

ANALYSIS OF THE IMPACTS OF THE ACA'S TAX ON HEALTH INSURANCE IN YEAR 2020 AND LATER

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REPORT QUALIFICATIONS/ASSUMPTIONS AND LIMITING CONDITIONS

Oliver Wyman was commissioned by UnitedHealth Group to analyze the impact of the ACA's tax on health insurance premiums. The primary audience for this report includes health insurers that are responsible for paying the tax on health insurance premiums and other interested parties.

Oliver Wyman shall not have any liability to any third party in respect of this report or any actions taken or decisions made as a consequence of the results, advice or recommendations set forth herein.

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While this analysis complies with applicable Actuarial Standards of Practice, users of this analysis should recognize that our projections involve estimates of future events, and are subject to economic and statistical variations from expected values.

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1. Executive Summary

Section 9010 of the Patient Protection and Affordable Care Act (Pub L. 111-148) and the Health Care and Education Reconciliation Act (Pub L. 111-152), collectively “the ACA,” imposes fees on insurance companies that offer fully-insured health insurance coverage. The fees, which are treated as taxes under the Internal Revenue Code, are assessed on earned health insurance premiums, with certain exclusions.

In January 2018, Congress passed H.R. 195, Division D – Suspension of Certain Health-Related Taxes, which created a one-year moratorium on collecting the insurer taxes for 2019. The fee that would have been due in 2019 will not be collected and, because of the moratorium policyholders are projected to save 2.2% of premiums.¹ However, under current law the moratorium will lapse in 2020 and the tax on health insurance will be reinstated for 2020 at a higher annual level (an estimated \$16.0 billion), resulting in higher fully-insured premiums for the 2020 plan year and all future years.

The taxes on health insurance are non-deductible for federal tax purposes for health insurers. Therefore, for each dollar assessed and paid in taxes, more than a dollar in additional premiums must be collected (e.g. \$1.27 for every \$1.00 in taxes, assuming a 21% federal corporate income tax rate)² yielding a total premium impact in 2020 of as much as \$20.3 billion. In total, the amount assessed and collected is projected to be over \$260 billion over the ten-year period of 2020 to 2029.

This report provides an analysis of the impact of the tax on health insurance premiums beginning in 2020. In addition, we provide the allocation of these taxes across each state and line of business and describe the number of individuals whose coverage is impacted by the tax on health insurance.

In summary, we estimate that the tax on health insurance will increase premiums by 2.2% in 2020 and in subsequent years when the amounts collected in taxes is mandated to increase at the same level as premium growth. In 2020, this amount equates to \$196 per individual in the non-group market, \$154 per single contract and \$479 per family contract in the small group market, \$158 per single contract and \$458 per family contract in the large group market, \$241 per Medicare Advantage member (including Special Needs Plans and Employer Group Waiver Plans), and \$157 per Medicaid managed care enrollee. Over the next ten years, this amount equates to \$2,473 per individual in the non-group market, \$1,873 per single contract and \$5,824 per family contract in the small group market, \$1,921 per single contract and \$5,558 per family contract in the large group market, \$3,052 per Medicare Advantage member, and \$1,988 per Medicaid managed care enrollee. Furthermore, we estimate that about 142 million consumers and/or their plan sponsors (in the case of Medicaid and subsidized exchange plans) could be impacted by the tax on health insurance.

¹ Oliver Wyman's most recent report on the health insurer taxes issued on October 10, 2017 estimated that the taxes would increase premiums by 2.7%. We note that the decrease in the impact of the taxes is almost exclusively due to the reduction in the corporate tax rate.

² $\$1.00 = \$1.27 \times (1.00 - 0.21)$

The taxes apply to all fully-insured coverage, including the on-exchange and off-exchange individual market, large and small group markets, and any insured public programs including Medicare Advantage, Medicare Part D, and Medicaid Managed Care. The increased cost of health insurance leads to many negative outcomes, including:

- Increasing costs facing the Medicare Advantage and Medicare Part D programs that could result in increased cost-sharing and premiums for Medicare Advantage and Medicare Part D enrollees.
- Increasing the tax burden on small employers that are fully-insured, unlike self-insured public and private employers that are not required to pay the tax on health insurance.
- Increasing costs for States and States' taxpayers to pay the tax costs for Medicaid Managed Care enrollees.
- Increasing the cost of fully-insured health care coverage, resulting in individuals and groups delaying purchase of health insurance and increasing the number of uninsured individuals.
- Potentially exacerbating "adverse selection" in the individual and small group markets as younger, healthier individuals forego coverage leading to a less stable risk pool and higher premiums.

The opinions and conclusions expressed herein reflect technical assessments and analyses, and do not reflect statements or views with respect to public policy.

2. Data

The health insurance taxes discussed in this report are allocated to each insurer based on their applicable net premiums for health insurance, but during the year prior to the year the taxes are due. The 2020 taxes will be allocated based on 2019 net premiums. The portion of the tax to be paid by each insurer will be based on the proportion of each insurer's premiums to total premiums for all covered entities (referred to here as the "denominator"). To determine the applicable tax to be paid by each insurer relative to their premiums, we need to calculate the total premiums for entities that will be charged the taxes.

There are three main components in developing the net premiums to be used as the denominator in our analysis. The first component is an estimation of current health insurance premiums that would be eligible to be assessed the insurer taxes. The next component is the expected increase in per capita costs due to such factors as the underlying health care trend, benefit changes either required by the ACA or resulting from the general course of business, and changes in the demographics of the insured population. The final component is the expected change in enrollment counts.

