



Individual and Small Group Aggregate Premium Rate Report

Measurement Year 2021

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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 most of the health plans that participate in the California Health Benefit Exchange (Covered California). The DMHC also regulates Medi-Cal managed care plans, Medicare Advantage plans, and specialized health plans, including dental and vision plans.

Assembly Bill (AB) 2118 (Kalra, 2020) requires health care service plans and health insurers, that offer commercial products in the individual and small group market to report to the DMHC or the California Department of Insurance (CDI) specified information, including premiums, cost sharing, benefits, enrollment, and trend factors by October 1, 2021, and annually thereafter. The DMHC is required to post the information reported under this section on its internet website and annually present the reported information at various meetings, as specified.

This is the first year that the DMHC received the AB 2118 reports from health plans. For measurement year 2021, 12 health plans that offer products in the individual market and 15 health plans that offer products in the small group market submitted rate information.

This report summarizes the individual and small group aggregate rate information and weighted average rate changes on health plan premiums. Additionally, the report compares information between grandfathered¹ and non-grandfathered² products. Non-grandfathered products are broken into two categories - non-grandfathered on-exchange³ (on-exchange) and non-grandfathered off-exchange⁴ (off-exchange) products.

¹ 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. The Affordable Care Act requires health policies to cover more services. 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.

² Non-Grandfathered means a health plan that is not a grandfathered health 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 covers more services.

³ On-exchange products/plans are sold through Covered California.

⁴ 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 Market⁵

- In 2021, 2.43 million enrollees purchased individual health care coverage. Almost 1.87 million, or 77% of enrollees in the individual market, were affected by rate changes. The overall average premium per member per month⁶ (PMPM) was \$550.95, a decrease of 0.4% from 2020.
- Eleven health plans offered on-exchange products and covered 1.8 million enrollees with an average premium of \$559.80 PMPM. Twelve plans offered off-exchange products and covered 567,957 enrollees with an average premium of \$514.86 PMPM. Only two health plans offered grandfathered plans and covered 55,373 enrollees with an average premium of \$632.82.
- For the 12 plans participating in California's individual health insurance market, the overall medical allowed trend⁷ was 10.7% in 2021 and the overall projected medical allowed trend⁸ for 2022 is 4.4%.
- Over 82% of 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.
- The majority of enrollees in the individual market were in benefit plans that included a deductible of \$1,500 or more and a family maximum out-of-pocket of \$7,500.

⁵ 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.

⁶ Per member per month is a measure used to assess population-based metrics such as cost or utilization, computed by dividing the total monthly cost/utilization/other measure by the total number of member months for the population over a specific time period.

⁷ Medical Allowed Trend is the percentage change in medical and pharmacy costs covered by the health plan from prior year to current year.

⁸ Projected Medical Allowed Trend is the percentage change from the current year to the future year of allowed medical and pharmacy costs covered by the health plan based on actuarial estimates.

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Small Group Market⁹

- In 2021, 2.22 million enrollees had small group health care coverage. Enrollment in on-exchange health plans accounted for 3%, off-exchange health plans accounted for 89%, and grandfathered health plans accounted for 8%.
- The overall average premium PMPM was \$532.90, an increase of 1.8% compared to 2020.
- For the 15 plans participating in the small group health insurance market, the overall medical allowed trend was 5.3% in 2021 and the overall projected medical allowed trend was 4.6% for 2022.
- Over 90% of enrollees had HMO or PPO plans. Gold plans led the market with the highest number of enrollees. Silver 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.
- The majority of enrollees in the small group market were in benefit plans that included a deductible of \$1,500 or more and 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.

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 requires health care service plans and health insurers, that offer commercial products in the individual and small group markets to report specified information, including premiums, cost sharing, benefits, enrollment, and trend factors to the DMHC or CDI by October 1, 2021, and annually thereafter. Beginning in 2022, the DMHC is required to annually present the reported information at various meetings, as specified, and post the reports on the DMHC's [website](#) no later than December 15 of each year.

For measurement year 2021, 12 individual health plans submitted data which included four statewide¹⁰ health plans and eight regional¹¹ health plans. The 12 individual plans covered 2.43 million enrollees. The DMHC received the small group aggregate rate filings from 15 health plans which included seven statewide plans and eight regional plans. The 15 small group health plans covered 2.22 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 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 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 plans, as its name implies, operate and offer health care products to enrollees in multiple regions throughout the state.

