

*Below are the responses to a request for feedback on Evaluating Agent Commissions and Sharing Ministry Plans. These questions and comments are from a variety of sources and have not been edited.*

<p>What do we offer someone that does not have a SEP and missed enrollment but wants to buy insurance before the next open enrollment?  <b>- Ron Almaraz, Healthmarkets Insurance Agency</b></p>
<p>In the absense of ST plans, thre are significant enough numbers of uninsured individuals that require some type of coverage regardless of limitations. SO in the absense of ST plans altogether. There must be some type of limited coverage plans.  <b>- Jeff Babcock</b></p>
<p>Covered Ca agents SHOULD NOT be allowed to sell Ministry plans!!!  <b>- Laura Barbro</b></p>
<p>Can undocummmented immigrants sign up for the Ministry plans? Instead of selling illgal immigrants ministry plans, why cant covered CA accept to sell plans to illgal immigrants since CoveredCA will not allow people to sell ministry plans?  <b>- Adan Buenrostro</b></p>
<p>Those people in ministry plans who get sick when open enrollment comes up they come in and jump into a Covered CA plan so they get their medical coverage  <b>- Marvin Cohen, Clock Insurance and Financial Solutions Inc</b></p>
<p>Covered CA could offer a few Shared Ministry Plans that is screened and monitored on your own level... maybe you can team up with one of them...  <b>- Jay Cohen, Cohen Insurance Services</b></p>
<p>The analysis of Health sharing plans omitted the fact that many individuals who did not qualify for premium assistance are fosed to pay anywhere from \$1000, \$2000, \$3000 for health insurance, and many are going uninsured. Health sharing Plans is a valid option for them and as a licensed agent, we should be providing options. I endorse option 2 for now. I sell health sharing plans, but no one in my opinion that qualifies for premium assistance would benefit from a health sharing plan. In most cases there are no conflict with Cov Ca plans. Maybe our agent agreement could specify our committment to offer Health Sharing (if the agent does) only when a consumer does not qualify for Covered California Premium Assistance.  <b>- Daniel Gerald</b></p>
<p>Shared ministry plans are a false security. Once the bills pile up, they recommend the consumer apply for Medi-Cal. This should be illegal; yet, it is a common billing practice.  <b>- Carmen Flores, My Health Star</b></p>
<p>To reduce the Ministry Plan enrollments, perhaps there can be a hospitalization/surgery only plans for a reduced premium. The Bronze plans are so expensive for those healthy &amp; that is why they leave to seek alternative lower premium cost Ministry plans.  <b>- Cat Gautieri</b></p>

RE: Ministry Plans...If this is ALL that is available to someone during Lock-Out, what do you expect them to do? Also, if someone can't afford a ACA plan, what do you expect them to do? Aren't these plans better than nothing? When we sell these to clients, we ABSOLUTELY let them know that these are NOT insurance and NOT guaranteed. It is better than self-insuring, which is where quite a few people will go if we don't solve the problem of the HIGH COST OF HEALTH CARE which directly impacts the HIGH COST OF HEALTH INSURANCE. The real problems are not being addressed...Sorry for the frustrated tone.

- **Anna Grubbs-Hodel, Grubbs Insurance**

The key is cost when it comes with Ministry plans. I do not sell these and do not want to do that at all. I do not want to enroll my clients in plans that are not comprehensive. Liberty Health Share states that by filling out a certain a form the enrollee becomes compliant with the ACA. This is key. The penalty is clearly one of the potent ways to make sure people enroll in COVERED CA. Also, make sure all Ministry plans become non-compliant by law or regulation.

- **Neil Hamady**

People will buy Sharing Ministries plans because they are affordable and they would rather have something...better than nothing. 34% of their income for a true health insurance policy is just not affordable In other words, will you be forcing us agents to make a decision to leave our Covered CA book of business behind, if we choose to write Medi-Share plans?

- **Marc Harris**

On health share, if Newsome/legislature can expand the tax credit (especially for people in their 50's/60's) then the health share goes away. Also, short term going away is a problem for people who lapse cov and have no other option. I would think health share question is tabled till we get resolution of expanded tax credit and/or short term option. Otherwise, people have no options. Thanks!

- **Dennis Jarvis, Goodacre Insurance Services**

If the sharing ministry plans are federal law how can they be outlawed?

- **Robert Jetter**

Require CovCA to provide clear info prior to enrolling ...

- **Dale Johnson**

Opinion: I Agree. I haven't seen CIA's also selling Ministry plans. These are not insurance plans and most often sold by "product marketers", not true insurance professionals. CIA's should not sell these plans. Opinion: Agree, good idea to separate CovCa brand from these harmful products (bad seatbelts).

- **Michael Lujan, Oscar**

For 2019 I enrolled in a health sharing ministry for a fraction of the cost. My only complaint about health sharing so far is the network is not very robust. Our job is to educate our customers and we do that very well. We don't need you to be big brother and prohibit the types of products we can sell. We are looking for the "right" solution for our clients. Of course if we can get clients a subsidy we would prefer to put them into Covered California. But for other who don't qualify for a subsidy then the lower cost plans might be an attractive alternative.

- **Cathy Little**

PS I do not sell Health Sharing plans - I am just offended by current insurance premiums. Is the growth of ministry plans a product of the rise in unaffordable premiums, ban in STM, and drop in agent commissions? Based on your chart, premiums have gone up 117%, commissions have dropped 55%, while enrollments have only gone up by 27% when comparing 2013 and 2018 data?

**- Loretta Loma**

I believe at a presentation by Alieria, it was stated that Mental Health Benefits were Not Covered. I was told in answer to my question, the presenter said he would not enroll anyone into the plan who was on psychotropic drugs!!! I walked out shortly after. I believe, I was told, there is a waiting period of 9 months to be eligible to get a physical exam!

**- Marsha Marcus**

Not an easy thing to do but if Cov CA is very concerned with these Ministry plans then do not allow them in Ca just like Short Term plans. I do not agree with disclosing (mandated) of our agent commissions. With all the Ministry advertising, if we do not sell it we lose the business? What is CC' motivation regarding these Ministry plans? Meaning, Are you discouraging them because they do not provide real insurance benefits or they will take more people away from Cov Ca plans thus reducing the healthy risk pool? or both?

**- Kip Meredith, Alan Kip Meredith DBA Meredith Insurance Center**

Are certified agents prohibited from selling Ministry plans and if so, wouldn't damage our relationship with Covered California? why dont you make SEP more flexible to circumvent Ministry Plans?

**- David Miller**

Have you thought about that by restricting these shared ministry plans, you might be taking away tools/products that might help agents meet their clients healthdcare needs?

**- David Molano**

I wouldn't touch it with a 10 foot pole! Not covered by my E&O! Be sure to mention the E&O issue regarding Sharing Ministry. Also, let us share horror stories of claims that didn't get covered by these plans.

**- Joe Partise**

I don't sell the ministry plans but everyone who asks me about it, I let them know the differences. Most of those people are the ones who don't get subsidies.

**- Michele Silveri**

I do not sell sharing ministry plans - but if someone can not afford even a bronze plan or they missed the open enrollment period I will let them know a ministry plan is the only option I know of for them. I give them a couple of names of plans. I will not sell the plans.

**- Terry Snow, Farmers Agent**

I agree to Prohibit CC Agents to sell these plans! These are not good plans!

**- Sandra Stevens**

Has Covered CA and the reform movement created the cost sharing movement you disparage? By the way, I don't write these cost sharing plans.

**- John Weiss**



Why don't you compare the Bronze plan to make it much more realistic? We don't sell ministry plans but our clients are going to them if they do not qualify for a subsidy because the rates are so out of control for a crummy bronze plan

**- Kristlin Wilson**

I suggest Covered California do audits at storefronts checking if they are selling healthcare ministry. If they do, remove them from storefront. As insurance agent, I agree that it has to be prohibited to sell Sharing Ministry Plans since it is not insurance product.

