

# Covered California

## FACT SHEET



### Affordable insurance is a national priority

**In 2010, the federal government enacted the Patient Protection and Affordable Care Act, which aims to increase the number of Americans with insurance and cut the overall costs of health care.**

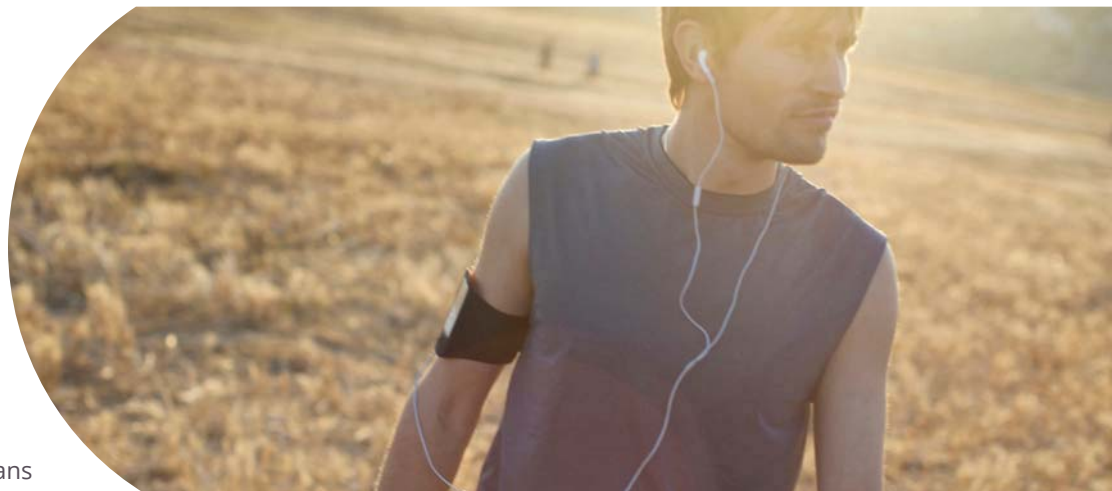
The new law created a number of ways to help reduce the cost of insurance and encourage uninsured people to get covered. The federal law is important to Californians because it provides financial assistance to help individuals and small business pay for health insurance. The law also requires that most people over the age of 18 have health insurance or pay a penalty starting in 2014. If you already have affordable health insurance, you don't need to take any action, unless your health coverage status changes.

To help those without health insurance get covered, the Affordable Care Act also requires that the states either set up their own marketplace to offer health insurance or have one set up by the federal government. These marketplaces will provide an accessible place where you can compare health plans and buy health insurance that works best for you, your family and your budget. California chose to set up its own marketplace — Covered California — as your doorway to health coverage.

### Getting California covered

California was the first state in the nation to enact legislation under the Affordable Care Act. Covered California™ was created to develop an organized marketplace where legal residents of California can buy health coverage that cannot be denied or canceled if you are sick or have pre-existing health conditions.

As of 2014, about 2.6 million Californians will qualify for federal financial assistance and an additional 2.7 million who do not qualify for assistance will benefit from guaranteed coverage through Covered California or from an insurance company in the individual market. An estimated 2.3 million California residents will enroll in a health plan through Covered California by 2017.



All health plans purchased through Covered California must cover a range of services called Essential Health Benefits. These include services like doctor visits, hospitalization, emergency care, maternity care, pediatrics, prescriptions, medical tests, mental health care and others. Plans must cover preventive

care services like mammograms and colonoscopies with no out-of-pocket cost to consumers. All newly sold health plans, whether offered by Covered California or in the private marketplace, will be required to meet these basic requirements.