

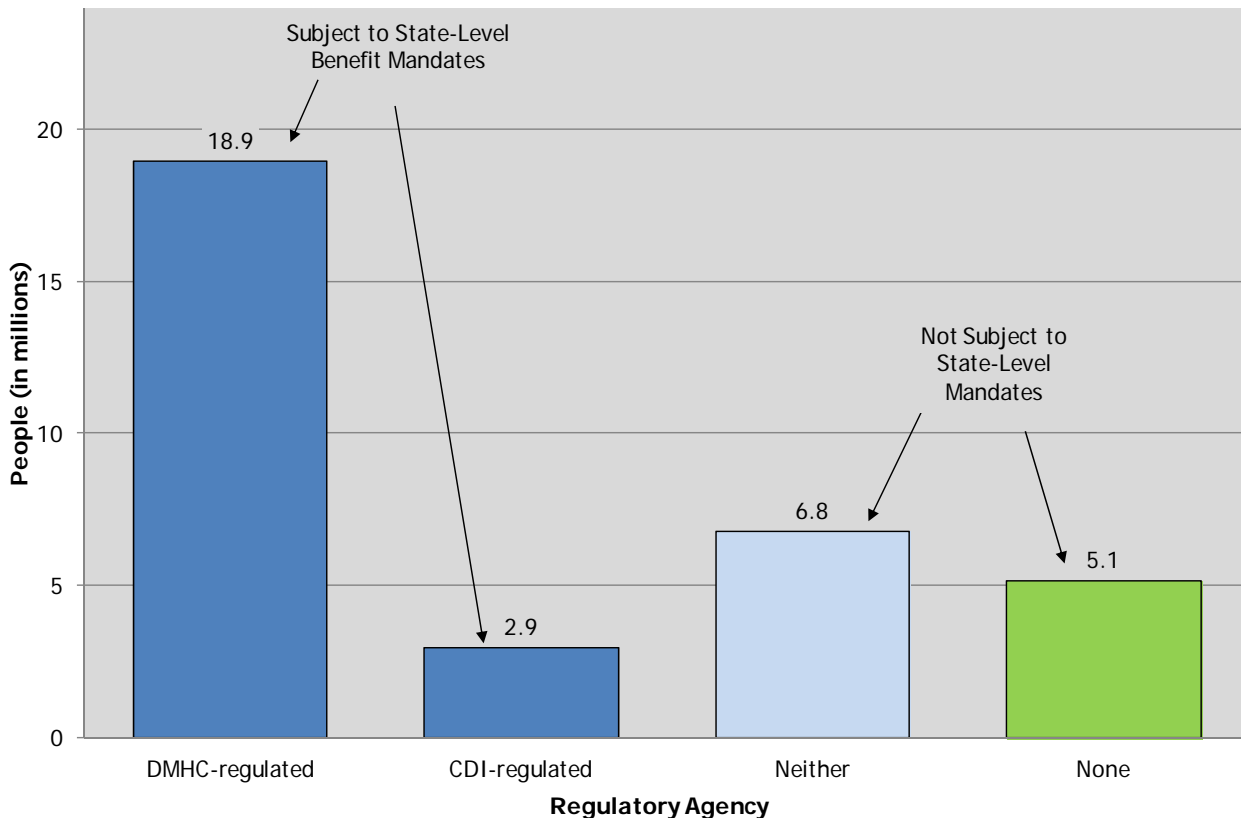


Estimates of Sources of Health Insurance in California, 2012

The California Health Benefits Review Program (CHBRP) responds to requests from the California Legislature to estimate the medical effectiveness, public health, and cost impacts of proposed state-level health insurance benefit mandates (or repeals). This brief presents CHBRP's estimates of health insurance sources for the California population, which serve as the basis for CHBRP's 2012 analyses. The following three figures are drawn from the same data, but illustrate an increasingly detailed view of the sources of health insurance coverage. Data for Figures 1, 2, and 3 are displayed in Table 1.

Regulatory agencies: State-level health insurance benefit mandates are included in California's Health and Safety Code, Insurance Code, or both. The California Department of Managed Health Care (DMHC) enforces mandates in the former and the California Department of Insurance (CDI) enforces mandates in the latter. Only DMHC-regulated health care service plans and CDI-regulated health insurance policies can be subject to state-level mandates. As noted in Figure 1, for 2012, CHBRP estimates that approximately 21.9 million Californians are enrolled in either a DMHC-regulated plan or a CDI-regulated policy.

