

2015 Financial Results for Health Insurance Companies in Maine

This publication contains summaries of the information that insurers must provide annually to the Bureau of Insurance. Information is displayed for each market segment of the fully insured market (i.e., for policies under the State's jurisdiction):

- Large group (employers with more than 50 employees)
- Small group (employers with 50 or fewer employees)
- Individual (those who buy their own health insurance)

The summaries below show information for each of Maine's largest health insurers (those companies that had \$5 million or more in direct written health insurance premium in Maine for major medical and stop loss combined). The "All Other Companies" category includes aggregate data (except for enrollment and per member per month data) for companies with less than \$5 million of premium. The following information is shown:

- The number of people enrolled
- Premiums (how much money was collected)
- Claims (how much money was paid to healthcare providers)
- Administrative Expenses (how much money was spent on administration)
- Underwriting Gain or Loss (how much money was left)

People Enrolled

The number of people enrolled is equivalent to the number of covered lives, including dependents, at the end of the prior calendar year.

Table 1: Enrollees as of December 31, 2015

Insurers	Totals 2015	Totals Change %	Large Group 2015	Large Group Change %	Small Group 2015	Small Group Change %	Individual 2015	Individual Change %
Aetna Health Inc. + Aetna Life Ins Co.	30,446	-4%	16,761	6%	13,419	-16%	266	619%
Anthem Health Plans of ME Inc.	169,801	-2%	128,239	-3%	20,643	-12%	20,919	18%
CIGNA Health & Life Ins Co.	11,928	-28%	11,928	-28%	0	0%	0	0%
Harvard Pilgrim Health Care Inc. + HPHC	65,754	-1%	37,226	1%	27,265	-7%	1,263	311%
Maine Community Health Options	66,106	68%	487	586%	8,637	476%	56,982	50%
United Healthcare Ins Co.	2,326	-20%	1,913	-22%	413	-11%	0	0%
Total	346,361		196,554		70,377		79,430	

Notes:

