

Member Number: []

[Month Day, Year]



[Name]

[Address 1]

[Address 2]

[City, State Zip]

NOTICE OF TRANSITION

Dear Subscriber:

We are writing to let you know about a change in the California PCIP Program.

California has been one of 27 states running its own Pre-Existing Condition Insurance Plan (PCIP) program as a contractor for the Federal government, with the remaining 23 states and Washington, D.C. having their state's PCIP run by the Federal government. Beginning July 1, 2013, California will no longer operate the state's PCIP program. As a result, to continue your health coverage after June 30, you will need to activate a new PCIP benefit plan through the federally-run PCIP before July 1.

How This Affects You

You will still have health coverage if you choose to enroll in the federally-run PCIP program. In June, you will receive an Enrollment Letter from the National Finance Center, which is the enrollment administrator for the federally-run PCIP. The Enrollment Letter will include information about the federally-run PCIP plan, how much it costs, and how to activate your coverage. You will not need to complete a new application to qualify for the federally-run PCIP. **To activate your new coverage on July 1, and receive your PCIP ID card by that date, you must pay your first month's premium by the deadline stated in that letter.** If you choose to do that, you will be a member of the federally-run PCIP program—joining more than 45,000 PCIP enrollees nationwide. You'll be enrolled in the Transition Plan and have a new benefits administrator.

If you are in the course of treatment or if you have received prior-authorization for services, you will be mailed guidance about transition of care. It is critical that you follow required pre-authorization of benefits procedures for hospitalization, durable medical equipment or supplies, transplants, skilled nursing, long-term acute care or rehabilitation facility admission, spinal fusion surgery or cancer treatment plans anticipated to occur on or after July 1. This is necessary even if you were already authorized with your current California PCIP.

You may have questions about how this transition will affect you; and along with our Federal partners, we will do our best to answer them. Information and resources will be available to you, including a program web site, plan materials, and a national toll-free Call Center staffed with trained specialists available to answer your questions. For more information on the federally run PCIP, you can go to www.pcip.gov or call 1-866-717-5826 Monday-Friday 5:00 am to 8:00 pm (TTY: 1-866-561-1604).

If you have not paid your June premium for California PCIP by May 30, 2013, please do so immediately or you will be disenrolled before the PCIP transition. If you have already pre-paid your July premium for California PCIP, any credits on account will be refunded. If you have a recurring credit card payment or an automatic electronic fund transfer to the California PCIP, we will discontinue those recurring payment draws from your account. Premiums paid to the California PCIP, including pre-paid premiums for future months, cannot be applied toward your premium in the federally-run PCIP program.

Beginning July 1, 2013, the California PCIP will no longer be operating except for paying claims for services that were already received. If you have questions about your existing California PCIP, you can call 1-877-428-5060 (Monday through Friday 8:00 am to 8:00 pm, Saturday 8:00 am to 5:00 pm) or go to www.pcip.ca.gov.

Next Steps

In June, look for the Enrollment Letter in the mail from the National Finance Center. It's very important that you act quickly on the instructions given in this letter.

After you pay your premium, you will receive your enrollment packet from the federally-run PCIP benefits administrator, including your new PCIP ID card and details about your new benefits plan. You don't need to take any action right now. Just watch out for the letter in the mail, which will tell you exactly what you need to do to avoid losing your health coverage.

We at California PCIP have been privileged to play a part in extending health coverage to you and more than 23,000 other Californians since its inception. We wish you good health in the future.

Sincerely,

California PCIP