



Individual and Small Group Aggregate Premium Rate Report

Measurement Year 2022

Table of Contents

- I. Executive Summary 1
- II. Introduction/Background 6
- III. Individual Market Aggregate Rate Summary 7
- IV. Small Group Aggregate Rate Summary 18
- V. Conclusion 29
- Appendix A: List of Health Plans Required to File Pursuant to California Health and Safety Code section 1385.043 30

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), as codified in Health and Safety Code section 1385.043, requires 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 internet website and annually present the reported information at various meetings, as specified.

This is the second year that the DMHC received the AB 2118 reports from health plans. For measurement year 2022, 12 health plans in the individual market and 14 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-exchange⁵

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 2022, approximately 2.4 million enrollees purchased individual health care coverage. Almost 1.97 million, or 82% of enrollees in the individual market, were affected by rate changes. The overall average premium per member per month^{7,8} (PMPM) was \$562.46.
- Overall, the weighted average rate increase for the health plans in the individual market was 1.5% in 2022.
- Eleven health plans offered on-exchange products and covered approximately 1.84 million enrollees with an average premium of \$567.69 PMPM. Eleven health plans offered off-exchange products and covered 510,008 enrollees with an average premium of \$535.10 PMPM. Only two health plans offered grandfathered plans and covered 47,908 enrollees with an average premium of \$653.08.
- Over 87% 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.
- 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.

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 2022, approximately 2.25 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 \$558.28.
- Overall, the weighted average rate increase for the small group health plans was 3.4% in 2022.
- Three health plans offered on-exchange products and covered almost 80,000 enrollees with an average premium of \$533.28 PMPM. Thirteen health plans offered off-exchange products and covered over 2 million enrollees with an average premium of \$561.66 PMPM. Four health plans offered grandfathered plans and covered 156,000 enrollees with an average premium of \$527.41.
- 92% 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.

Chart 1 illustrates the average premium PMPM from 2021 to 2022. From 2021 to 2022, the average premium increased by almost \$12 in the individual market and around \$25 in the small group market.