**- John Ramirez, Eco Benefits Insurance Agency**

Please do not make us do more work by having anyone sign off of the selling against or educating the prospect on the benefits of these types of plans. Although I do not sell them, its hard to tell someone it's just a bad idea. Healthcare is personal. We can almost say the same about the bronze plan and how expensive it is to use. BTW – taking away short term plan option is rough and will probably hurt many. When people step away from corporate plan, they walk into a world of the complete unknown. Its sad to know if someone errors and they find themselves uninsured on day 61, they don't have any options for a safety net, NONE!

**- Steve Moeller, SDMI Insurance and Financial Services**

As an agent who cautiously offers HealthSharing plans ONLY to non-subsidized, healthy persons without pre-X, I propose requiring agents to fully inform clients (as I now do) - and if they don't, it becomes a potential E&O claim.

**- Dale Johnsen**

Share ministry plans are a joke! It is insane we cannot sell short term medical plans but these are allowed. Ban all CC agents from selling anything not regulated by the DOI.

**- Angela Young, Health & Life Insurance Lady**

the reason why I bring up an issue that is probably not mentioned a lot or not at all but has been in my mind and other peoples minds, but especially by consumers and consumers' families and friends that are affected by this issue. This concern has to do with the fact that there have been a number of times that I get asked by consumers if I am able to help cover their family members, neighbors or friends who are referred to as "illegal immigrants." These people pay their taxes on a year to year basis but especially for the last 5 years and yet they have paid penalties for not having health insurance coverage. I feel that these people have been overlooked by us, especially as today's webinar was about Ministry Plans and how it seems that they are the only plans that at least are able to provide coverage savings. I am not a big fan of Ministry plans as the coverage is not insurance, but if I have a client that wants some piece of mind, I would like to have the plan that would at least that and if we're going to apply the penalty for not having insurance, these people can exempt from paying the penalty. It is heart breaking to believe that "illegal immigrants" make up a huge part of our economy in jobs that nobody else wants and its the reason why many small and big businesses employ them. Some employers even insure them under their companies but yet we cannot insure them under individual and family plans.

**- John R. Young**

I am concern about some of the proposals that you are suggesting to do to those of us already selling Aleria Plans. I am a agent that sells Medicare, Aleria and Covered CA plans and



<p>I assure you that all of my clients know and are aware about what plans they have SPECIALLY people that have chosen Aleria Plans so some of the proposals that you are creating will affect my way of doing business. I will like to involved in sharing ideas on how to keep offering Ministry Plans since I find them a great choice for a lot of my clients that dont qualify for subsities, do not have Critical Illnesses, and do not have a QLE</p> <p><b>- Jose Rodriguez, Optimized Financial and Insurance Services</b></p>
<p>I'm also glad you brought up the ministry plans. Our office does not write them. In addition to what was said on the webinar, we see these plans as a great liability to agents who write them. Since I am a licensed insurance agent, if I represent them they can be interpreted as insurance, even though they are not and even though you have clients signing waivers of understanding that it is not insurance. If something goes wrong with a claim, the agent could be held responsible with no E &amp; O coverage as back up. When I tell prospects who ask me if I write these plans that they are not insurance and so I steer clear of them, they understand the importance of that and what that means to them.</p> <p><b>- George Geldin, Geldin Insurance Services</b></p>
<p>I agree, commission driven Covered California Certified agents pushing ministry products need to be stopped right away... However not all ministries are paying commission. Christian Healthcare Ministries pays no commission and not all agents enrolling clients into ministries are commission driven. I sometimes offer ministries product to help people wanting insurance but who do not qualify due to legal status, undocumented. I have a couple great testimonies of people's lives being saved, because they had CHM and the ministry paid the ER and hospital bill just as they had agreeded. I currently have a client that's pregnant and except for the members monthly gift, the ministry is paying for her pregnancy, so there is a market for the ministry it's the motive behind the enrollment we need to look at</p> <p><b>- Audrey Reyes-Schiller, Salud Health Insurance Services</b></p>
<p>I agree that an agent selling a ministry plan should either cancel their CC contract or ministry. But really what is the ethics of the agent selling a plan that doesn't guarantee coverage</p> <p><b>- Joseph Iparaguirre</b></p>
<p>How about expanding the SEP and make it more flexible? The lock out period drives more people to purchase Ministry Coverages. Peter Lee's comparative analysis was very compelling and it should be incorporated in your marketing campaign and consumers educational forums.</p> <p><b>- David Miller</b></p>
<p>Yes please address commission issue ..and good idea agents cant sell cov cal if sell the ministry plans that hurt the people and the pool..will just dump risk</p> <p><b>- Michael Werner, Applied General Agency Inc.</b></p>
<p>I do not represent and ministry plans.</p> <p><b>- Sherry Davis Johnson, Sherry David Johnson Insurance Services</b></p>
<p>On HealthShare plans, it would be very difficult and a slippery slope to ban them. I think full disclosure is the answer also issues about freedom of religious rights</p> <p><b>- Robert Nassaney, Calnas Insurance Services</b></p>

I have sold about 10 plans so far but there are many other who may want it because of high premiums with traditional insurance. Medi-Share DOES have an alternative for pre-existing conditions that you have not shown. They have an extra program called "Extra Blessings" if someone struggles with paying for pre-existing conditions. They turn no-one down. All they need is a request from the member for help.

Medi-Share is not a big seller with me because many need coverage for prevention as well but when they can't afford Covered CA EVEN with the subsidy, then that is the last alternative for them and sometimes they can't afford it either. As an agent, I need more than one option for my clients. The faith based plans are at least another option for those who fit that mold. I would appreciate that you do not take the options from me. That is why I am in this business, to help people with all options on the market. Not everyone is going to choose one vehicle.

- **Connie E Bosserman**

I think the action to be taken should require agents to do due diligence in each individual case and disclose commission.

- **Jena Renee Vega**

I always recommend Covered CA unless the following situations exist: 1. A significant amount of people in CA do not want to participate in Covered CA, even when confronted with the Facts and benefits, and prefer the lower cost of lower cost Ministry plans....period. 2. A significant amount of people fail to sign up for Covered CA during open enrollment, and therefore have 8 months of exposure due to non coverage. The ministries give them a second chance option. Eliminating this option is just plain bad public policy. 3. You have a lot of angry agents in CA that would be happy to choose Health Care Sharing Ministries over Covered California, if forced to do so. 4. I am all for helping lower the cost of Health Care, even if it means a lower commission. But unfortunately, we have an Idiot President with a strong following that prevents attractive solutions to anything.

- **Rob Stegman**

I believe covered California has no business restricting duly licensed agents from selling any available medical insurance product . The best possible way to lower costs for insurance and to give consumers what they want and need, is through competition. Restricting choice is the worse option. If licensed agents do their jobs, they can educate their clients to the pros and cons of the choices they make. That should be between the agent and consumer and not mandated by Covered California.

- **Dennis Mastrantonio**

Ministry plans are NOT insurance and do not have the same benefits. I will not represent them. I think it is an E&O claim waiting to happen.

- **Margaret R Beck**

2. Regarding Christian share ministries, I agree that Agents should use this as a LAST resort and be completely honest and forth right with their clients. It's NOT insurance, but a share and they should only use this as a last resort and go in with eyes wide open. With that said, it's still the consumers choice and sometimes their last option. This should be left in the

hands of the consumer and not the government. Since we have open enrollment, they can always go back to regular insurance then if needed.

**- Terri Green, Green Health**

I've evaluated Medi Share and have advised my clients to enroll at their own risk. Buyer be aware! I lost several of my CoveredCA clients this last AEP due to cost savings they found by switching to Medi Share. This family of 5 has only minor Pre existing conditions and no one currently takes RX. They could no longer afford the high cost of a Blue Shield Bronze plan. I gave them full disclosure of the possible risks and they left CoveredCA anyway. The agent that enrolled them was paid a commission much larger than what I'd receive had they stayed with CoveredCA. I believe more and more agents will offer these plans to their clients. If CoveredCA won't allow an appointed CoveredCA agent to offer these shared care policies to their clients – agent will be forced to leave CoveredCA. Most of us can't survive on a 1% commission in the IFP market.

