

Overview – Covered California and IFP Portfolios for 2015



Presentation for
IFP Brokers

Presentation by
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What's New for 2015

- Introduce a new tailored network for Covered California and IFP:
 - PureCare One EPO (Exclusive Provider Organization):
 - Offered to consumers in Northern California.
 - PureCare HSP (Health care service plan):
 - Offered to consumers in Southern California.
- Discontinue PPO products, Covered California only.

Please note: Throughout this presentation, Individual & family Plans (IFP) refers to plans purchased directly from Health Net, not through Covered California (CovCA), including mirrored-platform Covered California plans.

What's New for 2015 (Continued)

- Comply with Federal Mental Health Parity Final Rule:
 - Applies to all nongrandfathered and grandfathered IFP plans.
- Update portfolio with Covered California 2015 Standard Plan Designs:
 - Rename benefit plans to comply with Covered California's naming convention.
 - Embed Pediatric Dental within the medical plan.

2015 CovCA and IFP Plans – Supplemental Coverage

- **Pediatric Vision (*included in every plan*):** Medically necessary vision services and supplies are covered for children up to age 19 as described below.
 - Routine eye exams (separate office visit) limit: 1 per year (exam and hardware).
 - Lenses limit: 1 pair per year.
 - Provider selected frames limit: 1 per year.
 - Contact lenses limit: 1 per year in lieu of eyeglasses coverage for medically necessary glasses.
- **Pediatric Dental (*optional buy up*) 100/50/50/50:** Pediatric Dental Services for children up to the age of 19 are covered.
 - 1 exam every six (6) months.
 - Diagnostic & Preventive Services.
 - Basic Services – Dental deductible applies.
 - Major Services – Dental deductible applies.
 - Medically Necessary Orthodontics – Dental deductible applies.
- **Adult Dental/Vision:** No changes to benefits; offering will remain the same. Only one offering each of Adult Dental and Adult Vision.
 - These plans would cover adults 19 and older only.
 - The adult buy-up dental/ vision rates will be reflected separately. Adult buy-up dental plans will not cross-accumulate to the OOPM.

PPO: HSP/EPO Service Area Coverage Map

2014/2015 PPO Network



2015 HSP/EPO Network



Health Net Portfolio for Covered California

HMO

- Available in Southern California region.
- Partial coverage in Riverside and San Bernardino counties.
- Standard plans in Platinum-, Gold- and Silver-level metal tiers.

HSP (Health care service plan)

- Available in Southern California region.
- Partial coverage in Riverside and San Bernardino counties.
- Standard plans in Bronze and Catastrophic levels.

EPO

- Available in Northern California region.
- Partial coverage in Kern County.
- Standard plans in all metal levels (Platinum – Catastrophic).

Health Net Portfolio for IFP

HMO

- Available in Southern California region.
- Partial coverage in Riverside and San Bernardino counties.
- Standard plans in Platinum-, Gold- and Silver-level metal tiers.

HSP

- Available in Southern California region.
- Partial coverage in Riverside and San Bernardino counties.
- Standard plans in all metal levels (Platinum – Catastrophic).

EPO

- Available in Northern California region.
- Partial coverage in Kern County.
- Standard plans in all metal levels (Platinum – Catastrophic).

PPO

- Available in Northern and Southern California regions.
- Standard plans in all metal levels (Platinum – Catastrophic).

2015 Portfolio Summary

Market Product Network Regulator	CovCA / IFP HMO CommunityCare DMHC	CovCA HSP PureCare DMHC	IFP HSP PureCare DMHC	CovCA / IFP EPO PureCare One CDI	IFP PPO PPO CDI
Std. Plan Offered Region / County 	Platinum Gold Silver	Bronze Catastrophic	Platinum Gold Silver Bronze Catastrophic	Platinum Gold Silver Bronze Catastrophic	Platinum Gold Silver Bronze Catastrophic
2 – Marin, Napa, Solano, Sonoma 4 – San Francisco 5 – Contra Costa 7 – Santa Clara 8 – San Mateo 9 – Santa Cruz 10 – Merced, San Joaquin, Stanislaus, Tulare 14 – Kern ¹					 Plus: 9 – Monterey, San Benito 10 – Mariposa
15 – Los Angeles East 16 – Los Angeles West 17 – Riverside ¹ , San Bernardino ¹ 18 – Orange 19 – San Diego					
Total Counties	5	5	5	14	22

¹Partial counties for EPO, HSP, HMO. PPO network does not have any partial counties.