Base Premiums

Insurance companies are required to file annual financial statements with the applicable state regulatory agencies. Most of these data are publicly available and represent the experience for insurers during the preceding calendar year. We accumulated all the available financial statement data for their 2017 experience. There are some states that do not require public disclosure of financial statements for certain plans (e.g., Medicaid managed care plans). Therefore, we relied on data from the IRS for companies that did not appear in the accumulated financial statement data. Table 1 below shows the total health insurance premiums from the five sources of data we used.

Table 1
Aggregate Health Premiums for 2017 by Source

Source of Premium Data	Health Insurance Premiums (000s)
Health Insurance Financial Statements (Orange Blanks)	\$683,930,450
Life, Accident and Health Financial Statements (Blue Blanks)	175,148,620
Property and Casualty Financial Statements (Green Blanks)	3,783,375
California Data (Knox-Keene)	164,717,299
IRS Form 8963 Database	9,803,772
Total Gross Premiums	\$1,037,383,515

Additionally, we collected data at the state and coverage type level using information from the National Association of Insurance Commissioners' (NAIC) supplemental exhibits, which include the Accident and Health Policy Experience Exhibit and the Supplemental Health Care Exhibits (SHCE). The SHCE were required beginning in 2012 and are used to calculate the medical loss ratios for individual, small group and large group plans.

We accumulated the data by identifying all companies that had health insurance premiums during 2017 and pulled the earned premiums by line of business for every state and US territory from the supplemental exhibits. Where the supplemental exhibits are not completed, we used the direct written premiums by state from Schedule T of the NAIC Financial Statement to allocate experience for all lines of business by state.

The insurer taxes are allocated based on net premiums subject to certain exclusions. Using the accident and health supplemental exhibits from insurers' financial statements, we estimated the amount of the exclusions for the health products that are not subject to the insurer taxes. These exclusions include amounts for hospital indemnity type plans, critical illness, long- and short-term disability, Medicare supplement and long-term care. Association health plans (AHPs) and short-term limited-duration (STLD) policies will be subject to the taxes and are considered in our report.

Section 9010(c)(2)(C) of the ACA provides for an insurer tax exclusion for all companies that meet four criteria. First, they must be incorporated as a non-profit corporation under state law; second, no part of net earnings may inure to any private shareholder or individual; third, no substantial part of the entity's activities may be engaging in lobbying or political campaigns; and fourth, more than 80 percent of gross revenues must be received from government programs that target low-income, elderly or disabled participants under Titles XVIII, XIX and XXI of the Social Security Act. We have removed all companies that satisfy these requirements from our analysis.

In comparing the NAIC data and the preliminary IRS data that was reported in 2018, we found that the IRS data reported premiums for certain companies that we were unable to locate from our sources. In these cases, we relied on the data from the IRS. Note that we relied on preliminary IRS data because final data for 2018 is not available.

Further, for each company, all premiums up to \$25 million are excluded from the insurer tax calculations, and premiums from \$25 million to \$50 million are reduced by one-half. Finally, premiums for tax-exempt companies are further reduced by one-half. Our analysis compiles information for each company, thus we modeled the exclusions on a company-by-company basis. Table 2 shows the calculation of the premiums based on 2018 data reflecting exclusions.

Table 2
Excluded Premiums and Denominator Based on 2017 Premiums

Premium by Tiers	Premium Excluded (000s)
Total Gross Premium	\$1,037,383,515
Premium for Lines of Business Not Subject to Insurer Fee	121,224,027
Net Premium	\$916,159,488
Excluded under Section 9010 (c)(2)(C)	91,874,116
Net Premiums After Exclusion	\$824,285,372
\$0 to \$25 million	7,421,842
\$25 to \$50 million	3,100,103
Net Premiums After Tiers	\$813,763,428
Premium for Tax Exempt	67,993,821
Total Net Premiums (Denominator)	\$745,769,606

Our modeling assumes that the tiered exclusions of premiums up to \$50 million will be based on consolidated groups. Companies are assigned to a group based on the group assignments in the IRS data.

The IRS rules describe the applicability of the exclusion for tax exempt organizations.³ Per the regulations, the exclusion for tax exempt companies is applied at the member level, thus if the member of a consolidated group is tax exempt, it will benefit from the 50% exemption, even if the consolidated group is not entirely tax exempt.

We used the supplemental exhibits from the financial statements to identify the net premiums by line of business, splitting premiums into individual, small group, large group, FEHBP, Medicare Advantage and Part D, and Medicaid. In total, this method generated net premiums of \$824 billion in 2017 that are subject to the tax. We further reduced applicable premium base to \$746 billion after allowable exclusions. Table 3 shows the results of our analysis split by line of business and tax status.

³ <https://www.irs.gov/businesses/corporations/affordable-care-act-provision-9010>

Table 3
Denominator Premiums by Line of Business for 2017

Line of Business	Applicable Premiums (000s)	Excluded Premium (000s)	Net Premiums (Denominator) (000s)
Individual	\$82,874,490	\$8,097,862	\$74,776,628
Small Group	87,523,367	8,859,094	78,664,273
Large Group	249,805,898	35,707,458	214,098,441
FEHBP	13,162,393	1,269,697	11,892,696
Medicare Advantage	204,429,324	16,858,935	187,570,389
Medicaid	170,597,883	7,480,279	163,117,605
Medicare PDP	15,892,018	242,442	15,649,576
Total	\$824,285,372	\$78,515,766	\$745,769,606

Table 3 shows the base premiums for 2017. To assess the 2020 fee impact, we project the premiums to 2019 and later to determine the estimated premiums that will be considered in the calculation of the insurer taxes for 2020 and subsequent years. Below we describe the assumptions used in our projections.

