



**COVERED
CALIFORNIA**

Covered California Annual Report

ISSUED NOVEMBER 2024

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About Covered California

In 2010, California became the first state in the nation to enact legislation to establish a state-based health insurance exchange under the Patient Protection and Affordable Care Act (ACA). That state-based marketplace is Covered California.

Covered California was officially established in 2011. Since its first open enrollment in 2013, Covered California has expanded access to affordable, quality health coverage and care to millions of Californians. Covered California operates a competitive marketplace where consumers are empowered to shop, compare, and choose among brand-name health insurance plans that work best for their health needs and budget. Covered California is the only place where eligible Californians can get federal and state financial assistance to help them pay for their premiums and reduce their out-of-pocket costs. Depending on their income, some consumers may qualify for the low-cost or no-cost Medi-Cal program. And Covered California for Small Business assists small businesses to enroll in health insurance plans that meet their employees' needs and offers tax credits to reduce the cost of coverage for qualifying businesses.

Covered California Board of Directors

Covered California is an independent entity in state government governed by a Board of Directors appointed by the Governor and California Legislature. The Secretary of the California Health and Human Services Agency, or a designee, serves as an ex-officio voting member of the Board.



Sec. Kim Johnson



Jarrett Tomás Barrios



Mayra Alvarez



Jerry Fleming



Kate Kendall



Mission

The mission of Covered California is to increase the number of insured Californians, improve health care quality, lower costs, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and providers that give them the best value.



Vision

The vision of Covered California is to improve the health of all Californians by assuring their access to affordable, high-quality care.



Core Values

- We Value People. 
- We Work Together. 
- We Do the Right Thing. 
- We Innovate. 
- We Follow Through. 



Strategic Pillars

<p>Affordable Choices</p> <p>We connect consumers to financial assistance and a choice of affordable plans and providers that give them the best value.</p>	<p>Quality Care</p> <p>We ensure consumers consistently receive accessible, equitable, high-quality care.</p>	<p>Organizational Excellence</p> <p>We foster a nimble culture of continuous improvement that empowers and motivates our team to deliver on our mission with high standards.</p>	<p>Reaching Californians</p> <p>We are unwavering in our pursuit to reach Californians and connect them to comprehensive and affordable coverage.</p>	<p>Catalyst for Change</p> <p>We pioneer new ideas and disseminate our learnings to drive improvement in health care in California and nationally.</p>	<p>Exceptional Service</p> <p>We provide the highest level of service and exceed our consumers' expectations.</p>
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DIVERSITY, EQUITY, INCLUSION
 We apply this lens in all our work to improve the health and experience of our consumers and to create and support a workforce reflective of our core values and the people we serve.

A Message from Covered California’s Executive Director

On behalf of the governing board of Covered California, and pursuant to Government Code Section 100503, I am pleased to present this report to the Governor and Legislature on Covered California’s achievements and activities during fiscal year (FY) 2023-2024. Throughout the year, Covered California embarked on numerous initiatives to increase enrollment, generate improvement to health care quality and equity for consumers, achieve operational excellence, and wisely invest our resources into advancing our mission.



On a policy level, thanks to federal and state leadership to improve health care affordability and access, Covered California was able to offer more financial help than ever before. Covered California is pleased to report a record setting open enrollment period that closed in 2024 with approximately 1.8 million new and renewing enrollees, the majority of whom are benefitting from federal financial help and many also from state-funded cost-sharing reductions. Consumer choice remained strong with 12 qualified health plans offering high-quality, affordable care across the state; and in an effort to reduce health disparities, new health plan contract requirements hold plans accountable for failure to improve a prioritized set of critical health outcomes. Covered California also effectively implemented state policy through the Medi-Cal to Covered California Program (M2C) which seamlessly transitions consumers that no longer qualify for Medi-Cal into the lowest cost Silver plan to reduce gaps in coverage.

Notably, 2023 brought the approval of Covered California’s new three-year [strategic plan](#) to enhance our operations from the inside out, with a core focus on reaching all Californians and raising the bar on consumer experience, outcomes, and satisfaction. We are committed to achieving the goals of our strategic plan which will guide our continued efforts to reduce the uninsured rate, improve equity, reduce disparities and meet consumer needs.

