



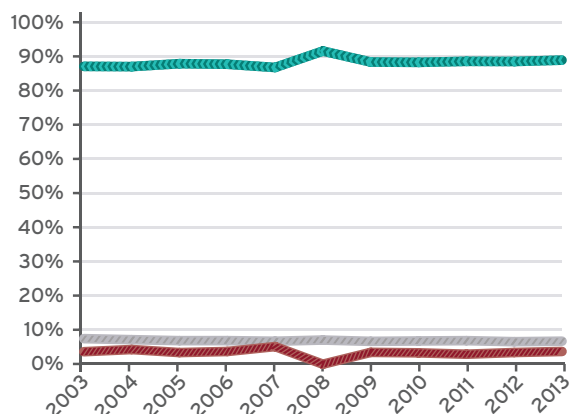
Facts about Health Plan Profits

4%

→ CALIFORNIA HEALTH PLAN PROFIT MARGINS: **LOWER THAN YOU MAY THINK**

Average Net Profit Margin for California Commercial Health Plans

→ CALIFORNIA HEALTH PLANS MAINTAIN MODEST PROFIT MARGINS YEAR OVER YEAR

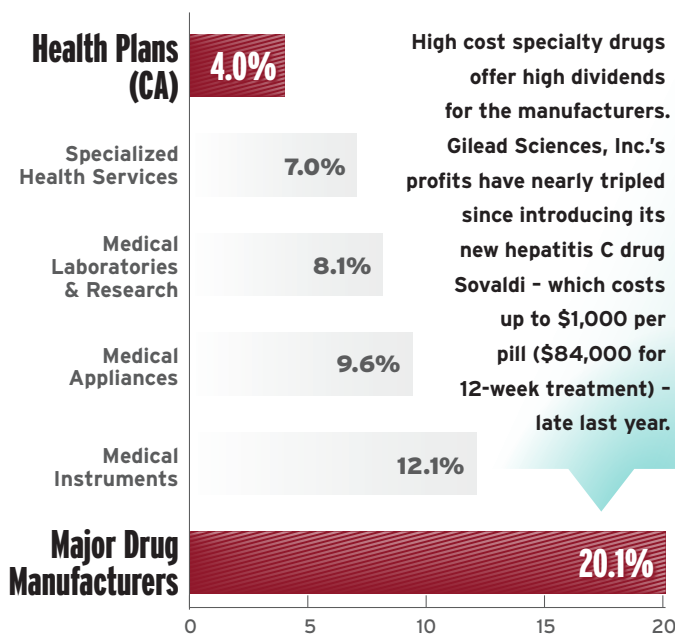


89%
2013
Medical Costs

7%
2013
Admin Costs

4%
2013
Profit Margin

→ HEALTH PLAN PROFIT MARGINS AMONG LOWEST IN THE HEALTH CARE SECTOR



SOURCE: Yahoo Finance accessed May 19, 2014

→ CONSUMER PROTECTIONS LIMIT HEALTH PLAN PROFITS

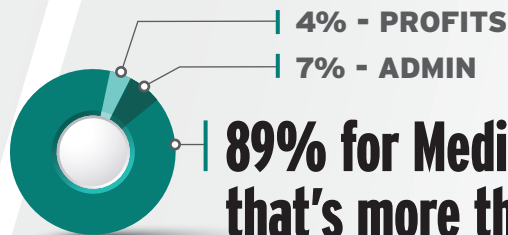


80-85¢
out of every dollar must
be spent on medical care

If insurers don't meet these requirements, they are required to issue rebates under state and federal law.

→ MEDICAL CARE CONSUMES 89% OF PREMIUMS IN CALIFORNIA

California health plans are efficient and maintain low administrative costs and profit margins



89% for Medical Care – that's more than \$82 billion.

SOURCE: Analysis of 2013 Department of Managed Health Care data for commercial health plans

For more information, please go to www.calhealthplans.org