



Community Health Commission

CONSENT CALENDAR

December 3, 2013

To: Honorable Mayor and Members of the City Council  
 From: Community Health Commission  
 Submitted by: Linda Franklin, Chairperson  
 Subject: Support of the Affordable Care Act and Open Enrollment in the Covered California Exchange

RECOMMENDATION

Adopt a Resolution to:

1. Support the Affordable Care Act and open enrollment in the Covered California Exchange; and
2. Work proactively with partners to encourage enrollment and connect exchange-eligible Berkeley residents to available community resources; and
3. Monitor enrollment figures and solicit data as needed from Covered California, health plans and other sources to determine whether they are reaching targeted populations in Berkeley.

FISCAL IMPACTS OF RECOMMENDATION

Unknown.

CURRENT SITUATION AND ITS EFFECTS

President Barack Obama signed the Patient Protection and Affordable Care Act in March 2010, ending a decades-long struggle to achieve universal access to coverage in the United States. The Affordable Care Act banned discrimination based on pre-existing conditions, capped out-of-pocket expenses, removed lifetime limits on coverage and allowed young people to remain on their parents' plans until age 26, among other provisions. Health plans were also required to devote 80 percent or more of premium revenue to medical care.

Little changes under the law for those receiving health insurance through their employer or through a government program such as Medicare, Medi-Cal or the Veterans' Administration. For those buying health insurance through the individual or small group market, the law establishes state-level exchange marketplaces in which customers can shop for coverage. All plans sold through the exchanges contain ten essential health benefits, including doctor's visits, emergency services, maternity, pediatric, mental health, prescription drugs and preventive care. The plans are sold on a sliding scale of premiums, deductibles and coverage levels conforming to a four-tiered metallic scale of

platinum, gold, silver and bronze. States are given the authority to establish and run the exchanges themselves, or else be run by the federal government.

California opted to set up its own exchange marketplace, which is called Covered California. Enrollment for Covered California launched October 1 in accordance with federal law. Covered California makes it easier for residents to make an apples-to-apples comparison when choosing plans, with the metal level system as a guide. Buying through the exchange also ensures eligibility for federal subsidies to lower the cost of premiums for those below a certain income threshold. Unlike most other states, Covered California is an active purchaser, meaning exchange authorities are able to drive a harder bargain on rates with participating health plans. Every large state-level health plan and a dozen or so local health plans are selling through Covered California, though national players Aetna, Cigna and United HealthCare are not.

### BACKGROUND

At its regularly scheduled meeting on October 10, 2013, the Community Health Commission took the following action: To recommend to City Council to adopt the attached resolution in support of the Affordable Care Act and open enrollment in the Covered California Exchange and to add to the resolution that the City plays a crucial role monitoring enrollment figures and soliciting data as needed from Covered California, health plans and other sources to determine whether they are reaching targeted populations in Berkeley.

M/S/C: (Stein/Barry)

Ayes: Barry, Franklin, Gibson, Kong, Kwanele, Lee, McClure, Stein, A. Wong, M. Wong

Noes: Neuhauser

Abstain: Rosales, Speich

Absent: Lewis-Hatheway, Mecklai, Namkung, Tempelis

The City of Berkeley is not an eligibility or enrollment agency, so the most direct role the City can play in increasing Covered California enrollment is by directing eligible residents to available resources such as Alameda County, non-profit providers, licensed brokers, exchange officials or others. A resolution in support of open enrollment in Covered California can serve to highlight the changes resulting from the Affordable Care Act and put the weight of the City behind making the law work for Berkeley residents, whether insured, uninsured or underinsured. By monitoring enrollment figures, the City can help ensure a diverse pool of Covered California participants – including younger, relatively healthier residents as well as older residents with greater health needs – that keeps premiums lower for everyone.

RATIONALE FOR RECOMMENDATION

While it is crucial that all eligible Californians are aware of the exchange, rates will remain lower if the pool of customers includes people of diverse ages, backgrounds and health statuses, including younger and relatively healthier Californians who may be inclined against buying insurance. The more Californians participating in the exchange, the more effective it will be. The City of Berkeley also has a strong public health mission, and there is broad consensus that those who are eligible for benefits should be able to receive them.

ALTERNATIVE ACTIONS CONSIDERED

An item in support of increased staff resources toward directing residents to enrollment assistance was discussed. The Commission may return to the subject as open enrollment continues.

CITY MANAGER

The City Manager concurs with the Commission's recommendation. The resolution calls for the City to monitor enrollment figures and solicit data to determine whether target populations are being enrolled. Currently, there is no available mechanism for tracking enrollment or identifying enrollment of specific sub-populations. When these data become available—from health plans, the State, or other sources—the Public Health Division will monitor and report on Berkeley enrollment data.

CONTACT PERSON

Gail Feldman, Secretary, Community Health Commission, 981-5232

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

IN SUPPORT OF THE AFFORDABLE CARE ACT AND OPEN ENROLLMENT IN THE COVERED CALIFORNIA EXCHANGE

WHEREAS, President Barack Obama signed the Patient Protection and Affordable Care Act in March 2010; and

WHEREAS, the Affordable Care Act increases access to health insurance by banning discrimination based on pre-existing conditions; and

WHEREAS, the Affordable Care Act also caps out-of-pocket expenses, removes lifetime limits on coverage and allows young people to remain on their parents' plans until age 26; and

WHEREAS, under the Affordable Care Act, uninsured individuals are responsible for choosing from among a range of health plans; and

WHEREAS, California has been a leader in implementing the Affordable Care Act; and

WHEREAS, Covered California, the state's new exchange marketplace, was enacted to ensure Californians can buy health insurance with increased transparency and ease; and

WHEREAS, plans sold through Covered California contain ten essential health benefits, with premiums, deductibles and coverage levels conforming to a four-tiered metallic scale; and

WHEREAS, millions of Californians will be eligible for federal subsidies through Covered California that will lower the cost of monthly premiums; and

WHEREAS, Californians eligible for Medi-Cal can apply through Covered California; and

WHEREAS, open enrollment for Covered California began October 1, 2013 and continues through March 31, 2014; and

WHEREAS, the Community Health Commission during its regular meeting on October 10, 2013 voted in support of sending this resolution to the Council of the City of Berkeley.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City supports California's continued implementation of the Affordable Care Act.

BE IT FURTHER RESOLVED that the City play a crucial role in raising awareness of Covered California among eligible residents of all ages and backgrounds, and

monitoring enrollment figures and soliciting data as needed from Covered California, health plans and other sources to determine whether they are reaching targeted populations in Berkeley.

BE IT FURTHER RESOLVED that the City and its Public Health Division will work proactively with the Congressional and Legislative delegation, the State of California, Alameda County and non-profit and private sector groups and providers to encourage Covered California enrollment and connect eligible residents with available resources.

