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Lt. Governor



KATHLEEN A. BIRrane  
Commissioner

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December 1, 2021

The Honorable Larry Hogan  
Governor, State Of Maryland  
State House  
100 State Circle  
Annapolis, MD 21401

The Honorable Bill Ferguson  
President of the Senate  
State House, Room H-107  
100 State Circle  
Annapolis, Maryland 21401

The Honorable Adrienne A. Jones  
Speaker of the House of Delegates  
State House, H-101  
Annapolis, Maryland 21401

Re: Report on Number of Insured and Self-Insured Lives (MSAR #7797)

Dear Sirs and Madam,

On behalf of the Maryland Insurance Administration (MIA), I am pleased to submit the 2021 Report on *The Number of Insured and Self-Insured Lives*. Section 15-133 of the Insurance Article requires the MIA to report to the General Assembly 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.

Five printed copies of this report have been mailed to the DLS library for their records. Should you have any questions regarding this report, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink that reads "Kathleen A. Birrane".

Kathleen A. Birrane  
Insurance Commissioner

**cc: Sarah T. Albert, Department of Legislative Services (5 copies)**



# Maryland

INSURANCE ADMINISTRATION

**MSAR # 7797**

**2021 Report on the Number  
of Insured and Self-Insured  
Lives**

**Kathleen Birrane  
Commissioner**

**December 1, 2021**

For further information concerning this document contact:

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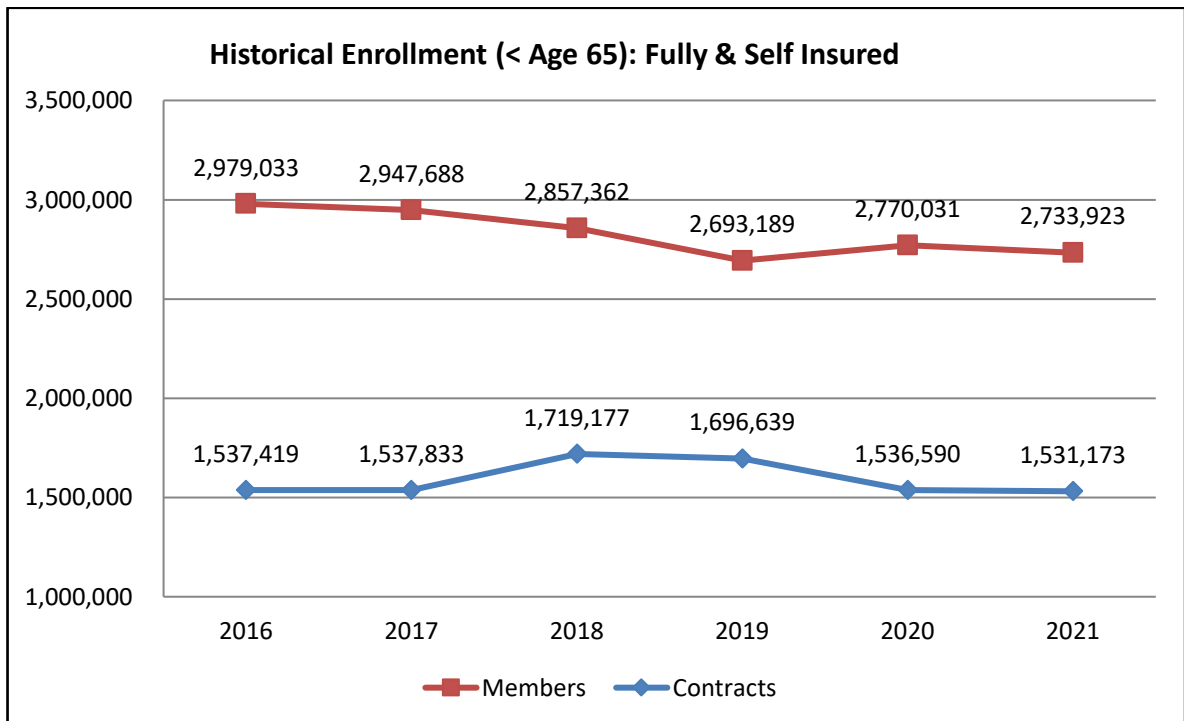
This document is available in alternative format upon request from a qualified individual  
with a disability.  
TTY 1.800.735.2258

The Administration's website address: [www.insurance.maryland.gov](http://www.insurance.maryland.gov)

