



# NEWS RELEASE

**FOR IMMEDIATE RELEASE**

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## **COVERED CALIFORNIA ANNOUNCES HEALTH INSURANCE PLANS FOR SMALL BUSINESSES**

*The Exchange's Small-Group Market Will Offer Better Choice, Online Tools, Convenient Shopping and Billing, and Competitive Rates*

SACRAMENTO, Calif. — Covered California™, the state's new health benefit exchange, announced the insurance carriers and rates for its small-group market, the Small Business Health Options Program (SHOP).

While rates vary by region, Covered California SHOP premiums are generally comparable to 2013 small-group market rates and, in some cases, can save small businesses money on their premiums.

“Employer-sponsored health coverage has historically played an important role in insuring Californians, and our launch of a full-choice small-group market is a testament to the state's commitment to build on the critical role of employer-based coverage,” said Covered California Executive Director Peter V. Lee.

California businesses with 50 or fewer employees will now be able to choose from competitively priced, quality health insurance plans similar to those usually only available to larger employers. This will allow the state's vital small-business sector to use health coverage as leverage for recruiting and retention, while keeping employees healthy and more productive.

Covered California has selected the following health plans to participate in SHOP:

- Blue Shield of California
- Chinese Community Health Plan
- Health Net
- Kaiser Permanente

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- Sharp Health Plan
- Western Health Advantage

Small businesses are not required to enroll in Covered California's SHOP, and there is no penalty for not participating or not providing health insurance to their employees. However, Covered California SHOP health plans will offer expanded choices, online tools for convenient shopping and enrollment, and streamlined invoicing.

Federal tax credits only available to small businesses in SHOP can make it even more affordable for some businesses with fewer than 25 full-time-equivalent employees to offer coverage to their workers.

Small-business owners may enroll in the SHOP plans when the health exchange opens Oct. 1. Like the insurance plans in Covered California's individual market, the SHOP plans were negotiated to bring a standardized set of benefits, a robust provider network, broad choice for employers and their employees, and competitive prices to the Covered California portfolio.

The plans, a mix of health maintenance organizations (HMOs) and preferred provider organizations (PPOs), will be sold through licensed agents who are trained and certified by Covered California.

Covered California looks forward to making this choice available to California's 500,000 small businesses, which employ more than 4.5 million workers.

"Covered California is offering plans that will encourage thousands of employers to participate, ultimately increasing the number of insured Californians, which is the mission of the landmark federal law," Lee said.

Licensed agents will soon be able to pre-register for Covered California certification by visiting [www.healthexchange.ca.gov](http://www.healthexchange.ca.gov). Covered California will be hosting a series of events in the coming months to familiarize agents with Covered California's products and the certification process.

### **About Covered California**

Covered California is the state's marketplace for the federal Patient Protection and Affordable Care Act. Covered California was charged with creating a new health insurance marketplace in which individuals and small businesses can get access to affordable health insurance plans. With coverage starting in 2014, Covered California will help individuals compare health insurance plans and choose the plan that works best for their health needs and budget. A sliding scale of financial subsidies in the form of premium assistance will be available to help reduce costs for people who qualify. Small businesses will be able to purchase competitively priced health insurance plans and offer their employees the ability to choose from an array of plans and may qualify for federal tax credits.

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Covered California is an independent part of the state government whose job is to make the new market work for California's consumers. It is overseen by a five-member board appointed by the Governor and the Legislature. For more information on Covered California, please visit [www.CoveredCA.com](http://www.CoveredCA.com).

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