



Health Plan Aggregate Premium Rate Report

Measurement Year 2025



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I. Executive Summary

The California Department of Managed Health Care (DMHC) ensures health plan members have access to equitable, high-quality, timely, and affordable health care within 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 the health plans that participate in the California Health Benefit Exchange (Covered California). The DMHC also regulates most Medi-Cal managed care plans, Medicare Advantage plans, and specialized health plans, including dental and vision plans.

Since 2015, California has enacted several bills that require health plans to annually submit aggregate rate information and prescription drug costs to the DMHC across all market segments. Health plans began submitting large group aggregate rate information in 2016, large group prescription drug costs in 2018, and individual and small group rate information in 2021.

This report summarizes aggregate rate information and weighted-average rate changes across the individual, small group, and large group markets. Weighted average rate change means the average annual rate increases or decreases that were implemented weighted by the number of members.

Additionally, the report compares information between grandfathered¹ and non-grandfathered² products offered on-exchange and off-exchange in the individual and small group markets. The report also analyzes the impact of the cost of prescription drugs on health plan premiums in the large group market for measurement year 2025 including comparisons over the course of the nine reported years. The information in this report relies on the data submitted by the health plans.

Key Findings

- The majority of members in the commercial market are covered by employer sponsored plans in the large group market. In 2025, approximately 7.49 million members were in the large group market, compared to 2.57 million members in the individual market and 2.17 million members in the small group market.
- Kaiser Permanente was the largest health plan in all three markets and covered 6.7 million members in the commercial market.

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. 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 cost-sharing requirements beyond certain limits or reduce benefits.

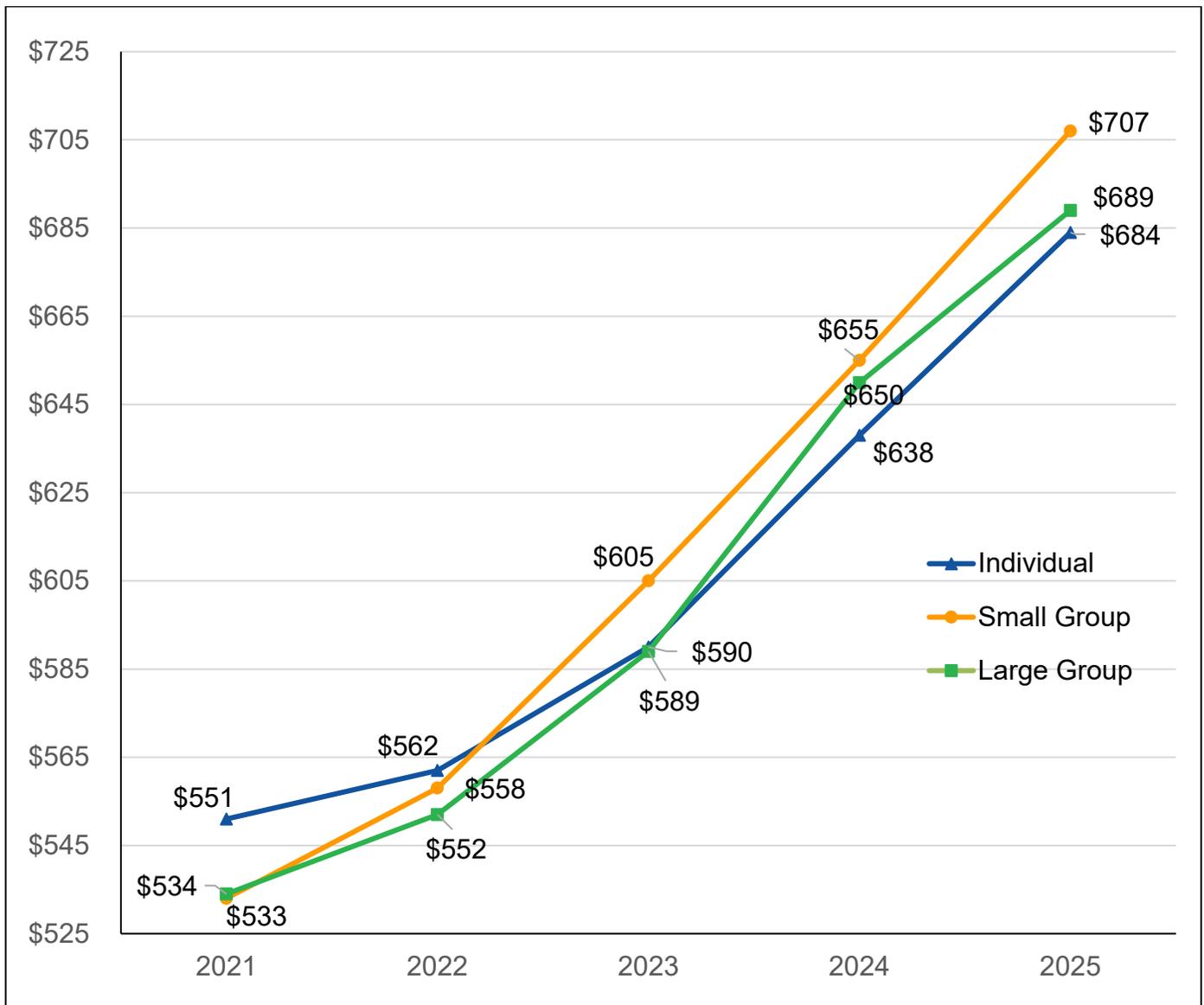
² Non-Grandfathered plan or policy is one that was put into place after March 23, 2010, or one that has lost its grandfathered status. Non-grandfathered plans are ACA compliant health plans and cover more services.

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- The average premium per member per month increased by over \$150 from 2021 to 2025. The overall average premium per member per month was \$684 in the individual market, \$707 in the small group market and \$689 in the large group market.
 - The weighted average rate increase was 7.6% for the individual market, 8.0% for the small group market and 6.5% for the large group market. In comparison, Covered California had an average rate increase of 7.9%, and CalPERS had an average rate increase of 9.0% in 2025.
 - The majority of members in the individual market purchased their health care coverage on-exchange through Covered California. Twelve health plans offered on-exchange products and covered approximately 2.14 million members with an average premium of \$678 per member per month.
 - Most members in the individual market selected a silver plan and 77% of on-exchange members selected products rated silver or higher metal level coverage. Most members in the individual market chose the Health Maintenance Organization (HMO) plans with higher actuarial values and the overall average actuarial value in the individual market was nearly 78%.
 - Over 88% of members in the small group market, both on and off-exchange, were in silver or higher metal tiers and the majority chose HMO or Preferred Provider Organization (PPO) products. The overall average actuarial value in the small group market was nearly 79%.
 - In the large group market, about 71% of covered members were in benefit plans that had an actuarial value of 90% or higher. Nearly 92% of covered members were in plans with an actuarial value of 80% or higher. The overall average actuarial value in the large group market was nearly 92%. Compared to individual and small group market, the large group market had a higher average actuarial value, which means that members in the large group market had richer benefit plans.

Chart 1 shows the average premium per member per month (PMPM)³ for health plans in the individual, small group and large group markets from 2021 to 2025. The average premium in all three markets increased from 2021 through 2025. In 2025, a member on average paid \$150 more in health care premiums per month compared to 2021. Average Premium PMPM is the average premium weighted by the number of members during the 12-month period.

