Health Net Small Group Market Exit
CaliforniaChoice Broker FAQs

Health Net is not leaving CaliforniaChoice immediately.

CaliforniaChoice will continue offering Health Net for both existing groups and new business through **January 1, 2027 effective dates.**

Understanding the Health Net Exit

1. **Is Health Net leaving CaliforniaChoice?**

   Yes. Health Net has made the business decision to exit the commercial group markets – both Small and Large Group. This ultimately includes Health Net plans and benefits offered through CaliforniaChoice.

   However, **Health Net is not leaving CaliforniaChoice immediately.**

   CaliforniaChoice will continue offering Health Net for both existing groups and new business through **January 1, 2027 effective dates**.

2. **How long can existing CaliforniaChoice groups continue offering Health Net?**

   CaliforniaChoice groups can continue offering Health Net through their **January 1, 2027 renewal**.

   That means an existing CaliforniaChoice group renewing January 1, 2027 can continue offering Health Net to its eligible employees through **December 2027**.

   Groups with earlier renewal dates can also continue offering Health Net following their renewal.

3. **Do existing CaliforniaChoice Health Net members need to select another health plan now?**

   No. Members currently enrolled with Health Net can remain with Health Net based on their group's renewal and coverage timeline. There is no need for CaliforniaChoice groups to immediately move Health Net members to another health plan.

   When it is ultimately time to transition, members will have the opportunity to select another health plan available through the CaliforniaChoice portfolio.

4. **Can brokers still write new CaliforniaChoice business that includes Health Net plans?**

   Yes. CaliforniaChoice will continue accepting Health Net plan membership with all **new Small Group business submitted now though January 1, 2027 effective dates**.

   This gives brokers additional time to continue offering Health Net as part of the CaliforniaChoice portfolio while also giving employers access to the broader choice and flexibility of the CaliforniaChoice model.

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CaliforniaChoice Broker FAQs

5. **If I write a new CaliforniaChoice group with a January 1, 2027 effective date, can employees select Health Net?**

   Yes. Health Net will remain an available health plan option for eligible new CaliforniaChoice groups with effective dates through **January 1, 2027**.

6. **Is CaliforniaChoice offering a special underwriting promotion for Health Net direct groups?**

   Yes. CaliforniaChoice is offering a special underwriting promotion for groups currently enrolled directly with Health Net, available for new business effective dates from September 1, 2026, through January 1, 2027. Eligible groups with 1 or more medically enrolled subscribers may submit their most-recent Health Net invoice instead of a DE 9C. To qualify, groups must meet the following criteria:

   - Health Net invoice must be fully reconciled
   - A current pay stub is required for any subscriber not listed on the invoice
   - Owners enrolling who are not listed on the invoice must provide a signed Owner/Partner Statement
   - At least 51% of eligible employees must be located in California
   - Owner-only groups are not eligible

   All standard CaliforniaChoice eligibility criteria apply to this promotion.

7. **What happens when Health Net plans are no longer available to CaliforniaChoice groups?**

   This is where the CaliforniaChoice program provides an important advantage.

   Employer groups don't have to leave CaliforniaChoice or start over.

   When Health Net plans are no longer available, affected members can select another health plan within the CaliforniaChoice portfolio. Because multiple health plans and provider networks are available, members may be able to transition while keeping their current doctor, hospital, or even provider network.

8. **How many health plans will CaliforniaChoice offer after Health Net exits?**

   Following Health Net's departure, CaliforniaChoice will continue to offer **six health plans**, giving employers and employees multiple options within one program.

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Supporting Health Net Members Through CaliforniaChoice

9. **Will Health Net members have to find completely new coverage?**

   Eventually, Health Net members will need to select another health plan, but **they do not need to leave CaliforniaChoice**.

   Until then, members can continue their Health Net coverage according to their group's renewal and coverage timeline.

   When a transition is required, CaliforniaChoice members will be able to choose from the other health plans available within the portfolio.

10. **Will members be able to keep their doctors?**

    Most likely, yes. One of the advantages of CaliforniaChoice's multi-carrier program is that providers and facilities often overlap across multiple health plans. A member's current physician may participate with another health plan network available through CaliforniaChoice.

    Brokers can work with CaliforniaChoice to evaluate available options and provider access for affected members.

11. **Could a member keep the same provider network even if the health plan changes?**

    Provider networks are unique to each health plan, and do have variances with contracted physicians, hospitals, and medical groups. However, many of those entities contract with multiple health plans and networks and are available through more than one health plan. Depending on a member's current Health Net network and the CaliforniaChoice options available in their area, there is a great chance for a member to select another health plan that provides access to their current providers.

    This can help create a smoother transition when Health Net coverage ultimately ends.

What Brokers Should Do Now

12. **Do I need to take action for my existing CaliforniaChoice groups today?**

    No immediate change is required.

    Continue supporting your CaliforniaChoice clients as usual. Health Net remains available based on the group's renewal timeline, including through **January 1, 2027 renewals**.

    CaliforniaChoice will provide additional information and transition guidance well in advance of the time affected members need to select another health plan.

13. **Should I continue quoting Health Net through CaliforniaChoice?**

    Yes. Health Net remains available for eligible CaliforniaChoice new business through the **January 1, 2027 effective date**.

    When evaluating options for your clients, you can continue to include Health Net alongside the other health plans available through CaliforniaChoice.

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14. What about my direct Health Net groups?

This is an opportunity to talk with those clients about CaliforniaChoice.

Moving a direct Health Net group to CaliforniaChoice can provide a softer landing for members, as well as a variety of new plan options and price points to choose from. Employers gain access to multiple health plans through one program, rather than simply moving from one single-carrier solution to another.

And with Health Net available for new CaliforniaChoice business through January 1, 2027 effective dates, eligible employees can continue to select Health Net while gaining access to the broader CaliforniaChoice portfolio.