**- Phil Santoro**

While I have not sold any Sharing Ministry Plans, I have been approached by the companies on a regular basis. I agree that many of the limitations do not make it an attractive plan. With that said, I feel restricting/penalizing CC agents to offer these types of plans would result in a form of discrimination to the agents. I can see where there might be a fit for a small percentage of people (very small), for it certainly does not meet the requirements that I have for my client base. But it might be a "slippery slope" before we are being told that we cannot offer products from this carrier or that carrier, based on one company's position. Relative to commissions, it would definitely be in the best interest of CC to offer higher commissions to those of us who represent our clients.

**- Clark Hyman, Pacific Financial Group**

In addition, regarding ministry plans for clients who cannot afford the high premium but perhaps are able to fit into ministry plans that is a choice that the client makes. However, if CCA contracts business with them even better.

**- Jeanette C Louis**

I have not sold Ministry plans to this point. Because of the State of California banning Short Term Plans, I am now set up to do so (I haven't sold any yet). If I have a client without a LQE this is the only thing they can do. Sometimes, something is better than nothing.

**- Kip Meredith, Alan Kip Meredith DBA Meredith Insurance Center**

In terms of ministry plans, they should be banned. Please don't make it our responsibility to disclose to people what they are all about, what they cover and don't cover, etc. I don't sell them and never plan to sell them, and if I am forced to explain ministry plans to potential clients/clients, it will be the last straw. Unless you want to give us another responsibility with our reduced commission to hate the individual marketplace and the hoops we have to jump through to get paid, get rid of them.

**- Terri Yurek**

Ministry Sharing programs, it's my job to do due diligence when meeting with a consumer. I always state repeatedly that it is not insurance. I give the benefits and the limitations. I don't sell it because the one 'ministry sharing plan' I tell others about does not use outside agents (it is not Medishare). I think it would be ridiculous to suggest Covered Ca to regulate anything with these, mainly because they're not insurance. A good agent offers ALL options and let's the consumer decide. My 6 figure income is a direct result of this practice.

**- Laurel Jolliff**

I myself have a Christian Sharing program and have had it for over 3 years. I am healthy and almost 55 so the choice of going with a CC plan didn't make sense esp not qualifying for a subsidy. I am saving more than 70% over an HSA so you can see my point. I market these plans to clients that either can't afford the premium or are outside OE (with Full Disclosure that they are not Insurance Plans and to fully research before enrolling). I do not see what is wrong with this if agents are giving people options that CC cannot fulfill. I would love to hear your rebuttal

**- Eric Osborn, Osborn Insurance Services**

When open enrollment or special enrollment plans are available to the consumer, I NEVER would sell a Health Ministry plan in its place and I make that very clear to the client. But, in light of CC and direct insurers paying such low commissions, I have to survive. Now that open enrollment has ended, I just recently began selling health ministry plans to consumers who have no insurance and have NO OTHER CHOICES. When a consumer fails to pay their premium on time and gets cancelled and cannot be reinstated, I offer a Health Ministry plan. When a client just can't afford their employer premium for their dependents and are not eligible for open enrollment or a special enrollment, I sell a Health Ministry plan. I always tell them that when open enrollment comes around again, we need to purchase an Affordable Act plan. If there were any other viable options for insurance, such as short term plans I would never have to sell a Health Ministry plan, but there are not. What other choice does the consumer have, but to have nothing?

**- Dana Turner, Dana J. Turner Insurance Services Inc.**

I concur with the powerpoint that Peter V. Lee outlined. The healthshare plans are dangerous and many agents who sell them are not being honest with their clients. I personally will not sell something that would potentially put a client at risk for being denied coverage. I think California should not allow certified agents to sell these products as they are not in the interest of anyone other than the healthsharing organizations and the agents looking only at their commissions.

**- James Mohr**

I took the Alera Training with WOW Insurance agency. I did not sign up for 2 reasons; 1. The consumer has no recourse as this is not insurance and it is not regulated by the Dept of Insurance. 2. Wow Agency could not tell me what kind of nonprofit Alera is. Is it a 501(c)3 or 501(c)4? They did not know. I think the DOI and Covered CA should get these fake companies banned from selling their fake insurance to consumers. Or figure out a who the watchdog regulator is so that consumers have some level of recourse from these nonprofit "ministries"

**- Arturo Rivera**



Health Sharing Ministry Plans do not pay commissions in California. Agents do not have much incentive to recommend health sharing plans. Applicants with pre-existing conditions get coverage phased in over a 3 year period for those pre-existing conditions, then full coverage in year 4 and beyond. Liberty Health Share has a program to help those stop smoking, quit drinking and to resolve chronic conditions such as diabetes. ACA plans are too expensive for those that do not qualify for a subsidy and too expensive overall for taxpayers that pay the subsidies!!!!!!!!!! Medical care is too expensive and that problem has not been solved by the ACA. Applicants with pre-existing conditions get coverage over a 3 year period for those pre-existing conditions, then full coverage in year 4 and beyond. Liberty Health Share has a program to help those stop smoking, quit drinking and to resolve chronic conditions such as diabetes.

**- John Kemmer**

I am a Covered CA agent and as a Christian I do offer a Health Sharing Ministry plan through Alieracare. I personally am covered under this plan for many reasons. 1, the premiums are considerably less than the ACA plans. I would be paying over \$550 for a Bronze plan with a max out of pocket of over \$7300, my out of pocket max on my Alieracare plan is \$5000, and my premium is only \$305/month! 2, the commission paid on all plans is 15% compared to the roughly 2% I earn on an ACA plan. The bureaucrats in Sacramento and Washington have destroyed the agent commissions paid by the carriers so that we can barely make a living selling ACA health insurance plans. 3, No open enrollment period to enroll. This is huge for those who don't qualify for a special enrollment condition. Grant it these plans are not for everyone but for those who don't want to pay the ridiculously high premiums of ACA plans they offer a viable alternative. Please don't ruin this valuable alternative for agents to serve their clients and at the same time earn a decent living!

**- Brad Purcha, InsuranceKO, Aflac**

If there is concern about the 100,000 Californians in Sharing Ministry plans, provide funds to the CA dept of Consumer Affairs to have oversight of plans in California.

**- DeeAnn Dickson**

I think that Ministry plans should be available to those clients that want and need it.

**- Gail Amyer**

2) Christian ministries provide coverage when someone has lost their coverage and is not in a special enrollment. I think I may have 10 families that have been in that situation. So if we eliminate that product these people will have no coverage and who does that help. Yes it is NOT insurance and I make sure the people know that. There is no recourse if there is a problem and I want them to realize that also. But my response would be it is better than nothing. Please don't tie my hands by telling me I can't sell this product. I really think if Covered Calif. tells me I can't sell or offer that type of plan, that is NOT the right thing to do. Again you would be hurting people.

**- Charles Showalter**

For the health sharing ministry plan. I currently do carry it but only offer to a few consumers that are most suitable in my opinion. Living in the Bay Area, for family of four with income around 150k - 200k still is hard to survived. For small business owner I work with, they are mostly in this income range, if they getting regular health insurance, family for four easily cost over 30k a year, and this can hurt their grow in business due to less money in cash flow. Also for people receiving early retirement and rely on income generate from their assets accumulated during their life. Getting health insurance without subsidies definitely will hurt their future retirement lifestyle.

I only carry Alera health sharing ministry plan at this time. It's design for healthy good citizen. when enrolling in the plan, they required consumer understand it's not a health insurance and the limited coverage, which I always let my client know about it at the beginning.

Without mandate health insurance penalty, many healthy middle class consumer used to enroll in bronze plan drop covered CA. From my observation, only a small percentage of them switch to health share ministry plan. Majority of my client drop covered CA do not enroll in any health plan because they know in case they do get into medical emergency situation that would be expensive, they can stop working and apply for medi-cal right away. In addition, many doctor office charge cash patient less than \$75 per doctor visit. They just don't see the need to enroll in regular health plan even with subsidies. That's is same as those people who would rather paying penalty than enrolling in a health plan in the last couple years.

