

CALIFORNIA HEALTH CARE ALMANAC



California Health Insurers: Brink of Change

FEBRUARY 2015

Introduction

California Health Insurers: Brink of Change provides a snapshot of the insurance market in California at the end of 2013, just before the major provisions of the Affordable Care Act (ACA) took effect. It also includes some initial figures from 2014 that point to large shifts in both Medi-Cal and individual coverage levels.

Data from the Department of Managed Health Care (DMHC), the California Department of Insurance (CDI), and other sources were used to examine market share, enrollment, financial performance, premiums, public coverage, and consumer satisfaction.

KEY FINDINGS INCLUDE:

- Health insurance was a \$123 billion business in California in 2013, with six carriers accounting for more than three-fourths of all revenues and most insurers operating in the black.
- In 2013, enrollment shifts were small, except in the pre-ACA individual market.
- State and federal policy actions brought significant growth — about 2.8 million enrollees — to Medi-Cal managed care, a 58% increase in the 18 months ending in June 2014.
- Covered California enrolled 1.4 million individuals in health insurance plans in the first enrollment period ending March 31, 2014. Eleven insurers offered individual coverage through Covered California.
- Product choice differed by market, with only 20% of individuals enrolled in HMOs and 79% of large group enrollees in HMOs in 2013. This could change in 2014 as the ACA is implemented.

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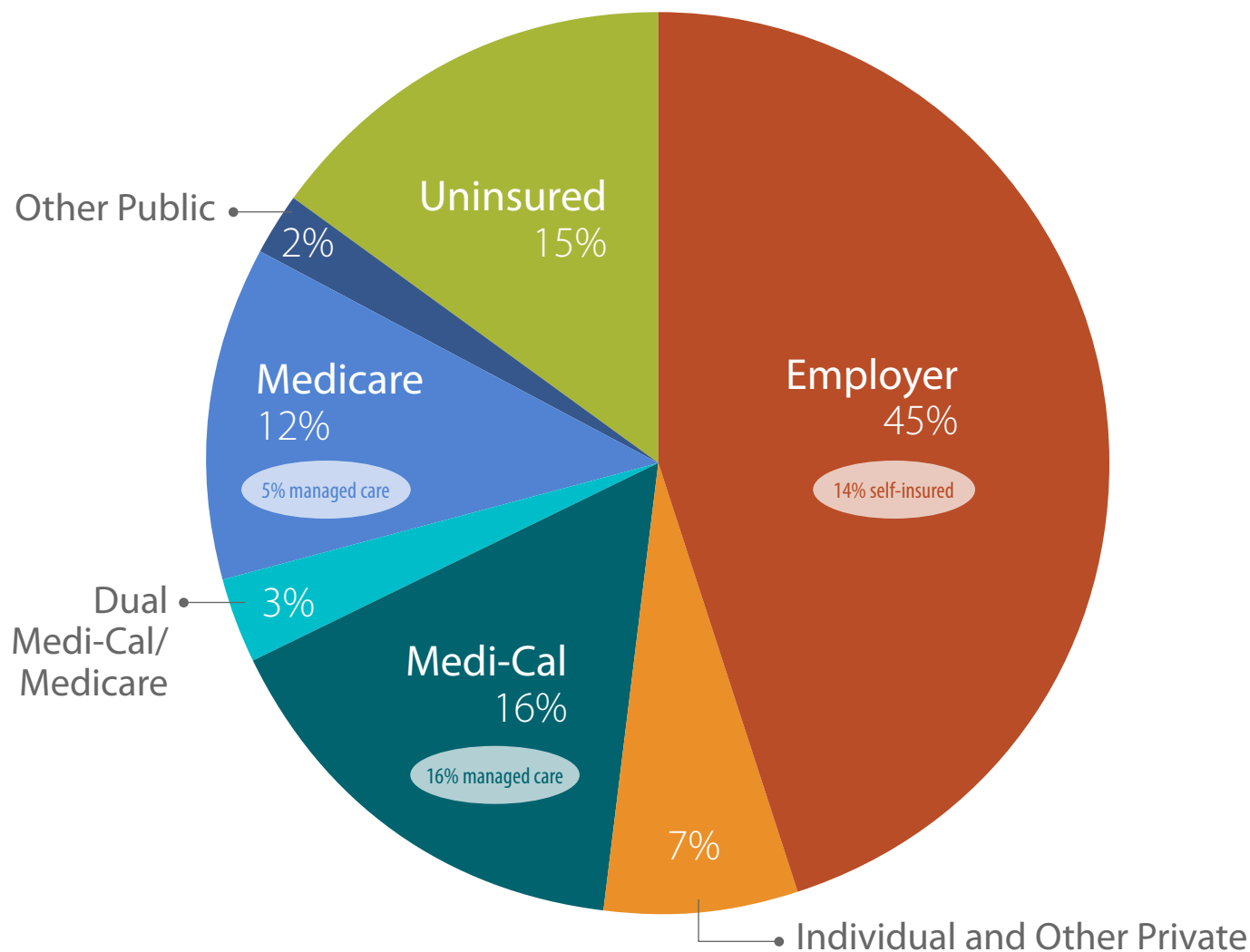
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Health Insurance Coverage, by Source

California, 2013



Notes: Analysis counts a person's coverage in only one category. For the estimated 14% (5.5 million) of Californians covered by self-insured employers, insurance companies provide administrative services only. Medi-Cal includes Children's Health Insurance Program. Other Public includes Veterans Administration and Department of Defense coverage.

Source: Kaiser Family Foundation, State Health Facts, based on Census Bureau's Current Population Survey, Annual Social and Economic Supplements, 2013, www.kff.org.

California Health Insurers

Overview

California's health insurers provide both commercial and public coverage. More than two-thirds of Californians were covered through these insurers, including 52% with employer-based or other private insurance and 21% with Medicare or Medi-Cal managed care plans.* Health reform is expected to shrink the uninsured portion and expand the portion covered by Medi-Cal and Individual insurance.

*While fee-for-service Medi-Cal and Medicare provide insurance, they are not considered California insurers, as they operate under federal, rather than state, regulation.

All Health Insurers, by Share of Revenue

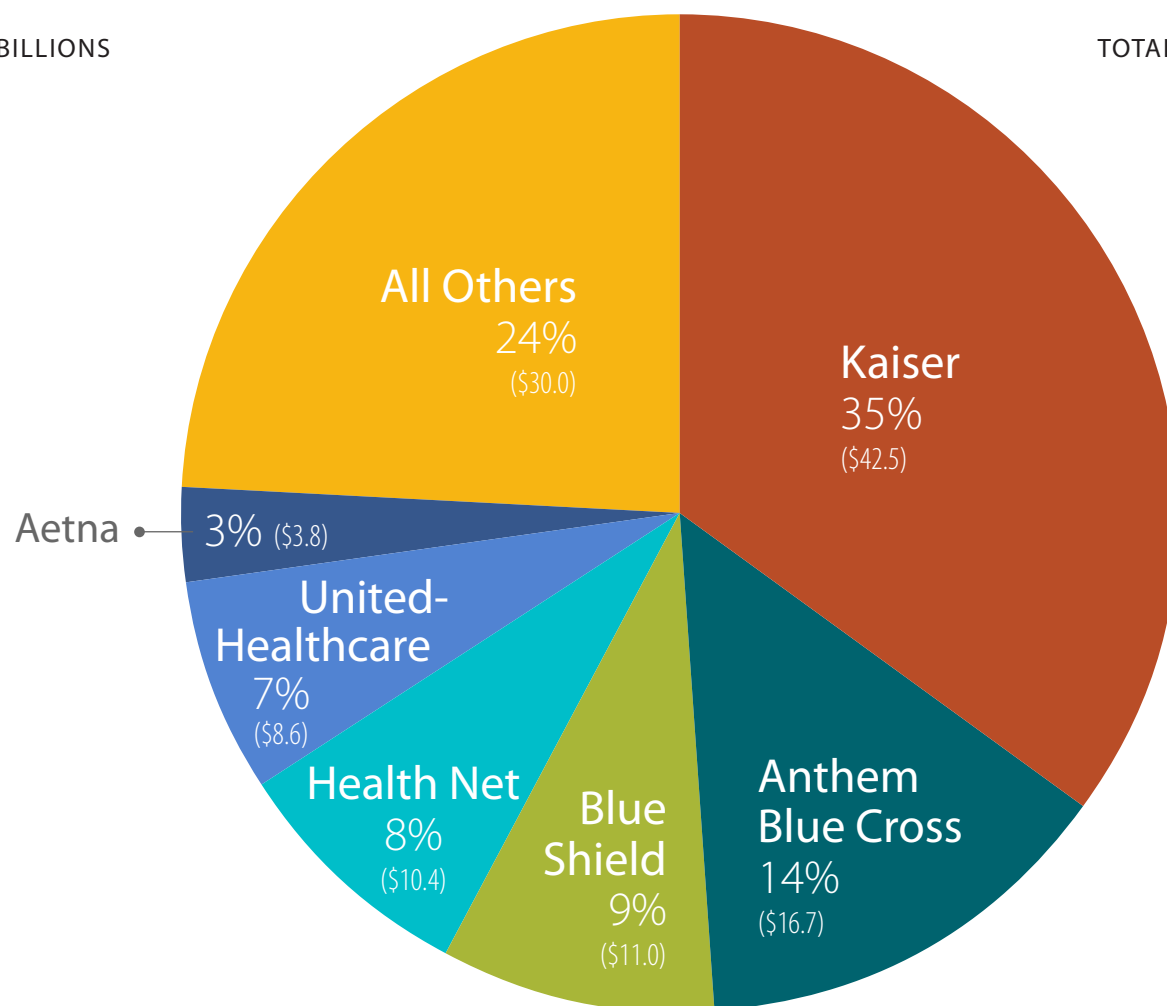
California, 2013

IN BILLIONS

TOTAL: \$122.9 billion

DMHC: \$103.3 billion
(see distribution on page 6)

CDI: \$19.7 billion
(see distribution on page 7)



Notes: Kaiser figures adjusted to reflect only California business. UnitedHealthcare figures include PacifiCare. All Others reflects other full-service plans regulated by DMHC (including L.A. Care, SCAN, and CalOptima), as well as the Accident and Health (A&H) line of business regulated by CDI. Share computation based on total revenues from DMHC-regulated insurers and California A&H direct premiums written.

Sources: Department of Managed Health Care (DMHC) Health Plan Financial Summary Data, wps.dmhc.ca.gov; California Department of Insurance (CDI): Life and Annuity Market Share Report, 2013, Exhibit 4(D), www.insurance.ca.gov; Insurers' Annual Statements, Schedule T, 2013.

California Health Insurers

Overview

Health insurance was a \$123 billion business in California in 2013.

Six insurers dominated the state's health insurance market, accounting for more than three-fourths of all revenues.

Health Insurance Regulators

California, 2013

	DMHC	CDI	TOTAL
Number of companies regulated	59	263	322
California revenues* regulated	\$103.3 billion	\$19.7 billion	\$122.9 billion
Share of business represented by the six largest companies (as determined by revenues)	79%	68%	76%
Insured enrollees reported (commercial and public, excluding ASO)	20.1 million (~52% population)	2.7 million (~7% population)	22.8 million
Administrative services only (ASO) enrollment (for self-insured employers)	0.9 million	4.6 million	5.5 million
Individual market enrollment distribution	0.4 million (30%)	1.0 million (70%)	1.5 million (100%)
Group market enrollment distribution	10.8 million (87%)	1.6 million (13%)	12.4 million (100%)
Primary types of products regulated	<ul style="list-style-type: none"> • HMOs • Two PPOs • Vision • Dental 	<ul style="list-style-type: none"> • Most PPOs • Indemnity • Medicare supplements and/or Part D standalone • Dental • Stop-loss 	

*Reflects revenues of DMHC-regulated full-service plans and California premiums written by CDI-regulated insurers for the Accident and Health (A&H) line of business.

Notes: Enrollment figures exclude Medicare supplemental coverage. For further information on CDI and DMHC distinctions, see "Making Sense of Managed Care Regulation in California," Roth and Kelch, November 2001, www.chcf.org and "Ready for Reform? Health Insurance Regulation in California Under the ACA," Kelch Associates, June 2011, www.chcf.org.

Sources: Department of Managed Health Care (DMHC), Health Plan Financial Summary Data, Full Service Health Plans, 2013, wpsso.dmhc.ca.gov; California Department of Insurance (CDI): Life and Annuity Market Share Report, 2013, Exhibit 4(D), www.insurance.ca.gov; Insurers' Annual Statements, Schedule T, 2013; DMHC, Enrollment Summary Report, 2013, www.dmhc.ca.gov; CDI, Covered Lives Report, 2013, www.insurance.ca.gov.

California Health Insurers

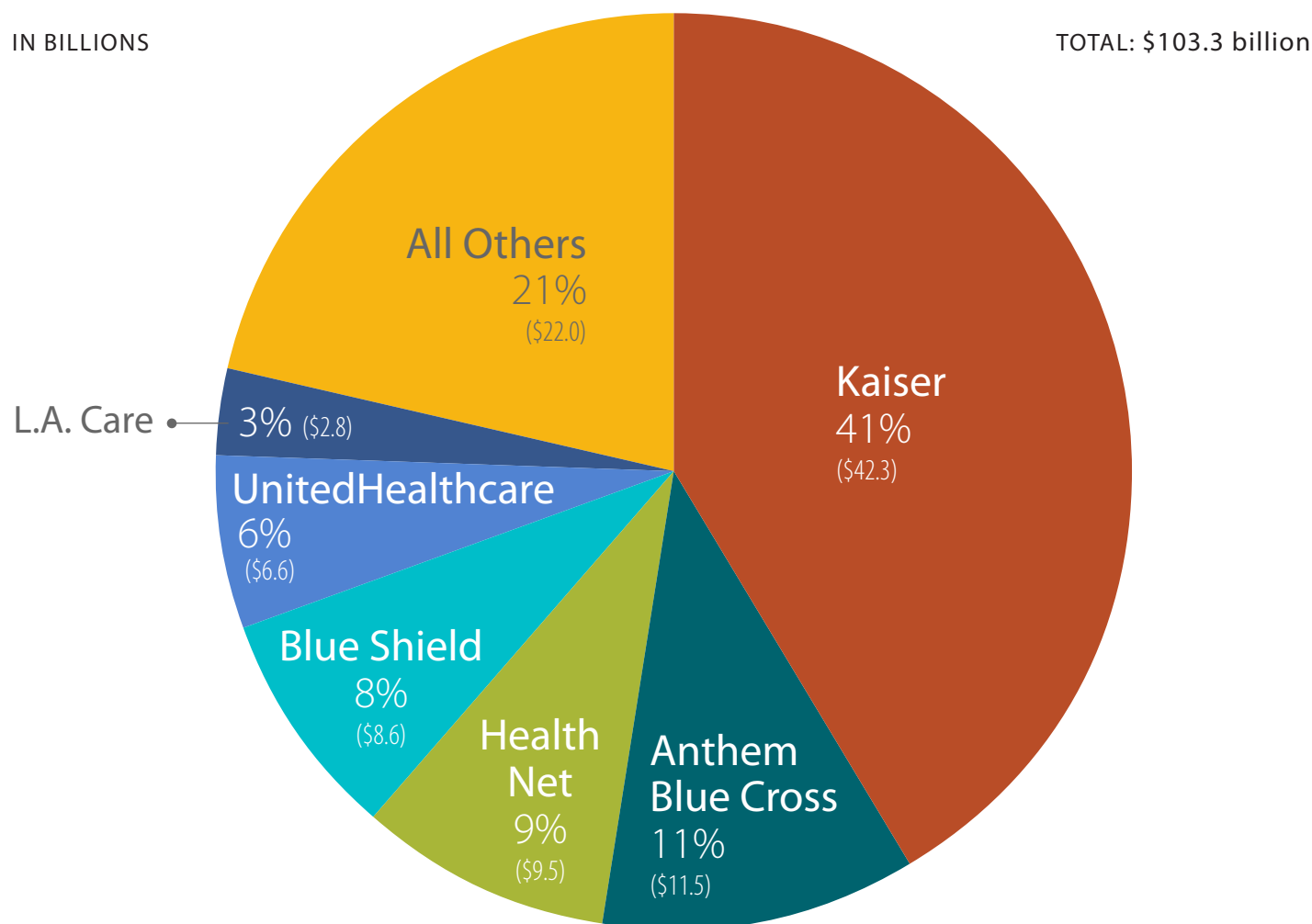
Overview

Health insurance companies are regulated either by the Department of Managed Health Care (DMHC) or the California Department of Insurance (CDI). The DMHC regulates mainly HMOs, while CDI oversees most PPOs and traditional fee-for-service plans. Both regulators also oversee the administrative services only (ASO) business of self-insured employers. DMHC has had more comprehensive benefit requirements than CDI, but differences in coverage will likely be reduced with health reform's minimum benefits requirement.

DMHC-Regulated Health Insurers, by Total Revenues

California, 2013

IN BILLIONS



Notes: Kaiser figures adjusted to reflect only California business. Health Net figures include both Health Net of California and Health Net Community Solutions (public business). All Others consists of 53 full-service plans, including Aetna, SCAN, CalOptima, Inland Empire, and Cigna, all with revenues of less than \$2 billion. See Appendix F for details. Segments do not total 100% due to rounding.

Source: Department of Managed Health Care (DMHC) Health Plan Financial Summary Data, 2013, www.dmhc.ca.gov.

California Health Insurers

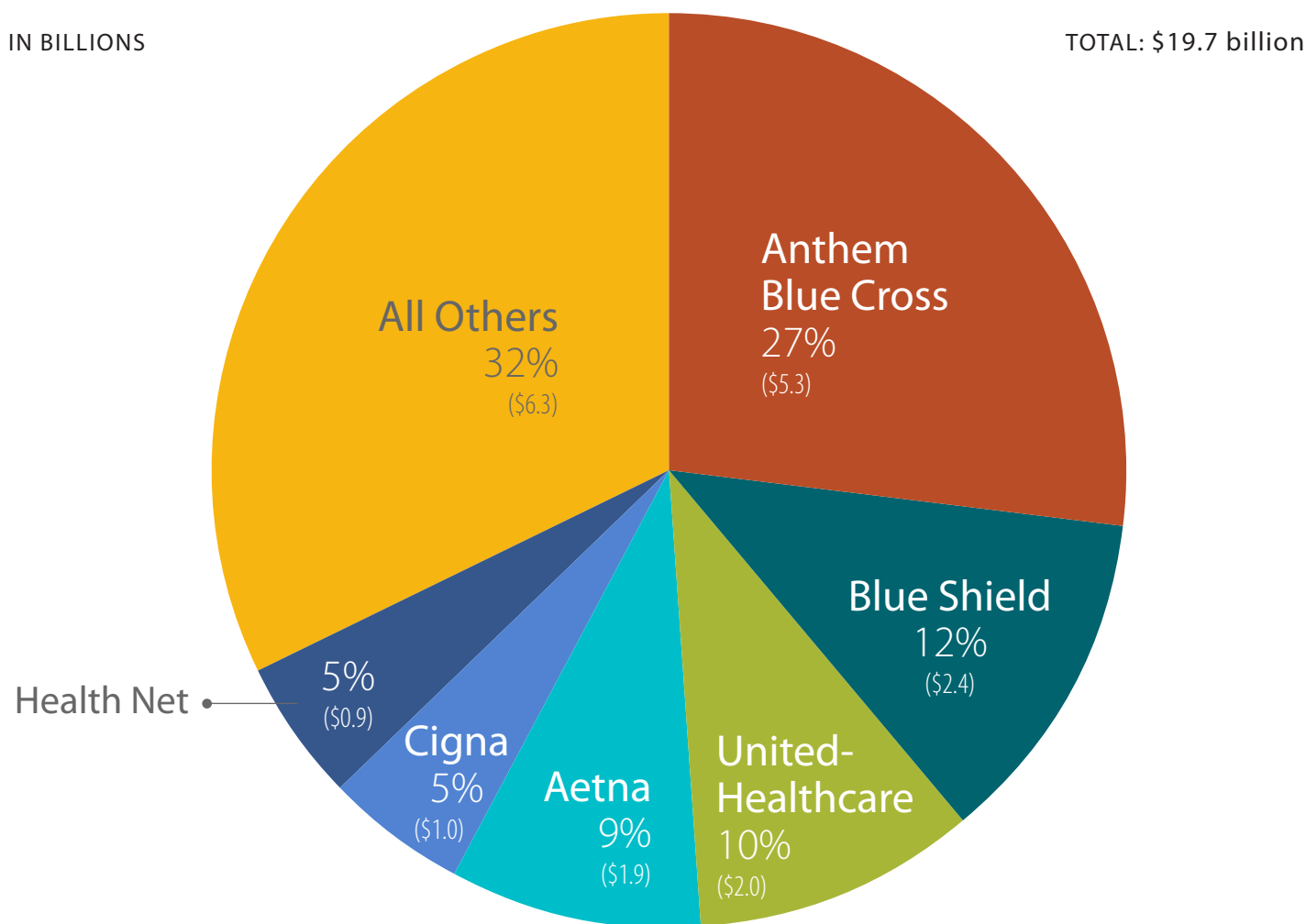
Overview

Kaiser had by far the largest total revenues among DMHC-regulated insurers, more than three times the next largest insurer. Insurers' revenues are affected by enrollment and benefit levels, revenues from copays and ASO fees, and the mix of enrollees.

CDI-Regulated Health Insurers, by Premium Revenues

California, 2013

IN BILLIONS



California Health Insurers

Overview

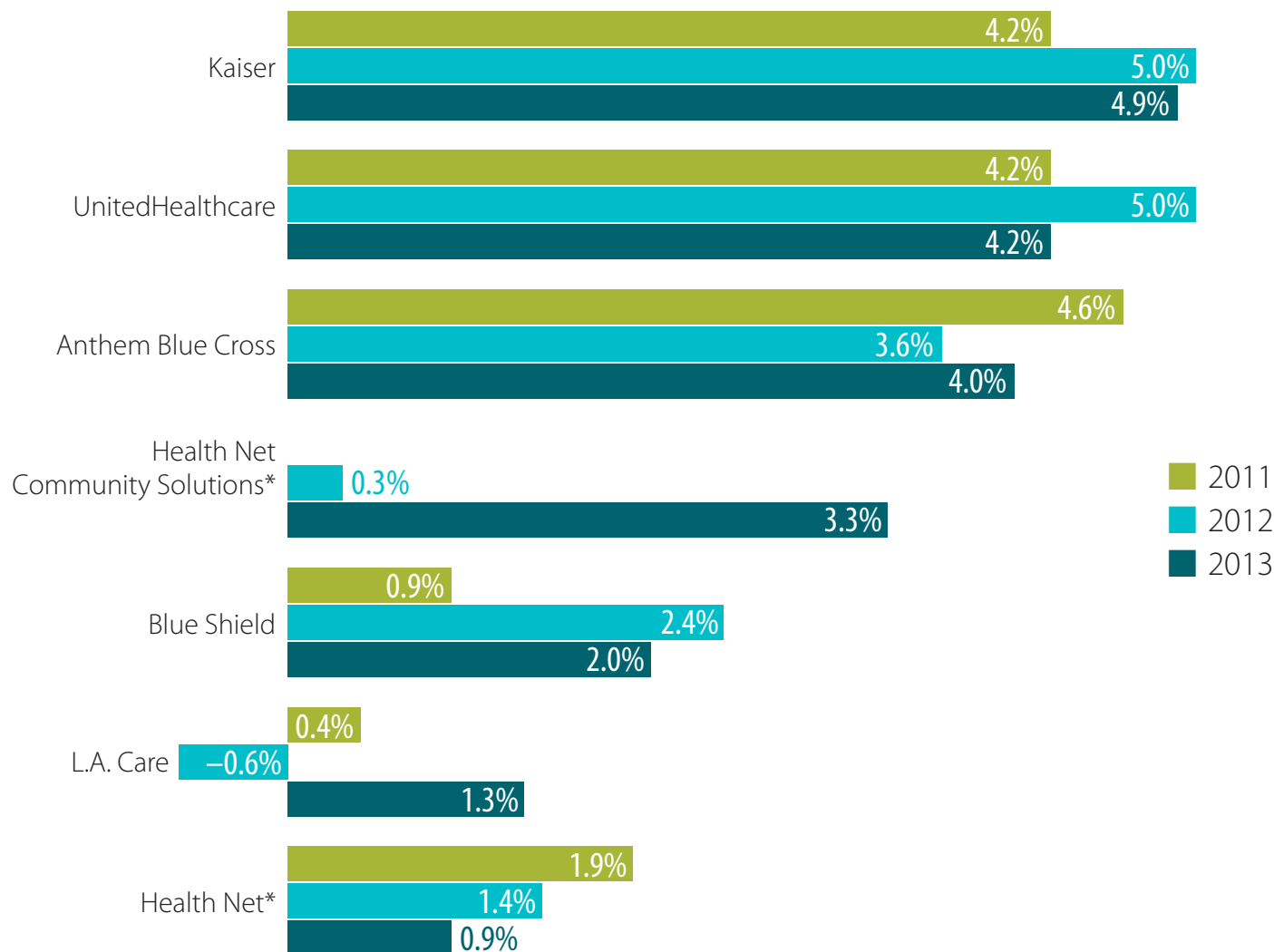
Anthem Blue Cross was the largest of the CDI-regulated health insurers, with 27% of premium revenues. The largest six insurers account for 68% of total revenues.

