



Individual and Small Group Aggregate Premium Rate Report

Measurement Year 2023

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I. Executive Summary

The California Department of Managed Health Care (DMHC) protects consumers' health care rights and ensures a stable health care delivery system. As part of this mission, the DMHC licenses and regulates health care service plans (health plans) under the Knox-Keene Health Care Service Plan Act of 1975. The DMHC regulates the vast majority of commercial health plans and products in the large group, small group, and individual markets, including all of the health plans that participate in the California Health Benefit Exchange (Covered California). The DMHC also regulates most Medical managed care plans, Medicare Advantage plans, and specialized health plans, including dental and vision plans.

Assembly Bill (AB) 2118 (Kalra, 2020), as codified in Health and Safety Code section 1385.043, required health plans that offer commercial products in the individual and small group market to annually report to the DMHC specified information, including premiums, cost sharing, benefits, enrollment, and trend factors. The DMHC is required to post the information reported under this section on its website and annually present the reported information at various meetings.

This is the third year the DMHC received the aggregate premium rate information from the individual and small group health plans. For measurement year 2023, 13 health plans in the individual market and 13 health plans in the small group market submitted their rate information.

This report summarizes the individual and small group aggregate rate information and weighted average rate changes¹ on health plan premiums. Additionally, the report compares information between grandfathered² and non-grandfathered³ products offered on-exchange⁴ and off-exchange.⁵

¹ Weighted average rate change means the average annual rate increases or decreases that were implemented weighted by the number of enrollees/covered lives.

² Grandfathered Plan has the meaning set forth in Section of 1251 Patient Protection and Affordable Care Act (as defined in Health and Safety Code section 1357.500 (r)). Grandfathered plans are individual and group health plans that were in existence on March 23, 2010. All grandfathered plans are exempt from certain requirements so long as employers do not significantly lower their premium contributions to employee plans and plans do not increase people's cost-sharing requirements beyond certain limits or reduce benefits.

³ Non-Grandfathered means a health plan that is not a grandfathered plan. A non-grandfathered plan or policy is one that was put into place after March 23, 2010, or one that has lost its grandfathered status. Non-grandfathered plans are ACA compliant health plans and cover more services.

⁴ On-exchange products/plans are sold through Covered California.

⁵ Off-exchange products are not sold through Covered California. Off-exchange products are purchased by individuals or employer groups directly from the health plans.

Key Findings

Individual Market⁶

- In 2023, approximately 2.35 million enrollees purchased individual health care coverage. Almost 1.92 million, or 81% of enrollees in the individual market, were affected by rate changes. The overall average premium per member per month^{7,8} (PMPM) was \$590.46.
- Overall, the weighted average rate increase for health plans in the individual market was 5.6% in 2023.
- Twelve health plans offered on-exchange products and covered approximately 1.84 million enrollees with an average premium of \$590.08 PMPM. Twelve health plans offered off-exchange products and covered 474,357 enrollees with an average premium of \$582.71 PMPM. Only two health plans offered grandfathered plans and covered 41,202 enrollees with an average premium of \$696.82.
- Over 88% of on-exchange enrollees chose Health Maintenance Organization (HMO) or Preferred Provider Organization (PPO) plans. Silver plans led the market with the highest number of enrollees. Bronze plans ranked second with the other products significantly trailing in the number of enrollees. This pattern was consistent between on-exchange and off-exchange plans.
- Most enrollees in the individual market, except grandfathered plans, were in benefit plans that included a deductible of \$1,500 or more and a family maximum out-of-pocket of \$7,500.

⁶ Health coverage offered to individuals who purchase it on their own rather than as part of a group (i.e., through an employer). In the individual market, health plans update premium rates annually, usually on January 1st of each year. Health plans must notify consumers of any change in what they will be charged at least 60 days before the change takes place.

⁷ Per member per month is a measure used to assess population-based metrics such as cost or utilization, computed by dividing the total monthly premium/cost/utilization/other measure by the total number of member months for the population over a specific time period.

⁸ Average Premium PMPM is the average premium weighted by the number of enrollees during the 12-month period.

Small Group Market⁹

- In 2023, approximately 2.24 million enrollees had small group health care coverage. Enrollment in on-exchange health plans accounted for 3%, off-exchange health plans accounted for 90%, and grandfathered plans accounted for 7%. The average premium PMPM was \$605.26.
- Overall, the weighted average rate increase for the small group health plans was 7.1% in 2023.
- Three health plans offered on-exchange products and covered almost 77,387 enrollees with an average premium of \$591.63 PMPM. Thirteen health plans offered off-exchange products and covered over 2 million enrollees with an average premium of \$608.86 PMPM. Four health plans offered grandfathered plans and covered 151,303 enrollees with an average premium of \$564.30 PMPM.
- 92% of off-exchange enrollees had HMO or PPO plans. Gold plans led the market with the highest number of enrollees. Platinum plans ranked second with the other products trailing in the number of enrollees. This pattern was consistent between on-exchange and off-exchange plans.
- Most enrollees in the small group on-exchange benefit plans choose deductibles between \$0.01 to \$499.99. However, most enrollees covered by off-exchange plans choose benefit plans with a deductible of \$1,500 or more. Additionally, most enrollees in the small group market, except grandfathered plans, have a family maximum out-of-pocket of \$7,500 or more.

⁹ Health coverage offered to small businesses that have 1 to 100 employees. In the small group market, health plans generally update premium rates quarterly. Small businesses that purchase coverage are charged a consistent rate for a period of at least 12 months. Health plans must notify small businesses of any change in what they will be charged at least 60 days before the change takes place.

Chart 1 illustrates the average premium PMPM from 2021 to 2023. From 2021 to 2023, the average premium increased by almost \$39.51 in the individual market and around \$72.36 in the small group market.