Per Capita Costs

The projection of the premium rates required us to estimate changes to the cost to provide health care between 2017 and 2019, and later. We compiled data from public sources that estimate the changes in the per capita costs by line of business. Below we list the basis of these assumptions:

- Individual – To project from 2017 to 2018, premium rate increases are based on average premiums from CMS's effectuated enrollment report published July 2nd, 2018, coupled with an adjustment for premiums which are not loaded for the lack of federal funding for cost share reductions (CSRs).^{4, 5} To project from 2018 to 2019, the premium rate increases are based on a combination of reports to account for the impact of removal of the individual mandate penalty, reinstatement of STLD plans, and AHPs.^{6, 7, 8, 9} For 2020 and later years, premium rate increases are based on data from the National Health Expenditures.¹⁰

⁴ <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Marketplaces/Downloads/2018-07-02-Trends-Report-1.pdf>

⁵ http://health.oliverwyman.com/content/oliver-wyman/hls/en/transform-care/2017/06/analysis_market_unc.html

⁶ <https://www.commonwealthfund.org/publications/fund-reports/2018/jul/eliminating-individual-mandate-penalty-behavioral-factors>

⁷ <https://www.cms.gov/Research-Statistics-Data-and-Systems/Research/ActuarialStudies/Downloads/STLD20180406.pdf>

⁸ <http://go.avalere.com/acton/attachment/12909/f-052f/1/-/-/-/Association%20Health%20Plans%20White%20Paper.pdf>

⁹ <https://www.kff.org/health-reform/issue-brief/understanding-short-term-limited-duration-health-insurance/>

¹⁰ <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/>

- Small Group – Based on data from the National Health Expenditures and adjusted for impacts of AHPs.^{11, 12}
- Large and FEHBP – Based on data from the National Health Expenditures.¹³
- Medicare Advantage – Based on data from the National Health Expenditures.¹⁴
- Medicare Prescription Drug Plans (PDPs)¹⁵ – Based on the Express Scripts Annual Trend Report for 2017.¹⁶
- Medicaid – Based on data from the National Health Expenditures.¹⁷

Enrollment Estimates

The next step in establishing the premiums in 2019 and later years is to estimate the changes in enrollment by line of business. Again, our assumptions for enrollment come from public sources, as described below:

- Individual – To project from 2017 to 2018, enrollment is based on CMS's effectuated enrollment report adjusted for off-exchange members not receiving CSR loads.¹⁸ To project from 2018 to 2019, enrollment is based on a combination of reports to account for the impact of removal of the individual mandate penalty, STLD plans, and AHPs.^{19, 20, 21, 22} For 2020 and later, enrollment is based on data from the National Health Expenditures.²³
- Small Group - Based on data from the National Health Expenditures and adjusted for impacts of AHPs.^{24, 25}

¹¹ <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/>

¹² <http://go.avalere.com/acton/attachment/12909/f-052f/1/-/-/-/Association%20Health%20Plans%20White%20Paper.pdf>

¹³ <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/>

¹⁴ Ibid.

¹⁵ Referred to as Medicare PDPs in the rest of this report.

¹⁶ <http://lab.express-scripts.com/lab/drug-trend-report>

¹⁷ <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/>

¹⁸ <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Marketplaces/Downloads/2018-07-02-Trends-Report-1.pdf>

¹⁹ <https://www.commonwealthfund.org/publications/fund-reports/2018/jul/eliminating-individual-mandate-penalty-behavioral-factors>

²⁰ <https://www.cms.gov/Research-Statistics-Data-and-Systems/Research/ActuarialStudies/Downloads/STLD20180406.pdf>

²¹ <http://go.avalere.com/acton/attachment/12909/f-052f/1/-/-/-/Association%20Health%20Plans%20White%20Paper.pdf>

²² <https://www.kff.org/health-reform/issue-brief/understanding-short-term-limited-duration-health-insurance/>

²³ <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/>

²⁴ Ibid.

²⁵ <http://go.avalere.com/acton/attachment/12909/f-052f/1/-/-/-/Association%20Health%20Plans%20White%20Paper.pdf>

- Large and FEHBP – Based on data from the National Health Expenditures.²⁶
- Medicare Advantage and Medicaid – Based on data from the National Health Expenditures.²⁷
- Medicare PDPs – Based on actual changes in enrollment from July 2017 to July 2018, with similar enrollment increase assumed from 2018 to 2019.²⁸

Table 4 shows the assumptions to project the 2017 premium experience to 2019.

Table 4
Projection Assumptions for 2017 to 2019

Line of Business	Premium Rate Increases		Enrollment	
	2017 to 2018	2018 to 2019	2017 to 2018	2018 to 2019
Individual*	19.7%	15.4%	0.6%	-7.0%
Small Group*	4.4%	-0.1%	0.6%	3.3%
Large Group	4.4%	3.8%	0.6%	0.2%
FEHBP	4.4%	3.8%	0.6%	0.2%
Medicare Advantage	3.0%	4.8%	3.0%	3.0%
Medicaid	5.1%	3.7%	1.7%	1.8%
Medicare PDP	2.3%	2.3%	1.1%	1.1%

*Accounts for Short-Term, Limited Duration plans and Association Health Plans

Table 5 shows the projections of premiums by line of business based on the trends above.

