
12TH ANNUAL

KNOX-KEENE

HEALTH PLAN

EXPENDITURES

SUMMARY

FY 2003-2004



California Medical Association
Physicians dedicated to the health of Californians

CALIFORNIA MEDICAL ASSOCIATION

Knox-Keene Health Plan Expenditures Summary

FY 2003-2004

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Knox-Keene Health Plan Expenditures Summary

FY 2003-2004

Executive Summary

This is the twelfth report published by the California Medical Association in regard to Knox-Keene Health Plan expenditures. The California Medical Association believes that the information provided in this report should be published annually by the Department of Managed Health Care, but, to date, it has chosen not to do so. Thus, we will continue to provide this information to the public.

This report is a compilation of expenditure data reported from managed care plans to the Department of Managed Health Care, and from public annual reports. In an effort to standardize this data, the Department of Managed Health Care (DMHC) has detailed instructions that each plan must follow when reporting expenditures. In this sense, all plans must report similar data even if they are not all alike and may not always be comparable.

While we believe that cost comparisons are a valuable tool in evaluating the performance of a health plan, we recognize that not all plans are alike. Therefore, we note that the reader must be aware of the many differing factors that limit the ability to make comparisons with this data.

Last year, we made three new additions to the Knox-Keene report, and we have chosen to continue all three. First is the reintroduction of health plans that have become insolvent, filed bankruptcy or who were absorbed by other health plans over the last five years. Second, is the Executive Compensation table that provides a glimpse of salary and bonuses for 2003. Finally, we've included an appendix of websites to access consumer related report cards.

To obtain a copy of this report, contact the California Medical Association at (916) 444-5532. A hard copy of the report is free to CMA members and is available to the public and non-member physicians at a nominal fee.

Report prepared by David Ford.

Knox-Keene Health Plan Expenditures Summary

Full Service Knox-Keene Health Plans, Public Health Plans, and Limited License Plans
FY 2003-2004

Table I

Health Plan	Data Year	Enrollees	Tax Status	Date Licensed	% Revenue Medical Care	% Revenue Administration	% Revenue Profit/Income ⁱ
Full Service Health Plans							
Aetna Health Care of California	CY03	377,718	For-Profit	08/81	80.9%	10.2%	8.8%
Blue Cross of California ¹	CY03	4,733,970	For-Profit	01/93	79.9%	12.3%	7.8%
Blue Shield of California ²	CY03	2,675,011	Non-Profit	07/78	81.5%	12.2%	6.2%
Care 1st Health Plan	CY03	179,457	For-Profit	11/95	85.6%	9.7%	4.7%
Chinese Community Health Plan	CY03	11,237	For-Profit	07/87	84.9%	12.1%	3%
CIGNA HealthCare of California	CY03	546,692	For-Profit	03/79	84.1%	15.1%	0.8%
Community Health Group	CY03	103,414	Non-Profit	08/85	90.8%	11.2%	-2.0%
Great-West Healthcare of California ³	CY03	53,123	For-Profit	03/96	81.8%	14.6%	3.5%
Health Net of California	CY03	2,237,734	For-Profit	03/91	84%	10%	6%
Inter Valley Health Plan	FY04	13,643	Non-Profit	05/79	88.5%	9.1%	2.4%
Kaiser Foundation Health Plan	CY03	6,453,906	Non-Profit	11/77	92.8%	3.2%	3.9%
Molina Healthcare of California/American Family Care	CY03	254,393	For-Profit	03/94	83.2%	9.9%	6.9%
On Lok Senior Health Services	FY04	943	Non-Profit	01/99	88.5%	6.4%	5.1%
PacifiCare of California	CY03	1,681,389	For-Profit	05/78	83.8%	10.6%	5.6%
Scripps Clinic Health Plan Services	FY04	39,239	Non-Profit	04/99	95%	4.9%	0.1%
Sharp Health Plan	FY04	124,108	Non-Profit	09/92	93.4%	7.3%	-0.7%
SIMNSA Health Plan	CY03	11,994	Non-Profit	01/00	69.6%	28.8%	1.5%
SmartCare Health Plan ⁴	CY03	52,945	Non-Profit	11/84	73.8%	7.8%	18.4%
UHP Healthcare	FY04	71,664	Non-Profit	10/78	84.1%	13%	2.9%
Universal Care	FY04	486,806	For-Profit	10/85	86.9%	12.8%	0.3%
Western Health Advantage	FY04	71,664	Non-Profit	01/97	89.2%	9.7%	1.1%
Public Health Plans							

¹ Blue Cross of California includes their HMO, PPO, and POS products.

² Blue Shield of California includes their HMO and PPO products.

