



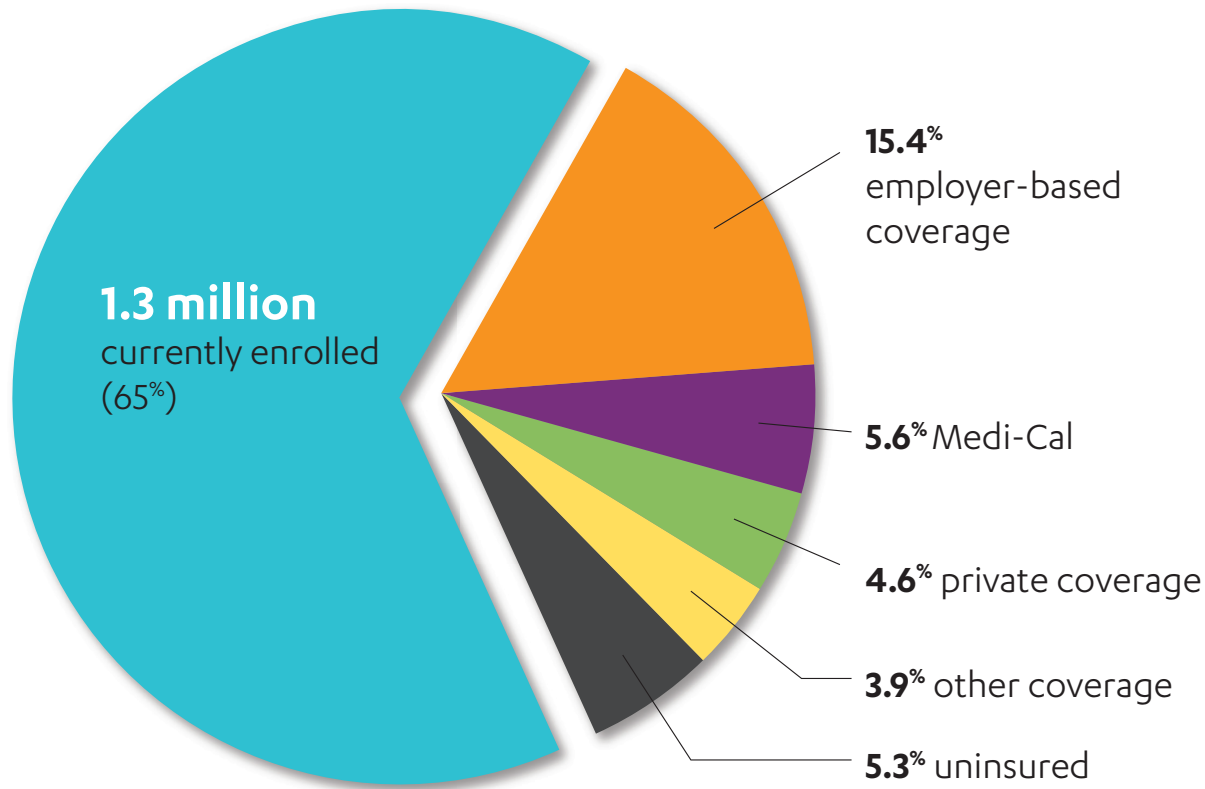
Active Membership — An Evolving Picture

October 8, 2015



More Than Two Million Consumers Served by Covered California

The majority of those served have continuous coverage and of those who have left Covered California, the vast majority (85%) continue to have health insurance.



- Prior to 2014, Covered California forecast that ~ 1/3 of enrollees would leave coverage on an annual basis.
- In the period from January 2014 through September 2015, more than 2 million Californians have had coverage for some period of time, with ~ 700,000 of those no longer active in June.
- As of June 2015, the actual annual rate of disenrollment is about 33%.
- Based on recently completed survey conducted of Covered California members who left (“disenrolled”), the vast majority (85% of those terminating) left to get employer-based, Medi-Cal, Medicare or other coverage.