Notes: Premium revenues reflect income from insured business only (i.e., do not include income from administrative services only business). UnitedHealthcare figures include PacifiCare; Cigna includes both Cigna Health and Life Insurance Company and Connecticut General Life Insurance Company. All Others comprises 257 insurers, each writing less than \$800 million in Accident and Health (A&H) Insurance premiums in California.

Sources: California Department of Insurance (CDI): Life and Annuity Market Share Report, 2013, Exhibit 4(D), www.insurance.ca.gov; Insurers' Annual Statements, Schedule T, 2013.

Net Income/Loss as a Percentage of Total Revenues

Largest DMHC Insurers, California, 2011 to 2013



California Health Insurers

Financials

In 2013, margins among the largest insurers ranged from 0.9% (Health Net) to 4.9% (Kaiser), a range similar to the previous two years.

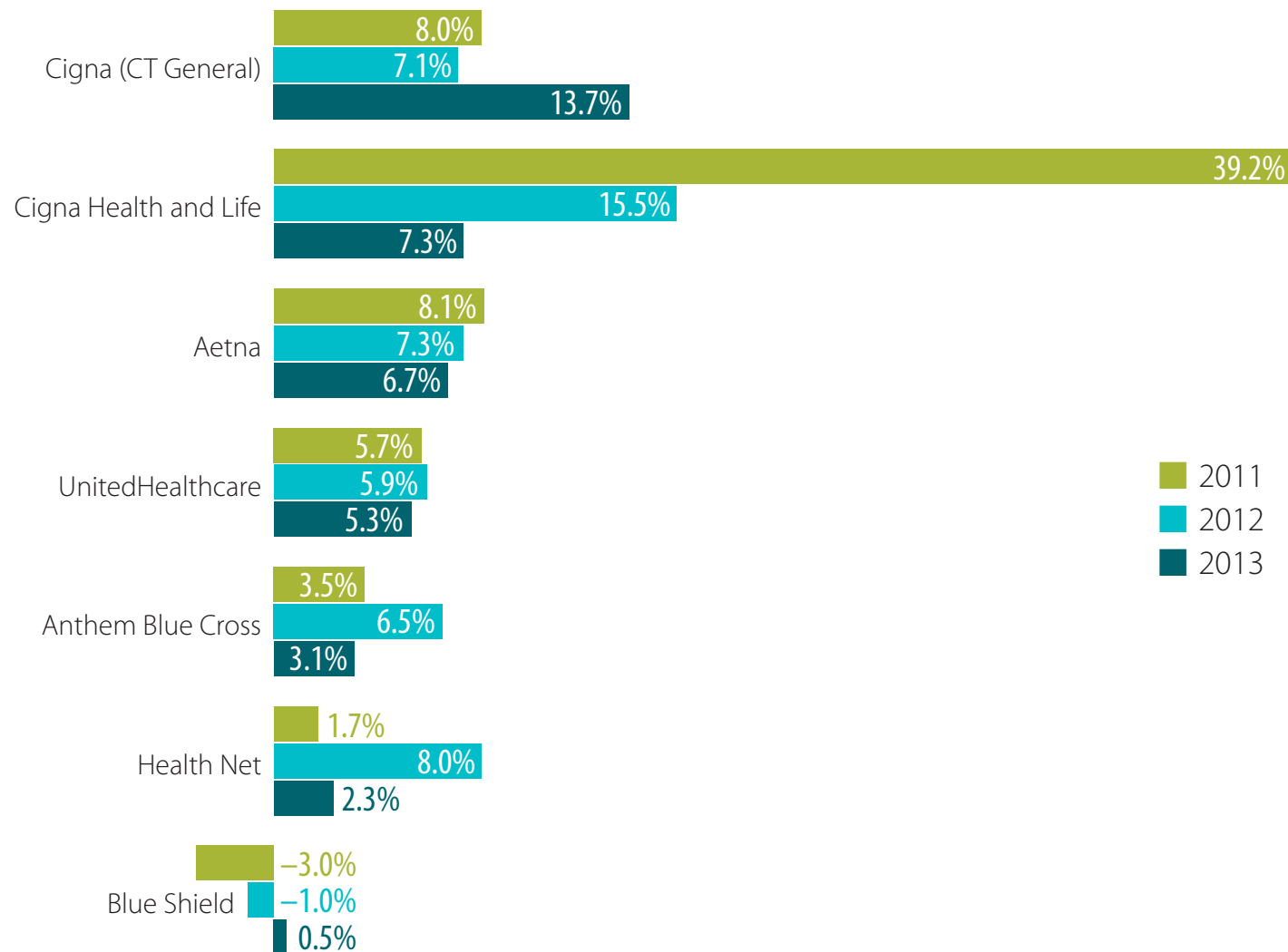
*Health Net of California, Inc. moved its public program business into Health Net Community Solutions in 2012.

Notes: Net income is an after-tax figure. All figures reflect fiscal year results. Kaiser data reflect multistate business. Largest insurers determined by FY 2013 California revenues.

Source: Department of Managed Health Care (DMHC) Health Plan Financial Summary Data, wps0.dmhc.ca.gov.

Net Income/Loss as a Percentage of Total Revenues

Largest CDI Insurers, California, 2011 to 2013



Notes: Largest insurers determined by FY 2013 California revenues. Anthem Blue Cross and Blue Shield figures represent California business only; results for other insurers include business in multiple states. UnitedHealthcare figures exclude PacifiCare. Net income is an after-tax figure. Margin = line 35/line 9 from the Summary of Operations. For Anthem, which submits the "health" version of the annual filings, margin = line 32/line 8 from the Statement of Revenue and Expenses. Cigna Health Group has been undergoing substantial realignments, which have included shifting business between its two main California companies, Cigna Health and Life Insurance Company and Connecticut General.

Sources: California Department of Insurance (CDI), Insurers' Annual Statements, 2011-2013; National Association of Insurance Commissioners, Insurers' Annual Statements, 2013.

California Health Insurers

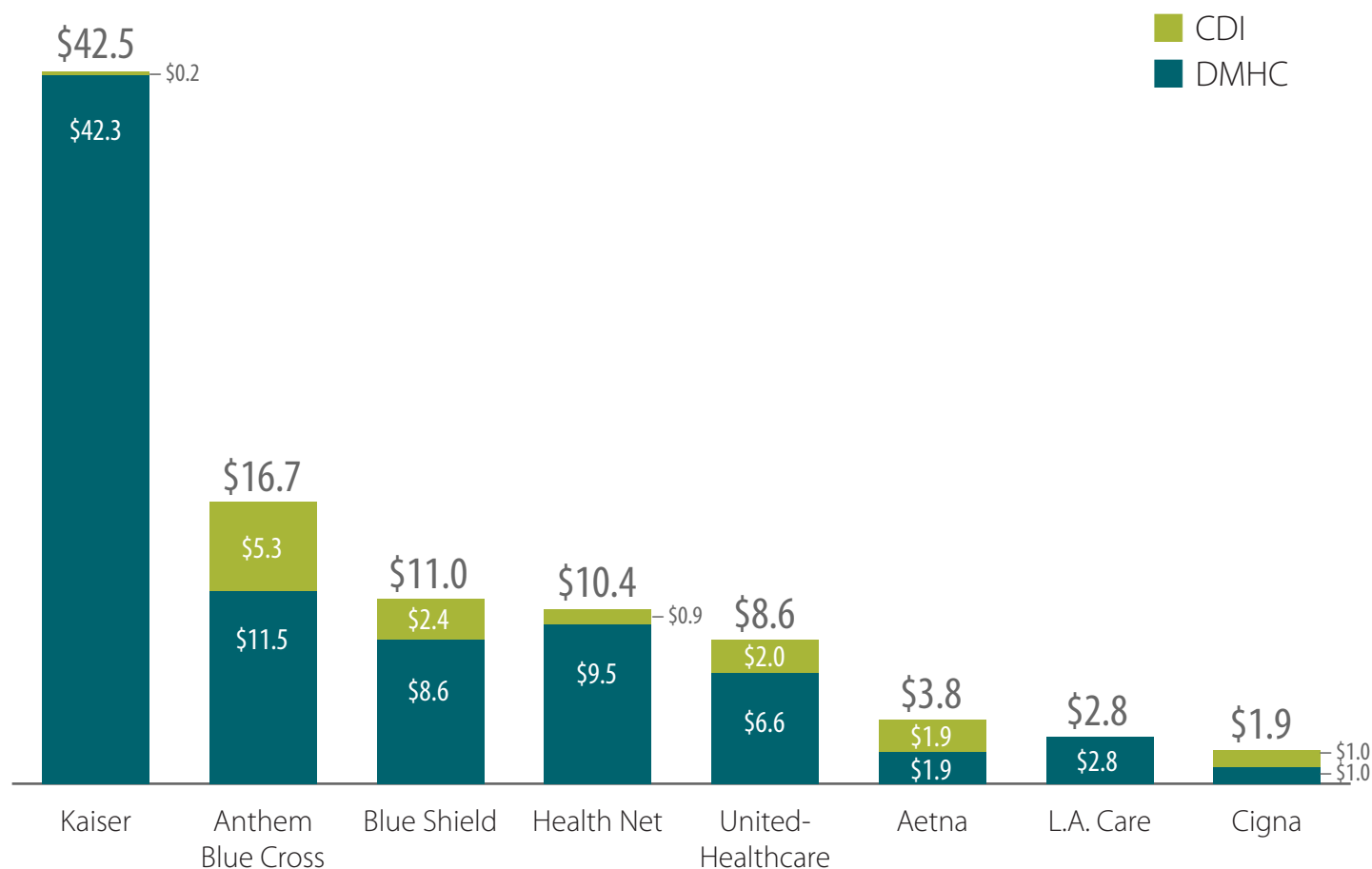
Financials

In 2013, all of the largest health insurers regulated under CDI reported positive net income.

California Revenues

Largest DMHC and CDI Insurers, 2013

IN BILLIONS



Notes: Largest insurers determined by FY 2013 California revenues; insurers qualifying as largest under either regulator are shown here. For DMHC-regulated insurers, figures reflect total revenues. UnitedHealthcare figures include PacifiCare; Cigna includes both Cigna Health and Life Insurance Company and Connecticut General Life Insurance Company. For CDI-regulated insurers, revenues reflect Accident and Health (A&H) direct premiums written in California (Schedule T). The \$25.3 billion in revenues for all others (not shown) was split: \$19.2 for DMHC and \$6.1 for CDI. Segments may not sum to total due to rounding.

Sources: Department of Managed Health Care (DMHC) Health Plan Financial Summary Data, wpso.dmhc.ca.gov; California Department of Insurance (CDI): Life and Annuity Market Share Report, 2013, Exhibit 4(D), www.insurance.ca.gov; Insurers' Annual Statements, Schedule T, 2013.

California Health Insurers

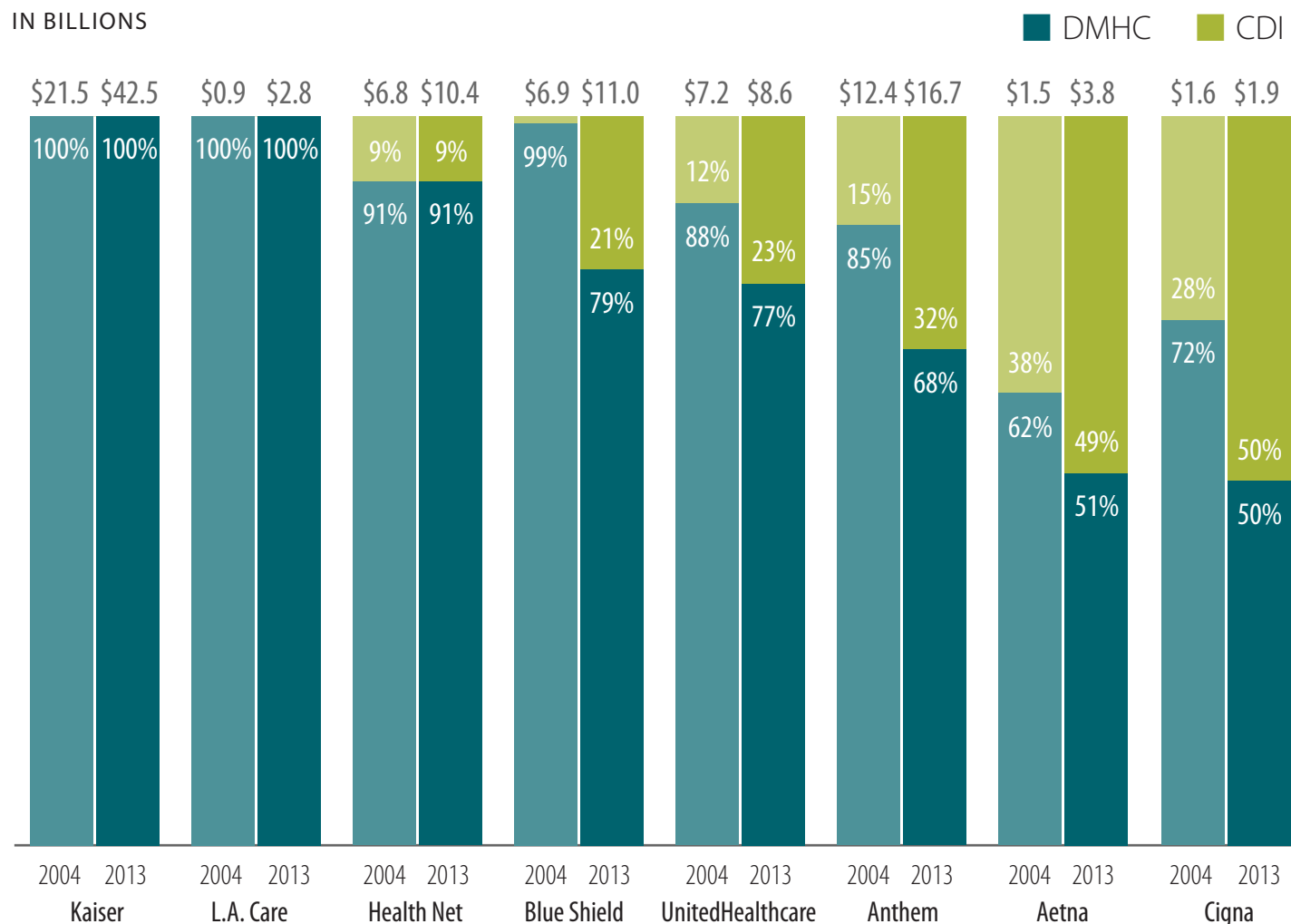
Financials

California revenues for the largest insurers ranged from \$1.9 to \$42.5 billion. The amount of business each conducted under DMHC and CDI regulation varied. At \$5.3 billion, Anthem had the most revenues under CDI regulation.

Distribution of Business

Largest DMHC and CDI Insurers, California, 2004 and 2013

IN BILLIONS



Notes: Largest insurers determined by FY 2013 California revenues; insurers qualifying as largest under either regulator are shown here. For DMHC-regulated insurers, figures reflect total revenue. UnitedHealthcare figures include PacifiCare; Cigna includes both Cigna Health and Life Insurance Company and Connecticut General Life Insurance Company. For CDI-regulated insurers, revenues reflect Accident and Health (A&H) direct premiums written in California (Schedule T).

Sources: Department of Managed Health Care (DMHC) Health Plan Financial Summary Data, wps.dmhc.ca.gov; California Department of Insurance (CDI): Life and Annuity Market Share Report, 2013, Exhibit 4(D), www.insurance.ca.gov; Insurers' Annual Statements, Schedule T, 2013.

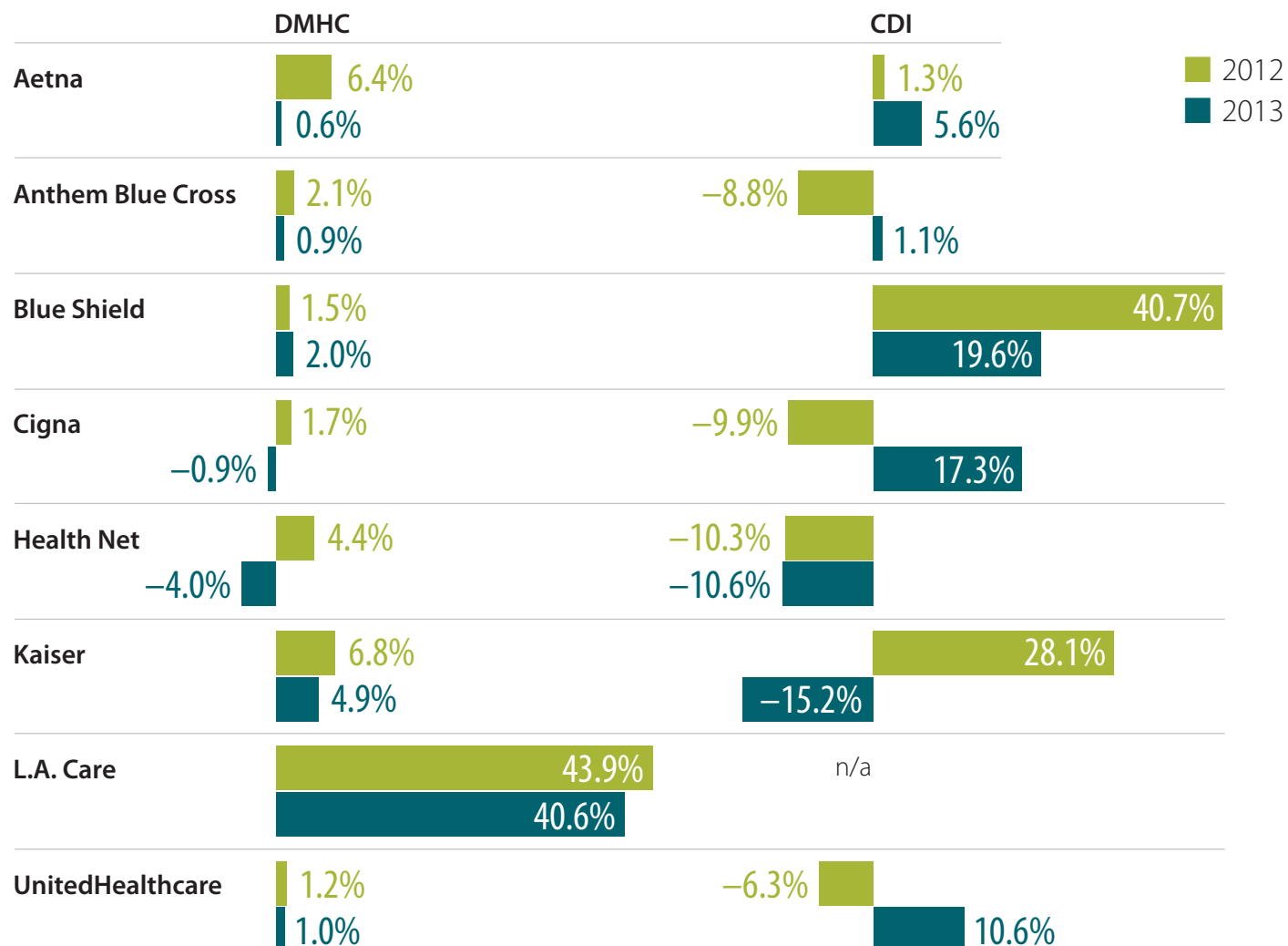
California Health Insurers

Financials

The share of insured business regulated by CDI increased for most insurers from 2004 to 2013, reflecting, in part, the attractiveness of lower-cost products with fewer benefits that could be sold under CDI. However, when the Affordable Care Act is fully implemented, all insurers will be required to provide a minimum set of benefits.

Revenue Growth/Reduction

Largest DMHC and CDI Insurers, California, 2012 and 2013



Notes: All figures shown represent revenue growth in California, except Kaiser, whose DMHC figures include multistate activity. Largest insurers determined by FY 2013 California revenues. **DMHC:** Health Net's figures include both Health Net Community Solutions and Health Net of California. **CDI:** Cigna includes Cigna Health and Life Insurance Company and Connecticut General Life Insurance Company; UnitedHealthcare includes PacifiCare.

Sources: Department of Managed Health Care (DMHC) Health Plan Financial Summary Data, wpso.dmhca.ca.gov; California Department of Insurance (CDI): Life and Annuity Market Share Report, 2013, Exhibit 4(D), www.insurance.ca.gov; Insurers' Annual Statements, Schedule T, 2013.

California Health Insurers

Financials

Growth varied among insurers and years. L.A. Care revenues grew as it absorbed its sister plan in LA County and as Medi-Cal managed care expanded.

Rebates to Policyholders Under the ACA, by Market Sector

California, 2012 and 2013

2012	AVERAGE REBATE PER FAMILY	TOTAL DOLLARS REFUNDED	CONSUMERS BENEFITING FROM REBATE	CARRIERS PAYING A REBATE	NATIONAL AVERAGE REBATE PER FAMILY
Individual	\$58	\$18,387,486	345,283	7	\$94
Small Group	\$105	\$41,973,768	729,973	6	\$122
Large Group	\$25	\$5,298,652	358,531	6	\$74
Overall	\$71	\$65,659,905	1,433,787	16	\$98

2013	AVERAGE REBATE PER FAMILY	TOTAL DOLLARS REFUNDED	CONSUMERS BENEFITING FROM REBATE	CARRIERS PAYING A REBATE	NATIONAL AVERAGE REBATE PER FAMILY
Individual	\$62	\$3,206,183	67,649	5	\$80
Small Group	\$23	\$5,250,924	383,921	2	\$79
Large Group	\$128	\$3,445,743	38,482	2	\$73
Overall	\$39	\$11,902,850	490,052	8	\$80

The Affordable Care Act (ACA) requires insurers to spend a minimum percentage of premium dollars on medical care or issue rebates to policyholders. Insurers not meeting the threshold are required to issue rebates to policyholders. The average rebate for a family in California was \$39, as compared to \$80 nationally. More California insurers met the Medical Loss Ratio standards and refunded fewer dollars in 2013 than in 2012.

Notes: Includes both CDI and DMHC-regulated insurers. Figures shown include specialty health insurance and exclude mini-med insurance. The ACA mandates that 80% of premiums for individuals and small groups be spent on medical care; the share is 85% for large groups.

Sources: Centers for Medicare & Medicaid Services, Center for Consumer Information and Insurance Oversight (CCIIO), "MLR Refunds by State and Market," 2012 and 2013 and "List of Health Insurers Owing Refunds," 2012 and 2013, accessed October 2014, www.cms.gov.