Health insurance companies used to have limited coverage plan just like the health share ministry plan. If we allows health insurance company able to offer those grandfather plan again, I'm happy to switch all my Alera clients even with less commission to support the health insurance companies. This can help insurance company reduce their lose ratio and offer a better premium

**- Yanna Chen**

Thank you for the opportunity to express my viewpoint this very important. I have been an agent twenty years now, and I have seen many questionable products enter and leave the market. I learned early on not to sell any product that is not approved by the California Department of Insurance. By the time the DOI gets done with the approval of a product, one knows that product is what it is. Since the inception of Covered California, I have sold three short term health plans. They met a definite need and took care of my client. With the loss of short term insurance, I have started looking at the Share Ministry Plans as an option. These products scare me, their growth has been explosive, and they have a way too much new business to know if they can survive any major adverse selection issue. With that said; they seem to be the only alternative to short term medical plans.

I like the idea that Covered California Agents being required to provide clear information about the risks and benefits of Sharing Ministry plans. I also recommend that the form be available for agents to use in their public presentation on health insurance plans. For example, I am a member of a business organization where one of the members is an advocate for Share Ministry Plans. It worked for him; it saved him money, and he refuses to believe that there can be anything wrong with them. These plans are taking healthy people out of the risk while placing them at financial risk.



If you look into Case Number 500491152, you see where Covered California is creating a need for the Sharing Ministry plans. The client didn't get her binder payment into Western Health Advantage on time. No matter how hard one tries, sometimes the clients don't listen. WHA recommended that I get the binder payment into CC before their feed to cancel the policy was picked up by CC. WHA told me to ask CC to send them a feed, and they will reinstate the client.

CC is saying WHA will have to send a feed to cc saying that they received payment and that she is enrolled. Then cc sends a feed back to WHA. Ref 190225-002430.

WHA final response was "Hi Norm, Our back office has given me this final answer, and I have passed it on to you to help you explain this to the member. If Covered CA is telling her to call WHA back, then the answer is no. If Covered CA will grant this WHA will process it." The client is a small business owner who landed a large account and time, and the real world tends to slip away as she focuses on her business. As an agent, I should be able to explain the situation to CC and have the problem solve. I call this the bureaucratic runaround, and there is no legitimate reason for it.

**- Norman Sheenah, Norman Sheehan Insurance Agency**

I appreciate that you are finally recognizing that it is no longer financially viable for agents to continue to enroll and continuously service throughout the year members for 1% commission, which is the only carrier in my region. On top of this I continue to enroll members into MediCal and have to assist them with continuous issues on the county side... for FREE. I would like to know how many executives at the top of Covered California would take the time to assist a member with an ongoing issue with an application at the county for free or work for commissions as low as \$4/month? This is what we are facing and for me, I am having to really question whether I can continue to do this when I can make more money with less work selling other lines of insurance. The only reason I have not stopped is because I am loyal to my clients and don't want to leave them without the help they deserve in this complicated system.

When you ask how much is enough during the webinar? Well, looking back at when CC first started, the commissions were already affected but we still made enough money to endure the 3 hour hold times and constant website problems. Maybe go back to where we started. The insurance companies keep raising rates so they are making more and paying us less each year. Make them sacrifice some too. We are the people bringing you and them business. Without agents, you would still have members but they would be making a huge mess of their applications, you'd have duplicate applications, you would have requests not being addressed, you would have binders not getting paid, and everything would be so much more chaotic. You need agents to help with all this.

After much thought on this issue, along with addressing the actual commission amounts, I think that the State of California should pay agents a per application administrative fee for assisting members with enrollment and providing ongoing support. Servicing goes way beyond submitting an application and that is what the higher ups at CC need to understand. It's NOT a one-time enrollment and done. Also, the Covered California system is its own program that takes a lot of time to learn, to understand, to accurately process, and I think that the State should pay us for this part of the process. In my mind its completely separate



from the work we do with the carriers so the carriers should not be the sole provider for payment.

If the state cannot pay, then maybe allow licensed agents to charge a flat/standard fee to consumers. We cannot work for free.

All I know is that if something is not done very soon, agents will no longer be participating just as many insurance carriers are dropping out. I want to offer Covered California and have hung in there from the beginning, enduring all of the challenges, and I am loyal to you but please pay us what we are worth.

**- Jacie Caballero, Coast Cities Insurance**

Hi, I just finished writing below, sent it and then noticed page 19. It says CoveredCA is considering ways to ensure that consumers make fully-informed decisions:

Prohibit CCA's from selling Sharing Ministry plans.

Require CCA's to provide clear information about the risks and benefits of Sharing Ministry plans including that it is not CoveredCA and we are disclose agent commission!!!

ARE YOU SERIOUS! Who does CoveredCA think they are? Are you saying you want to control how ANOTHER PRODUCT is seen by consumers and it's now the CCA's job to bring the message!!! Are you not aware that EVERY Sharing Ministry is

ALL about disclosure. Have you seen what the consumer signs when applying, ie this is not insurance, there is no promise to pay, etc. IS THAT NOT CLEAR ENOUGH or does CoveredCA have to put golden handcuffs on its agents and say, NO, NO, you can't talk about Sharing Ministry and if you do, you need to disclose.

Heck NO! CoveredCA has no right to get in their business. CoveredCA is not a governing body that controls citizen's individual choice. There is no longer a mandate and if there was and individuals choose the penalty, so be it.

CoveredCA has no place in this conversation. For goodness sake, it's not insurance right.

They say it 10 times and the applicant signs to that affect.

I'm pissed off having just noticed page 19. Don't tell or prohibit CCA's, licensed insurance brokers from any activity that isn't the business of CoveredCA, period!!!!!!

**- Patrick D. Reaume, Reaume Insurance Services**

Thanks for all that you do to help us agents to be a success and make sure our clients are protected with healthcare. I absolutely love working with my clients and Covered California. It has been a great journey.

The reason that I help people with Health Sharing plans is because the client was walking away from Covered Ca anyways because the health insurance premiums through the exchange was unaffordable to them. Almost 100% of the people that I am working with that choose not to pay the premiums through CCA are healthy. It makes financial sense to them that since they are healthy, they do not need to pay those high premiums and so they go somewhere else to find health care. I have a financial responsibility to my clients to make sure that they are better off after I meet with them than before. When the client hears what the prices are through CCA they cannot afford them so they tell me they are going to go online and get a discount plan. I then tell them to consider a Health Sharing plan. I tell them I have my own family on one and it costs my family of 8 people \$500 a month and covers 100% after I reach my \$300 (per incident) out of pocket max and coverage is unlimited (millions of dollars if needed). That is \$6300 a year and 100% of the bill is shared with as



many people that are needed to help make sure my bills are paid. I have had 7 claims with the health sharing ministry and after the \$300 deductible was paid then the rest of the surgery/hospital/doctor visits bills were paid 100%. Health Sharing plans do NOT cover pre existing conditions until after 3 years. Preventative care is not covered. There is no co-pay. There are some of those issues and more with health sharing plans and I give my clients time to go over the 90 plus page guideline to make sure they know what they are signing up for. The Blue Shield plan through CCA for my family is \$3600 a month and the out of pocket is \$7500 for one person. That is \$50,000 a year that I have to pay before Blue Shield pays 100% of my medical bills.

Until there is more competition from hospitals to reduce costs and more competition between health insurance companies to lower their premiums and keep more healthy people on their books paying their premiums, the prices for ACA plans will continue to shy rocket and will not be affordable and will someday not be solvent and will collapse. That is where the Single Payer will be initiated in CA and will then take shape across the country as well.

**- Mike Goff, HealthMarkets**

1. Not only have agent commissions dropped, we are not compensated for helping the multitude of people on Medi-Cal which along with our subsidized and private plan clients, requires a significant amount of time to properly educate and direct people in that cumbersome processes. As agents, we have to pay hefty licensing fees, carry E&O insurance, maintain offices and expenses. If we are going to be required to provide the top level of service to all applicants, we should be compensated accordingly.
2. It is really frustrating to be competing with certified enrollers and Covered California employees who are not licensed and receive compensation regardless of their expertise. Only 50% of consumers are using an agent and too often, those consumers are not being accurately or fully educated about all their options among other things.
3. Tools for agent assisted enrollments are insufficient, we need to be able to expedite agent delegations, and have more tools to communicate directly, more efficiently with Medi-Cal and Covered CA customer service on behalf of our clients.
4. Personally, I think agents do a better job helping people get the coverage they need at the right price. Covered California should do more to encourage people to use agent assisted enrollments because what people don't know, hurts them and a knowledgeable agent is the best resource for consumers.
5. Side note, Covered California needs to do better about communicating paperlessly when that option is selected. Even when we choose paperless/email, we continue to receive a multitude of paper mail, and it's just wasteful.