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

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III. Individual Market Aggregate Rate Summary

For measurement year 2021, the DMHC received individual market aggregate rate filings from 12 health plans, including four statewide plans and eight regional plans. The 12 individual health plans covered 2,425,807 enrollees. Kaiser accounted for 927,591, or 38% of enrollees, and the remaining 1,498,216, or 62% of enrollees, were covered by the remaining 11 health plans. Since Kaiser's data had such a significant impact on the overall state averages, the data for Kaiser is often shown on a stand-alone basis throughout this report. On-exchange plans covered 74% of enrollees while off-exchange plans covered 24%, and grandfathered plans covered 2%.

The observations from the 2021 health plan data related to the individual market aggregate rates include:

- Overall, the weighted average rate decreased by 0.4%. Kaiser's average rate increased by 0.9% and the remaining health plans reduced their average rates by 1.3%. The average premium PMPM across all health plans was \$550.95. (Table 1)
- Eleven health plans offered individual products on-exchange and covered 1.8 million enrollees with an average premium of \$559.80 PMPM. Twelve health plans offered individual products off-exchange and covered 567,957 enrollees with an average premium of \$514.86 PMPM. (Tables 2a and 2b)
- Only two health plans, Kaiser and Anthem Blue Cross, offered grandfathered plans in the individual market. Anthem Blue Cross had the highest premium, with an average premium of \$983.53 PMPM. Overall, the average rate for the two grandfathered plans increased by 3.0% with an average rate of \$632.82 PMPM. (Table 2c)
- The four statewide plans covered 2 million enrollees. The overall weighted average rate decreased by 0.6% and the average premium was \$567.35 PMPM. The four statewide plans covered 1.4 million enrollees on-exchange, 513,592 off-exchange and 55,373 grandfathered enrollees. The on-exchange plans had an average premium of \$580.30 PMPM, a decrease of 0.5% from previous year. The off-exchange plans had an average premium of \$524.03, a decrease of 1.4% from previous year. (Tables 2c, 3 and 4)
- The eight regional plans had 417,575 enrollees, including 363,210 on-exchange and 54,365 off-exchange enrollees. None of the regional health plans offered grandfathered products. In 2021, the overall average rate for regional health plans increased by 0.3% and had an average premium of \$472.03 PMPM. (Tables 5 and 6)
- Seven regional plans offered on-exchange products and seven regional 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 plans that offered on-exchange products, the weighted average rate decreased by 0.5% and had an average premium of \$478.59 PMPM. For the regional plans that offered off-exchange products, the weighted average rate increased by 5.9% and had an average premium of \$428.20 PMPM. (Table 6)

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- The overall medical allowed trend for health plans in the individual market was 10.7% in 2021, which means that medical expenses increased by 10.7% since 2020. The overall projected medical allowed trend is 4.4% for 2022. (Table 7)
 - The majority of enrollees selected the silver plan, which is one of the four metal¹² levels of coverage¹³. About 70% of the enrollees were in silver or higher metal tiers in the individual market for both on and off-exchange. The majority of enrollees in the individual market chose the HMO plans with higher actuarial values¹⁴ which have the richest benefits overall. High Deductible Health Plans (HDHP) had the lowest enrollment for both on and off-exchange plans and provided members a lower premium option with a higher out of pocket cost. (Tables 8 and 9)
 - The majority of the enrollees in the individual market were in plans with a deductible of \$1,500 or more and in products with coinsurance of 20% or more for hospital inpatient benefits. However, 78% of the enrollees in grandfathered plans had no coinsurance for hospital inpatient benefits. (Tables 10 and 11)
 - Over 50% of the on-exchange health plan enrollees and 95% of grandfathered plan enrollees purchased products with copayments of less than \$50 for primary care and specialist visits. (Table 12)
 - For measurement year 2021, 50% of on-exchange enrollees and 79% of off-exchange enrollees had an out-of-pocket maximum of \$7,500 or more for in-network medical and pharmacy benefits. (Table 13)

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.

¹⁴ The percentage of total average costs for covered health care services that are paid by the health plan. For example, if a plan has an actuarial value of 70 percent, on average, an individual would be responsible for 30 percent of the costs of all covered health care services.

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

Table 1
Weighted Average Rate Change and Average Premium PMPM – Individual Market

Plan Type	Number of Enrollees	Weighted ¹⁵ Average Rate Change	Average Premium PMPM ¹⁶
All Plans	2,425,807	-0.4%	\$550.95
Kaiser	927,591	0.9%	\$533.10
All Plans Excluding Kaiser	1,498,216	-1.3%	\$561.99

¹⁵ Weighted average rate change means the average annual rate increases or decreases that were implemented weighted by the number of enrollees/covered lives.