We know that Covered California’s success is a product of our many partnerships with the Administration and its government agencies, the Legislature, consumer advocates, carriers, insurance agents, community organizations, counties, providers and others who support us in achieving our mission. We are proud to do this work alongside you and continue to make gains in improving the lives of Californians.

Sincerely,



Highlights from 2023-24: A Record Year for Enrollment and Affordability

Record Enrollment

By the end of the Open Enrollment period, 1,784,653 million¹ Californians selected a health plan through Covered California for 2024 coverage. This set a record for Covered California, surpassing the previous high set in 2022, and representing the highest number of new sign-ups since 2020.

Covered California saw new enrollment increases in every region of the state, and across demographic groups, with the highest increase seen among Latinos and Asian Americans.

RACE/ETHNICITY	2023		2024	
	Enrollees	Column %	Enrollees	Column %
American Indian or Alaska Native	510	0%	580	0%
Asian American	43,420	18%	53,000	22%
Black or African American	7,620	3%	8,960	4%
Latino	60,530	25%	79,010	32%
Multiple Races	6,860	3%	7,890	3%
Native Hawaiian or Other Pacific Islander	260	0%	300	0%
Other	15,230	6%	17,660	7%
White	69,830	28%	78,870	32%
Total (respondents)	204,260	100%	246,270	100%
(nonrespondents)	59,070	22%	60,120	20%

*Column percentages for all respondents is out of those who provided race ethnicity, while percentage for nonrespondents is out of all new enrollees. All cells rounded to the nearest 10 and may sum to more than the total.

Record Levels of Financial Help

Covered California consumers experienced record affordability due to both federal and state subsidies provided in 2024. Enhanced federal premium tax credits provided through the American Rescue Plan Act of 2021, which were later extended through 2025 by the federal Inflation Reduction Act, increased premium assistance to those already receiving it and expanded eligibility to middle-income consumers for the first time. The high demand for Covered California shows that the increased financial help for 2024 is making health care coverage more attainable and affordable for more Californians.

Covered California enrollees not only received help to lower premium costs, but also at the point of care. Through the leadership of the Governor and Legislature, the 2023-24 state budget included an \$82.5 million appropriation allowing Covered California to, for the first time ever, offer state-funded subsidies to reduce enrollee out-of-pocket costs. With the appropriation, Covered California created new benefit designs in the Silver metal tier that eliminate deductibles, reduce generic drug costs and certain co-pays, and lower the maximum out-of-pocket cost for consumers. Consumers with incomes at or below 250 percent of the federal poverty level, who enroll in a Silver plan, are eligible for these “Enhanced Cost-Sharing Reduction (CSR)” plans.

¹At the end of Open Enrollment 2024, 306,382 consumers were new enrollees and 1,478,271 were renewing.
Covered California Annual Report 2024

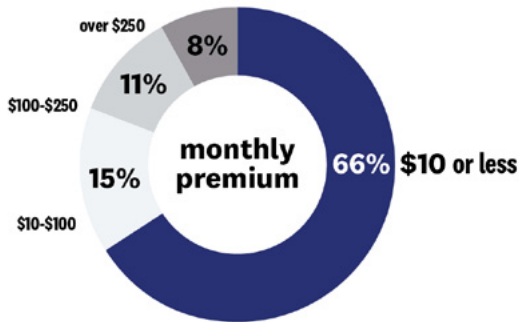
The table below illustrates the savings under the enhanced Silver plan options.

