



April 19, 2022

The Honorable Dr. Wood  
1020 N Street, 390 LOB  
Sacramento, CA 95814

The Honorable Dr. Pan  
1021 O Street, Ste. 7320  
Sacramento, CA 95814

**SUBJECT: AB 1878 (Wood) and SB 944 (Pan) California Health Benefit Exchange:  
affordability assistance - Support**

Dear Dr. Wood and Dr. Pan:

California Agents & Health Insurance Professionals (CAHIP) is pleased to **SUPPORT AB 1878** and **SB 944**, identical measures which require Covered California to implement options it developed with stakeholders, including CAHIP (formerly California Association of Health Underwriters (CAHU)), to provide cost-sharing reduction subsidies to reduce cost-sharing, including copays, coinsurance, and maximum out-of-pocket costs, for low- and middle-income Californians.

CAHIP is the state's largest association of health insurance agents, brokers, and other health insurance industry professionals. Our members help millions of individual Californians, families and businesses evaluate, select, purchase, and use their health care coverage plans – including Covered California. Our agents and brokers also serve as consumer advocates for policyholders and their families year-round to help with questions and possible coverage disputes - all at no additional cost to the consumer.

CAHIP is proud of our agents that continue to be the largest source of Covered California enrollment- with over 11,000 agents speaking 40+ languages working in 500 storefronts across the state. Though this work, agents have seen the impact that the American Rescue Plan has had on their clients' premiums with two-thirds of Covered California members paying \$10 or less per month. While agents are eager to share that premiums have never been more affordable for Californians in the greatest need, there is still cautious concern about the reality of financial constraints for those enrollees when it comes to additional cost-sharing to fully realize their coverage.

When the American Rescue Plan was passed, California was given the opportunity to redirect \$334 million in state funding that would have otherwise gone towards state premium spending. AB 133 provided an opportunity to reimagine what the state can do with redirected funds to provide meaningful relief for Californians that have struggled financially in the wake of the

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COVID-19. These bills continue the work of implementing and funding thoughtfully designed cost-sharing reduction measures for plan year 2023 and beyond.

CAHIP supports efforts to make coverage truly affordable for Californians and these bills help achieve that objective in a meaningful way. For these reasons and more, CAHIP looks forward to working with you and your staff in **SUPPORT** of **AB 1878** and **SB 944**. To reach Faith Lane Borges, please call 916-441-5050.

Sincerely,



Faith Lane Borges

On behalf of California Agents & Health Insurance Professionals

cc: Chair and Members, Assembly and Senate Appropriations Committee  
Teri Boughton, Consultant, Senate Health Committee  
Samantha Lui, Consultant, Senate Appropriations Committee  
Kristene Mapile, Consultant, Assembly Health Committee  
Allegra Kim, Consultant, Assembly Appropriations Committee  
Tim Conaghan, Consultant, Senate Republican Caucus  
Gino Folchi, Consultant, Assembly Republican Caucus