Portfolio Details – HMO / PPO

	CommunityCare HMO	PPO
Regulated by:	DMHC	CDI
Service area:	Los Angeles, Orange, Riverside, San Bernardino, San Diego	Contra Costa, Kern, Marin, Merced, Napa, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Tulare Mariposa, Monterey, San Benito
Standard Medical Benefit Plan Design:	Copay	Coinsurance
Metal levels offered:	CovCA – Platinum, Gold, Silver IFP – Platinum, Gold, Silver	IFP – All metal levels
Primary care physician:	PCP required	PCP not required
Pediatric Dental Plan / Standard Plan Design:	Pediatric DHMO / Copay design	Pediatric DPPO / Coinsurance design Includes out-of-network benefits
<u>IFP Only (N/A with CovCA)</u> Adult Dental & Vision Buy Up Option (not sold separately):	DHMO Adult Dental & Vision Buy Up	DPPO Adult Dental & Vision Buy Up
Pediatric Vision	Administered by EyeMed	Administered by EyeMed
Acupuncture (chiropractic is not covered)	Administered by ASH	PPO specialists

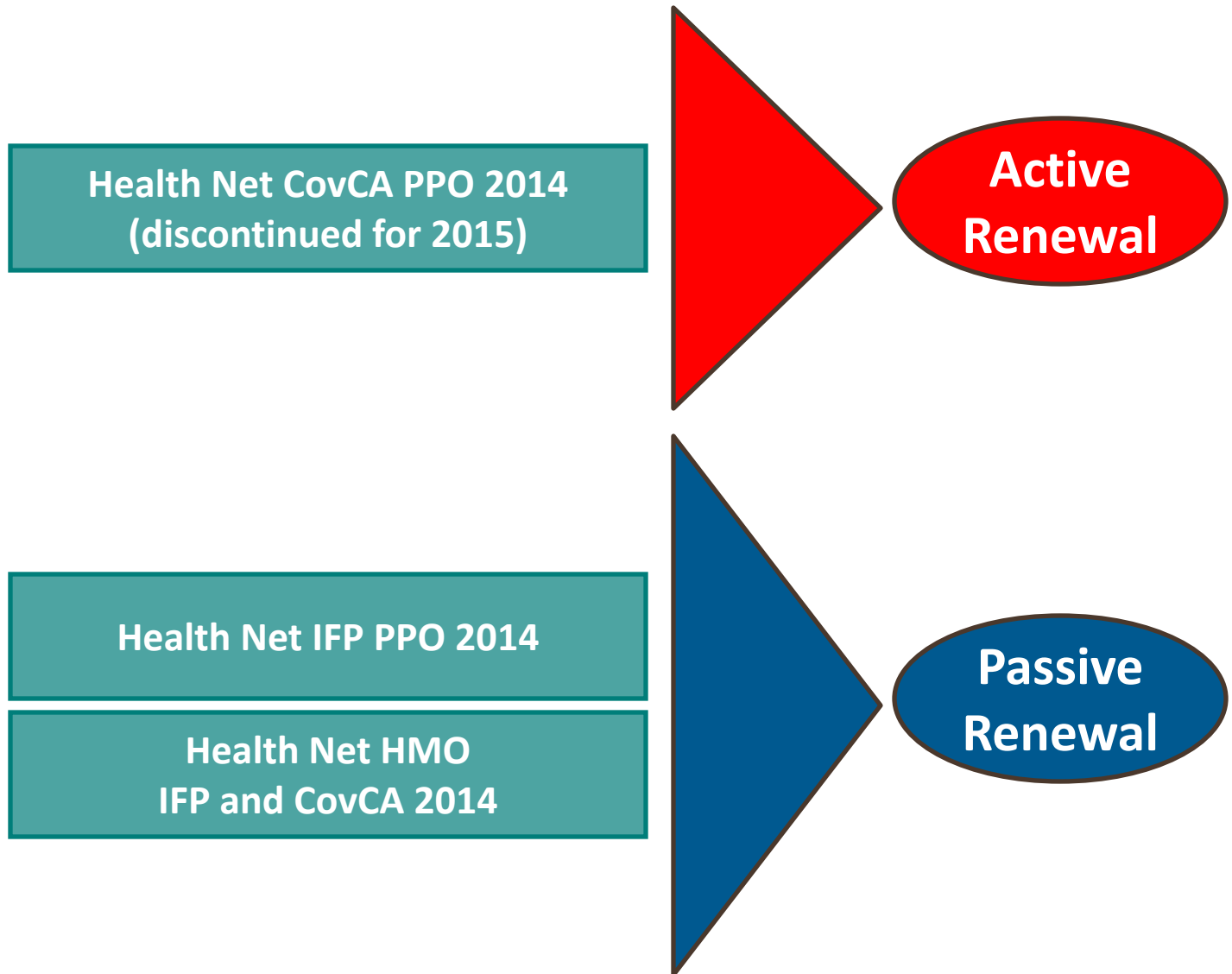
Portfolio Details – HSP/EPO

	PureCare HSP	PureCare One EPO
Regulated by:	DMHC	CDI
Service area:	Los Angeles, Orange, Riverside, San Bernardino, San Diego	Contra Costa, Kern, Marin, Merced, Napa, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Tulare
Standard Medical Benefit Plan Design:	Coinsurance	Coinsurance
Metal levels offered:	CovCA – Bronze & Catastrophic IFP – All metal levels	All metal levels, CovCA and IFP
Primary care physician:	PCP required Allowed to self refer to specialists	PCP not required
Pediatric Dental Plan / Standard Plan Design:	Pediatric DHMO / Copay design	Pediatric DPPO / Coinsurance design Includes out-of-network benefits
<u>IFP Only (N/A with CovCA)</u> Adult Dental & Vision Buy Up Option (not sold separately)	DHMO Adult Dental & Vision Buy Up	DPPO Adult Dental & Vision Buy Up
Pediatric Vision	Administered by EyeMed	Administered by EyeMed
Acupuncture (chiropractic is not covered)	Administered by ASH	PPO specialists