1. Only 945 report Long form filers provide covered lives data.

Figure 1. 2015 Percentage of Large Group Enrollees by Company

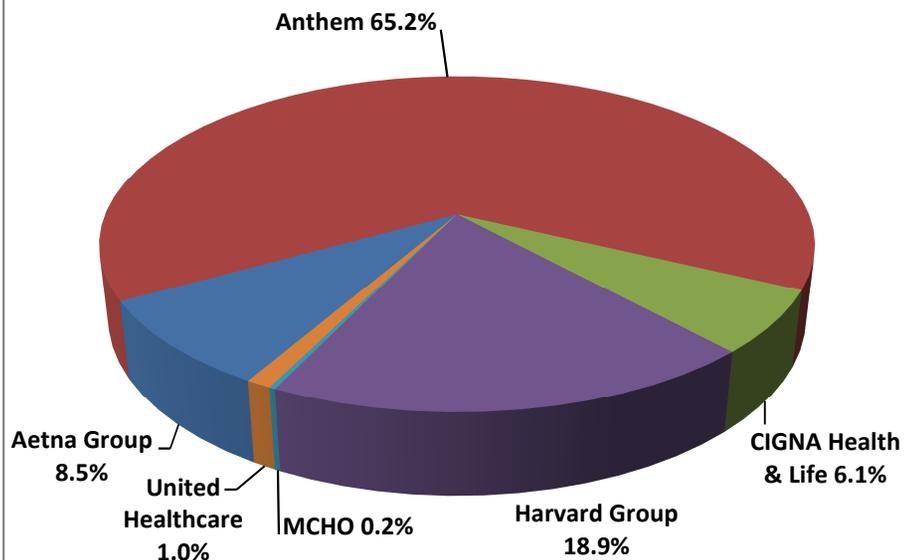


Figure 2. 2015 Percentage of Small Group Enrollees by Company

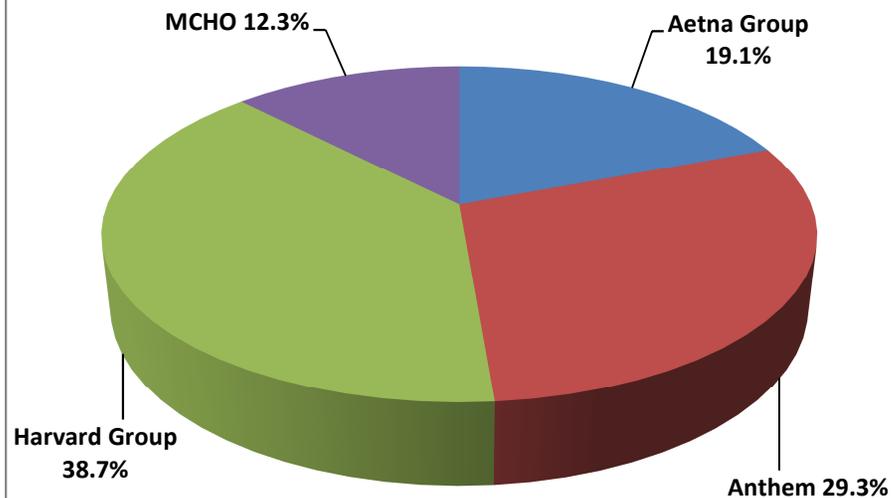


Figure 3. 2015 Percentage of Individual Enrollees by Company

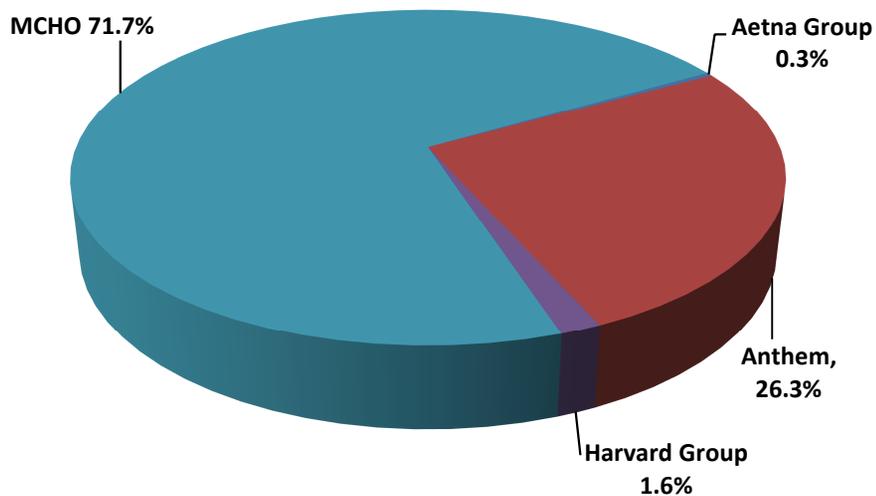
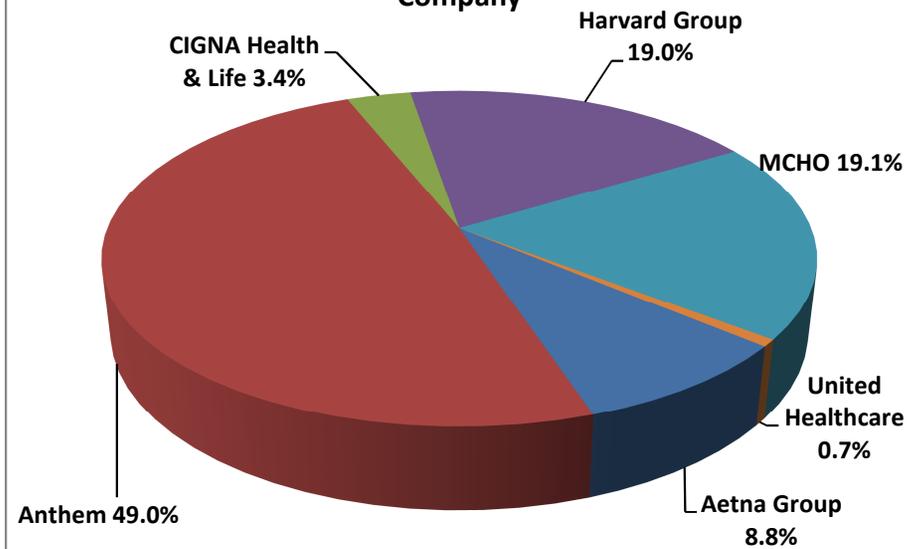