³ Formerly One Health Plan of California

⁴ Formerly SCAN Health Plan

Health Plan	Data Year	Enrollees	Tax Status	Date Licensed	% Revenue Medical Care	% Revenue Administration	% Revenue Profit/Income ⁱ
Alameda Alliance for Health	FY04	92,580	Non-Profit	09/95	99.6%	9.1%	-8.7%
CalOptima	FY04	324,411	Non-Profit	06/00	97%	5.4%	-2.4%
Central Coast Alliance for Health	CY03	80,765	Non-Profit	06/00	93.4%	6%	0.6%
Community Health Plan	FY04	162,295	Non-Profit	12/85	87.1%	9.1%	3.8%
Contra Costa Health Plan	FY04	63,257	Non-Profit	04/78	92.1%	7.5%	0.4%
Health Plan of San Joaquin ¹	FY04	75,908	Non-Profit	01/96	86.3%	9.4%	4.2%
Health Plan of San Mateo	CY03	52,944	Non-Profit	07/98	92.4%	7.6%	0%
Inland Empire Health Plan	FY04	277,742	Non-Profit	07/96	91.9%	8%	0.1%
Kern Health Systems	CY03	79,791	Non-Profit	05/96	91.1%	6.7%	2.2%
L.A. Care Health Plan	FY04	771,342	Non-Profit	04/97	94.7%	4%	1.3%
Partnership Health Plan ²	FY04	84,901	Non-Profit	05/94	95.1%	4.8%	0.1%
San Francisco Health Plan	FY04	46,981	Non-Profit	08/96	84.9%	9.2%	5.9%
Santa Barbara Regional Health Authority	FY04	56,157	Non-Profit	06/00	90.8%	6.1%	3.1%
Santa Clara Family Health Authority	FY04	96,665	Non-Profit	12/96	86.2%	10.9%	2.9%
University of California Regents (UC San Diego)	FY03	12,920	Non-Profit	11/97	105.1%	14.0%	-19.1%
Valley Health Plan	FY04	58,066	Non-Profit	09/85	90.5%	9.1%	0.4%
Ventura County Health Plan	FY04	10,638	Non-Profit	06/96	88.5%	11.4%	0.1%
Limited License Health Plansⁱⁱ							
Cedars-Sinai Provider Plan, LLC	FY03	1	Non-Profit	08/98	55.6%	30.2%	14.2%
Heritage Provider Network	CY03	257,189	For-Profit	02/97	92.5%	7.1%	0.4%
PRIMECARE Medical Network	CY03	240,336	For-Profit	10/98	86.5%	10.6%	2.9%
ProMed Health Care Administrators	FY03	9,045	For-Profit	04/99	32.1%	53%	14.9%

¹ The Health Plan of San Joaquin receives non-HMO related revenue (\$2.5 million) to administer employee self-funded insurance programs under a Third Party Administrator (TPA) contract. Thus, the percentage of Revenue to Medical Care, as reported, is slightly lower than the amount actually spent per patient, and the percentage of Revenue to Administrative Expense, as reported, is slightly higher.

² Values for total revenue, total medical expense, total administrative expense and total income figures for Partnership Health Plan of California were taken from their 2004 public annual report.

Sources:

Department of Managed Health Care List of All Licensed Plans (Public Alpha Report) HMO and Health Plan Financial Statements as submitted to Department of Managed Health Care by licensed Knox-Keene health plans (website: <http://wps0.dmhc.ca.gov/fe/search.asp>)

ⁱ Total profit/income figures represent pre-tax income. The following for-profit plans had provisions for taxes listed in their financial statements submitted to the DMHC: Aetna Health Care of CA: \$34,702,864; Blue Cross of CA: \$321,900; Care 1st Health Plan: \$4,684,344; Chinese Community Health Plan: \$546,644; CIGNA HealthCare of CA: \$3,085,606; Great-West Healthcare of California: 2,032,322; Health Net of CA: \$138,878,575; Molina Healthcare of California: \$8,395,015; PacifiCare of CA: \$123,690,924; Universal Care: \$365,035.

ⁱⁱ A Limited License plan was never envisioned in the enactment of the Knox-Keene Act. Limited License plans have been licensed by regulation to assume full-risk (Global Capitation) for physician and hospital services. By regulation, a Limited License plan can contract only with HMOs.

Knox-Keene Health Plan Expenditures Summary

Full Service and Public Health Plan Expenditure Ratios 1999-2003

Table II

	% Revenue Medical Care					% Revenue Administration					% Revenue Profit/Income				
	2003	2002	2001	2000	1999	2003	2002	2001	2000	1999	2003	2002	2001	2000	1999
<i>Full Service Health Plans</i>															
Aetna Health Care of California	80.9	85.2	93.3	87.9	86.5	10.2	9.9	11.4	12.4	12.8	8.8	4.9	-4.7	-0.3	0.7
Blue Cross of California ¹	79.9	78.9	78.9	76.4	77.5	12.3	13.0	13.8	14.3	14.5	7.8	8.1	7.3	9.3	8.1
Blue Shield of California ²	81.5	82.6	85.4	83.6	82.6	12.2	13.5	13.2	16.9	16.8	6.2	3.9	1.4	-0.5	0.5
BPS HMO*	**	**	**	**	81.5	**	**	**	**	18.2	**	**	**	**	0.3
Care 1st Health Plan	85.6	85.6	83.3	85.1	84.5	9.7	8.1	10.4	12.7	13.5	4.7	6.3	6.3	2.2	2.0
Chinese Community Health Plan	84.9	84.3	81.4	80.3	80.1	12.1	12.1	15.0	18.3	18.2	3	3.6	3.6	1.4	1.7
CIGNA HealthCare of California	84.1	84.2	82.7	82.2	82.5	15.1	16.0	17.6	15.7	13.0	0.8	-0.3	-0.3	2.1	4.5
Community Health Group	90.8	88.6	82.9	79.9	82.1	11.2	11.9	15.2	15.8	15.5	-2.0	-0.5	1.9	4.3	2.4
Great-West Healthcare of California	81.8	85.8	87.0	66.6	54.5	14.6	13.8	14.2	14.1	13.4	3.5	0.5	-1.2	19.3	32.1
Health Net of California	84	85.6	87.0	83.6	86.4	10	10	9.4	9.7	9.1	6	4.4	3.6	6.7	4.5
Health Plan of the Redwoods*	**	**	**	89.3	88.3	**	**	**	13.2	13.3	**	**	**	-2.5	-1.6
Inter Valley Health Plan	88.5	89.7	91.8	90.7	87.3	9.1	9.6	10.4	10.8	12.1	2.4	0.7	-2.2	-1.5	0.6
Kaiser Foundation Health Plan ³	92.8	98.3	94.9	95.6	**	3.2	2.4	3.7	3.2	**	3.9	-0.7	1.4	1.2	**
Kaiser Foundation Health Plan - N. CA	**	**	**	**	96.0	**	**	**	**	3.0	**	**	**	**	1.0
Kaiser Foundation Health Plan - S. CA	**	**	**	**	96.1	**	**	**	**	3.5	**	**	**	**	1.2

¹ Blue Cross of California includes their HMO, PPO, and POS products.