Chart 1

Average Premium PMPM – Individual and Small Group Market

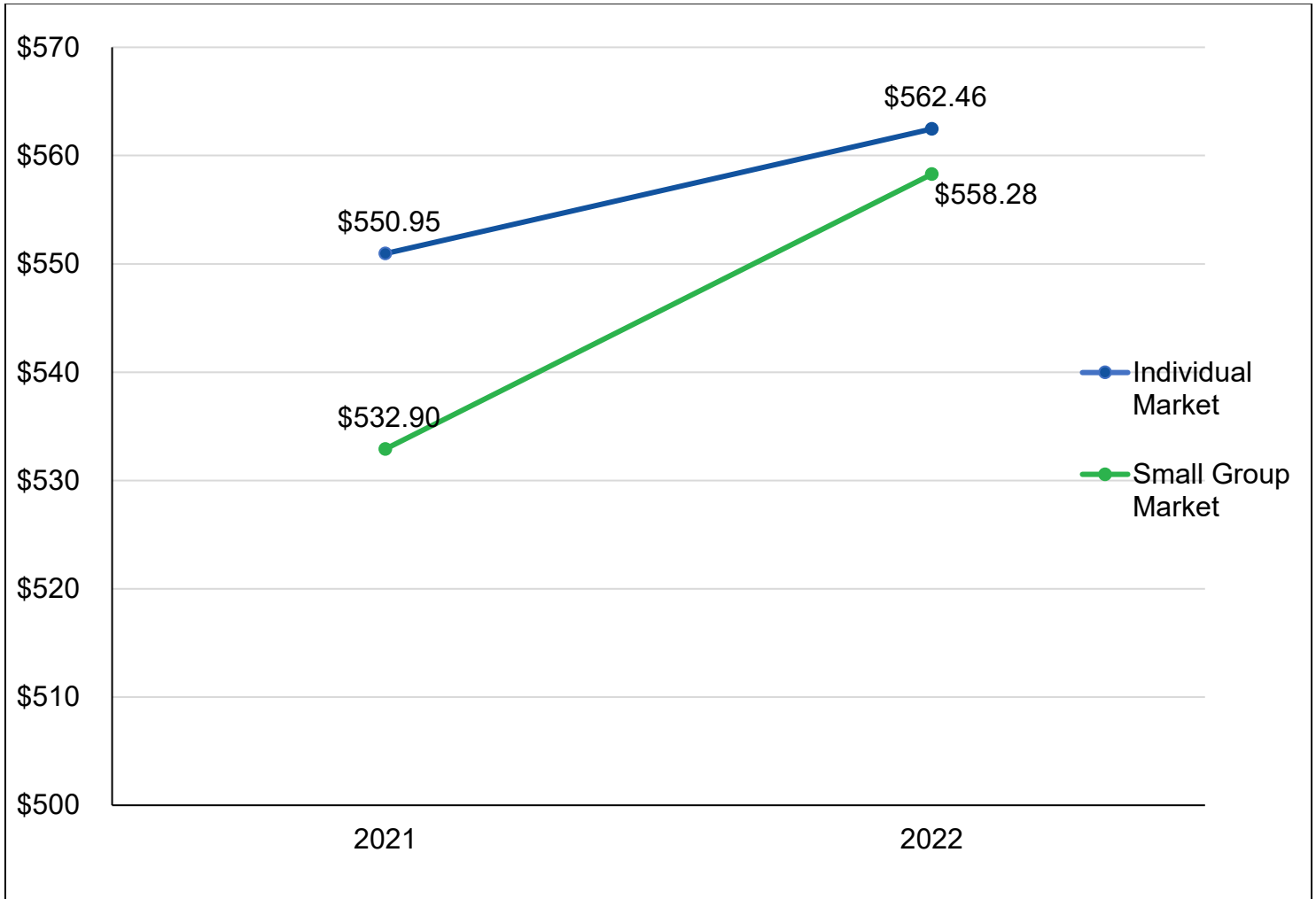
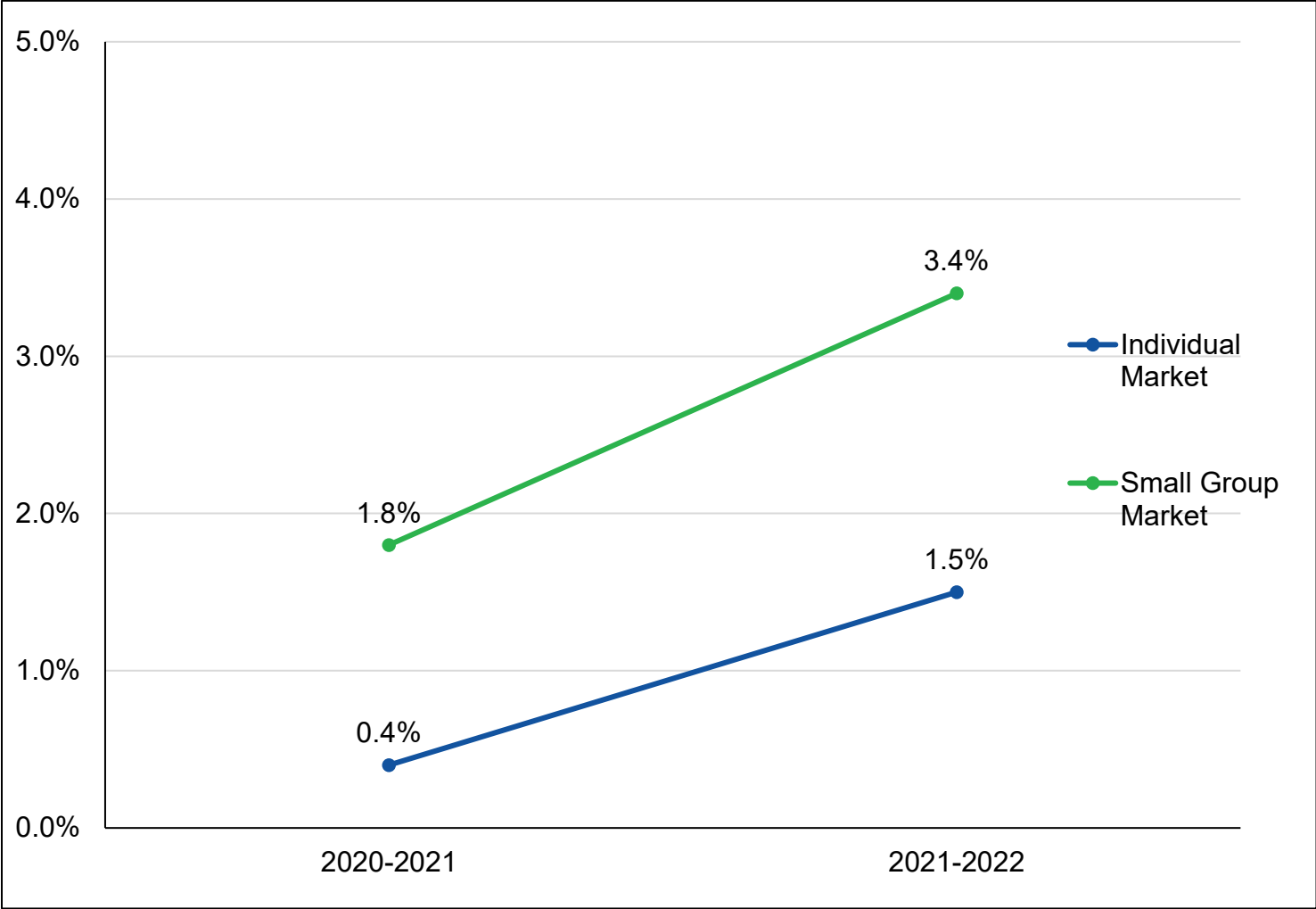


