



FACT SHEET: MEDI-CAL TO MARKETPLACE AUTOMATIC ENROLLMENT PROGRAM

Covered California's Facilitation of Continuous Coverage for Consumers Losing Medi-Cal

Background

State law enacted in 2019 authorizes Covered California to automatically enroll consumers in a qualified health plan when they lose Medi-Cal coverage and gain eligibility for advanced premium tax credits (APTC).¹ After an implementation delay due to the COVID-19 pandemic and resulting public health emergency (PHE), Covered California will begin its auto-enrollment program for consumers transitioning from Medi-Cal after the end of the PHE.

Covered California's program will ensure that consumers losing Medi-Cal will not experience a gap in coverage if they effectuate their coverage within a month of disenrollment from Medi-Cal.

Plan Selection and Effectuation Policy

Covered California will automatically plan select consumers into the lowest cost silver plan available to them to maximize premium tax credit and cost sharing support.² They must then take action to effectuate their coverage to ensure that they are willing to accept the tax liability for APTC.

Opting-In to Coverage

- Consumers with a monthly net premium must pay their first month's premium to effectuate coverage.
- Consumers without a monthly net premium must effectuate coverage online or by phone by agreeing to certain terms and conditions.³

Opting-Out of Coverage

- Consumers not wanting Covered California coverage can actively opt-out to cancel their plan while still retaining their 60-day special enrollment period.

Covered California's coverage will begin the day after Medi-Cal coverage ends provided that the consumer effectuates their coverage within the first month. If not, their plan will be canceled; however, they will have the remainder of their 60-day special enrollment period to select a plan on their own.

Consumer Experience

Covered California is customizing the consumer experience as follows:

- **Notices:** Covered California will send customized notices to consumers to explain their plan enrollment and financial assistance amounts; options to keep, switch or cancel their coverage; and how to get help. Notice packets will also include educational material to address frequently asked questions related to Covered California coverage, plan benefits and cost sharing, key insurance terms and health insurer options.
- **Website:** Covered California will provide a dedicated dot com landing page for consumers to efficiently direct them to their account information. Once logged in to Covered California's eligibility system, consumers will see a "dashboard" showing their pre-selected plan, coverage effectuation options, and short-cuts to search for a preferred provider. They can also shop for a different plan and update account information.
- **Phone support:** Covered California will provide specialized phone support including a vanity phone number, an interactive voice response menu with automated opt-in and opt-out options and prompts for Service Center Representatives to facilitate live assistance.

¹ Senate Bill 260 (Chapter 845, Statutes of 2019).

² California operates an integrated eligibility system for Insurance Affordability Programs which provides real-time updates when a consumer loses eligibility for Medi-Cal and gains eligibility for APTC.

³ Covered California estimates that about half of auto-enrolled individuals in 2022 will not have a net premium for the lowest cost silver plan due to the generosity of the American Rescue Plan premium subsidies.

Implementation Timeline

Covered California will activate its auto-enrollment program after the end of the PHE to align with the resumption of Medi-Cal disenrollments. Under this approach, the first coverage effective dates for the auto-enrollment program will be the same as the first disenrollment dates for Medi-Cal. The picture below shows key eligibility redetermination and auto-enrollment steps and dates under a scenario in which the PHE expires in October.