Chart 1

Average Premium PMPM – Individual and Small Group Market

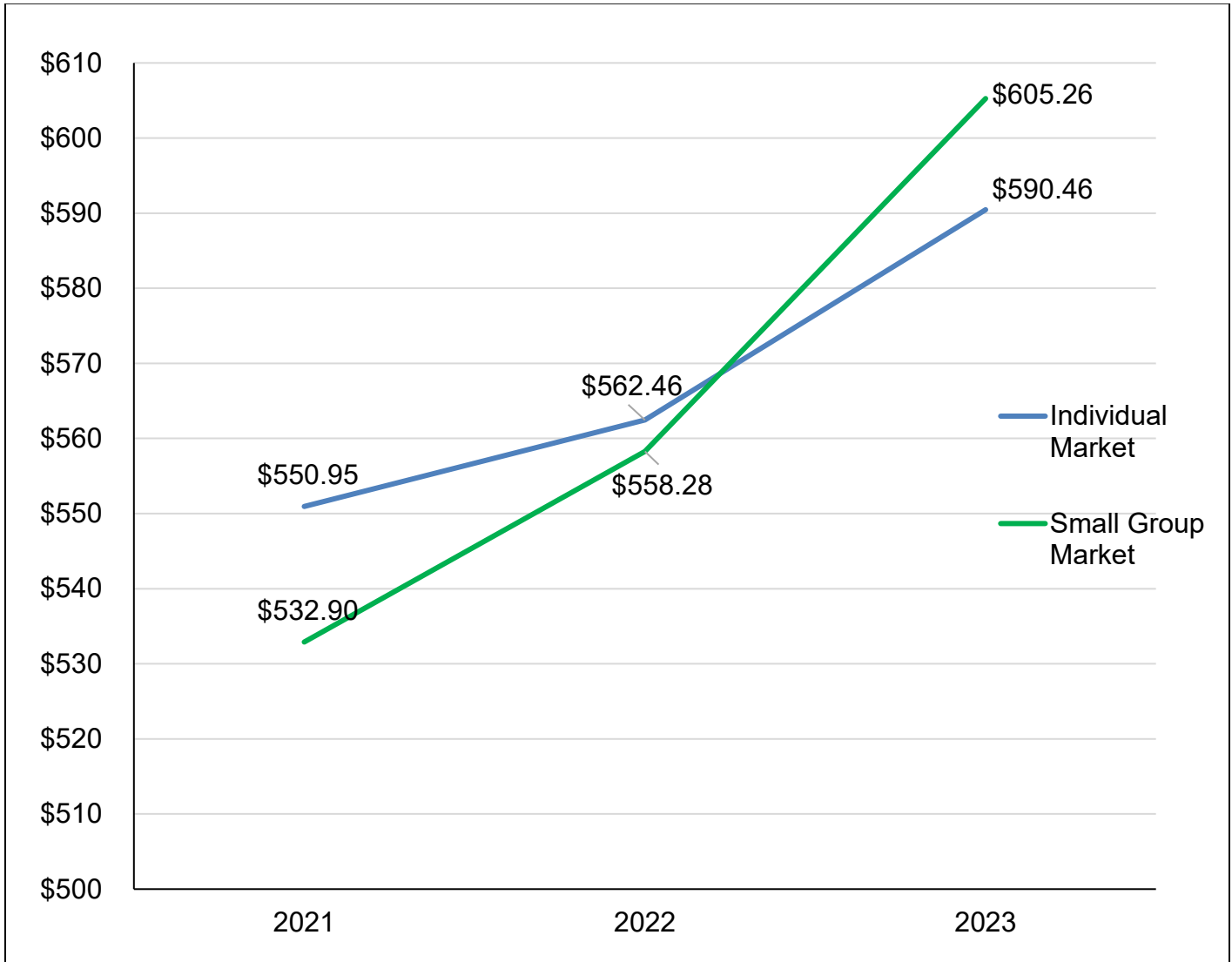
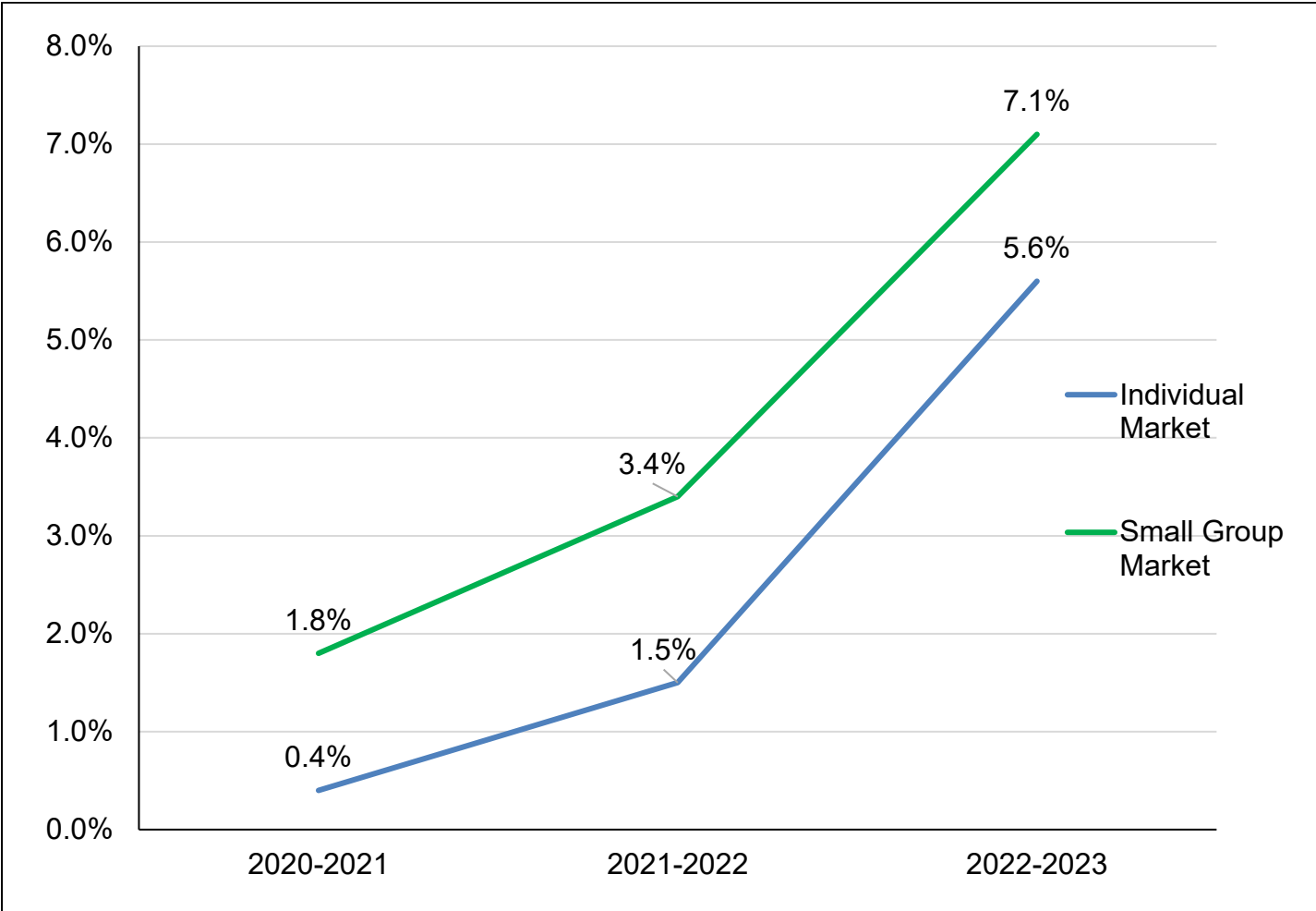