Figure 1: Health Insurance by Regulatory Agency



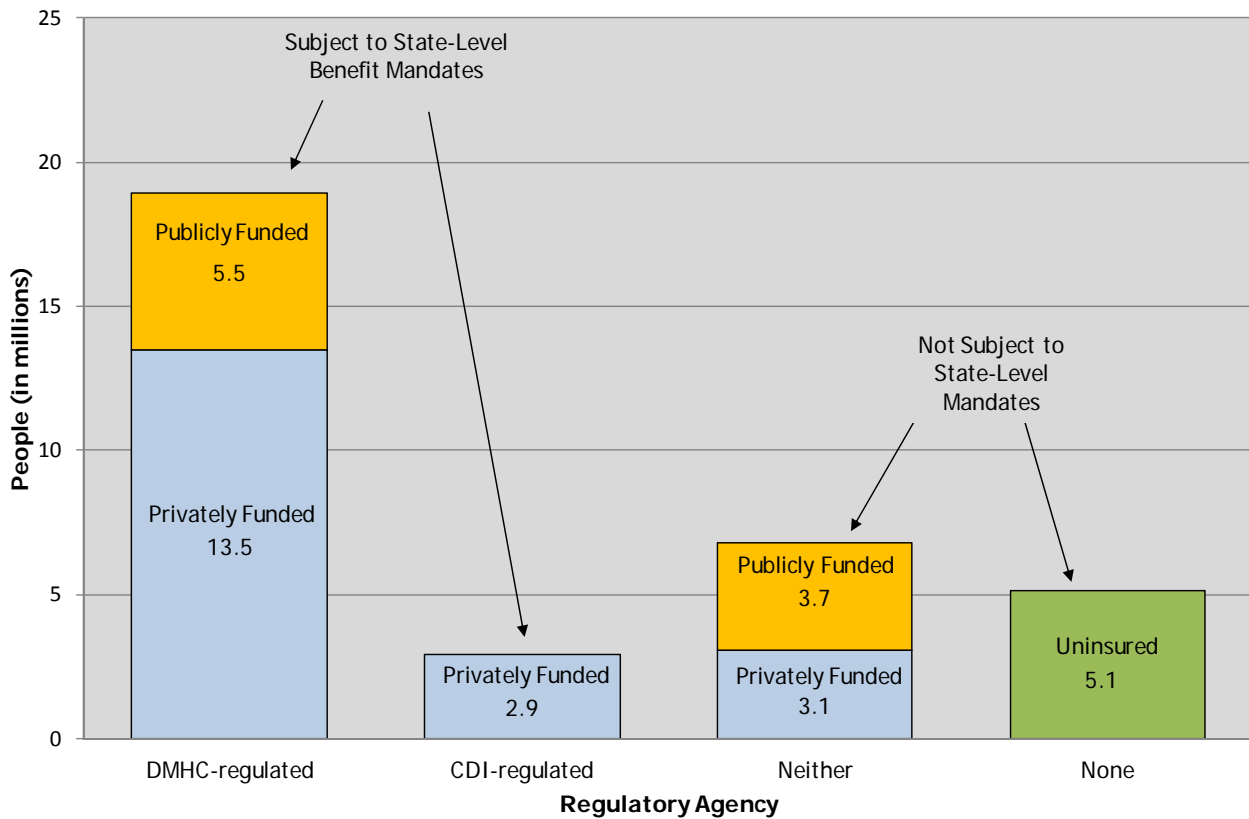
Source: California Health Benefits Review Program, 2012

Funding type: Some health insurance is publicly funded, while other health insurance is privately funded.

Publicly funded health insurance is purchased or paid for by public sector buyers, such as the state through CalPERS, for its employees. Publicly funded health insurance is also paid for by public programs, such as Medi-Cal, Medicare, and the Managed Risk Medical Insurance Board, for beneficiaries. Some, but not all, of the health insurance purchased using public funds is DMHC-regulated. Publicly funded health insurance is represented in yellow in Figure 2.

Privately funded health insurance is paid for with private funds by large and small employers for their employees. In addition, individuals purchasing health insurance directly from health insurance companies are also included in this category. Health insurance purchased with private funds can be regulated by DMHC, CDI, or neither. Privately funded health insurance is represented in blue in Figure 2.

