

Second Extraordinary Session – Senate Public Health and Developmental Services Committee
Department of Health Care Services Responses
July 2, 2015 Informational Hearing

1. Senator Morrell requested an Itemized expenditures from MCO tax in the past.
[See attached.](#)
2. Senator Leno asked what percent increases in premiums would we expect to see as a result of the MCO tax (which represents a 0.5% of all plan revenues)?

[Response: Depending on the level of other percentage of premium items \(e.g. ACA taxes, commissions, profit\) used to determine the amount of premium charged, a MCO tax of \(0.5%\) is estimated to result in premiums increasing 0.50% to 0.53% \(conservatively\). The actual amount of the premiums on a per member/per month basis will vary per plan and will dependent on the actual tax per each plan.](#)

3. Senator Pan asked what percent of managed care plans are Medi-Cal, in terms of enrollment and revenue?

[Response:](#)

[The tax model includes 43 plans](#)

[The total revenue in the model as reported by those 43 plans is \\$124 Billion](#)

[The total enrollment \(people\) is 26.5M](#)

[27 plans have Medi-Cal enrollment](#)

[The total Medi-Cal revenue from the same source is \\$29B \(23.6% of the total\)](#)

[The total Medi-Cal enrollment is 9.2M \(34.8%\)](#)