App-Based Drivers (Prop 22) Health Insurance Stipend Quick Guide for Enrollers

Overview

This guide explains how app-based drivers can qualify for Covered California and how to enroll them in a health insurance plan.

App-Based Drivers (Proposition 22)

What is Proposition 22?

Proposition 22 was passed in November 2020 and requires California app-based network companies (such as Uber, Lyft, and Instacart) to provide health care stipends to qualifying app-based drivers on a quarterly basis, based on certain criteria. The stipend amount is tied to the average statewide monthly premium for an individual Covered California bronze health insurance plan, depending on the number of qualifying hours driven in a calendar quarter.

Average Statewide Monthly Bronze Premium

Covered California posts the average statewide monthly premium for a bronze plan every year by September 1. For 2026, the average statewide monthly bronze premium is $706.

How Much Are Drivers Eligible to Receive?

The stipend is either 82% or 41% of the posted average statewide monthly bronze premium.

- Drivers who average 25 or more engaged hours per week during a calendar quarter could receive the full stipend amount: $579 per month.
- Drivers who average at least 15 engaged hours but fewer than 25 engaged hours per week during a calendar quarter could receive half of the stipend amount: $289 per month.

What Are Engaged Hours?

Engaged time is the amount of time a contract worker is actively providing a ride or delivery for the company. This is the time from when a driver accepts a rideshare or delivery request to when they complete the rideshare or delivery request.

When is the Stipend Paid?

Unlike financial help through Covered California, such as Advanced Premium Tax Credit (APTC), the Proposition 22 stipend will be paid by app-based network companies directly to their eligible drivers quarterly. In this way, it functions like a reimbursement for monthly premiums already paid by the enrollee, although drivers are not required to use it solely for premium payments.

Stacking Financial Help

Enrollees who are app-based drivers may be eligible for APTC in addition to being eligible to receive the Proposition 22 stipend. An app-based driver averaging at least 15 hours of engaged time per week for an entire year may be eligible for over $ 3,100 each year in stipends from their app-based network company to offset their paid premium costs; drivers

averaging 25 hours or more may be eligible for over $6,300 a year — in addition to whatever financial help they may be eligible for to reduce their net monthly premiums. App-based drivers should contact their network company to determine whether the stipend is available.

Proof of Coverage

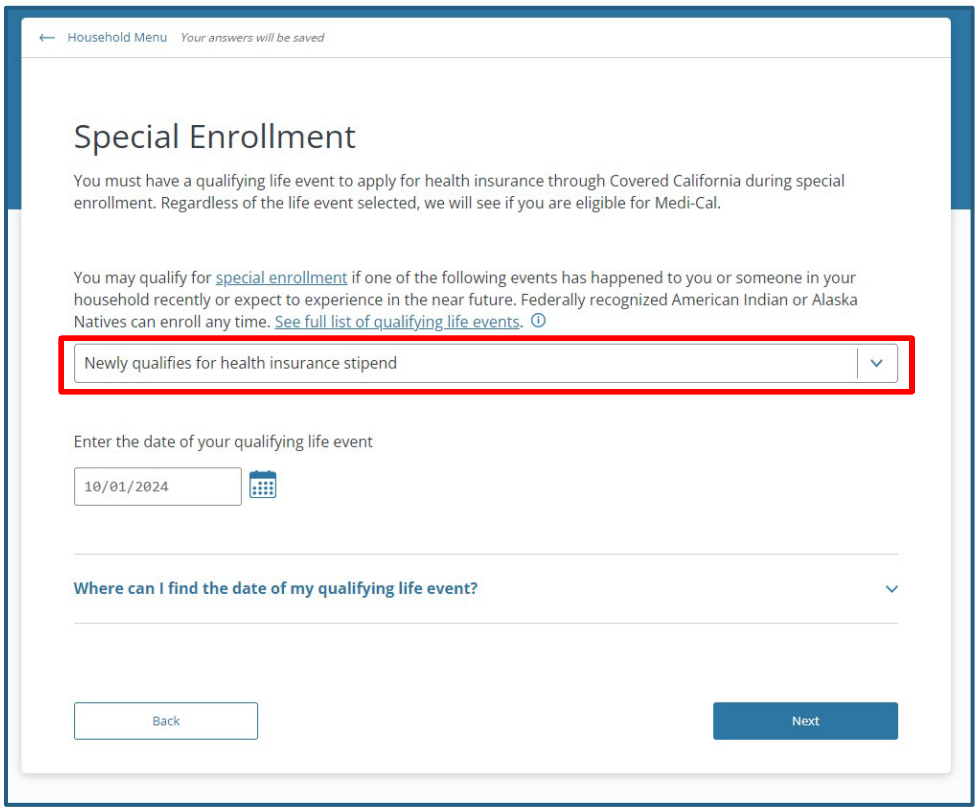
As a condition of paying the stipend to eligible app-based drivers, app-based network companies may require proof of current enrollment in qualifying coverage, submitted each quarter. A proof of coverage document is available for enrollees or their delegates to generate on the Account Home Page for their case. Once generated, a copy is stored within an enrollee's *Documents and Correspondence* page within CalHEERS; this document may be downloaded as a PDF for submittal to the app-based network companies. Other forms of acceptable proof of coverage include documents from the Covered California health insurance company, such as a health insurance card, evidence of covered services and disclosure forms, or claim forms and other documents necessary to submit claims.

The Covered California Proof of Coverage document will be available for a given quarter once that quarter has been completed (e.g., Quarter 2 will be available on 7/1, Quarter 3 will be available on 10/1, and so on).

What Health Insurance Coverage Qualifies?

App-based drivers seeking the stipend must purchase their health insurance coverage through Covered California or another individual market health insurance plan paid for directly by the driver. App-based network companies do not have to pay stipends for insurance that is obtained through Medicare, Medi-Cal, or other health coverage through the enrollee's job such as that obtained from another job. Minimum Coverage plans purchased on the individual market do qualify for the Proposition 22 stipend; however, federal financial help is only available to eligible enrollees who purchase a plan through Covered California.

How an App-Based Driver Can Enroll

Drivers may qualify for financial help from Covered California and a stipend from their app-based network company. Drivers who are currently signed up to drive for an app-based network company as well as newly hired drivers may be eligible for a special enrollment period. This major life change is open to existing or new Covered California enrollees and is available in the *Special Enrollment* dropdown menu in CalHEERS as: *Newly qualifies for health insurance stipend*.

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