Table 2. Consumer Savings under Enhanced California CSR Silver Plan Options

Benefit	Silver 73 Standard CSR Plan	Silver 73 Enhanced CA CSR	Silver 87 Standard CSR Plan	Silver 87 Enhanced CA CSR	Silver 94 Standard CSR	Silver 94 Enhanced CA CSR
Medical Deductible	\$5,400	\$0	\$800	\$0	\$75	\$0
ED Facility Fee	\$450	\$350	\$150	\$150	\$50	\$50
Primary Care Visit	\$50	\$35	\$15	\$15	\$5	\$5
Specialist Visit	\$90	\$85	\$25	\$25	\$8	\$8
Drug Deductible	\$150	\$0	\$50	\$0	\$0	\$0
Tier 1 (Generics)	\$19	\$15	\$6	\$5	\$3	\$3

During FY 2023-24, nearly 90 percent of Covered California enrollees received federal tax credits. Two-thirds of those enrollees were eligible for health insurance for \$10 or less per month. Approximately 850,000 Covered California consumers were enrolled in an Enhanced CSR plan.

Approximately 2/3 of Covered California enrollees can get a plan for \$10 or less



Taken together in 2024, the enhanced federal premium tax credits and state-funded enhanced CSR plans enable Covered California to offer more financial help than ever before to more Californians than ever before.

M2C: The Medi-Cal to Covered California Enrollment Program

Covered California continued to ease barriers to coverage with the implementation of the Medi-Cal to Covered California Enrollment program. The program, often referred to as “M2C,” was launched pursuant to SB 260 (Hurtado, Chapter 845, Statutes of 2019) which allowed individuals no longer eligible for Medi-Cal who are newly eligible for Covered California to automatically transition from Medi-Cal into Covered California’s lowest cost Silver plan.

In April of 2023, Medi-Cal redeterminations resumed for 15 million consumers following the end of continuous coverage requirements under the federal Public Health

Emergency. To ensure that Californians did not experience a gap in coverage, Covered California worked in partnership with the Department of Health Care Services (DHCS), which administers the Medi-Cal program, to conduct robust outreach to those who have been found eligible for Covered California.

To make the transition as effortless as possible, and under the auspices of SB 260, Covered California auto-selected the lowest cost Silver plan for transitioning consumers. In order to keep the selected Covered California coverage, all Medi-Cal transitioners had to do was take one simple action to opt-in to the coverage. Covered California provided information on how to opt-in to their plan, change their plan, or decline coverage. In the program’s first cohort, 175,171 consumers stay insured. Among those who were automatically enrolled with Covered California following the loss of Medi-Cal eligibility, 82 percent report having coverage at the end of their special-enrollment period. That figure includes 31 percent reporting enrollment through Covered California, 24 percent with employer-sponsored insurance and 19 percent returning to Medi-Cal.



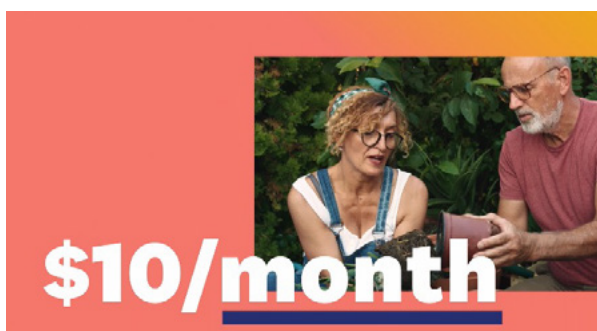
Covered California, DHCS, and community leaders convene to discuss the results of the M2C Enrollment Program.

Connecting Consumers to Coverage

Marketing, outreach and enrollment assistance played core roles in helping achieve Covered California’s record enrollment by amplifying the importance and affordability of coverage through multimedia channels, in-person outreach, and press events.

Covered California’s “This Way to Health Insurance” marketing campaign was anchored in effectively reaching California’s diverse populations across culture, ethnicity, language, and community.

Additionally, Covered California and DHCS embarked on a joint marketing campaign to raise awareness around the M2C initiative. This campaign targeted consumers no longer eligible for Medi-Cal to inform them about their options through Covered California to obtain affordable, high-quality health coverage, and what steps are needed to be taken to activate their coverage and avoid experiencing any gaps.



Graphics for Covered California’s “This Way to Health Insurance” marketing campaign.