Figure 2: Health Insurance by Funding Type



Source: California Health Benefits Review Program, 2012

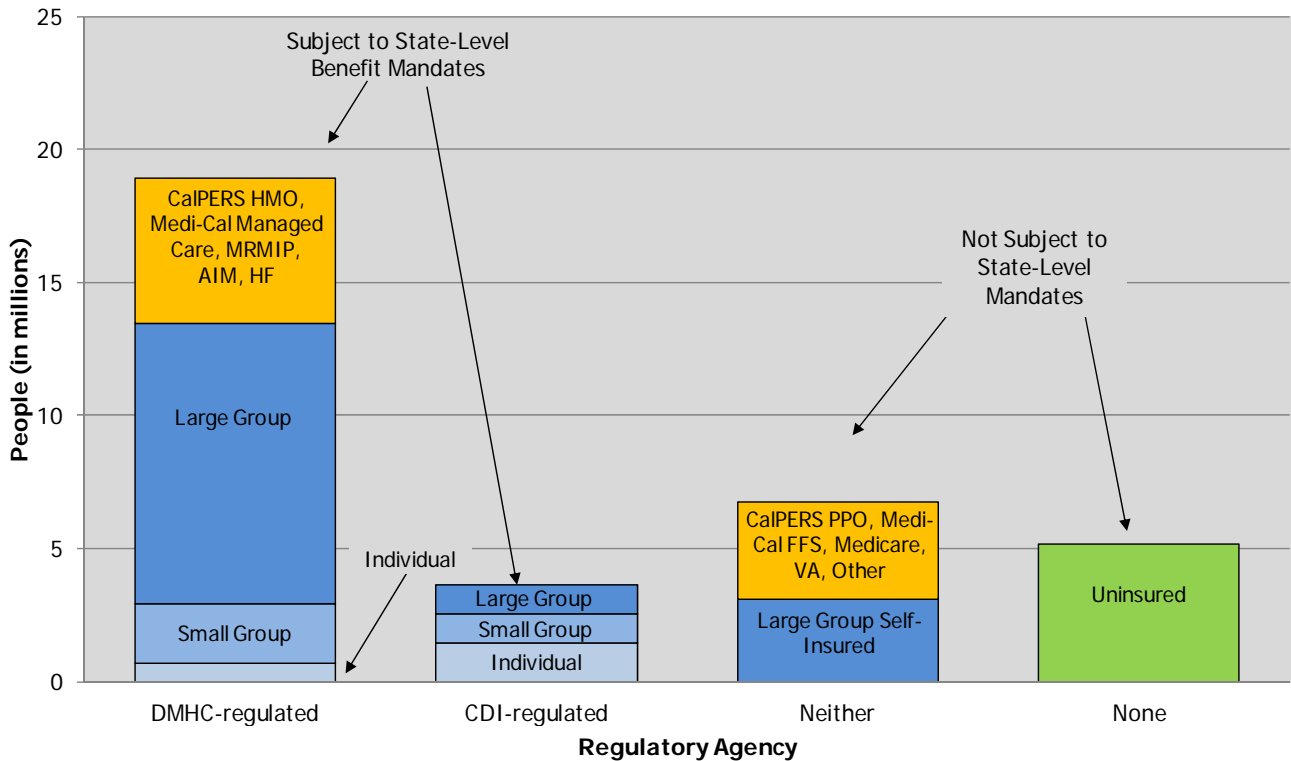
Payer type: Figure 3 provides additional detail about the publicly and privately funded health insurance. As previously described, publicly funded health insurance is purchased by public sector entities, while privately funded health insurance is paid for by private businesses and individuals.

As noted in the first and second bars, from left in Figure 3, DMHC-regulated plans and CDI-regulated policies are available for purchase in the large group, small group, and individual markets. Enrollees in privately funded DMHC-regulated plans and CDI-regulated policies are represented in blue.

DMHC-regulated plans are also purchased with public funds. Enrollees in DMHC-regulated plans associated with CalPERS, Medi-Cal, Healthy Families, Access for Infants and Mothers, and Managed Risk Medical Insurance Program are represented in yellow in the first bar from the left.

Health insurance that is not regulated by DMHC or CDI is displayed in the third bar from the left, and can be purchased through either public funds or private funds. Enrollees in plans associated with Medi-Cal, Medicare, the Veteran's Administration, etc., are represented in yellow. Enrollees associated with private funds (usually through self-insured health insurance purchased by employers in the large group market) are represented in blue.