**- Aimee Pfaff, Aimee Pfaff Insurance Services**

I looked over the slide presentation that shows how superior the Covered California Exchange plans are compared to the three top Ministry share plans. I am personally on the Liberty Share plan so I can relate to this topic. You cleverly left out a few factors that is a misrepresentation of the true picture. In your slide of Taking a Closer Look at how Health Care Sharing Ministry Plan Works you compare a Silver HMO plan to a Liberty Share PPO plan. Am I right? Secondly, you put \$351 for the cost on a Silver HMO CC plan versus \$299/month on Liberty Shares. I looked up my age 63 years old and saw that an on exchange Silver Blue Shield PPO is approx. \$1,128.70/month. In this true scenario you are off by around \$775/month over and above the printed average silver hmo premium I assume? Anyway, cost was the number one factor I went with Liberty Shares. Secondly, I am in good health and I want to be rewarded for taking care of myself over the years. The Ministry underwrites so they only take the healthy pooling of the population. Covered California has unlimited benefits and Liberty Shares has only 1 million dollar limit. I have been selling health insurance for over 33 years and in that time I have maybe seen one claim possibly over the million amount considering in the negotiated discounts.

I will be out of the individual marketplace in a little over a year when I turn 65 years old. At that time I will probably enroll in a Medical Advantage Plan that will cost me ZERO. I do not personally sell the Ministry plans myself but I do recommend them to those baby boomers in my situation that are in good health and do not want to pay over \$1000 /month for health insurance.

**- Danny Goldman, Danny Goldman & Associates Insurance Services**

As far as the health share plans, I don't sell them. I don't care for them. If sold with full disclosures during special enrollment when they don't have a life qualifying event and the plans expire at the end of the year and one has to come to open enrollment to buy a ACA plan that should work to not cut into the enrollment for ACA plans. Or allow short term plans to operate during special enrollment.

**- Marc Manuel**

As for the shared ministry plans, I am in favor of a ban on them for Covered California agents. In fact, I am in favor of a general ban in California, just like short term plans because most of the people enrolling in them are not aware of the pitfalls and shortages in those plans. Consumers often don't know what they don't know, and feel that the reason the ACA plans are more expensive is because of the greedy insurance companies, and not because of the protections the ACA affords like guarantee issue, coverage for pre-existing conditions, caps on maximum out of pocket, etc.

**- Marilyn Leonard, BeaconRidge Health Insurance Services Inc.**

I wish to add my input as it relates to the potential recommendations regarding faith based plans and Covered CA.

First, I am a Christian. I believe in God and I believe the right to life is not a choice. You see I was adopted in 1958 because a 13 year old girl gave birth to me and then did the very brave thing of giving me up to a family who loved me. This issue does divide the consuming public and the mandate that abortion be included in the benefits and corresponding premium costs by ACA plans is a factor in the consideration of faith based clients.



Second, I am a lifelong California resident and citizen. The progression of liberal policies has created a state that I am no longer proud to be a resident. Instead, I am embarrassed to admit that our legislators are spoiling the fierce independence and opportunity that once created the natural drive to excel at whatever God given talents were deployed into the economy of our State.

Third, I have been a licensed life agent for 40 years. I also have advanced professional designations as a Chartered Life Underwriter and a Chartered Financial Consultant. When I meet with a potential new client I always assess and take into consideration the level of protection they will likely need in contrast to the costs to fund them and their other financial goals.

Fourth, I am a small business owner myself. I must balance the products and services that I offer in relation to the compensation that I receive relative to the amount of time it takes to generate it. Time is a resource that has limits every day and the revenue produced by servicing my clients is my only means to support my family. I do not have a State pension or a guarantee of any kind, by my choice.

#### Choice

In my last 40 years I have observed a continuous reduction in the choice of insured health care options for the consumer. The industry in conjunction with the medical providers have built a system that has created a sense of entitlement for our citizens. I would say that more than 80% of the people that I come in contact with have an attitude that either the government or their employer is responsible for providing for their health care costs. I was raised in Crescent City, CA and my family doctor was Dr. Vipond. My family was lower middle class, with my father working in a warehouse and my mother working as an elementary school secretary. When we had health care needs we had insurance that was partially paid for by my mother's employer that required a deductible be paid first and then 20% of the cost afterward. If we needed more care than the financial resources we possessed, we could request that Dr. Vipond extend his services and we would pay him over time. Dr. Vipond was not obligated to do so, by any contract. As a family we knew that we had a financial stake in our health, we had a choice in paying the premiums, we had the risk of larger expenses and the humility that goes along with the potential of asking for someone else to help, if needed. There was no expectation that this would be paid for just because we were California residents. We were involved.

In the 1970 and early 1980s, the benefit platforms provided for a choice of purchase for both basic medical and catastrophic health care. As we look at the benefit structures provided in 2019 by the Metal plans of the ACA, the choice is only for a comprehensive, unlimited, physical and mental coverage. The consumer does not have the option to take some of the risk on catastrophic expenses. Instead, as you pointed out everyone is required to buy unlimited coverage for which the vast majority will never exceed \$1,000,000 of expense. You have taken the choice out of the hands of the citizen forcing them to contribute more resources to cost of healthcare.

On average it looks like the additional premium being mandated is between \$300 and \$800 per month for the Metal tiers of the ACA platform. When you consider that \$500 per month of excess premium that buys you benefits and abortion coverage that you will likely never use could have instead been invested in another financial tool. As an example, if the couple

were age 35, this would provide \$500,000 of permanent life insurance and could create more than \$50,000 of tax free retirement income for 20 years (\$1,000,000) or a emergency fund that could pay for an unforeseen expense along the way.

So when you make your recommendation to the board regarding the restriction of choice, I caution you to consider the citizens of the State that may be better suited with a plan that matches or mirrors that of the faith based share plans. That way they would have the choice to buy a fully insured and regulated option that has currently been eliminated, except for the faith based exclusion.

In conclusion, when a potential client comes into my office the first thing I look for is the opportunity to fit them into the Covered CA plans with a subsidy. If they do not qualify, then I look at whether they are faith based or not. If they are, then the discussion can revolve around the health qualifications, pre-existing conditions and Rx expens, lack of doctors in the network and the other restrictions of the faith based plan compared to a non-exchange plan with Anthem or Blue Shield in Nevada County. It is never just about the commissions.

If you feel as though you cannot trust me to do the right thing after 40 years in this business, then feel free to cancel my appointment with Covered California.

- **Michael Hoffman, MCH Financial & Ins. Services**

Sharing Ministry plans are a part of the spectrum of health programs offered to clients. We offer these programs as an alternative option to the health insurance plans, and it is up to the client to choose from all of the available options. As long as the agents make clear of their limitations, CoveredCA has no right to prohibit agents from offering these plans.

- **Susie Kim**

As a professional insurance/investment advisor since 1982 I have always considered it my responsibility to honestly inform my clients of the various options available to them based upon the answers they give me to the questions I ask them regarding what kind of features do they want & what can they afford.

I currently do not offer the Sharing Ministry medical plans because I didn't realize they were as much of a participant as they appear to be. However, considering how the costs for ACA plans have skyrocketed & benefits have been stagnant/consistent while care from medical practitioners has decreased, I need to re-consider offering alternative health plans.

Not everybody needs or wants maternity benefits. Not everybody needs guarantee issue. Not everybody wants government control of their medical plans. If you believe that most people believe any government agency in America, these days, is sincerely looking out for the people's best interest then you are not talking to very many people who aren't on a government payroll.

Do I think there are some risks with the Sharing Ministry plans that "may" not exist with Covered CA. plans? Sure. Many people don't drive Cadillacs, even though they would receive several added benefits, because they can't afford the cost of buying & maintaining one. So they buy a "more affordable" Chevrolet or different brand altogether.

