

LARRY HOGAN  
Governor

BOYD K. RUTHERFORD  
Lt. Governor

KATHLEEN A. BIRRANE  
Commissioner

GREGORY M. DERWART  
Deputy Commissioner



INSURANCE ADMINISTRATION

200 Saint Paul Place, Suite 2700, Baltimore, Maryland 21202

Direct Dial: 410-468-2471 Fax: 410-468-2020

1-800-492-6116 TTY: 1-800-735-2258

[www.insurance.maryland.gov](http://www.insurance.maryland.gov)

November 15, 2022

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

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

**Re: Report required by IN § 15-133 SB 636/Ch. 89, 2009 (MSAR # 7797) –  
Number of Insured and Self-Insured Lives**

Dear President Ferguson and Speaker Jones:

Pursuant to IN § 15-133 SB 636/Ch. 89, 2009" (MSAR # 7797) and in accordance with § 2-1246 of the State Government Article, attached you will find the report 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 its records.

Should you have any questions regarding this report, please do not hesitate to contact me or my Director of Government Relations, Andrew Tress, at [Andrew.tress1@maryland.gov](mailto:Andrew.tress1@maryland.gov).

Sincerely,

Kathleen A. Birrane  
Insurance Commissioner

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



2022 Maryland Covered Lives Report  
MSAR # 7797

November 15, 2022

## 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 (HBPs) 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 attached Tables 1 through 4.

The Maryland Insurance Administration (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 HBPs for those under the age of 65 as of a specified date.<sup>1</sup> “Health benefit plans” 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.

There are two types of HBPs comprising the commercial market: insured HBPs and other employment-based HBPs. Insured HBPs include group insured HBPs and individual insured HBPs. Insured HBPs are regulated by the MIA and subject to Maryland law. Other employment-based HBPs include group self-insured HBPs and the Federal Employees Health Benefit Plan (FEHBP). These HBPs 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 HBP under Age 65*

In 2022, approximately 2.64 million Maryland residents under the age of 65 had health insurance through a commercial HBP, representing a decrease of approximately 3.5% in total covered lives as compared with 2021. The number of covered lives is composed of 895,528 lives in fully insured HBPs and 1,742,171 lives in all other employment-based, self-insured HBPs.

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

The number of covered lives in the group insured market decreased from 671,040 to 653,365. This is a decrease of 17,675 covered lives, or approximately 2.6%. The individual non-Medigap insured market increased from 230,391 to 242,163. This is an increase of 11,772 covered lives, or approximately 5.1%. The overall number of covered lives in insured HBPs decreased from 901,431 covered lives in 2021 to 895,528 covered lives in 2022, or approximately 0.7%.

The number of covered lives in the group self-insured market decreased from 1,389,887 to 1,301,295. This is a decrease of 88,592 covered lives, or approximately 6.4%. The number of covered lives in the FEHBP market decreased from 442,605 covered lives in 2021 to 440,876 covered lives in 2022, or approximately 0.4%. The overall number of covered lives in other employment-based HBPs decreased from 1,832,492 lives in 2021 to 1,742,171 covered lives in 2022, or approximately 4.9%.

*Table 1B: Number of Contracts by Type of HBP*

In 2022, there was approximately 1.48 million Maryland contracts covering Maryland residents under the age of 65 through a commercial HBP, representing a decrease of approximately 3.2% in total number of Maryland contracts as compared with 2021. The number of contracts in fully insured HBPs was 601,877 contracts and in all other employment-based, self-insured HBPs was 879,646.

The number of contracts in the group insured market decreased from 406,824 to 393,111. This is a decrease of 13,713 contracts, or approximately 3.4%. The individual non-Medigap insured market increased from 200,228 to 208,766. This is an increase of 8,538 contracts, or approximately 4.3%. The overall number of contracts in insured HBPs decreased from 607,052 in 2021 to 601,877 contracts in 2022, or approximately 0.9%.

The number of contracts in the group self-insured market decreased from 637,679 to 592,223. This is a decrease of 45,456 contracts, or approximately 7.1%. The number of contracts in the FEHBP market increased from 286,442 contracts in 2021 to 287,423 contracts in 2022, or approximately 0.3%. The overall number of contracts in other employment-based HBPs decreased from 924,121 in 2021 to 879,646 contracts in 2022, or approximately 4.8%.