¹⁶ Average Premium PMPM is the average premium weighted by the number of enrollees during the 12-month period.

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	1,802,477	-0.5%	\$559.80
Kaiser	698,644	0.9%	\$552.82
All Plans Excluding Kaiser	1,103,833	-1.4%	\$564.22

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	567,957	-0.7%	\$514.86
Kaiser	186,826	-0.1%	\$461.76
All Plans Excluding Kaiser	381,131	-0.9%	\$540.89

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	42,121	4.0%	\$522.48
Anthem Blue Cross	13,252	0.0%	\$983.53
Total	55,373	3.0%	\$632.82

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	927,591	46.2%	0.9%	\$533.10
California Physicians' Service (Blue Shield of California)	753,291	37.5%	-2.5%	\$609.98
Anthem Blue Cross	181,560	9.0%	-2.6%	\$599.02
Health Net of California, Inc. (Health Net)	145,790	7.3%	2.3%	\$525.63
Statewide	2,008,232	100%	-0.6%	\$567.35

Table 4 shows the weighted average rate change, average premium PMPM, and number of enrollees for the four statewide 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	698,644	0.9%	\$552.82	186,826	-0.1%	\$461.76
Blue Shield of California	454,821	-2.6%	\$637.27	298,470	-2.4%	\$568.39
Anthem Blue Cross	154,678	-2.9%	\$572.97	13,630	-1.0%	\$520.75
Health Net	131,124	2.3%	\$537.72	14,666	2.5%	\$417.59
Statewide	1,439,267	-0.5%	\$580.30	513,592	-1.4%	\$524.03

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)	141,610	33.9%	-7.0%	\$448.27
Oscar Health Plan of California	127,265	30.5%	8.8%	\$420.30
Molina Healthcare of California	54,555	13.1%	-4.7%	\$514.84
Sharp Health Plan	44,523	10.7%	-0.4%	\$483.50
Santa Clara County (Valley Health Plan)	28,036	6.7%	8.9%	\$540.18
Western Health Advantage	12,134	2.9%	0.0%	\$674.85
Chinese Community Health Plan	5,777	1.4%	1.3%	\$805.62
Sutter Health Plan	3,675	0.9%	4.0%	\$690.48
Regional	417,575	100%	0.3%	\$472.03

Table 6 shows the weighted average rate change, average premium PMPM, and number of enrollees for the regional 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	141,483	-7.0%	\$448.35	127	-4.2%	\$361.84
Oscar Health Plan of California	93,281	8.8%	\$436.01	33,984	8.6%	\$377.19
Molina Healthcare of California	54,555	-4.7%	\$514.84	N/A	N/A	N/A
Sharp Health Plan	31,667	-0.7%	\$499.87	12,856	0.6%	\$443.18
Valley Health Plan	27,319	8.9%	\$543.68	717	9.8%	\$406.59
Western Health Advantage	9,552	0.1%	\$692.37	2,582	-0.5%	\$610.02
Chinese Community Health Plan	5,353	1.3%	\$810.90	424	0.9%	\$738.99
Sutter Health Plan	N/A	N/A	N/A	3,675	4.0%	\$690.48
Regional	363,210	-0.5%	\$478.59	54,365	5.9%	\$428.20

Medical Allowed Trend and Projected Medical Trend

Table 7 shows the overall medical allowed trend for 2021 and projected medical allowed trend for 2022.

Table 7

Medical Allowed Trend and Projected Medical Trend for the Individual Market

Plan Type	2021 Medical Allowed Trend	2022 Projected Medical Allowed Trend
All Plans	10.7%	4.4%
Statewide without Kaiser	10.2%	4.7%
Kaiser	5.8%	4.2%

2021 Enrollment by Metal Tier and Product Type in the Individual Market

Tables 8 and 9 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 8

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

Product Type	Platinum	Gold	Silver	Bronze	Catastrophic¹⁷	All
HMO	77,039	118,688	716,313	261,050	22,525	1,195,615
PPO	7,824	32,285	191,447	70,504	591	302,651
EPO	2,178	13,269	99,296	67,331	6,461	188,535
HDHP	-	-	-	115,676	-	115,676
Total	87,041	164,242	1,007,057	514,561	29,577	1,802,477
Total (%)	5%	9%	55%	29%	2%	100%