Chart 1

Average Premium PMPM – Individual, Small Group, and Large Group Markets

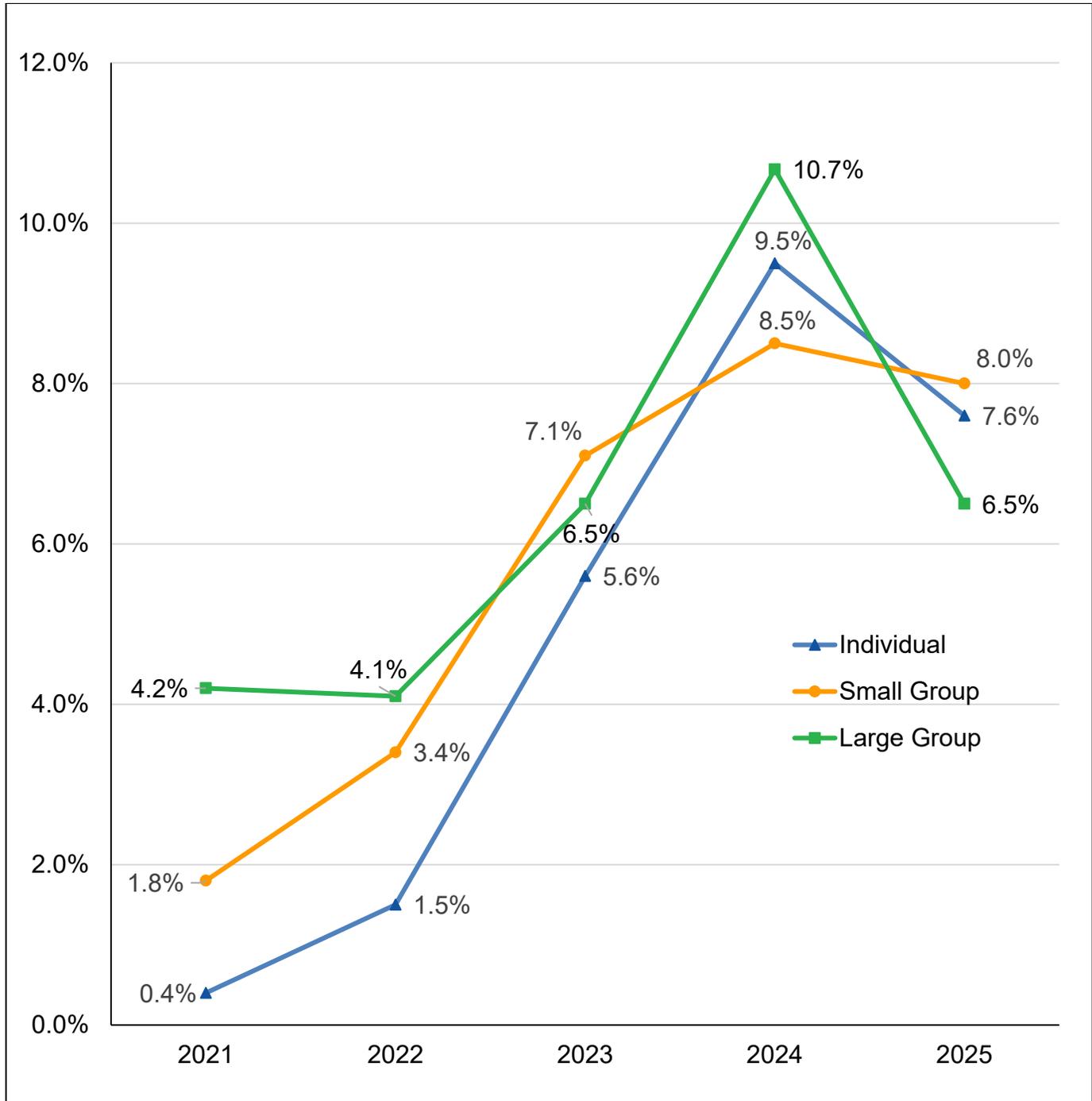


³ Per member per month is a measure used to assess population-based metrics such as cost or utilization, computed by dividing the total monthly premium/cost/utilization/other measure by the total number of member months for the population over a specific time period.

Chart 2 shows the year-over-year rate increase in the individual, small group, and large group markets. From 2021 to 2025, the rate increases averaged 4.6% in the individual market, 5.7% in the small group market, and 6.4% in the large group market.

Chart 2

Rate Increase Trend in the Individual, Small Group, and Large Group Markets



II. Introduction/Background

Since 2015, California has enacted several bills that require health plans to annually submit aggregate rate information and prescription drug costs to the DMHC, including:

- Senate Bill (SB) 546 (Leno, 2015) required health plans that offer commercial large group products to annually submit aggregate rate information and the weighted average rate increase for all large group benefit designs during the prior 12-month period. Health plans are also required to include a statement in their large group renewal notices comparing their proposed rate changes to the average rate increases negotiated by California Public Employees' Retirement System (CalPERS) and Covered California. The DMHC is also required to conduct a public meeting regarding large group rate changes in even-numbered years.
- SB 17 (Hernandez, 2017) extended SB 546's reporting requirements to include specified information on health plan spending and year-over-year cost increases for covered prescription drugs for large group health plans.
- Assembly Bill (AB) 2118 (Kalra, 2020) 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.

In addition, to further increase transparency of large group rates, Assembly Bill (AB) 731 (Kalra, 2019) established a rate review process for the large group market. Effective July 1, 2020, health plans with large group products must file specified information at least annually and 120 days before any change in methodology, factors or assumptions that would affect the rate paid by a large group employer or contract holder. The filings submitted by health plans pursuant to AB 731 are available on the DMHC [website](#) and are not discussed in this report.

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 Californians 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.

Additionally, health plans that offer commercial products and file rate information with the DMHC are required to annually report specific information related to the costs of covered prescription drugs, including:

- The 25 prescription drugs most frequently prescribed to health plan members;
- The 25 most costly prescription drugs by total annual health plan spending;
- The 25 prescription drugs with the highest year-over-year increase in total annual health plan spending; and
- The overall impact of drug costs on healthcare premiums.

This information is reported in the Prescription Drug Cost Transparency Report required by SB 17 which can be found on the [DMHC website](#).

III. Individual Market Aggregate Rate Summary

For measurement year 2025, 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 2,565,698 members. In the individual market, health coverage is offered to individuals who can purchase it on their own rather than as part of a group (i.e., through an employer). Individual health plans update premium rates annually, usually on January 1 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. Kaiser Permanente accounted for 904,864, or 35% of members, and the remaining 1,660,834, or 65% of members, 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-exchange⁴ plans covered 83% of members while off-exchange⁵ plans covered 16%, and grandfathered plans covered 1%.

The observations from the 2025 health plan data related to the individual market aggregate rates include:

- Overall, the weighted average rate increased by 7.6%. Kaiser Permanente's average rate increased by 6.6% and the remaining 12 health plans increased their average rates by 8.2%. The average premium PMPM across all health plans in the individual market was \$684.09. (Table 1)
- Twelve health plans offered individual products on-exchange and covered approximately 2.14 million members with an average premium of \$677.81 PMPM, a weighted average increase of 7.7%. Twelve health plans offered individual products off-exchange and covered 398,407 members with an average premium of \$707.41 PMPM, a weighted average increase of 7.4%. (Tables 2a, 2b and 4)
- 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 \$1,130.55 PMPM. Overall, the average rate for the two grandfathered plans was \$815.06 PMPM. (Table 2c)
- The five statewide health plans covered approximately 2 million members, including 1.6 million members on-exchange, 384,003 off-exchange and 31,439 grandfathered members. The eight regional health plans had 534,105 members, including 519,701 on-exchange and 14,404 off-exchange members. (Tables 2c, 3 and 4)

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.

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- The majority of members selected the silver plan, which is one of the four metal levels⁶ of coverage. 77% of the members selected on-exchange products rated silver or higher metal level coverage, while 74% members selected off-exchange products rated silver or higher metal level coverage.
 - Most members in the individual on-exchange market chose the HMO plans, while most members in the off-exchange market chose either HMO or PPO plans. (Tables 5 and 6).
 - Approximately 50% of the members in the individual market were in plans with a deductible of \$0 and 33% of the members in the individual market were in plans with a coinsurance of 30% or more for hospital inpatient benefits. (Tables 7 and 8)
 - Approximately 35% of on-exchange members purchased products with copayment for primary care between \$31 and \$40, while 56% of off-exchange members purchased products with copayments for primary care with \$40 and more. (Table 9).
 - For measurement year 2025, 61% of on-exchange members and 88% of off-exchange members had an individual out-of-pocket maximum of \$6,000 or more for in-network medical and pharmacy benefits. Overall, 65% of the members had an out-of-pocket maximum of \$6,000 and more in the individual market. (Table 10).

⁶ 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. 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.

Table 1 shows the number of members, weighted average rate change, and average premium PMPM, 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 Members	Weighted Average Rate Change	Average Premium PMPM
All Plans	2,565,698	7.6%	\$684.09
Kaiser Permanente	904,864	6.6%	\$645.06
All Plans Excluding Kaiser Permanente	1,660,834	8.2%	\$705.36

Tables 2a, 2b, and 2c show the number of members, weighted average rate change and average premium PMPM 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 Members	Weighted Average Rate Change	Average Premium PMPM
All Plans	2,135,852	7.7%	\$677.81
Kaiser Permanente	751,145	6.7%	\$656.74
All Plans Excluding Kaiser Permanente	1,384,707	8.3%	\$689.24

Table 2b

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

Plan Type	Number of Members	Weighted Average Rate Change	Average Premium PMPM
All Plans	398,407	7.4%	\$707.41
Kaiser Permanente	131,270	5.4%	\$570.74
All Plans Excluding Kaiser Permanente	267,137	8.3%	\$774.57

Table 2c

Grandfathered Plans: Weighted Average Rate Change and Average Premium PMPM

Health Plan Name	Number of Members	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	22,449	6.8%	\$688.72
Anthem Blue Cross	8,990	0.0%	\$1,130.55
Total	31,439	4.8%	\$815.06

Table 3 shows the health plan is statewide or regional, number and percentage of members, weighted average rate change and average premium PMPM for the health plans that offered products in the individual market.

Table 3

Weighted Average Rate Change and Average Premium PMPM

Health Plan Name	Statewide or Regional	Number of Members	Percentage of Total Members	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	Statewide	904,864	35.3%	6.6%	\$645.06
Blue Shield of California	Statewide	690,577	26.9%	8.4%	\$818.26
L.A. Care Health Plan	Regional	299,956	11.7%	5.5%	\$483.20
Anthem Blue Cross	Statewide	257,201	10.0%	14.3%	\$813.22
Health Net of California, Inc. (Health Net)	Statewide	156,553	6.1%	6.3%	\$611.01
Molina Healthcare of California	Regional	67,109	2.6%	6.4%	\$586.98
Inland Empire Health Plan	Regional	54,759	2.1%	1.8%	\$508.86
Sharp Health Plan	Regional	51,647	2.0%	5.8%	\$589.07
Valley Health Plan	Regional	28,409	1.1%	12.7%	\$708.59
Western Health Advantage	Regional	25,557	1.0%	-0.8%	\$722.07
Aetna Health of California	Statewide	22,398	0.9%	15.1%	\$647.26
Chinese Community Health Plan	Regional	3,875	0.2%	7.9%	\$885.22
Sutter Health Plan	Regional	2,793	0.1%	12.0%	\$881.64
Total		2,565,698	100.0%	7.6%	\$684.09

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

Table 4

Weighted Average Rate Change and Average Premium PMPM - On-Exchange and Off-Exchange

Health Plan Name	On-Exchange			Off-Exchange		
	Number of Members	Weighted Average Rate Change	Average Premium PMPM	Number of Members	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	751,145	6.7%	\$656.74	131,270	5.4%	\$570.74
Blue Shield of California	471,783	8.7%	\$826.35	218,794	7.8%	\$800.82
L.A. Care Health Plan	299,877	5.5%	\$483.21	79	8.5%	\$442.85
Anthem Blue Cross	229,883	14.6%	\$805.72	18,328	17.4%	\$751.65
Health Net	141,206	6.2%	\$616.82	15,347	6.4%	\$557.54
Molina Healthcare of California	67,109	6.4%	\$586.98	N/A	N/A	N/A
Inland Empire Health Plan	54,749	1.8%	\$508.88	10	1.8%	\$391.58
Sharp Health Plan	42,337	5.9%	\$598.15	9,310	5.4%	\$547.75
Valley Health Plan	28,079	12.6%	\$709.10	330	15.1%	\$664.61
Western Health Advantage	23,943	-1.1%	\$722.50	1,614	3.8%	\$715.55
Aetna Health	22,134	15.1%	\$647.36	264	12.8%	\$638.91
Chinese Community Health Plan	3,607	7.9%	\$887.97	268	7.6%	\$848.19
Sutter Health Plan	N/A	N/A	N/A	2,793	12.0%	\$881.64
Total	2,135,852	7.7%	\$677.81	398,407	7.4%	\$707.41

2025 Enrollment by Metal Tier and Product Type in the Individual Market

Tables 5 and 6 show the enrollment by metal tier across different product types, including HMO, Preferred Provider Organization PPO, Point of Service (POS), EPO, and High Deductible Health Plan (HDHP) for on-exchange and off-exchange plans.