Chart 2 shows the year-over-year (YOY) change in average premium on a PMPM basis from 2020 to 2023 in the individual and small group markets. From 2021 to 2023, the average YOY change in premium rate increased by 5.2% in the individual market and 5.3% in the small group market.

Chart 2

Weighted Average Premium Rate Change Trend in the Individual and Small Group Market



II. Introduction/Background

In 2020, California enacted AB 2118 for the purpose of increasing transparency of rates in the individual and small group markets. AB 2118, as codified in Health and Safety Code section 1385.043, requires health care service plans that offer commercial products in the individual and small group markets to annually report specified information, including premiums, cost sharing, benefits, enrollment, and trend factors. The DMHC is required to annually present the reported information at various meetings, as specified, and post the reports on the DMHC's [website](#).

For measurement year 2023, 13 individual health plans submitted data which included five statewide¹⁰ health plans and eight regional¹¹ health plans. The 13 individual health plans covered approximately 2.35 million enrollees. The DMHC received the small group aggregate rate filings from 13 health plans which included seven statewide plans and six regional plans. The 13 small group health plans covered approximately 2.24 million enrollees.

Under a separate statutory requirement, health plans that offer commercial individual and small group products must file their proposed premium rate changes for the DMHC's review. The DMHC actuaries perform an in-depth review of these proposed changes and ask the health plans questions to ensure that the proposed rate changes are supported by data including underlying medical costs and trends. The DMHC does not have the authority to approve or deny rate increases; however, its rate review efforts hold health plans accountable, ensure consumers get value for their premium dollar, and help save Californian's money. The DMHC has saved consumers over \$296 million to date through the rate review program.

If the DMHC finds a health plan rate change is not supported by data, including underlying medical costs and trends, the Department negotiates with the health plan to reduce the rate change. If the health plan refuses to modify its rate, the Department can find the rate to be unreasonable and the health plan must notify members of the unreasonable finding.

¹⁰ Statewide health plans, as its name implies, operate and offer health care products to enrollees in multiple regions throughout the state.

¹¹ Regional health plans are health plans that primarily operate and offer health care products to enrollees in specific regions.

III. Individual Market Aggregate Rate Summary

For measurement year 2023, the DMHC received individual market aggregate rate filings from 13 health plans, including five statewide health plans and eight regional health plans. The 13 individual health plans covered 2,353,778 enrollees. Kaiser Permanente accounted for 850,862, or 36% of enrollees, and the remaining 1,502,916, or 64% of enrollees, were covered by the remaining 12 health plans. Since Kaiser Permanente's data had such a significant impact on the overall state averages, the data for Kaiser Permanente is often shown on a stand-alone basis throughout this report. On-exchange plans covered 78% of enrollees while off-exchange plans covered 20%, and grandfathered plans covered 2%.

The observations from the 2023 health plan data related to the individual market aggregate rates include:

- Overall, the weighted average rate increased by 5.6%. Kaiser Permanente's average rate increased by 4.1% and the remaining 12 health plans increased their average rates by 6.5%. The average premium PMPM across all health plans was \$590.46. (Table 1)
- Twelve health plans offered individual products on-exchange and covered approximately 1.84 million enrollees with an average premium of \$590.08 PMPM. Twelve health plans offered individual products off-exchange and covered 474,357 enrollees with an average premium of \$582.71 PMPM. (Tables 2a and 2b)
- Only two health plans, Kaiser Permanente, and Anthem Blue Cross, offered grandfathered plans in the individual market. Anthem Blue Cross had the highest premium, with an average premium of \$1042.44 PMPM. Overall, the average rate for the two grandfathered plans was \$696.82 PMPM. (Table 2c)
- The five statewide health plans covered approximately 2 million enrollees. The overall weighted average rate increased by 5.8% and the average premium was \$606.43 PMPM. The five statewide health plans covered approximately 1.5 million enrollees on-exchange, 444,069 off-exchange and 41,202 grandfathered enrollees. The on-exchange plans had an average premium of \$609.42 PMPM, a weighted average increase of 5.1% from the previous year. The off-exchange plans had an average premium of \$588.02, a weighted average increase of 8.0% from the previous year. (Tables 2c, 3 and 4)
- The eight regional health plans had 377,965 enrollees, including 347,677 on-exchange and 30,288 off-exchange enrollees. None of the regional health plans offered grandfathered products. In 2023, the overall average rate for regional health plans was \$506.97 PMPM. (Tables 5 and 6)
- Seven regional health plans offered on-exchange products and seven regional health plans offered off-exchange products. Sutter Health Plan only offered off-exchange products and Molina Healthcare of California only offered on-exchange products. For the regional health plans that offered on-exchange products, the weighted average rate increased by 4.8% and had an average premium of \$507.16 PMPM. For the regional health plans that offered off-exchange products, the weighted average rate increased by 7.1% and had an average premium of \$504.74 PMPM. (Table 6)

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- The majority of enrollees selected the silver plan, which is one of the four metal¹² levels of coverage¹³. 73% of the enrollees selected on-exchange products rated silver or higher metal level coverage, while 74% enrollees selected off-exchange products rated silver or higher metal level coverage. Most enrollees in the individual market chose the HMO plans with higher actuarial values which have the richest overall benefits. High Deductible Health Plans (HDHP) had the lowest enrollment for on-exchange plans and provided members a lower premium option with a higher out of pocket cost. However, in the off-exchange market, EPO health plans show the lowest enrollment. (Tables 7 and 8)
 - The majority of the enrollees in the individual market were in plans with a deductible of \$1,500 or more and coinsurance of 20% or more for hospital inpatient benefits. However, 77% of the enrollees in grandfathered plans had no coinsurance for hospital inpatient benefits. (Tables 9 and 10)
 - Approximately 52% of on-exchange enrollees and 67% of off-exchange enrollees purchased products with copayments for primary care and specialist visits between \$50 and \$99.99. Additionally, 95% of grandfathered plan enrollees purchased products with copayments of less than \$50 for primary care and specialist visits. (Table 11)
 - For measurement year 2023, 59% of on-exchange enrollees and 78% of off-exchange enrollees had an out-of-pocket maximum of \$7,500 or more for in-network medical and pharmacy benefits. (Table 12)

¹² Refers to the four coverage tiers available through Covered California. A health plan's metal category indicates the percentage of total costs for covered health care services that are paid by the health plan. Covered California's metal levels are: Bronze, Silver, Gold or Platinum. As the metal category increases in value, so does the percent of medical expenses that a health plan covers. This means the Platinum plans cover the highest percentage of health care expenses.

¹³ See link to Code of Federal Regulations for requirements for bronze, silver, gold and platinum coverage: [eCFR: 45 CFR 156.140 -- Levels of coverage](#). Generally, a bronze plan has an actuarial value of 60 percent; a silver plan has an actuarial value of 70 percent; a gold plan has an actuarial value of 80 percent; and a platinum plan has as an actuarial value of 90 percent.

8 Individual and Small Group Aggregate Premium Rate Report (2023)

Table 1 shows the weighted average rate change, average premium PMPM, and number of enrollees for all health plans (including Kaiser Permanente), Kaiser Permanente, and all health plans (excluding Kaiser Permanente).

Table 1

Weighted Average Rate Change and Average Premium PMPM – Individual Market

Plan Type	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
All Plans	2,353,778	5.6%	\$590.46
Kaiser Permanente	850,862	4.1%	\$572.60
All Plans Excluding Kaiser Permanente	1,502,916	6.5%	\$600.57

Tables 2a, 2b, and 2c show the weighted average rate change, average premium PMPM, and number of enrollees for health plans that offered on-exchange, off-exchange, and grandfathered products in the individual market.

Table 2a

On-Exchange Plans: Weighted Average Rate Change and Average Premium PMPM

Plan Type	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
All Plans	1,838,219	5.1%	\$590.08
Kaiser Permanente	677,817	3.9%	\$586.47
All Plans Excluding Kaiser Permanente	1,160,402	5.7%	\$592.19

Table 2b

Off-Exchange Plans: Weighted Average Rate Change and Average Premium PMPM

Plan Type	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
All Plans	474,357	7.9%	\$582.71
Kaiser Permanente	142,081	4.3%	\$504.26
All Plans Excluding Kaiser Permanente	332,276	9.4%	\$616.25

Table 2c

Grandfathered Plans: Weighted Average Rate Change and Average Premium PMPM

Health Plan Name	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	30,964	6.0%	\$582.54
Anthem Blue Cross	10,238	3.5%	\$1,042.44
Total	41,202	5.4%	\$696.82

Table 3 shows the weighted average rate change, average premium PMPM, and number of enrollees for the statewide health plans that offered products in the individual market.

Table 3

Weighted Average Rate Change and Average Premium PMPM – Statewide Health Plans

Health Plan Name	Number of Enrollees	Percentage of Total Enrollees	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	850,862	43.1%	4.1%	\$572.60
California Physicians' Service (Blue Shield of California)	754,609	38.2%	8.9%	\$663.44
Anthem Blue Cross	242,861	12.3%	4.2%	\$577.40
Health Net of California, Inc. (Health Net)	125,742	6.4%	1.7%	\$549.70
Aetna	1,739	0.1%	0.0%	\$581.10
Statewide	1,975,813	100%	5.8%	\$606.43

Table 4 shows the weighted average rate change, average premium PMPM, and number of enrollees for the statewide health plans that offered products on-exchange and off-exchange in the individual market.