Medical Loss Ratios, by Market Sector

Largest DMHC and CDI Insurers, California, 2013

California Health Insurers

Financials

Rebate required

	INDIVIDUAL (80% standard)	SMALL GROUP (80% standard)	LARGE GROUP (85% standard)
DMHC			
Aetna	134.0%	82.6%	85.9%
Anthem Blue Cross	82.6%	79.8%	89.6%
Blue Shield	82.1%	80.8%	90.5%
Cigna*	—	—	97.2%
Health Net	97.4%	80.7%	90.2%
Kaiser	100.6%	93.4%	91.6%
UnitedHealthcare	87.3%	79.1%	88.2%

	INDIVIDUAL (80% standard)	SMALL GROUP (80% standard)	LARGE GROUP (85% standard)
CDI			
Aetna	84.5%	83.2%	87.0%
Anthem Blue Cross	81.6%	82.5%	85.5%
Blue Shield	81.3%	83.0%	87.0%
Cigna*	—	—	85.6%
Cigna (CT General)	96.3%	—	86.0%
Health Net	89.4%	83.1%	85.9%
Kaiser	78.5%	91.4%	104.0%
UnitedHealthcare	112.0%	80.6%	86.8%
PacifiCare	96.9%	—	90.4%

The goal of the medical loss ratio (MLR) standards and the rebate program is to create accountability for premium dollars. By 2013, the third year of the program, California's largest insurers owed rebates in only three instances, in contrast to eight in both 2011 and 2012 (not shown). Some MLRs exceeded 100%, indicating more was spent on medical care than was received in premiums.

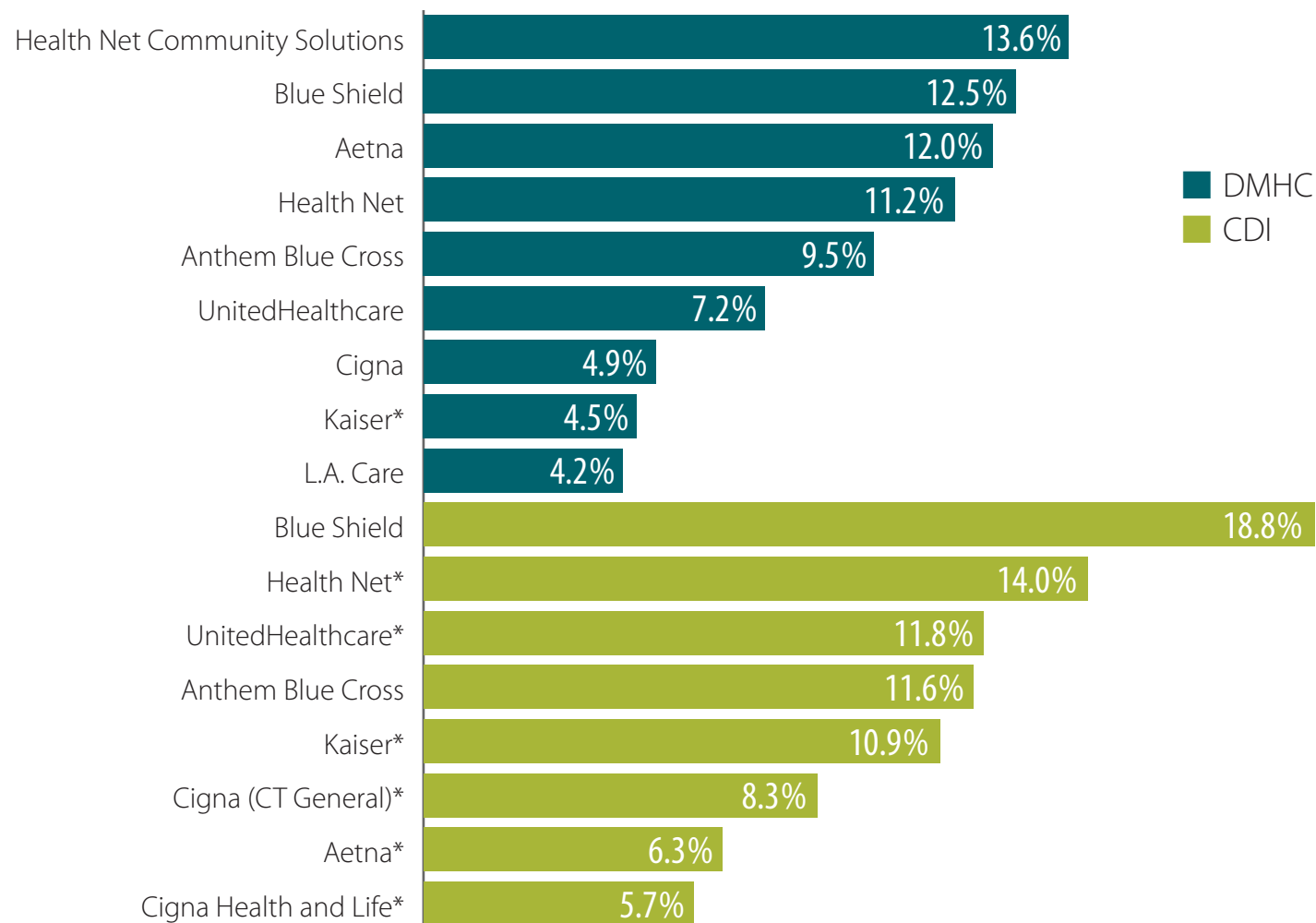
*Cigna Healthcare of California (DMHC) and Cigna Health and Life (CDI).

Notes: The ACA established a minimum share of premium income that must be spent on medical care and quality improvement, thus limiting the portion remaining for items such as claims processing, administration, marketing, and profit. Government insurance, such as Medicare and Medicaid, is exempt from rebate computations. The first rebates were paid in the summer of 2012 for insurance coverage in 2011. Largest insurers determined by FY 2013 California revenues; those qualifying as largest insurer under either regulator are shown here. PacifiCare Life and Health (CDI), due to its affiliation with UnitedHealthcare, is also shown. No equivalent DMHC plan for Cigna (CT General) and PacifiCare.

Source: Centers for Medicare & Medicaid Services, Center for Consumer Information and Insurance Oversight (CCIIO), MLR Filings, www.cms.gov.

Administrative Ratios

Largest DMHC and CDI Insurers, California, 2013



*Figures reflect multistate business.

Notes: Administrative percentages represent the share of revenues spent on administrative expenses and reflect the following measures: **DMHC**: "Administrative Ratio" from DMHC's Financial Summary Data; **CDI**: "A&H expense percent" as reported on Five-Year Historical Data (line 66 for all insurers shown, except Anthem); Anthem uses line 8/line 5 (total administrative expenses/total revenues) on the "Health" version of Five-Year Historical Data.

Sources: Department of Managed Health Care (DMHC), Health Plan Financial Summary Data, wps.dmhc.ca.gov; California Department of Insurance (CDI), Insurers' Annual Statements, interactive.web.insurance.ca.gov.

California Health Insurers

Financials

The administrative ratio is the share of revenues spent on activities such as contracting with providers, processing claims, marketing, and paying commissions. High ratios, which may reflect high operating costs or a small revenue base over which to spread them, can lead to financial losses and can mean less spending on medical care.

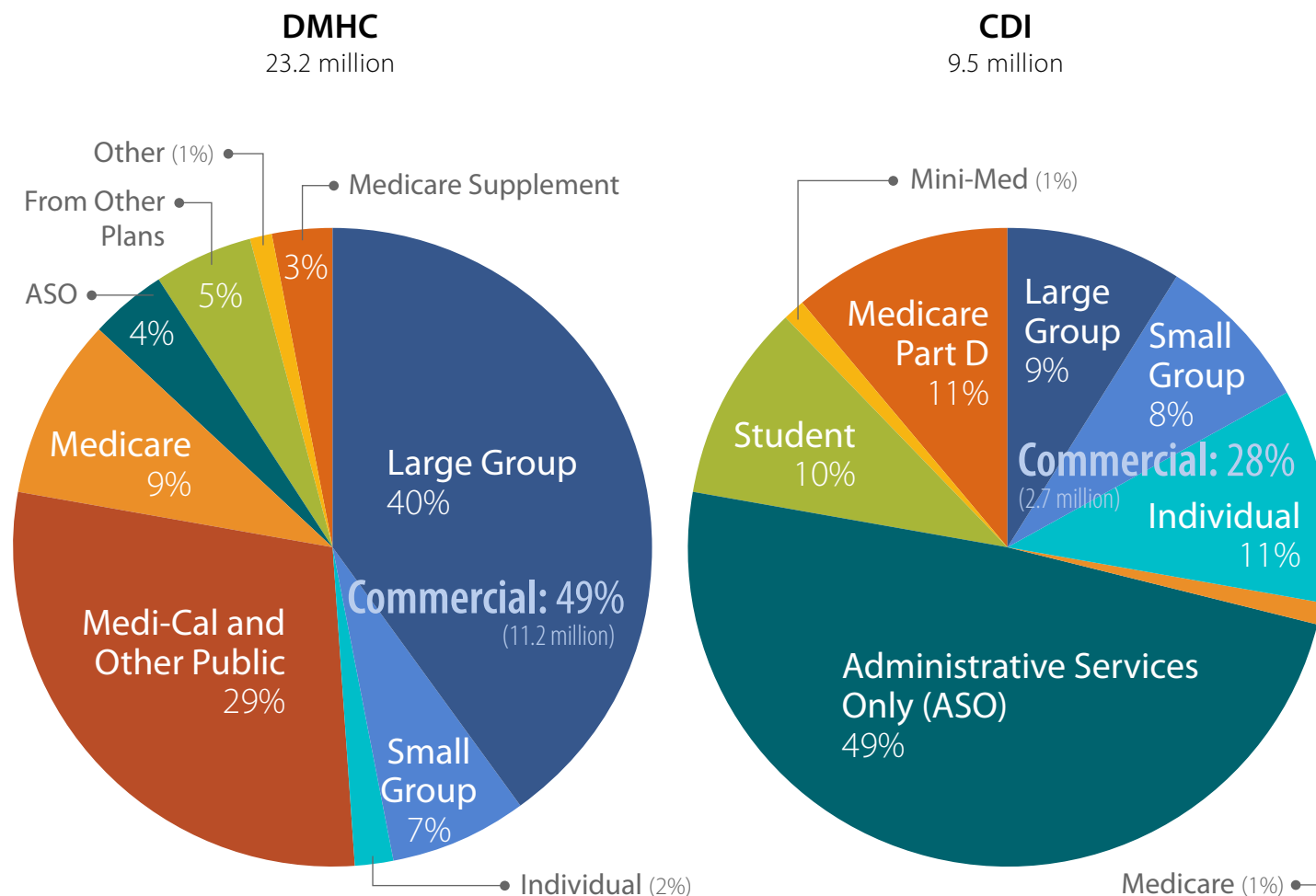
Health Insurance and ASO Enrollment

by Business Line Reported Under California Law, 2013

California Health Insurers

Enrollment

New enrollment reporting shows where business is concentrated. Commercial business — that is, small group, large group, and individual enrollment — accounted for nearly half of enrollment under DMHC, and public managed care accounted for more than a third. In contrast, ASO, provided to self-insured employers, accounted for nearly half of enrollment under CDI.



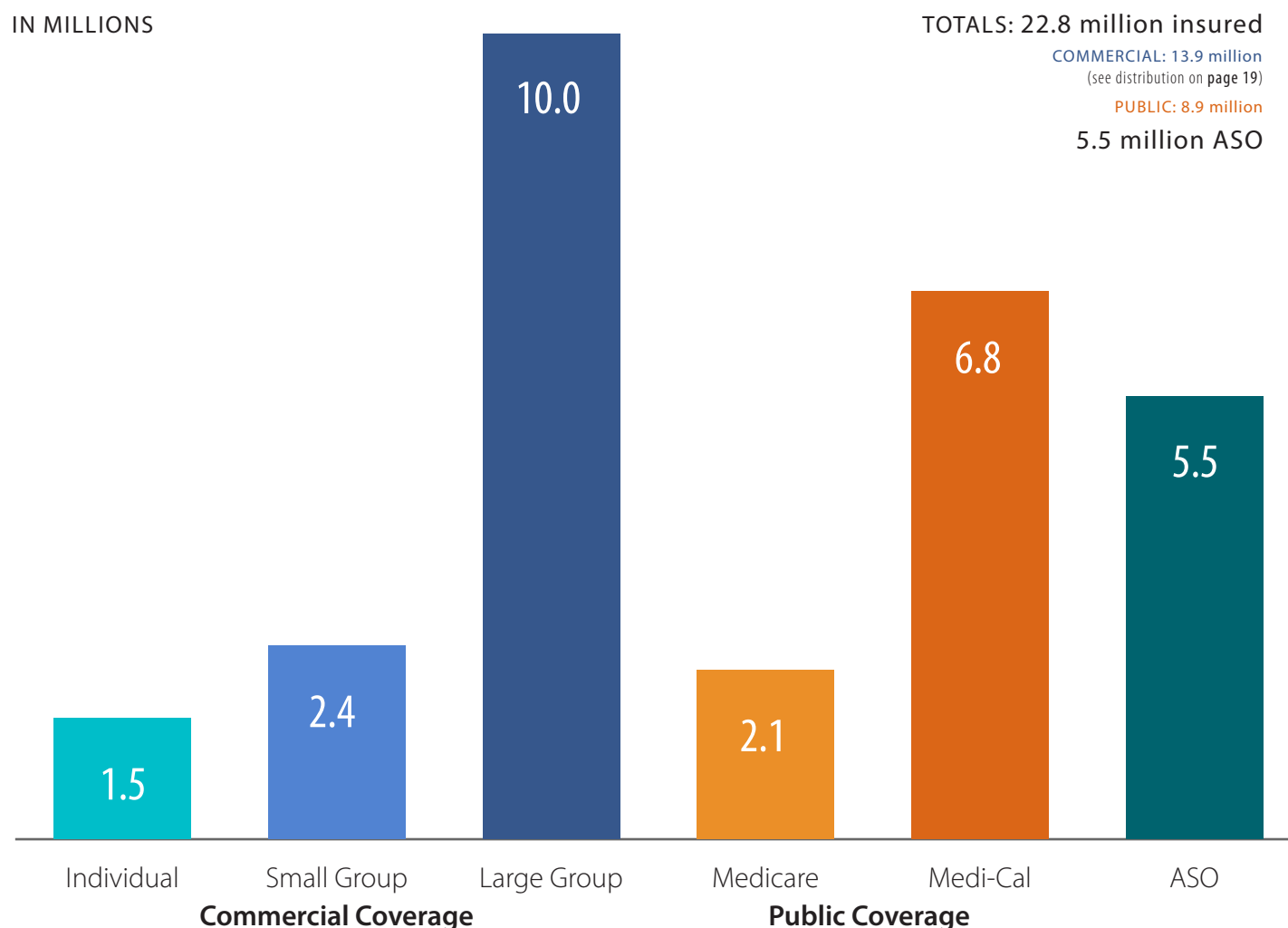
Notes: Figures shown reflect all components reported by CDI and DMHC in response to the requirements imposed by AB 1083, which mandated reporting of enrollment in individual, small group, large group, Medi-Cal managed care, and ASO (provided to self-insured employers) business lines. Enrollment reporting under this law is available for 2012 and 2013; see companion data file. Medicare Supplement (DMHC) and Medicare Part D (CDI) are not comprehensive insurance; From Other Plans (DMHC) is subcontracted enrollment. Medi-Cal and Other Public includes Healthy Families and AIM. Large group includes Federal Employee and TriCare. For more detailed information about lines of business by regulator, see page 25.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmh.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

Enrollment in Commercial and Public Coverage, and ASO

DMHC and CDI Combined, California, 2013

IN MILLIONS



Notes: Large Group includes enrollees in the Federal Employees Health Benefit Program (FEHBP) and Tricare. Medicare consists of Medicare Advantage enrollees. Medi-Cal consists of Medi-Cal managed care enrollees plus Healthy Families and AIM program members. Due to source differences, these Medicare and Medi-Cal managed care figures may differ from those on pages 29 and 31. ASO (Administrative Services Only) are provided to self-insured employers.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmh.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

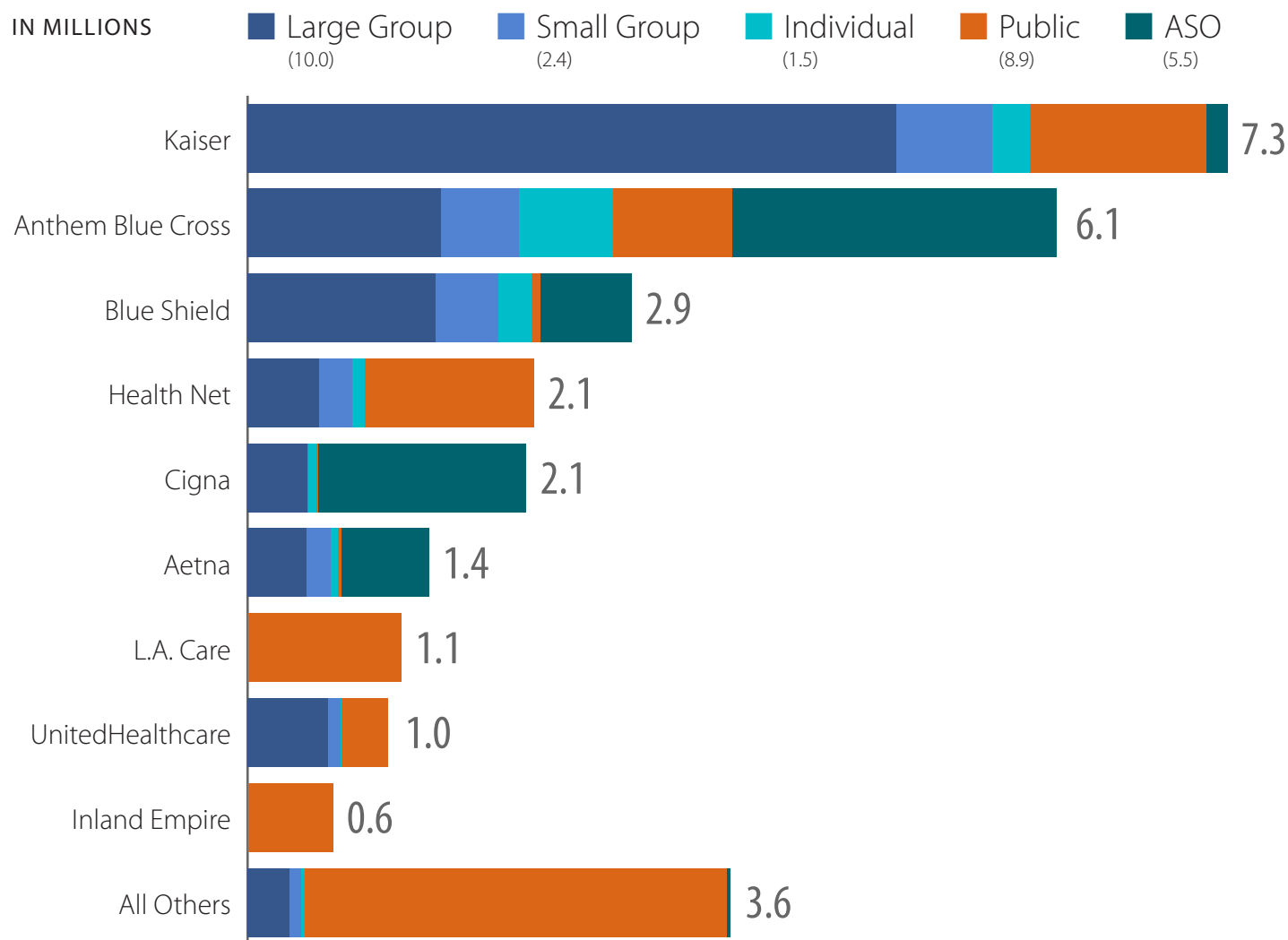
California Health Insurers

Enrollment

Nearly 23 million Californians were covered by California insurers, 13.9 million in the commercial sector and 8.9 million via the public sector managed care products. Insurers provided Administrative Services Only (ASO) to self-insured companies for another 5.5 million people. Both Medi-Cal and individual enrollment are expected to expand due to health care reform.

Enrollment, by Insurer and Market Sector

DMHC and CDI Combined, California, 2013



Notes: Commercial consists of individual, small group, and large group enrollment. ASO (Administrative Services Only) are provided to self-insured employers. Health Net includes Health Net Community Services enrollment, which is primarily Medi-Cal. All Others consists of insurers with fewer than 500,000 enrollees, such as CalOptima (Orange county), Partnership (county consortium), and Molina.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmh.ca.gov; California Department of Insurance (CDI), Covered Lives Report,

California Health Insurers

Enrollment

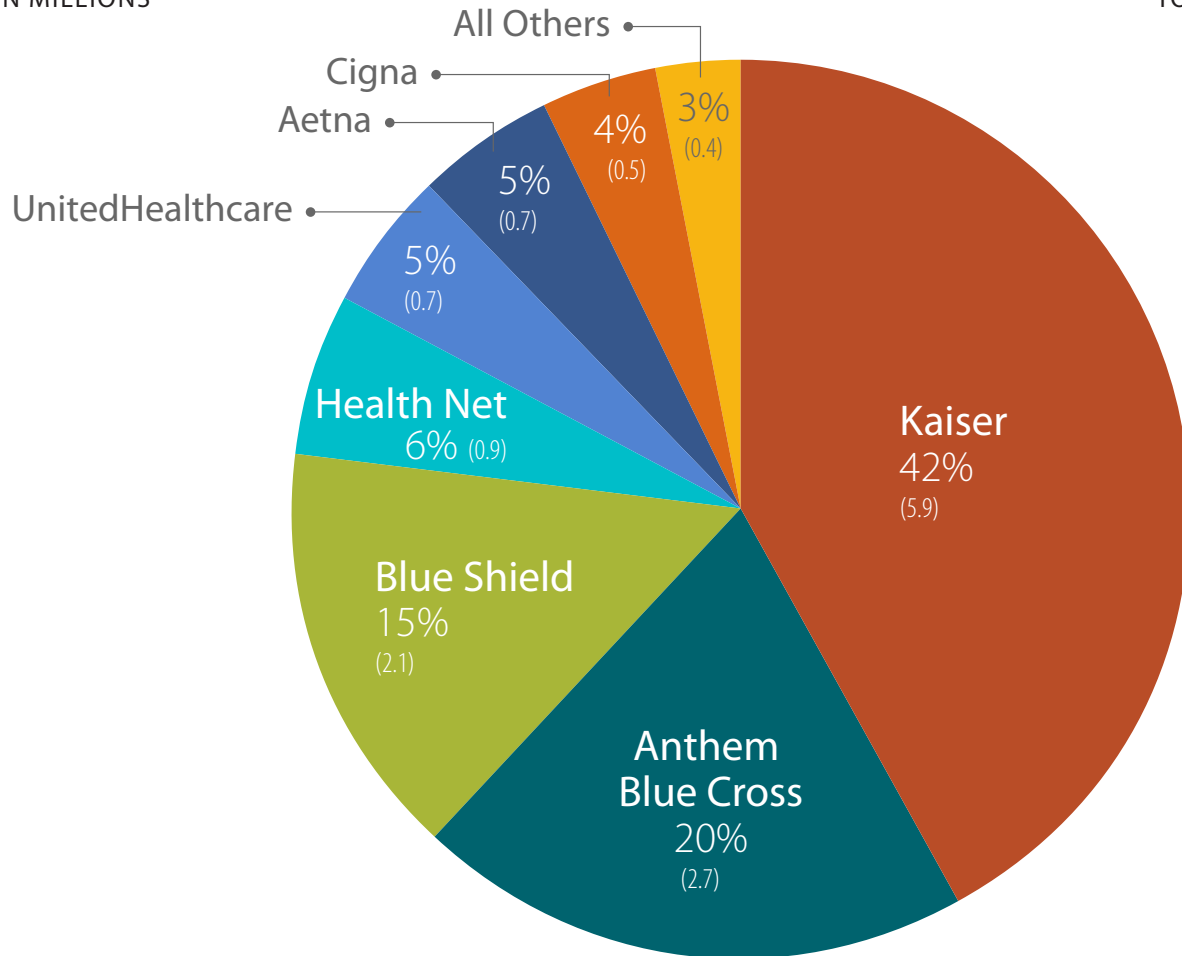
Most insurers covered a mix of commercial and public enrollees, with the exception of county plans L.A. Care and Inland Empire, which primarily serve Medi-Cal managed care enrollees. Administrative Services Only (ASO) enrollment was concentrated in a few insurers.