Table 5

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

Product Type	Platinum	Gold	Silver	Bronze	Catastrophic ⁷	All	Average Actuarial Value
HMO	61,299	93,803	1,149,340	279,416	12,077	1,595,935	77.0%
PPO	7,977	24,468	221,892	96,944	1,058	352,339	86.4%
EPO	389	3,833	82,704	12,420	579	99,925	71.2%
HDHP	0	0	0	87,653	0	87,653	68.3%
Total	69,665	122,104	1,453,936	476,433	13,714	2,135,852	77.9%
Total (%)	3%	6%	68%	22%	1%	100%	N/A

Table 6

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

Product Type	Platinum	Gold	Silver	Bronze	Catastrophic	All	Average Actuarial Value
HMO	33,375	29,273	70,365	36,754	4,890	174,657	77.0%
PPO	12,145	30,346	102,321	27,378	1,081	173,271	85.1%
HDHP	0	0	12,291	31,338	0	43,629	73.4%
EPO	248	708	4,184	1,340	370	6,850	71.8%
Total	45,768	60,327	189,161	96,810	6,341	398,407	80.0%
Total (%)	11%	15%	48%	24%	2%	100%	N/A

⁷ 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.

Member Cost Sharing

Table 7 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. 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 7

Deductible for Medical and Pharmacy Combined

Deductible	On-Exchange	Off-Exchange	Grandfathered	All Individual Market
\$0	55%	27%	37%	50%
\$1 to \$499	3%	0%	0%	3%
\$500 to \$999	7%	0%	4%	6%
\$1,000 to \$1,999	0%	0%	29%	0%
\$2,000 to \$2,999	0%	16%	22%	3%
\$3,000 to \$3,999	0%	5%	0%	1%
\$4000+	35%	52%	8%	37%

Table 8 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 8

Coinsurance Percentage for Hospital Inpatient Benefits

Coinsurance	On-Exchange	Off-Exchange	Grandfathered	All Individual Market
0%	10%	24%	75%	13%
1% - 10%	13%	4%	0%	11%
11% - 20%	24%	1%	0%	20%
21% - 30%	22%	29%	22%	23%
30%+	31%	42%	3%	33%
Total	100%	100%	100%	100%

Table 9 shows the percentage of enrollment by copayment category for primary care visits for on-exchange, off-exchange, and grandfathered plans in the individual market.

Table 9

Copayments for Primary Care Visits

Copayment	On-Exchange	Off-Exchange	Grandfathered	All Individual Market
\$0	5%	15%	19%	7%
\$1 to \$10	12%	1%	0%	10%
\$11 to \$20	27%	12%	1%	24%
\$21 to \$30	0%	1%	54%	1%
\$31 to \$40	35%	15%	11%	32%
\$40+	21%	56%	15%	26%

Table 10 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 10

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

Maximum Out-of-Pocket	On-Exchange	Off-Exchange	Grandfathered	All Individual Market
\$0 to \$1,999	12%	1%	0%	10%
\$2,000 to \$2,999	0%	0%	33%	0%
\$3,000 to \$3,999	24%	0%	28%	20%
\$4,000 to \$4,999	3%	11%	2%	5%
\$5,000 to \$5,999	0%	0%	15%	0%
\$6,000+	61%	88%	22%	65%

IV. Small Group Aggregate Rate Summary

The DMHC received small group aggregate rate filings from 13 health plans for measurement year 2025, including seven statewide plans and six regional health plans. A small group plan is health coverage offered to small businesses that have 1 to 100 employees. In the small group market, health plans can 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 any change. In 2025, approximately 2.17 million members had small group health care coverage. Kaiser Permanente's enrollment represented 38% of the small group market or 818,166 of the 2.17 million members. The remaining 12 health plans served approximately 1.36 million, or 62% of members.

The observations from the 2025 health plan data related to the small group market aggregate rates include:

- Overall, the weighted average rate increased by 8.0% and the average premium PMPM was \$706.87. Kaiser Permanente's average rate increased by 7.0% and the remaining health plans increased their average rates by 8.6%. (Table 11)
- Small group on-exchange plans had an average rate increase of 6.9%, and an average premium of \$686.69 PMPM, while off-exchange plans and grandfathered plans had an average premium of \$710.83 and \$659.73 PMPM, respectively. (Tables 12a, 12b and 12c)
- Statewide plans covered approximately 2.1 million members, which represented 96% of the total enrollment in the small group market. Regional health plans accounted for only 4% of the small group market enrollment and covered 80,092 members. (Table 13)
- Two statewide health plans, Blue Shield of California and Kaiser Permanente, offered products on-exchange and served 79,366 members with an average premium of \$694.91. One regional plan, Sharp Health Plan offered an on-exchange product and covered 3,393 members with an average premium of \$494.37 PMPM. (Table 14)
- Most members 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. The overall average actuarial value in the small group market was nearly 79%. (Tables 15 and 16)
- Approximately 34% of the members in the small group market were in plans with a deductible of \$0 and 30% of the members in small group market were in plans with a coinsurance of 30% or more for hospital inpatient benefits. (Tables 17 and 18)
- The majority of the members in the small group market had copayments between \$31 and \$40 for primary care visits. (Table 19)
- For measurement year 2025, 73% of on-exchange members and 72% of off-exchange members had an individual out-of-pocket maximum of \$6,000 or more for in-network medical and pharmacy benefits. (Table 20)

Table 11 shows the number of members, weighted average rate change and average premium PMPM for all small group health plans (including Kaiser Permanente), Kaiser Permanente, and all small group health plans excluding Kaiser Permanente.

Table 11

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

Plan Type	Number of Members	Weighted Average Rate Increase	Average Premium PMPM
All Plans	2,174,543	8.0%	\$706.87
Kaiser Permanente	818,166	7.0%	\$621.21
All Plans Excluding Kaiser Permanente	1,356,377	8.6%	\$758.55

Tables 12a, 12b, and 12c show the number of members, weighted average rate change, and average premium PMPM for health plans that offered on-exchange, off-exchange, and grandfathered products in the small group market.

Table 12a

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

Plan Type	Number of Members	Weighted Average Rate Change	Average Premium PMPM
All Plans	82,759	6.9%	\$686.69
Kaiser Permanente	44,348	7.1%	\$607.87
All Plans Excluding Kaiser Permanente	38,411	6.6%	\$777.68

Table 12b

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

Plan Type	Number of Members	Weighted Average Rate Change	Average Premium PMPM
All Plans	1,962,576	8.2%	\$710.83
Kaiser Permanente	653,567	7.0%	\$615.20
All Plans Excluding Kaiser Permanente	1,309,009	8.7%	\$758.57

Table 12c

Grandfathered Plans: Weighted Average Rate Change and Average Premium PMPM

Health Plan Name	Number of Members	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	120,251	6.8%	\$658.75
Health Net	8,149	5.8%	\$673.97
Sharp Health Plan	778	3.8%	\$655.39
Valley Health Plan	30	6.3%	\$856.13
Total	129,208	6.8%	\$659.73

Table 13 shows the plan is statewide or regional, number of members, percentages of total members, weighted average rate change, and average premium PMPM for the health plans that offered products in the small group market.

Table 13

Weighted Average Rate Change and Average Premium PMPM

Health Plan Name	Statewide or Regional	Number of Members	Percentage of Total Members	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	Statewide	818,166	37.7%	7.0%	\$621.21
Anthem Blue Cross	Statewide	572,345	26.3%	10.1%	\$788.71
Blue Shield of California	Statewide	423,479	19.5%	6.5%	\$794.65
Health Net	Statewide	116,773	5.4%	8.2%	\$647.97
UnitedHealthcare Benefits Plan of California (UHCBP)	Statewide	109,579	5.0%	7.5%	\$763.00
UHC of California (UHC)	Statewide	37,383	1.7%	1.9%	\$565.39
Sutter Health Plan	Regional	32,805	1.5%	18.7%	\$697.96
Sharp Health Plan	Regional	24,416	1.1%	8.1%	\$538.20
Western Health Advantage	Regional	21,157	1.0%	14.0%	\$638.17
Aetna Health of California Inc. (Aetna)	Statewide	16,726	0.8%	14.7%	\$593.79
Community Care Health Plan, Inc. (Community Care)	Regional	1,024	0.0%	7.8%	\$527.65
Chinese Community	Regional	660	0.0%	5.5%	\$756.27
Valley Health Plan	Regional	30	0.0%	6.3%	\$856.13
Total		2,174,543	100.0%	8.0%	\$706.87

Table 14 shows the number of members, weighted average rate change, and average premium PMPM for health plans that offered products on-exchange and off-exchange in the small group market.