Table 4

Weighted Average Rate Change and Average Premium PMPM for Statewide Health Plans On-Exchange and Off-Exchange

Health Plan Name	On-Exchange			Off-Exchange		
	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	677,817	3.9%	\$586.47	142,081	4.3%	\$504.26
Blue Shield of California	489,658	7.9%	\$673.99	264,951	10.6%	\$643.94
Anthem Blue Cross	211,534	4.4%	\$559.24	21,089	3.0%	\$533.71
Health Net	109,834	1.6%	\$560.23	15,908	2.7%	\$476.96
Aetna	1,699	0.0%	\$582.23	40	0.0%	533.40
Statewide	1,490,542	5.1%	\$609.42	444,069	8.0%	\$588.02

Table 5 shows the weighted average rate change, average premium PMPM, and the number of enrollees for the regional health plans that offered products in the individual market.

Table 5

Weighted Average Rate Change and Average Premium PMPM for Regional Health Plans

Health Plan Name	Number of Enrollees	Percentage of Total Enrollees	Weighted Average Rate Change	Average Premium PMPM
Local Initiative Health Authority for Los Angeles County (L.A. Care Health Plan)	170,134	45.0%	0.9%	\$451.75
Molina Healthcare of California	60,815	16.1%	10.6%	\$551.63
Oscar Health Plan of California	53,810	14.2%	10.4%	\$502.66
Sharp Health Plan	50,910	13.5%	6.7%	\$521.63
Valley Health Plan	24,164	6.4%	4.6%	\$601.11
Western Health Advantage	11,772	3.1%	1.8%	\$676.31
Chinese Community Health Plan	3,355	0.9%	6.1%	\$855.49
Sutter Health Plan (Sutter Health Plus)	3,005	0.8%	5.3%	\$748.84
Regional	377,965	100%	4.9%	\$506.97

Table 6 shows the weighted average rate change, average premium PMPM, and number of enrollees for the regional health plans that offer products on-exchange and off-exchange in the individual market.

Table 6

Weighted Average Rate Change and Average Premium for Regional Health Plans – On-Exchange and Off-Exchange

Health Plan Name	On-Exchange			Off-Exchange		
	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
L.A. Care Health Plan	170,050	0.9%	\$451.79	84	3.7%	\$368.67
Molina Healthcare of California	60,815	10.6%	\$551.63	N/A	N/A	N/A
Sharp Health Plan	40,500	6.4%	\$530.71	10,410	7.4%	\$486.32
Oscar Health Plan of California	39,506	11.3%	\$523.60	14,304	7.8%	\$444.83
Valley Health Plan	23,778	4.6%	\$603.13	386	5.3%	\$476.25
Western Health Advantage	9,959	1.5%	\$682.78	1,813	3.3%	\$640.79
Chinese Community Health Plan	3,069	6.0%	\$858.57	286	6.7%	\$822.49
Sutter Health Plus	N/A	N/A	N/A	3,005	5.3%	\$748.84
Regional	347,677	4.8%	\$507.16	30,288	7.1%	\$504.74

2023 Enrollment by Metal Tier and Product Type in the Individual Market

Tables 7 and 8 show the enrollment by metal tier across different product types, including (Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Point of Service (POS), Exclusive Provider Organization (EPO), and High Deductible Health Plan (HDHP) for on-exchange and off-exchange plans.

Table 7

Enrollment by Metal Tier and Product Type for Individual Health Plans – On-Exchange

Product Type	Platinum	Gold	Silver	Bronze	Catastrophic ¹⁴	All
HMO	77,612	152,936	761,690	263,400	16,549	1,272,188
PPO	9,499	38,368	202,008	94,288	1,384	345,547
EPO	971	9,906	76,602	25,573	1,859	114,911
HDHP	-	-	-	105,573	-	105,573
Total	88,082	201,210	1,040,300	488,834	19,792	1,838,219
Total (%)	5%	11%	57%	26%	1%	100%

Table 8

Enrollment by Metal Tier and Product Type for Individual Health Plans – Off-Exchange

Product Type	Platinum	Gold	Silver	Bronze	Catastrophic	All
HMO	32,289	31,996	80,508	37,907	4,203	186,903
PPO	15,056	37,930	127,785	29,709	1,572	212,052
EPO	691	2,274	10,999	6,802	1,246	22,012
HDHP	-	-	13,286	40,104	-	53,390
Total	48,036	72,200	232,578	114,522	7,021	474,357
Total (%)	10%	15%	49%	24%	2%	100%

¹⁴ Catastrophic plans offer coverage in times of emergencies as well as coverage for preventive care. Catastrophic plans typically come with low monthly premiums and a high deductible.

Enrollee Cost Sharing¹⁵

Table 9 shows the percentage of enrollment for each deductible category for medical and pharmacy coverage for on-exchange, off-exchange, and grandfathered plans in the individual market.

Table 9

Deductible for Medical and Pharmacy Combined

Deductible	On-Exchange	Off-Exchange	Grandfathered
\$0	17%	25%	40%
\$0.01 to \$499.99	10%	0%	0%
\$500 to \$1,499.99	15%	0%	6%
\$1,500+	58%	75%	54%

Table 10 shows the percentage of enrollment in the various coinsurance categories for hospital inpatient benefits for on-exchange, off-exchange and grandfathered plans in the individual market.

Table 10

Coinsurance Percentage for Hospital Inpatient Benefits

Coinsurance	On-Exchange	Off-Exchange	Grandfathered
0%	16%	23%	77%
0.01%-9.99%	0%	0%	0%
10%-19.99%	13%	4%	0%
20%+	71%	73%	23%

¹⁵ Qualified individuals enrolled in on-exchange silver products may receive additional benefits to lower their out-of-pocket costs for deductibles, copayments, and coinsurance. This benefit is not available for health plan products purchased off-exchange.

Table 11 shows the percentage of enrollment by copayment category for primary care and specialist visits for on-exchange, off-exchange, and grandfathered plans in the individual market.

