



**COVERED
CALIFORNIA**

News Release

Media line: (916) 206-7777

@CoveredCANews

media@covered.ca.gov

FOR IMMEDIATE RELEASE

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Insurance Agents Get Big Compensation Boost to Help Enroll and Renew Millions of Californians, Who Are Benefiting From More Financial Help Than Ever

- *Three of Covered California's biggest health insurance carriers will increase their compensation, by an estimated \$22 million annually, for agents who help people sign up for coverage in the individual market.*
- *Agents enroll about half of Covered California's consumers and have directly helped more than 2.3 million people sign up for coverage free of charge since the exchange first opened its doors in 2014.*
- *The move will bolster independent agents across the state, who provide support to consumers free of charge, as more financial help is available than ever before as open enrollment is underway.*
- *The increased payments will go into effect on Jan. 1, 2022, and will benefit the more than 10,000 Licensed Insurance Agents who are certified by Covered California and work in every part of the state.*

SACRAMENTO, Calif. — Covered California announced on Wednesday that three of the biggest health insurance carriers that it contracts with — Anthem Blue Cross, Blue Shield of California and Kaiser Permanente — will be increasing the amount they pay insurance agents who provide independent assistance to consumers signing up for coverage in the individual market.

“Agents play a vital role in helping hundreds of thousands of Californians get affordable coverage every year, serving individuals in every corner of the state,” said Peter V. Lee, executive director of Covered California.

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“Covered California has been working to be sure that agents are paid fairly for the critical work they do on behalf of consumers for the past two years, and we want to thank Anthem Blue Cross, Blue Shield of California and Kaiser Permanente for doing the right thing and upping payment to agents, who are on the front lines of expanding health coverage for Californians.”

The increased compensation will come at no additional cost to consumers, as Covered California’s Licensed Insurance Agents are paid through the monthly premiums that the carriers receive.

The move comes after Covered California studied agent-commission trends and found that while people were continuing to rely on an experienced person to help them understand and choose their coverage options, agent compensation had steadily declined since 2014.

During the study and analysis, three of Covered California’s biggest carriers (Anthem Blue Cross, Blue Shield of California and Kaiser Permanente) worked with Covered California to bring their agent compensation up to the average levels in the individual market, which is about 2 percent of premium paid to agents helping consumers enroll. The three carriers account for more than 70 percent of Covered California’s enrollees.

The new compensation will increase agent compensation statewide by an estimated \$22 million a year, which is a 17 percent increase over current levels. The increase will bring the total compensation provided by carriers to agents to more than \$125 million a year, which is nearly equal to Covered California’s entire marketing and outreach budget for fiscal year 2021-22.

“The increase in compensation will be money well spent because agents play such a key role in helping Californians get covered and use their health plan benefits,” Lee said. “Insuring more people means a healthier consumer pool, which means lower premiums for everyone in the individual market.”

In addition, the new payment structure will provide independent agents with a more reliable revenue stream to invest and grow their businesses, which will enable them to provide more services to Californians. For the 6,300 agents who have 10 or more Covered California consumers, the increase will represent an average increase in their annual compensation of about \$3,300.

“Bringing compensation up helps keep agents serving the individual market remain actively engaged and supports their dedicated efforts to serve consumers and make sure they are covered,” said Terri Convey, director of Covered California’s Outreach and Sales division. “Insurance agents have been a key partner since we first opened our doors, and this move goes a long way in making sure they will be there when Californians need them the most.”

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Free and Confidential Help From Local Agents

Since Covered California opened its doors in 2014, over 4.8 million Californians have benefited from the coverage it provides, which amounts to one in seven of the 33 million California residents under 65 years of age. Licensed Insurance Agents have helped more than 2.3 million (48 percent) of the people that Covered California has served since it opened for business in 2014. Currently, Covered California has more than 11,000 Licensed Insurance Agents, who have established more than 500 storefronts in communities throughout the state (see Figure 1: Covered California's Over 500 Licensed Insurance Agent Storefront Locations Across the State). These storefronts feature Covered California signs and logos, and they provide consumers with a local point of contact to answer questions and help them enroll in the health insurance plan that best fits their needs.

Figure 1: Covered California's Over 500 Licensed Insurance Agent Storefront Locations Across the State



Consumers can visit <https://www.coveredca.com/support/contact-us/> and search for the agent or storefront nearest them.

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Covered California’s contracted agents truly speak to the diversity of the state. Nearly three out of every five of Covered California’s agents (57 percent) speak more than one language, which helps them assist Covered California’s diverse population in which two out of every three enrollees represent a community of color (see Figure 2: The Majority of Covered California’s Agents Are Multi-Lingual). Overall, Covered California’s agents speak more than 40 languages (see Figure 3: Covered California’s Agents Serve People in More Than 40 Languages).