Figure 4. 2015 Percentage of Total Enrollees by Company



Premiums Earned

Table 2: 2015 Premiums Earned

Insurers	Totals 2015	Change %	Large Group 2015	Change %	Small Group 2015	Change %	Individual 2015	Change %
Aetna Health Inc. + Aetna Life Ins Co.	\$143,402,518	-4%	\$67,699,182	-1%	\$74,937,246	0%	\$766,090	160%
Anthem Health Plans of ME Inc.	960,389,715	-2%	\$745,552,362	2%	\$121,167,877	-19%	\$93,669,476	21%
CIGNA Health & Life Ins Co.	62,621,145	-28%	\$62,621,145	-27%	\$0		\$0	
Harvard Pilgrim Health Care Inc. + HPHC	302,426,592	-1%	\$169,415,650	14%	\$125,289,384	6%	\$7,721,558	556%
Maine Community Health Options	260,079,862	68%	\$1,861,844	1052%	\$11,184,266	133%	\$247,033,752	48%
United Healthcare Ins Co.	14,460,592	-20%	\$11,756,520	-19%	\$2,704,072	41%	\$0	
All Other Companies	66,973,239		\$65,004,728		\$32,763		\$1,935,748	-9%
Total	1,810,353,663		1,123,911,431		335,315,608		351,126,624	

Premiums by Market Segment for Selected Companies

Figure 5. Aetna Health Inc. & Aetna Life Ins Co.