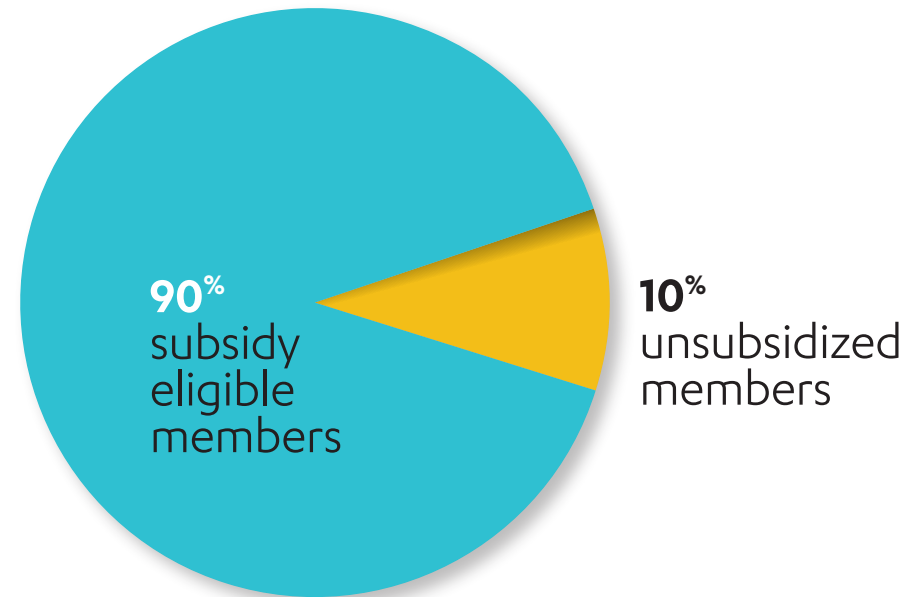
Estimated from Covered California enrollment data and 2015 Member Survey (n=3,373).



Active Members

- **Active membership is strong and meeting projections:**
 - ~1,307,000 members in June 2015
- **Special Enrollment sign-ups above expectations**
 - Rate of churn out of exchange to other coverage also higher than forecast
- **Enrollment model is still evolving:**
 - Based on less than one full cycle of experience — especially true when focusing on “churning” consumers.

Vast Majority of Active Members Receive Financial Help



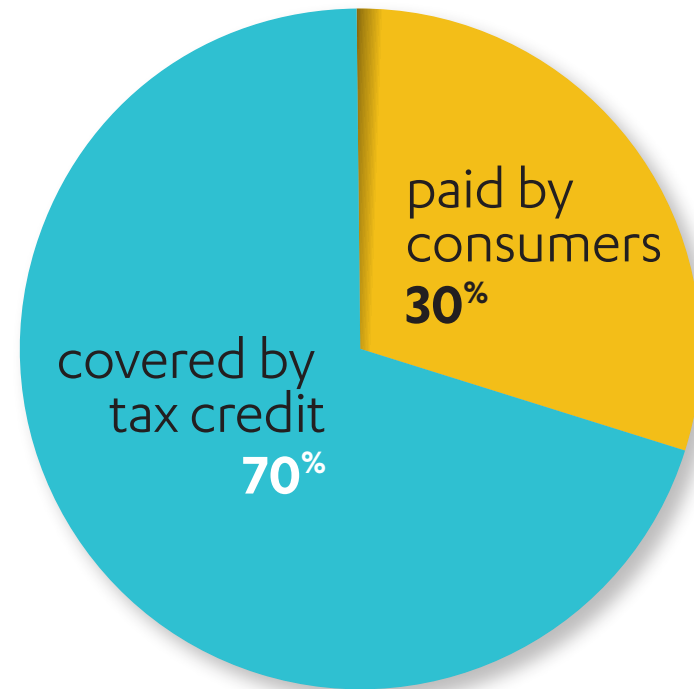


Affordable Coverage through Premium Assistance

**Average Premiums, Average APTC, and APTC as % of Gross Premium by Subsidy — Policy level
Month of June 2015**

Subsidy Eligible	
Number of policies	777,758
Average Gross Premium	\$ 594
Average Net Premium	\$ 157
Average APTC	\$ 436
Average Net Premium as percent of Gross	70%
Unsubsidized	
Number of policies	83,677
Average Gross Premium	\$ 516

Average Premium Assistance Reduces Monthly Cost by 70 Percent





Choosing Plans with Best Value

Cost-sharing subsidies help reduce the cost of getting services and the enrollees who are eligible for the largest cost-sharing subsidies are overwhelmingly enrolled in enhanced silver health plans, which means they have reduced copayments when going to the doctor, getting lab tests, and more.

