

Maryland

INSURANCE ADMINISTRATION

**2019 Report on The Number of Insured
and Self-Insured Lives
MSAR # 7797**

**Al Redmer, Jr.
Commissioner**

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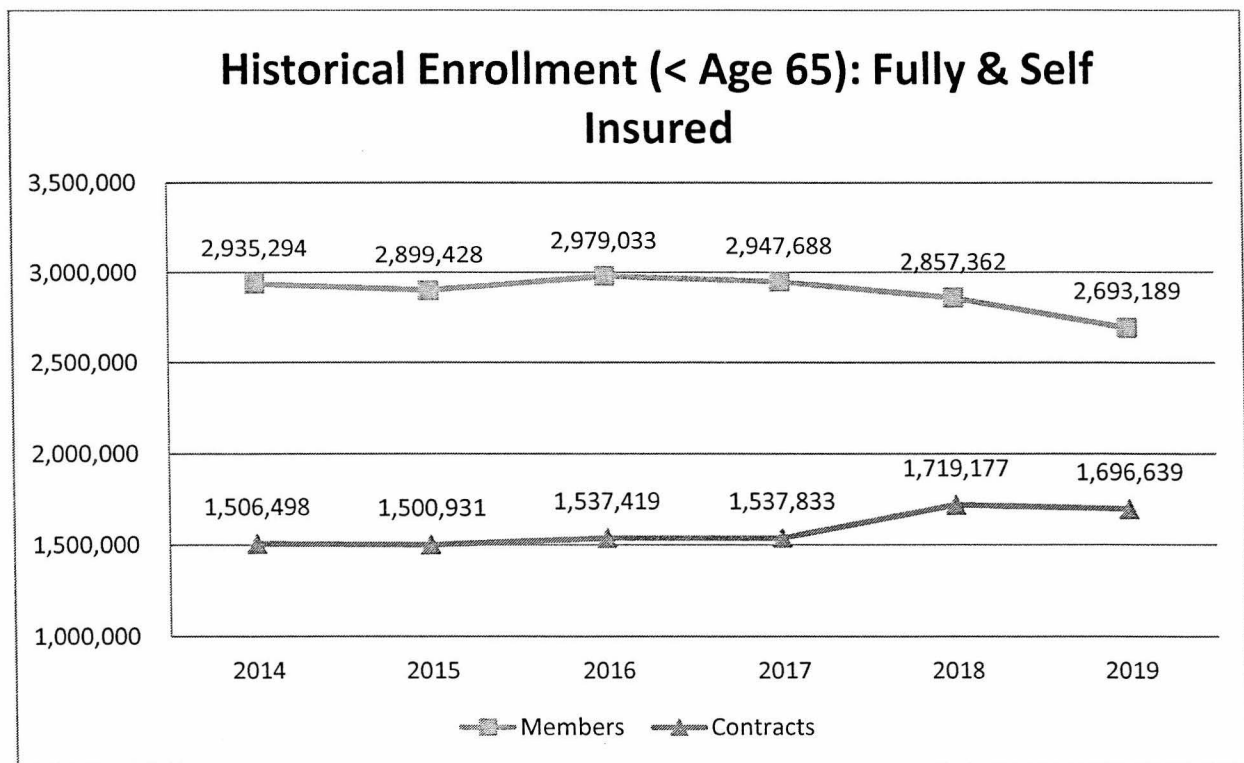
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Background Information

As required under § 15-133 of the Insurance Article, “On or before December 1 of each year, the Commissioner shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, on the estimated number of insured and self-insured contracts for health benefit plans in the state and the number of insured and self-insured lives under the age of 65 enrolled in benefit plans in the State.” This information is summarized in the chart and graph below and in the attached Tables 1 through 4.

1	2	3	4	5	6	7	8	9	10	11	12	20
				06/30/18	06/30/18		06/30/19	06/30/19		Members	Members	MIA
COMMERCIAL/PRIVATE				Contracts	Members	%	Contracts	Members	%	Δ	Δ	Regulated?
Fully insured	Group			364,589	725,687	25.4%	356,879	696,081	25.8%	(29,606)	-4.1%	Yes
	Individual Non-Medigap			178,807	214,833	7.5%	180,624	210,125	7.8%	(4,708)	-2.2%	Yes
Subtotal				543,396	940,520	32.9%	537,503	906,206	33.6%	(34,314)	-3.6%	
Self insured	Group			889,558	1,479,265	51.8%	880,065	1,354,031	50.3%	(125,234)	-8.5%	No
	FEHBP			286,223	437,577	15.3%	279,071	432,952	16.1%	(4,625)	-1.1%	No
Subtotal				1,175,781	1,916,842	67.1%	1,159,136	1,786,983	66.4%	(129,859)	-6.8%	
TOTAL				1,719,177	2,857,362	100.0%	1,696,639	2,693,189	100.0%	(164,173)	-5.7%	



The MIA requires insurers, nonprofit health service plans, health maintenance organizations, managed care organizations, and third-party administrators to report the number of lives and contracts for health benefit plans for those under the age of 65 as of a specified date.¹ “Health benefit plans” (HBP) include policies for hospital or medical benefits. They do not include such coverage as accident-only insurance, credit health insurance, disability income insurance, coverage issued as a supplement to liability insurance, workers’ compensation, automobile medical payment insurance, dental insurance, vision insurance, long-term care insurance, disease-specific insurance, hospital indemnity or other fixed indemnity insurance, or a Medicare supplement policy as defined in §15-901 of the Annotated Code of Maryland.