Commercial Enrollment, by Insurer

DMHC and CDI Combined, California, 2013

IN MILLIONS

TOTAL: 13.9 million



California Health Insurers

Enrollment

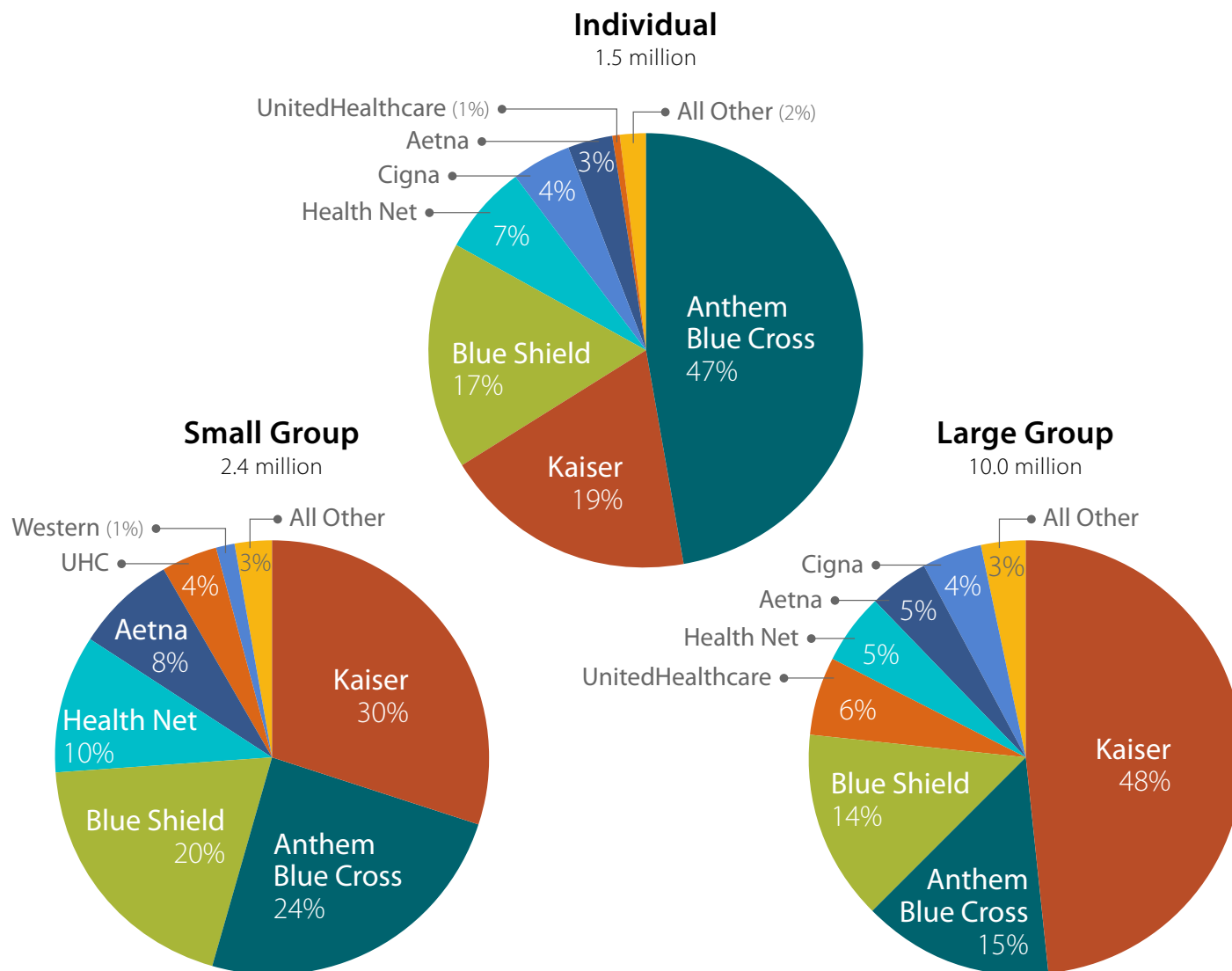
Insurers covered 13.9 million Californians through group and individual policies in 2013. The three largest insurers accounted for over 75% of all enrollees. Kaiser covered over 40% of Californians enrolled in commercial plans. The next two largest insurers together covered another 35% of these enrollees.

Notes: Commercial refers to health insurance individually purchased or obtained through an employer group and includes the Federal Employees Health Benefit Program (FEHBP) and Tricare. All Others consists of insurers that had fewer than 500,000 commercial enrollees including Sharp, SIMNSA, SeeChange, Epic, and Ventura County Health Plan. Enrollment figures are as of December 2013. UnitedHealthcare includes UnitedHealthcare Insurance Company, Pacificare Life and Health Insurance Company, and UnitedHealthcare of California; Cigna includes Cigna Health and Life Insurance Company, Connecticut General Life Insurance Company, and Cigna Healthcare of California.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmhca.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

Commercial Enrollment, by Insurer and Market Sector

DMHC and CDI Combined, California, 2013



Note: The seven largest insurers are shown in each market.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmhc.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

California Health Insurers

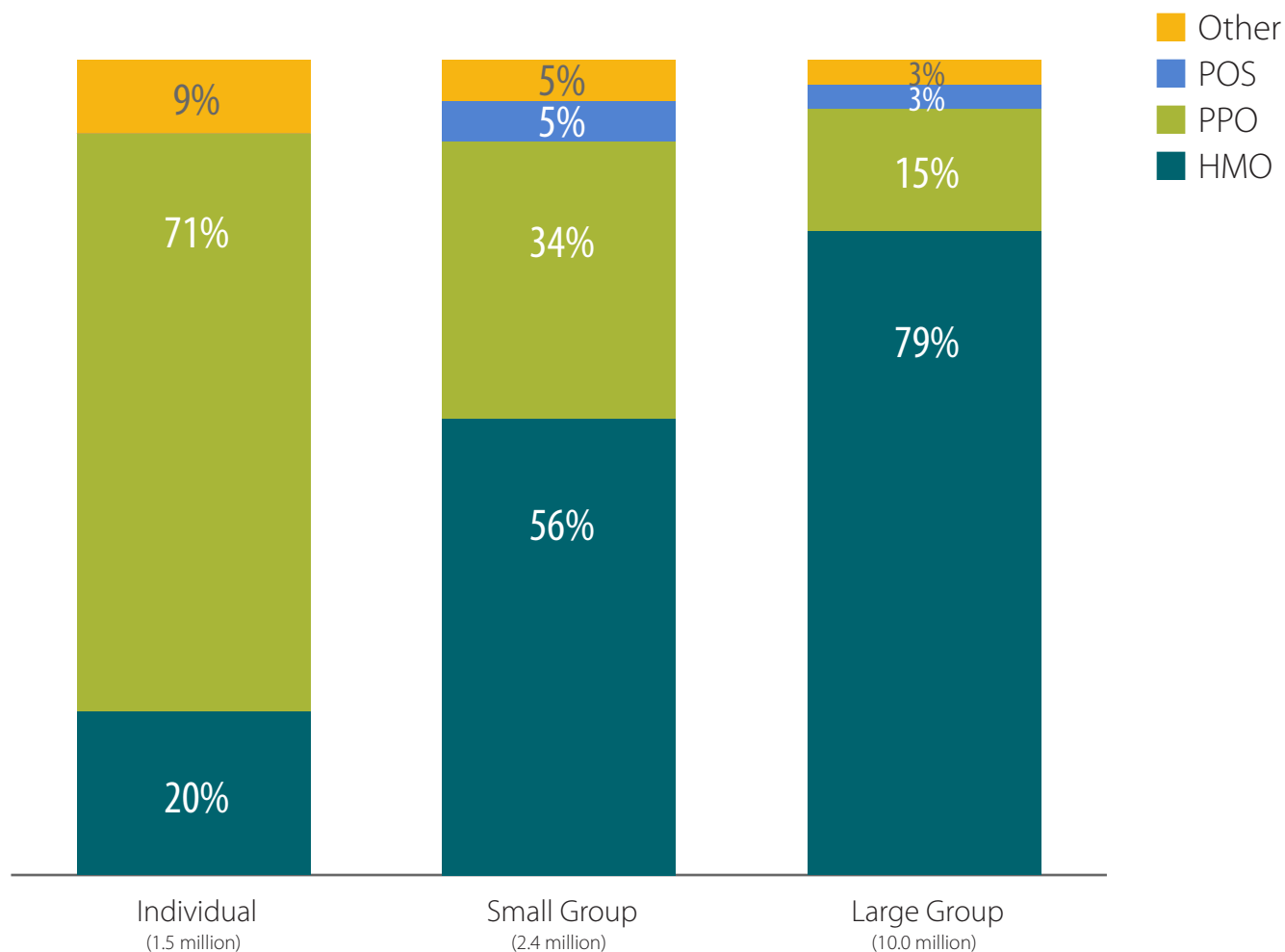
Enrollment

California's insurance business was concentrated in three insurers, which accounted for 83% of enrollment in the individual market* and about 75% in the group markets. Anthem had nearly half the individual market, while Kaiser had nearly half the large group market. No one insurer dominated in the small group market.

*In 2014, ACA implementation mandated coverage, required guaranteed issue (no review of applicant's medical history), and provided subsidies to moderate income people enrolling in individual coverage. Early indications are that the individual market expanded in 2014 as a result.

Product Distribution, Commercial Enrollment, by Market

DMHC and CDI Combined, California, 2013



California Health Insurers

Enrollment

Large and small group enrollees tended to have HMO coverage, while most of those with individual coverage had PPO coverage.

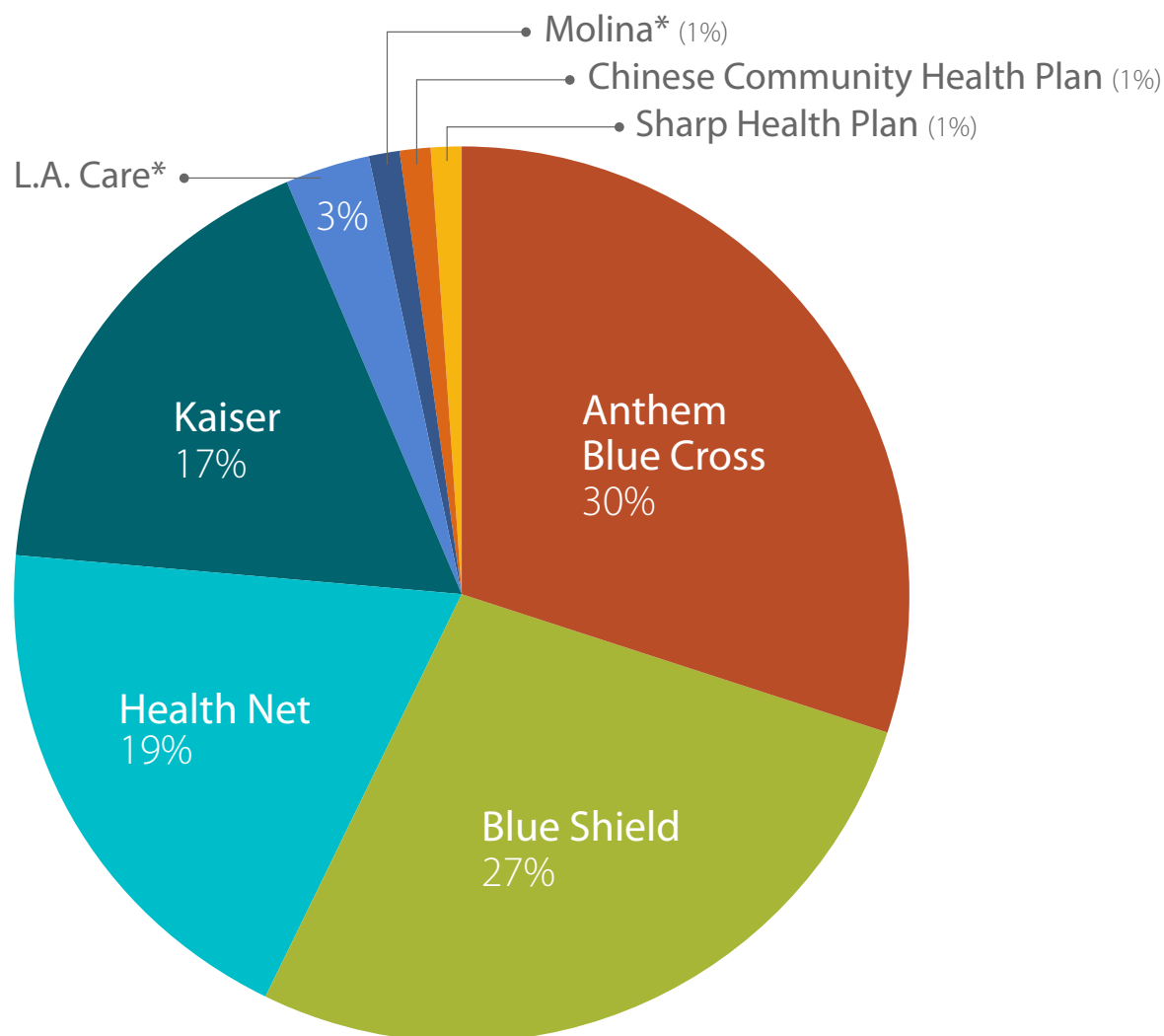
Notes: Enrollment figures are as of December 2013. Large Group includes enrollees in the Federal Employees Health Benefit Program (FEHBP) and Tricare. Commercial refers to health insurance individually purchased or obtained through an employer group. Other includes the following categories: Exclusive provider organization (EPO), fee-for-service (FFS), high deductible health plan (HDHP), and other major medical products. Not all products are reported by both regulators. DMHC reports the following commercial products: HMO, PPO, and POS; these products also encompass high deductible health plans (HDHPs). CDI reports PPO, POS, EPO, FFS, HDHP, Federal, TriCare, and other major medical products; mini-med products and student health do not constitute major medical coverage and are excluded here.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmhc.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

Covered California Enrollment

Individual Market, 2014

TOTAL: 1.4 MILLION



*New to the individual market in 2014.

Notes: Of these enrollees, about 1.1 million had their coverage take effect, i.e., they paid their premiums. The overall size of the individual market in 2014 will not be known until enrollment levels outside Covered California are available. Current estimates put the total individual market in 2014 at up to 2.5 million enrollees, approximately one million more than at the end of 2013. With the exception of Contra Costa Health Plan, the same insurers will offer coverage through Covered California in 2015. Enrollment figures are as of March 2014. Not shown: Contra Costa Health Plan*, Valley Health Plan*, and Western Health Advantage (each had less than 1% of enrollment). Segments do not total 100% due to rounding.

Source: Covered California, 2014 Open Enrollment Data Book, hbex.coveredca.com and News October 14, 2014, news.coveredca.com.

California Health Insurers

Enrollment

Covered California offered a choice of 11 health insurers to individual enrollees. In the first open enrollment season under health reform, October 1, 2013 to March 31, 2014, 1.4 million individuals enrolled in individual coverage through Covered California. Some of these enrollees were previously uninsured while others had individual or other coverage.

Enrollment Change, by Insurer and Market Sector

DMHC and CDI Combined, California, 2012 and 2013

California Health Insurers

Enrollment

From 2012 to 2013, commercial enrollment in California declined slightly overall and for most of the largest insurers. In contrast, enrollment in public sector coverage, such as Medi-Cal managed care and Medicare Advantage, grew 6% overall.

	Commercial			Public			Total		
	2012	2013	CHANGE	2012	2013	CHANGE	2012	2013	CHANGE
Aetna	696,819	670,699	−4%	30,222	31,247	3%	727,041	701,946	−3%
Anthem Blue Cross	2,816,817	2,732,764	−3%	1,037,070	893,697	−14%	3,853,887	3,626,461	−6%
Blue Shield	2,145,801	2,122,478	−1%	62,179	69,156	11%	2,207,980	2,191,634	−1%
Cigna	526,425	504,898	−4%	0	0	—	526,425	504,898	−4%
Health Net	973,226	876,357	−10%	1,124,778	1,267,815	13%	2,098,004	2,144,172	2%
Inland Empire	0	0	—	570,446	638,653	12%	570,446	638,653	12%
Kaiser	5,804,643	5,850,840	1%	1,285,114	1,322,851	3%	7,089,757	7,173,691	1%
L.A. Care	0	0	—	1,010,136	1,148,138	14%	1,010,136	1,148,138	14%
UnitedHealthcare	723,639	703,264	−3%	326,203	343,561	5%	1,049,842	1,046,825	0%
All Others	362,262	439,754	21%	2,939,859	3,166,139	8%	3,302,121	3,605,893	9%
Total	14,049,632	13,901,054	−1%	8,386,007	8,881,257	6%	22,435,639	22,782,311	2%

Notes: Commercial refers to health insurance individually purchased or obtained through an employer group and includes the Federal Employees Health Benefit Program (FEHBP) and Tricare. Public is Medicare and Medi-Cal managed care. All Others consists of insurers that had fewer than 500,000 enrollees. Enrollment figures are as of December 2013. ASO enrollment (not shown) increased by 42,313 in 2013.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmhc.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

Commercial Enrollment Change, by Insurer and Market

DMHC and CDI Combined, California, 2012 and 2013

California Health Insurers

Enrollment

Enrollment in the individual market declined 4% while the large group market lost 1%. UnitedHealthcare and Anthem Blue Cross experienced losses in all three markets, while results were mixed for most insurers.

	Individual			Small Group			Large Group		
	2012	2013	CHANGE	2012	2013	CHANGE	2012	2013	CHANGE
Aetna	68,970	49,265	-29%	146,339	178,960	22%	481,510	442,474	-8%
Anthem Blue Cross	758,788	704,628	-7%	603,611	581,699	-4%	1,454,418	1,446,437	-1%
Blue Shield	293,663	250,683	-15%	454,910	464,549	2%	1,397,228	1,407,246	1%
Cigna	37,264	66,794	79%	3,021	4,327	43%	488,527	437,228	-11%
Health Net	65,039	99,513	53%	245,617	242,406	-1%	662,570	534,438	-19%
Kaiser	278,211	283,285	2%	687,859	711,717	3%	4,838,573	4,855,838	0%
UnitedHealthcare	14,651	10,034	-32%	101,458	95,857	-6%	607,530	597,373	-2%
All Others	27,843	25,251	-9%	79,761	90,844	14%	252,271	320,208	27%
Total	1,544,429	1,489,453	-4%	2,322,576	2,370,359	2%	10,182,627	10,041,242	-1%

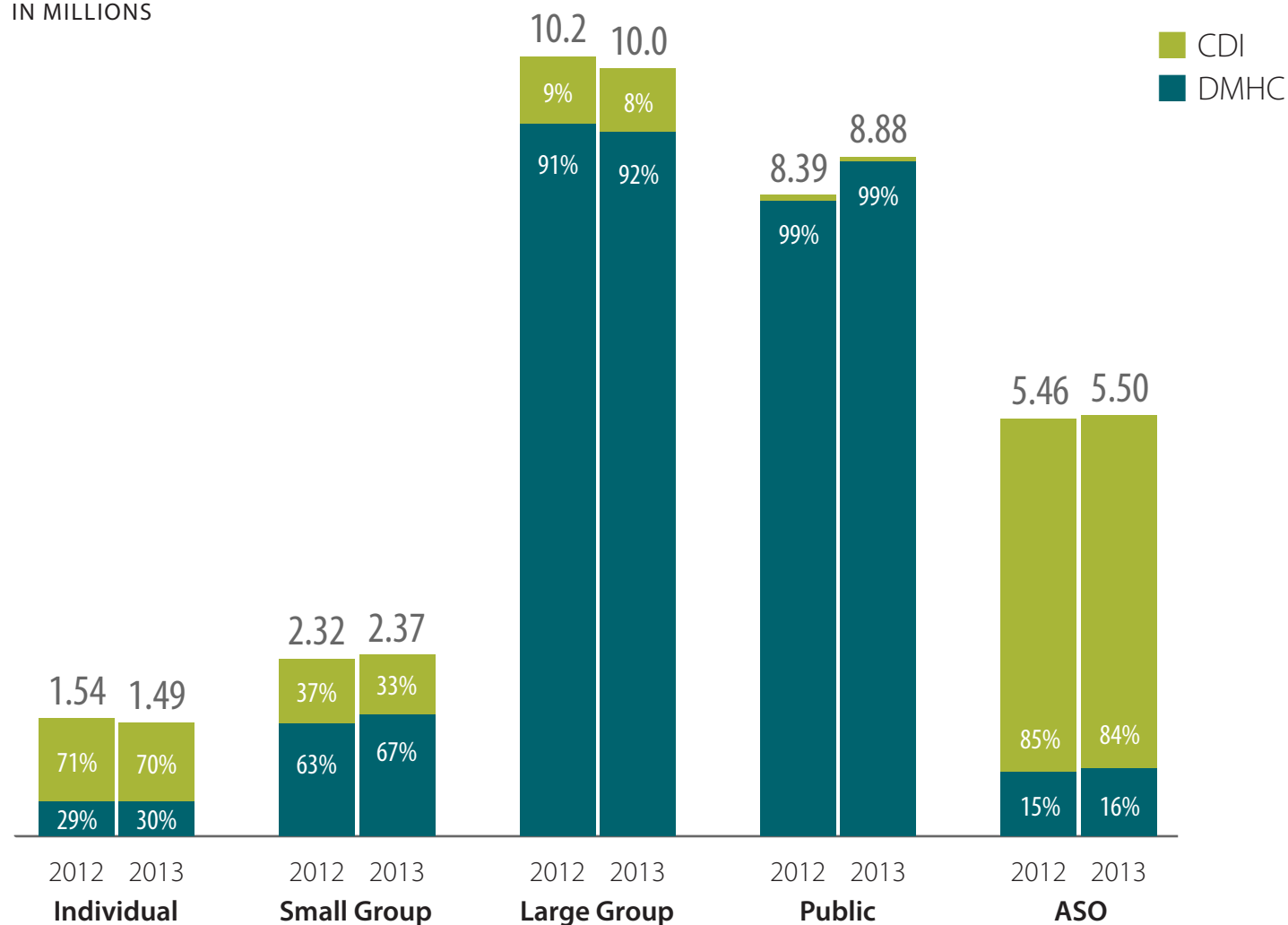
Notes: All Others consists of insurers that had fewer than 500,000 commercial enrollees. Large Group includes enrollees in the Federal Employees Health Benefit Program (FEHBP) and Tricare. Preliminary information indicates that the individual market expanded in 2014 under health reform. Enrollment figures are as of December 2013.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmhca.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

Enrollment, by Regulator and Market Sector

California, 2012 and 2013

IN MILLIONS



Note: Preliminary information indicates that enrollment in individual and public coverage is expanding in 2014 due to health reform. ASO (Administrative Services Only) are provided to self-insured employers. Public enrollment figures refer to managed care only.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmh.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

California Health Insurers

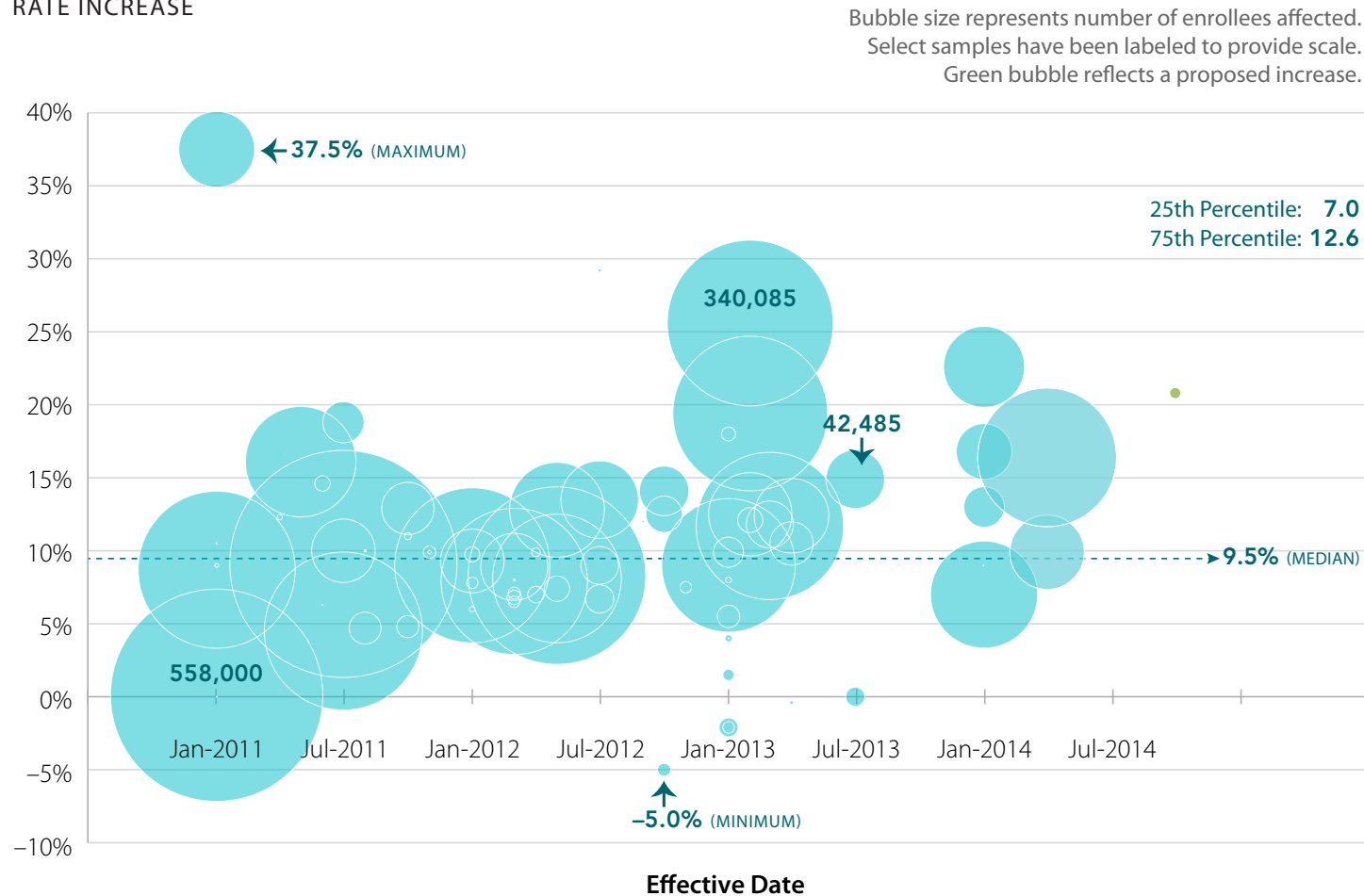
Enrollment

Most enrollees were concentrated in the group and public markets that fall under DMHC regulation. As of 2013, however, most individual enrollees (70%) were regulated by CDI. ASO arrangements covered 5.5 million Californians and are regulated primarily by CDI.