Table 14

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

Health Plan Name	On-Exchange			Off-Exchange		
	Number of Members	Weighted Average Rate Change	Average Premium PMPM	Number of Members	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	44,348	7.1%	\$607.87	653,567	7.0%	\$615.20
Anthem Blue Cross	N/A	N/A	N/A	572,345	10.1%	\$788.71
Blue Shield of California	35,018	6.4%	\$805.13	388,461	6.5%	\$793.70
UHCBP	N/A	N/A	N/A	109,579	7.5%	\$763.00
Health Net	N/A	N/A	N/A	108,624	8.3%	\$646.02
UHC	N/A	N/A	N/A	37,383	1.9%	\$565.39
Sutter Health Plan	N/A	N/A	N/A	32,805	18.7%	\$697.96
Western Health Advantage	N/A	N/A	N/A	21,157	14.0%	\$638.17
Sharp Health Plan	3,393	8.3%	\$494.37	20,245	8.2%	\$541.05
Aetna	N/A	N/A	N/A	16,726	14.7%	\$593.79
Community Care	N/A	N/A	N/A	1,024	7.8%	\$527.65
Chinese Community	N/A	N/A	N/A	660	5.5%	\$756.27
Valley Health Plan	0	0.0%	\$0.00	0	0.0%	\$0.00
Total	82,759	6.9%	\$686.69	1,962,576	8.2%	\$710.83

2025 Enrollment by Metal Tier and Product Type in the Small Group Market

Tables 15 and 16 show enrollment by metal tier across the different product types for on-exchange and off-exchange plans in the small group market.

Table 15

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

Product Type	Platinum	Gold	Silver	Bronze	All	Average Actuarial value
HMO	12,019	17,859	15,421	4,563	49,862	78.4%
PPO	9,625	10,336	5,189	1,898	27,048	80.5%
HDHP	0	680	2,418	2,751	5,849	69.4%
EPO	0	0	0	0	0	0.0%
Total	21,644	28,875	23,028	9,212	82,759	78.4%
Total (%)	26%	35%	28%	11%	100%	N/A

Table 16

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

Product Type	Platinum	Gold	Silver	Bronze	All	Average Actuarial value
HMO	306,590	396,195	230,230	55,408	988,423	80.5%
PPO	211,170	350,271	199,227	47,193	807,862	78.7%
HDHP	0	19,598	64,989	81,189	165,775	69.0%
EPO	50	219	247	0	516	76.9%
Total	517,810	766,283	494,693	183,790	1,962,576	78.8%
Total (%)	27%	39%	25%	9%	100%	N/A

Member Cost Sharing

Table 17 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 17

Deductible for Medical and Pharmacy Combined

Deductible	On-Exchange	Off-Exchange	Grandfathered	All Small Group Market
\$0	29%	32%	68%	34%
\$1 to \$499	29%	15%	0%	15%
\$500 to \$999	0%	9%	0%	8%
\$1,000 to \$1,999	9%	19%	15%	18%
\$2,000 to \$2,999	22%	16%	14%	16%
\$3,000 to \$3,999	0%	0%	3%	0%
\$4000+	11%	9%	0%	9%

Table 18 shows the percentage of enrollment in the coinsurance categories for hospital inpatient benefits for on-exchange, off-exchange, and grandfathered plans.

Table 18

Coinsurance Percentage for Hospital Inpatient Benefit

Coinsurance	On-Exchange	Off-Exchange	Grandfathered	All Small Group Market
0%	38%	35%	88%	39%
1% - 10%	12%	7%	1%	7%
11% - 20%	14%	17%	3%	16%
21% - 30%	3%	9%	1%	8%
30%+	33%	32%	7%	30%

Table 19 shows the percentage of enrollment by copayment category for primary care visits for on-exchange, off-exchange, and grandfathered plans.

Table 19

Copayments for Primary Care Visits

Copayment	On-Exchange	Off-Exchange	Grandfathered	All Small Group Market
\$0	7%	9%	12%	9%
\$1 to \$10	6%	10%	3%	10%
\$11 to \$20	19%	14%	22%	14%
\$21 to \$30	14%	19%	49%	20%
\$31 to \$40	41%	31%	14%	31%
\$40+	13%	17%	0%	16%

Table 20 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 20

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

Family Maximum Out of Pocket	On-Exchange	Off-Exchange	Grandfathered	All Small Group Market
\$0 to \$1,999	0%	0%	3%	0%
\$2,000 to \$2,999	0%	5%	22%	6%
\$3,000 to \$3,999	8%	11%	68%	14%
\$4,000 to \$4,999	19%	11%	3%	11%
\$5,000 to \$5,999	0%	1%	4%	1%
\$6,000+	73%	72%	0%	68%

V. Large Group Aggregate Rate Summary

The DMHC received large group aggregate rate filings from 22 health plans for measurement year 2025, including eight statewide plans, nine regional plans and five In Home Support Services (IHSS) plans. A large group health plan is health coverage that covers the employees of an employer with at least 101 employees. The analysis in this report excludes the rate information for the IHSS plans because the rate development process for IHSS plans differs from traditional large group health plans, which utilize community rated, experience rated or blended rate development methodologies. For IHSS products, the county and the IHSS plans determine the rates which are based on the anticipated costs for providing services to the IHSS members. The five IHSS plans had roughly 70,800 members as of December 31, 2025. This represents roughly 1% of the large group enrollment. The remaining 17 health plans served nearly 7.49 million members. Kaiser Permanente's enrollment represented 67% of the large group market or 4.99 million of the 7.49 million members.

The observations from the 2025 health plan data related to the large group aggregate rates include:

- Nearly 7.49 million members were covered by the large group health plans. The overall average premium PMPM after the rate increase was nearly \$689. Overall, the weighted average rate increase for the large group health plans was 6.5% in 2025. (Table 22)
- Statewide plans represent roughly 96% of large group membership. The eight statewide plans had about 7.18 million covered members in approximately 13,700 renewing groups in the large group market. Kaiser Permanente, which had the lowest overall premium of all statewide plans, made up a significant percentage of the statewide market and therefore heavily impacted the overall weighted average rate change and average premium in the large group market. (Table 23)
- Regional health plans have very small market share compared to the statewide plans. The nine regional plans had 305,872 covered members in 736 renewing groups in 2025, accounting for about 4.1% of large group market enrollment. Sutter Health Alliance (Sutter Health Plan), Western Health Advantage, and Sharp Health Plan represent the largest of these plans in terms of membership. Many of the rate increases were in the mid-to-high-single digits, with the weighted average change at around 8.1%. (Table 23)
- PPO plans had the highest premium, with an average premium exceeding \$810 PMPM. EPO members experienced the largest overall rate increases at 10.1%, whereas members in POS plans experienced the lowest rate increases at 5.7%. (Table 24)
- Most large group members were in HMO plans with actuarial values of at least 80% and therefore, the richest benefits overall. (Table 25)

Large group health plans are required to include information in their notice of premium rate change indicating whether the rate change is greater than the average increase for CalPERS and Covered California. Table 21 shows the side-by-side comparison of the rate increases for Covered California individual market products, CalPERS, and the large group statewide health plans since 2016. Covered California experienced double-digit rate increases for the individual market products in 2017 and 2018 due to changes at the federal level. In 2017, the Affordable Care Act’s Reinsurance and Risk Corridor programs ended. In 2018, rate charges were considerably larger than usual due to the uncertainty regarding cost sharing reduction funding from the federal government. Additionally, in 2019, the federal individual mandate ended which resulted in slightly higher premium increases. Finally, rate increases starting in 2024 were higher than previous years largely due to the overall inflationary environment in the economy as a whole.

Table 21

Rate Increases for Covered California, CalPERS and Large Group Plans

Year	Covered California	CalPERS	Large Group Plans
2016	4.0%	7.7%	3.9%
2017	13.2%	3.9%	3.9%
2018	21.1%	2.5%	5.4%
2019	8.7%	1.1%	3.6%
2020	0.8%	5.1%	4.3%
2021	0.5%	5.3%	4.2%
2022	1.8%	5.5%	4.1%
2023	5.6%	7.0%	6.5%
2024	9.6%	10.9%	10.7%
2025	7.9%	9.0%	6.5%
2026	10.3%	8.4%	N/A

Table 22 shows the weighted average rate changes for all large group health plans (including Kaiser Permanente), Kaiser Permanente and all large group health plans excluding Kaiser Permanente.

Table 22

Average Rate Increase in the Large Group Market in 2025

	Weighted Average Rate Change	Number of Members	Average Premium PMPM
All Plans	6.5%	7,489,664	\$688.58
Kaiser Permanente	6.1%	4,993,960	\$677.49
All Plans Excluding Kaiser Permanente	7.2%	2,495,704	\$710.76
Statewide Plans	6.4%	7,183,792	\$688.77
Regional Plans	8.1%	305,872	\$684.02

Table 23 shows the number of renewing groups, number of members, weighted average rate change and average premium for statewide and regional health plans in the large group market.