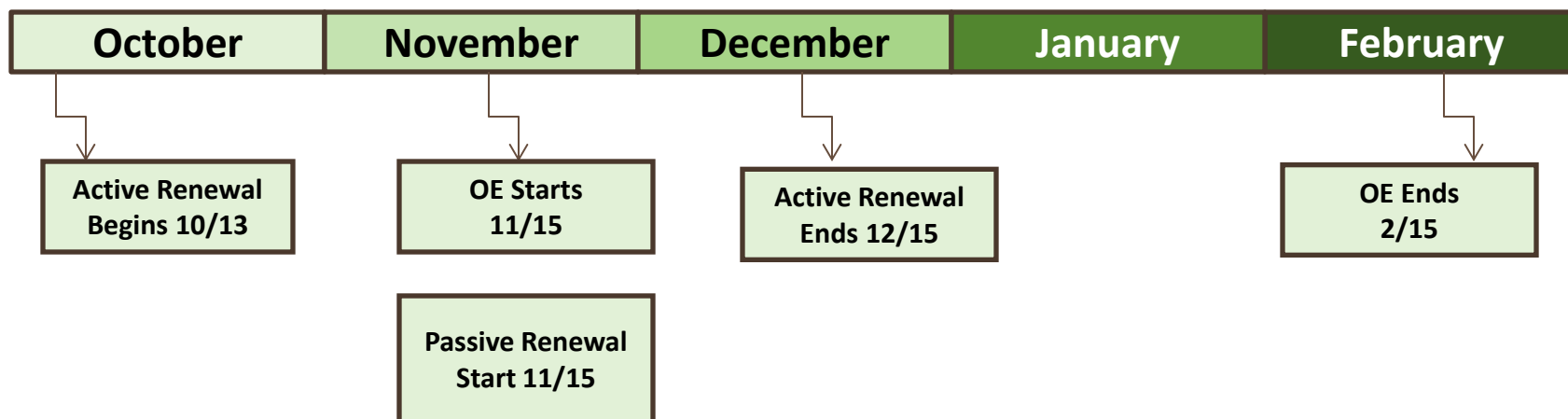
Terminology and Definitions

Terminology	Definition	Consumer Impacted
Active Renewal	When a member accesses the Health Insurance Marketplace (Covered California) and selects renew. May involve plan or other change(s).	Current/existing member enrolled in 2014 plan
Passive Renewal	Enrolled member does nothing. Covered California automatically sends renewal file enrolling member into same or cross-walked/mapped plan.	Current/existing member enrolled in 2014 plan
Open Enrollment	Defined period of time when an individual is not previously enrolled through Covered California and may enroll for coverage. Previously enrolled members may also make changes at this time.	New consumers and/or currently enrolled members in 2014 plan
Special Enrollment	Enrollment opportunity for consumers who have had a qualifying event (e.g., job loss, birth of child, life change such as divorce).	New consumers and/or currently enrolled members in 2014 plan
Redetermination	<ul style="list-style-type: none"> For renewals, Covered California will call out to IRS and HHS systems to verify income and citizenship/immigration status to determine eligibility for subsidies. Consumers must provide consent for redetermination. If a subsidized consumer did not provide consent prior to renewal, the individual will be auto-renewed into a Silver plan without subsidy. 	Subsidized and consumers who did not receive a premium subsidy in 2014