Health Insurance Premium Rate Increases

Individual Market, Existing Products, California, 2011 to 2014

RATE INCREASE



Notes: Blue bubbles are final or implemented rate increases from completed rate review filings for renewing products. Data do not include: new products, renewing products that did not file rate increases, withdrawn filings, and filings without an effective date or enrollment figures.

Sources: Department of Managed Health Care (DMHC), Premium Rate Review Filings, Individual Market, as of October 2014, wps0.dmhc.ca.gov; California Department of Insurance (CDI), Rate Filings, Individual Market, as of June 2014, interactive.web.insurance.ca.gov.

California Health Insurers

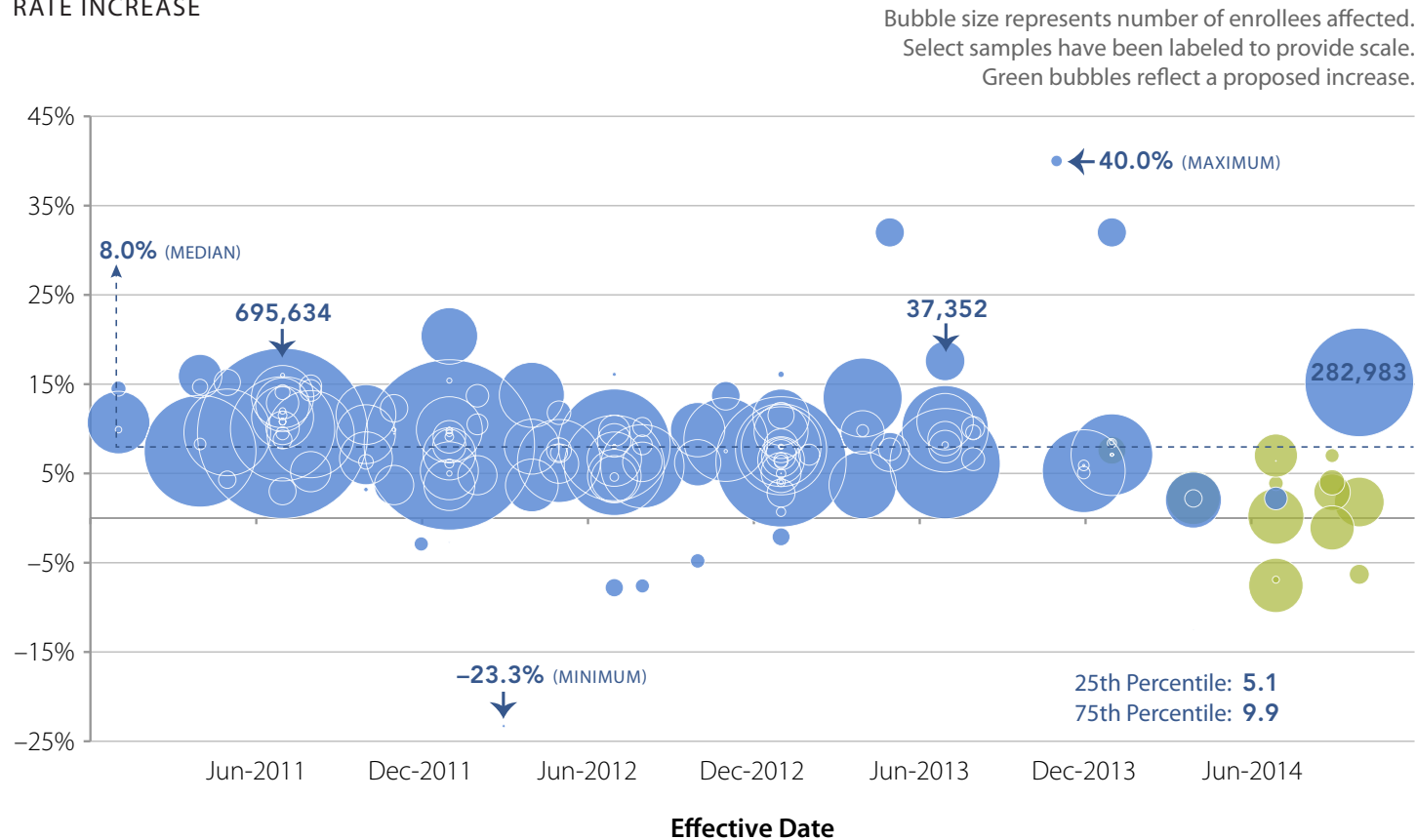
Premiums

Between 2011 and 2014, the median rate increase for existing health insurance products in the individual market was 9.5%, which exceeds other measures of health care inflation such as per capita increases in health care spending. Half of all increases were between 7.0% and 12.6%. Fewer increases were filed for 2014, as many products were terminated and new products were filed.

Health Insurance Premium Rate Increases

Small Group Market, California, 2011 to 2014

RATE INCREASE



California Health Insurers

Premiums

Between 2011 and 2014, the median rate increase for existing health insurance products in the small group market was 8.0%, somewhat lower than the individual market. Half of all increases fell between 5.1 and 9.9%.

Notes: Chart reflects final or implemented rate increases for renewing products in the small group market, as reported in rate review filings submitted to California regulators. Data do not include: new products, renewing products that did not file rate increases, withdrawn filings, and filings without an effective date or enrollment figures.

Sources: Department of Managed Health Care (DMHC), Premium Rate Review Filings, Small Group Market, as of October 2014, wpsso.dmhca.ca.gov; California Department of Insurance (CDI), Rate Filings, Small Group Market, as of October 2014, interactive.web.insurance.ca.gov.

Medicare Advantage vs. Fee-for-Service Enrollment

California vs. United States, December 2013

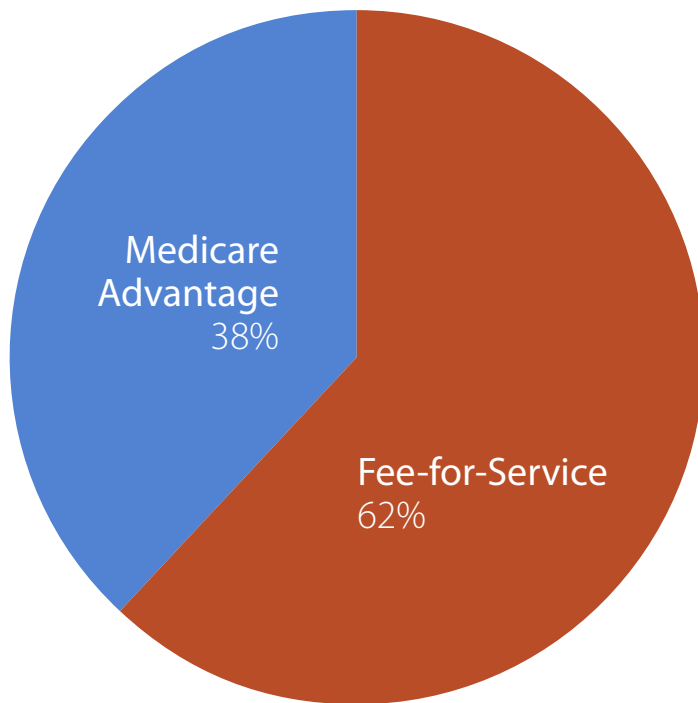
California Health Insurers

Public Coverage

In California, 62% of Medicare enrollees had fee-for-service coverage. California had a higher percentage of enrollees covered by Medicare Advantage, Medicare's managed care option, than the US.

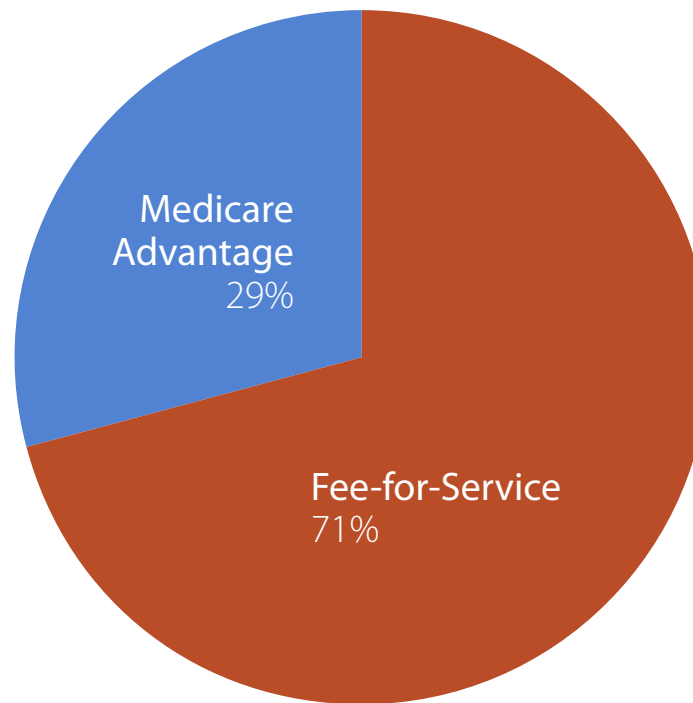
California Medicare

5.3 million



US Medicare

52.5 million

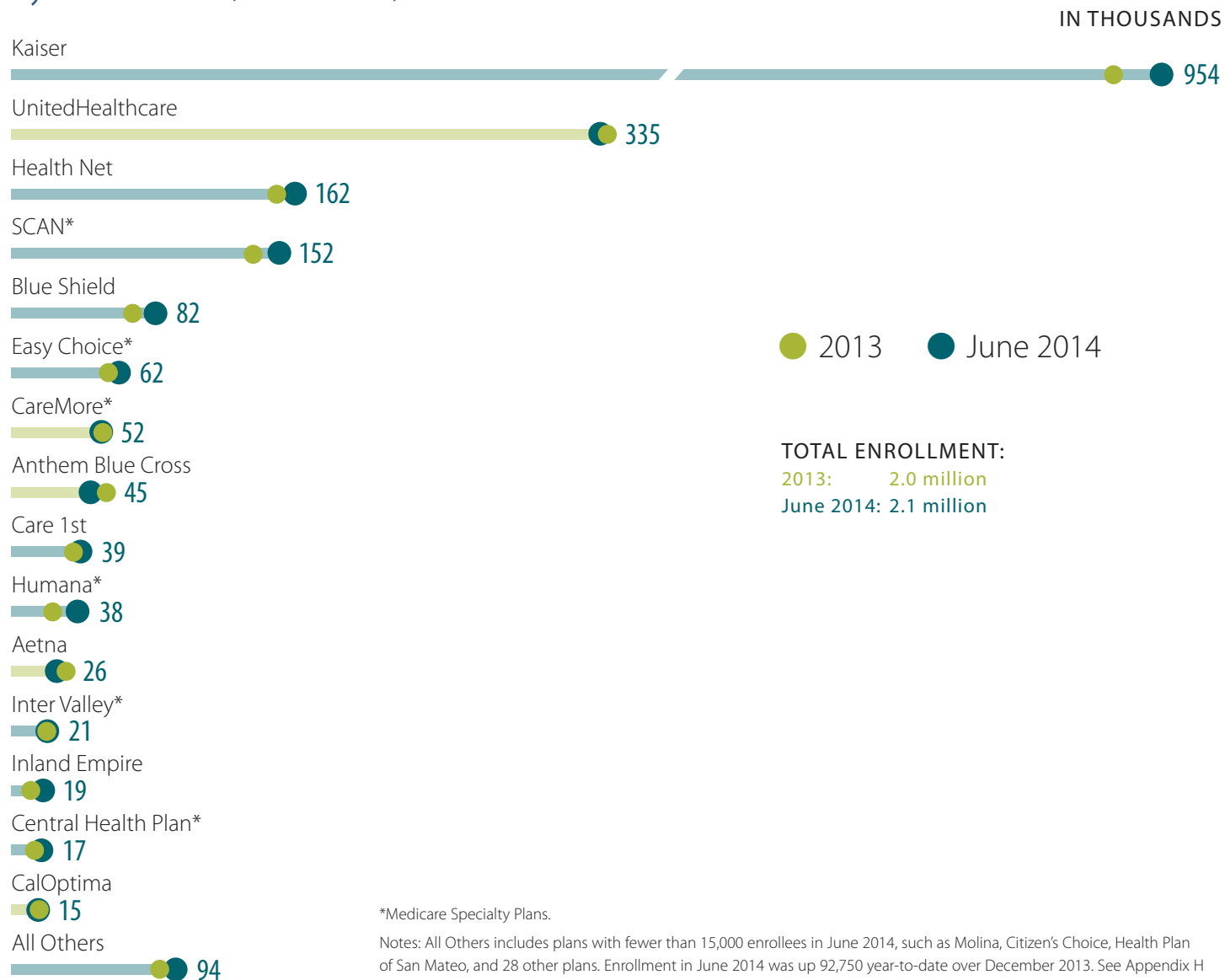


Notes: Under Medicare Advantage, health plans provide all Medicare benefits in exchange for a capitated payment. Some fee-for-service beneficiaries also have Medicare supplemental insurance.

Source: Centers for Medicare & Medicaid Services, Medicare Advantage State/County Penetration, December 2013, www.cms.gov.

Medicare Advantage Enrollment

by Health Plan, California, December 2013 and June 2014



*Medicare Specialty Plans.

Notes: All Others includes plans with fewer than 15,000 enrollees in June 2014, such as Molina, Citizen's Choice, Health Plan of San Mateo, and 28 other plans. Enrollment in June 2014 was up 92,750 year-to-date over December 2013. See Appendix H for details, including market share.

Sources: Centers for Medicare & Medicaid Services (CMS), Medicare Advantage Enrollment by State/County/Contract, December 2013 and June 2014, www.cms.gov; CMS, Medicare Advantage Penetration by State/County, June 2013, www.cms.gov.

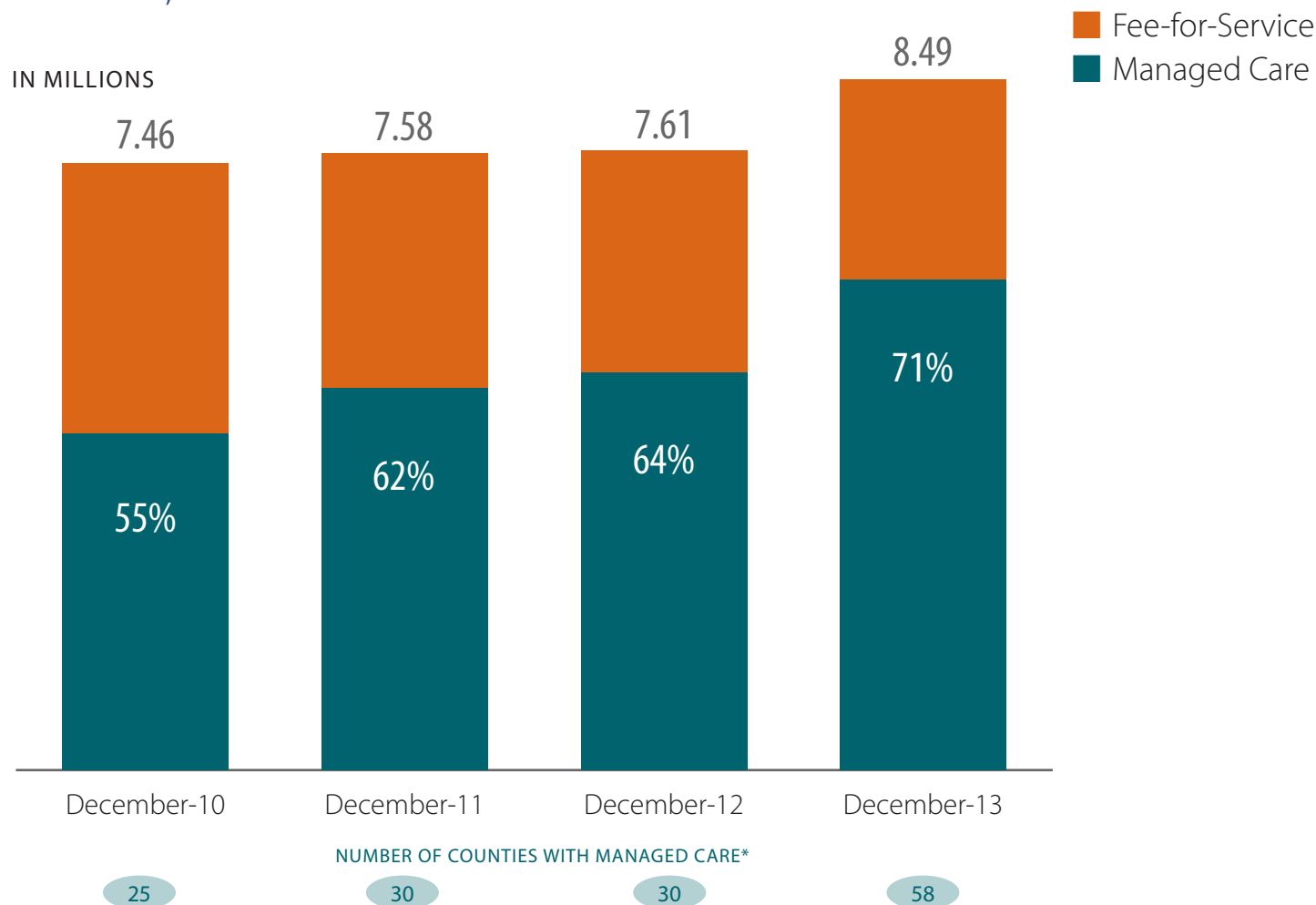
California Health Insurers

Public Coverage

Kaiser covered nearly half of all Medicare Advantage enrollees. UnitedHealthcare, Health Net, and SCAN combined covered nearly a third of Medicare Advantage enrollees. Plans specializing in Medicare Advantage covered about 15%.

Medi-Cal Fee-for-Service vs. Managed Care Enrollment

California, December 2010 to December 2013



*Beginning in the second half of 2013, Medi-Cal managed care expanded to the remaining 28 unserved counties: Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Lake, Lassen, Mariposa, Modoc, Mono, Nevada, Placer, Plumas, San Benito, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Tuolumne, and Yuba. A new plan, California Health & Wellness, is serving 19 of these counties. Earlier, mandatory transitions of seniors and persons with disabilities accounted for managed care increases in 2011 and 2012; and in 2011, geographic expansion to four counties (Kings, Madera, Mendocino, and Ventura) had also shifted Medi-Cal beneficiaries to managed care.

Notes: Preliminary figures indicate additional growth in 2014, due largely to health reform's expansion of Medi-Cal eligibility. Figures shown reflect contracts between plans and the state. Some Medi-Cal managed care plans contract their enrollees out to other managed care plans. See also Appendix I.

Sources: California Department of Health Care Services (DHCS), Medi-Cal Managed Care Enrollment Reports, www.dhcs.ca.gov; DHCS, Research and Analytical Studies Branch, "Medi-Cal Certified Eligible County Pivot Table - Most Recent 24 Months," www.dhcs.ca.gov.