Covered California’s “Bridging the Gap” open enrollment campaign kicked off in November 2023 to encourage Californians to take advantage of the most financial assistance ever available to eligible consumers. Between federal financial assistance and California’s own state affordability program, Covered California worked tirelessly to educate consumers up and down the state that health insurance is within reach, bridging the gap between the uninsured and quality health care.



Covered California’s Bridging the Gap campaign promoted open enrollment with media events at the locations of some of California’s most iconic bridges. Executive Director, Jessica Altman is pictured addressing attendees and local media outlets.

Consumers were also able to obtain free, confidential enrollment help through Covered California’s robust network of over 14,000 certified enrollment partners. These partners perform a vital role in informing and expanding the number of eligible individuals enrolled in affordable, quality health care coverage, and include licensed insurance agents and community-based organizations that participate in Covered California’s Navigator program. These enrollment partners, which are within a 15-minute drive for over 90% of Californians, are embedded in communities throughout the state and provide services in culturally and linguistically appropriate ways to meet the needs of Covered California’s diverse consumer population.

In FY 2024-2025, Covered California nearly doubled the amount of annual funding for the Navigator program, from \$6.5 million in 2020 to up to \$11.3 million per year, further enabling efforts to help individuals and families in diverse and underserved communities to enroll in health insurance. In June 2024, Covered California awarded grants allowing 105 organizations to participate as Navigators.

Maintaining a Competitive Marketplace and Consumer Choice: Rates and Carriers for Plan Year 2024

Throughout FY 2023-24, Covered California maintained a marketplace that is competitive among carriers, that ensures consumer carrier choice, and that keeps coverage as affordable as possible in a dynamic and ever-changing health care landscape.

Covered California is an “active purchaser” and negotiates with carriers on behalf of consumers to deliver the best value within each of the 19 regions. In 2024, 12 health insurance carriers offer coverage through the marketplace.



Covered California welcomed a new health plan to the marketplace, the Inland Empire Health Plan (IEHP), which serves Riverside and San Bernardino counties. Two existing plans, Aetna CVS Health and Health Net expanded their reach into new counties. Aetna CVS Health expanded into Alameda and Contra Costa Counties and Health Net expanded into Imperial County, offering more choice to consumers. Covered California also saw the departure of Oscar Health which withdrew all product lines from California. Oscar Health had previously served Los Angeles, Orange, San Francisco, and San Mateo counties. Consumers who had lost their coverage with Oscar Health were automatically enrolled into the lowest cost plan within their existing metal tier.

Rates in 2024

Covered California experienced a 9.6% average weighted rate increase for the 2024 coverage year. This increase is attributed to a variety of factors including a continued rise in health care utilization following the pandemic, increases in pharmacy costs, and inflationary pressures in the health care industry, such as the rising cost of care, labor shortages and salary and wage increases. However, when averaged over the last five years, the average rate change is just 3.6%. Covered California’s market remained stable, and with federal and state financial assistance, many consumers did not experience a change in their premiums and in some cases had their premiums and cost-sharing reduced.

California’s Individual Market Rate Changes

Year	2020	2021	2022	2023	2024	5-Year Average
Weighted Average	0.8%	0.5%	1.8%	5.6%	9.6%	3.6%

2024 Standard Benefit Design

Covered California plan designs are crafted to ensure enrollees get the right care at the right time. Covered California continued to offer competitive benefit designs that reduced the cost-share for a variety of services, making office visits even more affordable. Compared to the 2023 benefit design, cost-shares decreased for primary and urgent care visits for Bronze and Silver 73 products and for emergency care in Silver 73.



2024-25 Patient-Centered Benefit Designs and Medical Cost Shares

Benefits in blue are NOT subject to a deductible. Benefits in blue with a white corner are subject to a deductible after the first three visits.