## 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 Tables 1 through 5 on the following pages.

1	2	3	4	5	6	7	8	9	10	11	12	13
			06/30/20	06/30/20			06/30/21	06/30/21		Members	Members	MIA
<b>COMMERCIAL/PRIVATE</b>			<u>Contracts</u>	<u>Members</u>	<u>%</u>	<u>Contracts</u>	<u>Members</u>	<u>%</u>		<u>Δ</u>	<u>Δ</u>	<u>Regulated?</u>
Fully Insured	Group		351,722	604,517	21.8%	406,824	671,040	24.5%		66,523	11.0%	Yes
	Individual Non-Medigap		189,262	222,148	8.0%	200,228	230,391	8.4%		8,243	3.7%	Yes
<b>Subtotal</b>			<b>540,984</b>	<b>826,665</b>	<b>29.8%</b>	<b>607,052</b>	<b>901,431</b>	<b>33.0%</b>		<b>74,766</b>	<b>9.0%</b>	
Self Insured	Group		710,974	1,499,670	54.1%	637,679	1,389,887	50.8%		(109,783)	-7.3%	No
	FEHBP		284,632	443,696	16.0%	286,442	442,605	16.2%		(1,091)	-0.2%	No
<b>Subtotal</b>			<b>995,606</b>	<b>1,943,366</b>	<b>70.2%</b>	<b>924,121</b>	<b>1,832,492</b>	<b>67.0%</b>		<b>(110,874)</b>	<b>-5.7%</b>	
<b>TOTAL</b>			<b>1,536,590</b>	<b>2,770,031</b>	<b>100.0%</b>	<b>1,531,173</b>	<b>2,733,923</b>	<b>100.0%</b>		<b>(36,108)</b>	<b>-1.3%</b>	



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.<sup>1</sup> “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

<sup>1</sup> The survey instrument used is available on the MIA’s website at [www.insurance.maryland.gov](http://www.insurance.maryland.gov) under “Company Filing Requirements.” The data are self-reported and unaudited.

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.

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 2021, approximately 2.73 million Maryland residents under the age of 65 had health insurance through a commercial health benefit plan, representing a decrease of approximately -1.3% in total covered lives as compared with 2020. The number of covered lives is composed of 901,431 lives in fully insured health benefit plans and 1,832,492 lives in all other employment-based, self-insured health benefit plans.

TABLE 1: Covered Lives by Type of HBP Under Age 65							
	2017	2018	2019	2020	2021	% Change 2017-2021	% Change 2020-2021
Group Fully Insured	757,346	725,687	696,081	604,517	671,040	-11.4%	11.0%
Individual Non-Medigap	256,399	214,833	210,125	222,148	230,391	-10.1%	3.7%
<b>All Fully Insured HBPs</b>	<b>1,013,745</b>	<b>940,520</b>	<b>906,206</b>	<b>826,665</b>	<b>901,431</b>	<b>-11.1%</b>	<b>9.0%</b>
Group Self-Insured	1,489,017	1,479,265	1,354,031	1,499,670	1,389,887	-6.7%	-7.3%
FEHBP	444,926	437,577	432,952	443,696	442,605	0.0%	0.0%
<b>All Self-Insured HBPs</b>	<b>1,933,943</b>	<b>1,916,842</b>	<b>1,786,983</b>	<b>1,943,366</b>	<b>1,832,492</b>	<b>-5.2%</b>	<b>-5.7%</b>
<b>Total All Commercial HBPs</b>	<b>2,947,688</b>	<b>2,857,362</b>	<b>2,693,189</b>	<b>2,770,031</b>	<b>2,733,923</b>	<b>-7.3%</b>	<b>-1.3%</b>

The number of covered lives in the group insured market increased from 604,517 to 671,040. This is an increase of 66,523 covered lives or approximately +11.0%. The individual non-Medigap insured market increased from 222,148 to 230,391. This is an increase of 8,243 covered lives or approximately +3.7%. The overall number of covered lives in insured health benefit plans increased from 826,665 covered lives in 2020 to 901,431 covered lives in 2021, or approximately +9.0%.

The number of covered lives in the group self-insured market decreased from 1,499,670 to 1,389,887. This is a decrease of 109,783 covered lives, or approximately -7.3%. The number of covered lives in the FEHBP market decreased from 443,696 covered lives in 2020 to 442,605 covered lives in 2021, or approximately 0.0%. The overall number of covered lives in other employment-based health benefit plans decreased from 1,943,366 lives in 2020 to 1,832,492 covered lives in 2021, or approximately -5.7%.

*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 benefits plan decreased from 54.5% to 53.9% between 2020 and 2021. The percentage of the population under the age of 65 with fully insured health benefit plans increased from 16.3% in 2020 to 17.7% in 2021.

