



Agent Alert

Breaking News from Covered California

2017 Rate Announcement

Covered California announced the rates for its health plans in the individual market for 2017. The statewide average weighted increase of 13.2 percent, while higher this year, amounts to a three-year average of 7 percent, which is less than the rate increases before the Affordable Care Act (ACA) was enacted.

This year's increase, which is more significant than the last two years, reflects what we believe is a one-year adjustment due to the end of reinsurance, a three-year program to help stabilize rates implemented for the first years of the ACA and set to expire December 31. Other drivers of this adjustment are the cost of specialty drugs and higher-than-expected costs in special enrollment.

Covered California is committed to the central tenants of the ACA – expanded access to affordable coverage for all, including consumers with health conditions, and the ability to make informed decisions by enabling apples-to-apples comparisons. **This year, nearly 80 percent of consumers who switch to the same type of plan from another insurer would either pay less next year or see their rate increase less than 5 percent.** They will have 11 health insurance companies offering coverage in 2017, including plans that are expanding into new territory:

- Kaiser will now be available in Santa Cruz County
- Molina will now be available in Orange County
- Oscar will now be available in San Francisco, Santa Clara and San Mateo Counties

Consumers do not need to take any action until they receive renewal notices beginning in October that will provide individual information about their rates, as well as premium subsidy for 2017. Encourage consumers to shop in the fall as many can save money next year if they switch to a different plan in the same metal tier.

The Outreach and Sales Team is focused on equipping you with the information and tools you need to help support informed consumer decisions:

- Improvements are coming to the shopping experience on our website, including an upgrade to the **Shop & Compare** tool for 2017. Expect it to be available in October during the renewal period. The upgraded tool will be easier for consumers to review their options and rollover their choice into a shopping cart so they do not have to enter information twice. Agents and consumers will be able to compare not only their plan choices, premium and APTC, but also their out-of-pocket costs and deductible for 2017.
- In early August, we will bring you an in-depth look at regional pricing trends and how the Advanced Premium Tax Credit plays an important role for providing access in each region. Join us for a deeper discussion about pricing trends and positioning, in-

network hospitals by plans, and changes to standard benefit designs all presented via the Outreach and Sales Webinar Series. Look for the invitation when we announce our yearly webinar series in an upcoming issue of the Briefing.

Read the [press release here](#), which includes more detail and a link to our Rate Booklet for 2017, along with observations for each of our 19 rating regions.

Join Us For Our Next Webinar from the Covered California Outreach and Sales Team

On August 4, Covered California will present a webinar for outreach and sales partners. Attend this webinar to learn more about the next system update to the online application (CalHEERS) Feature Release 16.7 and other updates from Covered California.

Mark your calendar:

Thursday, August 4, 2016
10:00 a.m. - 11:00 a.m.

To register for this webinar, please use the following link [here](#). Review our [Webinar Registration and Closed Captioning Quick Guide](#) with instructions on how to register and access closed captioning.