Table 23

Average Rate Increase in the Large Group Market in 2025

Health Plan Name	Statewide or Regional	Number of Renewing Groups	Number of Members	Percentage of Large Group Total	Weighted Average Rate Change	Average Premium PMPM
Kaiser Permanente	Statewide	9,460	4,993,960	66.7%	6.1%	\$677.49
Anthem Blue Cross	Statewide	1,174	931,180	12.4%	6.5%	\$697.21
Blue Shield of California	Statewide	903	498,397	6.7%	6.3%	\$722.77
Health Net of California	Statewide	311	256,776	3.4%	5.9%	\$780.48
UnitedHealthcare of California	Statewide	463	171,603	2.3%	7.9%	\$683.33
UnitedHealthcare Benefits	Statewide	635	157,702	2.1%	10.3%	\$731.45
Aetna Health of California	Statewide	559	122,882	1.6%	12.7%	\$677.96
Sutter Health Plan	Regional	375	84,977	1.1%	8.7%	\$673.08
Western Health Advantage	Regional	193	81,267	1.1%	7.4%	\$646.28
Sharp Health Plan	Regional	119	63,923	0.9%	2.7%	\$582.18
Cigna Healthcare of California	Statewide	240	51,292	0.7%	8.3%	\$757.28
Valley Health Plan	Regional	2	28,247	0.4%	16.3%	\$1,113.21
Scripps Health Plan Services	Regional	1	18,095	0.2%	1.4%	\$571.42
Community Care Health Plan	Regional	19	12,972	0.2%	12.8%	\$567.00
Ventura County Health	Regional	1	9,933	0.1%	12.7%	\$746.67
Contra Costa Health Plan	Regional	3	4,283	0.1%	7.5%	\$1,040.71
Chinese Community Health Plan	Regional	23	2,175	0.0%	0.4%	\$587.53
Total		14,481	7,489,664	100.0%	6.5%	\$688.58

Average Rate Increase by Product Type

Health plans also reported the weighted average rate change and actuarial value information by product type. Table 24 shows the weighed-average, minimum, and maximum rate increases and the average premium PMPM across these product types.

Table 24

Average Rate Increase and Premium by Product Type

Product Type	Weighted Average Rate Change	Minimum	Maximum	Average Premium PMPM
Preferred Provider Organization (PPO)	7.6%	2.3%	10.1%	\$810.10
Point of Service (POS)	5.7%	3.9%	7.5%	\$780.36
Exclusive Provider Organization (EPO)	10.1%	9.3%	10.2%	\$763.06
Health Maintenance Organization (HMO)	6.4%	0.0%	18.5%	\$681.22
High Deductible Health Plan (HDHP)	6.7%	5.3%	11.6%	\$634.06

Table 25 shows large group market enrollment by product type and actuarial value.

Table 25

Number of Covered Lives by Actuarial Value by Product in the Large Group Market

Product Type	Number of Covered Lives by Actuarial Value					
	0.9 – 1.00	0.8 – 0.89	0.7 – 0.79	0.6 – 0.69	< 0.60	All
Health Maintenance Organization (HMO)	5,010,960	991,013	188,434	42,639	13,454	6,246,500
Preferred Provider Organization (PPO)	256,764	212,613	57,578	17,966	6,815	551,736
High Deductible Health Plan (HDHP)	3,815	359,960	215,498	25,926	5,442	610,641
Point of Service (POS)	62,023	2,606	277	64	-	64,970
Exclusive Provider Organization (EPO)	24,078	42,576	3,099	1,679	988	72,420
Total	5,357,640	1,608,768	464,886	88,274	26,699	7,546,267

Table 26 groups HMO membership into actuarial value ranges for the following categories: all plans (excluding Kaiser Permanente) and Kaiser Permanente. As the table demonstrates, a sizable majority of members have benefits in the 0.9 -1.00 range, the richest benefit bracket.

Table 26

Actuarial Value for HMO Members

Actuarial Value	All Plans (Excluding Kaiser Permanente)	Kaiser Permanente
0.9 – 1.00	79.1%	80.6%
0.8 – 0.89	15.1%	16.1%
0.7 – 0.79	3.9%	2.7%
0.6 – 0.69	1.0%	0.6%
<0.60	0.9%	0.0%
Average Actuarial Value	0.914	0.940

Large Group Rating Methodology

Large group health plans use one of the following three rating methodologies to set premium rates:

1. Community rated: uses a standard base rate for a pool of large employer groups and additional factors specific to that employer group, such as geographic region or industry, to determine rates.
2. Experience rated: uses the actual claims experience of an employer group to determine rates for a given employer group.
3. Blended: uses a blend of rates determined via community rating and experience rating.

Table 27 shows the percentage of renewing groups, number of members, weighted average rate change, and average premium PMPM by rating methodology. Although the percentage of experience rated groups is lower compared to blended and community rated groups, the number of members in experience rated groups is significantly larger due to the much larger group sizes.

Table 27

Percentage of Renewing Groups and Enrollment by Rating Methodology

Category	Percentage of Renewing Groups	Number of Members	Weighted Average Rate Change	Average Premium PMPM
Community Rated	63.9%	958,510	5.9%	\$688.58
Blended	24.9%	1,094,149	7.7%	\$678.78
Experience Rated	11.2%	5,537,006	6.4%	\$690.55

Member Cost Sharing – Large Group

Table 28 shows the percentage of enrollment for each deductible category for medical and pharmacy combined coverage for the large group market in total.

Table 28

Deductible for Medical and Pharmacy Combined – Large Group

Deductible	Total Large Group⁸
\$0	65.3%
\$1 to \$499	7.0%
\$500 to \$999	6.9%
\$1,000 to \$1,999	9.5%
\$2,000 to \$2,999	3.9%
\$3,000 to \$3,999	4.1%
\$4,000+	3.4%

Table 29 shows the percentage of enrollment in the coinsurance categories for hospital inpatient benefits for the large group market in total.

Table 29

Coinsurance Percentage for Hospital Inpatient Benefit – Large Group

Coinsurance	Total Large Group⁸
0%	52.8%
1% - 10%	22.4%
11% - 20%	15.4%
21% - 30%	5.6%
>30%	3.7%

⁸ The total may not necessarily equal to 100% due to rounding.

Table 30 shows the percentage of enrollment in the coinsurance categories for specialty pharmacy benefits for the large group market in total.

Table 30

Coinsurance Percentage for Specialty Pharmacy – Large Group

Coinsurance	Total Large Group⁹
0%	65.4%
1% - 10%	3.1%
11% - 20%	14.3%
21% - 30%	13.2%
>30%	4.1%

Table 31 shows the percentage of enrollment by copayment category for primary care visits for the large group market in total.

Table 31

Copayments for Primary Visits – Large Group

Deductible	Total Large Group⁹
\$0	7.3%
\$1 - \$10	17.2%
\$11 - \$20	42.0%
\$21 - \$30	23.1%
\$31 - \$40	7.2%
>\$40	3.3%

⁹ The total may not necessarily equal to 100% due to rounding.

Table 32 shows the percentage of enrollment by copayment category for specialist visits for the large group market in total.

Table 32

Copayments for Specialist Visits – Large Group

Deductible	Total Large Group ¹⁰
\$0	7.1%
\$1 - \$15	28.7%
\$16 - \$30	37.4%
\$31 - \$45	13.7%
\$46 - \$60	11.3%
>\$60	1.8%

Table 33 shows the percentage of enrollment by the maximum out-of-pocket categories for in-network medical and pharmacy benefits for the large group market in total.

Table 33

Maximum Out-of-Pocket for Medical and Pharmacy Benefits – Large Group

Deductible	Total Large Group ¹⁰
\$0 to \$1,999	51.4%
\$2,000 to \$2,999	9.6%
\$3,000 to \$3,999	17.3%
\$4,000 to \$4,999	5.6%
\$5,000 to \$5,999	4.0%
\$6,000+	12.0%

¹⁰ The total may not necessarily equal to 100% due to rounding.

Chart 3 shows the percentage of renewing groups by rating methodology for statewide plans (excluding Kaiser Permanente), Kaiser Permanente, and regional plans. Because regional groups tend to be smaller in size, it is less common for them to be experience rated, as their data may be less credible for projecting expected medical trend. Regional and statewide plans (excluding Kaiser Permanente) are more likely to use blended rating while Kaiser Permanente primarily uses community rating.