Active and Passive Renewals (2014 to 2015)



Renewal and Open Enrollment Timeline



Open Enrollment Submissions and Cancellations

Open enrollment runs from November 15, 2014, through February 15, 2015. Effective dates for enrollment received during this time will be based on the date the enrollment is submitted.

Submission date	Effective date	Payment due date	Cancel for non-payment of binder
11/15/2014– 12/15/2014	1/1/2015	12/31/14	1/15/2015
12/16/2014– 1/15/2015	2/1/2015	1/27/2015	2/15/2015
1/16 /2015– 2/15/2015	3/1/2015	2/24/2015	3/15/2015

Redetermination Timing

- Covered California will be unable to provide 2015 Advanced Premium Tax Credit (APTC) and Cost-Share Reduction (CSR) redetermination amounts until AFTER close of open enrollment on December 15, 2014.
- To allow adequate time for billing and payment prior to January 1, 2015, billing statements must run no later than December 20, 2014.
- IMPACT – Health Net will not be able to include or apply 2015 APTC/CSR amounts on the January 1, 2015, invoices.
- SOLUTION – January 1, 2015, premium invoices will reflect 2014 APTC/CSR subsidy amounts. For the February 1, 2015, invoice, the bill will reflect the premium less subsidy plus any remaining balance or credit due from the January 1, 2015, statement.

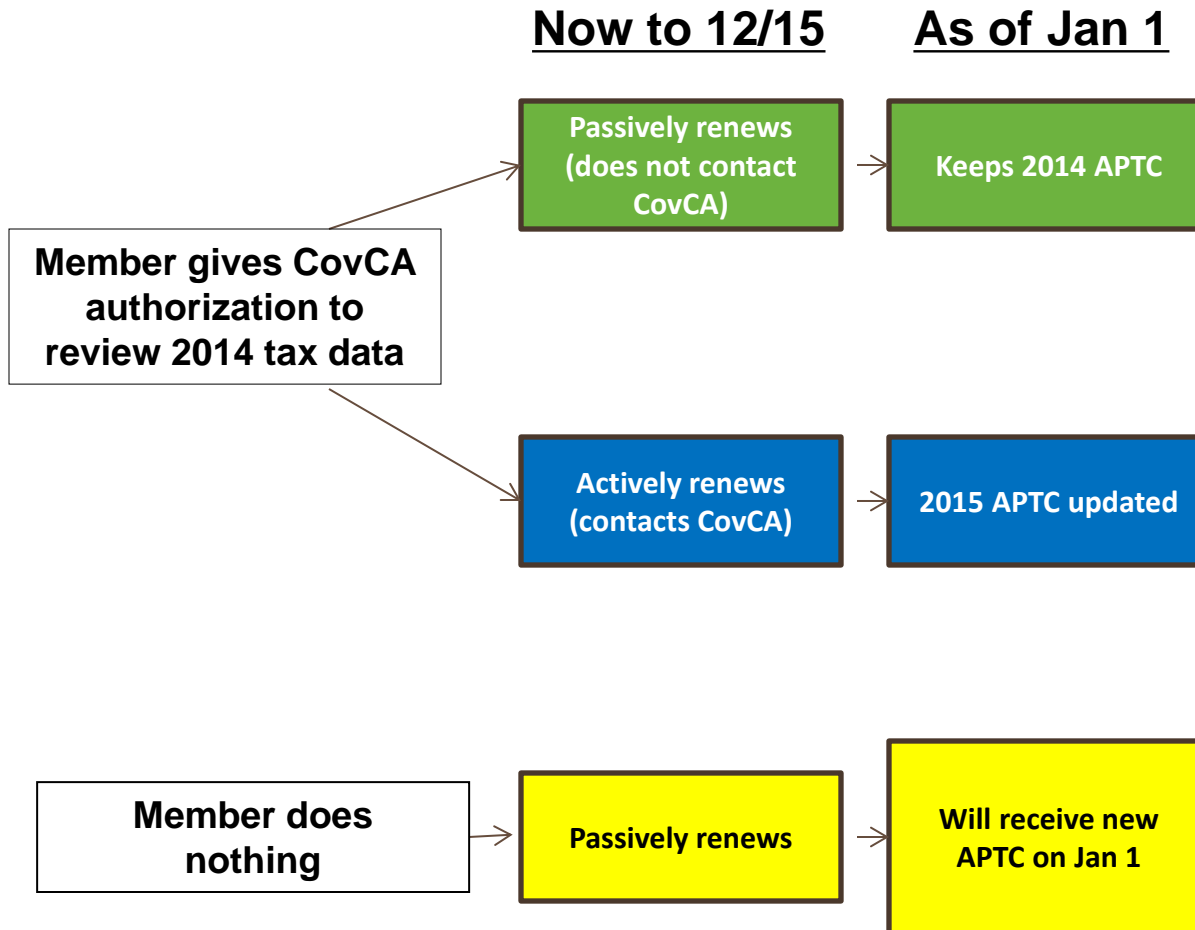
APTC Member Experience and Redetermination