² Blue Shield of California includes their HMO and PPO products.

³ Kaiser Foundation Health Plan previously reported financial figures for both Northern and Southern California, but currently reports the values combined (for the entire state).

* Plans active during the past five years have been included to show which plans have been absorbed by other health plans or ceased conducting business under Knox-Keene licensure.

** Financials unavailable

	% Revenue Medical Care					% Revenue Administration					% Revenue Profit/Income				
	2003	2002	2001	2000	1999	2003	2002	2001	2000	1999	2003	2002	2001	2000	1999
Lifeguard*	**	**	**	84.6	83.2	**	**	**	17.7	16.5	**	**	**	-2.3	0.3
Maxicare*	**	**	**	**	88.6	**	**	**	**	12.3	**	**	**	**	-0.9
Molina Medical Center/American Family Care	83.2	82.8	80.2	77.1	79.8	9.9	10.6	9.3	12.3	11.0	6.9	6.6	10.5	10.6	9.2
National Health Plans*	**	**	88.2	98.2	90.3	**	**	9.9	10.2	10.7	**	**	1.9	-8.4	-1.0
On Lok Senior Health Services	88.5	87.2	84.2	84.2	**	6.4	6.9	6.6	5.8	**	5.1	5.9	9.2	10.0	**
PacificCare of California	83.8	88.0	90.4	87.6	84.3	10.6	9.6	8.6	8.5	8.8	5.6	2.4	1.0	3.9	6.9
Prudential HealthCare Plan of California*	**	**	**	**	86.1	**	**	**	**	14.4	**	**	**	**	-0.5
Scripps Clinic Health Plan Services	95	95.8	**	**	**	4.9	4.2	**	**	**	0.1	0.1	**	**	**
Sharp Health Plan	93.4	94.8	94.8	91.6	90.9	7.3	8.3	8.6	8.8	9.8	-0.7	-3.1	-3.4	-0.4	-0.7
SIMNSA Health Plan	69.6	81.2	81.2	**	**	28.8	13.0	13.1	**	**	1.5	5.8	5.7	**	**
SmartCare Health Plan ¹	73.8	91.8	87.9	84.3	80.1	7.8	8.5	11.8	13.7	17.3	18.4	-0.3	0.3	2.0	1.7
Tower Health*	**	**	**	**	73.8	**	**	**	**	17.2	**	**	**	**	9.0
UHP Healthcare	84.1	84.0	**	85.8	82.3	13	13.9	**	18.0	17.6	2.9	2.1	**	-3.8	0.1
United Healthcare*	**	**	**	**	91.5	**	**	**	**	12.1	**	**	**	**	-3.6
Universal Care	86.9	91.8	94.1	88.2	88.9	12.8	8.7	9.5	10.0	10.5	0.3	-0.5	-3.6	1.8	0.6
Western Health Advantage	89.2	88.0	87.3	84.6	84.1	9.7	11.8	12.8	16.2	20.9	1.1	0.2	-0.1	-0.8	-5.0
Public Health Plans															
Alameda Alliance for Health	99.6%	91.7	97.0	83.3	77.3	9.1%	8.4	7.8	8.4	8.3	-8.7%	-0.1	-4.8	8.3	14.4
CalOptima	97%	95.6	92.5	92.3	88.7	5.4%	4.2	4.6	5.9	5.3	-2.4%	0.2	2.9	1.8	6.0
Central Coast Alliance for Health	93.4%	91.9	87.4	89.8	88.2	6%	6.0	5.7	5.9	8.3	0.6%	2.1	6.9	4.3	3.5
Community Health Plan	87.1%	80.0	89.7	87.7	84.6	9.1%	9.2	9.5	9.0	7.7	3.8%	10.8	0.8	3.3	7.7

¹ Formerly SCAN Health Plan

* Plans active during the past five years have been included to show which plans have been absorbed by other health plans or ceased conducting business under Knox-Keene licensure.

** Financials unavailable

	% Revenue Medical Care					% Revenue Administration					% Revenue Profit/Income				
	2003	2002	2001	2000	1999	2003	2002	2001	2000	1999	2003	2002	2001	2000	1999
Contra Costa Health Plan	92.1%	92.3	94.8	90.9	91.9	7.5%	7.6	5.0	8.9	7.6	0.4%	0.1	0.2	0.2	0.5
Health Plan of San Joaquin	86.3%	84.7	83.3	80.8	76.9	9.4%	11.1	13.0	12.0	11.3	4.2%	4.2	3.7	7.2	11.8
Health Plan of San Mateo	92.4%	90.2	99.6	95.6	90.3	7.6%	9.2	10.8	12.0	12.0	0%	0.6	-10.4	-7.6	-2.3
Inland Empire Health Plan	91.9%	89.1	90.1	89.0	89.0	8%	8.3	8.0	7.7	9.2	0.1%	2.6	1.9	2.3	1.8
Kern Health Systems	91.1%	77.9	77.4	73.4	65.8	6.7%	7.8	10.6	11.1	11.2	2.2%	14.3	12.0	15.5	23.0
L.A. Care Health Plan	94.7%	93.8	93.5	94.4	**	4%	3.8	5.0	4.9	**	1.3%	2.4	1.5	0.7	**
Partnership Health Plan	95.1%	94.8	93.4	91.7	90.6	4.8%	5.0	4.9	5.3	5.5	0.1%	0.3	1.7	3.0	3.9
San Francisco Health Plan	84.9%	86.1	85.6	85.4	86.4	9.2%	9.1	9.3	9.1	10.7	5.9%	4.9	5.1	5.5	2.9
Santa Barbara Regional Health Authority	90.8%	87.1	95.2	94.0	91.9	6.1%	7.3	7.9	8.1	7.7	3.1%	5.6	-3.1	-2.1	0.4
Santa Clara Family Health Authority	86.2%	84.1	81.8	81.5	74.9	10.9%	11.2	11.5	12.7	13.4	2.9%	4.6	6.7	5.8	11.7
University of California Regents (UC San Diego)	105.1%	105.1	85.1	88.9	**	14.0%	14.0	22.5	11.8	**	-19.1%	-19.1	-7.6	-0.7	**
Valley Health Plan	90.5%	88.9	88.3	86.7	91.0	9.1%	10.2	10.4	10.8	8.6	0.4%	0.9	1.3	2.5	0.4
Ventura County Health Plan	88.5%	87.4	92.4	88.5	88.7	11.4%	10.8	10.8	12.5	10.9	0.1%	1.8	-3.2	-1.0	0.4