¹ The survey instrument used is available on the MIA’s website at www.insurance.maryland.gov under “Company

Filing Requirements.” The data are self-reported and unaudited.

There are two types of health benefit plans comprising the commercial market: insured health benefit plans and other employment-based health benefit plans. Insured health benefit plans include group insured health benefit plans and individual insured health benefit plans. Insured health benefit plans are regulated by the MIA and subject to Maryland law. Other employment-based health benefit plans include group self-insured health benefit plans and the Federal Employees Health Benefit Plan (FEHBP). These health benefit plans are not regulated by the MIA and, for the most part, are not subject to Maryland law.

In the health insurance industry, the covered life (member) is the fundamental unit of measurement. Trends regarding number of contracts generally track those regarding numbers of covered lives.

Observations

Table 1: Covered Lives by Type of Health Benefit Plan under Age 65

In 2019, approximately 2.69 million Maryland residents under the age of 65 had health insurance through a commercial health benefit plan, representing a decrease of approximately -5.7% in total covered lives as compared with 2018. The number of covered lives is composed of 906,206 lives in fully insured health benefit plans and 1,786,983 lives in all other employment-based, self-insured health benefit plans.

The number of covered lives in the group insured market decreased from 725,687 to 696,081. This is a decrease of 29,606 covered lives, or approximately -4.1%. The individual non-Medigap insured market decreased from 214,833 to 210,125. This is a decrease of 4,708 covered lives, or approximately -2.2%. The overall number of covered lives in insured health benefit plans decreased from 940,520 covered lives in 2018 to 906,206 covered lives in 2019, or approximately -3.6%.

The number of covered lives in the group self-insured market decreased from 1,479,265 to 1,354,031. This is a decrease of 125,234 covered lives, or approximately -8.5%. The number of covered lives in the FEHBP market decreased from 437,577 covered lives in 2018 to 432,952 covered lives in 2019, or approximately -1.1%. The overall number of covered lives in other employment-based health benefit plans decreased from 1,916,842 lives in 2018 to 1,786,983 covered lives in 2019, or approximately -6.8%.

Table 2: Covered Lives by Type of Health Benefit Plan as a Percent of Population under Age 65

Overall, the percentage of the population under the age of 65 covered by an insured health benefit plan or other employment-based health benefit plan decreased from 55.5% to 52.7% between 2018 and 2019. The percentage of the population under the age of 65 with fully insured health benefit plans decreased from 18.3% in 2018 to 17.7% in 2019.

Table 3: Covered Lives by Type of Health Benefit Plan as a Percent of Total Commercial Health Benefit Plans

The percentage of all those with health insurance through a commercial health benefit plan covered by a fully insured health benefit plan increased from 32.9% in 2018 to 33.6% in 2019. The percentage of all those with health insurance through a commercial health benefit plan in other employment-based health benefit plans decreased from 67.1% in 2018 to 66.4% in 2019.

Table 4: Contracts and Covered Lives by Type of Health Benefit Plan, 6/30/2019

Group fully insured health benefit plans, with an average of 1.95 covered lives per contract, had slightly more covered lives per contract than Group self-insured plans. The overall covered lives per contract for all fully insured health benefit plans was 1.69, compared to an average of 1.54 for all other employment-based, self-insured health benefit plans.

Table 5: Medicaid/MCOs – HISTORICAL COVERED LIVES (Members)

The number of covered lives for Health Choice increased by +0.8% from 2018 to 2019. Health Choice increased from 1,136,028 covered lives in 2018 to 1,144,748 covered lives in 2019, an increase of 8,720 covered lives. The number of covered lives for Other Medicaid decreased by -2.0% from 2018 to 2019. Other Medicaid decreased from 127,256 covered lives in 2018 to 124,734 covered lives in 2019, a decrease of 2,522 covered lives.

Conclusion

As of 2019, the MIA regulates and Maryland state law applies to commercial health benefit plans for approximately 17.7% of the population under the age of 65, and for approximately 33.6% of all covered lives.