Our messages to members

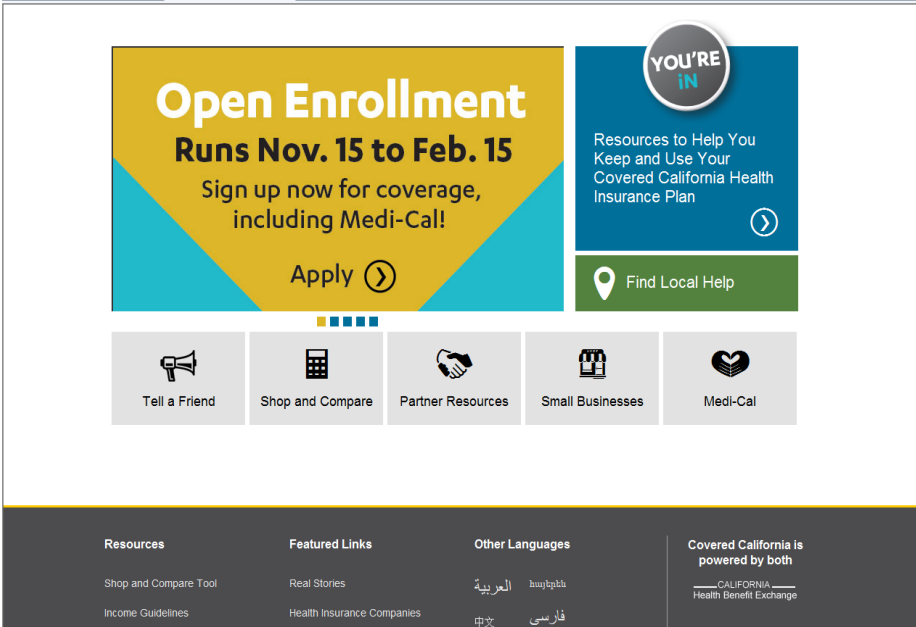
Potential tax implications:

“Update your info through Covered California to be sure you and your family get the correct premium assistance and avoid the 2015 tax implications.”

“You’re good to go!”



What Is Covered California?



The screenshot shows the Covered California website interface. At the top left, a yellow and blue banner reads "Open Enrollment Runs Nov. 15 to Feb. 15" and "Sign up now for coverage, including Medi-Cal!" with an "Apply" button. To the right, a blue box says "YOU'RE IN" and "Resources to Help You Keep and Use Your Covered California Health Insurance Plan" with a "Find Local Help" button. Below these are five navigation buttons: "Tell a Friend", "Shop and Compare", "Partner Resources", "Small Businesses", and "Medi-Cal". The footer contains sections for "Resources" (Shop and Compare Tool, Income Guidelines), "Featured Links" (Real Stories, Health Insurance Companies), "Other Languages" (العربية, العربية, 中文, فارسی), and "Covered California is powered by both" (CALIFORNIA Health Benefit Exchange).

