128	6.3%	4% - 5.15%	\$17,986
Tuolumne	\$184 at 250% FPL; with \$126 subsidy (Anthem PPO)	\$3,720	\$2,208	8.5%	6.3% - 9.5%	\$26,084
Ventura	\$314 at 400% FPL; with \$0 subsidy (Blue Shield PPO)	\$3,768	\$3,768	11.5%	9.5%	\$32,740
Yolo	\$191 at 250% FPL; with \$140 subsidy (Anthem PPO)	\$3,972	\$2,292	8.0%	6.3% - 9.5%	\$28,631
Yuba	\$112 at 200% FPL; with \$198 subsidy (Anthem PPO)	\$3,720	\$1,344	6.7%	5.15% - 6.3%	\$20,046

Source: The Petris Center, U.C. Berkeley

Appendix 6 – California Pricing Regions (Map)



Source: Covered California press release, 11/21/13. “Rate of Applications Completed Nearly Doubles—Covered California Taking in 10 Thousand Per Day.” <http://coveredcanews.blogspot.com/2013/11/rate-of-applications-completed-nearly.html>

Appendix 7 – Benefit Comparison Charts for Metal Tiers



2014 Standard Benefits for Individuals

KEY BENEFITS	Bronze	Silver (Lower Cost Sharing Available on Sliding Scale)	Gold	Platinum
	Benefits in Blue are Subject to Deductibles		Copays in the Yellow Sections are Not Subject to any Deductible and Count Toward the Annual Out-of-Pocket Maximum	
Deductible (if any)	\$5,000 Deductible for Medical and Drugs	\$2,000 Medical Deductible	No Deductible	No Deductible
Preventative Care Copay	No Cost – at least 1 yearly visit	No Cost – at least 1 yearly visit	No Cost – at least 1 yearly visit	No Cost – at least 1 yearly visit
Primary Care Visit Copay	\$60 – 3 visits per year	\$45	\$30	\$20
Specialty Care Visit Copay	\$70	\$65	\$50	\$40
Urgent Care Visit Copay	\$120	\$90	\$60	\$40
Generic Medication Copay	\$19	\$19	\$19	\$5
Lab Testing Copay	30%	\$45	\$30	\$20
X-Ray Copay	30%	\$65	\$50	\$40
Emergency Room Copay	\$300	\$250	\$250	\$150
High cost and infrequent services like Hospital Care and Outpatient Surgery	30% of your plan's negotiated rate	20% of your plan's negotiated rate	HMO Outpatient Surgery – \$600 Hospital – \$600/day up to 5 days PPO – 20%	HMO Outpatient Surgery – \$250 Hospital – \$250/day up to 5 days PPO – 10%
Imaging (MRI, CT, PET Scans)	30%	\$250	\$250	\$150
Brand medications may be subject to Annual Drug Deductible before you pay the copay	\$50-\$75 after meeting deductible	meet \$250 deductible then pay the copay amount	No Deductible	No Deductible
Preferred brand copay after Drug Deductible (if any)	\$50	\$50	\$50	\$15
MAXIMUM OUT-OF-POCKET FOR ONE	\$6,350	\$6,350	\$6,350	\$4,000
MAXIMUM OUT-OF-POCKET FOR FAMILY	\$12,700	\$12,700	\$12,700	\$8,000



