

How An Exchange Works



The CaliforniaChoice® Health Insurance Exchange

- An employer, working through an insurance broker, selects CaliforniaChoice and decides on a monthly contribution level (one contribution amount for all employees equally)
- Employees receive an Enrollment Worksheet customized to their age and zip code
- The worksheet shows all CaliforniaChoice options and payroll deduction costs for each employee, after the employer contribution. Depending on service area and group size, employee choice options include HMO, PPO and HSA benefit levels from the following health plans:

- Blue Shield of California
- CIGNA
- Health Net
- Health Net Salud
- Kaiser Permanente
- Sharp Health Plan
- Western Health Advantage
- Anthem Blue Cross (available in June 2010)
- A wide range of optional dental, vision, chiropractic and related ancillary plans

- Decision support tools (online and print) help enrollees compare health plan provider networks, Rx formularies and special health programs
- Groups and employees have access to bi-lingual enrollment meeting support or CaliforniaChoice telephonic support services, which are available in 150 languages
- Employees make enrollment selections via either paper-based or online process

- *CaliforniaChoice* processes enrollment selections for the entire group and sends enrollment eligibility updates to the selected health plans via a HIPAA secure electronic EDI channel
- *CaliforniaChoice* issues temporary Member ID cards for medical plans; permanent Member ID cards for the medical plans are sent directly from the health plans
- *CaliforniaChoice* bills the group and remits net premium to health plans along with electronic payment detail
- All subsequent month premium billings and remittances, new hires, employee terminations, new dependents, renewals, etc. are administered by *CaliforniaChoice*
- At renewal, employees can make new plan and benefit selections through the *CaliforniaChoice* Exchange
- Group billings and service are administered directly by *CaliforniaChoice*; member service administration shared by *CaliforniaChoice* and each health plan

For more on *CaliforniaChoice*,
please visit their administrator's site at www.choiceadmin.com.