- Covered California is a Health Insurance Marketplace run by the California Health and Human Services Agency (CHHS) and introduced as:
 - Covered California (for individual and family coverage).
 - Small Business Health Options Program (SHOP).
- Allows individuals, families and small groups to compare health plans based on price, benefits and value.
- Helps consumers offset plan costs by understanding which subsidies they are eligible for.
- Assist with enrollment.

Covered California Overview

Who is Eligible

- Most people will be eligible for health coverage through Covered California.
- To be eligible for health coverage a person must:
 - Live in the United States.
 - Be a U.S. citizen or national (or be lawfully present).
 - Not be currently incarcerated.

Open Enrollment Periods

- 2014 Open Enrollment: CLOSED
- 2015 Open Enrollment: November 15, 2014–February 15, 2015
- 2015 coverage begins: January 1, 2015

Special Enrollment

- Triggered by specific events (loss of coverage, family status change, etc.)
 - Individual can add/change coverage.
 - Lasts 60 days from qualifying event.

Individual Subsidies

- Individuals who meet specific income requirements (generally between 100 to 250 percent of the federal poverty level) will be eligible for federal subsidies to help them purchase coverage.
- A calculator posted on the Covered California website helps individuals determine the cost of coverage after subsidies.

Essential Health Benefits (EHB) – What Is Covered?

*Every health insurance plan sold in the Marketplace will offer 10 essential health benefits. These **Essential Health Benefits (EHB)** include at least the following:*

1. Outpatient care – The kind you get without being admitted to a hospital.
2. Trips to the emergency room.
3. Treatment in the hospital for inpatient care.
4. Care before and after your baby is born.
5. Mental health and substance use disorder services – This includes behavioral health treatment, counseling and psychotherapy.
6. Your prescription drugs.
7. Services and devices to help you recover if you are injured, or have a disability or chronic condition. This includes physical and occupational therapy, speech-language pathology, psychiatric rehabilitation, and more.
8. Your lab tests.
9. Preventive services – Including counseling, screenings and vaccines to keep you healthy and care for managing a chronic disease.
10. Pediatric services – This includes dental care and vision care for kids.

Minimum Categories	Considerations/Impact Including Benchmark Plan
Ambulatory Patient Services	<ul style="list-style-type: none"> • TMJ diagnosis and treatment. • Hearing aids: one hearing aid per ear, per year. • Chiropractic limit increase to 20 visits on HMO; remain unlimited on PPO. • Nutritional evaluation and counseling for diagnosed chronic disease/condition.
Emergency Services	No change.
Hospitalization	<ul style="list-style-type: none"> • Bariatric Surgery (when provided at Centers of Excellence). • Organ Transplant Travel Services: \$10,000 travel benefit (exception: cornea transplants).
Maternity/Newborn Care	New for IFP PPO in 2014.
Mental Health/Behavioral Health	<ul style="list-style-type: none"> • Autism/ABA . • Mental Health Parity applies to all plans and segments.
Substance Use Disorder Services	<ul style="list-style-type: none"> • Inpatient / Outpatient Substance Abuse diagnosis, care and treatment. • Voluntary and court-ordered Residential substance abuse treatment.
Prescription Drugs	<ul style="list-style-type: none"> • New Essential Rx Drug Lists . • Preventive Pharmacy Medication based on USPTSF A and B recommendation provided at no charge. • Smoking Cessation Medication. • No program participation required. • Includes OTC with no script.
Rehabilitative/Habilitative	<ul style="list-style-type: none"> • “Habilitative Services and Devices” refers to medically necessary health care services and devices that assist an individual in partially or fully acquiring or improving skills and functioning and that are necessary to address a health condition, to the maximum extent practical. These services address the skills and abilities needed for functioning in interaction with an individual’s environment. • 60-day limit for Rehabilitation and 60-day limit for Habilitation. • DME annual limits removed.
Laboratory Services	Considered an EHB today.
Preventive/Wellness Services/Chronic Disease Management	Does not include wellness incentive programs and/or “value added” benefits.
Preventive Pediatric Vision and Dental Care	Dental \$100 deductible. The Dental Services Deductible does not apply to Diagnostic Services and/or Preventive Services.