Sources:

Department of Managed Health Care List of All Licensed Plans (Public Alpha Report)

HMO and Health Plan Financial Statements submitted to Department of Managed Health Care by licensed Knox-Keene health plans (website: <http://wpso.dmhcc.ca.gov/fe/search.asp>)

* Plans active during the past five years have been included to show which plans have been absorbed by other health plans or ceased conducting business under Knox-Keene licensure.
 *** Financials unavailable

Knox-Keene Health Plan Expenditures Summary

10 Highest Medical Loss Ratios FY 2003-2004

Table III ¹

Health Plan	Tax Status	% Revenue Medical Care	% Revenue Administration	% Revenue Profit/Income
Alameda Alliance for Health	Non-Profit	99.6%	9.1%	-8.7%
CalOptima	Non-Profit	97%	5.4%	-2.4%
Partnership Health Plan	Non-Profit	95.1%	4.8%	0.1%
Scripps Clinic Health Plan Services	Non-Profit	95%	4.9%	0.1%
L.A. Care Health Plan	Non-Profit	94.7%	4%	1.3%
Central Coast Alliance for Health	Non-Profit	93.4%	6%	0.6%
Sharp Health Plan	Non-Profit	93.4%	7.3%	-0.7%
Kaiser Foundation Health Plan	Non-Profit	92.8%	3.2%	3.9%
Health Plan of San Mateo	Non-Profit	92.4%	7.6%	0%
Contra Costa Health Plan	Non-Profit	92.1%	7.5%	0.4%

Sources:

Department of Managed Health Care List of All Licensed Plans (Public Alpha Report)

HMO and Health Plan Financial Statements as submitted to Department of Managed Health Care by licensed Knox-Keene health plans (website: <http://wpso.dmhc.ca.gov/fe/search.asp>)

¹ Small (i.e., plans with enrollment below 20,000) and start-up plans were excluded from this table for comparative purposes. CMA feels it unfair to compare smaller plans that are unable to spread their administrative costs over a larger population or may be in a start-up phase, wherein administrative costs are invariably higher.

Knox-Keene Health Plan Expenditures Summary

10 Lowest Medical Loss Ratios FY 2003-2004

Table IV ¹

Health Plan	Tax Status	% Revenue Medical Care	% Revenue Administration	% Revenue Profit/Income
SmartCare Health Plan ²	Non-Profit	73.8%	7.8%	18.4%
Blue Cross of California	For-Profit	79.9%	12.3%	7.8%
Aetna Health Plan of California	For-Profit	80.9%	10.2%	8.8%
Blue Shield of California	Non-Profit	81.5%	12.2%	6.2%
Great-West Healthcare of California ³	For-Profit	81.8%	14.6%	3.5%
Molina Healthcare of California/American Family Care	For-Profit	83.2%	9.9%	6.9%
PacifiCare of California	For-Profit	83.8%	10.6%	5.6%
Health Net of California	For-Profit	84%	10%	6%
CIGNA HealthCare of California	For-Profit	84.1%	15.1%	0.8%
UHP Healthcare	For-Profit	84.1%	13%	2.9%

Sources:

Department of Managed Health Care List of All Licensed Plans (Public Alpha Report)

HMO and Health Plan Financial Statements as submitted to Department of Managed Health Care by licensed Knox-Keene health plans (website: <http://wpso.dmhc.ca.gov/fe/search.asp>)

¹ Small (i.e., plans with enrollment below 20,000) and start-up plans were excluded from this table for comparative purposes. CMA feels it unfair to compare smaller plans that are unable to spread their administrative costs over a larger population or may be in a start-up phase, wherein administrative costs are invariably higher.