Figure 2: The Majority of Covered California’s Agents Are Multi-Lingual

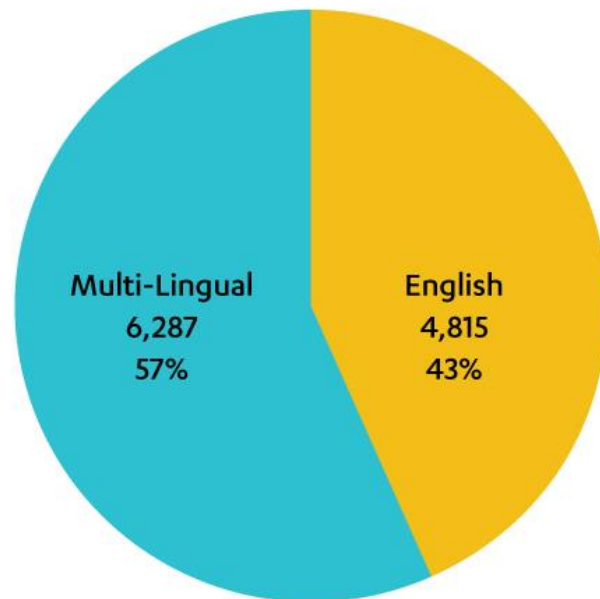
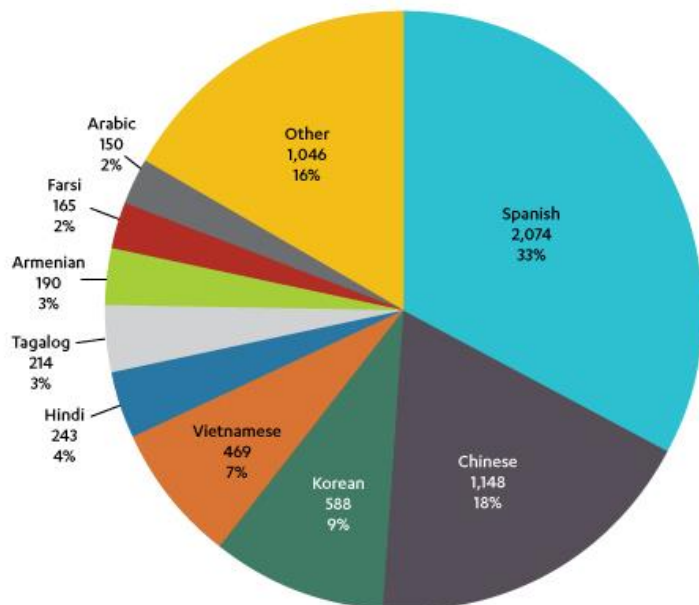


Figure 3: Covered California’s Agents Serve People in More Than 40 Languages*



*Other languages include Azerbaijani, Balinese, Balochi, Bengali, Bihari, Bisayan, Bulgarian, Burmese, Cambodian/Khmer, Catalanian, Cham, Croatian, Czech, Danish, Dutch, French, German, Greek, Gujarati, Hebrew, Hmong, Ilocano, Indonesian, Italian, Japanese, Laotian, Persian, Portuguese, Romanian, Russian, Thai and Urdu.

The agents are required to meet stringent certification processes that include the obligation to help consumers find the health plan and coverage that is best for the consumer and commit to serving all Californians, regardless of their age, disability, race, ethnicity sexual orientation or gender identity.

Click here to [access the storefront images](#), along with the agency names and their addresses, contained in this news release.



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Open Enrollment and Opportunities to Enroll Now

Open enrollment for the upcoming year started on Nov. 1 and will run through Jan. 31, 2022. Open enrollment is the one time of the year when eligible consumers cannot be turned away from coverage for any reason.

An estimated 1.1 million Californians are uninsured and eligible for financial help through either Covered California or Medi-Cal. [More than 85 percent of that group \(about 940,000 people\) could get comprehensive coverage with no monthly premium.](#)

However, people who need coverage earlier may be able to enroll now. Covered California opened a special-enrollment period to allow the uninsured, and those enrolled directly through a health insurance carrier, to sign up and begin benefiting from the new financial help offered through the American Rescue Plan. People who sign up by Nov. 30 will have coverage that starts Dec. 1.

In addition to visiting CoveredCA.com, those interested in learning more about their coverage options can also:

- Get free and confidential assistance over the phone, in a variety of languages, from a certified enroller.
- Have a certified enroller [call them](#) and help them for free.
- Call Covered California at (800) 300-1506.

About Covered California

Covered California is the state's health insurance marketplace, where Californians can find affordable, high-quality insurance from top insurance companies. Covered California is the only place where individuals who qualify can get financial assistance on a sliding scale to reduce premium costs. Consumers can then compare health insurance plans and choose the plan that works best for their health needs and budget. Depending on their income, some consumers may qualify for the low-cost or no-cost Medi-Cal program.

Covered California is an independent part of the state government whose job is to make the health insurance marketplace work for California's consumers. It is overseen by a five-member board appointed by the governor and the Legislature. For more information about Covered California, please visit www.CoveredCA.com.

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