



NEWS RELEASE

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COVERED CALIFORNIA REMOVES CARRIER FROM MARKETPLACE

Alameda Alliance for Health Suspended From Insurance Exchange

SACRAMENTO, Calif. — Covered California™ announced today that one of its 12 health plans, Alameda Alliance for Health, will be removed from the choice of exchange products until further notice, because it has not been approved by the state to sell health coverage in the commercial market.

The state Department of Managed Health Care notified Covered California that the company's application for a "material modification" of its license to allow commercial insurance sales has not been approved, a contractual condition for the company to offer plans in the Covered California exchange for coverage beginning Jan. 1, 2014.

"Alameda Alliance has a solid provider network and is a valuable asset to the community," said Covered California Executive Director Peter V. Lee. "We look forward to the company getting its commercial license, so we can welcome its plans back to the exchange."

This does not affect Alameda Alliance's license as a Medi-Cal managed care plan provider. Covered California will retain its contract with Alameda Alliance and will continue to work with the state and the company to fulfill the requirements to modify its license.

Covered California notified Alameda Alliance in mid-October that a state-issued license was needed to sell health coverage and set a deadline of Oct. 31 for getting state approval.

Covered California informed prospective enrollees that they need to sign up for another plan. Covered California doesn't expect any impact on coverage in the Alameda County region, as residents can choose from a mix of plans from Anthem, Blue Shield and Kaiser Permanente, with service at a total of nine hospitals in the region.

(more)

Removing Alameda Alliance from the exchange portfolio will not affect the calculation of federal subsidies.

About Covered California

Covered California is the state's marketplace for the federal Patient Protection and Affordable Care Act. Covered California, in partnership with the California Department of Health Care Services, 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 helps individuals determine whether they are eligible for premium assistance that is available on a sliding-scale basis to reduce insurance costs or whether they are eligible for low-cost or no-cost Medi-Cal. Consumers can then compare health insurance plans and choose the plan that works best for their health needs and budget. Small businesses can 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.

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.

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