Table 5
Projected Premiums for 2019

Line of Business	2017 Premiums (000s)	Cost Trend (2017-2019)	Membership Trend (2017-2019)	2019 Premiums (000s)	Exclusions (000s)	Net Premiums (Denominator) (000s)
Individual	\$82,874,490	1.382	0.936	\$107,193,624	\$8,238,226	\$98,955,398
Small Group	87,523,367	1.042	1.039	94,766,466	8,214,211	86,552,255
Large Group	249,805,898	1.084	1.007	272,792,845	34,931,762	237,861,083
FEHBP	13,162,393	1.084	1.007	14,373,586	875,644	13,497,942
Medicare Advantage	204,429,324	1.079	1.061	233,914,879	17,417,866	216,497,013
Medicaid	170,597,883	1.090	1.034	192,376,960	6,882,280	185,494,680
Medicare PDP	15,892,018	1.047	1.022	16,994,633	72,638	16,921,995
Total	\$824,285,372			\$932,412,994	\$76,632,628	\$855,780,367

²⁶ <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/>

²⁷ Ibid

²⁸ <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MCRAdvPartDENrolData/PDP-State-County-Penetration.html>

3. Results

Using the assumptions described above, we projected the gross premiums forward to each year from 2020 to 2029 and apply the applicable exclusions to determine net premiums. Additionally, the projected annual change in gross premiums are applied to the insurer fee for 2019 forward, as the statutory fixed fee ends in 2018.²⁹ Next, we calculated the ratio of the insurer taxes to the projected net premiums. Finally, we grossed up the ratio to reflect the non-deductibility of the taxes by assuming an effective 21% overall federal tax rate, reflecting the federal statutory rate for corporate income tax. This implies that for each dollar paid in taxes, an additional \$1.27 in premiums must be collected.

Table 6
Estimated Increase in Health Insurance Premiums Due to Section 9010 Taxes

Year	Percent Increase
2020	2.2%
2021	2.2%
2022	2.2%
2023	2.2%
2024	2.2%
2025	2.2%
2026	2.2%
2027	2.2%
2028	2.2%
2029	2.2%

Table 6 represents the increase in average premium rates by year that will be needed to fund the payments that insurers will be required to make to support the taxes imposed on them.

Per Capita Increase in Premiums

Using the amounts in Table 6, we applied these increases on a per capita basis to the premiums in each market. Table 7 shows the projected per capita premium increase for the next ten years by line of business.

²⁹ <https://www.irs.gov/businesses/corporations/affordable-care-act-provision-9010>

Table 7
Estimated Increase in Per Capita Premiums Due to Section 9010 Taxes for 2020-2029

Year	Small Group			Large Group		FEHBP		Medicare	Medicaid	Medicare
	Individual	Single	Family	Single	Family	Single	Family	Advantage		PDP
2020	\$ 196	\$ 154	\$ 479	\$ 158	\$ 458	\$ 161	\$ 466	\$ 241	\$ 157	\$ 16
2021	205	160	499	165	476	168	485	253	165	16
2022	216	167	518	171	494	174	503	265	172	16
2023	227	174	541	178	516	182	526	278	181	17
2024	237	182	566	187	540	191	550	291	189	17
2025	250	190	592	195	565	199	575	303	200	17
2026	263	198	617	203	589	208	600	322	212	18
2027	278	207	643	212	614	217	625	343	224	18
2028	293	216	671	221	640	226	652	366	237	19
2029	309	225	699	231	667	235	680	389	251	19
Total	\$ 2,473	\$ 1,873	\$ 5,824	\$ 1,921	\$ 5,558	\$ 1,961	\$ 5,664	\$ 3,052	\$ 1,988	\$ 173

Additional Premiums

We can also apply the tax rates to the projected aggregate health care premiums to determine the amount of additional premiums that will be paid for the next ten years. Table 8 shows the total additional premiums by line of business for 2020 through 2029.

Table 8
Additional Premiums by Year and Line of Business for 2020-2029 (\$000s)

Year	Small Group			Large Group		FEHBP		Medicare	Medicaid	Medicare
	Individual	Single	Family	Single	Family	Single	Family	Advantage		PDP
2020	\$ 2,297,779	\$ 488,136	\$ 1,517,746	\$ 1,400,537	\$ 4,051,589	\$ 80,964	\$ 233,816	\$ 5,035,853	\$ 4,354,271	\$ 400,115
2021	2,417,858	510,534	1,587,388	1,464,800	4,237,495	84,679	244,544	5,436,715	4,616,878	413,762
2022	2,539,972	532,769	1,656,521	1,528,594	4,422,043	88,367	255,194	5,858,340	4,891,989	427,875
2023	2,666,156	558,763	1,737,345	1,603,177	4,637,802	92,679	267,646	6,301,306	5,178,981	442,470
2024	2,800,482	586,229	1,822,744	1,681,981	4,865,774	97,234	280,802	6,782,339	5,483,480	457,562
2025	2,951,089	614,268	1,909,923	1,762,428	5,098,495	101,885	294,232	7,227,035	5,832,372	473,169
2026	3,111,872	642,265	1,996,975	1,842,756	5,330,877	106,529	307,643	7,878,795	6,228,783	489,309
2027	3,281,416	671,539	2,087,994	1,926,747	5,573,851	111,384	321,665	8,589,333	6,652,137	505,999
2028	3,460,196	702,146	2,183,162	2,014,565	5,827,899	116,461	336,326	9,363,949	7,104,266	523,258
2029	3,648,717	734,149	2,282,667	2,106,386	6,093,526	121,769	351,655	10,208,423	7,587,124	541,106
Total	\$ 29,175,537	\$ 6,040,799	\$ 18,782,464	\$ 17,331,971	\$ 50,139,352	\$ 1,001,953	\$ 2,893,522	\$ 72,682,087	\$ 57,930,281	\$ 4,674,624