*Table 2: Covered Lives by Type of HBP as a Percent of Population under Age 65*

Overall, the percentage of the population under the age of 65 covered by an insured HBP or other employment-based HBP decreased from 53.9% to 51.1% between 2021 and 2022. The percentage of the population under the age of 65 with fully insured HBPs decreased from 17.7% in 2021 to 17.3% in 2022.

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

The percentage of all those with health insurance through a commercial HBP covered by a fully insured HBP increased from 33% in 2021 to 34% in 2022. The percentage of all those with health insurance through a commercial HBP in other employment-based HBPs decreased from 67.0% in 2021 to 66.0% in 2022.

*Table 4: Contracts and Covered Lives by Type of HBP, 6/30/2022*

Group fully insured HBPs, with an average of 1.7 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 HBPs was 1.5, compared to an average of 2 for all other employment-based, self-insured HBPs.

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

The number of covered lives for Health Choice increased by 5.2% from 2021 to 2022. Health Choice increased from 1,242,444 covered lives in 2021 to 1,307,283 covered lives in 2022, an increase of 64,839 covered lives. The number of covered lives for Other Medicaid increased by 18.6% from 2021 to 2022. Other Medicaid increased from 148,680 covered lives in 2021 to 176,330 covered lives in 2022, an increase of 27,650 covered lives.

## **Conclusion**

As of 2022, the MIA regulates and Maryland state law applies to commercial HBPs for approximately 17.3% of the population under the age of 65, and for approximately 34% of all covered lives.

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

	2018	2019	2020	2021	2022	% Change 2018-2022	% Change 2021-2022
Group Fully Insured	725,687	696,081	604,517	671,040	653,365	-10.0%	-2.6%
Individual Non-Medigap	214,833	210,125	222,148	230,391	242,163	12.7%	5.1%
<b>All Fully Insured HBPs</b>	<b>940,520</b>	<b>906,206</b>	<b>826,665</b>	<b>901,431</b>	<b>895,528</b>	<b>-4.8%</b>	<b>-0.7%</b>
Group Self-Insured	1,479,265	1,354,031	1,499,670	1,389,887	1,301,295	-12.0%	-6.4%
FEHBP	437,577	432,952	443,696	442,605	440,876	0.8%	-0.4%
<b>All Self-Insured HBPs</b>	<b>1,916,842</b>	<b>1,786,983</b>	<b>1,943,366</b>	<b>1,832,492</b>	<b>1,742,171</b>	<b>-9.1%</b>	<b>-4.9%</b>
<b>Total All Commercial HBPs</b>	<b>2,857,362</b>	<b>2,693,189</b>	<b>2,770,031</b>	<b>2,733,923</b>	<b>2,637,699</b>	<b>-7.7%</b>	<b>-3.5%</b>

**TABLE 1B: Number of Contracts by Type of HBP**

	2018	2019	2020	2021	2022	% Change 2018-2022	% Change 2021-2022
Group Fully Insured	364,589	356,879	351,722	406,824	393,111	7.8%	-3.4%
Individual Non-Medigap	178,807	180,624	189,262	200,228	208,766	16.8%	4.3%
<b>All Fully Insured HBPs</b>	<b>543,396</b>	<b>537,503</b>	<b>540,984</b>	<b>607,052</b>	<b>601,877</b>	<b>10.8%</b>	<b>-0.9%</b>
Group Self-Insured	889,558	880,065	710,974	637,679	592,223	-33.4%	-7.1%
FEHBP	286,223	279,071	284,632	286,442	287,423	0.4%	0.3%
<b>All Self-Insured HBPs</b>	<b>1,175,781</b>	<b>1,159,136</b>	<b>995,606</b>	<b>924,121</b>	<b>879,646</b>	<b>-25.2%</b>	<b>-4.8%</b>
<b>Total All Commercial HBPs</b>	<b>1,719,177</b>	<b>1,696,639</b>	<b>1,536,590</b>	<b>1,531,173</b>	<b>1,481,523</b>	<b>-13.8%</b>	<b>-3.2%</b>