Coverage Category	Minimum Coverage	Bronze	Silver	Silver 73 CA Enhanced CSR	Silver 87 CA Enhanced CSR	Silver 94 CA Enhanced CSR	Gold	Platinum
Percent of cost coverage	Covers 0% until out-of-pocket maximum is met	Covers 60% average annual cost	Covers 70% average annual cost	Covers 73% average annual cost	Covers 87% average annual cost	Covers 94% average annual cost	Covers 80% average annual cost	Covers 90% average annual cost
Cost-sharing Reduction Single Income Range	N/A	N/A	N/A	\$29,161 to \$30,120 (>200% to ≤250% FPL)	\$22,591 to \$30,120 (>150% to ≤200% FPL)	up to \$22,590 (100% to ≤150% FPL)	N/A	N/A
Free Preventive Care Visit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Primary Care Visit	After first 3 non-preventive visits, full cost per instance until out-of-pocket maximum is met	\$60*	\$50	\$35	\$15	\$5	\$35	\$15
Urgent Care		\$60*	\$50	\$35	\$15	\$5	\$35	\$15
Specialist Visit	Full cost per service until out-of-pocket maximum is met	\$95*	\$90	\$85	\$25	\$8	\$65	\$30
Emergency Room Facility		40% after deductible is met	\$400	\$350	\$150	\$50	\$330	\$150
Laboratory Tests		\$40	\$50	\$50	\$20	\$8	\$40	\$15
X-Rays and Diagnostics		40% after deductible is met	\$95	\$95	\$40	\$8	\$75	\$30
Imaging			\$325	\$325	\$100	\$50	\$75 copay or 25% coinsurance***	\$75 copay or 10% coinsurance***
Tier 1 (Generic Drugs)		\$19**	\$18	\$15	\$5	\$3	\$15	\$7
Tier 2 (Preferred Drugs)		Full cost per script until out-of-pocket maximum is met	40% up to \$500 per script after drug deductible is met	\$60**	\$55	\$25	\$10	\$60
Tier 3 (Non-preferred Drugs)	\$90**		\$85	\$45	\$15	\$85	\$25	
Tier 4 (Specialty Drugs)	20% up to \$250** per script		20% up to \$250 per script	15% up to \$150 per script	10% up to \$150 per script	20% up to \$250 per script	10% up to \$250 per script	
Medical Deductible - The amount you pay before the plan pays	N/A	Individual: \$5,800 Family: \$11,600	Individual: \$5,400 Family: \$10,800	N/A	N/A	N/A	N/A	N/A
Pharmacy Deductible - The amount you pay before the plan pays	N/A	Individual: \$450 Family: \$900	Individual: \$50 Family: \$100	N/A	N/A	N/A	N/A	N/A
Annual Out-of-Pocket Maximum	\$9,200 individual \$18,400 family	\$8,850 individual \$17,700 family	\$8,700 individual \$17,400 family	\$6,100 individual \$12,200 family	\$3,000 individual \$6,000 family	\$1,150 individual \$2,300 family	\$8,700 individual \$17,400 family	\$4,500 individual \$9,000 family

Drug prices are for a 30 day supply.

* Copay is for any combination of services (specialist) for the first three visits.

** After three visits, future visits will be at full cost until the medical deductible is met.

*** Price is after pharmacy deductible amount is met.

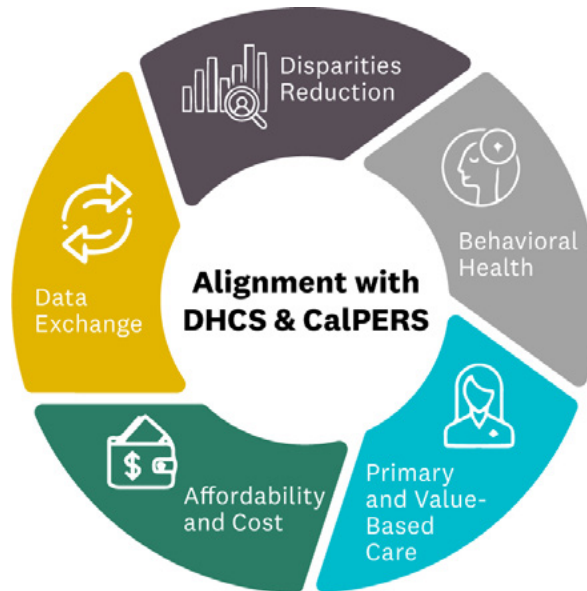
*** See plan Evidence of Coverage for imaging cost share.