Consumers in Plans Impacted by the Tax on Health Insurance

We estimated that about 142 million consumers are in fully-insured plans that could be impacted by the tax on health insurance. The Congressional Budget Office has stated previously that consumers would pay the health insurers tax as it would be passed through in the form of higher premiums.³⁰ This means that consumers who purchase individual coverage, receive it from their employer, or enroll in a Medicare Advantage plan or Medicare PDP are paying for the health insurance tax. For individuals covered by exchange subsidies and Medicaid, the government pays the tax on their behalf. Table 9 shows the number of fully-insured consumers, by line of business, who are in plans that could be impacted by the tax on health insurance in 2020.

³⁰ <https://www.cbo.gov/sites/default/files/111th-congress-2009-2010/reports/11-30-premiums.pdf>

Table 9
Estimated Consumers in Plans That Could Be Impacted by the Health Insurance Tax in 2020

Line of Business	Consumers in Fully-Insured Plans
Individual	17,400,000
Small Group	14,300,000
Large Group	35,800,000
Medicare Advantage	20,900,000
Medicare PDP	25,700,000
Medicaid Managed Care	27,700,000
Total	141,800,000

4. State Specific Results

Using the financial statement data, we split the premium data further into state specific data. Therefore, we have calculated for each state and line of business, the additional premiums that will be paid in 2020 in aggregate, and per capita. The detailed data are shown in Tables 10-13 below.

Table 10
Additional Premiums to Be Paid as a Result of Section 9010 Taxes in 2020 (\$000s)³¹

State/ Territory	Individual	Small Group	Large Group	FEHBP	Medicare Advantage	Medicaid	Medicare PDP	Total
AK	\$ 6,566	\$ 4,060	\$ 15,087	\$ 0	\$ 128	\$ 0	\$ 160	\$ 26,001
AL	42,908	32,834	64,764	0	79,221	305	5,944	225,976
AR	54,958	10,667	29,827	204	24,205	0	3,601	123,462
AZ	45,210	25,977	64,329	12,454	99,846	80,662	5,062	333,540
CA	324,449	301,712	1,087,986	120	555,991	436,410	21,933	2,728,601
CO	33,057	33,052	71,306	1,423	55,942	5,248	4,495	204,522
CT	29,285	28,795	59,789	0	356,742	0	3,830	478,440
DC	4,040	13,546	90,855	2,609	2,649	24,474	919	139,091
DE	5,697	5,896	13,585	3	1,506	0	854	27,540
FL	280,783	79,996	294,393	63,521	593,687	386,115	43,816	1,742,311
GA	79,558	40,473	142,289	3,162	149,245	100,418	13,538	528,683
HI	5,307	17,217	60,127	10,801	24,416	22,208	2,426	142,503
IA	23,391	22,372	44,730	1,896	10,377	111,528	4,157	218,450
ID	14,646	8,901	24,368	0	8,751	0	1,293	57,960
IL	88,974	93,180	266,156	9,968	173,618	195,052	28,124	855,072
IN	21,722	27,787	59,145	40	64,808	102,576	12,293	288,368
KS	25,224	19,343	45,303	1,871	8,736	79,256	2,609	182,342
KY	19,114	17,637	49,783	149	232,448	142,653	13,191	474,974
LA	34,973	29,826	64,215	5,643	77,446	180,321	5,574	397,997
MA	15,284	30,776	119,205	11,280	36,603	41,601	10,403	265,153
MD	37,014	36,016	137,173	6,505	16,263	134,602	4,508	372,081
ME	9,174	7,061	28,902	0	7,645	0	559	53,341
MI	39,412	52,220	149,431	5,676	143,770	167,123	10,273	567,904
MN	9,050	33,252	79,909	43,122	14,117	42,831	3,885	226,166
MO	51,430	33,592	91,494	186	130,575	44,565	7,185	359,027
MS	18,828	11,772	26,447	2,379	15,558	62,404	4,978	142,364
MT	11,212	7,180	10,804	0	8,949	0	696	38,842
NC	136,458	41,379	90,456	0	127,677	0	12,826	408,795
ND	7,623	8,779	20,198	2,683	264	8,102	1,040	48,689
NE	23,687	10,255	35,764	593	7,456	31,588	2,565	111,908
NH	10,813	8,396	22,880	0	4,649	7,476	863	55,076
NJ	65,879	75,749	171,531	681	173,199	254,028	8,445	749,511
NM	7,773	7,351	20,269	0	32,336	111,474	2,685	181,887
NV	17,314	12,918	45,853	597	35,873	44,595	1,468	158,617
NY	43,101	216,859	353,025	22,043	225,384	149,836	21,183	1,031,431
OH	41,001	68,976	149,298	12,946	160,870	199,264	23,534	655,890
OK	33,152	27,775	55,602	33	33,070	0	5,590	155,221
OR	22,572	17,780	69,573	10,028	57,543	12,776	1,867	192,139
PA	92,316	97,633	237,488	5,471	178,181	196,983	11,465	819,536
RI	4,372	9,529	19,763	326	23,543	14,521	1,227	73,280
SC	44,043	17,737	48,030	0	61,367	78,102	8,978	258,258
SD	8,058	8,218	13,956	3,292	1,393	0	962	35,879
TN	54,855	37,784	68,233	26	144,846	156,990	5,934	468,668
TX	167,229	144,489	307,185	38,975	429,479	396,500	42,514	1,526,371
UT	14,632	11,520	43,996	451	30,419	11,244	1,202	113,464
VA	63,054	50,806	158,484	3,194	47,487	59,860	9,546	392,431
VT	6,164	7,109	5,821	0	2,533	0	624	22,250
WA	39,234	39,458	133,268	1,308	96,005	119,847	4,488	433,607
WI	39,574	35,835	125,195	21,421	108,220	34,394	7,215	371,853
WV	8,066	6,676	19,858	314	27,761	35,454	6,940	105,068
WY	6,846	3,307	5,328	231	440	0	467	16,619
AS	0	0	60	0	1	0	(0)	61
GU	20	4,796	1,531	1,034	46	0	6	7,433
MP	40	327	79	0	7	0	1	453
PR	8,587	8,309	33,362	6,124	131,980	70,886	175	259,423
VI	50	995	4,643	0	586	0	1	6,275
Total	\$ 2,297,779	\$ 2,005,883	\$ 5,452,126	\$ 314,780	\$ 5,035,853	\$ 4,354,271	\$ 400,115	\$ 19,860,806

