



March 1, 2016

Diana Dooley, Chair
Covered California Board

Peter Lee
Executive Director, Covered California

Covered California
1601 Exposition Blvd
Sacramento, CA 95815

Re: Covered California's 1332 Waiver – Allow Undocumented Californians and DACA Recipients to Purchase a Health Plan through Covered California

Dear Ms. Dooley and Mr. Lee,

I am writing on behalf of the California Primary Care Association, and in partnership with our Health4All Coalition partners, to urge Covered California to seek a 1332 Waiver that allows undocumented people and Deferred Action for Childhood Arrivals (DACA) recipients to purchase a health plan through Covered California. The California Primary Care Association (CPCA), is the statewide leader and recognized voice of California's community clinics and health centers (CCHCs) and the patients they serve. CPCA represents 1,100 non-profit CCHCs that provide comprehensive, quality health care services to more than 5.6 million low-income, uninsured and underserved Californians who might otherwise not have access to health care. Our comments below are consistent with those we provided during public comment at Covered California's Section 1332 State Innovation Waiver Meeting held on February 23, 2016.

Current policy specifically excludes undocumented people and DACA recipients from purchasing their own health insurance through Covered California due to their immigration status.¹ It does not reflect

¹ In 2010 Congress passed the Affordable Care Act that excluded undocumented immigrants from participation in state Exchanges and the Medicaid expansion. Existing rules excluded the undocumented from Medi-Cal were maintained. In August of 2012, President Obama's administration established regulations preventing those approved for Deferred Action from access to exchanges under the Affordable Care Act.

our values as a state, or serve the common good, to leave hundreds of thousands of workers, students, and family members without treatment for preventable ailments. Allowing undocumented people and DACA recipients to access Covered California ensures everyone has the opportunity to view and choose from a wider range of health care plans.

Currently there is legislation moving in Sacramento that would make our healthcare system more inclusive. One of the provisions in SB 10 (Lara) would direct the state to apply for a waiver under Section 1332 of the Affordable Care Act, to allow all Californians regardless of immigration status to purchase health care coverage through Covered California with their own money. While this proposal does not include subsidies, it is a significant step forward as it removes an unjust barrier to health coverage and would make California's implementation of the ACA more inclusive.

Additionally, we believe the Section 1332 waiver also serves as an opportunity to reevaluate California's approach to providing comprehensive coverage to the Newly Qualified Immigrant (NQI) population. The Affordability and Benefit program for NQIs is a program to help pay for private insurance for newly qualified immigrants who are subject to and have not met the five year bar requirement and are not pregnant, 21 years of age or older and less than 65 years of age, have no child(ren) under the age of 21 living in the home who are eligible for Medi-Cal, have household income that equals or is below 138% of the Federal Poverty Level (FPL), and are otherwise eligible for Medi-Cal benefits if not for the five-year bar requirement. This program is still under development and not expected to be operational until 2017. Once operationalized, such persons will be required to enroll into Exchange coverage. DHCS will pay, on behalf of the individual, insurance premiums minus their applicable premium tax credits and cost sharing charges so that the individual has the same cost sharing charges as he/she would have had under Medi-Cal.

As implementation discussions continue, CPCA, as well as consumer organizations, have growing concerns that the current program design will be unintentionally burdensome for the consumer and broader system and will not allow consumers the expanded access they need and deserve. Most importantly to CPCA, this program puts continuity of care at risk, destabilizes current treatment, and divides families between programs of coverage. Lastly, we fear, as income and household conditions change, as pregnancy is reported, and/or persons hit their "fifth year," consumers will be regularly moving between Medi-Cal and Covered CA. For these reasons, we would like to encourage dialog on how we can use the 1332 waiver to provide Newly Qualified Immigrants with comprehensive coverage in Medi-Cal by applying premium tax credit funds to the Department of Health Care Services. This promising proposal was first introduced by Western Center on Law and Poverty at the February 23rd meeting. We believe this solution avoids continuity of care issues, keeps one program of coverage for the whole family, and simplifies the delivery of other Medi-Cal services to this population. We also believe there are no additional costs to the federal government. Of great importance, sending the premium tax credits to DHCS in order to keep newly qualified immigrants in

a state-only Medi-Cal program meets the 4 “guardrails” or requirements of the 1332 waiver: coverage, affordability, comprehensive, and federal deficit neutrality.

We thank Covered California for being a national leader – creating the space of stakeholder engagement and starting this critical conversation. Covered California can set a powerful model for the nation by being the first statewide exchange open to all residents regardless of immigration status. We urge Covered California to support the above mentioned proposal by seeking the 1332 Waiver. Let’s ensure that we fulfill with the vision of the Affordable Care Act by expanding opportunities for health coverage for all who call California home.

Sincerely,

A handwritten signature in black ink that reads "Carmela Castellano Garcia". The signature is written in a cursive, flowing style.

Carmela Castellano-Garcia
President and CEO
California Primary Care Association