Table 9

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

Product Type	Platinum	Gold	Silver	Bronze	Catastrophic	All
HMO	35,899	32,412	97,193	46,160	4,330	215,994
PPO	16,048	42,272	149,042	31,988	1,800	241,150
EPO	769	2,050	21,141	16,104	2,316	42,380
HDHP	-	-	13,095	55,338	-	68,433
Total	52,716	76,734	280,471	149,590	8,446	567,957
Total (%)	9%	14%	50%	26%	1%	100%

¹⁷ Catastrophic health plans offer coverage in times of emergencies as well as coverage for preventive care. Catastrophic health plans typically come with low monthly premiums and a high deductible.

Enrollee Cost Sharing¹⁸

Table 10 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 10
Deductible for Medical and Pharmacy Combined

Deductible	On-Exchange	Off-Exchange	Grandfathered
\$0	14%	23%	41%
\$0.01 to \$499.99	15%	0%	0%
\$500 to \$1,499.99	3%	0%	6%
\$1,500+	68%	77%	53%

Table 11 shows the percentage of enrollment in the various coinsurance categories for hospital inpatient benefits for on-exchange, off-exchange and grandfathered health plans in the individual market.

Table 11
Coinsurance Percentage for Hospital Inpatient Benefits

Coinsurance	On-Exchange	Off-Exchange	Grandfathered
0%	15%	22%	78%
0.01%-9.99%	0%	0%	0%
10%-19.99%	34%	3%	0%
20%+	51%	75%	22%

¹⁸ 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 care products purchased off-exchange.

Table 12 shows the percentage of enrollment by copayment category for primary care and specialist visits for on-exchange, off-exchange, and grandfathered health plans in the individual market.

Table 12
Copayments for Primary Care and Specialist Visits

Copayment	On-Exchange	Off-Exchange	Grandfathered
\$0 to \$49.99	54%	30%	95%
\$50 to \$99.99	43%	65%	5%
\$100+	3%	5%	0%

Table 13 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 health plans in the individual market.

Table 13
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	37%	9%	67%
\$5,000 to \$7,499.99	13%	12%	18%
\$7,500+	50%	79%	15%

IV. Small Group Aggregate Rate Summary

The DMHC received small group aggregate rate filings from 15 health plans for measurement year 2021, including seven statewide plans and eight regional plans. In 2021, 2.22 million enrollees had small group health care coverage. Kaiser's enrollment represented 42% of the small group market or 930,881 of the 2.2 million enrollees. The remaining 14 health plans served 1.3 million or 58% of enrollees.

The observations from the 2021 health plan data related to the small group market aggregate rates include:

- Overall, the weighted average rate increased by 1.8% and the average premium PMPM was \$532.90. Kaiser's average rate increased by 2.9% and the remaining health plans increased their average rates by 1.1%. (Table 14)
- In 2021, small group on-exchange plans had an average rate increase of 2.0%, and the lowest average premium of \$496.06 PMPM, while off-exchange plans and grandfathered plans had the highest premium with an average premium of \$536.66 and \$503.79 PMPM, respectively. (Tables 15a, 15b and 15c)
- Statewide plans covered 2.1 million enrollees, which represented 96% of the total enrollment in the small group market. The overall weighted average rate increased by 1.8% and the average premium was \$536.21 PMPM. (Table 16)
- Only two statewide health plans, Blue Shield of California and Kaiser, offered products on-exchange and served 66,905 enrollees with an average premium of \$501.21. All of the statewide health plans offered off-exchange products and served over 1.8 million enrollees with an average premium of \$540.33. (Table 17)
- Regional plans accounted for only 4% of the small group market enrollment and covered 96,845 enrollees. The overall average rate for regional health plans increased by 2.2% and the average premium was \$460.14 PMPM. (Table 18)
- Two regional health plans, Sharp Health Plan and Oscar Health Plan, offered on-exchange products and covered 3,390 enrollees. The overall average rate increase for regional on-exchange health plans increased by 1.0% and the average premium was \$394.42 PMPM. All of the regional plans offered off-exchange products and covered 92,575 enrollees. The overall average rate for regional off-exchange health plans increased by 2.2% with an average premium of \$461.51 PMPM. (Table 19)
- The overall medical allowed trend for health plans in the small group market was 5.3% in 2021. The overall projected medical allowed trend is 4.6% for 2022. (Table 20)
- The majority of enrollees in the small group market were in silver and gold plans. This pattern was consistent between on-exchange and off-exchange plans. 90% of the enrollees were in silver or higher metal tiers in the small group market for both on and off-exchange plans. The majority of enrollees in the small group market for both on and off-exchange chose HMO and PPO products. (Tables 21 and 22)