- Over 670,000 Covered California enrollees benefit from cost-sharing subsidies that make accessing care more affordable.
- Over 90% of consumers eligible for Enhanced Silver 94 coverage are choosing Silver over Bronze.
- Similarly, over three quarters of individuals who are between 150% and 200% of the federal poverty level are also choosing an Enhanced Silver plan.

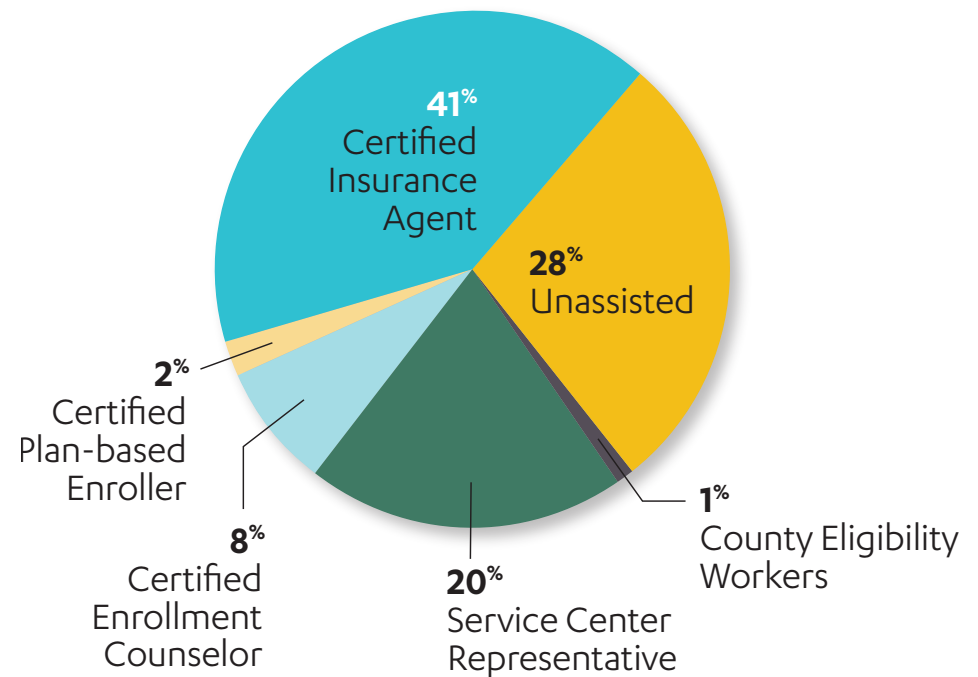
Tier of Health Plan by Federal Poverty Level Members in June 2015				
	138% FPL to 150% FPL	150% FPL to 200% FPL	200% FPL to 250% FPL	250% FPL to 400% FPL
Metal Level	(column %)	(column %)	(column %)	(column %)
Minimum Coverage	0%	0%	0%	1%
Bronze	8%	17%	33%	39%
Silver	91%	79%	56%	43%
Gold	1%	2%	6%	10%
Platinum	1%	2%	5%	7%



Diverse Service Channels Provide Key Assistance

- **Certified Insurance Agents and Certified Enrollment Counselors continue to reach key populations:**
 - Certified Enrollment Counselors continue to reach Latinos, and especially consumers who prefer Spanish, in large numbers.
 - Asian consumers much more likely to enroll with Certified Insurance Agents.
- **Unassisted enrollment through the website remains method of choice for 26-34 year olds.**

Active Members in June 2015
by Enrollment Service Channel





Membership by Race/Ethnicity

Race / Ethnicity Roll-up by Subsidy Eligibility		
	Subsidy Eligible	
Race / Ethnicity	Members in June 2015	CalSIM estimate of eligible population
Asian	22.9%	20%
Black or African American	2.4%	5%
Latino	29.8%	37%
Other	7.4%	4%
White	37.6%	33%
(nonrespondent)	25.4%	
Grand Total	100%	100%

- Covered California’s enrollment has improved to better reflect the demographic mix of subsidy eligible Californians, this improvement will take time to be fully reflected in active membership, which is a point-in-time that reflects all enrollment since January 2014.
- Covered California is also in the process of seeking to better understand of the extent to which there may be demographic differences in:
 - (1) rates of “effectuation” (paying premium after enrolling);
 - (2) enrolling during Special Enrollment;
 - (3) disenrollment and where people go upon disenrolling (employer-based coverage, Medi-Cal, etc.)

* All % calculations except the non-respondents calculated out of respondents only. Non-respondent % is of total population of enrollees.