Chart 3

Percentage of Renewing Groups by Rating Methodology

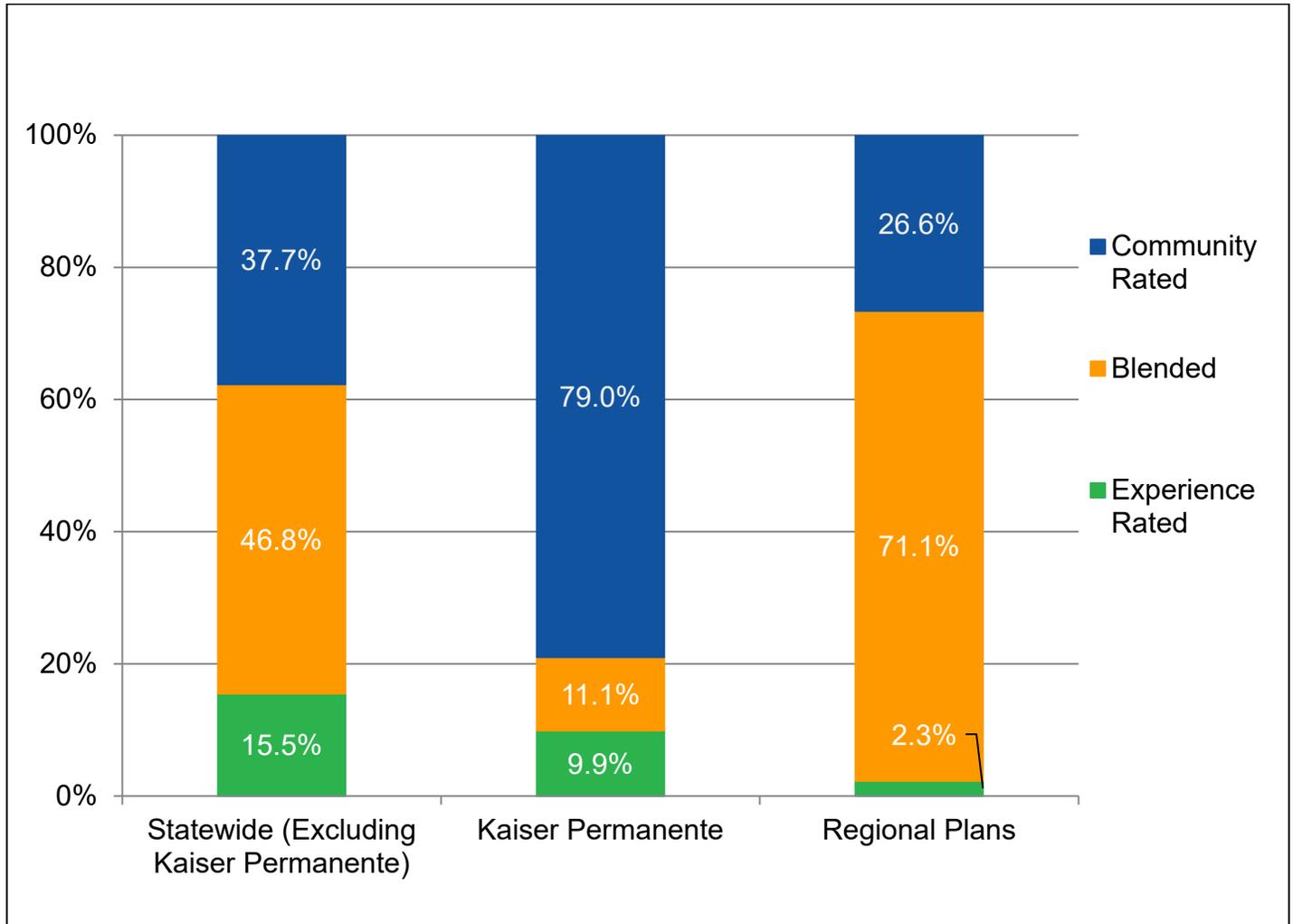


Chart 4 shows the average unadjusted rate increases for statewide (excluding Kaiser Permanente), Kaiser Permanente, and regional plans. For statewide groups (with or without Kaiser Permanente), blended groups experienced the largest rate increases by a significant margin.

Chart 4

Average Rate Increases by Rating Methodology

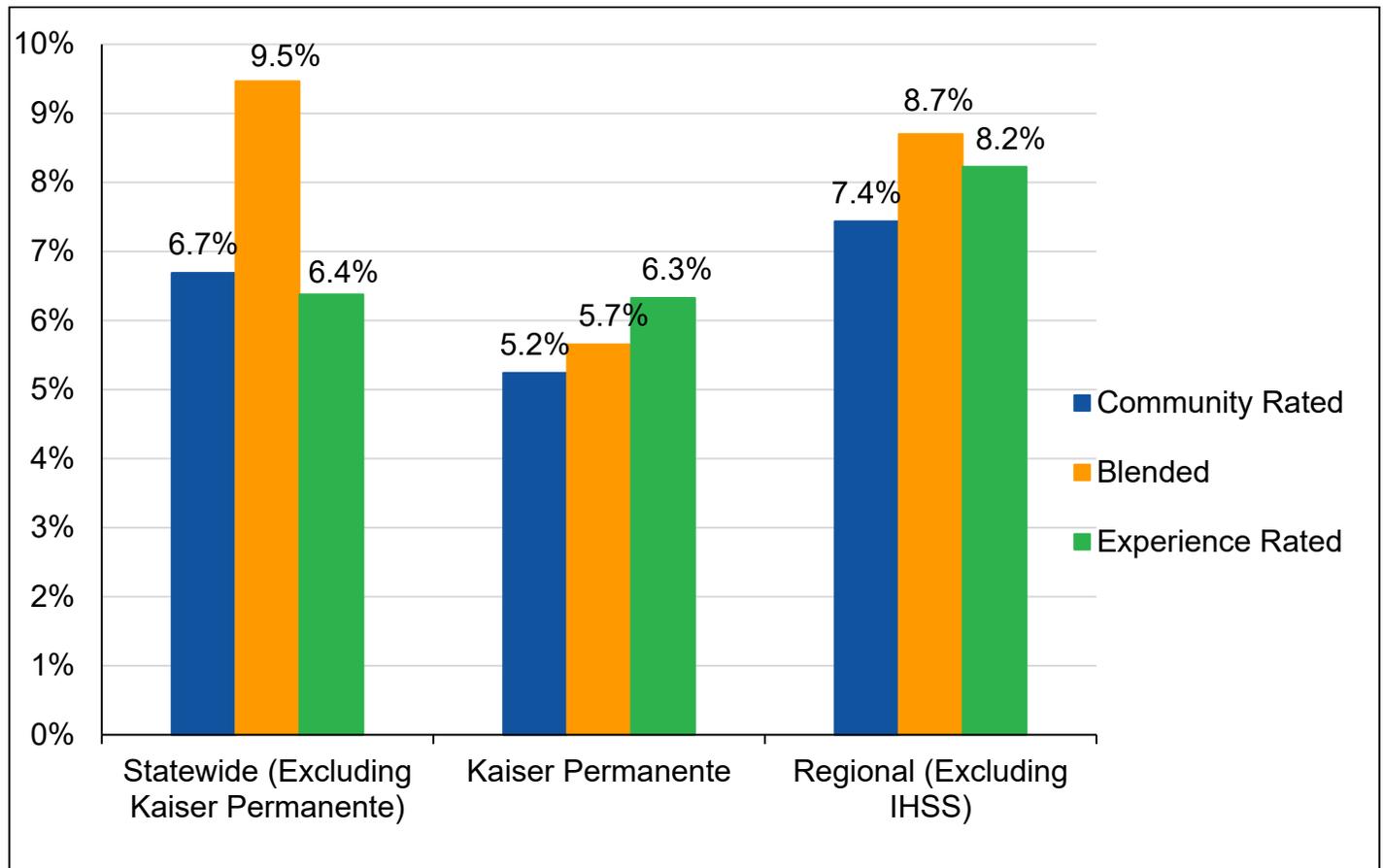
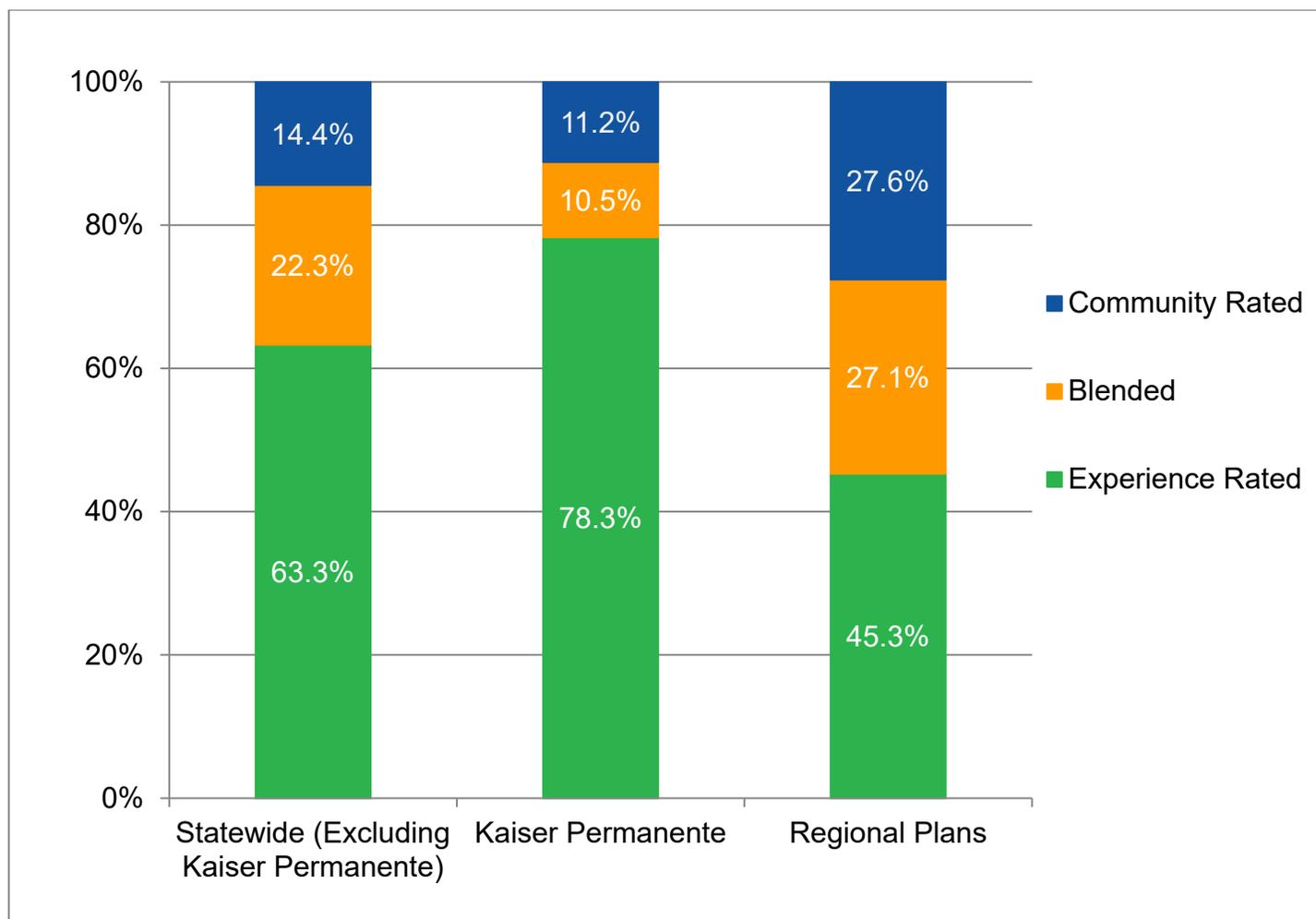


Chart 5 shows the percentage of renewing members by rating methodology for statewide plans (excluding Kaiser Permanente), Kaiser Permanente, and regional plans. Because regional groups tend to be considerably smaller in size, it is less common for them to be experience rated, as their underlying data is less credible for projecting expected medical trend. In 2025, 45% of members in regional plans were experience rated. Groups that contracted with Kaiser Permanente tended to be much larger and therefore provided more credible data for experience rating. As such, Kaiser Permanente had a much higher percentage of experience rated members, accounting for roughly 78% of covered lives.