2014 Sliding Scale Benefits | SINGLE PERSON Silver Plan (Eligible for Federal Subsidy)

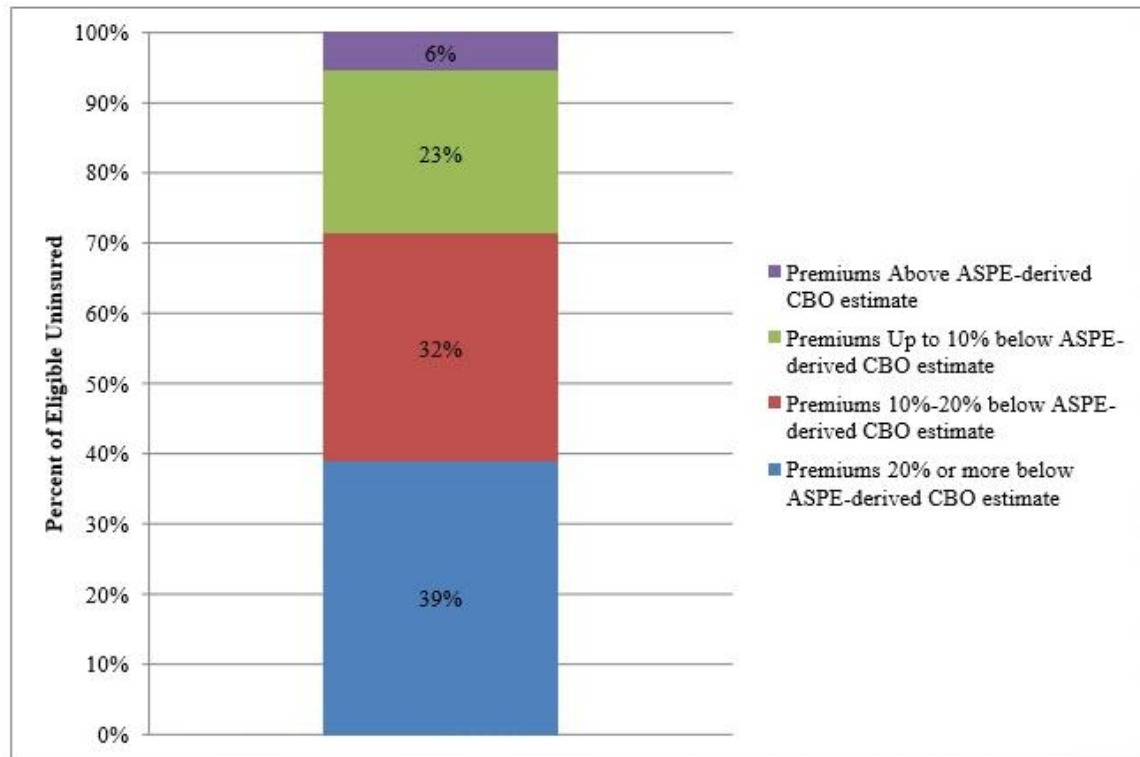
Annual Income	\$15,856 – \$17,235	\$17,235 – \$22,980	\$22,980 – \$28,725	\$28,725 – \$45,960
Consumer Portion of Monthly Premium for Silver Plans (Balance paid by Federal subsidy)	\$19 – \$57	\$57 – \$121	\$121 – \$193	\$193 – \$364
	Copays in the Yellow Sections are Not Subject to ANY Deductible and Count Toward the Annual Out-of-Pocket Maximum		Benefits in Blue are Subject to Either a Medical Deductible, Drug Deductible or Both	
Deductible (if any)	No Deductible	\$500	\$1,500 Medical Deductible	\$2,000 Medical Deductible
Preventative Care Copay	No Cost	No Cost	No Cost	No Cost – 1 Annual Visit
Primary Care Visit Copay	\$3	\$15	\$40	\$45
Specialty Care Visit Copay	\$5	\$20	\$50	\$65
Urgent Care Visit Copay	\$6	\$30	\$80	\$90
Lab Testing Copay	\$3	\$15	\$40	\$45
X-Ray Copay	\$5	\$20	\$50	\$65
Generic Medication Copay	\$3	\$5	\$20	\$25
Emergency Room Copay	\$25	\$75	\$250	\$250
High cost and infrequent services like Hospital Care and Outpatient Surgery	10%	15%	20% of your plan's negotiated rate	20% of your plan's negotiated rate
Brand medications may be subject to Annual Drug Deductible before you pay the Copay	No Deductible	\$50 then pay the copay amount	\$250 then pay the copay amount	\$250 then pay the copay amount
Preferred brand Copay after Drug Deductible	\$5	\$15	\$30	\$50
MAXIMUM OUT-OF-POCKET FOR ONE	\$2,250	\$2,250	\$5,200	\$6,350
MAXIMUM OUT-OF-POCKET FOR FAMILY	\$4,500	\$4,500	\$10,400	\$12,700

Source: Covered California Health Plan Benefits Summary and Health Plan Benefits Comparison Chart, <https://www.coveredca.com/coverage-basics/plans.html>

Appendix 8 – Comparison of Premium Distributions to CBO Estimates

Figure 1: Percent of Uninsured Potentially Eligible for the Marketplaces by Second Lowest Cost Silver Premium Relative to ASPE-Derived CBO Estimate, 48 States

The following figure shows the distribution of uninsured Americans potentially eligible to enroll in the Marketplaces in the 48 states with available premium information, as compared to the ASPE-derived CBO premium estimate of \$392 per month.