Most people of this, still great, country want choices. Most agents are honest enough to fully disclose the "true" differences between plans in specific situations. Greed at the corporate, government & individual levels will always make it impossible to force or legislate honesty & integrity.

- **Bob Hoyme**

As for the cost sharing plans, I personally use them when The family has no life qualifying event or they do not qualify For subsidies , I do not think it is a good idea to prohibit agents From selling those as my 25 clients with Alera pay about half comparing To 400+ active consumers with covered California with way way way less headaches. Alera pays 15.5% every month vs 1.1% from covered California!!

**- Anna Davis**

I can't believe Covered California would consider NOT allowing a broker to sell Covered California if they are providing a competing product! Doing what is best for the customer should be the broker's responsibility and not what Covered California's thinks is best. I work with many small business persons and many of them are on the edge of either getting a small subsidy or nothing, and yet the premiums for their family through Covered California is unaffordable at times. The individuals and families should be free to know all their options and make a decision based on the benefits for themselves and their families. Sometime it might be better to consider a ministry plan for themselves or families because they can't afford a Covered California plan. Covered California is trying to take away the options of the consumer to only go with either Covered California or the ministry plans. It is much better for the broker to be empowered to provide the customer ALL OPTIONS and not only what Covered California thinks is best for them. By making the broker select one form of health care coverage, either Covered California or Ministry plans, would be bad for the customer! Only providing Covered California or Ministry plans is limiting the customer's choices and should be aggressively discouraged. Shame on Covered California (a government sponsored program) to lower the customer's options for Health Care. Covered California is taking away the American way to try to control or eliminate the competition. Covered California should spend their time on looking at ways to provide better options for customer's rather than to limit the customer's choices.

**- Steve LaBaron, LeBaron Financial Group Inc.**

We don't sell, nor am I a real fan of sharing ministry plans, but they are here to stay. I think providing information about their limitations and weaknesses to CC agents is very helpful and I fully support it. I am reluctant to put in a provision that prohibits CC agents from selling as there are non-subsidy, but lower income people that have no affordable choices and these plans are better than nothing. I just want consumers educated about the risks of selecting these sharing plans.

**- David Peters, Principal**

Regarding Ministry Health Sharing, Californian's also simply cannot afford premiums from Blue Shield and other exchange carriers. I think many of the people that enroll in Health share plans understand the deficiencies but enroll as 'something is better than nothing.' Affordability is everything, even trumping benefits. Denying Covered CA agents, the ability to help people requesting Health Share plans isn't the answer. You would see another massive drop in enrollments in that were implemented. Because in the current environment I believe agents would choose Health Shares over Covered CA if push came to shove. That would be unfortunate for Covered CA, enrollees and agents as well.

**- Tad Buchoz**

Christian ministries provide coverage when some one has lost their coverage and is not in a special enrollment. I think I may have 10 families that have been in that situation. So if we eliminate that product these people will have no coverage and who does that help. Yes it is NOT insurance and I make sure the people know that. There is no recourse if there is a problem and I want them to realize that also. But my response would be it is better than nothing. Please don't tie my hands by telling me I can't sell this product. I really think if Covered Calif. tells me I can't sell or offer that type of plan, that is NOT the right thing to do. Again you would be hurting people.

One last item, the State doesn't allow short term insurance. So far this year I have had 2 people in waiting periods, waiting for their group insurance to start. Short term insurance would have given them piece of mind. Again it would have been the right thing to do but I was unable to help them.

- **Charles Showalter**

I have been an Insurance Agent in California since 2002. There are many good things that came out of the ACA. However, it is absolutely horrific what has happened to the middle income individual or family for people that do not fall in the brackets to get subsidy through Covered California. They have seen their premiums triple at the very least.

I have a large book of business of clients that are eligible for subsidy through Covered California and I am happy for them that they receive relief from these unbelievable premiums. However, this is not the norm for everyone. The Self-Employed person that does not receive group benefits has been literally alienated under the new Health Care Law. I have so many clients that have had their backs pushed up against the wall to figure out how to afford these premiums. It has been a very unfair process.

In addition, it is absolute joke what has come of the industry what is expected of the agents to do their ethical responsibility to help their clients make the right choices each year with their health care and ONLY receive 1.4% compensation for the new business. All the while maintaining contact with their clients to service the client throughout the year for any needs that should come up with their policy.

In regards to Alera Care or Health Share plans. This is NOT a catch all plan for everyone. It must be represented with caution and complete consideration of the clients needs.

Unfortunately, there are many unethical agents that would sing the praise that it does everything.

I do believe there is really a large market share available for some people with the Alera Care platform. The fact that they offer true compensation like it used to be prior to the ACA being rolled out is awesome. Our industry desperately needs more affordable platforms for coverage that do not have all the mandates embedded into the plans. Our industry needs more market share that offers competitive plans that can be more tailored made to the consumer needs. What is right for one is not necessarily right for all.

What has happened with the entire industry is a disgrace, and it is unfortunate that the consumers that do not receive subsidies have been pressed with their backs up against the wall.

One last thing to mention....what about the consumer that is not eligible for SEP and did not apply during Open Enrollment, or the client that is looking for STM coverage or other levels



of coverage until the next Open Enrollment becomes available, the Alera Care does offer real solutions to those clients.

In regards to Alera Care, I hope that Covered California does not try to penalize the agents that do look to Alera Care to offer additional solutions to their clients. That would not be right and would interfere with the Agents ability to offer affordable solutions to the consumer that is struggling to pay premiums for the ACA plans.

**- Tamara Schroeder**

Losing the STM PLANS was unfortunate but the FAITH BASED PLANS are purchased primarily for cost.As you pointed out these plans are not INSURANCE. Perhaps the best course of action is a vigorous education program explaining the issues with faith based programs. How about a full page expose in the Sunday LA TIMES,WSJ,SF CHRONICLE, San Jose Mercury News providing the information you outlined in the webinar regarding Face Based Plans?

**- Patrick Freeman, Freeman Laguna Insurance Service Inc.**

**3. Health Care Sharing Ministry Agent Prohibition or Conditions**

- Prohibiting agents from also selling Health Care Sharing Ministry plans is restraint of trade. Legally, I don't think you can do this. It's like prohibiting agents from selling auto or home insurance, and you would never make that request.
- Forcing agents to display or read a disclaimer about the hazards of HCSM is forced speech and most likely violates the first amendment. See the case involving California's attempt to force anti-abortion family planning clinics to tell women they have the option for an abortion. I believe the U.S. Supreme Court overturned the lower courts decision and sent the issue back to them to reconsider their ruling. [https://www.supremecourt.gov/opinions/17pdf/16-1140\\_5368.pdf](https://www.supremecourt.gov/opinions/17pdf/16-1140_5368.pdf)

National Institute of Family and Life Advocates, DBA NIFLA, et al. v. Xavier Becerra, Attorney General of California, et al.

**- Kevin Knauss**

Thank you very kindly for making the slide deck and video recording available.

I was unable to attend the webinar conference call on March 1st and certainly had questions and comments regarding health share Ministries

Just from listening to the call it appears healthshare Ministries were painted in a very poor light.

It seemed to only highlight the components that may be in question, as opposed to all of the very positive consumer components that secure Healthcare and medical payment options.

As a health insurance agent it seems if we just highlight all the downsides of health insurance it wouldn't look very attractive in lots of people's eyes either.

Even though lots of people use health insurance, there are lots and lots of people who don't take advantage of the insurance that they purchase and they pay for every month.

Granted, subsidies assist some but there are many people that are not eligible for subsidies. Therefore the premiums are outrageously high and deductibles are the same.

We have vetted and researched all of the major health share Ministries/Communities throughout the country.

Our research concluded, not only are they appropriate, they offer vast alternate consumer choice.

There is a definite place for people that are willing to pay their own medical expenses and commit to a healthier lifestyle.

Our experience is that there are excellent examples of how expenses were paid by people contributing to and participating with health share Ministries or health shares in general.

There are fantastic support mechanisms to go along with these programs as well.

It is extremely apparent that they take the time to show that it's not an insurance product, and also that the responsibility of paying the bills is the members.

The support mechanisms for these programs is also exemplary.