Table 11

Copayments for Primary Care and Specialist Visits

Copayment	On-Exchange	Off-Exchange	Grandfathered
\$0 to \$49.99	45%	29%	95%
\$50 to \$99.99	52%	67%	5%
\$100+	3%	4%	0%

Table 12 shows the percentage of enrollment by the maximum out-of-pocket categories for in-network medical and pharmacy benefits for on-exchange, off-exchange, and grandfathered plans in the individual market.

Table 12

Maximum Out-of-Pocket for Medical and Pharmacy Benefits (In-Network Only)

Maximum Out-of-Pocket	On-Exchange	Off-Exchange	Grandfathered
\$0 to \$4,999.99	31%	11%	66%
\$5,000 to \$7,499.99	10%	11%	18%
\$7,500+	59%	78%	16%

IV. Small Group Aggregate Rate Summary

The DMHC received small group aggregate rate filings from 13 health plans for measurement year 2023, including seven statewide plans and six regional health plans. In 2023, approximately 2.24 million enrollees had small group health care coverage. Kaiser Permanente's enrollment represented 37% of the small group market or 828,120 of the 2.24 million enrollees. The remaining 12 health plans served approximately 1.41 million or 63% of enrollees.

The observations from the 2023 health plan data related to the small group market aggregate rates include:

- Overall, the weighted average rate increased by 7.1% and the average premium PMPM was \$605.26. Kaiser Permanente's average rate increased by 6.9% and the remaining health plans increased their average rates by 7.2%. (Table 13)
- Small group on-exchange plans had an average rate increase of 7.3%, and the average premium of \$591.63 PMPM, while off-exchange plans and grandfathered plans had the average premium of \$608.86 and \$564.30 PMPM, respectively. (Tables 14a, 14b and 14c)
- Statewide plans covered approximately 2.16 million enrollees, which represented 96% of the total enrollment in the small group market. The overall weighted average rate increased by 7.2% and the average premium was \$608.72 PMPM. (Table 15)
- Only two statewide health plans, Blue Shield of California and Kaiser Permanente, offered products on-exchange and served 74,168 enrollees with an average premium of \$598.63. All of the statewide health plans offered off-exchange products and served over 1.93 million enrollees with an average premium of \$612.58. (Table 16)
- Regional health plans accounted for only 4% of the small group market enrollment and covered 81,859 enrollees. The overall weighted average rate for regional health plans increased by 4.4% and the average premium was \$513.89 PMPM. (Table 17)
- Only Sharp Health Plan offered on-exchange products and covered 3,219 enrollees. Sharp Health Plan's on-exchange overall average rate increased by 3.9% and the average premium was \$430.24 PMPM. Five regional health plans offered off-exchange products and covered 77,782 enrollees. The overall weighted average rate increase for regional off-exchange health plans was 4.4% with an average premium of \$516.51 PMPM. (Table 18)
- Over 90% of enrollees in the small group market, both on and off-exchange, were in silver or higher metal tiers and the majority chose HMO and PPO products. (Tables 19 and 20)

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- Similar to the individual market, most off-exchange enrollees in the small group market were in plans with a deductible of \$1,500 or more and coinsurance of 20% or more for hospital inpatient benefits. However, 88% of the enrollees in grandfathered plans had no coinsurance for hospital inpatient benefits. (Tables 21 and 22)
 - The majority of the enrollees in the small group market had copayments of less than \$50 for primary care and specialist doctor visits. (Table 23)
 - For measurement year 2023, 69% of on-exchange enrollees and 61% of off-exchange enrollees had an out-of-pocket maximum of \$7,500 or more for in-network medical and pharmacy benefits. (Table 24)

Table 13 shows the weighted average rate change, average premium PMPM, and number of enrollees for all small group health plans (including Kaiser Permanente), Kaiser Permanente, and all small group health plans excluding Kaiser Permanente.

Table 13

Weighted Average Rate Change and Average Premium PMPM – Small Group Market

Plan Type	Number of Enrollees	Weighted Average Rate Increase	Average Premium PMPM
All Plans	2,239,846	7.1%	\$605.26
Kaiser Permanente	828,120	6.9%	\$532.63
All Plans Excluding Kaiser Permanente	1,411,726	7.2%	\$647.86

Tables 14a, 14b, and 14c show the weighted average rate change, average premium PMPM, and number of enrollees for health plans that offered on-exchange, off-exchange, and grandfathered products in the small group market.

Table 14a

On-Exchange Plans: Weighted Average Rate Change and Average Premium PMPM

Plan Type	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
All Plans	77,387	7.3%	\$591.63
Kaiser Permanente	40,002	6.6%	\$511.51
All Plans Excluding Kaiser Permanente	37,385	8.0%	\$677.36

Table 14b

Off-Exchange Plans: Weighted Average Rate Change and Average Premium PMPM

Plan Type	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
All Plans	2,011,157	7.1%	\$608.86
Kaiser Permanente	647,406	6.7%	\$527.55
All Plans Excluding Kaiser Permanente	1,363,751	7.2%	\$647.46

Table 14c

Grandfathered Plans: Weighted Average Rate Change and Average Premium PMPM

Health Plan Name	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	140,712	8.0%	\$561.97
Health Net	9,733	0.0%	\$595.89
Sharp Health Plan	820	0.9%	\$583.50
Valley Health Plan	38	5.0%	\$716.60
Total	151,303	7.4%	\$564.30

Table 15 shows the weighted average rate, average premium PMPM, and number of enrollees for the statewide health plans that offered products in the small group market.