Similar to the individual market, the majority of the enrollees in the small group market were in plans with a deductible of \$1,500 or more and in products with 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 23 and 24)

- The majority of the enrollees in the small group market enrollees had copayments of less than \$50 for primary care and specialist doctor visits. (Table 25)
- For measurement year 2021, 72% of on-exchange enrollees and 54% of off-exchange enrollees had an out-of-pocket maximum of \$7,500 or more for in-network medical and pharmacy benefits. (Table 26)

Table 14 shows the weighted average rate change, average premium PMPM, and number of enrollees for all small group health plans (including Kaiser), Kaiser, and all small group health plans excluding Kaiser.

Table 14

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	2,223,795	1.8%	\$532.90
Kaiser	930,881	2.9%	\$476.94
All Plans Excluding Kaiser	1,292,914	1.1%	\$573.19

Tables 15a, 15b, and 15c 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 15a

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	70,295	2.0%	\$496.06
Kaiser	45,954	2.9%	\$457.81
All Plans Excluding Kaiser	24,341	0.4%	\$568.29

Table 15b

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	1,985,964	1.7%	\$536.66
Kaiser	730,795	2.7%	\$473.61
All Plans Excluding Kaiser	1,255,169	1.1%	\$573.37

Table 15c

Grandfathered Plans: Weighted Average Rate Change and Average Premium PMPM

Health Plan Name	Number of Enrollees	Weighted Average Rate Change	Average Premium PMPM
Kaiser	154,132	4.0%	\$498.43
Health Net	12,523	-0.2%	\$565.11
Sharp Health Plan	861	0.7%	\$565.89
Valley Health Plan	19	0.0%	\$740.02
Total	167,535	3.7%	\$503.79

Table 16 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 16

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	930,881	43.8%	2.9%	\$476.94
Blue Shield of California	525,862	24.7%	1.6%	\$584.05
Anthem Blue Cross	408,089	19.2%	0.0%	\$606.82
UnitedHealthcare Benefits Plan of California (UHCBP)	108,974	5.1%	2.2%	\$622.79
Health Net	79,139	3.7%	-1.0%	\$487.37
UHC of California (UHC)	54,469	2.6%	1.5%	\$494.30
Aetna Health of California Inc. (Aetna)	19,536	0.9%	3.8%	\$429.74
Statewide	2,126,950	100.0%	1.8%	\$536.21

Table 17 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 17
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	45,954	2.9%	\$457.81	730,795	2.8%	\$473.61
Blue Shield of California	20,951	0.3%	\$596.42	504,910	1.7%	\$583.53
Anthem Blue Cross	N/A	N/A	N/A	408,089	0.0%	\$606.82
UHCBP	N/A	N/A	N/A	108,974	2.2%	\$622.79
Health Net	N/A	N/A	N/A	66,616	-1.1%	\$472.75
UHC	N/A	N/A	N/A	54,469	1.5%	\$494.30
Aetna	N/A	N/A	N/A	19,536	3.8%	\$429.74
Statewide	66,905	2.1%	\$501.21	1,893,389	1.7%	\$540.33

Table 18 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 18

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	33,453	34.5%	4.0%	\$496.49
Sharp Health Plan	28,263	29.2%	1.8%	\$444.06
Western Health Advantage	28,106	29.0%	0.7%	\$437.49
Oscar Health Plan	5,236	5.4%	1.3%	\$402.69
Chinese Community	945	1.0%	-7.7%	\$615.19
County of Ventura	487	0.5%	4.3%	\$543.82
Community Care Health Plan, Inc. (Community Care)	336	0.3%	4.5%	\$410.38
Valley Health Plan	19	0.0%	0.0%	\$740.02
Regional Total	96,845	100.0%	2.2%	\$460.14

Table 19 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 19

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
Sharp Health Plan	3,012	1.5%	\$393.59	24,390	1.9%	\$445.99
Oscar Health Plan	378	-2.9%	\$401.07	4,858	1.6%	\$402.82
Sutter Health Plan	N/A	N/A	N/A	33,453	4.0%	\$496.49
Western Health Advantage	N/A	N/A	N/A	28,106	0.7%	\$437.49
Chinese Community	N/A	N/A	N/A	945	-7.7%	\$615.19
County of Ventura	N/A	N/A	N/A	487	4.3%	\$543.82
Community Care	N/A	N/A	N/A	336	4.5%	\$410.38
Regional Total	3,390	1.0%	\$394.42	92,575	2.2%	\$461.51

Medical Allowed Trend and Projected Medical Trend

Table 20 shows the overall medical allowed trend for 2021 and the projected medical trend for 2022.

