



September 6, 2013

Janette Casillas  
Executive Director  
Managed Risk Medical Insurance Board  
1000 G Street, Suite 450  
Sacramento, CA 94814

David Maxwell-Jolly  
Chief Deputy Executive Director  
Covered California  
560 J Street, Suite 290  
Sacramento, CA 9814

**Re: AIM and ACA implementation**

Dear Ms. Casillas and Mr. Maxwell-Jolly,

Thank you for meeting on September 4, 2013 with me on behalf of Maternal and Child Health Access (MCHA) and Elizabeth Landsberg of the Western Center on Law and Poverty (WCLP).

As explained at the meeting, we were extremely disappointed to hear that: (1) CalHEERS, the enrollment system for the Covered California portal, has not been programmed to identify much less enroll pregnant women with income from 200% to 300% of poverty into the Access for Infants and Mothers (AIM) program, which is funded by the Children's Health Insurance Program (CHIP); and (2) the single streamlined paper application to be used by Covered California has not been designed to include AIM.

AIM limits premiums to 1.5% of income, which is far less than the cost to consumers at these income levels of post-subsidy Exchange premiums. Further, AIM charges no co-payments at all, for any service, whereas the Exchange plans will have significant out-of-pocket cost-sharing, even for individuals with income at or below 250% of poverty who qualify for cost-sharing reductions.

As discussed at the meeting, we look forward to working with you to ensure that all of the following is done:

- **By September 20, 2013:** All necessary measures are taken to ensure that no pregnant woman with income from 200% to 300% of poverty who is eligible for AIM will instead be enrolled in an Exchange plan with no coverage until January 1, 2014 and at higher cost to the woman.
  - This will require changing the IT for Covered California's online portal so that no AIM-eligible woman is instead directed to, much less enrolled in, an Exchange plan and asked for premium payments.
  - It will also require conforming changes to Covered California's call center scripts for the new, single streamlined application and to the training for county workers and enrollment counselors.
- At a minimum, until December 31, 2013, AIM-eligible women applying online, calling the call center or submitting a streamlined paper application must be informed that they are entitled to comprehensive low-cost coverage from an AIM health plan and what to do to apply and enroll right away. No pregnant woman should have to wait up to three months for care.

You indicated you would review options and share with us in about two weeks, for our feedback and review, the exact measures you believe can be implemented by October 1 to address these critical issues. We request that you share this information with us no later than September 17.

- **By December 15, 2013:** The Covered California portal must have the capacity to actually enroll AIM-eligible women into the AIM program, whether a woman applies online, by phone, or using the paper application.

We are mystified as to how California is in the position of having to make these essential changes at this stage in the implementation process. The Affordable Care Act (ACA), which requires all states to include CHIP programs in their single, streamlined applications and to make real time on-line eligibility enrollment available for CHIP-funded programs, was enacted in March of 2010. AB 1296, the state law which specifically requires the inclusion of CHIP programs in CalHEERS and the streamlined application, was enacted in September of 2011.

MCHA, WCLP and others have been asking, consistently and repeatedly since 2010, in writing and at numerous meetings with state policymakers and/or staff, about the inclusion of AIM in CalHEERS as well as the paper version of the single streamlined application.

Never once until August 29, 2013 has anyone from the state indicated that AIM would not be included. Never once until September 4, 2013 did anyone from the state indicate that MRMIB needed policy guidance from the federal regulator, the Centers for Medicare and Medicaid Services (CMS), before AIM could be included-- the reason now proffered by MRMIB for the delay. To the contrary, Covered California's own January 18, 2012 solicitation for vendors explicitly included the AIM program. See HBEX4 Solicitation page 1-2 at [www.healthexchange.ca.gov/Documents/Solicitation%20HBEX4%20-%20CalHEERS%20Dev%20and%20Ops%20Services%201-18-12.pdf](http://www.healthexchange.ca.gov/Documents/Solicitation%20HBEX4%20-%20CalHEERS%20Dev%20and%20Ops%20Services%201-18-12.pdf)

MCHA will be sending the MRMIB Board separate correspondence about various troublesome aspects of the AIM program that MCHA has brought to MRMIB's attention but for which no improvement has been made. In the meantime, however, whether or not CMS is recommending changes to AIM's current rules is no excuse for designing much less implementing an enrollment system that would disadvantage AIM-eligible pregnant women by putting them into an Exchange plan instead of AIM, either "conditionally" starting October 1 or actually starting January 1.

Sincerely,

Lucy Quacinella, for Maternal and Child Health Access  
Elizabeth Landsberg, Western Center on Law & Poverty

cc: Katie Johnson, California Health & Human Services Agency  
Toby Douglas, California Department of Health Care Services  
Cynthia Mann, Centers for Medicare and Medicaid Services