Chart 2 shows the year-over-year change in average premium on a PMPM basis from 2020 to 2022 in the individual and small group markets. From 2021 to 2022, the average premium weighted by enrollment increased by 1.5% in the individual market and 3.4% in the small group market.

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](#) no later than December 15 of each year.

For measurement year 2022, 12 individual health plans submitted data which included four statewide¹⁰ health plans and eight regional¹¹ health plans. The 12 individual health plans covered approximately 2.4 million enrollees. The DMHC received the small group aggregate rate filings from 14 health plans which included seven statewide plans and seven regional plans. The 14 small group health plans covered approximately 2.25 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 2022, the DMHC received individual market aggregate rate filings from 12 health plans, including four statewide health plans and eight regional health plans. The 12 individual health plans covered 2,398,253 enrollees. Kaiser Permanente accounted for 918,043, or 38% of enrollees, and the remaining 1,480,210, or 62% of enrollees, were covered by the remaining 11 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 77% of enrollees while off-exchange plans covered 21%, and grandfathered plans covered 2%.

The observations from the 2022 health plan data related to the individual market aggregate rates include:

- Overall, the weighted average rate increased by 1.5%. Kaiser Permanente's average rate increased by 2.1% and the remaining 11 health plans increased their average rates by 1.1%. The average premium PMPM across all health plans was \$562.46. (Table 1)
- Eleven health plans offered individual products on-exchange and covered approximately 1.84 million enrollees with an average premium of \$567.69 PMPM. Eleven health plans offered individual products off-exchange and covered 510,008 enrollees with an average premium of \$535.10 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 \$983.03 PMPM. Overall, the average rate for the two grandfathered plans was \$653.08 PMPM. (Table 2c)
- The four statewide health plans covered approximately 2 million enrollees. The overall weighted average rate increased by 1.6% and the average premium was \$577.68 PMPM. The four statewide health plans covered approximately 1.48 million enrollees on-exchange, 468,521 off-exchange and 47,908 grandfathered enrollees. The on-exchange plans had an average premium of \$586.74 PMPM, a weighted average increase of 1.4% from previous year. The off-exchange plans had an average premium of \$541.31, a weighted average increase of 2.1% from the previous year. (Tables 2c, 3 and 4)
- The eight regional health plans had 401,063 enrollees, including 359,576 on-exchange and 41,487 off-exchange enrollees. None of the regional health plans offered grandfathered products. In 2022, the overall average rate for regional health plans was \$486.71 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 0.3% and had an average premium of \$489.21 PMPM. For the regional health plans that offered off-exchange products, the weighted average rate increased by 6.7% and had an average premium of \$465.02 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. Nearly 73% of the enrollees selected on-exchange products rated silver or higher metal level coverage, while nearly 74% enrollees selected off-exchange products rated silver or higher metal level coverage. The majority of 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 both on and off-exchange plans and provided members a lower premium option with a higher out of pocket cost. (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 57% 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 11)
 - For measurement year 2022, 53% 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 (2022)