NOTE: This figure uses weighted average second lowest cost silver premiums as depicted in Table 4, before tax credits. States are weighted by the number of uninsured potentially eligible for the Marketplaces.

Source: U.S. Department of Health and Human Services ASPE Issue Brief 9/25/13, "Health Insurance Marketplace Premiums for 2014." Page 5.

<http://www.hhs.gov/healthcare/facts/blog/2013/09/marketplace-premiums.html>

Appendix 9 – Average Premiums for Silver and Bronze Plans, by State

Table 4: Weighted Average Premiums, 48 States

State	Lowest Cost Silver	Second Lowest Cost Silver	Lowest Cost Bronze
Alabama	\$303	\$318	\$247
Alaska	\$474	\$474	\$385
Arizona	\$248	\$252	\$214
Arkansas	\$351	\$366	\$275
California	\$341	\$373	\$278
Colorado	\$305	\$305	\$232
Connecticut	\$397	\$436	\$340
Delaware	\$356	\$360	\$308
District of Columbia	\$293	\$297	\$204
Florida	\$304	\$328	\$257
Georgia	\$304	\$317	\$265
Idaho	\$276	\$285	\$227
Illinois	\$274	\$286	\$203
Indiana	\$392	\$403	\$304
Iowa	\$266	\$287	\$212
Kansas	\$260	\$260	\$197
Louisiana	\$356	\$374	\$265
Maine	\$388	\$403	\$328
Maryland	\$266	\$299	\$197
Michigan	\$271	\$306	\$222
Minnesota	\$192	\$192	\$144
Mississippi	\$403	\$448	\$342
Missouri	\$318	\$334	\$245
Montana	\$309	\$316	\$251
Nebraska	\$298	\$312	\$241
Nevada	\$295	\$297	\$227
New Hampshire	\$359	\$360	\$282
New Jersey	\$382	\$385	\$332
New Mexico	\$275	\$282	\$217
New York ³¹	\$319	\$349	\$276
North Carolina	\$361	\$369	\$282
North Dakota	\$350	\$353	\$281
Ohio	\$304	\$321	\$263
Oklahoma	\$256	\$266	\$174
Oregon	\$241	\$250	\$205
Pennsylvania	\$259	\$286	\$229
Rhode Island	\$341	\$366	\$264
South Carolina	\$333	\$339	\$267

State	Lowest Cost Silver	Second Lowest Cost Silver	Lowest Cost Bronze
South Dakota	\$341	\$357	\$298
Tennessee	\$235	\$245	\$181
Texas	\$287	\$305	\$211
Utah	\$239	\$266	\$201
Vermont ³²	\$395	\$413	\$336
Virginia	\$323	\$335	\$237
Washington	\$350	\$352	\$264
West Virginia	\$331	\$331	\$280
Wisconsin	\$344	\$361	\$287
Wyoming	\$489	\$516	\$425
Weighted Average, 48 States	\$310	\$328	\$249

NOTE: Premiums shown above are a weighted average of the lowest cost silver plan, the second lowest cost silver plan, and the lowest cost bronze plan in each rating area within the 36 Supported State-based Marketplaces, State Partnership Marketplaces, and Federally-Facilitated Marketplaces as of September 18, 2013, as well as 12 State-based Marketplaces. The rating area weights are constructed based on county-level population under the age of 65. For State-based Marketplaces, premiums are a weighted average across all rating areas for California and New York, and are for the entire state in DC, Rhode Island, and Vermont. For the remaining states, premiums are for the following rating areas: Denver, Colorado; Bridgeport, Hartford, and New Haven, Connecticut; Baltimore, Maryland; Minneapolis and St. Paul, Minnesota; Las Vegas, Nevada; Portland, Oregon; Seattle, Washington. Age weighting for all states is based on expected age distribution in the Marketplaces, estimated by the RAND Corporation.

Source: U.S. Department of Health and Human Services ASPE Issue Brief 9/25/13, “Health Insurance Marketplace Premiums for 2014.” <http://www.hhs.gov/healthcare/facts/blog/2013/09/marketplace-premiums.html>