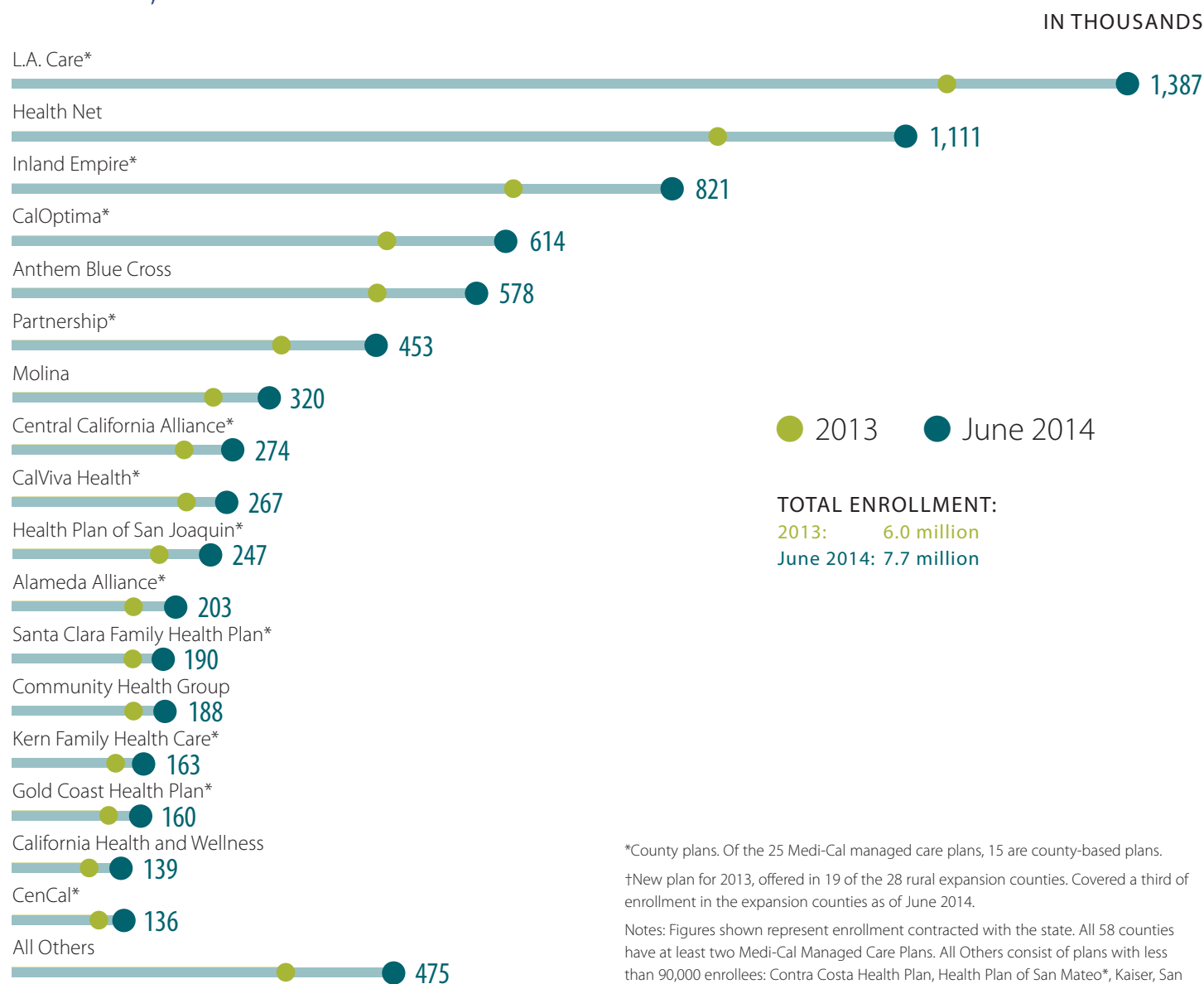
California Health Insurers

Public Coverage

Fee-for-service enrollment has been declining in recent years due to policies promoting managed care. Between 2012 and 2013, managed care enrollment increased by 23%. This increase is the result of the transition of approximately 850,000 Healthy Families enrollees to Medi-Cal managed care and the expansion of managed care to the remaining 28 unserved California counties.

Medi-Cal Managed Care Enrollment

California, December 2013 and June 2014



*County plans. Of the 25 Medi-Cal managed care plans, 15 are county-based plans.

†New plan for 2013, offered in 19 of the 28 rural expansion counties. Covered a third of enrollment in the expansion counties as of June 2014.

Notes: Figures shown represent enrollment contracted with the state. All 58 counties have at least two Medi-Cal Managed Care Plans. All Others consist of plans with less than 90,000 enrollees: Contra Costa Health Plan, Health Plan of San Mateo*, Kaiser, San Francisco*, Care 1st Health Plan, Positive Health Care, and Family Mosaic Project.

Source: California Department of Health Care Services, Medi-Cal Managed Care Enrollment Reports, December 2013 and June 2014, www.dhcs.ca.gov.

California Health Insurers

Public Coverage

County-based health plans insured about two thirds of Medi-Cal managed care enrollees. The 1.7 million new enrollees in 2014 were distributed across all plans and are due mainly to expanded eligibility in 2014 under the ACA.

Consumer Ratings of Health Insurers, California, 2014

California Health Insurers

Consumer Satisfaction

	DOCTORS, CARE, AND COMMUNICATION							PLAN SERVICE		
	Health Care (highly rated)*	Appointment and Routine Care Quickly (highly rated)	Specialty Care, Tests, and Treatment Easily (highly rated)	Doctor Communication with Patients (highly rated)	Coordinated Care†	Doctor and Patient Shared Decision-Making‡	Health Promotion‡	Plan Information on What You Pay‡	Customer Service (highly rated)	Paid Claims Quickly and Correctly‡
HMO										
	PERCENTAGE OF MEMBERS									
Aetna	71%		77%	90%			72%		81%	86%
Anthem Blue Cross	74%	84%	85%	94%	75%		78%		80%	85%
Blue Shield	79%	84%	82%	93%	77%	44%	71%		89%	87%
Cigna	76%	85%	81%	93%	79%	46%	78%		86%	82%
Health Net	71%	76%	78%	90%	82%	42%	69%	59%	83%	84%
Kaiser North	81%	87%	89%	93%	82%	49%	73%	62%	88%	81%
Kaiser South	85%	83%	86%	94%	84%	50%	78%	68%	89%	81%
Sharp	83%	84%	82%	95%	78%	55%	76%	77%	90%	91%
UnitedHealthcare	76%	80%	79%	94%	78%	51%	70%	60%	85%	87%
Western	77%	81%	85%	93%	81%	50%	79%		88%	89%
PPO										
	PERCENTAGE OF MEMBERS									
Aetna	74%	84%	84%	94%			78%		80%	84%
Anthem Blue Cross	77%	89%	89%	94%	78%	47%	76%	58%	87%	88%
Blue Shield	67%	84%	85%	94%	75%		69%		80%	83%
Cigna	77%	83%	83%	95%	75%	51%	76%		84%	85%
Health Net	74%	84%	86%	96%			77%	50%	78%	79%
UnitedHealthcare	75%	87%	84%	96%	82%	42%	77%	60%	86%	82%

*Percentage rating their health plan an 8, 9, or 10 on a scale of 0 to 10. †Percentage reporting this experience. ‡How well health plan does (higher is better).

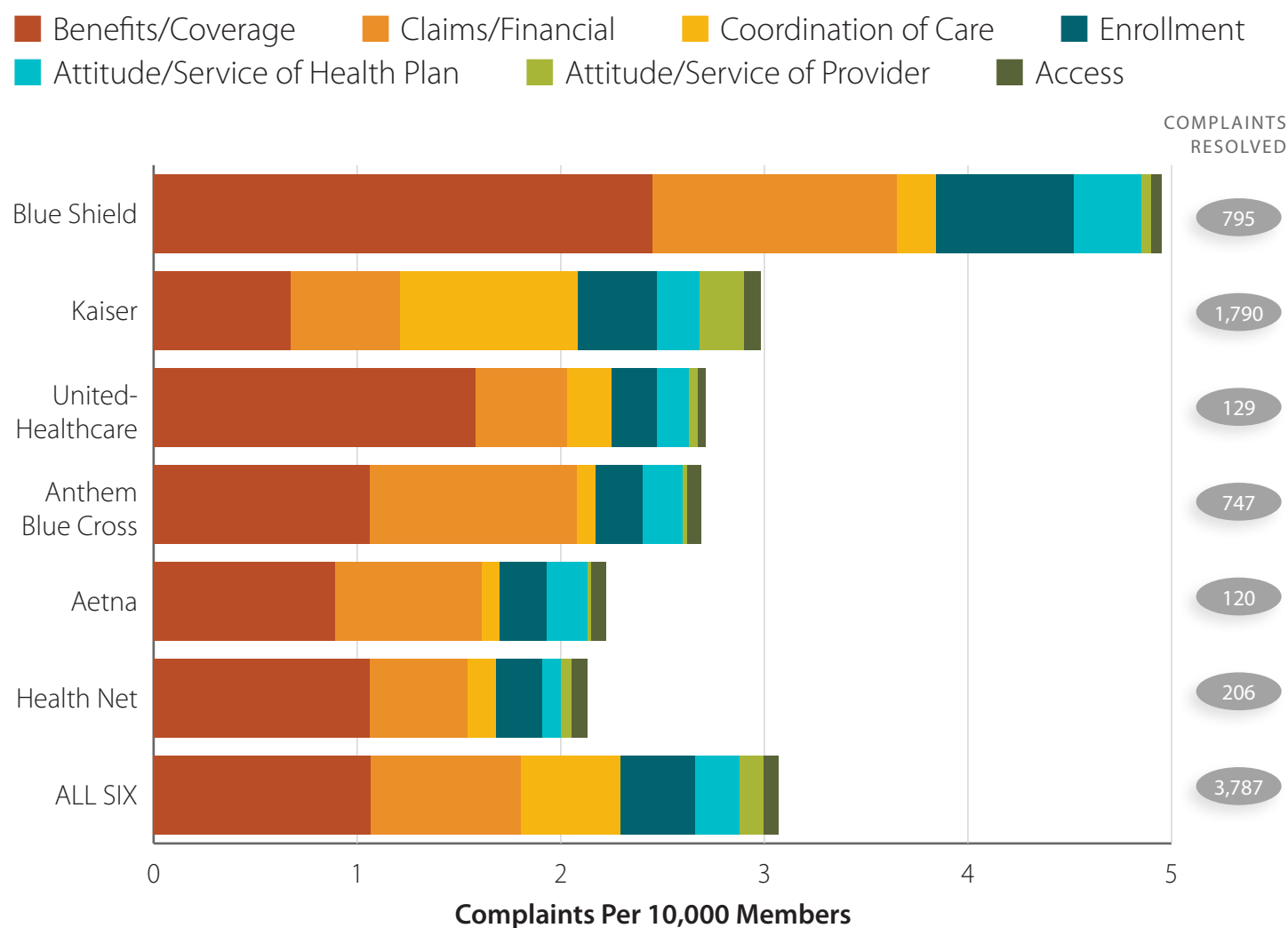
Notes: Reflects survey data collected in 2014 regarding service and experiences in 2013. Results shown for carriers with more than 150,000 enrollees. Differences of four percentage points or more should be considered meaningful. See Appendix J for additional details on interpretation of scores.

Source: Office of Patient Advocate, Quality Report Card, 2014-15 edition, based on data from the Consumer Assessment of Healthcare Providers and Systems (CAHPS), www.opa.ca.gov.

Most HMO and PPO members rated their health care highly, with the share of those giving high ratings ranging from a low of 74% to a high of 85%. Respondents rated their doctor's communication skills even more favorably, with 90% or more rating them highly. The least favorable ratings were given for sharing in decisionmaking and getting information on what consumers pay.

Complaints Filed with DMHC

Largest Insurers, California, 2013



California Health Insurers

Consumer Satisfaction

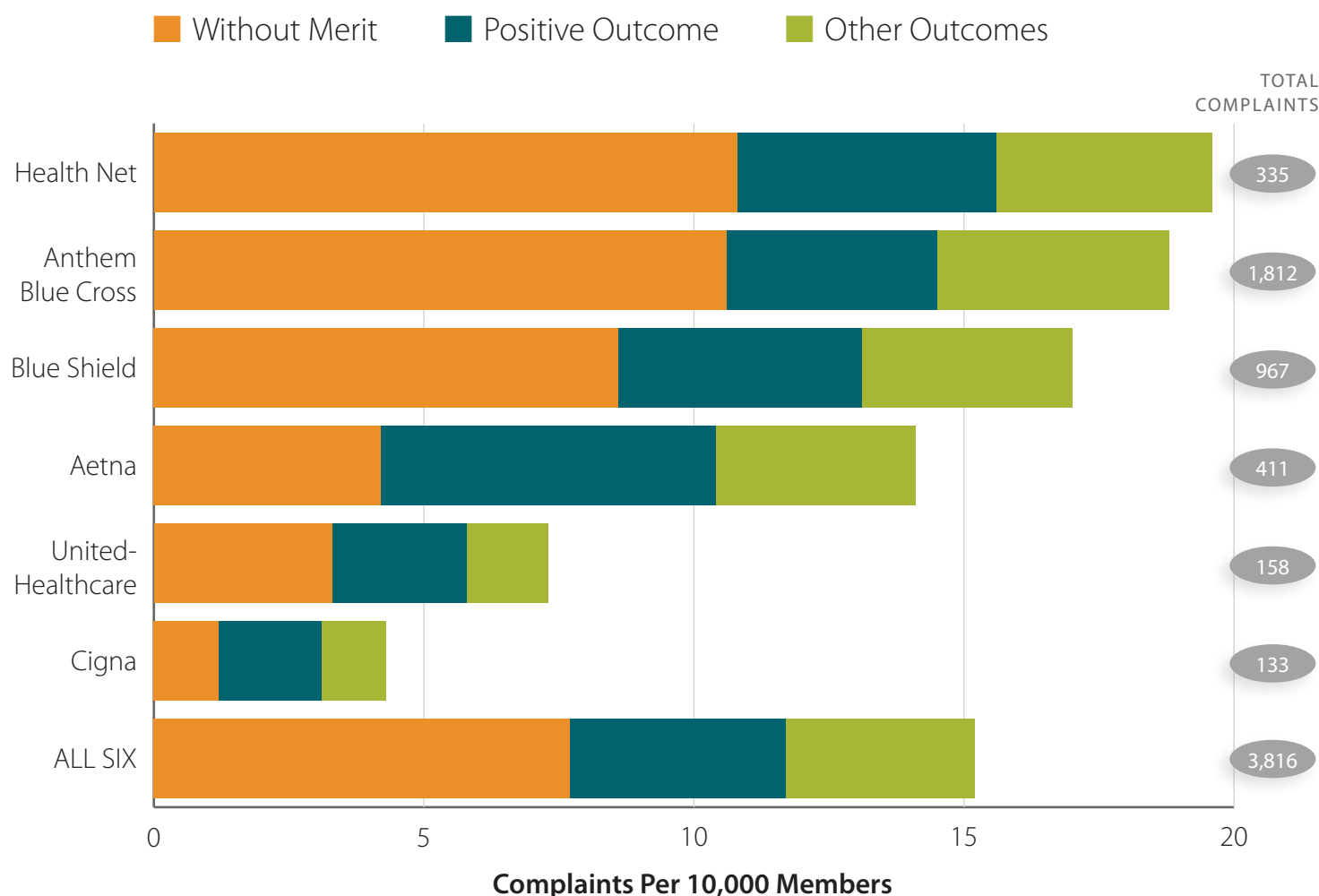
For the six largest insurers, DMHC reported receiving about about 3 complaints for every 10,000 members. In 2013, complaint rates for all six insurers were below 5 per 10,000 enrollees. Complaints were most often filed over benefits/coverage issues and claims/financial matters.

Notes: Largest insurers are commercial plans with more than 500,000 enrollees in 2013. Figures pertain to resolved complaints, both with and without merit. A single complaint filed can be reflected in more than one category.

Source: Department of Managed Health Care (DMHC), 2012 Complaint Results by Category and Health Plan, www.dmhc.ca.gov.

Complaints Filed with CDI

Largest Insurers, California, 2013



Notes: Figures report the disposition of complaints closed in 2013. Positive outcomes are those found to require corrective action against the insurer or leading to insurer compromise, or to result in some other remedy for the complainant. Complaints without merit had no action requested by CDI or the insurer's position was upheld. Other Outcomes are complaints that fell into neither of the previous categories. Largest plans are those with 100,000 or more enrollees in 2013. Cigna figures reflect both Connecticut General Life Insurance Company and Cigna Health and Life Insurance Company. UnitedHealthcare figures do not include PacifiCare.

Source: California Department of Insurance (CDI), Company Profiles, Company Performance & Comparison Data, interactive.web.insurance.ca.gov.

California Health Insurers

Consumer Satisfaction

CDI processed about 15 complaints per 10,000 enrollees in 2013, a total of 3,816 complaints for the six largest insurers. Of these complaints, about a quarter had a positive outcome for the consumer, meaning that corrective action or compromise by the insurer was required. Half the complaints were found to be without merit, while the remaining complaints had other outcomes.

Data Resources

FEDERAL RESOURCES, US DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare and Medicaid Services (CMS), Center for Consumer Information and Insurance Oversight (CCIIO)

- Health Insurance Market Reforms
www.cciio.cms.gov
- List of Health Insurers Owing Rebates and Medical Loss Ratio (MLR) Refunds by State and Market, 2011–2013
www.cms.gov
- MLR – Carrier Filing Instructions for All Parts
www.cciio.cms.gov
- MLR Data and System Resources
www.cciio.cms.gov
- MLR Implementing Regulations
www.cciio.cms.gov
- MLR reports
www.cciio.cms.gov

CMS, Medicare Enrollment Resources

- Medicare Advantage State/County Penetration Report
www.cms.gov
- Monthly Medicare Advantage Enrollment, by State/County/Contract
www.cms.gov

HealthCare.Gov

- Insurance Company Profiles by State, including Medical Loss Ratios and Rate Review
companyprofiles.healthcare.gov

REGULATORS

California Department of Insurance (CDI)

- Insurance Company Profiles, including Financial Statements
www.interactive.web.insurance.ca.gov
- Life and Annuity Market Share Reports, 2003–2013
www.insurance.ca.gov
- Health Insurance Covered Lives Reports, 2012–2013
www.insurance.ca.gov

California Department of Managed Health Care (DMHC)

- Enrollment Summary Reports, 2012–2013
www.dmhc.ca.gov
- Health Plan Financial Statements
wps0.dmhc.ca.gov
- Health Plan Financial Summary Report
wps0.dmhc.ca.gov
- Independent Medical Review and Complaint Results, 2012
www.dmhc.ca.gov
- Individual Market, Post Open Season Enrollment in DMHC-regulated Plans, 2014
www.dmhc.ca.gov
- Licensed Plans List
wps0.dmhc.ca.gov

PRIVATE RESOURCES

Kaiser Family Foundation

- State Health Facts
www.statehealthfacts.org

National Association of Insurance Commissioners (NAIC)

- Insurance Data Portal
eapps.naic.org

OTHER STATE RESOURCES

California Department of Health Care Services (DHCS)

- Medi-Cal Managed Care Enrollment Reports
www.dhcs.ca.gov
- Research and Analytical Studies Division, “Medi-Cal Certified Eligible County Pivot Table – Most Recent 24 Months”
www.dhcs.ca.gov

California Health Benefits Review Program (CHBRP)

- CHBRP Estimates of Sources of Health Insurance in California, 2014
www.chbrp.org

California Major Risk Medical Insurance Board (MRMIB)

- Aid to Infants and Mothers (AIM) Enrollment Reports
www.mrmib.ca.gov
- Healthy Families Enrollment Reports
www.mrmib.ca.gov

California Office of the Patient Advocate

- California Health Care Quality Report Cards, 2014–15
opa.ca.gov
- Scoring Documentation for Public Reporting on CAHPS (Reporting Year 2014)
reportcard.opa.ca.gov

Covered California

- Open Enrollment Data, 2014
hbex.coveredca.com

California Health Insurers

ABOUT THIS SERIES

The California Health Care Almanac is an online clearinghouse for data and analysis examining the state’s health care system. It focuses on issues of quality, affordability, insurance coverage and the uninsured, and the financial health of the system with the goal of supporting thoughtful planning and effective decisionmaking. Learn more at www.chcf.org/almanac.

AUTHOR

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ACKNOWLEDGMENT

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FOR MORE INFORMATION



CALIFORNIA
HEALTHCARE
FOUNDATION

California HealthCare Foundation
1438 Webster Street, Suite 400
Oakland, CA 94612
510.238.1040
www.chcf.org

Appendix A: Affiliated Entities of California's Largest Health Insurance Carriers

COMPANY GROUPING	UNDER DMHC	UNDER CDI	NAIC CODE
Aetna	Aetna Health Care of California, Inc.	Aetna Life Insurance Company*	60054
Anthem Blue Cross	Blue Cross of California, dba Anthem Blue Cross	Anthem Blue Cross Life and Health Insurance Company	62825
Blue Shield	California Physicians' Service, dba Blue Shield of California	Blue Shield of California Life and Health Insurance Company	61577
Cigna	Cigna HealthCare of California	Connecticut General Life Insurance Company* Cigna Health and Life Insurance Company*	62308 67369
Health Net	Health Net of California, Inc. Health Net Community Solutions	Health Net Life Insurance Company*	66141
Kaiser	Kaiser Foundation Health Plan, Inc.*	Kaiser Permanente Insurance Company*	60053
UnitedHealthcare	UHC of California, Inc.	UnitedHealthcare Insurance Company* PacifiCare Life and Health Insurance Company*	79413 70785

*Multi-state activities are included in California regulatory filings.

Notes: Largest insurers were selected on the basis of enrollment in December 2013; L.A. Care and Inland Empire, which had no CDI counterparts, are not shown. See CDI Market Share Report for further details on company groupings.

Sources: Department of Managed Health Care (DMHC), Health Plan Financial Summary Data; California Department of Insurance (CDI), California Life & Annuity Market Share Report, 2013.

Appendix B: California Health Insurance Enrollment, by Sector, 2012 to 2013

SECTOR	2012			2013					
	CDI	DMHC	COMBINED	CDI	CHANGE	DMHC	CHANGE	COMBINED	CHANGE
Individual	1,094,956	449,473	1,544,429	1,040,569	-5%	448,884	0%	1,489,453	-4%
Small Group	851,730	1,470,846	2,322,576	785,079	-8%	1,585,280	+8%	2,370,359	+2%
Large Group	869,827	9,312,800	10,182,627	840,161	-3%	9,201,081	-1%	10,041,242	-1%
Commercial Total	2,816,513	11,233,119	14,049,632	2,665,809	-5%	11,235,245	0%	13,901,054	-1%
Medicare	79,143	1,886,628	1,965,771	64,584	-18%	2,015,522	+7%	2,080,106	+6%
Medi-Cal and Other Public	—	6,420,236	6,420,236	—	—	6,801,151	+6%	6,801,151	+6%
Public Total	79,143	8,306,864	8,386,007	64,584	-18%	8,816,673	+6%	8,881,257	+6%
Commercial and Public	2,895,656	19,539,983	22,435,639	2,730,393	-6%	20,051,918	+3%	22,782,311	+2%
Other Insured	928,447	713,139	1,641,586	1,027,028	+11%	306,330	-57%	1,333,358	-19%
From Other Plans (FOP)	—	1,211,727	1,211,727	—	—	1,249,739	+3%	1,249,739	+3%
Other Total	928,447	1,924,866	2,853,313	1,027,028	+11%	1,556,069	-19%	2,583,097	-9%
Total Insured	3,824,103	21,464,849	25,288,952	3,757,421	-2%	21,607,987	+1%	25,365,408	0%
Administrative Services Only (ASO)	4,624,070	838,409	5,462,479	4,615,726	0%	889,066	+6%	5,504,792	+1%
Total Insured and ASO	8,448,173	22,303,258	30,751,431	8,373,147	-1%	22,497,053	+1%	30,870,200	0%

Notes: Commercial enrollment adjusted to include deductible HMO category. Medicare is managed care enrollment (Medicare Risk + Medicare Cost); it excludes Medicare Part D coverage and Medicare Supplement. Medi-Cal and Other Public is Medi-Cal managed care + Healthy Families + Aid to Infants and Mothers (AIM). Other Insured is Student + Mini-Med + Other Sources of Enrollment. Student and Mini-Med coverage categories exist only under CDI, while Other Sources is a DMHC category. From Other Plans is subcontracted enrollment (often Medi-Cal), a DMHC-only category. ASO are provided to self-insured employers.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmhc.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

Appendix C: DMHC-Regulated Health Plans, December 31, 2013

HEALTH PLAN	OFFICIAL HEALTH PLAN NAME	LOCATION ADMIN. OFFICES	DATE LICENSED	PLAN TYPE	TAX STATUS	ENROLLMENT					TOTAL INSURED + ASO [†]
						TOTAL INSURED	RANK	COMMERCIAL	MEDI-CAL/ OTHER PUBLIC	MEDICARE	
Adventist	Adventist Health Plan, Inc.	Roseville	2/14/14	O	—	—	57				—
Aetna	Aetna Health Plan of California, Inc.	Walnut Creek	8/6/81	B	P	577,275	9	67%	0%	4%	577,275
Alameda Alliance	Alameda Alliance for Health	Alameda	9/19/95	C	NP	162,588	19	0%	93%	4%	162,588
AmericasHealth Plan*	AmericasHealth Plan, Inc.	Ventura	4/23/13	C	—	—	57				—
Anthem Blue Cross	Blue Cross of California	Thousand Oaks	1/7/93	B	P	2,665,114	2	68%	31%	1%	2,867,647
Arcadian	Arcadian Health Plan, Inc.	Carlsbad	5/29/08	M	—	26,275	39	0%	0%	100%	26,275
Aspire Health Plan	Aspire Health Plan	Monterey	4/5/13	M	—	—	57				—
Blue Shield ¹	California Physicians' Service	San Francisco	7/27/78	B	NP	1,621,153	3	96%	0%	4%	2,299,499
Brown and Toland*	Brown and Toland Health Services	San Francisco	4/12/13	M	—	543	55	0%	0%	100%	543
California Health and Wellness Plan	California Health and Wellness Plan	Sacramento	10/2/13	C	P	92,855	28	0%	100%	0%	92,855
CalOptima	Orange County Health Authority	Orange	6/28/00	B/C	NP	491,540	10	0%	97%	3%	491,540
CalViva Health	Fresno-Kings-Madera Regional Health Authority	Fresno	12/30/10	C	NP	212,931	15	0%	100%	0%	212,931
Care 1st	Care 1st Health Plan	Monterey Park	11/1/95	C	P	142,312	22	0%	0%	28%	142,312
CareMore	CareMore Health Plan	Cerritos	11/1/02	M	—	52,772	34	0%	0%	100%	52,772
CenCal	Santa Barbara San Luis Obispo Regional Health Authority	Goleta	6/22/00	C	NP	111,674	26	0%	99%	0%	111,674
Central California Alliance	Santa Cruz-Monterey-Merced Managed Medical Care Commission	Scotts Valley	6/20/00	C	NP	220,029	14	0%	99%	0%	220,029

1. Blue Shield announced an agreement to acquire Care 1st, with an expected close in the second half of 2015; it also announced plans to acquire GEMCare.