Table 20

Medical Allowed Trend and Projected Medical Trend for Small Group Market

Plan Type	2021 Medical Allowed Trend	2022 Projected Medical Allowed Trend
All	5.3%	4.6%
Statewide without Kaiser	5.2%	5.4%
Kaiser	5.4%	3.6%

2021 Enrollment by Metal Tier and Product Type in the Small Group Market

Table 21 and 22 show enrollment by metal tier across the different product types for on-exchange and off-exchange plans in the small group market.

Table 21

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

Product Type	Platinum	Gold	Silver	Bronze	All
HMO	8,978	19,942	17,228	4,037	50,185
PPO	4,083	7,320	3,393	1,237	16,034
EPO	39	153	157	29	378
HDHP	-	-	1,705	1,994	3,699
Total	13,100	27,415	22,483	7,297	70,296
Total (%)	19%	39%	32%	10%	100%

Table 22

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

Product Type	Platinum	Gold	Silver	Bronze	All
HMO	322,414	435,840	274,962	56,196	1,089,412
PPO	158,417	325,599	198,104	43,752	725,871
EPO	720	2,132	2,804	1,282	6,938
HDHP	-	2,118	64,329	97,296	163,743
Total	481,551	765,689	540,199	198,526	1,985,964
Total (%)	24%	39%	27%	10%	100%

Enrollee Cost Sharing

Table 23 shows the percentage of enrollment for each deductible category for medical and pharmacy coverage for on-exchange, off-exchange, and grandfathered health plans in the small group market.

Table 23
Deductible for Medical and Pharmacy Combined

Deductible	On-Exchange	Off-Exchange	Grandfathered
\$0	20%	28%	69%
\$0.01 to \$499.99	35%	16%	4%
\$500 to \$1,499.99	3%	16%	2%
\$1,500+	42%	40%	25%

Table 24 shows the percentage of enrollment in the various coinsurance categories for hospital inpatient benefits for on-exchange, off-exchange, and grandfathered health plans.

Table 24
Coinsurance Percentage for Hospital Inpatient Benefit

Coinsurance	On-Exchange	Off-Exchange	Grandfathered
0%	43%	35%	88%
0.01%-9.99%	0%	1%	1%
10%-19.99%	6%	8%	1%
20%+	51%	56%	10%

Table 25 shows the percentage of enrollment by copayment category for primary care and specialist visits for on-exchange, off-exchange, and grandfathered health plans.

Table 25
Copayments for Primary Care and Specialist Visits

Copayment	On-Exchange	Off-Exchange	Grandfathered
\$0-\$49.99	63%	67%	88%
\$50-\$99.99	37%	32%	12%
\$100+	0%	1%	0%

Table 26 shows the percentage of enrollment by the maximum out-of-pocket categories for medical and pharmacy benefits for on-exchange, off-exchange, and grandfathered health plans in the small group market.

Table 26
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	19%	25%	96%
\$5,000-\$7,499.99	9%	21%	4%
\$7,500+	72%	54%	0%

V. Conclusion

In 2021, there were approximately 12.7 million enrollees in DMHC regulated health plans that offered commercial products in the individual, small group, and large group markets. Of those, 2.43 million enrollees purchased individual health care coverage and 77% experienced a change to their rate. The overall average premium PMPM was \$550.95, a decrease of 0.4% from 2020. In addition, 2.22 million enrollees purchased small group health care coverage and most experienced an increase in their rates. The overall average premium PMPM was \$532.90, an increase of 1.8% from 2020.

This is the first 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 insurance 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 insurance 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
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 Health Care	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
County of Ventura (Ventura County Health Care Plan)	No	Yes	No
Health Net of California, Inc.	No	Yes	Yes
Kaiser Foundation Health Plan, Inc. (Kaiser Permanente)	Yes	Yes	Yes
Oscar Health Plan of California	Yes	Yes	No
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

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.