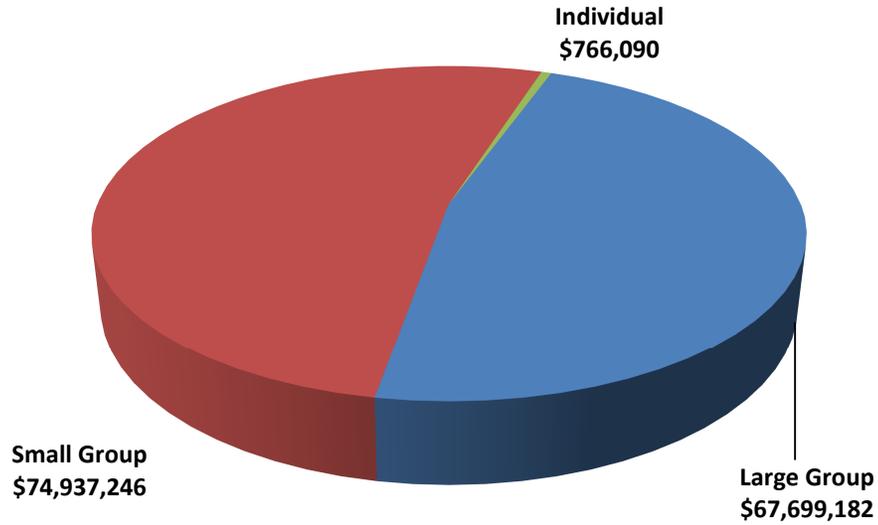


Figure 6. Anthem Health Plans of ME

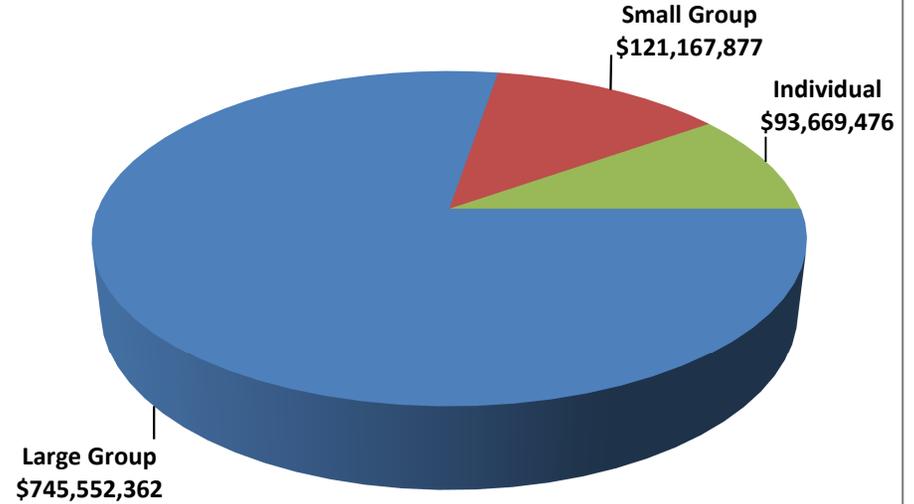


Figure 7. Harvard Pilgrim Healthcare Inc. & HPHC

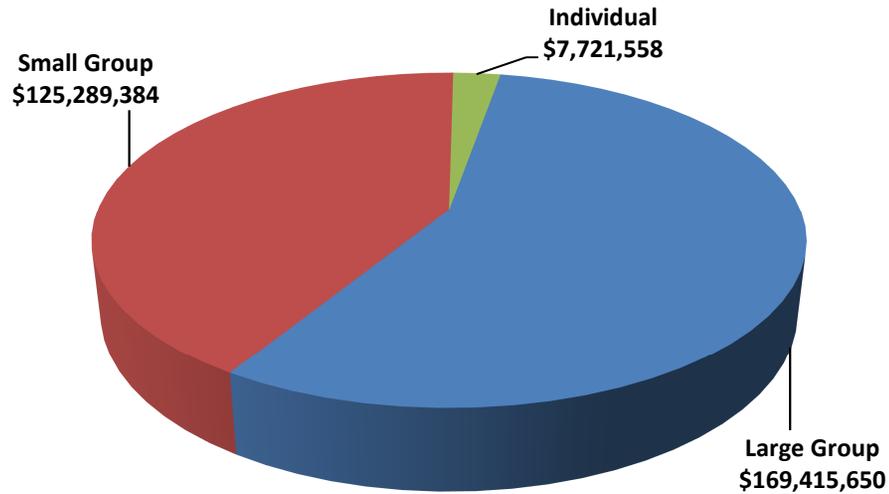
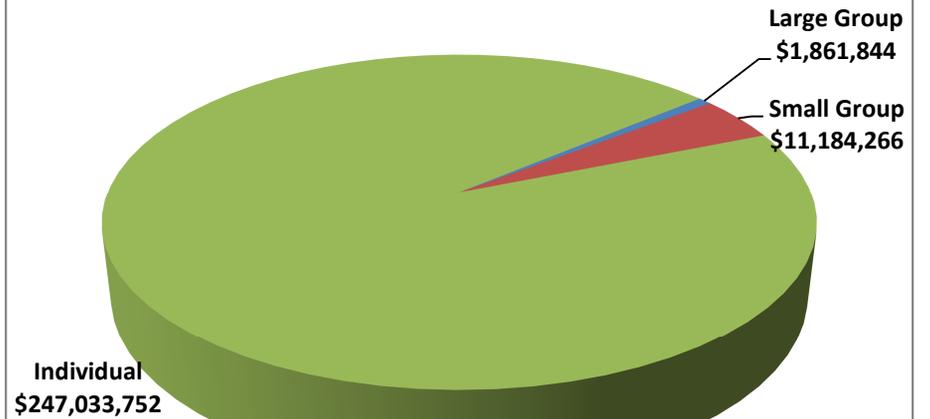


Figure 8. Maine Community Health Options



Premium per Member Month

Insurance policies vary widely in terms of deductibles, co-payments, policy limits, and restricted provider networks. Therefore comparing the average premium for different companies may be like comparing apples and oranges. Also, when looking at the percentage change in average premium from year to year, keep in mind that some employers and individuals make changes to their policies to lower their premiums and this may lower the percentage increase from year to year.

Table 3: 2015 Premium per Member Month

Insurers	Large Group 2015	Change %	Small Group 2015	Change %	Individual 2015	Change %
Aetna (Aetna Health Inc. + Aetna Life Ins Co.)	\$355	-8%	\$411	11%	\$291	-53%
Anthem Health Plans of ME Inc.	\$490	5%	\$460	6%	\$360	3%
CIGNA Health & Life	\$454	-17%				
Harvard Pilgrim Health Care Inc.	\$367	2%	\$371	8%	\$552	46%
Maine Community Health Options	\$263	-47%	\$229	-38%	\$359	-19%
United Healthcare Ins Co.	\$514	3%	\$514	54%		
Total	\$480	7%	\$400	4%	\$326	5%