² Formerly SCAN Health Plan

³ Formerly One Health Plan of California

Knox-Keene Health Plan Expenditures Summary

Non-Profit Health Plans FY 2003-2004

Table V

Health Plan	Tax Status	% Revenue Medical Care	% Revenue Administration	% Revenue Profit/Income
Alameda Alliance for Health	Non-Profit	99.6%	9.1%	-8.7%
Blue Shield of California ¹	Non-Profit	81.5%	12.2%	6.2%
CalOptima	Non-Profit	97%	5.4%	2.4%
Cedars-Sinai Provider Plan, LLC	Non-Profit	55.6%	30.2%	14.2%
Central Coast Alliance for Health	Non-Profit	93.4%	6%	0.6%
Community Health Group	Non-Profit	90.8%	11.2%	-2%
Community Health Plan	Non-Profit	87.1%	9.1%	3.8%
Contra Costa Health Plan	Non-Profit	92.1%	7.5%	0.4%
Health Plan of San Joaquin	Non-Profit	86.3%	9.4%	4.2%
Health Plan of San Mateo	Non-Profit	92.4%	7.6%	0%
Inland Empire Health Plan	Non-Profit	91.9%	8%	0.1%
Inter Valley Health Plan	Non-Profit	88.5%	9.1%	2.4%
Kaiser Foundation Health Plan	Non-Profit	92.8%	3.2%	3.9%
Kern Health Systems	Non-Profit	91.1%	6.7%	2.2%
L.A. Care Health Plan	Non-Profit	94.7%	4%	1.3%
On Lok Senior Health Services	Non-Profit	88.5%	6.4%	5.1%
Partnership Health Plan	Non-Profit	95.1%	4.8%	0.1%
San Francisco Health Plan	Non-Profit	84.9%	9.2%	5.9%
Santa Barbara Regional Health Authority	Non-Profit	90.8%	6.1%	3.1%
Santa Clara Family Health Authority	Non-Profit	86.2%	10.9%	2.9%
Scripps Clinic Health Plan Services	Non-Profit	95%	4.9%	0.1%
Sharp Health Plan	Non-Profit	93.4%	7.3%	-0.7%
SIMNSA Health Plan	Non-Profit	69.6%	28.8%	1.5%

¹ Blue Shield of California includes their HMO and PPO products.

Health Plan	Tax Status	% Revenue Medical Care	% Revenue Administration	% Revenue Profit/Income
SmartCare Health Plan ¹	Non-Profit	73.8%	7.8%	18.4%
UHP Healthcare	Non-Profit	84.1%	13%	2.9%
University of California Regents (UC San Diego)	Non-Profit	105.1%	14.0%	-19.1%
Valley Health Plan	Non-Profit	90.5%	9.1%	0.4%
Ventura County Health Plan	Non-Profit	88.5%	11.4%	0.1%
Western Health Advantage	Non-Profit	89.2%	9.7%	1.1%

Sources:

Department of Managed Health Care List of All Licensed Plans (Public Alpha Report)

HMO and Health Plan Financial Statements as submitted to Department of Managed Health Care by licensed Knox-Keene health plans (website: <http://wps0.dmhc.ca.gov/fe/search.asp>)

¹ Formerly SCAN Health Plan

Knox-Keene Health Plan Expenditures Summary

For-Profit Health Plans
FY 2003-2004

Table VI

Health Plan	Tax Status	% Revenue Medical Care	% Revenue Administration	% Revenue Profit/Income
Aetna Health Care of California	For-Profit	80.9%	10.2%	8.8%
Blue Cross of California ¹	For-Profit	79.9%	12.3%	7.8%
Care 1st Health Plan	For-Profit	85.6%	9.7%	4.7%
Chinese Community Health Plan	For-Profit	84.9%	12.1%	3%
CIGNA HealthCare of California	For-Profit	84.1%	15.1%	0.8%
Great-West Healthcare of California ²	For-Profit	81.8%	14.6%	3.5%
Health Net of California	For-Profit	84%	10%	6%
Molina Medical Center/American Family Care	For-Profit	83.2%	9.9%	6.9%
PacifiCare of California	For-Profit	83.8%	10.6%	5.6%
Universal Care	For-Profit	86.9%	12.8%	0.3%

Sources:

Department of Managed Health Care List of All Licensed Plans (Public Alpha Report)

HMO and Health Plan Financial Statements as submitted to Department of Managed Health Care by licensed Knox-Keene health plans (website: <http://wps0.dmhc.ca.gov/fe/search.asp>)

¹ Blue Cross of California includes their HMO, PPO, and POS products.

² Formerly One Health Plan of California.

Knox-Keene Health Plan Expenditures Summary

General Program Data for Full-Service and Public Health Plans

FY 2003-2004

Table VII

Health Plan	Model Type	Offers Small Group	Medicare Contract	MediCal Contract	Number of IPAs	Number of Medical Groups	Number of Hospitals	Physician Payment Method
<i>Full Service Health Plans</i>								
Aetna U.S. Healthcare of California	Network of Medical Groups, Single Medical Groups, IPAs, Direct Contracting	No	Yes	No	209	266	3	GC, IC
Blue Cross of California	Direct Contracting, IPA, Network of Medical Groups	Yes	Yes	Yes	132	419	35	IC, GC
Blue Shield of California	Network of Medical Groups, IPAs, Direct Contracting	Yes	Yes	No	395	622	395	GC, FFS
Care 1 st Health Plan	Single Medical Group, Network of Medical Groups, IPAs, Staff	No	No	Yes	60	65	5	IC, GC, FFS
Chinese Community Health Plan	Network of Medical Groups, IPAs	Yes	Yes	No	1	7	0	N/A
CIGNA HealthCare of California	Network of Medical Groups, IPAs, Direct Contracting	Yes	No	No	88	234	54	FFS, GC
Great-West Healthcare of California ¹	Network of Medical Groups, IPAs, Direct Contracting	Yes	No	No	16	305	144	FFS/w, GC
Health Net of California	Network of Medical Groups, IPAs, Direct Contracting	Yes	Yes	Yes	118	346	83	GC, Other
Inter Valley Health Plan	IPAs, Network of Medical Groups	N/A	N/A	N/A	9	13	4	GC
Kaiser Foundation Health Plan	Group Model HMO	Yes	Yes	Yes	N/A	27;17	2	GC
Molina Medical Center	Network of Medical Groups, IPAs, Direct Contracting, Staff	No	No	Yes	64	114	46	GC, S, IC, FFS
PacificCare of California	Network of Medical Groups, IPAs, Direct Contracting	Yes	Yes	No	231	284	85	N/A
Sharp Health Plan	Network of Medical Groups, IPAs, Other	Yes	No	Yes	1	14	2	GC, IC, FFS
SmartCare Health Plan ²	Network of Medical Groups, IPAs	No	Yes	Yes	19	78	12	GC