Chart 5

Percentage of Renewing Members by Rating Methodology



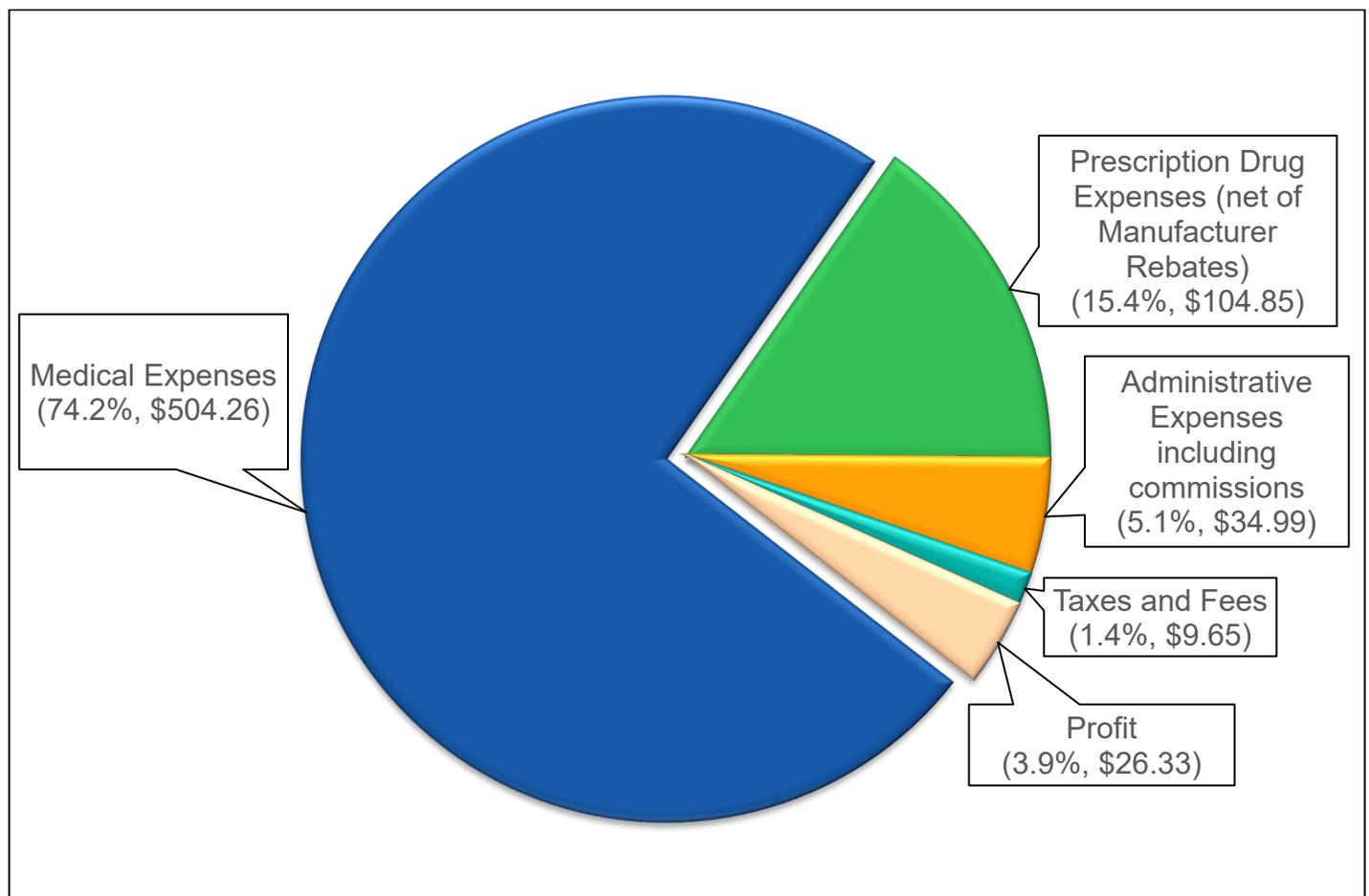
VI. Impact of Prescription Drug Costs on Large Group Rates

The DMHC also analyzed the impact of the cost of prescription drugs on large group health care premiums, on an aggregate level and on a PMPM basis. For this section of the report, health plans reported only on the large group products that included prescription drug benefits.

Chart 6 shows the breakdown of total health plan premiums on a PMPM basis. For measurement year 2025, the total health plan premium on a PMPM basis was \$680.08. Medical expenses accounted for \$504.26, or 74.2% of the health plan premium. Prescription drug expenses, net of manufacturer rebates, accounted for \$104.85, or 15.4% of total health plan premium on a PMPM basis. Administrative expenses,¹¹ including commissions, accounted for \$34.99, or 5.1%, and taxes and fees made up \$9.65, or 1.4% of total health plan premiums on a PMPM basis. Profit was \$26.33, or 3.9% of the total health plan premium on a PMPM basis.

Chart 6

Breakdown of Large Group Health Plan Premium PMPM



¹¹ Administrative expenses are business expenses associated with general administration, agent/broker fees and commissions, direct sales salaries, workforce salaries and benefits, loss adjustment expenses, cost containment expenses, and community benefit expenditures.

Table 34 shows the components of large group health care premiums on a PMPM basis in 2025 in comparison to 2024. Medical expenses increased by 5.2% since 2024, while prescription drug expenses increased by 9.9%. Manufacturer drug rebates increased by 11.5% in 2025 and totaled approximately \$1.54 billion in 2025 compared to \$1.39 billion in 2024. These rebates helped mitigate some of the overall impact of rising prescription drug prices and reduced total health plan premiums by 2.5% in 2025. Administrative expenses, including commissions, increased by 4.9%. Taxes and fees increased by 4.3%. Compared to 2024, health plan profit increased by 32.3% in 2025 from \$19.90 PMPM to \$26.33 PMPM.

Table 34

Components of Large Group Health Plan Premium on a PMPM Basis

Category of Premium Payment	2025	Percentage of Premium	2024	Percentage of Premium	Year-over-Year Percentage Change
Medical Expenses	\$504.26	74.2%	\$479.18	75.2%	5.2%
Prescription Drug Expenses	\$121.74	17.9%	\$110.74	17.4%	9.9%
Manufacturer Drug Rebates	(\$16.89)	-2.5%	(\$15.16)	-2.4%	11.5%
Administrative Expenses including Commissions	\$34.99	5.1%	\$33.35	5.2%	4.9%
Taxes and Fees	\$9.65	1.4%	\$9.25	1.5%	4.3%
Profit	\$26.33	3.9%	\$19.90	3.1%	32.3%
Total Health Plan Premium	\$680.08	100.0%	\$637.26	100.0%	6.7%
Member Months (in millions)	91.08		92.01		-1.0%

Table 35 shows the average premium and the percentage of premium spent on prescription drugs and medical expenses by health plans.

Table 35

Large Group Prescription Drug and Medical Expenses as a Percent of Premium 2025

Health Plan Name	Statewide or Regional	Average Premium PMPM	Percentage of Premium Spent on Prescription Drugs	Percentage of Premium Spent on Medical Expenses
Aetna	Statewide	\$615.87	14.5%	69.8%
Anthem Blue Cross	Statewide	\$704.97	23.6%	62.8%
Blue Shield of California	Statewide	\$688.34	12.7%	74.5%
Chinese Community Health Plan	Regional	\$604.04	21.5%	81.9%
Cigna	Statewide	\$707.87	18.8%	69.2%
Community Care Health Plan	Regional	\$567.00	18.8%	55.9%
Contra Costa Health Plan	Regional	\$878.50	32.0%	72.4%
Health Net	Statewide	\$798.41	17.7%	73.6%
Kaiser Permanente	Statewide	\$673.86	14.1%	76.3%
Scripps Health Plan Services	Regional	\$571.42	27.8%	69.3%
Sharp Health Plan	Regional	\$575.46	11.8%	71.9%
Sutter Health Plan	Regional	\$659.22	18.7%	78.0%
UHC of California	Statewide	\$627.55	10.7%	73.1%
UnitedHealthcare Benefits	Statewide	\$664.26	16.2%	75.0%
Valley Health Plan	Regional	\$1,043.52	15.8%	76.4%
Ventura County Health	Regional	\$750.23	21.9%	69.3%
Western Health Advantage	Regional	\$664.27	17.1%	71.4%

Six health plans reported information related to the costs associated with drugs administered in a doctor’s office. Health plans were required to report this information, if it was available. Table 36 shows the range of costs for these services on a PMPM basis. The maximum cost reported by health plans was \$45.45 PMPM, and the minimum reported was \$4.15 PMPM. The median cost reported for all plans was \$27.70 PMPM.