Covered California may approve deviations from the benefit plan designs for certain services on a case by case basis if necessary to comply with the California Mental Health Parity Act or Federal Mental Health Parity and Addiction Equity Act (MHPAEA).

Equity and Quality Transformation

Covered California’s Equity and Quality Transformation (EQT) Division’s mission is to improve the healthcare delivery system and make care more equitable. Through meticulous research and stakeholder engagement, the EQT division strives to achieve a longstanding tenant of Covered California’s mission to reduce disparities and ensure that consumers are getting the right care at the right time. This work occurs across several channels.

Through Covered California’s “active purchaser” model, the EQT Division has worked to advance equity, quality and value through our Qualified Health Plan (QHP) Issuer contracts and through partnerships with the DHCS and CalPERS as the three public purchasers collectively cover over 45% of all Californians.



By aligning health plan contract requirements across issuers, Covered California, DHCS, and CalPERS are leveraging their collective bargaining power to improve outcomes and quality on behalf of their millions of members. Key contract provisions include advancing best practice in primary care and behavioral health, data exchange, disparities reduction, affordability and cost.

Additionally, the EQT Division has used the all-plan claims database, the Healthcare Evidence Initiative (HEI), to take an increasingly data-driven approach to plan engagement, delivering plan-specific insights and holding plans accountable on healthcare quality, utilization patterns, and equitable outcomes. EQT has used HEI data to understand outliers and drive discussions around telehealth and behavioral health utilization, bringing health plan leaders together to engage with these data and learn from best practices.

In 2023, Covered California launched the first cycle of the Quality Transformation Initiative (QTI) which sets direct and substantial financial incentives for Covered California's contracted QHP issuers to improve the quality of healthcare and to reduce health disparities. Specifically, the QTI focuses on improving care for a small number of clinically important conditions with meaningful impact on morbidity and mortality. These measures include controlling high blood pressure, comprehensive diabetes care, colorectal cancer screening and childhood immunizations. Failure to meet the QTI quality benchmarks will result in issuer payments. In 2024, Covered California will assess issuer performance and proceed with directing payments for any shortfalls of the quality goals.

Significant elements of the QTI are Population Health Investments (PopHIs - pronounced "poppies"), which will use the funds collected from health plans to directly invest in the health of Covered California enrollees. These evidence-based PopHIs were derived in consultation with stakeholders, consumers, and experts, resulting in three PopHIs being selected for 2025. The focus of the first PopHI will be on vaccinations for children by providing incentives to families for completing the 10-vaccine schedule for their children with an emphasis on the flu vaccine. Incentives would include direct contributions to CalKIDS savings accounts, financial coaching, and monetary incentives for basic needs. The second PopHI will address food insecurity by providing a monthly grocery stipend to consumers who are under 250% of the federal poverty level, have a chronic condition, and are food insecure. The final PopHI will support equity efforts for primary care providers who serve both Medi-Cal and Covered California members through one-on-one practice level coaching to enhance value-based care, strategies to reduce disparities, and workforce investment needs.

Promoting Oral Health through Dental Coverage

All Covered California health plans include dental care for children without additional cost. Covered California enrollees may also separately purchase a standalone adult or family dental plan in addition to their health plan. Covered California offers consumers choice of dental plan types—dental health maintenance organizations (DHMO) and dental preferred provider organizations (DPPO) -- that best serve the consumer's needs. Covered California's participating dental carriers for 2024 include

Anthem Blue Cross, Blue Shield of California, California Dental Network, Delta Dental of California and Dental Health Services.

For 2024, Covered California’s weighted average rate change for dental was 4.31 percent which was the first rate increase since 2020. However, Covered California saw 329,501 standalone dental plan purchases in 2024 which is a 10.97 percent increase from the prior year and a 68% increase since 2021. While Covered California saw rate decreases the past two years, the fluctuations of the healthcare environment post pandemic have been a factor in rates increasing. Nonetheless, when averaged over the past three years, the rate increase is just 0.55 percent. On average, Covered California’s consumers who have opted to include dental coverage pay \$26 a month.