TABLE 1: Covered Lives by Type of HBP Under Age 65

	2015	Revised 2016	2017	2018	2019	% Change 2015- 2019	% Change 2018- 2019
Group Fully Insured	757,667	742,810	757,346	725,687	696,081	-8.1%	-4.1%
Individual Non-Medigap	288,411	291,567	256,399	214,833	210,125	-27.1%	-2.2%
All Fully Insured HBPs	1,046,078	1,034,377	1,013,745	940,520	906,206	-13.4%	-3.6%
Group Self-Insured	1,402,024	1,492,860	1,489,017	1,479,265	1,354,031	-3.4%	-8.5%
FEHBP	451,326	451,796	444,926	437,577	432,952	-4.1%	-1.1%
All Self-Insured HBPs	1,853,350	1,944,656	1,933,943	1,916,842	1,786,983	-3.6%	-6.8%
Total All Commercial HBPs	2,899,428	2,979,033	2,947,688	2,857,362	2,693,189	-7.1%	-5.7%

TABLE 2: Covered Lives by Type of HBP as a Percent of Population Under Age 65

	2015	Revised 2016	2017	2018	2019
Group Fully Insured	14.7%	14.4%	14.7%	14.1%	13.6%
Individual Non-Medigap	5.6%	5.7%	5.0%	4.2%	4.1%
All Fully Insured HBPs	20.3%	20.1%	19.7%	18.3%	17.7%
Group Self-Insured	27.2%	28.9%	29.0%	28.7%	26.5%
FEHBP	8.8%	8.8%	8.7%	8.5%	8.5%
All Self-Insured HBPs	36.0%	37.7%	37.6%	37.2%	35.0%
Total All Commercial HBPs	56.3%	57.8%	57.3%	55.5%	52.7%
Maryland Population Under Age 65	5,154,147	5,156,830	5,140,237	5,147,506	5,111,582
Maryland Population Age 65+	822,260	849,571	876,210	904,671	931,136
Total Maryland Population	5,976,407	6,006,401	6,016,447	6,052,177	6,042,718

TABLE 3: Covered Lives by Type of HBP as a Percent of Total Commercial HBPs

	2015	Revised 2016	2017	2018	2019
Group Fully Insured	26.1%	24.9%	25.7%	25.4%	25.8%
Individual Non-Medigap	9.9%	9.8%	8.7%	7.5%	7.8%
All Fully Insured HBPs	36.0%	34.7%	34.4%	32.9%	33.6%
Group Self-Insured	48.4%	50.1%	50.5%	51.8%	50.3%
FEHBP	15.6%	15.2%	15.1%	15.3%	16.1%
All Self-Insured HBPs	64.0%	65.3%	65.6%	67.1%	66.4%

TABLE 4: Contracts and Covered Lives (Members) by Type of HBP – 06/30/19			
	Contracts	Covered Lives	Covered Lives Per Contract
Group Insured	356,879	696,081	2.0
Individual	180,624	210,125	1.2
All Fully Insured HBPs	537,503	906,206	1.7
Group Self-Insured	880,065	1,354,031	1.5
FEHBP	279,071	432,952	1.6
All Self-Insured HBPs	1,159,136	1,786,983	1.5
Total All Commercial HBPs	1,696,639	2,693,189	1.6

TABLE 5: MEDICAID/MCOs - HISTORICAL COVERED LIVES (Members)

	Company Name	Company Descriptor	Company Type	Lines of Business	2018	2018	2019	2019	% Δ/	% Δ/
					Health Choice	Other Medicaid	Health Choice	Other Medicaid	Change: MCO	Change: MCO
1	Amerigroup Maryland, Inc.			Multiple	275,708	0	267,566	0	-3.0%	0.0%
2	Aetna Health Inc.	Formerly Coventry		Multiple	7,433	0	23,104	0	210.8%	0.0%
3	Kaiser Foundation		Staff Model	Multiple	64,595	0	66,316	0	2.7%	0.0%
4	JAI Medical Systems MCO, Inc.		"Business"	Medicaid Only	26,004	0	26,951	0	3.6%	0.0%
5	University of Maryland Health Partners	Riverside	Provider-Sponsored	Medicaid Only	46,225	0	48,074	0	4.0%	0.0%
6	Maryland Care, Inc.	Maryland Physicians Care	Provider-Sponsored	Medicaid Only	215,332	0	211,137	0	-1.9%	0.0%
7	MedStar Family Choice, Inc.		Provider-Sponsored	Medicaid Only	92,004	0	91,912	0	-0.1%	0.0%
8	Priority Partners MCO, Inc.	Johns Hopkins	Provider-Sponsored	Medicaid Only	296,430	0	298,292	0	0.6%	0.0%
9	UnitedHealthcare of the Mid-Atlantic			Multiple	112,297	37,028	111,396	34,316	-0.8%	-7.3%
10	Vestica Healthcare LLC				0	90,228	0	90,418	#DIV/0!	0.2%
	TOTAL				1,136,028	127,256	1,144,748	124,734	0.8%	-2.0%