

PRESS RELEASE



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**CALIFORNIA'S UNINSURED EXPECTED TO INCREASE BY
500,000 TO 1.2 MILLION WITHOUT COVERAGE REQUIREMENT**
CAHP Urges Support for Coverage Requirement and Increased Subsidies

Sacramento, CA – During today's Covered California Board meeting, analyses provided by [Price Waterhouse Coopers \(PwC\)](#) and [UCLA/UC Berkeley CalSIM](#) show that the number of California's uninsured is estimated to increase by 500,000 to 1.2 million. This is due to the federal government's decision last year to eliminate the individual mandate to buy health insurance and to halt Cost Sharing Reductions (CSR's) for low income individuals and families.

To prevent these losses from occurring and to strengthen the gains California has made through the implementation of the ACA, health plans are urging state leaders to take meaningful action by enacting an effective state based mandate and to use penalty revenues to provide increased subsidies to low income individuals and families.

By requiring everyone to have health insurance, the combined costs for both healthy and sicker populations work to lower premiums for all, even for those with expensive medical conditions. Increasing subsidies to low income Californians enrolled in Covered California will also help to ensure all Californians continue to have access to affordable coverage.

California Association of Health Plans president and CEO Charles Bacchi released the following statement regarding the new findings:

“California's health plans are ready to work with state leaders and other stakeholders to help protect California's individuals and families from coverage disruptions and higher premiums stemming from decisions at the federal level that undermine the ACA marketplace.

“The PwC and UCLA/UC Berkeley CalSIM reports show how important it is that California moves forward on a requirement to obtain coverage and improve affordability. An effective requirement to obtain coverage will generate \$100's of millions of new state funding that can be used to provide increased subsidies to low income individuals and families. Without a requirement to obtain health coverage, California's number of uninsured could increase by 500,000 to 1.2 million.

“It is important to remember that since 2014, Californians have been required to obtain health insurance and have faced a penalty if they do not secure coverage. Currently penalties for non-compliance go back to the federal government. California should extend this

requirement and use those revenues to provide subsidies to low income Californians in the interest of ensuring stability and promoting affordability.”

For additional information about what the elimination of the federal individual mandate means for California, please see CAHP’s [fact sheet](#).

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CAHP is a statewide association representing 48 full-service health plans. Through legislative advocacy, education and collaboration with other member organizations, CAHP works to sustain a strong environment in which our member plans can provide access to products that offer choice and flexibility to the more than 28 million members they serve. For more information, please visit <http://www.calhealthplans.org/> or call (916) 552-2910.