Dental Rate Change Average Over Three Years

Year	2022	2023	2024	3-Year Average
Weighted Average	-0.95%	-1.7%	4.31%	0.55%



Covered California for Small Business (CCSB)

Covered California for Small Business, or CCSB, is Covered California’s marketplace for small businesses with up to 100 employees. Through CCSB, small employers can select health and dental coverage plans for their employees from a variety of competitive carriers that abide by all of the ACA’s coverage requirements. CCSB offers California small businesses tax credits to qualifying small businesses to offset the cost of providing insurance to employees, consumer choices of EPO, HMO and PPO plans from competitive carriers, and streamlined administrative overhead for small businesses to offer coverage to their employees.

In 2024, health carriers offered by CCSB included Blue Shield, Kaiser Permanente, and Sharp. The dental carriers offered through CCSB were Delta Dental, Dental Health Services, and California Dental Network. In 2024, CCSB’s weighted average rate increase for 2024 was 8.9%. In the past fiscal year, CCSB had 76,929 members from 8,928 actively enrolled employer groups.

Covered California’s Fiscal Year 2023-24 Budget

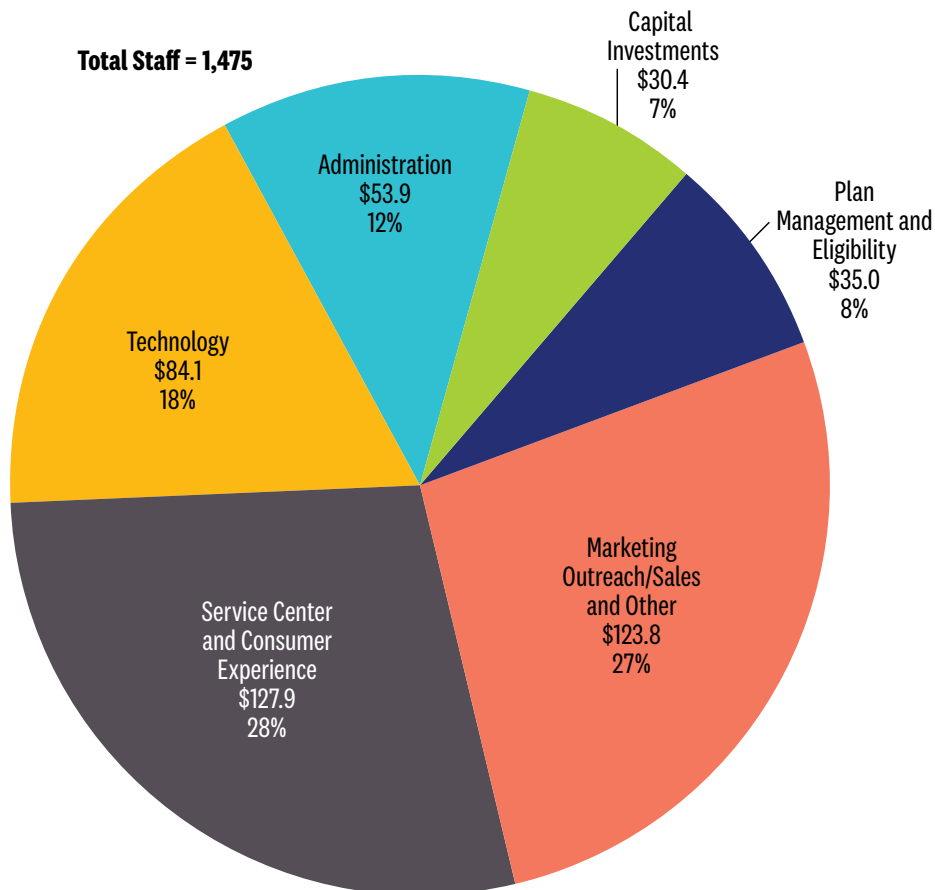
Covered California would not be able to reach success without consistent and intentional budgeting that meets current needs and supports a vision for the future. The [2023-2024 fiscal year budget](#) balances support of the [Strategic Plan](#) along with Covered California’s other critical needs. The expenditure budget for 2023-24 was \$455.1 million. Key highlights of the budget included \$22.2 million in additional funding dedicated to support the Medi-Cal continuous coverage unwind and auto-enrollment process for those losing Medi-Cal eligibility. Another \$3 million was invested in improvements to Covered California’s information technology and information management. CCSB was allocated \$1.1 million to support the program, and \$2.6 million was put toward advancing the various goals and priorities from the strategic plan.