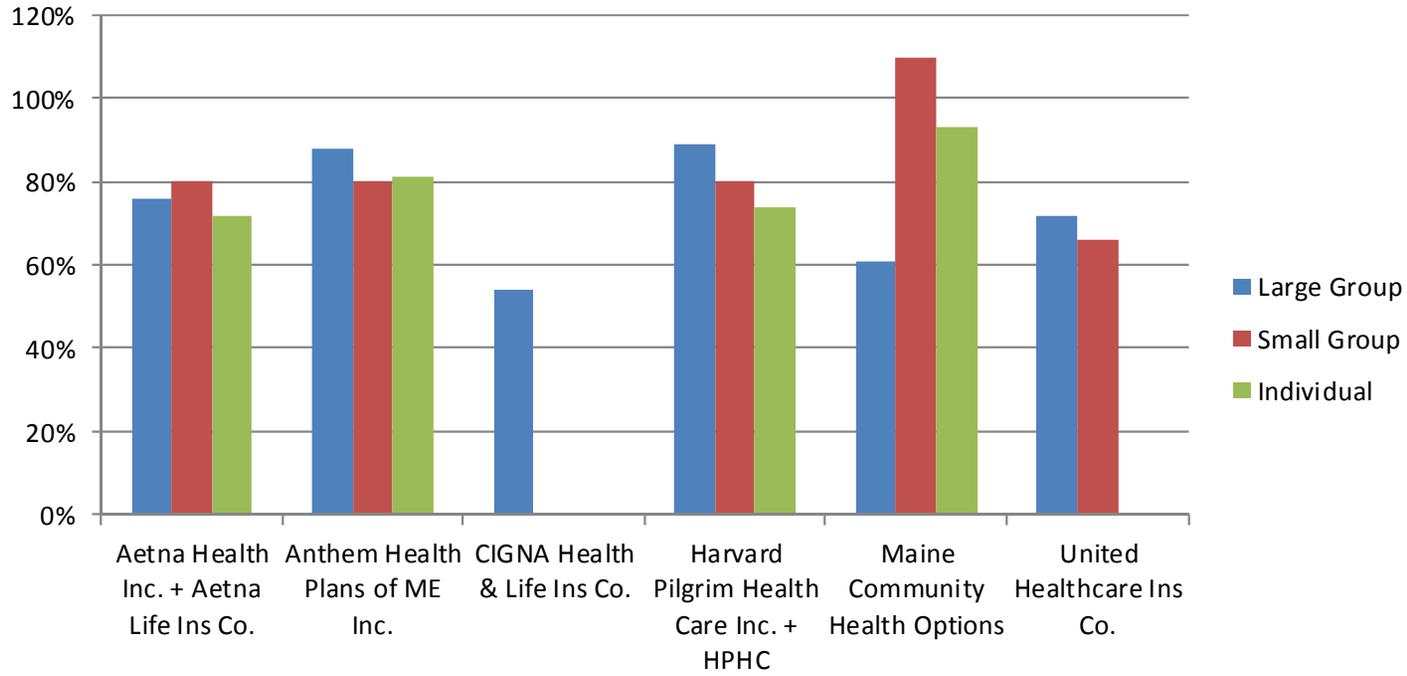
Claims Paid

The total claims paid are the amount of money paid by insurance companies to health care providers and hospitals for medical services received by their members. The table below shows the amount of claims paid by insurance company and how those claims payments compare to the amount of premiums paid to the insurance company. A percentage above 100% means that the company paid more to healthcare providers than they collected in premiums from employers and individuals. On the other hand, a percentage below 100% means that the company paid less to healthcare providers than they collected in premiums. The graph following this table shows the percentage of premiums paid for claims by market segment.

Table 4: 2015 Dollar Amount Spent of Claims and Percentage of Premium

Insurers	Total 2015 Claims	Large Group 2015 Claims	% of Premium	Small Group 2015 Claims	% of Premiums	Individual 2015 Claims	% of Premiums
Aetna Health Inc. + Aetna Life Ins Co.	\$101,671,478	\$51,564,480	76%	\$49,555,737	80%	\$551,261	72%
Anthem Health Plans of ME Inc.	\$830,284,073	\$658,161,270	88%	\$96,368,947	80%	\$75,753,856	81%
CIGNA Health & Life Ins Co.	\$33,640,850	\$33,640,850	54%	\$0	0%	\$0	0%
Harvard Pilgrim Health Care Inc. + HPHC	\$256,773,606	\$150,871,057	89%	\$100,176,810	80%	\$5,725,739	74%
Maine Community Health Options	\$242,866,093	\$1,143,351	61%	\$12,315,644	110%	\$229,407,098	93%
United Healthcare Ins Co.	\$10,269,048	\$8,477,268	72%	\$1,791,780	66%	\$0	0%
All Other Insurers	\$40,065,896	\$37,183,816	57%	\$8,324	25%	\$2,873,756	148%
Total	\$1,515,571,044	\$941,042,092	84%	\$260,217,242	78%	\$314,311,710	90%

Figure 9. 2015 Percent of Premium Paid for Claims by Company and Market Segment



Claims per Member Month

When looking at the percentage change in average claims from year to year, keep in mind that some employers and individuals make changes to their policies to lower their premiums and this may lower the percentage increase. If employers and individuals choose plans with higher deductibles or fewer benefits to minimize increases in premiums, then their claim costs will only show part of the picture of the change in their healthcare costs.