*Limited or restricted license; assumes risk for medical care, but subcontracts enrollment from other plans.

†ASO (Administrative Services Only) enrollment of 889,066 (not shown separately) was: Anthem (202,533), Blue Shield (678,346), Health Plan of San Joaquin (8,187).

KEY TO PLAN TYPES: B (Big): 400,000+ enrollees; C (Medi-Cal): 70%+ enrollees in Medi-Cal and Other Public; M (Medicare): 70%+ enrollees in Medicare; O (Other). Plan Type determination based on enrollment reports, disclosures, and footnotes in plan financial filings with DMHC.

KEY TO TAX STATUS: P (for Profit); NP (Nonprofit, public health agency, or joint power authority).

TOTAL INSURED = Commercial + Public (managed care) + Other Insured + From Other Plans. See Appendix B for details.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmhc.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

Appendix C: DMHC-Regulated Health Plans, December 31, 2013, *continued*

HEALTH PLAN	OFFICIAL HEALTH PLAN NAME	LOCATION ADMIN. OFFICES	DATE LICENSED	PLAN TYPE	TAX STATUS	ENROLLMENT					TOTAL INSURED + ASO [†]
						TOTAL INSURED	RANK	COMMERCIAL	MEDI-CAL/ OTHER PUBLIC	MEDICARE	
Central Health Plan	Central Health Plan of California, Inc.	Diamond Bar	10/27/04	M	P	13,534	48	0%	0%	100%	13,534
Chinese Community Health Plan	Chinese Community Health Plan	San Francisco	7/31/87	O	P	15,567	43	43%	0%	57%	15,567
Choice Physicians*	Choice Physicians Network, Inc.	S. Pasadena	9/14/09	M	—	5,525	50	0%	0%	0%	5,525
Cigna	Cigna HealthCare of California, Inc.	Glendale	3/23/79	O	P	199,899	16	100%	0%	0%	199,899
Citizens Choice	Honored Citizens Choice Health Plan, Inc.	Cerritos	5/25/04	M	—	14,777	46	0%	0%	100%	14,777
Community Care Health Plan	Community Care Health Plan, Inc.	Clovis	3/1/13	O	—	—	57				—
Community Health Group	Community Health Group	Chula Vista	8/30/85	C	NP	151,107	21	0%	99%	1%	151,107
Community Health Plan ²	Los Angeles County Dept. of Health Services	Alhambra	12/30/85	C	NP	—	57				—
Contra Costa Health Plan	Contra Costa County Medical Services	Martinez	4/6/78	C	NP	119,522	25	10%	77%	0%	119,522
DaVita *	DaVita Health Care Partners Plan	Torrance	12/31/13	O	P	—	57				—
Easy Choice	Easy Choice Health Plan, Inc.	Cypress	6/11/07	M	P	55,589	33	0%	0%	100%	55,589
EPIC*	EPIC Health Plan	Redlands	10/29/10	O	—	27,430	38	99%	0%	1%	27,430
GEMCare	GEMCare Health Plan, Inc.	Bakersfield	3/22/96	O	P	21,442	41	60%	0%	37%	21,442
Golden State	Golden State Medicare Health Plan	Seal Beach	5/14/09	M	—	811	53	0%	0%	100%	811
Health Net	Health Net of California, Inc.	Woodland Hills	2/7/97	B	P	1,122,728	5	63%	22%	13%	1,122,728
Health Net Community Solutions	Health Net Community Solutions, Inc.	Woodland Hills	6/13/05	B/C	P	1,097,755		0%	79%	0%	1,097,755
Health Plan of San Joaquin	San Joaquin County Health Commission	French Camp	1/30/96	C	NP	183,595	18	0%	100%	0%	191,782

2. Community Health Plan has transitioned its enrollment to L.A. Care. With the exception of MD Care, the other 10 plans without enrollment are new; see Appendix E for additional details.

*Limited or restricted license; assumes risk for medical care, but subcontracts enrollment from other plans.

†ASO (Administrative Services Only) enrollment of 889,066 (not shown separately) was: Anthem (202,533), Blue Shield (678,346), Health Plan of San Joaquin (8,187).

KEY TO PLAN TYPES: B (Big): 400,000+ enrollees; C (Medi-Cal): 70%+ enrollees in Medi-Cal and Other Public; M (Medicare): 70%+ enrollees in Medicare; O (Other). Plan Type determination based on enrollment reports, disclosures, and footnotes in plan financial filings with DMHC.

KEY TO TAX STATUS: P (for Profit); NP (Nonprofit, public health agency, or joint power authority).

TOTAL INSURED = Commercial + Public (managed care) + Other Insured + From Other Plans. See Appendix B for details.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmhc.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

Appendix C: DMHC-Regulated Health Plans, December 31, 2013, *continued*

HEALTH PLAN	OFFICIAL HEALTH PLAN NAME	LOCATION ADMIN. OFFICES	DATE LICENSED	PLAN TYPE	TAX STATUS	ENROLLMENT					TOTAL INSURED + ASO [†]
						TOTAL INSURED	RANK	COMMERCIAL	MEDI-CAL/ OTHER PUBLIC	MEDICARE	
Health Plan of San Mateo	San Mateo Health Commission	S. San Francisco	7/31/98	C	NP	89,787	30	0%	85%	10%	89,787
Heritage*	Heritage Provider Network, Inc.	Northridge	2/7/97	B/O	P	427,042	11	0%	0%	0%	427,042
Humana	Humana Health Plan of California, Inc.	Irvine	5/12/09	M	P	24,964	40	0%	0%	100%	24,964
Inland Empire	Inland Empire Health Plan	Rancho Cucamonga	7/22/96	B/C	NP	640,227	8	0%	98%	2%	640,227
Inter Valley	Inter Valley Health Plan	Pomona	5/25/79	M	NP	20,306	42	0%	0%	100%	20,306
Kaiser	Kaiser Foundation Health Plan, Inc.	Oakland	11/4/77	B	NP	7,123,649	1	81%	5%	13%	7,123,649
Kern Family Health Care	Kern Health Systems	Bakersfield	5/6/96	C	NP	126,404	24	0%	100%	0%	126,404
L.A. Care	Local Initiative Health Authority for L.A. County	Los Angeles	4/1/97	B/C	NP	1,196,599	4	0%	96%	0%	1,196,599
MD Care	MD Care, Inc.	Signal Hill	7/6/07	M	—	—	57				—
Medi-Excel, SA de CV	Medi-Excel, SA de CV	Chula Vista	8/10/12	O	—	682	54	100%	0%	0%	682
Molina	Molina Healthcare of California	Long Beach	3/14/94	C	P	367,835	12	0%	69%	2%	367,835
Monarch	Monarch Health Plan	Irvine	4/18/07	M	P	15,255	44	0%	0%	0%	15,255
On Lok	On Lok Senior Health Services	San Francisco	1/20/99	M/C	NP	1,274	52	0%	7%	2%	1,274
Partnership	Partnership HealthPlan of California	Fairfield	11/4/05	C	NP	350,875	13	0%	97%	2%	350,875
PIH*	PIH Health Care Solutions	Whittier	4/14/14	O	—	—					—
Positive Healthcare	AIDS Healthcare Foundation	Los Angeles	12/1/05	O	—	2,073	51	0%	42%	40%	2,073
Premier*	Premier Health Plan Services, Inc.	Lakewood	6/25/09	O	—	43,629	35	0%	0%	0%	43,629

*Limited or restricted license; assumes risk for medical care, but subcontracts enrollment from other plans.

†ASO (Administrative Services Only) enrollment of 889,066 (not shown separately) was: Anthem (202,533), Blue Shield (678,346), Health Plan of San Joaquin (8,187).

KEY TO PLAN TYPES: B (Big): 400,000+ enrollees; C (Medi-Cal): 70%+ enrollees in Medi-Cal and Other Public; M (Medicare): 70%+ enrollees in Medicare; O (Other). Plan Type determination based on enrollment reports, disclosures, and footnotes in plan financial filings with DMHC.

KEY TO TAX STATUS: P (for Profit); NP (Nonprofit, public health agency, or joint power authority).

TOTAL INSURED = Commercial + Public (managed care) + Other Insured + From Other Plans. See Appendix B for details.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmh.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

Appendix C: DMHC-Regulated Health Plans, December 31, 2013, *continued*

HEALTH PLAN	OFFICIAL HEALTH PLAN NAME	LOCATION ADMIN. OFFICES	DATE LICENSED	PLAN TYPE	TAX STATUS	ENROLLMENT					TOTAL INSURED + ASO [†]
						TOTAL INSURED	RANK	COMMERCIAL	MEDI-CAL/ OTHER PUBLIC	MEDICARE	
PrimeCare*	PrimeCare Medical Network, Inc.	Ontario	10/16/98	O	P	198,000	17	0%	0%	0%	198,000
Providence Health Network*	Providence Health Network	Torrance	11/22/13	O	—	—	57				—
San Francisco	San Francisco Community Health Authority	San Francisco	5/23/05	C	NP	81,671	31	0%	83%	0%	81,671
Santa Clara Family Health Plan	Santa Clara County Health Authority	Campbell	12/20/96	C	NP	153,310	20	0%	96%	0%	153,310
Satellite	Satellite Health Plan, Inc.	San Jose	12/18/12	M	—	—	57				—
SCAN	Scan Health Plan	Long Beach	11/30/84	M	NP	139,085	23	0%	6%	94%	139,085
Scripps*	Scripps Health Plan Services, Inc.	San Diego	4/7/99	M	—	40,450	36	0%	0%	0%	40,450
Seaside*	Seaside Health Plan	Long Beach	5/17/13	O	NP	14,020	47	0%	0%	0%	14,020
Sharp	Sharp Health Plan	San Diego	9/18/92	O	NP	71,334	32	100%	0%	0%	71,334
SIMNSA	Sistemas Medicos Nacionales, S.A.de C.V.	Tijuana/ Chula Vista	1/31/00	O	P	35,282	37	95%	0%	0%	35,282
Sutter	Sutter Health Plan	Sacramento	4/5/13	O	NP	1	56	100%	0%	0%	1
UnitedHealthcare	UnitedHealthcare of California	Cypress	5/15/78	B	P	823,099	7	60%	0%	40%	823,099
Universal Care	Universal Care	Westminster	10/15/85	O	P	6,100	49	0%	38%	59%	6,100
University HealthCare Advantage	University HealthCare Advantage	Richmond	2/20/14	O	—	—	57				—
Valley Health Plan	Santa Clara County	San Jose	9/13/85	C	NP	92,610	29	19%	0%	0%	92,610
Ventura County Health Plan	County of Ventura	Ventura	6/6/96	O	NP	15,054	45	100%	0%	0%	15,054
Western	Western Health Advantage	Sacramento	1/14/97	O	NP	101,028	27	100%	0%	0%	101,028

*Limited or restricted license; assumes risk for medical care, but subcontracts enrollment from other plans.

†ASO (Administrative Services Only) enrollment of 889,066 (not shown separately) was: Anthem (202,533), Blue Shield (678,346), Health Plan of San Joaquin (8,187).

KEY TO PLAN TYPES: B (Big): 400,000+ enrollees; C (Medi-Cal): 70%+ enrollees in Medi-Cal and Other Public; M (Medicare): 70%+ enrollees in Medicare; O (Other). Plan Type determination based on enrollment reports, disclosures, and footnotes in plan financial filings with DMHC.

KEY TO TAX STATUS: P (for Profit); NP (Nonprofit, public health agency, or joint power authority).

TOTAL INSURED = Commercial + Public (managed care) + Other Insured + From Other Plans. See Appendix B for details.

Sources: Department of Managed Health Care (DMHC), Enrollment Summary Report, www.dmh.ca.gov; California Department of Insurance (CDI), Covered Lives Report, www.insurance.ca.gov.

Appendix D: Selected CDI-Regulated Health Insurers, Year-End 2013

OFFICIAL HEALTH PLAN NAME	NAME USED IN PUBLICATION	NAIC CODE	CALIFORNIA A&H PREMIUMS (IN MILLIONS)
Aetna Life Insurance Company	Aetna	60054	\$1,864
Anthem Blue Cross Life and Health Company	Anthem Blue Cross	62825	5,291
Blue Shield of California Life & Health Insurance Company	Blue Shield	61577	2,351
Cigna Health and Life Insurance Company*	Cigna	67369	604
Connecticut General Life Insurance Company*	Cigna	62308	360
Health Net Life Insurance Company	Health Net	66141	898
Kaiser Permanente Insurance Company	Kaiser	60053	178
PacifiCare Life and Health Insurance Company [†]	PacifiCare	70785	35
UnitedHealthcare Insurance Company [†]	UHC	79413	1,961

*Owned by Cigna Corporation.

[†]Owned by UnitedHealth Group Incorporated.

Notes: Selected insurers include CDI-regulated companies selling accident and health insurance (A&H), with California direct A&H premiums greater than \$350 million in 2013; also shown, PacifiCare, which has the same ultimate parent as UnitedHealthcare, and Kaiser Permanente Insurance. Products sold include comprehensive major medical insurance, in addition to other products, such as dental, Medicare supplemental and stop-loss coverage. For combined DMHC and CDI enrollment by insurer, see page 24 or companion data file.

Sources: California Department of Insurance (CDI), Insurers' Annual Statements, 2013, interactive.web.insurance.ca.gov; Life and Annuity Market Share Reports, 2013, www.insurance.ca.gov.

Appendix E: New Health Plan Licenses, DMHC, 2012 to 2014

NEW PLANS	LICENSE DATE	LOCATION	NOTES	INITIAL POPULATION/TARGET
1 PIH Health Care Solutions*	4/14/14	Whittier	Provider for multiple health plans.	Broad
2 University HealthCare Advantage	2/20/14	Richmond	Medicare Advantage plan by Stanford Health Care, for Santa Clara County residents. Enrolling for January 1, 2015 effective date.	Medicare HMO, Santa Clara county
3 Adventist Health Plan, Inc.	2/14/14	Roseville	For risk-sharing with health plans, especially dual eligibles, according to the plan.	Dual Eligibles
6 DaVita Healthcare Partners Plan*	12/31/13	Torrance	Existing business focused on dialysis. CEO notes company moving into primary care.	Kidney Care specialist
7 Providence Health Network*	11/22/13	Torrance	Capitated inpatient and primary professional services via Providence Health and Services. ACO arrangement with Blue Shield announced mid-2013.	Medicare; CalPERS
8 California Health and Wellness Plan	10/2/13	Sacramento	Entered California market to provide Medi-Cal managed care in 19 unserved counties; for profit; owned by Centene. 139k Medi-Cal enrollees at June 2014.	Medi-Cal Managed Care
9 Seaside Health Plan*	5/17/13	Long Beach/ Fountain Valley	Operated by Memorial Care Health System. Contracts with 5 different health plans as a health care network using its Long Beach facilities.	Public and private
10 AmericasHealth Plan, Inc.*	4/23/13	Ventura	Plans to serve Medi-Cal managed care enrollees through plan-to-plan contract with Ventura county's Gold Coast Health Plan. No lives assigned to plan as of September 30, 2014; status of state approval for contracting unknown.	Medi-Cal
4 Brown and Toland Health Services*	4/12/13	San Francisco	Management reports license is for taking global risk for SCAN enrollees (Medicare).	Medicare: Accept global risk in subcontracting with SCAN
5 Aspire Health Plan	4/5/13	Monterey	HMO sponsored by Community Hospital of the Monterey Peninsula.	Medicare Advantage and Part D
11 Sutter Health Plans	4/5/13	Sacramento	New Health Plan: Sutter hospitals and Medical Groups. Enrollment in 2014. Aims to operate insurance aspect of business as well as delivery.	Commercial and public, Sacramento and San Joaquin Valley
12 Community Care Health Plan, Inc.	3/1/13	Clovis	HMO for employees of Community Medical Centers, Sante Health System, and CMC affiliates.	Employees and affiliates: Licensed plan for itself
13 Satellite Health Plan, Inc.	12/18/12	San Jose	Medicare HMO special needs plan (SNP) for Santa Clara county for ESRD, those needing dialysis.	ESRD Medicare HMO, Santa Clara county
14 Medi-Excel, SA de CV	8/10/12	Chula Vista	Cross border HMO; aimed at employers in San Diego and Imperial counties. Health care network in Baja. Staff model. ACA-compliant plans.	Cross-border

*Restricted license; enrollment obtained by contracting with other plans.

Notes: Blue Shield announced in January 2014 that it would buy GEMCare health plan (Bakersfield-based; ~20,000 enrollees, both commercial and Medicare) from Dignity Health; in December 2014 it announced the acquisition of Care 1st (Monterey Park-based; ~475,000 primarily Medi-Cal enrollees, including subcontracted enrollment). As of September 2014, 68 full service plans (including limited/restricted license plans) were licensed by DMHC.

Source: Department of Managed Health Care, Licensed Full Service Plans as of September 11, 2014, wps.dmhc.ca.gov. Author research into plan announcements and public documents.

Appendix F: Financial Summary, DMHC-Regulated Health Plans

HEALTH PLAN	COUNTY-BASED	LIMITED OR RESTRICTED LICENSE	YEAR	STATEMENT DATE	NET INCOME /LOSS (IN MILLIONS)	TOTAL REVENUE (IN MILLIONS)	TANGIBLE NET EQUITY (IN MILLIONS)	NET INCOME (AS SHARE OF REVENUE)	MEDICAL LOSS RATIO	ADMIN. COST RATIO	TNE TO REQUIRED	CURRENT ASSETS: LIABILITIES	PLAN TYPE
Aetna			2013	12/31/13	\$53.4	\$1,928.9	\$140.3	2.8%	84.9%	12.0%	379%	65%	B
Alameda Alliance	✓		2013	6/30/13	-5.4	452.2	15.0	-1.2%	93.6%	8.1%	80%	97%	C
Anthem Blue Cross			2013	12/31/13	453.2	11,457.8	1,309.7	4.0%	89.3%	9.5%	414%	127%	B
Arcadian			2013	12/31/13	-12.0	229.8	73.6	-5.2%	96.1%	13.5%	543%	64%	M
Aspire			2013	12/31/13	-6.8	0.0	2.5	N/A	0.0%	N/A	245%	404%	M
Blue Shield			2013	12/31/13	170.6	8,632.3	3,896.7	2.0%	87.9%	12.5%	1,767%	140%	B
Brown and Toland Health		✓	2013	12/31/13	-0.1	1.4	1.2	-7.8%	100.5%	12.4%	123%	240%	M
California Health & Wellness			2013	12/31/13	-3.2	27.3	12.8	-11.7%	101.2%	17.0%	667%	163%	C
Cal-Optima	✓		2013 2014	6/30/13 6/30/14	55.1 188.4	1,749.5 2,009.5	211.8 400.1	3.1% 9.4%	92.2% 81.8%	4.7% 4.0%	390% 756%	108% 137%	B/C
CalViva Health	✓		2013 2014	6/30/13 6/30/14	4.6 3.6	454.5 573.2	12.9 16.5	1.0% 0.6%	89.8% 89.4%	6.4% 5.9%	214% 229%	122% 123%	C
Care 1st			2013	12/31/13	13.3	1,132.5	117.5	1.2%	88.1%	10.1%	365%	148%	C
CareMore			2013	12/31/13	35.7	840.3	87.5	4.2%	79.2%	14.2%	292%	150%	M
CenCal	✓		2013 2014	6/30/13 6/30/14	13.4 2.8	344.9 383.9	35.0 37.8	3.9% 0.7%	89.6% 90.4%	4.5% 4.6%	202% 204%	139% 138%	C
Central California Alliance	✓		2013	12/31/13	127.6	686.8	313.2	18.6%	76.3%	5.3%	1,168%	363%	C
Central Health Plan			2013	12/31/13	1.2	130.6	8.8	0.9%	86.4%	13.5%	220%	150%	M
Chinese Community Health Plan			2013	12/31/13	4.6	132.6	27.2	3.5%	83.9%	13.2%	1,061%	290%	O
Choice Physicians Network		✓	2013	12/31/13	2.4	50.0	3.1	4.7%	92.4%	2.9%	220%	98%	M

Notes: Limited or restricted license means permitted to assume full risk for physician and hospital services, but contracts with other health plans for enrollment. Tangible net equity (TNE) is a measure of the physical worth of a company and excludes the value of intangible assets. Medical Loss Ratio (MLR) reflects the entire health plan and differs from the MLR filed with HHS for the individual, small group, and large group markets. Time Periods: Fiscal year end figures are shown for all plans as of FYE 2013; in addition, FY 2014 figures are also provided, if available at the time of analysis.

KEY TO PLAN TYPES: B (Big): 400,000+ enrollees; C (Medi-Cal): 70%+ enrollees in Medi-Cal and Other Public; M (Medicare): 70%+ enrollees in Medicare; O (Other). Plan Type determination based on enrollment reports, disclosures, and footnotes in plan financial filings with DMHC.

Source: Department of Managed Health Care (DMHC), Health Plan Financial Summary Data, wps.dmhc.ca.gov.