This budget builds on Covered California’s history of investing in marketing and outreach, the Service Center, and health navigators to ensure Californians know about affordable, high-quality health insurance available through Covered California while minimizing gaps in coverage for those transitioning out of Medi-Cal.

The chart below provides a breakdown of the 2023-24 fiscal year spending.

Covered California’s Fiscal Year 2023-24 Operating Budget by Major Functional Area (Dollars in Millions)

Total: \$455.1 Million



Looking Ahead to the Next Fiscal Year

Greater Financial Help for More Consumers

Thanks to federal and state investments, consumers will be offered the most generous financial assistance ever available through Covered California with nearly 25 percent of current enrollees estimated to have a \$0 premium in 2025. The enhanced federal premium assistance currently available to Covered California enrollees is available through the end of 2025, and further or permanent extension is under discussion in Congress. At the state level, Governor Newsom and the California Legislature increased the amount of state funds available for the Enhanced Cost Sharing Reduction Program to \$165 million. Specifically, in 2025, Californians with incomes above 200 percent of the federal poverty level (FPL) will be eligible to enroll in an Enhanced Silver 73 plan with no deductibles and reduced out-of-pocket costs, while those under 200 percent FPL will continue to have access to higher levels of benefits. This change will enable Covered California to expand eligibility for the program to over 1.3 million Californians.

With uncertainty as to extension of the enhanced federal subsidies past 2025, Covered California is analyzing how the expiration of the Inflation Reduction Act enhanced federal premium tax credits would impact consumers and enrollment.

Expanding Marketplace Coverage to DACA Recipients

In May of 2024, the U.S. Department of Health and Human Services finalized a federal rule which modified the definition of “lawfully present” to include recipients of the DACA (Deferred Action for Childhood Arrivals) program, making this population eligible for health insurance through federal and state-based marketplaces for the first time. Covered California worked to implement this expansion and starting November 1, 2024, DACA recipients will be able to enroll in plans through Covered California and be eligible for both federal and state financial help.

Covered California is working diligently with stakeholder partners to ensure a smooth rollout of this coverage expansion and to enroll as many newly eligible Californians as possible. Strategies to reach this population include targeted multimedia marketing, educational webinars, dissemination of informational material, awareness raising events, and leveraging the reach of partner networks throughout the state. Covered California looks forward to the successful implementation of this new policy and is closely monitoring litigation challenging the federal rule.

QTI Results and New PopHIs in 2025

Covered California will assess the results from the first year of the Quality Transformation Initiative which requires plans to improve on a prioritized set of critical health outcomes. Covered California will work closely with plans to support their efforts to raise performance, and hold plans financially accountable for failure to meet those goals. Funds collected through this process will be stored in the Quality Transformation Fund and will support the implementation of three Population Health Investments (PopHIs) in 2025. The aim over time is for Covered California’s health plans to

make the investments needed to catalyze improvements in health care quality and ensure equity is more deeply enmeshed in the healthcare delivery system.

For 2025, Covered California will implement the initial three PopHI projects which will be funded by Quality Transformation Fund dollars and will begin the process of determining which PopHIs will be deployed in 2026. Covered California intends to conduct robust analysis of the program and deliver findings on the success of the initial PopHIs which include 1) increasing childhood vaccinations with higher education and financial literacy incentives for parents and guardians 2) reducing food insecurity with supplemental income and 3) supporting providers in implementing equity focused strategies like value-based care and other needs. Covered California hopes that these initiatives will add to the body of research on disparity reduction in healthcare broadly and make a tangible difference in the lives of consumers benefiting from the program.