Figure 3: Health Insurance by Payer Type



MRMIP = Major Risk Medical Insurance Program
 AIM = Access for Infants and Mothers
 HF = Healthy Families

HMO = Health Maintenance Organization
 PPO = Preferred Provider Organization
 FFS = Fee-for-Service
 VA = Veteran's Affairs

Source: California Health Benefits Review Program, 2012

Data Sources

Following is a description of data sources that contribute to CHBRP's California Cost and Coverage Model¹ and provide the basis for Figures 1, 2, and 3, and Table 1 below.

Health insurance subject to state-level mandates: The California Employer Health Benefits Survey² provides information on whether employer-sponsored health insurance is self-insured, and therefore not subject to state regulation, or fully insured, and whether the product is a high-deductible health plan (HDHP).

Californians with publicly and privately funded health insurance: The California Health Interview Survey (CHIS) is used to identify demographic characteristics and estimate the insurance coverage of the population in the state. CHIS is a random telephone survey of more than 49,000 households conducted in multiple languages by the UCLA Center for Health Policy Research. This survey allows CHBRP to estimate the number of people with publicly and privately funded sources of insurance coverage.

Enrollees by health insurance category and firm size: The California Employer Health Benefits Survey provides estimates of the numbers of employees working in firms by firm size. It also sorts employees' health insurance coverage into four categories:

- Conventional fee-for-service (FFS),
- Preferred provider organizations (PPOs),
- Point-of-service (POS) plans, and
- Health maintenance organizations (HMOs).

Individual market: Data on the individual market is derived from CHIS and from CHBRP's Annual Enrollment and Premium Survey of the carriers in California.

¹ A discussion of CHBRP's Cost and Coverage Model methods may be found at <http://www.chbrp.org/costimpactsum.html>.

² The California Employer Health Benefits Survey has been conducted annually since 2000 and is funded by the California HealthCare Foundation. It has been conducted by various organizations over the years, including the Center for Studying Health System Change and the National Opinion Research Center.

Table 1: CHBRP Estimates of Sources of Health Insurance in California, 2012

Type of coverage	Age					Total
Uninsured						
	0-17					481,000
	18-64					4,630,000
	65+					38,000
Publicly Funded Health Insurance						
		DMHC-Regulated Plans		Other Coverage		Total
Medi-Cal (non Medicare)	0-17	2,142,000		694,000		2,836,000
	18-64	1,397,000		969,000		2,366,000
	65+	18,000		31,000		49,000
Healthy Families (HF)	0-17	831,000		0		831,000
	18-64	43,000		0		43,000
Major Risk Medical Insurance Program (MRMIP)	0-17	2,000		0		2,000
	18-64	5,000		0		5,000
	65+	0		0		0
Access for Infants and Mothers (AIM)	0-17	0		0		0
	18-64	7,000		0		7,000
Other public	All			814,000		814,000
Dually eligible Medicare & Medi-Cal	All	183,000		871,000		1,054,000
Medicare (non Medi-Cal)	All					3,294,000
CaIPERS Small Firm	0-17	1,000		1,000		2,000
	18-64	4,000		2,000		6,000
	65+	1,000		1,000		2,000
CaIPERS Large Firm	0-17	206,000		61,000		267,000
	18-64	626,000		226,000		852,000
	65+	16,000		10,000		26,000
Privately Funded Health Insurance						
		DMHC-Regulated Plans		CDI-Regulated Policies		
		HDHP	Not HDHP	HDHP	Not HDHP	
Individually purchased	0-17	69,000	67,000	164,000	118,000	418,000
	18-64	281,000	275,000	668,000	482,000	1,649,000
	65+	2,000	1,000	4,000	3,000	10,000
Self-insured	All					3,091,000
Small group	0-17	134,000	487,000	150,000	158,000	929,000
	18-64	345,000	1,250,000	386,000	406,000	2,448,000
	65+	3,000	12,000	4,000	4,000	23,000
Large group	0-17	21,000	2,913,000	29,000	79,000	3,042,000
	18-64	54,000	7,477,000	74,000	204,000	8,071,000
	65+	1,000	72,000	1,000	2,000	76,000
All Insured and Uninsured						
California's population total						37,362,000

Note: Estimates may not sum to totals in rightmost column due to rounding.
 Source: California Health Benefits Review Program, 2012.