Table 5: 2015 Claims per Member Month

Company	Large Group 2015	% Change	Small Group 2015	% Change	Individual 2015	% Change
Aetna Health Inc. + Aetna Life Ins Co.	\$270	-14%	\$272	-5%	\$209	-79%
Anthem Health Plans of ME Inc.	\$432	7%	\$366	2%	\$291	-14%
CIGNA Health & Life Ins Co.	\$244	-38%				
Harvard Pilgrim Health Care Inc. + HPHC	\$327	7%	\$297	2%	\$409	138%
Maine Community Health Options	\$162	-25%	\$252	-47%	\$333	5%
United Healthcare Ins Co.	\$370	9%	\$340	32%		
Total	\$402	6%	\$311	-3%	\$326	5%

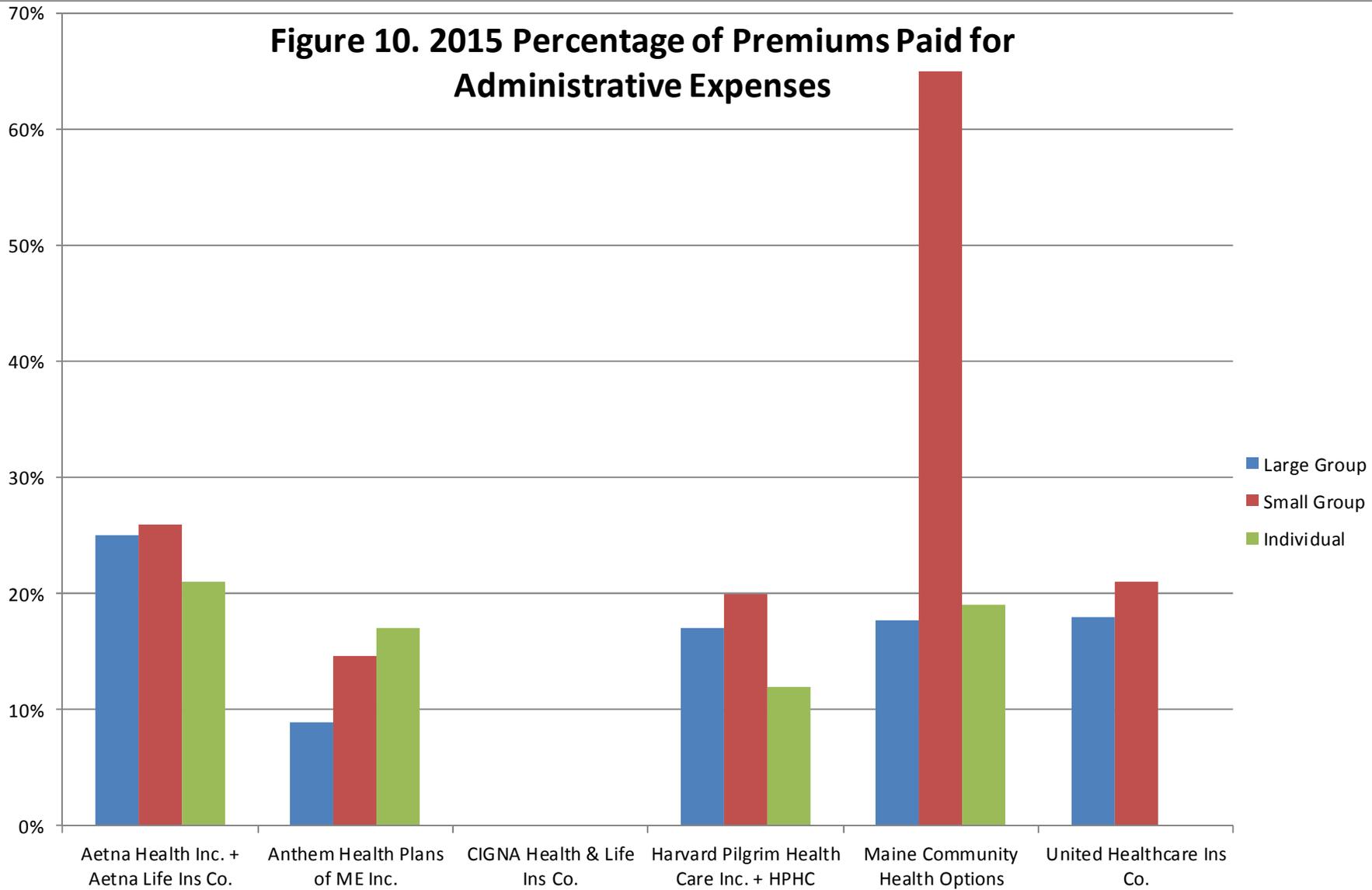
Administrative Expenses

Administrative expenses include all expenses other than claims paid to healthcare providers. These expenses include things like office space, salaries, office supplies, marketing, taxes (other than federal income tax), lobbying expenses, and cost containment expenses (which reduce the amount of healthcare services provided, including utilization review, fraud detection, disease management programs, and case management). Overall, administrative expenses were lower for large groups (employers with more than 50 employees). The graph below the table shows the percentage of premiums paid for administrative expenses by market segment.

Table 6: 2015 Amount of Administrative Expenses and Percentage of Premiums Paid for Administrative Expenses

Company	Totals 2015	Large Group 2015	% of Premium	Small Group 2015	% of Premium	Individual 2015	% of Premium
Aetna Health Inc. + Aetna Life Ins Co.	\$37,062,959	\$17,050,405	25%	\$19,848,499	26%	\$164,055	21%
Anthem Health Plans of ME Inc.	\$99,771,372	\$65,928,167	9%	\$17,745,408	15%	\$16,097,797	17%
CIGNA Health & Life Ins Co.	\$277,170	\$277,170	0%	\$0		\$0	
