



Congress of the United States

House of Representatives

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Commissioner Jones, Secretary Dooley, and Mr. Lee:

I write to commend the team at Covered California for its success in these early stages of implementing the Affordable Care Act. Many national experts have pointed to Covered California as a model for other state exchanges, and more than a half million Californians now have access to affordable health coverage as a result of the efforts by Covered California.

As a Californian and a physician, I have long been committed to ensuring that every family has access to health care. Now, as a Member of Congress, I want to ensure that every person who enrolls in health plans through Covered California actually receive the coverage they select for the timeframe that is promised.

As has been widely reported, some private insurance companies are still working through a backlog of applications due to "back end" administrative delays.¹ For example, some consumers who applied for coverage to begin on January 1 did not receive confirmation of their coverage or the necessary information to remit their first premium payment to effectuate their health insurance coverage. Long wait times with the Covered California customer service hotline, as well as inadequate communication with consumers' selected insurance providers, further exacerbates the confusion experienced by consumers.² I want to prevent a situation where these

¹ Terhune, Chad. "Anthem Blue Cross, Kaiser Permanente extend payment deadlines again." *Los Angeles Times* 14 January 2014 <http://www.latimes.com/business/money/la-fi-mo-health-insurance-payment-deadlines-20140114,0,7614652.story#axzz2qgl6uZfN>.

² *Id.*

consumers are retroactively denied coverage because they unintentionally missed their first premium payment deadline. In particular, I want to ensure that health plans do not have the option of refusing coverage because of unintentional delays in premium payments.

I am aware that Covered California has negotiated with private health insurance providers to extend the deadline for consumers' first premium payment to January 15. First premium payment deadlines were further extended by Anthem Blue Cross and Kaiser Permanente to January 22, 2014.³ These extensions were to accommodate the high volume of backlogged applications, as well as to give time to consumers to remit their first premium. But I believe it is essential that all Californians receive equal treatment, regardless of the plan or insurance company they select. And just as importantly, I believe it is essential to take every possible step to guarantee that nobody enrolled is denied coverage because of confusion about when their first premium payment is due.

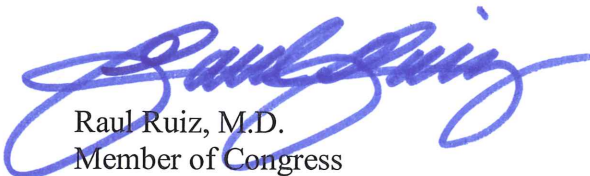
For these reasons, I ask you to exercise your authority to negotiate that insurance providers participating in the Covered California benefits exchange guarantee health care coverage beginning on January 1 for those consumers who properly enrolled by December 23, 2013 and pay their first premium by January 31, 2014. Furthermore, with accelerated and increased enrollment expected for the months of February and March, we ask for one-time grace periods for consumers' first premium payment in each of the months of February and March.

We know that as the Affordable Care Act is implemented, it will need to be modified to better serve the American people. Implementing the provisions proposed above relies on the state certifying these provisions and Covered California negotiating an agreement with individual insurance companies. Given these circumstances, I ask that you negotiate to extend the period for consumers to remit their first premium payments for coverage beginning on the first day of the months of February and March, 2014.

As a Member of Congress from the California Delegation, I encourage you in the strongest terms possible to implement this policy recommendation swiftly to ensure that California families can access the health insurance plans for which they have applied.

Thank you for your immediate attention to this issue.

Sincerely,



Raul Ruiz, M.D.
Member of Congress

CC: Kathleen Sebelius, Secretary, Department of Health and Human Services

³ *Id.*