³¹ Note that the total amount in this table is less than the \$20.3 billion cited in the Executive Summary since not all plans pay the full 21% corporate tax rate which is the underlying assumption of the \$20.3 billion total.

Table 11
Total Additional Premiums to Be Paid as a Result of Section 9010 Taxes 2020-2029 (\$000s)

State/ Territory	Individual	Small Group	Large Group	FEHBP	Medicare Advantage	Medicaid	Medicare PDP	Total
AK	\$ 83,371	\$ 50,242	\$ 186,701	\$ 0	\$ 1,854	\$ 0	\$ 1,874	\$ 324,040
AL	544,813	406,324	801,470	0	1,143,397	4,060	69,442	2,969,507
AR	697,818	132,001	369,115	2,530	349,350	0	42,069	1,592,883
AZ	574,043	321,478	796,084	154,116	1,441,069	1,073,148	59,144	4,419,081
CA	4,119,619	3,733,761	13,464,074	1,489	8,024,575	5,806,109	256,246	35,405,873
CO	419,737	409,023	882,428	17,609	807,402	69,817	52,513	2,658,530
CT	371,834	356,341	739,903	0	5,148,827	0	44,747	6,661,651
DC	51,298	167,633	1,124,351	32,288	38,230	325,601	10,739	1,750,141
DE	72,336	72,965	168,112	32	21,735	0	9,978	345,158
FL	3,565,185	989,970	3,643,178	786,086	8,568,641	5,136,966	511,907	23,201,933
GA	1,010,173	500,861	1,760,861	39,128	2,154,044	1,335,989	158,163	6,959,219
HI	67,388	213,068	744,089	133,661	352,399	295,464	28,347	1,834,417
IA	297,008	276,854	553,541	23,468	149,767	1,483,794	48,563	2,832,995
ID	185,969	110,154	301,563	0	126,305	0	15,105	739,096
IL	1,129,732	1,153,129	3,293,738	123,353	2,505,815	2,595,023	328,575	11,129,365
IN	275,804	343,866	731,928	489	935,362	1,364,690	143,617	3,795,758
KS	320,281	239,378	560,638	23,150	126,080	1,054,436	30,484	2,354,448
KY	242,693	218,256	616,076	1,841	3,354,910	1,897,886	154,109	6,485,771
LA	444,057	369,101	794,676	69,837	1,117,766	2,399,030	65,126	5,259,594
MA	194,071	380,864	1,475,186	139,594	528,290	553,464	121,545	3,393,014
MD	469,978	445,708	1,697,552	80,496	234,721	1,790,779	52,672	4,771,905
ME	116,485	87,387	357,665	0	110,340	0	6,531	678,407
MI	500,423	646,238	1,849,238	70,240	2,075,017	2,223,445	120,019	7,484,619
MN	114,905	411,501	988,891	533,642	203,750	569,837	45,393	2,867,919
MO	653,018	415,705	1,132,264	2,308	1,884,584	592,903	83,939	4,764,721
MS	239,061	145,675	327,288	29,438	224,544	830,235	58,156	1,854,397
MT	142,365	88,855	133,706	0	129,161	0	8,133	502,221
NC	1,732,645	512,075	1,119,410	0	1,842,749	0	149,845	5,356,725
ND	96,794	108,638	249,950	33,199	3,814	107,797	12,150	612,343
NE	300,765	126,906	442,584	7,333	107,618	420,251	29,972	1,435,429
NH	137,293	103,903	283,140	0	67,094	99,458	10,088	700,977
NJ	836,484	937,407	2,122,731	8,428	2,499,762	3,379,652	98,666	9,883,129
NM	98,697	90,965	250,830	0	466,698	1,483,076	31,375	2,421,641
NV	219,836	159,859	567,441	7,386	517,758	593,306	17,145	2,082,731
NY	547,270	2,683,686	4,368,760	272,784	3,252,946	1,993,454	247,490	13,366,391
OH	520,604	853,594	1,847,596	160,206	2,321,829	2,651,062	274,952	8,629,844
OK	420,941	343,716	688,086	407	477,294	0	65,307	1,995,752
OR	286,606	220,029	860,977	124,103	830,520	169,972	21,814	2,514,022
PA	1,172,157	1,208,233	2,938,973	67,701	2,571,667	2,620,710	133,946	10,713,386
RI	55,511	117,918	244,575	4,033	339,788	193,189	14,335	969,349
SC	559,222	219,504	594,381	0	885,711	1,039,092	104,895	3,402,804
SD	102,314	101,696	172,705	40,744	20,099	0	11,245	448,803
TN	696,505	467,587	844,399	319	2,090,551	2,088,640	69,324	6,257,325
TX	2,123,351	1,788,091	3,801,490	482,325	6,198,630	5,275,138	496,698	20,165,723
UT	185,791	142,563	544,463	5,576	439,030	149,599	14,042	1,481,063
VA	800,618	628,731	1,961,274	39,527	685,383	796,387	111,530	5,023,449
VT	78,266	87,970	72,039	0	36,553	0	7,287	282,116
WA	498,161	488,303	1,649,217	16,185	1,385,630	1,594,474	52,430	5,684,400
WI	502,477	443,472	1,549,313	265,088	1,561,927	457,582	84,293	4,864,153
WV	102,415	82,617	245,753	3,886	400,668	471,683	81,076	1,388,099
WY	86,923	40,924	65,938	2,860	6,353	0	5,457	208,455
AS	0	0	743	0	8	0	(1)	750
GU	250	59,353	18,946	12,800	663	0	65	92,076
MP	508	4,044	974	0	95	0	7	5,628
PR	109,031	102,829	412,857	75,788	1,904,858	943,081	2,046	3,550,490
VI	635	12,316	57,460	0	8,454	0	10	78,875
Total	\$ 29,175,537	\$ 24,823,263	\$ 67,471,323	\$ 3,895,474	\$ 72,682,087	\$ 57,930,281	\$ 4,674,624	\$ 260,652,590