Harvard Pilgrim Health Care Inc. + HPHC	\$54,685,939	\$29,019,048	17%	\$24,718,574	20%	\$948,317	12%
Maine Community Health Options	\$55,044,755	\$329,585	18%	\$7,223,621	65%	\$47,491,549	19%
United Healthcare Ins Co.	\$2,690,789	\$2,116,174	18%	\$574,615	21%	\$0	
All other Companies	\$1,596,600	\$676,624	1%	(\$25,751)	-79%	\$945,727	49%
Total	\$251,129,584	\$115,397,173	10%	\$70,084,966	21%	\$65,647,445	19%

Figure 10. 2015 Percentage of Premiums Paid for Administrative Expenses



Underwriting Gain or Loss

The underwriting gain or loss is the amount of premium dollars left, or the shortfall, after claims and administrative expenses are paid. A negative number (displayed in red) means that the company lost money in that particular market segment.

Underwriting gain is the major component of company profits. Profits also include investment income and are reduced by federal income tax.

Table 7: 2015 Underwriting Gain or Loss

Company	Totals 2015	% of Premium	Large Group 2015	% of Premium	Small Group 2015	% of Premium	Individual 2015	% of Premium
Aetna Health Inc. + Aetna Life Ins Co.	\$4,007,120	3%	-\$915,703	-1%	\$4,872,049	7%	\$50,774	7%
Anthem Health Plans of ME Inc.	\$30,334,270	3%	\$21,462,925	3%	\$7,053,522	6%	\$1,817,823	2%
CIGNA Health and Life Ins Co.	\$28,703,125	46%	\$28,703,125	46%				
Harvard Pilgrim Health Care Inc. + HPHC	-\$9,032,953	-3%	-\$10,474,455	-6%	\$394,000	0%	\$1,047,502	14%
Maine Community Health Options	-\$65,072,914	-25%	\$212,719	11%	-\$10,180,093	-91%	-\$55,105,540	-22%
United Healthcare Ins Co.	\$1,344,348	9%	\$1,034,289	9%	\$310,059	11%		
All other Companies	\$27,705,453	41%	\$27,219,099	42%	\$57,034	174%	\$429,320	22%
Total	\$17,988,449	1%	\$67,241,999	6%	\$2,506,571	1%	-\$51,760,121	-15%