Table 36

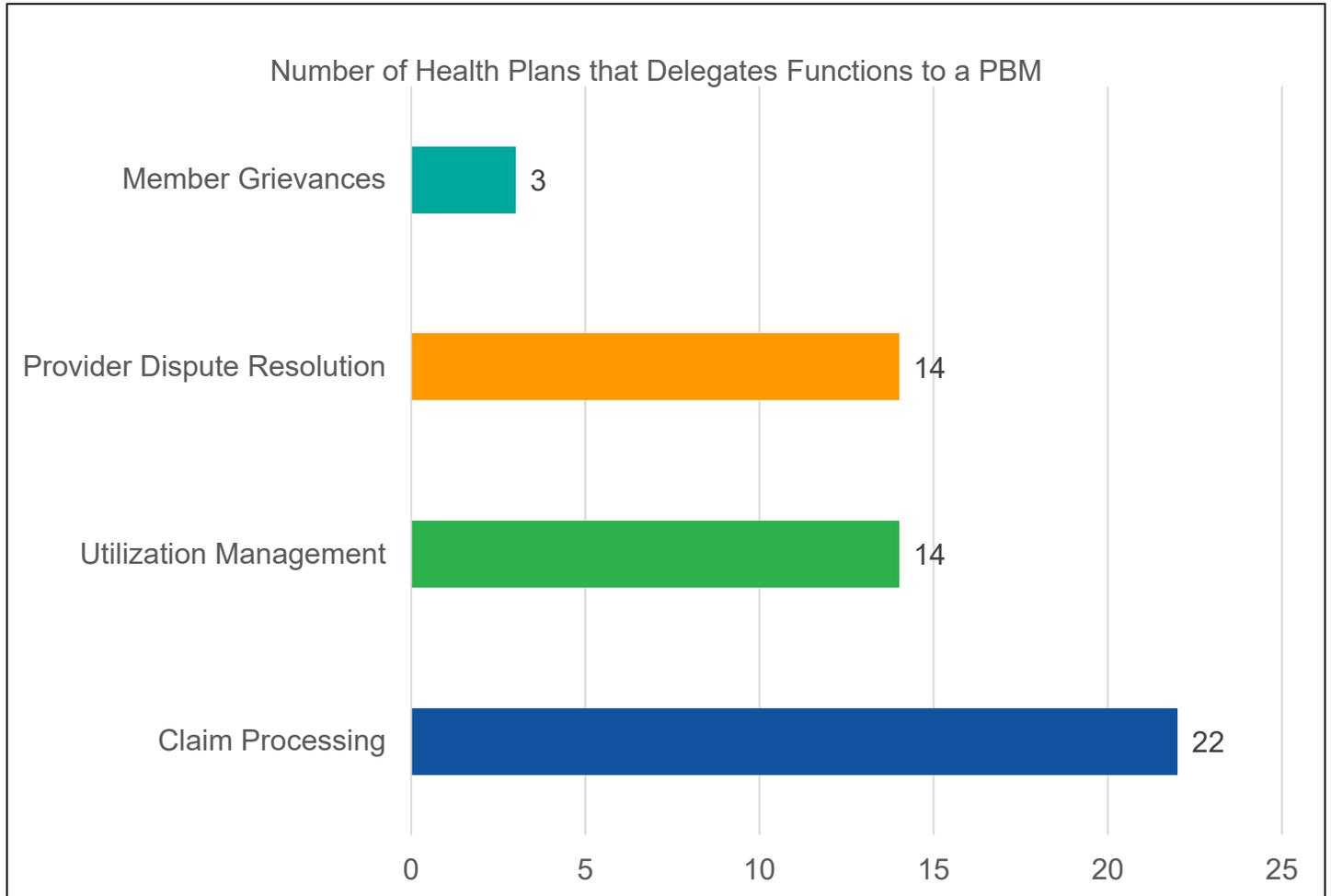
Costs for Drugs Administered in a Doctor’s Office on a PMPM Basis

Category	Number of Health Plans	Minimum (Reported)	Maximum (Reported)	Median (Reported)
All Health Plans	6	\$4.15	\$45.45	\$27.70
Statewide Health Plans (Excluding Kaiser Permanente)	2	\$27.78	\$44.27	\$36.03
Kaiser Permanente	1	\$27.61	\$27.61	\$27.61
Regional Health Plans	3	\$4.15	\$45.45	\$15.84

Chart 7 shows PBM functions for large group health plans. All 22 health plans, including IHSS plans, utilized PBMs. As shown below, all the health plans use PBMs for claims processing, 14 health plans used PBMs for utilization management, 14 health plans used PBMs for provider disputes resolution, and 3 health plans used PBMs for member grievances. A detailed listing of the PBMs utilized by health plans is included in Appendix C.

Chart 7

Pharmacy Benefit Manager (PBM) Functions for Large Group Plans



VII. Conclusion

In 2025, there were approximately 12.23 million members in DMHC regulated health plans that offered commercial products in the individual, small group, and large group markets. The health care industry continued to face inflation, changing labor market conditions, provider shortages, supply chain issues and new price transparency requirements.

Based on the health plan rate filings with the DMHC, individual and small group health plan premiums are expected to increase by 10.0% and 9.2% respectively in 2026. Additionally, the large group premium rates are expected to increase by 8.5%. These increases are similar to Covered California's overall rate increase of 10.3% and CALPERS' overall rate increase of 8.4% for 2026.

This 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, actuarial values, and information on member cost sharing. This transparency supports the work of the Office of Health Care Affordability and California's efforts to control the rising cost of health care.

In addition, this report highlights the important role Covered California plays in the individual market. Most members 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 members to choose a plan with rich benefits. The Enhanced Premium Tax Credits helped keep health care premiums more affordable for nearly 2 million Californians through Covered California. These credits expired December 31, 2025. As a result, many Californians will see an increase in the amount they pay towards their premiums.

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. Additionally, in 2025, Governor Newsom signed two bills that may impact the cost of prescription drugs and future reports will provide information on the impact of these changes. AB 116 (Committee on Budget), beginning January 1, 2027, requires pharmacy benefit managers (PBMs) contracted with health plans licensed by the DMHC and insurers licensed by the California Department of Insurance (CDI) to obtain a license with the DMHC and report detailed prescription drug and pricing information to the Department of Health Care Access and Information (HCAI). Second, SB 41 (Wiener) reforms pharmacy benefit managers (PBMs) revenue generating practices, including prohibiting spread pricing, and requires manufacturer rebates to be passed through to health plans, among other things. This bill takes effect on January 1, 2026.

Appendix A: Health Plan Names (Legal & Doing Business As)

Health Plan Name	Doing Business As (DBA)
Aetna Health of California Inc.	
Alameda Alliance For Health	
Blue Cross of California	Anthem Blue Cross
California Physicians' Service	Blue Shield of California
Chinese Community Health Plan	
Cigna Healthcare of California, Inc.	
Community Care Health Plan, Inc.	
Contra Costa County Medical Services	Contra Costa Health Plan
County of Ventura	Ventura County Health Care Plan
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	
San Francisco Health Authority	San Francisco Health Plan
San Mateo Health Commission	Health Plan of San Mateo
Santa Clara County	Valley Health Plan
Santa Cruz-Monterey-Merced-San Benito-Mariposa Managed Medical Care Commission	Central California Alliance for Health
Scripps Health Plan Services, Inc.	
Sharp Health Plan	
Sutter Health Alliance	Sutter Health Plan
UHC of California	UnitedHealthcare of California
UnitedHealthcare Benefits Plan of California	
Western Health Advantage	

Appendix B:

List of Health Plans in the 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
Inland Empire Health Plan	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
Santa Clara County (Valley Health Plan)	Yes	Yes	No
Sharp Health Plan	Yes	Yes	No
Sutter Health Alliance (Sutter Health Plan)	No	Yes	No
Western Health Advantage	Yes	Yes	No

Appendix B:

List of Health Plans in the 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 Alliance (Sutter Health Plan)	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 C:

List of Large Group Health Plans and Pharmacy Benefit Managers Used

Health Plan Name	Functions Delegated to PBM				
	PBM Name	Utilization Management	Claims Processing	Provider Dispute Resolutions	Member Grievances
Aetna Health of California	CVS	Yes	Yes	Yes	No
Alameda Alliance For Health	PerformRX	Yes	Yes	Yes	No
Anthem Blue Cross	CarelonRx	No	Yes	Yes	No
Blue Shield of California	CVS Health	No	Yes	No	No
Chinese Community Health Plan	MEDIMPACT	Yes	Yes	Yes	No
Cigna Healthcare of California	ESI	No	Yes	Yes	No
Community Care Health Plan	MEDIMPACT	Yes	Yes	Yes	No
County of Ventura	Express Scripts	No	Yes	No	No
Contra Costa Health Plan	PerformRX	No	Yes	No	No
Health Net of California	CVS Caremark	Yes	Yes	No	No
Kaiser Permanente	MEDIMPACT	Yes	Yes	Yes	No
L.A. Care Health Plan	Navitus Health Solutions	No	Yes	Yes	No
San Francisco Health Authority	Prime Therapeutics	Yes	Yes	No	No
San Mateo Health Commission	SS&C Pharmacy Solutions	No	Yes	No	No

Appendix C:

List of Large Group Health Plans and Pharmacy Benefit Managers Used

Health Plan Name	Functions Delegated to PBM				
	PBM Name	Utilization Management	Claims Processing	Provider Dispute Resolutions	Member Grievances
Central California Alliance for Health	MEDIMPACT	Yes	Yes	Yes	Yes
Scripps Health Plan Services	MEDIMPACT	Yes	Yes	No	No
Sharp Health Plan	CVS Caremark	Yes	Yes	No	No
Sutter Health Alliance	CaremarkPCS Health, L.L.C	Yes	Yes	Yes	No
UnitedHealthcare of California	OptumRx	Yes	Yes	Yes	Yes
UnitedHealthcare Benefits Plan of California	OptumRx	Yes	Yes	Yes	Yes
Valley Health Plan	Navitus Health Solutions	Yes	Yes	Yes	No
Western Health Advantage	OptumRX	No	Yes	Yes	No