



## California Health Insurance for Children: Initial Open Enrollment for "Child Only" Health Plans Starts Jan. 1 -- eHealthInsurance Answers Questions

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MOUNTAIN VIEW, CA, Jan 04, 2011 (MARKETWIRE via COMTEX) -- Today eHealthInsurance (NASDAQ: EHTH), the leading online source of health insurance for individuals and families, published answers to frequently asked questions from consumers who wish to enroll their children in individually purchased "child-only" health insurance policies in the state of California. The state's initial open-enrollment period for children begins on January 1, 2011 and runs through March 1, 2011.

The Federal health reform legislation expanded access to health insurance for children with pre-existing medical conditions by requiring insurance companies to offer group or individual health insurance coverage to children under the age of 18, regardless of their medical history. In California, Assembly Bill (AB) 2244, which was signed into law on September 20, 2010, established an open enrollment period to apply for these "child-only" California health insurance policies, which runs for 60 days, beginning on January 1, 2011.

In order to help consumers understand how the Federal law and California law work together, and how these provisions apply to them during California's new "child-only" open enrollment season, eHealthInsurance has compiled the following FAQs:

**Question:** Health care reform (The Patient Protection and Affordable Care Act -- PPACA) is supposed to allow me to enroll my child in private health insurance, regardless of my child's health condition. When can I begin doing that in California?

**Answer:** California's initial open enrollment period for "child only" health insurance policies begins on New Year's Day 2011 and runs through March 1, 2011. During that open enrollment period, any child can enroll in a private non-group health insurance plan. And, the insurer cannot deny the child's application for health insurance during that open enrollment period due to any pre-existing medical conditions.

Following the 2011 initial open enrollment period (January 1 through March 1) a child's birth month will become the child's annual open enrollment period. If the newborn child is not enrolled in health insurance during the month that they're born, they'll have an additional 63 days (late enrollment period) to enroll in health coverage. If the child does not enroll in health coverage within the allotted time, the child's application for private health insurance may be denied based upon the insurer's medical underwriting criteria.

Children who meet one or more of the following criteria may also enroll in "child-only" non-group individual health insurance policies outside of the initial enrollment period and outside of their annual enrollment period:

- The child lost dependent coverage due to termination or change in employment status.
- An employer who provided the child's coverage, either directly or through a parent or guardian, stopped contributing financially toward the cost of the employee or dependent's health coverage.
- The person through whom the child was covered as a dependent dies.
- The person through whom the child was covered as a dependent goes through a legal separation or divorce.
- The child loses coverage under the Healthy Families Program, the Access for Infants and Mothers Program, or the Medi-Cal program.
- The child is adopted.
- The child becomes a resident of California during a month that was not the child's birth month.
- The child is mandated to be covered pursuant to a valid state or federal court order.

**Question:** Why does there need to be an annual enrollment period? Why aren't children simply allowed to enroll in non-group health coverage at any time throughout the year?

**Answer:** The state has established an annual enrollment period for child-only health insurance policies to prevent consumers from waiting until a child gets sick to sign them up for health insurance.

As of February 2010, the average non-group health insurance policy in California cost \$156.20 per month, which was below the national average of \$167 per month(1) at the time. The creation of this annual enrollment period for "child only" health insurance policies is an effort by the state of California to continue to keep average rates for non-group health insurance coverage affordable.

This annual enrollment period is designed to balance the importance of allowing all children to have access to private health coverage with the importance of keeping private non-group health coverage affordable for residents of the state.

**Question:** How are the rates for "child only" health insurance policies going to change?

**Answer:** As of January 2011, quoted monthly premiums for "child only" health insurance plans are currently available on eHealthInsurance.com for under \$70 per month (Premiums in this range may vary by county and the effective date of the policy.) This is new legislation so it will take some time to determine how the change in policy will impact rates over the long-term.

Question: Does this mean that a sick child with numerous documented health problems will pay the same monthly health insurance premiums as children in good health?

Answer: Not necessarily. Insurers have the option to charge monthly premiums that are up to twice as high for high-risk children as the premiums they charge a child at the standard risk level.

Question: How many children is this new law expected to help?

Answer: According to an article published in the LA Times on December 23, 2010(2), allowing children to enroll in private health insurance coverage regardless of their medical history is estimated to grant an additional 80,000 children access to health coverage. By-in-large, the children who would gain access would be those who were not able to get covered by their family's health insurance policy due to a pre-existing medical condition, or did not have access to coverage on their parent's employer-based insurance coverage.

Question: Is eHealthInsurance.com the best place to find health insurance policies for children in California during the new Annual Open Enrollment period?

Answer: eHealthInsurance.com is a good resource for consumers who want to find, compare and enroll in "child only" health insurance policies in California during the new Annual Open Enrollment period. Full-time eHealthInsurance employees who are licensed health insurance professionals are available 24 hours a day, seven days a week to answer questions in our customer care center. eHealthInsurance.com is the leading online retailer of non-group health insurance policies in the state and we allow consumers to compare health insurance policies side-by-side, apply and enroll securely online.

eHealthInsurance.com is not the only resource available to consumers who are interested in child-only health insurance policies in the state of California. Consumers should also check with the state insurance commissioner's office at <http://insurance.ca.gov/>.

Many new "child-only" products are being added to the eHealthInsurance.com web site, but they're not all available or currently displayed on the web site. Consumers interested in a particular insurance company whose products are not currently listed on the web site can contact the insurer directly or contact eHealthInsurance's customer care center at 1-800-977-8860 for more information.

Sources: (1) eHealth, Inc.'s 2010 Fall Cost Report for Individual and Family Policyholders, an internal evaluation of 2010 health insurance plan data from a sample of active policies, which includes 288,238 individual major medical policies and 96,460 family major medical policies purchased through eHealthInsurance that were active in February 2010; 232,682 individual major medical policies and 83,898 family major medical policies purchased through eHealthInsurance that were active in February 2009. (2) "Major health insurers in California to resume offering individual policies for children." Los Angeles Times, December 23, 2011 (<http://articles.latimes.com/2010/dec/23/business/la-fi-child-insurance-20101223>)

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For more health insurance news and information, visit the eHealthInsurance consumer blog: Get Smart - Get Covered.

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