

DEPARTMENT OF INSURANCE**Legal Division**

300 Capitol Mall, 17th Floor
Sacramento, California 95814



**Model Notices for
Insurance Code § 10786 (AB 792 (2012)),
Insurance Code § 10965.13 (ABx1-2 (2013)), and
Insurance Code §§ 10127.16 & 12682.2 (AB 1180 (2013))**

Final release date: October 18, 2013

Pursuant to California Insurance Code section 12682.2(c) (as added by AB 1180 (2013)), the Department hereby adopts the following Model Notices to be used for compliance with the notification requirements under Insurance Code sections 10127.16 (as amended by AB 1180 (2013)), 10786 (as added by AB 792 (2012)), 10965.13 (as added by ABX1-2 (2013)), and 12682.2 (a) & (b) (as added by AB 1180 (2013)).

These notices will provide California consumers with vital information about their existing coverage and give resources about the options and choices available to them for continuity of coverage. Additionally, these notices will help the consumer navigate the changing environment of health care insurance in California.

Model Notice Instructions

1. The Model Notice below is intended to satisfy notification requirements under four different statutes added by recent legislation. The Model Notice consists of statute-specific introductory paragraphs, and body text which is uniform for all of the above statutes.
2. To satisfy the notification requirement for any of the above-identified statutes, issuers must use the introductory paragraph that corresponds to the statute in question, followed by the body text as provided in the Model Notice. Issuers must use only one introductory paragraph in a given notice.
3. The language of the Model Notice must be precisely reproduced and may not be altered, unless otherwise instructed. Issuers must use at least 12-point font, and replicate all formatting (such as bolding, bulleting and bullet point symbols) as provided in the Model Notice, except that issuers may use a different font style as long as the font style, when printed, appears as large, clear and legible as the font in the Model Notice.
4. Issuers must customize all text in <angle brackets> in the notice as instructed in the Model Notice. Text in [square brackets] should be deleted as appropriate.
5. In the body text section pertaining to Covered California, issuers must provide the applicable open enrollment start and end dates based on the year in which the notice is

being sent. For notices sent prior to March 31, 2014, issuers should use the start and end dates provided in the angle brackets (October 1, 2013 and March 31, 2014, respectively). For notices sent on or after March 31, 2014, issuers should use “October 15, <YEAR>” as the start date and “December 7, <YEAR>” as the end date, or the dates specified in 45 CFR § 155.410(e), if different.

6. For notices pursuant to Insurance Code § 12682.2(b), issuers must provide information regarding their most comparable 2014 individual health insurance policy per § 12682.2(b)(2)(B). One way issuers may satisfy this requirement is by providing a link to their federal Summary of Benefits and Coverage form (SBC) for that policy, or enclosing a copy of the SBC with the notice. Issuers must also provide premium and due date information as required by § 12682.2(b)(2)(B).

Model Notice begins on the following page.

For questions, please contact Bruce Hinze at Bruce.Hinze@insurance.ca.gov or Sheirin Ghoddoucy at Sheirin.Ghoddoucy@insurance.ca.gov.

Your Health Insurance Choices Are Different. You May Qualify for Free or Low Cost Health Insurance.

[CIC 10786 INTRODUCTORY PARAGRAPH]

Because of changes in federal law, you have different health insurance choices that may save you money.

[CIC 10965.13 INTRODUCTORY PARAGRAPH]

Because of changes in federal law, the health insurance choices you have are different. You can stay with <insert name of health insurer>. You also have other choices. These may save you money.

[CIC 10127.16 (AB 1180) INTRODUCTORY PARAGRAPH – for plans terminating 1/1/2014]

As of January 1, 2014, your current health insurance coverage will end. Because of changes in federal law, you have different health insurance choices that may save you money.

[CIC 10127.16 (AB 1180) INTRODUCTORY PARAGRAPH – for plans not terminating]

Because of changes in federal law, you have different health insurance choices. You can stay with <insert name of health insurer>. You also have other choices. These may save you money.

[CIC 12682.2(a) (AB 1180) INTRODUCTORY PARAGRAPH]

As of your renewal date, your current policy will not be renewed. Because of changes in federal law, you have different health insurance choices that may save you money.

[CIC 12682.2(b) (AB 1180) INTRODUCTORY PARAGRAPH]

As of your renewal date, your current policy will not be renewed. Because of changes in federal law, you have different health insurance choices. You can stay with <insert name of health insurer>. You also have other choices. These may save you money.

Below we have identified the health insurance policy we are offering for 2014 that is the most similar to your current policy. If you wish to stay with <insert name of health insurer>, you can continue your coverage by paying the premium stated below by the due date. <Insert information regarding issuer's most comparable 2014 individual health insurance policy, applicable premium, and due date for continuing coverage.>

[BODY TEXT]

Starting in January 2014, you cannot be denied health insurance because you have health problems or a pre-existing condition, and your health insurance premiums cannot be based on your health status. You may also qualify for low cost or free health insurance for yourself or your dependents.

Covered California

You can buy health insurance through Covered California. The State of California set up Covered California to help people and families, like you, find affordable health insurance. You can use Covered California if you do not have insurance through your employer, Medi-Cal or Medicare.

You must apply during an open or special enrollment period. Open enrollment begins <October 1, 2013>^[1] and ends <March 31, 2014>^[2]. If you have a life change such as marriage, divorce, a new child or loss of a job, you can apply during a special enrollment period.

Through Covered California, you may also get help paying for your health insurance:

- **Receive tax credits:** You can use your tax credit to help pay your monthly premium.
- **Reduce your out of pocket costs:** Out-of-pocket costs are how much you pay for things like going to the doctor or hospital or getting prescription drugs.

To qualify for help paying for insurance, you must:

- Meet certain household income limits
- Be a U.S. citizen, U.S. national or be lawfully present in the U.S.
- Other rules and requirements apply.

Medi-Cal Is Changing Too

Free health insurance is available through Medi-Cal. Medi-Cal is California's health care program for people with low incomes. Starting in 2014, you can get Medi-Cal if:

- You are less than 65 years old
- Your income is low
- You are a U.S. citizen, U.S. national or lawfully present in the U.S.

Your eligibility is based on your income. It is not based on how much money you have saved or if you own your own home. You do not have to be on public assistance to qualify for Medi-Cal. You can apply for Medi-Cal anytime.

To qualify for Medi-Cal if you are over 65, disabled or a refugee, other rules and requirements apply.

For More Information

To learn more about Covered California or Medi-Cal, visit www.CoveredCA.com or call 800-300-1506. You can also call or visit your county social services office.

¹ For notices sent on or after March 31, 2014, replace bracketed date with: A) "October 15, <YEAR>" and insert the applicable year; or B) the date specified in 45 CFR § 155.410(e), if different.

² For notices sent on or after March 31, 2014, replace bracketed date with: A) "December 7, <YEAR>" and insert the applicable year; or B) the date specified in 45 CFR § 155.410(e), if different.