

Medical Loss Ratio Rebates

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Premium Rate Review

Medical Loss Ratio Requirements (MLR)

- Established minimum MLR for commercial health care plans
 - Individual Market 80%
 - Small Group Market 80%
 - Large Group Market 85%
- Requires Health Plans to submit MLR template to federal government and state no later than June 1 each year
- Requires Health Plans to pay rebates to enrollees no later than August 1 each year

Premium Rate Review

Impact on California Enrollees

- Rebates total \$74 million
 - DMHC \$42 million
 - CDI \$32 million
- DMHC plans issuing rebates
 - Anthem Blue Cross (\$38.5M)
 - United Health Care (\$3.5M)
- CDI plans issuing rebates
 - Blue Shield (\$10.8M)
 - Kaiser (\$0.3M)
 - CIGNA (\$3.4M)
 - Anthem Blue Cross (\$1.3M)
 - Aetna (\$3.4M)
 - PacifiCare (\$0.8M)

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Summary of Plan MLR Reporting 2011

		Small	Large
	Individual	Group	Group
MLR Standard	80%	80%	85%
MLR Reported by Plan :			
Blue Cross of California	80.9%	77.5%	89.8%
Rebate amount being paid*		\$ 38,562,392	
Number of policyholders/subscriber being paid a rebate		182,214	
Number of enrollees		323,585	
UHC of California	80.1%	77.7%	88.6%
Rebate amount being paid*		\$ 3,857,554	
Number of policyholders/subscriber being paid a rebate		22,260	
Number of enrollees		35,649	

Summary of Plan MLR Reporting 2011

Medical Loss Ratio Summary				
Reporting Year: 2011				
			Small	Large
	Individual		Group	Group
MLR Standard	80%		80%	85%
MLR Reported by Plan :				
ACN Group of California	0.0%		80.0%	86.5%
Aetna Health of California	80.0%		84.6%	85.2%
Blue Cross of California	80.9%		77.5%	89.8%
California Physicians' Service (Blue Shield)	83.7%		82.6%	91.6%
Chinese Community Health Plan	90.5%		89.7%	90.6%
Cigna of HealthCare of California , Inc.	80.0%		80.0%	97.5%
Cigna of HealthCare -Pacific , Inc.	0%		80.0%	80.0%
GEMCare Health Plan, Inc.	0%		80.0%	94.4%
HealthNet of California, Inc.	105.3%		80.6%	90.8%
Kaiser Foundation Health Plan, Inc.	99.9%		93.8%	92.9%
San Mateo Health Commission	0.0%		0.0%	129.8%
Santa Cruz-Monterey-Merced managed Care Comm.	80.0%		80.0%	85.0%
Sharp Health Plan	80.0%		96.3%	90.4%
UHC of California	80.1%		77.7%	88.6%
U.S. Behavioral Health Plan, CA	0.0%		0.0%	97.1%
Western Health Advantage	0.0%		96.0%	90.7%

Next Steps

- Initiate MLR audits of selected plans
- 1st plan notification scheduled for late August
- Subsequent audits will be scheduled as resources become available

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Questions?

- Plan MLR filings are available on DMHC website at:

<http://wps0.dmhc.ca.gov/fe/search/Default.aspx#results>

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