

PRESS RELEASE



California Association of
Health Plans

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Covered California Announces 2023 Preliminary Rate Change

Sacramento, CA – Covered California today announced preliminary health insurance rates for 2023, citing an average statewide rate change of six percent which is well below the national average of 10 percent. The announcement also included the welcome news that a 13th carrier has joined the marketplace and another has expanded to provide statewide coverage, providing Californians with new and expanded choices in their health care coverage.

California Association of Health Plans President and CEO Charles Bacchi issued the following statement on today's announcement:

"Today's announcement by Covered California shows that the Affordable Care Act is working and growing in the Golden State," Bacchi said. "California's exchange and our participating health plans continue to demonstrate their dedication to providing Californians with choices and high-quality health care, while keeping premium increases lower than the national average."

"We urge Congress to extend the American Rescue Plan's premium assistance program, which has helped ensure Californians can continue to access affordable, high-quality care. Federal action is critical. However, California is also leading the nation in affordability by including additional funding for premium assistance in its state budget -- which will help to offset cost increases should the American Rescue Plan expire. With continued record enrollment in Covered California and new policies to expand Medi-Cal to all undocumented Californians, the state is now closer than ever to reaching 100 percent universal health care coverage."

There are several factors contributing to the rate change in premiums for 2023, specifically the threat of American Rescue Plan Federal Enhanced Premium Subsidies expiring at the end of this year, and the return of normal medical trends that existed before the COVID-19 pandemic, according to Covered California. The ongoing COVID-19 pandemic and Inflation are also factors in the rate increase. However, Covered California notes that California's six percent rate increase is far less than the national average of 10 percent. And, when averaged over a four-year period, California's average rate increase is just 2.3 percent. The American Rescue Plan subsidies, in particular, have greatly expanded low-cost coverage in California, and California's health plans have strongly urged the federal government to extend those subsidies.

In addition to the rate change announcement, Covered California has also shared that a 13th health plan, Aetna CVS has joined the exchange, and another existing carrier, Anthem, has expanded its reach to

become the second health plan along with Blue Shield California in offering statewide coverage on the exchange. This expansion of health plan options will provide all Covered California consumers with two or more health plan choices, 93 percent with three or more, and 81 percent with four or more choices.

According to Covered California, consumers can easily find out if they are eligible for Covered California or Medi-Cal — and see whether they qualify for financial help and which plans are available in their area — by using the CoveredCA.Com Shop and Compare Tool and entering their ZIP code, household income and the ages of those who need coverage.

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CAHP is a statewide association representing 44 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 25 million members they serve. For more information, please visit our [website](#) or call (916) 552-2910.