¹ Formerly One Health Plan of California

² Formerly SCAN Health Plan

Health Plan	Model Type	Offers Small Group	Medicare Contract	MediCal Contract	Number of IPAs	Number of Medical Groups	Number of Hospitals	Physician Payment Method
UHP Healthcare	Network of Medical Groups, IPAs, Staff	Yes	Yes	Yes	36	72	51	GC, FFS, IC
Universal Care	Network of Medical Groups, IPAs, Staff, Single Medical Group, Direct Contracting	Yes	Yes	Yes	124	170	50	FFS, GC, S, IC
Western Health Advantage	Network of Medical Groups, IPAs, Direct Contracting	Yes	Yes	Yes	2	8	5	GC
Public Health Plans								
Alameda Alliance for Health	Direct Contracting, IPAs	No	No	Yes	2	11	136	IC, GC, FFS
Community Health Plan	Network of Medical Groups, IPAs, Staff	No	No	No	36;1	81;4	36;1	GC
Contra Costa Health Plan	Staff, Direct Contracting	Yes	Yes	Yes	0	5;1	0	FFS, S
Health Plan of San Joaquin	Direct Contracting, Network of Medical Groups, IPAs	No	No	No	1	12	18	IC, FFS/w
Health Plan of San Mateo	IPAs, Direct Contracting, Network of Medical Groups	No	No	Yes	0	9	25	FFS, IC
Inland Empire Health Plan	Network of Medical Groups, Direct Contracting	No	No	Yes	15	26	N/A	N/A
L.A. Care Health Plan ⁱⁱ	Plan Partner/Delegated, Network of Medical Groups, IPAs	No	No	Yes	37	50	37	GC, FFS
San Francisco Health Plan	Network of Medical Groups, IPAs, Staff	No	No	Yes	0	6	6	FFS, GC
Santa Clara Family Health Plan	Network of Medical Groups, IPAs, Direct Contracting	No	No	Yes	2	11	4	C, FFS, GC, FFS/w
Valley Health Plan	N/A	No	No	Yes	0	3	1	GC, IC, FFS

Physician Payment Method Key:
C-Capitation
DF-Discounted Fees
Dis/FFS-Discounted Fee-for-Service
FFS-Fee-for-Service
FFS/w-Fee-for-Service w/ Withhold
GC-Group/Global Capitation
IC-Individual Capitation
IC/w-Individual Capitation w/ Withhold
S-Salary

Source: California Association of Health Plans 2003 Profile and Annual Report

Knox-Keene Health Plan Expenditures Summary

Geographic Coverage Counties Served

FY 2003-2004

Table VIII

Health Plan	Enrollees	Counties Served	Regions
<i>Full Service Health Plans</i>			
Aetna Health Care of California	377,718	Alameda, Amador, Contra Costa, El Dorado, Fresno, Kern, Kings, Los Angeles, Madera, Marin, Merced, Monterey, Napa, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Tulare, Tuolumne, Ventura, Yolo, Yuba	1, 2, 3, 4, 5, 6, 7, 8
Blue Cross of California	4,733,970	Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Los Angeles, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Orange, Placer, Plumas, Riverside, Sacramento, San Benito, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Ventura, Yolo, Yuba	1, 2, 3, 4, 5, 6, 7, 8
Blue Shield of California	2,675,011	Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Los Angeles, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Orange, Placer, Plumas, Riverside, Sacramento, San Benito, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Ventura, Yolo, Yuba	1, 2, 3, 4, 5, 6, 7, 8
Care 1st Health Plan	179,457	Los Angeles	7
Chinese Community Health Plan	11,237	San Francisco	3
CIGNA HealthCare of California	546,692	Alameda, Butte, Contra Costa, El Dorado, Fresno, Glenn, Kern, Kings, Los Angeles, Marin, Merced, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Tulare, Ventura, Yolo	1, 2, 3, 4, 5, 6, 7, 8
Community Health Group	103,414	San Diego	7

Health Plan	Enrollees	Counties Served	Regions
Great-West Healthcare of California ¹	53,123	Alameda, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Los Angeles, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Orange, Placer, Plumas, Riverside, Sacramento, San Benito, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Ventura, Yolo, Yuba	1, 2, 3, 4, 5, 6, 7, 8
Health Net of California	2,237,734	Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Los Angeles, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Orange, Placer, Plumas, Riverside, Sacramento, San Benito, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Ventura, Yolo, Yuba	1, 2, 3, 4, 5, 6, 7, 8
Inter Valley Health Plan	13,643	Los Angeles, Riverside, San Bernardino	7, 8
Kaiser Foundation Health Plan	6,453,906	Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Los Angeles, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Orange, Placer, Plumas, Riverside, Sacramento, San Benito, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Ventura, Yolo, Yuba	1, 2, 3, 4, 5, 6, 7, 8
Molina Medical Center/American Family Care	254,393	Los Angeles, Riverside, Sacramento, San Bernardino, Yolo	4, 7, 8
On Lok Senior Health Services	943	San Francisco, Alameda	3
PacifiCare of California	1,681,389	Alameda, Contra Costa, El Dorado, Fresno, Imperial, Kern, Kings, Los Angeles, Nevada, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Tulare, Ventura, Yolo	1, 2, 3, 4, 5, 6, 7, 8
Sharp Health Plan	124,108	Riverside, San Diego	7, 8
SmartCare Health Plan ²	52,945	Los Angeles, Orange, Riverside, San Bernardino	7, 8
UHP Healthcare	71,664	Los Angeles, Orange, Riverside, San Bernardino	7, 8
Universal Care	486,806	Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, Ventura	5, 6, 7, 8
Western Health Advantage	71,664	Colusa, El Dorado, Placer, Sacramento, Solano, Yolo	2, 4