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	2,398,253	1.5%	\$562.46
Kaiser Permanente	918,043	2.1%	\$548.16
All Plans Excluding Kaiser Permanente	1,480,210	1.1%	\$571.33

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	1,840,337	1.2%	\$567.69
Kaiser Permanente	720,889	2.1%	\$564.05
All Plans Excluding Kaiser Permanente	1,119,448	0.6%	\$570.03

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	510,008	2.4%	\$535.10
Kaiser Permanente	160,887	1.7%	\$477.20
All Plans Excluding Kaiser Permanente	349,121	2.8%	\$561.78

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	36,267	4.0%	\$547.17
Anthem Blue Cross	11,641	0.0%	\$983.03
Total	47,908	3.0%	\$653.08

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	918,043	46.0%	2.1%	\$548.16
California Physicians' Service (Blue Shield of California)	776,426	38.9%	1.5%	\$616.31
Anthem Blue Cross	193,319	9.7%	-2.7%	\$571.48
Health Net of California, Inc. (Health Net)	109,402	5.5%	5.5%	\$562.10
Statewide	1,997,190	100%	1.6%	\$577.68

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	720,889	2.1%	\$564.05	160,887	1.7%	\$477.20
Blue Shield of California	496,967	1.0%	\$635.70	279,459	2.3%	\$581.83
Anthem Blue Cross	164,361	-3.1%	\$545.52	17,317	-1.1%	\$541.30
Health Net	98,544	5.5%	\$574.63	10,858	5.9%	\$448.34
Statewide	1,480,761	1.4%	\$586.74	468,521	2.1%	\$541.31

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)	152,272	38.0%	-4.2%	\$440.19
Oscar Health Plan of California	87,515	21.8%	9.2%	\$460.56
Molina Healthcare of California	62,705	15.6%	-0.1%	\$511.87
Sharp Health Plan	53,570	13.4%	-0.2%	\$490.97
Santa Clara County (Valley Health Plan)	25,617	6.4%	5.6%	\$611.12
Western Health Advantage	11,808	2.9%	5.4%	\$665.27
Chinese Community Health Plan	4,356	1.1%	5.0%	\$834.95
Sutter Health Plan	3,220	0.8%	5.2%	\$720.36
Regional	401,063	100%	1.0%	\$486.71

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	152,184	-4.2%	\$440.25	88	-4.7%	\$342.34
Oscar Health Plan of California	63,698	8.8%	\$475.45	23,817	10.2%	\$420.74
Molina Healthcare of California	62,705	-0.1%	\$511.87	N/A	N/A	N/A
Sharp Health Plan	42,171	-0.4%	\$502.73	11,399	0.5%	\$447.47
Valley Health Plan	25,149	5.6%	\$613.80	468	6.1%	\$466.84
Western Health Advantage	9,651	5.4%	\$675.11	2,157	5.3%	\$621.25
Chinese Community Health Plan	4,018	5.1%	\$839.85	338	4.8%	\$776.68
Sutter Health Plan	N/A	N/A	N/A	3,220	5.2%	\$720.36
Regional	359,576	0.3%	\$489.21	41,487	6.7%	\$465.02