Appendix F: Financial Summary, DMHC-Regulated Health Plans, *continued*

HEALTH PLAN	COUNTY-BASED	LIMITED OR RESTRICTED LICENSE	YEAR	STATEMENT DATE	NET INCOME /LOSS (IN MILLIONS)	TOTAL REVENUE (IN MILLIONS)	TANGIBLE NET EQUITY (IN MILLIONS)	NET INCOME (AS SHARE OF REVENUE)	MEDICAL LOSS RATIO	ADMIN. COST RATIO	TNE TO REQUIRED	CURRENT ASSETS: LIABILITIES	PLAN TYPE
Cigna HealthCare of California, Inc.			2013	12/31/13	\$5.9	\$952.3	\$49.9	0.6%	94.4%	4.9%	177%	148%	O
Citizens Choice			2013	12/31/13	-3.8	161.3	1.7	-2.4%	91.3%	11.7%	28%	95%	M
Community Care Health Plan, Inc.			2013	8/31/13	-0.2	N/A	3.5	N/A	0.0%	0.0%	353%	N/A	O
Community Health Group			2013	12/31/13	-11.9	343.3	38.3	-3.5%	99.2%	5.0%	218%	136%	C
Community Health Plan	✓		2013	6/30/13	0.8	3.7	13.2	20.9%	125.7%	8.4%	1,318%	1,421%	C
Contra Costa Health Plan			2013 2014	6/30/13 6/30/14	1.8 7.6	397.2 427.9	13.9 21.2	0.5% 1.8%	106.9% 96.9%	3.7% 3.5%	181% 200%	112% 119%	C
Easy Choice			2013	12/31/13	-4.4	567.9	23.2	-0.8%	93.8%	7.7%	157%	139%	M
EPIC		✓	2013	12/31/13	0.7	65.4	4.1	1.1%	97.1%	1.4%	239%	150%	O
GEMCare			2013	12/31/13	0.7	141.6	6.6	0.5%	89.7%	9.7%	152%	164%	O
Golden State			2013	12/31/13	-0.8	8.9	5.3	-9.4%	93.8%	18.1%	533%	3,054%	M
Health Net			2013	12/31/13	65.4	7,179.5	864.3	0.9%	88.6%	11.2%	518%	187%	B
Health Net Community Solutions			2013	12/31/13	75.3	2,312.5	203.0	3.3%	86.7%	13.6%	397%	149%	B/C
Health Plan of San Joaquin	✓		2013 2014	6/30/13 6/30/14	3.0 -14.0	310.2 470.4	53.4 39.4	1.0% -3.0%	92.7% 98.5%	6.7% 5.1%	330% 177%	151% 113%	C
Health Plan of San Mateo	✓		2013	12/31/13	57.4	507.6	145.2	11.3%	82.6%	6.7%	668%	227%	C
Heritage		✓	2013	12/31/13	2.4	1,901.8	76.6	0.1%	93.4%	8.4%	179%	124%	B/O
Humana			2013	12/31/13	-5.2	205.7	36.8	-2.5%	92.5%	12.1%	540%	62%	M
Inland Empire	✓		2013 2014	6/30/13 6/30/14	10.8 41.9	1,241.7 1,849.1	118.5 160.3	0.9% 2.3%	93.9% 88.4%	5.3% 4.8%	279% 277%	162% 139%	B/C

Notes: Limited or restricted license means permitted to assume full risk for physician and hospital services, but contracts with other health plans for enrollment. Tangible net equity (TNE) is a measure of the physical worth of a company and excludes the value of intangible assets. Medical Loss Ratio (MLR) reflects the entire health plan and differs from the MLR filed with HHS for the individual, small group, and large group markets. Time Periods: Fiscal year end figures are shown for all plans as of FYE 2013; in addition, FY 2014 figures are also provided, if available at the time of analysis.

KEY TO PLAN TYPES: B (Big): 400,000+ enrollees; C (Medi-Cal): 70%+ enrollees in Medi-Cal and Other Public; M (Medicare): 70%+ enrollees in Medicare; O (Other). Plan Type determination based on enrollment reports, disclosures, and footnotes in plan financial filings with DMHC.

Source: Department of Managed Health Care (DMHC), Health Plan Financial Summary Data, wps.dmhc.ca.gov.

Appendix F: Financial Summary, DMHC-Regulated Health Plans, *continued*

HEALTH PLAN	COUNTY-BASED	LIMITED OR RESTRICTED LICENSE	YEAR	STATEMENT DATE	NET INCOME /LOSS (IN MILLIONS)	TOTAL REVENUE (IN MILLIONS)	TANGIBLE NET EQUITY (IN MILLIONS)	NET INCOME (AS SHARE OF REVENUE)	MEDICAL LOSS RATIO	ADMIN. COST RATIO	TNE TO REQUIRED	CURRENT ASSETS: LIABILITIES	PLAN TYPE
Inter Valley Health Plan			2013 2014	3/31/13 3/31/14	\$1.7 -2.1	\$225.5 238.7	\$23.0 20.8	0.7% -0.9%	90.3% 91.7%	9.1% 9.3%	612% 536%	274% 285%	M
Kaiser*			2013	12/31/13	2,684.8	54,241.2	23,015.6	4.9%	94.6%	4.5%	1,736%	89%	B
Kern Family Health Care	✓		2013	12/31/13	5.5	264.4	72.5	2.1%	94.3%	7.0%	481%	200%	C
L.A. Care	✓		2013	9/30/13	36.7	2,773.7	175.9	1.3%	94.4%	4.2%	516%	115%	B/C
MD Care			2013	12/31/13	3.2	1.4	40.1	232.6%	-700.0%	1.1%	4,009%	237%	M
Molina			2013	12/31/13	-1.3	760.3	43.5	-0.2%	88.7%	10.5%	184%	122%	C
Monarch			2013	12/31/13	-1.4	133.1	9.0	-1.0%	99.4%	2.2%	155%	158%	M
On Lok			2013 2014	6/30/13 6/30/14	5.7 10.1	105.4 115.7	87.7 96.8	5.4% 8.8%	93.9% 90.6%	8.2% 8.3%	2,547% 2,746%	109% 145%	M/C
Partnership	✓		2013 2014	6/30/13 6/30/14	62.0 178.0	929.8 1,615.0	236.0 414.1	6.7% 11.0%	86.5% 81.4%	5.0% 4.0%	713% 831%	252% 225%	C
Positive Health Care			2013	12/31/13	16.6	772.7	121.3	2.2%	644.0%	11.2%	421%	194%	O
Premier		✓	2013	6/30/13	0.0	17.9	2.1	0.2%	90.5%	9.4%	214%	171%	O
Providence		✓	2013	12/31/13	0.0	0.0	2.3	32.3%	0.0%	67.7%	230%	N/A	O
San Francisco	✓		2013 2014	6/30/13 6/30/14	10.5 11.2	262.2 324.9	36.2 47.4	4.0% 3.5%	89.4% 89.9%	10.7% 10.2%	785% 847%	107% 112%	C
Santa Clara Family Health Plan	✓		2013 2014	6/30/13 6/30/14	8.3 8.3	295.6 422.0	32.6 40.9	2.8% 2.0%	69.8% 86.7%	6.5% 5.1%	419% 341%	151% 150%	C
SCAN			2013	12/31/13	38.0	1,905.4	425.7	2.0%	90.9%	9.2%	1,788%	326%	M

*Kaiser financial figures reflect multistate activity.

Notes: Limited or restricted license means permitted to assume full risk for physician and hospital services, but contracts with other health plans for enrollment. Tangible net equity (TNE) is a measure of the physical worth of a company and excludes the value of intangible assets. Medical Loss Ratio (MLR) reflects the entire health plan and differs from the MLR filed with HHS for the individual, small group, and large group markets. Time Periods: Fiscal year end figures are shown for all plans as of FYE 2013; in addition, FY 2014 figures are also provided, if available at the time of analysis.

KEY TO PLAN TYPES: B (Big): 400,000+ enrollees; C (Medi-Cal): 70%+ enrollees in Medi-Cal and Other Public; M (Medicare): 70%+ enrollees in Medicare; O (Other). Plan Type determination based on enrollment reports, disclosures, and footnotes in plan financial filings with DMHC.

Source: Department of Managed Health Care (DMHC), Health Plan Financial Summary Data, wpsso.dmhca.gov.

Appendix F: Financial Summary, DMHC-Regulated Health Plans, *continued*

HEALTH PLAN	COUNTY-BASED	LIMITED OR RESTRICTED LICENSE	YEAR	STATEMENT DATE	NET INCOME /LOSS (IN MILLIONS)	TOTAL REVENUE (IN MILLIONS)	TANGIBLE NET EQUITY (IN MILLIONS)	NET INCOME (AS SHARE OF REVENUE)	MEDICAL LOSS RATIO	ADMIN. COST RATIO	TNE TO REQUIRED	CURRENT ASSETS: LIABILITIES	PLAN TYPE
Scripps		✓	2013	9/30/13	\$0.2	\$261.6	\$9.3	0.1%	100.0%	4.4%	112%	119%	M
Seaside		✓	2013 2014	6/30/13 6/30/14	-0.2 -5.1	0.0 10.2	0.1 3.6	N/A -50.1%	0.0% 105.4%	N/A 44.8%	10% 361%	9% 195%	O
Sharp			2013	9/30/13	7.1	324.1	47.2	2.2%	90.9%	7.9%	691%	154%	O
SIMNSA			2013	12/31/13	4.7	52.9	9.2	8.9%	57.1%	30.2%	466%	175%	O
Sutter Health Plan			2013	12/31/13	-46.4	0.0	28.7	N/A	0.0%	N/A	2,875%	291%	O
UnitedHealthcare			2013	12/31/13	277.2	6,559.5	315.9	4.2%	86.1%	7.2%	429%	121%	B
Universal Care			2013 2014	6/30/13 6/30/14	-3.3 0.4	50.2 65.8	2.7 3.7	-6.5% 0.6%	87.8% 90.2%	14.3% 14.2%	146% 160%	74% 80%	O
Valley Health Plan	✓		2013 2014	6/30/13 6/30/14	7.3 5.7	212.4 281.8	15.3 21.1	3.4% 2.0%	91.0% 91.7%	5.6% 6.4%	423% 446%	224% 138%	C
Ventura County Health Plan	✓		2013 2014	6/30/13 6/30/14	1.0 0.1	57.6 54.1	10.2 10.4	1.7% 0.2%	90.1% 87.5%	8.4% 12.5%	266% 297%	147% 134%	O
Western Health Advantage			2013 2014	6/30/13 6/30/14	0.9 0.9	445.0 516.2	19.4 20.6	0.2% 0.2%	92.3% 91.6%	7.4% 7.9%	326% 302%	158% 138%	O

Notes: Limited or restricted license means permitted to assume full risk for physician and hospital services, but contracts with other health plans for enrollment. Tangible net equity (TNE) is a measure of the physical worth of a company and excludes the value of intangible assets. Medical Loss Ratio (MLR) reflects the entire health plan and differs from the MLR filed with HHS for the individual, small group, and large group markets. Time Periods: Fiscal year end figures are shown for all plans as of FYE 2013; in addition, FY 2014 figures are also provided, if available at the time of analysis.

KEY TO PLAN TYPES: B (Big): 400,000+ enrollees; C (Medi-Cal): 70%+ enrollees in Medi-Cal and Other Public; M (Medicare): 70%+ enrollees in Medicare; O (Other). Plan Type determination based on enrollment reports, disclosures, and footnotes in plan financial filings with DMHC.

Source: Department of Managed Health Care (DMHC), Health Plan Financial Summary Data, wpso.dmhca.gov.

Appendix G: Financial Summary, Selected CDI-Regulated Insurers, 2012 to 2013

	YEAR	AETNA*	ANTHEM BLUE CROSS	BLUE SHIELD	CIGNA* (CT GENERAL)	CIGNA* HEALTH & LIFE	HEALTH NET*	KAISER*	PACIFICARE*	UNITED- HEALTHCARE*
Income and Revenue (in millions)										
Revenue	2013	\$13,580	\$5,394	\$2,402	\$4,391	\$6,658	\$1,010	\$246	\$114	\$45,095
	2012	13,972	5,231	1,958	8,269	1,937	1,349	292	174	43,078
Net Income	2013	911	169	12	602	489	23	5	13	2,384
	2012	1,020	342	(19)	589	301	108	10	19	2,531
California Premium Revenue (A&H)	2013	1,864	5,291	2,351	360	604	898	178	35	1,961
	2012	1,765	5,231	1,966	678	145	1,005	210	42	1,763
Business and Spending Metrics										
Margin (net income as percentage of revenue)	2013	6.7%	3.1%	0.5%	13.7%	7.3%	2.3%	2.1%	11.6%	5.3%
Loss Ratio (A&H)	2013	85.4%	80.8%	81.6%	78.3%	81.5%	85.4%	80.3%	78.0%	81.1%
Administrative Percentage (A&H)	2013	6.3%	11.6%	18.8%	8.3%	5.7%	14.0%	10.9%	17.3%	11.8%
Commissions (as percentage of premium, A&H)	2013	1.2%	5.2%	6.6%	1.9%	0.5%	0.2%	1.2%	6.1%	3.1%
Dividends to Stockholders (as percentage of revenue)	2013	8.3%	6.0%	0.0%	23.9%	0.0%	4.5%	0.0%	0.0%	4.7%
Non-Federal Taxes/Licenses/Fees (as percentage of revenue)	2013	3.8%	n/a	2.5%	1.8%	3.8%	3.2%	n/a	2.3%	1.6%
Federal Tax (as percentage of revenue)	2013	3.6%	2.0%	0.1%	4.3%	3.9%	0.6%	1.0%	0.6%	2.6%
Premium (as percentage of capital and surplus)	2013	386%	437%	649%	104%	380%	356%	278%	18%	887%
Distribution of A&H Business										
California's Share of Company Business	2013	10.1%	100.0%	100.0%	10.2%	8.5%	59.3%	72.3%	34.4%	5.0%
Annual Growth/Decline										
Revenue	2013	-3%	3%	23%	-47%	244%	-25%	-16%	-35%	5%
	2012	13%	-9%	41%	12%	519%	3%	7%	-50%	2%
Net Income	2013	-11%	-51%	-165%	2%	63%	-79%	-50%	-30%	-6%
	2012	2%	68%	-54%	0%	145%	377%	217%	-79%	4%
California Premiums (A&H)	2013	6%	1%	20%	-47%	318%	-11%	-15%	-16%	11%
	2012	1%	-9%	41%	-23%	286%	-10%	28%	-38%	-5%

*Figures reflect multistate data.

Notes: Revenue refers to total company revenues, as reported in regulatory filings. For official company names, see Appendix D. A&H refers to accident and health, the line of business encompassing comprehensive major medical insurance and other products such as dental insurance and Medicare Part D standalone coverage.

Source: California Department of Insurance (CDI), Insurers' Annual Statements, 2012-2013.

Appendix H: Medicare Advantage Enrollment and Market Share, June 2014

PLAN NAME	ENROLLMENT	MARKET SHARE
Aetna	26,201	1.2%
Alameda Alliance	6,455	0.3%
AltaMed Health Services Corporation*	1,180	0.1%
Anthem Blue Cross	45,215	2.1%
Arizona Physicians	30	0.0%
Aspire	398	0.0%
Blue Shield	82,337	3.9%
CalOptima	15,278	0.7%
Care 1st	39,426	1.9%
CareMore	51,507	2.4%
Center for Elders Independence*	489	0.0%
Central Health Plan	17,395	0.8%
Chinese Community Health Plan	8,824	0.4%
Cigna	24	0.0%
Citizen's Choice	13,020	0.6%
Community Eldercare of San Diego*	309	0.0%
Community Health Group	4,064	0.2%
Consolidated Association of Railroad Employees HC	17	0.0%
Contra Costa Health Plan	451	0.0%

PLAN NAME	ENROLLMENT	MARKET SHARE
Easy Choice	61,724	2.9%
Empire Healthcare Assurance, Inc.	36	0.0%
GEMCare	8,047	0.4%
Golden State	1,846	0.1%
Hawaii Medical Service Association	36	0.0%
Health Net	161,514	7.6%
Health Plan of Nevada	17	0.0%
Health Plan of San Mateo	11,561	0.5%
Highmark, Inc.	841	0.0%
Humana	37,963	1.8%
Inland Empire	18,559	0.9%
Inter Valley	20,749	1.0%
Kaiser	954,360	45.2%
L.A. Care	7,812	0.4%
Los Angeles Jewish Home for the Aging*	80	0.0%
Molina	13,173	0.6%
On Lok*	1,177	0.1%
Partnership	8,092	0.4%
Positive Healthcare	792	0.0%

PLAN NAME	ENROLLMENT	MARKET SHARE
Regence Blue Cross Blue Shield of Oregon	242	0.0%
Sante Fe Employees Hospital Association	194	0.0%
Satellite Health Plan, Inc.	69	0.0%
SCAN	152,299	7.2%
Sutter Health Sacramento Sierra Region*	230	0.0%
Union Pacific Railroad Employees Health Systems	458	0.0%
UnitedHealthcare	335,191	15.9%
Universal Care	4,046	0.2%
Total	2,113,728	100%

*National Program of All-Inclusive Care for the Elderly (PACE), an alternative to nursing home care for certain individuals eligible for both Medicare and Medicaid. Plans receive a monthly capitation from Medicare and Medicaid.

Notes: December 2013 Medicare Advantage totaled 2,020,978. Under Medicare Advantage, health plans provide all Medicare benefits in exchange for a capitated payment. CMS reporting of Medicare Advantage counts include over 20,000 enrollees in Medicare/Medicaid demonstration projects, 3490 in National PACE, and 2422 enrollees in "cost contracts," which do not capitate payments.

Source: Centers for Medicare and Medicaid Services (CMS), Monthly MA Enrollment by State/County/Contract, June 2014, www.cms.gov.

Appendix I: Medi-Cal Enrollment, by Insurer, December 2012 to June 2014

PLAN NAME	MEDI-CAL ENROLLMENT			CHANGE [†]		MANAGED CARE MARKET SHARE		COUNTIES OF OPERATION 2013 AND 2014
	DECEMBER 2012	DECEMBER 2013	JUNE 2014	ANNUAL	YTD	DECEMBER 2013	JUNE 2014	
Alameda Alliance*	129,927	151,093	203,422	16%	35%	3%	3%	Alameda
Anthem Blue Cross	432,394	453,883	578,033	5%	27%	8%	8%	Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, El Dorado, Fresno, Glenn, Inyo, Kings, Madera, Mariposa, Mono, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, Santa Clara, Sierra, Sutter, Tehama, Tulare, Tuolumne, Yuba
California Health & Wellness	—	95,683	139,030	—	45%	2%	2%	Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Imperial, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Tuolumne, Yuba
CalOptima*	380,825	465,676	613,854	22%	32%	8%	8%	Orange
CalViva Health*	193,912	217,344	266,740	12%	23%	4%	4%	Fresno, Kings, Madera
Care 1st	30,177	32,630	49,825	8%	53%	1%	1%	San Diego
CenCal*	92,863	108,472	136,265	17%	26%	2%	2%	Santa Barbara, San Luis Obispo
Central California Alliance*	180,006	214,300	274,114	19%	28%	4%	4%	Merced, Monterey, Santa Cruz
Community Health Group	125,993	151,054	188,312	20%	25%	3%	3%	San Diego
Contra Costa Health Plan*	78,623	91,998	124,185	17%	35%	2%	2%	Contra Costa
Family Mosaic Project	123	64	46	−48%	−28%	0%	0%	San Francisco
Gold Coast Health Plan*	101,299	120,262	160,077	19%	33%	2%	2%	Ventura
Health Net	732,976	876,648	1,110,838	20%	27%	15%	15%	Los Angeles, Kern, San Joaquin, Stanislaus, Tulare, Sacramento, San Diego
Health Plan of San Joaquin*	105,397	183,459	246,711	74%	34%	3%	3%	San Joaquin, Stanislaus
Health Plan of San Mateo*	60,823	74,729	110,411	23%	48%	1%	1%	San Mateo

*County-based plans. These plans accounted for 68% of managed care enrollment in December 2013 and June 2014.

†Annual reflects change from December 2012 to December 2013; YTD reflects change from December 2013 to June 2014.

Note: Total Medi-Cal beneficiary count unavailable for 2014 at publication. In 2013, Medi-Cal managed care expanded to the 28 unserved counties, enrolling 290,000; and Healthy Families transitioned to Medi-Cal, bringing an estimated 850 to 875k into managed care. In 2014, Medicaid eligibility expanded due to health reform. Gold Coast Health Plan (Ventura county) is regulated only by the Department of Health Care Services. Blue Shield is acquiring Care 1st, effective mid-2015. Figures here reflect contracts between plans and the state. Some Medi-Cal managed care plans contract their enrollees out to other managed care plans.

Source: California Department of Health Care Services, Medi-Cal Managed Care Enrollment Reports; Research and Analytical Studies Section Beneficiary Data Files, www.dhcs.ca.gov.

Appendix I: Medi-Cal Enrollment, by Insurer, December 2012 to June 2014, *continued*

PLAN NAME	MEDI-CAL ENROLLMENT			CHANGE [†]		MANAGED CARE MARKET SHARE		COUNTIES OF OPERATION
	DECEMBER 2012	DECEMBER 2013	JUNE 2014	ANNUAL	YTD	DECEMBER 2013	JUNE 2014	2013 AND 2014
Inland Empire Health Plan*	516,054	622,705	820,604	21%	32%	10%	10%	San Bernardino, Riverside
Kaiser Foundation Health Plan	42,741	71,546	92,842	67%	30%	1%	1%	Amador, El Dorado, Placer, San Diego, Sacramento
Kern Family Health Care*	116,171	128,569	163,048	11%	27%	2%	2%	Kern
L.A. Care*	1,003,620	1,162,375	1,387,259	16%	19%	19%	19%	Los Angeles
Molina	197,000	249,957	319,803	27%	28%	4%	4%	San Bernardino, Imperial, Sacramento, San Diego, Riverside
Partnership*	191,962	335,386	453,277	75%	35%	6%	6%	Del Norte, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Shasta, Siskiyou, Solano, Sonoma, Trinity, Yolo
Positive Healthcare	848	874	875	3%	0%	0%	0%	Los Angeles
San Francisco*	57,928	68,430	97,076	18%	42%	1%	1%	San Francisco
Santa Clara Family Health Plan*	119,922	149,778	189,648	25%	27%	2%	2%	Santa Clara
Total Managed Care Enrollment	4,891,584	6,026,915	7,726,295	23%	28%	71%	100%	All 58 counties have managed care (expanded from 30 in 2012)
Total Fee-For-Service Beneficiaries	2,719,943	2,460,074	N/A	-10%	N/A	29%		
Total Medi-Cal Beneficiaries	7,611,527	8,486,989	N/A	12%	N/A	100%		
Managed Care as % of Total Medi-Cal	64%	71%	N/A					

*County-based plans. These plans accounted for 68% of managed care enrollment in December 2013 and June 2014.

†Annual reflects change from December 2012 to December 2013; YTD reflects change from December 2013 to June 2014.

Note: Total Medi-Cal beneficiary count unavailable for 2014 at publication. In 2013, Medi-Cal managed care expanded to the 28 unserved counties, enrolling 290,000; and Healthy Families transitioned to Medi-Cal, bringing an estimated 850 to 875k into managed care. In 2014, Medicaid eligibility expanded due to health reform. Gold Coast Health Plan (Ventura county) is regulated only by the Department of Health Care Services. Blue Shield is acquiring Care 1st, effective mid-2015. Figures here reflect contracts between plans and the state. Some Medi-Cal managed care plans contract their enrollees out to other managed care plans.

Source: California Department of Health Care Services, Medi-Cal Managed Care Enrollment Reports; Research and Analytical Studies Section Beneficiary Data Files, www.dhcs.ca.gov.

Appendix J: Consumers Rate Their Experience

ELEMENT OF SATISFACTION	WHAT WAS MEASURED
Health Plan Highly Rated	Using any number from 0 to 10, where 0 is the worst and 10 is the best, how would you rate your health plan?
Getting Appointments and Care Quickly	Summary score: In the last 12 months, (1) when you needed care right away, how often did you get care as soon as you thought you needed? (2) how often did you get an appointment for a check-up or routine care at a doctor's office or clinic as soon as you needed?
Getting Specialty Care, Tests, and Treatment Easily	Summary score: In the last 12 months, (1) how often did you get an appointment to see a specialist as soon as you needed? (2) how often was it easy to get the care, tests, or treatment you needed?
Doctor Communicates with Patients	Summary score: In the last 12 months, how often did your personal doctor (1) explain things in a way that was easy to understand? (2) show respect for what you had to say? (3) spend enough time with you?
Coordinated Care	In the last 12 months, how often did your personal doctor seem informed and up-to-date about the care you got from these doctors or other health care providers?
Patient and Doctor Share Decisions	Summary score: When you talked about starting or stopping a prescription medicine, how much did a doctor or other provider (1) talk about the reasons you might want to take the medicine? (2) talk about the reasons you might not want to take the medicine? (3) ask you what you thought was best for you?
Health Promotion	In the last 12 months, did you and a doctor or other health provider talk about specific things you could do to prevent illness?
Plan Information on What You Pay	Summary score: In the past 12 months, how often were you able to find out how much you would have to pay for (1) a health care service or equipment? (2) specific prescription medicines?
Customer Service	Summary score: In the past 12 months, how often did your health plan's customer service (1) give you the information or help you needed? (2) staff treat you with courtesy and respect?
Paying Claims	Summary score: In the past 12 months, how often did your health plan handle your claims (1) quickly? (2) correctly?

Source: Office of the Patient Advocate, California Health Care Quality Report Cards, 2014-15, www.opa.ca.gov; Report Card Scoring Documentation, reportcard.opa.ca.gov.