¹ Formerly One Health Plan of California

² Formerly SCAN Health Plan

Health Plan	Enrollees	Counties Served	Regions
<i>Public Health Plans</i>			
Alameda Alliance for Health	92,580	Alameda	3
CalOptima	324,411	Orange	7
Central Coast Alliance for Health	80,765	Monterey, Santa Cruz	5
Community Health Plan	162,295	Los Angeles	7
Contra Costa Health Plan	63,257	Contra Costa	3
Health Plan of San Joaquin	75,908	San Joaquin	4
Health Plan of San Mateo	52,944	San Mateo	3
Inland Empire Health Plan	277,742	Riverside, San Bernardino	8
Kern Health Systems	79,791	Kern	6
L.A. Care Health Plan	771,342	Los Angeles	7
Partnership Health Plan	84,901	Napa, Solano, Yolo	2, 4
San Francisco Health Plan	46,981	San Francisco	3
Santa Barbara Regional Health Authority	56,157	Santa Barbara	5
Santa Clara Family Health Authority	96,665	Santa Clara	3
University of California Regents (UC San Diego)	12,920	San Diego	7
Valley Health Plan	58,066	Santa Clara	3
Ventura County Health Plan	10,638	Ventura	5

Sources:

Department of Managed Health Care List of All Licensed Plans (Public Alpha Report) HMO and Health Plan Financial Statements as submitted to Department of Managed Health Care by licensed Knox-Keene health plans (website: <http://wpso.dmhc.ca.gov/fe/search.asp>)

California Association of Health Plans 2003 Profile and Annual Report

Knox-Keene Health Plan Expenditures Summary

Geographic Coverage Health Plans by Region

FY 2003-2004

- 1) North Coast
Del Norte, Humboldt, Mendocino, Sonoma
Plans: Aetna Health Care of California; Blue Cross of California; Blue Shield of California; CIGNA HealthCare of California; Great-West Healthcare of California; Health Net of California; Kaiser Foundation Health Plan, Inc.; PacifiCare of California.
- 2) North Central
Butte, Colusa, Glenn, Lake, Lassen, Modoc, Napa, Nevada, Placer, Plumas, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Yuba
Plans: Aetna Health Care of California; Blue Cross of California; Blue Shield of California; CIGNA HealthCare of California; Great-West Healthcare of California; Health Net of California; Kaiser Foundation Health Plan, Inc.; PacifiCare of California; Partnership Health Plan; Western Health Advantage.
- 3) Bay Area
Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara
Plans: Aetna Health Care of California; Alameda Alliance for Health; Blue Cross of California; Blue Shield of California; Chinese Community Health Plan; CIGNA HealthCare of California; Contra Costa Health Plan; Great-West Healthcare of California; Health Net of California; Health Plan of San Mateo; Kaiser Foundation Health Plan, Inc.; On Lok Senior Health Services, PacifiCare of California; San Francisco Health Plan; Santa Clara Family Health Authority; Valley Health Plan.
- 4) Sacramento Valley
Alpine, Amador, Calaveras, El Dorado, Sacramento, San Joaquin, Solano, Yolo
Plans: Aetna Health Care of California; Blue Cross of California; Blue Shield of California; CIGNA HealthCare of California; Great-West Healthcare of California; Health Net of California; Health Plan of San Joaquin; Kaiser Foundation Health Plan, Inc.; Molina Medical Center/American Family Care; PacifiCare of California; Partnership Health Plan; Western Health Advantage.
- 5) Central Coast
Monterey, San Luis Obispo, Santa Barbara, Santa Cruz, Ventura
Plans: Aetna Health Care of California; Blue Cross of California; Blue Shield of California; Central Coast Alliance for Health; CIGNA HealthCare of California; Great-West Healthcare of California; Health Net of California; Kaiser Foundation Health Plan, Inc.; PacifiCare of California; Santa Barbara Regional Health Authority; Universal Care; Ventura County Health Plan.