2022 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	Catastrophic¹⁴	All
HMO	74,968	142,764	775,258	268,897	16,956	1,278,843
PPO	9,107	37,081	207,078	71,734	559	325,559
EPO	1,022	9,582	88,133	35,760	2,752	137,249
HDHP	-	-	-	98,685	-	98,685
Total	85,098	189,427	1,070,469	475,076	20,267	1,840,337
Total (%)	5%	10%	58%	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	33,714	31,510	84,731	42,519	4,421	196,896
PPO	15,670	40,514	136,903	28,542	1,462	223,091
EPO	837	2,358	16,086	10,585	1,881	31,747
HDHP	-	-	12,343	45,932	-	58,275
Total	50,221	74,382	250,063	127,578	7,764	510,008
Total (%)	10%	15%	49%	25%	1%	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	15%	24%	41%
\$0.01 to \$499.99	12%	0%	0%
\$500 to \$1,499.99	17%	0%	6%
\$1,500+	56%	76%	53%

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%	15%	23%	77%
0.01%-9.99%	0%	0%	0%
10%-19.99%	31%	4%	0%
20%+	54%	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	57%	35%	95%
\$50 to \$99.99	40%	60%	5%
\$100+	3%	5%	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	34%	10%	67%
\$5,000 to \$7,499.99	13%	12%	17%
\$7,500+	53%	78%	16%

IV. Small Group Aggregate Rate Summary

The DMHC received small group aggregate rate filings from 14 health plans for measurement year 2022, including seven statewide plans and seven regional health plans. In 2022, approximately 2.25 million enrollees had small group health care coverage. Kaiser Permanente's enrollment represented 41% of the small group market or 921,900 of the 2.25 million enrollees. The remaining 13 health plans served approximately 1.33 million or 59% of enrollees.

The observations from the 2022 health plan data related to the small group market aggregate rates include:

- Overall, the weighted average rate increased by 3.4% and the average premium PMPM was \$558.28. Kaiser Permanente's average rate increased by 2.3% and the remaining health plans increased their average rates by 4.3%. (Table 13)
- In 2022, small group on-exchange plans had an average rate increase of 3.5%, and the average premium of \$533.28 PMPM, while off-exchange plans and grandfathered plans had the average premium of \$561.66 and \$527.41 PMPM, respectively. (Tables 14a, 14b and 14c)
- Statewide plans covered approximately 2.17 million enrollees, which represented 96% of the total enrollment in the small group market. The overall weighted average rate increased by 3.4% and the average premium was \$560.87 PMPM. (Table 15)
- Only two statewide health plans, Blue Shield of California and Kaiser Permanente, offered products on-exchange and served 75,277 enrollees with an average premium of \$538.65. All of the statewide health plans offered off-exchange products and served over 1.9 million enrollees with an average premium of \$564.45. (Table 16)
- Regional health plans accounted for only 4% of the small group market enrollment and covered 85,418 enrollees. The overall weighted average rate for regional health plans increased by 4.0% and the average premium was \$492.75 PMPM. (Table 17)
- Only Sharp Health Plan offered on-exchange products and covered 3,259 enrollees. Sharp Health Plan's on-exchange overall average rate increased by 0.7% and the average premium was \$409.10 PMPM. All of the regional health plans, except Valley Health Plan, offered off-exchange products and covered 81,362 enrollees. The overall weighted average rate increase for regional off-exchange health plans was 4.2% with an average premium of \$495.16 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, the majority of the 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 2022, 71% of on-exchange enrollees and 60% 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	2,251,101	3.4%	\$558.28
Kaiser Permanente	921,900	2.3%	\$492.39
All Plans Excluding Kaiser Permanente	1,329,201	4.3%	\$603.99

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	78,536	3.5%	\$533.28
Kaiser Permanente	47,223	2.1%	\$476.58
All Plans Excluding Kaiser Permanente	31,313	5.4%	\$618.78

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	2,016,053	3.4%	\$561.66
Kaiser Permanente	729,864	1.9%	\$487.30
All Plans Excluding Kaiser Permanente	1,286,189	4.3%	\$603.85

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	144,813	4.0%	\$523.19
Health Net	10,902	0.0%	\$578.93
Sharp Health Plan	777	0.0%	\$585.63
Valley Health Plan	20	0.0%	\$710.39
Total	156,512	3.7%	\$527.41