Table 12
Additional Premiums per Capita as a Result of Section 9010 Taxes in 2020

State/ Territory	Individual	Small Group Single	Small Group Family	Large Group Single	Large Group Family	FEHBP Single	FEHBP Family	Medicare Advantage	Medicaid	Medicare PDP
AK	\$ 430	\$ 238	\$ 739	\$ 210	\$ 599	\$ 0	\$ 0	\$ 255	\$ 0	\$ 15
AL	236	143	446	147	428	0	0	240	105	15
AR	160	127	396	142	397	142	397	242	0	14
AZ	259	126	391	161	465	161	465	244	150	13
CA	172	138	429	147	424	161	465	228	112	19
CO	170	136	422	148	434	149	437	224	131	18
CT	220	162	504	174	496	0	0	244	0	14
DC	149	154	479	171	497	167	484	234	242	12
DE	235	185	575	174	496	174	496	244	0	12
FL	188	159	496	165	476	165	474	258	116	18
GA	180	152	472	158	476	161	486	237	120	16
HI	189	134	417	151	421	156	435	207	161	14
IA	218	133	412	157	429	157	429	235	158	16
ID	167	120	374	148	463	0	0	231	0	19
IL	214	157	489	167	493	166	491	249	137	15
IN	173	155	482	162	477	163	479	244	191	15
KS	192	130	406	156	447	156	447	242	172	18
KY	164	143	446	153	444	153	444	244	168	15
LA	230	143	445	153	461	153	461	242	131	13
MA	143	115	359	158	453	167	478	209	166	14
MD	176	141	437	159	479	146	439	210	199	12
ME	189	124	386	164	473	0	0	243	0	16
MI	157	129	400	146	424	157	455	226	143	13
MN	210	132	411	159	463	160	467	235	203	16
MO	197	150	466	156	441	157	443	239	212	18
MS	191	133	413	150	420	150	420	245	161	14
MT	228	134	416	171	474	0	0	239	0	16
NC	277	163	507	152	452	0	0	240	0	14
ND	176	132	410	164	447	163	446	239	283	16
NE	249	142	441	162	442	162	442	241	173	16
NH	162	144	448	172	493	0	0	236	193	16
NJ	202	182	564	173	485	173	485	252	189	15
NM	151	139	433	165	449	0	0	225	145	14
NV	157	125	389	145	427	146	429	261	99	18
NY	210	209	651	172	503	166	486	232	202	14
OH	173	167	518	167	466	167	466	243	175	15
OK	252	142	442	154	443	154	443	239	0	16
OR	167	124	387	146	419	159	456	229	166	16
PA	210	159	493	165	475	162	467	236	236	16
RI	157	159	495	177	477	177	479	245	217	14
SC	214	160	498	154	470	0	0	240	101	14
SD	202	147	456	155	450	157	456	242	0	16
TN	237	132	411	148	445	148	445	240	166	15
TX	172	161	501	156	465	154	461	256	168	15
UT	123	103	319	155	433	145	403	236	127	19
VA	166	144	448	163	472	148	431	246	180	15
VT	213	171	531	169	474	0	0	233	0	14
WA	161	142	442	166	472	171	487	232	144	16
WI	207	156	485	167	458	170	464	231	143	17
WV	280	183	569	169	459	169	459	242	153	16
WY	254	168	523	173	522	173	522	245	0	16