<b>TABLE 2: Covered Lives by Type of HBP as a Percent of Population Under Age 65</b>					
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Group Fully Insured	14.7%	14.1%	13.6%	11.9%	13.2%
Individual Non-Medigap	5.0%	4.2%	4.1%	4.4%	4.5%
<b>All Fully Insured HBPs</b>	<b>19.7%</b>	<b>18.3%</b>	<b>17.7%</b>	<b>16.3%</b>	<b>17.7%</b>
Group Self-Insured	29.0%	28.7%	26.5%	29.5%	27.4%
FEHBP	8.7%	8.5%	8.5%	8.7%	8.7%
<b>All Self-Insured HBPs</b>	<b>37.6%</b>	<b>37.2%</b>	<b>35.0%</b>	<b>38.2%</b>	<b>36.2%</b>
<b>Total All Commercial HBPs</b>	<b>57.3%</b>	<b>55.5%</b>	<b>52.7%</b>	<b>54.5%</b>	<b>53.9%</b>
<b>Maryland Population Under Age 65</b>	<b>5,140,237</b>	<b>5,147,506</b>	<b>5,111,582</b>	<b>5,086,284</b>	<b>5,068,450</b>
<b>Maryland Population Age 65+</b>	<b>876,210</b>	<b>904,671</b>	<b>931,136</b>	<b>959,396</b>	<b>987,352</b>
<b>Total Maryland Population</b>	<b>6,016,447</b>	<b>6,052,177</b>	<b>6,042,718</b>	<b>6,045,680</b>	<b>6,055,802</b>

*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 29.8% in 2020 to 33.0% in 2021. The percentage of all those with health insurance through a commercial health benefit plan in other employment-based health benefit plans decreased from 70.1% in 2020 to 67.0% in 2021.

<b>TABLE 3: Covered Lives by Type of HBP as a Percent of Total Commercial HBPs</b>					
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Group Fully Insured	25.7%	25.4%	25.8%	21.8%	24.6%
Individual Non-Medigap	8.7%	7.5%	7.8%	8.0%	8.4%
<b>All Fully Insured HBPs</b>	<b>34.4%</b>	<b>32.9%</b>	<b>33.6%</b>	<b>29.8%</b>	<b>33.0%</b>
Group Self-Insured	50.5%	51.8%	50.3%	54.1%	50.8%
FEHBP	15.1%	15.3%	16.1%	16.0%	16.2%
<b>All Self-Insured HBPs</b>	<b>65.6%</b>	<b>67.1%</b>	<b>66.4%</b>	<b>70.2%</b>	<b>67.0%</b>

*Table 4: Contracts and Covered Lives by Type of Health Benefit Plan, 6/30/2021*

Group fully insured health benefit plans, with an average of 1.6 covered lives per contract, had less covered lives per contract than Group self-insured plans. The overall covered lives per contract for all fully insured health benefit plans was 1.5, compared to an average of 2.0 for all other employment-based, self-insured health benefit plans.

<b>TABLE 4: Contracts and Covered Lives (Members) by Type of HBP – 06/30/21</b>			
	<b>Contracts</b>	<b>Covered Lives</b>	<b>Covered Lives Per Contract</b>
Group Insured	406,824	671,040	1.6
Individual	200,228	230,391	1.2
<b>All Fully Insured HBPs</b>	<b>607,052</b>	<b>901,431</b>	<b>1.5</b>
Group Self-Insured	637,679	1,389,887	2.2
FEHBP	286,442	442,605	1.5
<b>All Self-Insured HBPs</b>	<b>924,121</b>	<b>1,832,492</b>	<b>2.0</b>
<b>Total All Commercial HBPs</b>	<b>1,531,173</b>	<b>2,733,923</b>	<b>1.8</b>

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

The number of covered lives for Health Choice increased by +12.4% from 2020 to 2021. Health Choice increased from 1,105,445 covered lives in 2020 to 1,242,444 covered lives in 2021, an increase of 136,999 covered lives. The number of covered lives for Other Medicaid increased by +46.6% from 2020 to 2021. Other Medicaid increased from 101,419 covered lives in 2020 to 148,680 covered lives in 2021, an increase of 47,261 covered lives.

**Table 5: Medicaid/MCO Covered Lives for past two years**

	<b>2020 MCO Health Choice</b>	<b>2020 MCO Other Medicaid</b>	<b>2021 MCO Health Choice</b>	<b>2021 MCO Other Medicaid</b>	<b>% Change Health Choice</b>	<b>% Change Other Medicaid</b>
Aetna Health, Inc.		36,492		46,643		
Amerigroup Maryland, Inc.	289,368		312,533			
CareFirst Community Partners, Inc.				59,661		
JAI Medical Systems MCO		27,777	29,606			
Kaiser Foundation Health Plan	80,818		103,747			
Maryland Care, Inc.	218,159		235,999			
Medstar Family Choice, Inc.	94,703		104,141			
Priority Partners MCO, Inc.	309,613		335,338			
UnitedHealthcare of Mid-Atlantic	112,784	37,150	121,080	42,376		
<b>Total</b>	<b>1,105,445</b>	<b>101,419</b>	<b>1,242,444</b>	<b>148,680</b>	<b>12.4%</b>	<b>46.6%</b>

## **Conclusion**

As of 2021, 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 33.0% of all covered lives.