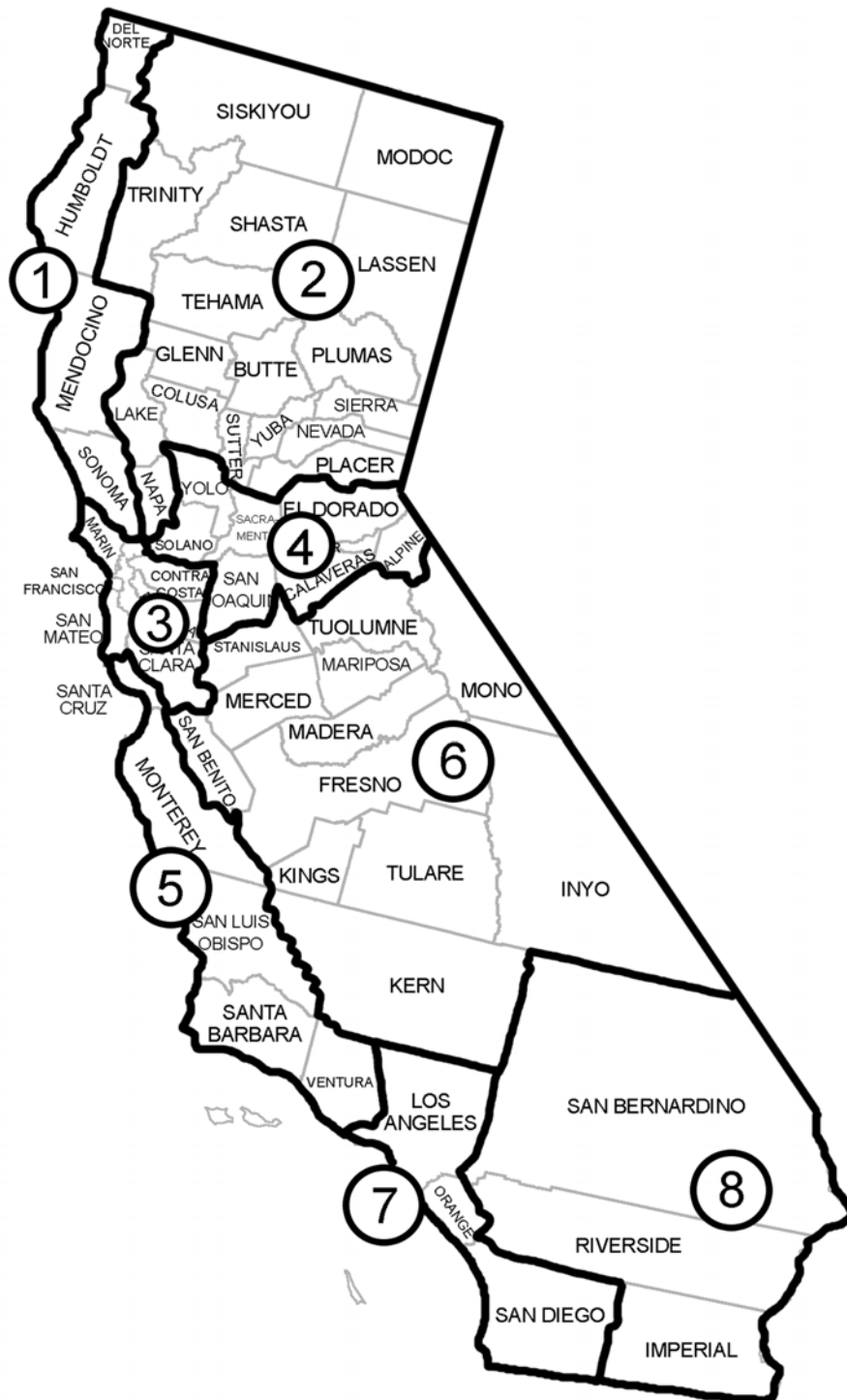
- 6) Central Valley
Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Mono, San Benito, Stanislaus, Tulare, Tuolumne
Plans: Aetna Health Care of California; Blue Cross of California; Blue Shield of California; CIGNA HealthCare of California; Great-West Healthcare of California; Health Net of California; Kaiser Foundation Health Plan, Inc.; Kern Health Systems; PacifiCare of California; Universal Care.
- 7) South Coast
Los Angeles, Orange, San Diego
Plans: Aetna Health Care of California; Blue Cross of California; Blue Shield of California; CalOptima; Care 1st Health Plan; CIGNA HealthCare of California; Community Health Plan; Community Health Group; Great-West Healthcare of California; Health Net of California; InterValley Health Plan; Kaiser Foundation Health Plan, Inc.; Molina Medical Center; PacifiCare of California; Sharp Health Plan; SmartCare Health Plan; UHP Healthcare; UC San Diego Health Plan; Universal Care.
- 8) South Inland
Imperial, Riverside, San Bernardino
Plans: Aetna Health Care of California; Blue Cross of California; Blue Shield of California; CIGNA HealthCare of California; Great-West Healthcare of California; Health Net of California; Inter Valley Health Plan; Inland Empire Health Plan; Kaiser Foundation Health Plan, Inc.; Molina Medical Center; PacifiCare of California; SmartCare Health Plan; Universal Care; UHP Healthcare.

Knox-Keene Health Plan Expenditures Summary

Geographic Coverage

Counties by Region

FY 2003-2004



Knox-Keene Health Plan Expenditures Summary

2003 Executive Compensation
FY 2003-2004

Table IX

Health Plan	Name	Position	Annual Salary	Other Annual Compensation ¹	Total Annual Compensation	Number of Stock Options
Aetna, Inc.	John Rowe, M.D.	Chairman/CEO	\$1,042,146	\$2,410,312	\$3,452,458	350,000
Aetna, Inc.	Ronald Williams	President	\$914,943	\$1,800,235	\$2,715,168	270,000
CIGNA Corp.	H. Edward Hanway	Chairman/CEO	\$1,030,000	\$2,100,000	\$3,130,000	250,000
CIGNA Corp.	Patrick Welch	President, CIGNA Health Care	\$576,900	\$669,000	\$1,245,900	50,000
Health Net, Inc.	Jay Gellert	President/CEO	\$891,731	\$69,565	\$961,296	325,000
Health Net, Inc.	Marvin Rich	Executive VP, Finance and Health Plan Operations	\$520,865	\$12,000	\$532,865	150,000
PacifiCare Health Systems, Inc.	Howard Phanstiel	President/CEO	\$976,155	\$2,283,274	\$3,259,429	450,000
PacifiCare Health Systems, Inc.	Bradford Bowlus	Executive VP, President/CEO PacifiCare Health Plans	\$642,308	\$719,825	\$1,362,133	175,000
WellPoint Health Networks	Leonard Schaeffer	Chairman/CEO	\$1,310,000	\$10,357,911	\$11,667,911	400,000
WellPoint Health Networks, Inc.	John O'Rourke	Executive VP, Central Business Region	\$645,750	\$1,313,640	\$1,959,390	N/A

Source: Atlantic Information Services chart (based on company proxy statements): "2003 Executive Compensation and Stock Options at Publicly Traded Managed Care Firms" (website www.aishhealth.com).

¹ Other Compensation includes bonuses and other compensation.

Knox-Keene Health Plan Expenditures Summary

Appendix
FY 2003-2004

Managed Care Consumer Resources

- **Consumer Reports article: *HMO or PPO: Picking a managed-care plan***
<http://www.consumerreports.org/> (click on "Health and Fitness")
- **Kaiser Family Foundation: State Health Facts**
<http://www.statehealthfacts.kff.org>
- **Pacific Business Group on Health: HealthScope**
<http://www.healthscope.org/>
- **State of California Office of the Patient Advocate: Quality of Care Report Card**
http://www.opa.ca.gov/report_card/