Table 15

Weighted Average Rate Change and Average Premium PMPM – Statewide Health Plans

Health Plan Name	Number of Enrollees	Percentage of Total Enrollees	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	828,120	38.4%	6.9%	\$532.63
Blue Shield of California	543,065	25.2%	8.5%	\$681.92
Anthem Blue Cross	521,211	24.2%	8.0%	\$668.55
UnitedHealthcare Benefits Plan of California (UHCBP)	112,500	5.2%	3.4%	\$661.69
Health Net	86,919	4.0%	1.0%	\$527.01
UHC of California (UHC)	41,307	1.9%	7.0%	\$534.46
Aetna Health of California Inc. (Aetna)	24,865	1.2%	10.7%	\$459.86
Statewide	2,157,987	100.0%	7.2%	\$608.72

Table 16 shows the weighted average rate change, average premium PMPM, and number of enrollees for the statewide health plans that offered products on-exchange and off-exchange in the small group market.

Table 16

Weighted Average Rate Change and Average Premium PMPM for Statewide Health Plans On-Exchange and Off-Exchange

Health Plan Name	On-Exchange			Off-Exchange		
	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	40,002	6.6%	\$511.51	647,406	6.7%	\$527.55
Blue Shield of California	34,166	8.4%	\$700.64	508,900	8.5%	\$680.66
Anthem Blue Cross	N/A	N/A	N/A	521,211	8.0%	\$668.55
UHCBP	N/A	N/A	N/A	112,500	3.4%	\$661.69
Health Net	N/A	N/A	N/A	77,186	1.1%	\$518.33
UHC	N/A	N/A	N/A	41,307	7.0%	\$534.46
Aetna	N/A	N/A	N/A	24,865	10.7%	\$459.86
Statewide	74,168	7.4%	\$598.63	1,933,375	7.2%	\$612.58

Table 17 shows the weighted average rate change, average premium PMPM, and number of enrollees for the regional health plans that offered products in the small group market.

Table 17

Weighted Average Rate Change and Average Premium PMPM for Regional Health Plans

Health Plan Name	Number of Enrollees	Percentage of Total Enrollees	Weighted Average Rate Change	Average Premium PMPM
Sutter Health Plan	32,791	40.1%	1.8%	\$531.47
Sharp Health Plan	25,241	30.8%	4.1%	\$470.73
Western Health Advantage	22,586	27.6%	8.5%	\$531.47
Chinese Community	768	0.9%	4.7%	\$671.94
Community Care Health Plan, Inc. (Community Care)	435	0.5%	0.0%	\$482.65
Valley Health Plan	38	0.0%	5.0%	\$716.60
Regional Total	81,859	100.0%	4.4%	\$513.89

Table 18 shows the weighted average rate change, average premium PMPM, and number of enrollees for regional health plans that offered on-exchange and off-exchange products in the small group market.

Table 18

Weighted Average Rate Change and Average Premium for Regional Health Plans On-Exchange and Off-Exchange¹⁶

Health Plan Name	On-Exchange			Off-Exchange		
	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
Sutter Health Plan	N/A	N/A	N/A	32,791	1.8%	\$531.47
Sharp Health Plan	3,219	3.9%	\$430.24	21,202	4.3%	\$472.52
Western Health Advantage	N/A	N/A	N/A	22,586	8.5%	\$531.47
Chinese Community	N/A	N/A	N/A	768	4.7%	\$671.94
Community Care	N/A	N/A	N/A	435	0.0%	\$482.65
Regional Total	3,219	3.9%	\$430.24	77,782	4.4%	\$516.51

¹⁶ Table 18 does not include Valley Health Plan since Valley Health Plan only has grandfathered enrollment. See Table 14c for the weighted average rate change, average premium PMPM, and number of enrollees for health plans that offered grandfathered products in the small group market.

2023 Enrollment by Metal Tier and Product Type in the Small Group Market

Table 19 and 20 show the enrollment by metal tier across the different product types for on-exchange and off-exchange plans in the small group market.

Table 19

Enrollment by Metal Tier and Product Type for Small Group Health Plans – On-Exchange

Product Type	Platinum	Gold	Silver	Bronze	All
HMO	11,413	19,565	12,837	2,827	46,642
PPO	9,029	11,178	5,295	1,933	27,435
EPO	-	-	-	-	-
HDHP	-	197	1,144	1,969	3,310
Total	20,442	30,940	19,276	6,729	77,387
Total (%)	26%	40%	25%	9%	100%

Table 20

Enrollment by Metal Tier and Product Type for Small Group Health Plans – Off-Exchange

Product Type	Platinum	Gold	Silver	Bronze	All
HMO	337,712	429,579	211,165	41,376	1,019,833
PPO	196,809	372,751	212,786	43,672	826,017
EPO	80	42	46	18	186
HDHP	-	7,146	64,218	93,757	165,121
Total	534,601	809,518	488,215	178,823	2,011,157
Total (%)	27%	40%	24%	9%	100%

Enrollee Cost Sharing

Table 21 shows the percentage of enrollment for each deductible category for medical and pharmacy coverage for on-exchange, off-exchange, and grandfathered plans in the small group market.

Table 21

Deductible for Medical and Pharmacy Combined

Deductible	On-Exchange	Off-Exchange	Grandfathered
\$0	28%	31%	66%
\$0.01 to \$499.99	36%	17%	3%
\$500 to \$1,499.99	2%	17%	2%
\$1,500+	34%	35%	29%

Table 22 shows the percentage of enrollment in the coinsurance categories for hospital inpatient benefits for on-exchange, off-exchange, and grandfathered plans.

Table 22

Coinsurance Percentage for Hospital Inpatient Benefit

Coinsurance	On-Exchange	Off-Exchange	Grandfathered
0%	41%	34%	88%
0.01%-9.99%	0%	1%	1%
10%-19.99%	12%	10%	1%
20%+	47%	55%	10%

Table 23 shows the percentage of enrollment by copayment category for primary care and specialist visits for on-exchange, off-exchange, and grandfathered plans.