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	921,900	42.5%	2.3%	\$492.39
Blue Shield of California	536,234	24.8%	6.2%	\$625.97
Anthem Blue Cross	451,997	20.9%	3.7%	\$628.62
UnitedHealthcare Benefits Plan of California (UHCBP)	113,080	5.2%	2.6%	\$639.92
Health Net	74,343	3.4%	1.2%	\$489.57
UHC of California (UHC)	47,127	2.2%	-2.6%	\$493.14
Aetna Health of California Inc. (Aetna)	21,002	1.0%	4.4%	\$425.28
Statewide	2,165,683	100.0%	3.4%	\$560.87

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	47,223	2.1%	\$476.58	729,864	1.9%	\$487.30
Blue Shield of California	28,054	6.0%	\$643.14	508,180	6.2%	\$625.02
Anthem Blue Cross	N/A	N/A	N/A	451,997	3.7%	\$628.62
UHCBP	N/A	N/A	N/A	113,080	2.6%	\$639.92
Health Net	N/A	N/A	N/A	63,441	1.4%	\$474.21
UHC	N/A	N/A	N/A	47,127	-2.6%	\$493.14
Aetna	N/A	N/A	N/A	21,002	4.4%	\$425.28
Statewide	75,277	3.6%	\$538.65	1,934,691	3.4%	\$564.45

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	32,546	38.2%	4.6%	\$523.59
Sharp Health Plan	26,904	31.5%	0.9%	\$451.81
Western Health Advantage	24,871	29.1%	6.5%	\$490.77
Chinese Community	839	1.0%	2.7%	\$659.66
County of Ventura	31	0.0%	9.0%	\$511.97
Community Care Health Plan, Inc. (Community Care)	207	0.2%	6.4%	\$500.79
Valley Health Plan	20	0.0%	0.0%	\$710.39
Regional Total	85,418	100.0%	4.0%	\$492.75

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-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
Sutter Health Plan	N/A	N/A	N/A	32,546	4.6%	\$523.59
Sharp Health Plan	3,259	0.7%	\$409.10	22,868	1.0%	\$453.35
Western Health Advantage	N/A	N/A	N/A	24,871	6.5%	\$490.77
Chinese Community	N/A	N/A	N/A	839	2.7%	\$659.66
County of Ventura	N/A	N/A	N/A	31	9.0%	\$511.97
Community Care	N/A	N/A	N/A	207	6.4%	\$500.79
Valley Health Plan	N/A	N/A	N/A	N/A	N/A	N/A
Regional Total	3,259	0.7%	\$409.10	81,362	4.2%	\$495.16

2022 Enrollment by Metal Tier and Product Type in the Small Group Market

Table 19 and 20 show 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	10,633	20,709	17,040	4,069	52,451
PPO	6,552	9,720	4,586	1,380	22,238
EPO	-	-	-	-	-
HDHP	-	168	1,751	1,928	3,847
Total	17,185	30,597	23,376	7,377	78,536
Total (%)	22%	39%	30%	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	330,689	433,343	261,809	55,718	1,081,560
PPO	179,648	346,071	200,230	40,740	766,689
EPO	33	333	1,018	555	1,939
HDHP	-	4,329	66,403	95,133	165,865
Total	510,371	784,076	529,461	192,146	2,016,053
Total (%)	25%	39%	26%	10%	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	24%	30%	73%
\$0.01 to \$499.99	35%	17%	0%
\$500 to \$1,499.99	1%	15%	2%
\$1,500+	40%	38%	25%

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%	9%	9%	1%
20%+	50%	56%	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	63%	66%	88%
\$50-\$99.99	35%	33%	12%
\$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	22%	26%	96%
\$5,000-\$7,499.99	7%	14%	4%
\$7,500+	71%	60%	0%

V. Conclusion

In 2022, there were approximately 13.4 million enrollees in DMHC regulated health plans that offered commercial products in the individual, small group, and large group markets. Of those enrollees, 2.4 million purchased individual health care coverage and 82% experienced a change to their premium rate. The overall average premium PMPM was \$562.46, a weighted average rate increase of 1.5% from 2021. In addition, 2.25 million enrollees purchased small group health care coverage and most experienced an increase in their rates. The overall average premium PMPM was \$558.28, a weighted average rate increase of 3.4% from 2021.

This is the second 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
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 letters "e" and "a" in "Health Care".