Table 13
Total Additional Premiums per Capita as a Result of Section 9010 Taxes 2020-2029

State/ Territory	Individual	Small Group Single	Small Group Family	Large Group Single	Large Group Family	FEHBP Single	FEHBP Family	Medicare Advantage	Medicaid	Medicare PDP
AK	\$ 5,422	\$ 2,887	\$ 8,976	\$ 2,549	\$ 7,271	\$ 0	\$ 0	\$ 3,229	\$ 0	\$ 161
AL	2,970	1,743	5,418	1,790	5,204	0	0	3,038	1,321	164
AR	2,018	1,548	4,814	1,727	4,826	1,727	4,826	3,059	0	157
AZ	3,271	1,528	4,752	1,955	5,652	1,955	5,652	3,082	1,890	145
CA	2,170	1,677	5,213	1,784	5,145	1,957	5,644	2,883	1,421	208
CO	2,148	1,648	5,125	1,804	5,273	1,815	5,308	2,829	1,660	203
CT	2,775	1,968	6,119	2,116	6,025	0	0	3,080	0	154
DC	1,877	1,873	5,823	2,080	6,034	2,027	5,880	2,962	3,060	134
DE	2,961	2,248	6,988	2,109	6,029	2,109	6,029	3,090	0	134
FL	2,376	1,936	6,020	2,010	5,777	2,005	5,761	3,258	1,461	198
GA	2,266	1,844	5,735	1,919	5,784	1,958	5,901	3,002	1,514	177
HI	2,378	1,628	5,061	1,833	5,115	1,893	5,283	2,616	2,040	151
IA	2,754	1,611	5,010	1,905	5,212	1,905	5,212	2,976	1,998	176
ID	2,108	1,462	4,547	1,799	5,629	0	0	2,915	0	214
IL	2,696	1,912	5,946	2,026	5,984	2,019	5,963	3,148	1,726	163
IN	2,179	1,882	5,852	1,972	5,789	1,982	5,818	3,085	2,413	169
KS	2,423	1,585	4,927	1,889	5,426	1,889	5,426	3,059	2,167	194
KY	2,062	1,742	5,416	1,862	5,392	1,862	5,392	3,085	2,121	169
LA	2,899	1,739	5,407	1,854	5,603	1,854	5,603	3,063	1,651	144
MA	1,804	1,402	4,359	1,923	5,507	2,029	5,807	2,647	2,096	154
MD	2,213	1,707	5,308	1,936	5,822	1,775	5,338	2,659	2,508	134
ME	2,386	1,509	4,693	1,986	5,752	0	0	3,067	0	175
MI	1,979	1,562	4,857	1,776	5,147	1,909	5,532	2,863	1,801	147
MN	2,645	1,607	4,995	1,935	5,629	1,949	5,672	2,977	2,568	176
MO	2,484	1,820	5,658	1,895	5,362	1,901	5,379	3,025	2,677	197
MS	2,407	1,612	5,011	1,824	5,097	1,824	5,097	3,093	2,035	151
MT	2,874	1,626	5,057	2,081	5,761	0	0	3,023	0	176
NC	3,492	1,980	6,155	1,848	5,491	0	0	3,034	0	158
ND	2,217	1,602	4,980	1,990	5,432	1,983	5,415	3,027	3,578	176
NE	3,141	1,723	5,356	1,968	5,372	1,968	5,372	3,051	2,180	176
NH	2,036	1,750	5,442	2,085	5,988	0	0	2,979	2,443	175
NJ	2,544	2,205	6,855	2,099	5,897	2,099	5,897	3,188	2,383	168
NM	1,902	1,692	5,261	2,007	5,454	0	0	2,845	1,834	157
NV	1,975	1,519	4,725	1,764	5,182	1,775	5,216	3,305	1,246	204
NY	2,650	2,542	7,905	2,085	6,108	2,013	5,898	2,931	2,556	152
OH	2,180	2,024	6,293	2,034	5,665	2,034	5,665	3,073	2,206	170
OK	3,178	1,726	5,367	1,870	5,382	1,870	5,382	3,025	0	180
OR	2,106	1,510	4,697	1,775	5,088	1,931	5,537	2,890	2,098	174
PA	2,651	1,926	5,988	2,000	5,773	1,967	5,678	2,989	2,983	181
RI	1,983	1,933	6,010	2,145	5,796	2,155	5,822	3,094	2,746	154
SC	2,696	1,944	6,044	1,874	5,714	0	0	3,034	1,271	155
SD	2,546	1,780	5,535	1,879	5,469	1,901	5,534	3,056	0	176
TN	2,994	1,607	4,997	1,792	5,406	1,792	5,406	3,034	2,100	164
TX	2,174	1,957	6,085	1,892	5,650	1,875	5,599	3,242	2,116	169
UT	1,551	1,247	3,876	1,888	5,256	1,759	4,895	2,979	1,604	214
VA	2,087	1,750	5,442	1,975	5,734	1,803	5,234	3,106	2,279	169
VT	2,685	2,073	6,446	2,049	5,753	0	0	2,940	0	154
WA	2,035	1,728	5,374	2,015	5,733	2,080	5,917	2,939	1,823	174
WI	2,614	1,894	5,889	2,032	5,561	2,062	5,642	2,923	1,812	192
WV	3,536	2,223	6,912	2,050	5,580	2,050	5,580	3,062	1,929	181
WY	3,206	2,044	6,354	2,104	6,342	2,104	6,342	3,100	0	176



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