



App-Based Drivers (Prop 22) Health Insurance Stipend Quick Guide

Overview

Covered California has been working with industries providing health insurance stipends to contracted workers – qualified individuals can now access health coverage through a Special Enrollment Period (SEP) using the “Newly qualifies for health insurance stipend” Qualifying Life Event (QLE) in the Special Enrollment dropdown menu in CalHEERS. Covered California will continue to offer a “Proof of Coverage” document to enrollees, available as a downloadable PDF.

App-based drivers (Proposition 22)

What is Proposition 22?

Proposition 22 was passed in November 2020 and requires California app-based network companies (such as Uber, Lyft, and Instacart) to provide health care stipends to qualifying app-based drivers on a quarterly basis, based on certain criteria. The stipend amount is tied to the average statewide monthly premium for an individual Covered California bronze health insurance plan, depending on the number of qualifying hours driven in a calendar quarter.

Average Statewide Monthly Bronze Premium

Covered California [posts the average statewide monthly premium for a bronze plan](#) every year by September 1. For 2024, the [average statewide monthly bronze premium](#) is \$597.

How Much Are Drivers Eligible to Receive?

The stipend is either 82% or 41% of the posted average statewide monthly bronze premium.

- Drivers who average 25 or more engaged hours per week during a calendar quarter could receive the full stipend amount: \$490 per month.
- Drivers who average at least 15 engaged hours but fewer than 25 engaged hours per week during a calendar quarter could receive half of the stipend amount: \$245 per month.

What Are Engaged Hours?

Engaged time is the amount of time a contract worker is actively providing a ride or delivery for the company. This is the time from when a driver accepts a rideshare or delivery request to when they complete the rideshare or delivery request.

When is the Stipend Paid?

Unlike financial help through Covered California, such as Advanced Premium Tax Credit (APTC), the Proposition 22 stipend will be paid by app-based network companies directly to their eligible drivers quarterly. In this way, it functions like a reimbursement for monthly premiums already paid by the consumer, although drivers are not required to use it solely for premium payments.



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Stacking Financial Help

Consumers who are app-based drivers may be eligible for APTC in addition to being eligible to receive the Proposition 22 stipend. An app-based driver averaging at least 15 hours of engaged time per week for an entire year may be eligible for over \$2,700 each year in stipends from their app-based network company to offset their paid premium costs; drivers averaging 25 hours or more may be eligible for over \$5,400 a year — in addition to whatever financial help they may be eligible for to reduce their net monthly premiums. App-based drivers should contact their network company to determine whether the stipend is available.

Proof of Coverage

As a condition of paying the stipend to eligible app-based drivers, app-based network companies may require proof of current enrollment in qualifying coverage, submitted each quarter. A proof of coverage document is available for consumers or their delegates to generate on the Account Home Page for their case. Once generated, a copy is stored within an enrolled consumer's *Documents and Correspondence* page within CalHEERS; this document may be downloaded as a PDF for submittal to the app-based network companies. Other forms of acceptable proof of coverage include documents from the Covered California insurer, such as a health insurance card, evidence of coverage and disclosure forms, or claim forms and other documents necessary to submit claims.

The Covered California Proof of Coverage document will be available for a given quarter once that quarter has been completed (e.g., Quarter 2 will be available on 7/1, Quarter 3 will be available on 10/1, and so on).

What Health Insurance Coverage Qualifies?

App-based drivers seeking the stipend must purchase their health insurance coverage through Covered California or another individual market plan paid for directly by the driver. App-based network companies do not have to pay stipends for insurance that is obtained through Medicare, Medi-Cal, or other employer-sponsored insurance (ESI) such as that obtained from another job. Minimum Coverage plans purchased on the individual market do qualify for the Proposition 22 stipend; however, federal financial help is only available to eligible consumers who purchase a plan through Covered California.

How to Enroll a Newly Eligible App-Based Driver

App-based drivers should consult their network company to learn whether the stipend is available and whether they qualify for it. If so, a Qualifying Life Event (QLE) is available in the Special Enrollment dropdown menu in CalHEERS: *"Newly qualifies for health insurance stipend"*.



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Both new and existing drivers qualify for this QLE, even if they already have a Covered California plan:

- A new driver who begins working for an app-based network company may use this qualifying life event, including drivers who may drive for a different app-based network company. New app-based driver enrollees using this QLE will receive coverage effective the first of the month following plan selection. Remember, new app-based driver enrollees will need to pay their first premium to effectuate their coverage, and they must pay the subsequent monthly premiums themselves.
- An existing driver may use this QLE if they attest that at the end of the calendar quarter, they newly expect to qualify to receive the stipend.
- A driver who already has a Covered California plan may use the QLE to change their plan to a different metal tier or product. **Important note:** A consumer who changes their plan after the start of the year should first consider the many factors involved, including any services received to-date (because accruals toward their deductible may not transfer to their new plan), paying a new binder payment, selecting a new primary care physician (because provider networks vary among plans), and setting up a new autopay account.

SCENARIO MATRIX SUMMARY

	Qualifying Individual	Triggering Event	Qualifying Life Event Date	SEP Window	Coverage Effective Date
Current CCA Enrollee	New Driver	Becomes a new driver*	Date becomes new driver	60 days from QLE	First of next month following RAC
	Current Driver	Expects to qualify for driver subsidy	Date of CCA RAC	60 days from QLE	First of next month following RAC
Not a Current CCA Enrollee	New Driver	Becomes a new driver*	Date becomes a new driver	60 days from QLE	First of next month following plan selection
	Current Driver	Expects to qualify for driver subsidy	Date of CCA application	60 days from QLE	First of next month following plan selection



* New driver for app-based network company that offers the new subsidy