Table 23

Copayments for Primary Care and Specialist Visits

Copayment	On-Exchange	Off-Exchange	Grandfathered
\$0-\$49.99	68%	69%	89%
\$50-\$99.99	30%	30%	11%
\$100+	2%	1%	0%

Table 24 shows the percentage of enrollment by the maximum out-of-pocket categories for medical and pharmacy benefits for on-exchange, off-exchange, and grandfathered plans in the small group market.

Table 24

Maximum Out-of-Pocket for Medical and Pharmacy Benefits (In-Network Only)

Family Maximum Out of Pocket	On-Exchange	Off-Exchange	Grandfathered
\$0-\$4,999.99	27%	27%	95%
\$5,000-\$7,499.99	4%	12%	4%
\$7,500+	69%	61%	1%

V. Conclusion

In 2023, there were approximately 12.4 million enrollees in DMHC regulated health plans that offered commercial products in the individual, small group, and large group markets. Of those enrollees, 2.35 million purchased individual health care coverage and 81% experienced a change to their premium rate. The overall average premium PMPM was \$590.46, a weighted average rate increase of 5.6% from 2022. In addition, 2.24 million enrollees purchased small group health care coverage and most experienced an increase in their rates. The overall average premium PMPM was \$605.26, a weighted average rate increase of 7.1% from 2022.

Based on the health plan rate filings with the DMHC, individual and small group health plan premiums are expected to increase by 10.4% and 8.4% respectively in 2024. Additionally, the large group premium rates are expected to increase by 11.5%. These increases are similar to Covered California's overall rate increase of 9.6% and CALPERS' overall rate increase of 10.9% for 2024.

This is the third annual report that presents information on aggregate rates and enrollment in the individual and small group markets. The report provides greater transparency into the types of health care coverage consumers are purchasing, including average premium PMPM, anticipated claims trends, enrollment by metal tier and product type, and information on enrollee cost sharing for on-exchange, off-exchange, and grandfathered plans. The information contained in this report, along with the information provided in the [Large Group Aggregate Rates and Prescription Drug Costs Report](#), provide a more complete picture of the state's health care marketplace and the cost of health care.

The report supports the important role Covered California plays in the individual market. The majority of consumers who get their coverage through Covered California receive state or federal premium assistance and many receive assistance with out-of-pocket costs through cost sharing assistance, allowing many enrollees to choose a plan with rich benefits.

The DMHC will continue to collect and report this data and will annually present the information at various public meetings. Future reports will include trend information that will serve as a valuable tool for the Department, researchers, and policymakers to gauge the impact of efforts to improve affordability and expand health care coverage as well as inform policy decisions on how to control health care costs.

Appendix A:

List of Health Plans Required to File Pursuant California Health and Safety Code section 1385.043

Individual Market

Health Plan Name	On-Exchange	Off-Exchange	Grandfathered
Aetna Health	Yes	Yes	No
Blue Cross of California (Anthem Blue Cross)	Yes	Yes	Yes
California Physicians' Service (Blue Shield of California)	Yes	Yes	No
Chinese Community Health Plan	Yes	Yes	No
Health Net of California, Inc.	Yes	Yes	No
Kaiser Foundation Health Plan, Inc. (Kaiser Permanente)	Yes	Yes	Yes
Local Initiative Health Authority for Los Angeles County (L.A. Care Health Plan)	Yes	Yes	No
Molina Healthcare of California	Yes	No	No
Oscar Health Plan of California	Yes	Yes	No
Santa Clara County (Valley Health Plan)	Yes	Yes	No
Sharp Health Plan	Yes	Yes	No
Sutter Health Plan (Sutter Health Plus)	No	Yes	No
Western Health Advantage	Yes	Yes	No

Appendix A:

List of Health Plans Required to File Pursuant California Health and Safety Code section 1385.043

Small Group Market

Health Plan Name	On-Exchange	Off-Exchange	Grandfathered
Aetna Health of California Inc.	No	Yes	No
Blue Cross of California (Anthem Blue Cross)	No	Yes	No
California Physicians' Service (Blue Shield of California)	Yes	Yes	No
Chinese Community Health Plan	No	Yes	No
Community Care Health Plan, Inc.	No	Yes	No
Health Net of California, Inc.	No	Yes	Yes
Kaiser Foundation Health Plan, Inc. (Kaiser Permanente)	Yes	Yes	Yes
Santa Clara County (Valley Health Plan)	No	No	Yes
Sharp Health Plan	Yes	Yes	Yes
Sutter Health Plan (Sutter Health Plus)	No	Yes	No
UHC of California (UnitedHealthcare of California)	No	Yes	No
UnitedHealthcare Benefits Plan of California	No	Yes	No
Western Health Advantage	No	Yes	No

Appendix B:

Health Plan Names (Legal & Doing Business As)

Health Plan Name	Doing Business As (DBA)
Aetna Health of California Inc.	
Blue Cross of California	Anthem Blue Cross
California Physicians' Service	Blue Shield of California
Chinese Community Health Plan	
Community Care Health Plan, Inc.	
Health Net of California, Inc.	
Kaiser Foundation Health Plan, Inc.	Kaiser Permanente
Local Initiative Health Authority for Los Angeles County	L.A. Care Health Plan
Molina Healthcare of California	
Oscar Health Plan of California	
Santa Clara County	Valley Health Plan
Sharp Health Plan	
Sutter Health Plan	Sutter Health Plus
UHC of California	UnitedHealthcare of California
UnitedHealthcare Benefits Plan of California	
Western Health Advantage	

DEPARTMENT OF
Managed
Health Care

A green outline of the state of California is positioned behind the text. The word "Managed" is in a smaller blue font, while "Health Care" is in a larger, bold blue font. The green outline of California is partially obscured by the text, with the word "Health" overlapping the left side of the state and "Care" overlapping the right side.