They will hold a members hand through the process they make sure they assist with the cost negotiating and expenses.

They also provide assistance recommending specialists, and they do have a fantastic provider Network as well.

Even though you can choose what doctor you would like, they have a vast national network that is extremely accessible.

There are ideas and components that would dovetail very nicely with conventional exchange and shelf products, in order to address this situation.

If we can shed any light it would be a privilege.

**- Chuck Perry**

CAHU appreciates the consumer protection concerns raised by the Board regarding non-ACA compliant, sharing ministry plans. However, because these plans are sold by a limited number of agents and are not insurance products, we feel the Board taking no action is warranted. However, CAHU would welcome the opportunity to work with Covered CA to create a voluntary disclosure form that agents can use to better inform clients about what they are purchasing and the associated potential hazards. We would also support a statement by Covered California that the use of this disclosure form is considered an industry best practice by contracted agents.

**- Faith Lane Borges**

2. The crucial issue is affordability compared with the suitability and value of health plan options consumers can shop:

a. The Single-Payer Rx Concept is Intriguing: The purchasing power of a state as large as CA should provide better choices at lower costs, one would think. The cost of monthly medications is a major hurdle for many consumers already paying high monthly premiums, especially those with Medicare Part D. This would be an area the state could use its influence towards a shared benefit for its citizens, perhaps even those with Medicare Part D (if, perhaps, the federal gov't would capitate the state for them to join as well.) Also, would this help or harm the health insurance carriers' premiums if they didn't have to offer a Rx plan?

b. State subsidies for 400-600% FPL: This is critical for consumers in their late 40's until aging into Medicare. The costs of plans for this age group are high. Not being eligible for APTC (even by a few thousand dollars) forces many of my clients to look for alternatives (e.g., gap or supplemental insurance, healthshare or indemnity plans, etc.) to find something they can afford. To be able to offer something above the 400% FPL would be welcomed by this group. They don't want to leave their plan, but b/c of the extreme cost, personal debt or high-cost of living expenses (including medical expenses), they can't pay the premiums.

c. HSA Bronze plans: Generally, when the plan of choice isn't affordable, at least one can stay in CovCA via a Bronze or HSA plan. In 2019, the HSA plan became uninviting both by the major increase in deductible as well as how carriers priced the plan. Consumers told me they would have stayed with the plan even at a higher price if their out-of-pocket risk was lowered or left unchanged. When they saw both increase significantly (which was the case in Region 19), they had to get out. Given they were already at the bottom, they often shopped alternative plans or didn't select a plan for this year.

This is one area CovCA could recommend carriers offer lower-ranging plans to keep people enrolled. The Bronze plan is extremely risky, yet the premiums are not significantly lower than Silver. Getting Bronze with lower MOOP risk and more HSA plans to match would have increased enrollment especially among healthy consumers.

d. HealthShare Plans: Healthshare organizations have been around for over a century:

i. If they were a scam, the public would know this already via internet reviews and social media. Yet, Congress allowed existing healthsharing ministries to keep their exemption status and continue to operate with the following requirements: 1) in existence 10 yrs. prior to signing the ACA into law and 2) they were in good standing with the IRS and other federal and state regulatory bodies during the year the bill was signed into law (2010).

ii. In the past, Healthshare organizations marketed to new members primarily via like-minded organizations. Because of the increases in premiums, consumers not eligible for APTC created the demand to join healthsharing ministries. In response, these organizations started mass marketing to spread the word about their alternative option -- a solution to the ever-increasing premiums of traditional health insurance plans -- even via general agencies (GAs). It's their mission to help people, too.

iii. Financial stability in healthshare organizations is maintained by keeping a mandatory reserve. If they spend into the reserve, then the membership understands they will be asked to share a higher monthly contribution to maintain the reserve. All members pledge to follow the guidelines, seek discounted services and live a healthy lifestyle to keep their monthly share amount low. (Liberty just raised each member unit (individual or family) \$50/mo. for the first time in years. That's stability! A family's financial risk (out-pocket) is only \$2,250 for my family of four compared to \$15,100 on a Silver plan.)

iv. It isn't a best option for everyone, so I don't believe it is the threat CovCA thinks it is. Reasons:

1. It is faith-based and that is a deterrent to some.

2. Every healthshare openly explains "this is not insurance," it is healthsharing. In fact, the IRS requires this statement on all marketing materials and included in the application process. This does deter new members.

3. New members must work within unfamiliar guidelines. These are readily available and clearly explained, yet it remains the responsibility of the new member to study, learn and apply this unfamiliar but successful program to their healthcare. Most negative issues arise from those who don't. For example, one healthshare offers dozens of plan options. Some have a 10 mo. wait on maternity expenses. This is clearly explained in the summary of benefits for that plan. However, a new member chooses the lower-cost plan and pledges to follow it; then "forgets" and becomes pregnant; then complains to regulatory bodies and the public they were denied coverage. Of course, they were denied. That's what they signed up



for...to save money...but, by result of their actions, got pregnant during the waiting period. It's neither the fellow members' responsibility nor the organization's to make any exception in this case. The Take-Away: Those who follow the sharing guidelines have few issues and, of those issues, most are resolved satisfactorily.

e. Allowing Employer Contributions: Currently the system discourages an employer from pitching in. If they offer a group plan, the employees AND their dependents are not eligible for any tax credit. If the employer offers an HRA to help with costs, the employee must subtract the employer's contribution from their federal tax credit. I speak with a lot of small companies (under 20 employees) who are discouraged they have no way to help without taking on a huge liability. If federal and state law would open a way for small group employers (under 20 FTE equivalent employees) a way to pitch in, this would help with affordability. Companies I work with offering HRAs are offering \$500 or less for families and as low as \$150 for employees with zero dependents.

**- John Yeatman**

Thank you for the much appreciated Webinar presentation.

The fact that the Ministry Plans, I was told, do not cover Mental Health Benefits is very telling. If I am correct, there is a 9-month waiting period for a physical examination. How is it that a faith-based ministry will not cover the human spirit? Is prayer the answer to healing, alone?

There are life-and-death repercussions to avoiding diagnosis of mental health illnesses, which go hand-in-hand with physical ailments, and the patient must be treated as a whole - physical, as well as mental, to be ethically and morally, if not spiritually accountable to oneself, as well to one's individual spiritual entity.

How dare hospital's, turn a patient away because their UTI, urinary tract infection, expressed itself through mental confusion.

How dare a hospital try to get an Emergency Room gravely ill patient try to formulate a signature to self-discharge from an Emergency Room, in the presence of a Mother and Husband! Even though the mental confusion was non-existent 2 days prior. How dare an Emergency Room attempt this without even taking a Urinalysis. How can it be that the patient was only admitted as the Family stated there was no one to care for a gravely confused daughter and wife at home. How can it be that the Father had to over the telephone convince his daughter to say Yes to a Voluntary 72-hour hold. All the confusion due to a UTI that went undiagnosed, plus having the best insurance in the Country.

How is it that the very same patient recently spent 3 days in ICU Coronary due to UTI Urinary Tract Infection, age 34. After, being admitted to the Mental health unit. Where does preventative come into play? Do we educate women on the Variety of symptoms to signify a UTI, as well as ACA Preventative Education on UTI. Do you have any stats on how many women are hospitalized due to the mental confusion that UTI presents, largely in Women? Is it a wonder the Premiums for health insurance are so high! Affordable?

Does anyone consider that if a person cannot pay for a copayment at the internist office, the appointment has to be re-scheduled? Years ago, doctors would take credit card payments, but, as far as I know, they do not now! Personal experience. Must pay on the spot - no billing!

Does anyone follow complaints about Physician Assistants, in Emergency Rooms, who over-prescribe, and/or who have Complaints online, as well as to hospital Executive Offices, who still contract with, and do not report Complaints to proper authorities. How convenient to say this person does not work for us, they are not contracted with us! No accountability! Or to blame the catastrophic results on the patient's genetics - which was done, relative to the below Prednisone/Benadryl whammy to a mentally fragile patient.

