



# CITY OF LONG BEACH R-16

DEPARTMENT OF HEALTH AND HUMAN SERVICES

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October 8, 2013

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager, or designee, to execute all necessary agreements, and any subsequent amendments, between the City of Long Beach and the State of California Health Benefits Exchange (also known as "Covered California") for the period of October 1, 2013, to facilitate enrollment and retention into the insurance programs offered through Covered California. (Citywide)

## DISCUSSION

In 2010, the federal government enacted the Patient Protection and Affordable Care Act, which aims to increase the number of Americans with insurance and cut the overall costs of health care. Covered California was created by the State of California to develop an organized marketplace where eligible residents can buy health coverage. As of 2014, about 2.6 million Californians will qualify for federal financial assistance, and an additional 2.7 million who do not qualify for assistance will benefit from guaranteed coverage through Covered California or from an insurance company in the individual market.

Covered California will offer subsidized health care coverage in the form of premium assistance and cost-sharing reductions to individuals and families with incomes between 138 percent and 400 percent of the Federal Poverty Level (FPL) guidelines. Premium assistance and/or cost-sharing reductions will only be available to consumers in California through Covered California. The Long Beach Department of Health and Human Services' (Health Department's) participation in Covered California as a Certified Enrollment Entity (CEE) will provide access to care for many uninsured individuals in Long Beach. The percentage of uninsured Long Beach residents is estimated to be 22.3 percent, which is higher than the level for the State (18.5 percent). Health insurance coverage in Long Beach varies considerably with age, income level, education status, and ethnicity. The percentage of uninsured Long Beach residents is highest (30.7 percent) in the population who are between the ages of 18 and 64. This age group is most likely to be in the workforce or continuing their post-high school education. Of the Long Beach population who are in the labor force, employed and unemployed, 29.9 percent are uninsured, which is more than 5 percent higher than the percentage for the California labor force. The ethnic group most likely to be uninsured

is Hispanic or Latino, at 31.8 percent, followed by African-American at 19.8 percent, Asian at 19.2 percent, Pacific Islander at 18.1 percent, and White at 11 percent. The groups with the highest percentages of individuals lacking health insurance are those in the \$25,000-\$50,000 income level (31.9 percent uninsured) and those in the 100-199 percent FPL range (35.7 percent uninsured). Nearly half (45.7 percent) of Long Beach residents with less than a high school education are uninsured, and 31.6 percent of residents with a high school diploma or GED are currently uninsured (U.S. Census, 2010).

As a CEE, the Health Department will be able to participate in training provided by the State to enroll and retain eligible individuals into Covered California, serve as a resource for community-based organizations and small business owners, and provide them with information and assistance in choosing the right health plan that meets their needs.

This matter was reviewed by Deputy City Attorney Linda Vu on September 13, 2013 and by Budget Manager Dennis Strachota on September 27, 2013.

TIMING CONSIDERATIONS

City Council action on this matter is requested on October 8, 2013 in order to start training staff and provide services to Long Beach residents.

FISCAL IMPACT

Participation in California Coverage by the Health Department is not expected to increase staff workload because clients are screened for health care coverage eligibility already as part of a comprehensive review of a client's eligibility for a wide array of programs and services. Screening for California Coverage potentially provides just one more option for Health Department clients at no additional cost to the City. There is no City match, no impact to the General Fund, and no local job impact associated with this action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



KELLY COLOPY  
DIRECTOR  
HEALTH AND HUMAN SERVICES

APPROVED:



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PATRICK H. WEST  
CITY MANAGER