	<b>2018 2016</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022 2020</b>
Group Fully Insured	14.1%	13.6%	11.9%	13.2%	12.6%
Individual Non-Medigap	4.2%	4.1%	4.4%	4.5%	4.7%
<b>All Fully Insured HBPs</b>	<b>18.3%</b>	<b>17.7%</b>	<b>16.3%</b>	<b>17.7%</b>	<b>17.3%</b>
Group Self-Insured	28.7%	26.5%	29.5%	27.4%	25.2%
FEHBP	8.5%	8.5%	8.7%	8.7%	8.6%
<b>All Self-Insured HBPs</b>	<b>37.2%</b>	<b>35.0%</b>	<b>38.2%</b>	<b>36.2%</b>	<b>33.8%</b>
<b>Total All Commercial HBPs</b>	<b>55.5%</b>	<b>52.7%</b>	<b>54.5%</b>	<b>53.9%</b>	<b>51.1%</b>
<b>Maryland Population Under Age 65</b>	<b>5,147,506 7</b>	<b>5,111,582</b>	<b>5,086,284</b>	<b>5,068,450</b>	<b>5,161,972</b>
<b>Maryland Population Age 65+</b>	<b>904,671</b>	<b>931,136</b>	<b>959,396</b>	<b>987,352</b>	<b>1,003,157</b>
<b>Total Maryland Population</b>	<b>6,052,177</b>	<b>6,042,718</b>	<b>6,045,680</b>	<b>6,055,802</b>	<b>6,165,129</b>

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Group Fully Insured	25.4%	25.8%	21.8%	24.6%	24.8%
Individual Non-Medigap	7.5%	7.8%	8.0%	8.4%	9.2%
<b>All Fully Insured HBPs</b>	<b>32.9%</b>	<b>33.6%</b>	<b>29.8%</b>	<b>33.0%</b>	<b>34.0%</b>
Group Self-Insured	51.8%	50.3%	54.1%	50.8%	49.3%
FEHBP	15.3%	16.1%	16.0%	16.2%	16.7%
<b>All Self-Insured HBPs</b>	<b>67.1%</b>	<b>66.4%</b>	<b>70.2%</b>	<b>67.0%</b>	<b>66.0%</b>

**TABLE 4: Contracts and Covered Lives (Members) by Type of HBP – 06/30/22**

	<b>Contracts</b>	<b>Covered Lives</b>	<b>Covered Lives Per Contract</b>
Group Insured	393,111	653,365	1.7
Individual	208,766	242,163	1.2
<b>All Fully Insured HBPs</b>	<b>601,877</b>	<b>895,528</b>	<b>1.5</b>
Group Self-Insured	592,223	1,301,295	2.2
FEHBP	287,423	440,876	1.5
<b>All Self-Insured HBPs</b>	<b>879,646</b>	<b>1,742,171</b>	<b>2.0</b>
<b>Total All Commercial HBPs</b>	<b>1,481,523</b>	<b>2,637,699</b>	<b>1.8</b>

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

	<b>2021 MCO Health Choice</b>	<b>2021 MCO Other Medicaid</b>	<b>2022 MCO Health Choice</b>	<b>2022 MCO Other Medicaid</b>	<b>% Change Health Choice</b>	<b>% Change Other Medicaid</b>
Aetna Health, Inc.		46,643		52,450		
Amerigroup Maryland, Inc.	312,533		327,168			
CareFirst Community Partners, Inc. Healthcare LLC		59,661		77,524		
JAI Medical Systems MCO, Inc.	29,606		29,965			
Kaiser Foundation Health Plan	103,747		116,216			
Maryland Care, Inc.	235,999		248,342			
Medstar Family Choice, Inc.	104,141		109,200			
Priority Partners MCO, Inc.	335,338		351,413			
UnitedHealthcare of Mid-Atlantic	121,080	42,376	124,979	46,356		
<b>Total</b>	<b>1,242,444</b>	<b>148,680</b>	<b>1,307,283</b>	<b>176,330</b>	<b>5.2%</b>	<b>18.6%</b>