What about a person who comes into a hospital by ambulance, with blood pressure continuing to drop, which necessitates an IV to be inserted stat while being transported in the ambulance. How can it be that this patient is told every test is Normal, and given a prescription for Xanax....as if the person's numbness on both upper extremities and upper torso, and head, with partial loss of sight in one eye, was due to stress!!!! Only for extremely painful glands in neck to appear the following morning, and upon requesting the lab results from the hospital from the day before, to be told the White Count was 15,000. This signifies an acute infection! When asked why released, being told all labs were normal - being told we went by the preliminary labs!

When wanting to speak with the treating ER physician, the doctor was contracted, and only a phone number for a group of physicians, never reaching the doctor who released the patient prematurely, without treating the emergency that the patient was transported to the hospital by ambulance, necessitating IV. However, the hospital was paid! As well as the physician.

What about the Physician Assistant who tells a mother that the rash her son broke out with after 3 days on a new medication, stating this is not an Emergency, and to next time keep him home and give him Benadryl. Then, gives him Benadryl along with Prednisone 80 mg, with a next-day titer of 4 mg, each morning, afternoon, dinner, and the 4th late at night. Instead of complying with the parent's request to admit, to titer the psych med - Risperadol, - she had asked Why is he taking this? Who prescribed this?

And in answer, stating it is not so easy to get admitted here. Well, with a diagnosis and explanation of the reason clearly stated as to why it was prescribed - she whammied him with the highest dose of Prednisone-80 mg, plus an additional day to titer it down. Her nonchalance resulted in many hospitalizations, as the protocol would have been to never whammy a mentally fragile patient with the combination of the 2 drugs simultaneously!! In fact, the physician assistants name was found online with a Complaint from an ER patient at that same hospital on how she prescribed Vicodan without even taking an X-ray. The young man's condition was exasperated by the nonchalant behavior, to say the least, as well as: what about this is not an emergency, next time keep him home and give him Benadryl. When one is Allergic, breaking out in a rash, she should have brought in the assessment team, to prescribe an alternative med to the Risperdol at my request to admit him to do so. Haldol would have taken care of the symptom, but instead she pushed him over the edge!!!

The doctor heading the ER for the hospital told me it was genetics for this - so then why trigger it?

Speaking on the topic of the high cost of premiums, there has to be a correlation between nipping health issues in the bud, rather than allowing them to fester and result in life-changing costly health issues.

Under ACA preventative tests are included.

Educating on prevention of UTI and how to recognize the various symptoms, should be included in ACA. I am aware of quite a few women hospitalized due to UTI, life threatening. One woman was taken by ambulance as she was noticed to be confused at a gas station while putting in gas. The good people called an ambulance, she was admitted and treated. She was lucky.

Drugs are being approved and continued to be marketed that create liver disease.....resulting in an enormous amount of health-related life-threatening illnesses. If it is a known fact that Xyprexa causes metabolic disorder, rapid weight gain, enlarged liver, spleen, fatty liver, fat sparing that was stupidly thought to be a tumor, and leading to liver biopsy recommendations.....just take it off the market - prescribe Haldol !!!! And to think a Tumor Board approved the biopsy - we were told the tumor board consisted of 30 people, and it was like getting 30 second opinions!

After researching, there was not 1 doctor on this tumor board, only nurses and office workers. After getting a second opinion from a trusted physician, the 2 biopsies were not recommended.

One drug, with side-effects of rapid Obesity - leads to higher Premiums due to everything I stated above.

By the way, the patient was never warned about the high risks of complications due to liver biopsy.

And, these issues have occurred in 1 family household!

Genetic testing should be a covered benefit

We can save money in the long-run!

The genetic marker to THC must be recognized early on, must be routinely tested to prevent the huge medical issues pertaining to the legalization of marijuana. Evidentially, the THC is taken out of medicinal marijuana.

People must be educated as to the Long-Term Effects - Coughing and Vomiting Syndrome - marijuana results in.....as well as triggering genetic markers laying

Why are doctors not Required to prescribe per the AMA probiotics/yogurt/ Simultaneously with Antibiotics???

Most people are not aware that Antibiotics kill not only the bad bacteria in the gut, but Antibiotics kill the good bacteria, as well.

This makes room for C-Difficile - bad bacteria to take over.

By taking probiotics, yogurt, and replacing the Good Bacteria, we can eliminate C-Diff, which is extremely hard to get rid of.

One client could not receive radiation, surgery or chemotherapy for an early-detected Cancer, due to the inability to get rid of C-Difficile. She passed away, 9 months later. She had been on Antibiotics.

We seem to create or add to disease, which adds to the costs of treating diseases and mental illnesses that were possibly preventable.

How could Ministry Plans exclude Mental Health?

How could they have a 9-month Waiting Period for a physical exam?

So, in order to increase Commissions for the hard-working, long-hours, at any hours, enrolling, and servicing clients, as well as MediCal enrollees ( no Commission) the conference calls, billing issues, Appeals, followup on Uploading Verifications, classes, webinars ..... correspondence -

What is the consensus that Covered Ca pay each of the remaining Agents, based on being on board since the start of ACA...

a monthly Retainer - \$2,500/month Based on Tenure/and Book of Business/as well as Availability.

I work days, nights, and weekends to accommodate my clients - as well as to try and pay my living expenses.

We are Professionals. We must continue our education in order to renew our Licenses, as well as keep up-to-speed on the changing climate of health insurance.

Look at our Book of Business, acquired during the past 5 years!

We used to be paid only \$58 each MediCal app. Now, zero.

I believe we were told MediCal has 5,000 Employees enrolling, and last year hired 1,500 more.

The good thing about Agents is that you can get the same trusted person, again.

Last night, Saturday night at 9:30 pm, I was contacted by a MediCal client. He repeatedly thanked me for all my help and time. He had not received anything in the mail - and had questions about prescriptions. I provided him with LA Care Health Options, and MediCal contact numbers, his local MediCal office, and Application Number and Case Number.

As well as providing his ID to his pharmacy.

All of my clients know I am always just a phone call, or text away, and I always do my best to respond promptly.

By the way, it was reported more than several years ago in the Daily News, that it takes a Family of 4 - \$74,000/year Just to Get By.

And, if I heard correctly, 1 in every 3 people in California are on MediCal.

As my bank manager told me over 10 years ago, the Middle Class does not exist anymore.

I have never been to Sacramento, even though I am a Los Angeles native.

I did drive up to Lodi with 2 other agents back in 2011 for training with AFLAC.

I actually drove us there and back in 1 day.

Little did I realize, we were 30 minutes outside of Sacramento.

Thank you for taking the time to read what I pulled my heart strings to share.

My only hope is to help people with their Life and Health needs.

And, if you want to know from personal

Must tell people about MediCal - the Word MediCal was never shared to my husband when he was given COBRA paperwork, when he was laid-off at age 58, after 34 years!

We never ever knew anything about MediCal!

So, it was \$1,400/per month for a Family of 4, for 18 months Cal Cobra, 18 months Federal Cobra, and we won the booby prize - We were offered Conversion, for \$2,700/per month, for the last 3 three months of 2013.....And then the ACA debuted - We qualified for a Subsidy,



and benefited by the ACA making it available for people with pre-existing conditions.....and more.

Needless to say, my husband was on unemployment - and COBRA was not affordable to a man, with a family of 4, when Suddenly Unemployed, after 34 years!

I believe that the law should be looked at regarding laying off employees at will - the Employee can leave for no reason, and the Employee can be let go for no reason.

This is a death sentence to families, and parents raising their families, and individuals who are single, and trying to support themselves, alone.

Yes, stress causes illness - the No. 1 cause for every illness.....mental and physical!

There is always something that triggers it.

I believe there should be a Court - A Mediation Hearing - protecting men and women in mid-life from being let go for no reason - at a particular Age - this should not be allowed without Good Reason - especially when the company provides No Pension.

So, I became a Life and Health Agent in 2011. I had just completed a 2-year course in Legal Assisting, however, the AFLAC recruiter at the Marriott Job Fair hooked me.

I had decided to go back to legal assisting in every area of law, which I had done before raising my family. I was trained in Customer Service by Blue Cross, and worked in Administrative Support for the Executive Office. I even typed the documents formulating HealthNet, the 1st HMO, I believe.

- **Marsha Marcus**