

Health Insurers and Pharmacy Benefit Managers: Information on Size and CEO Salaries

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Issue

Identify the 10 largest health insurers by market share and provide their chief executive officer (CEO) compensation, total number of covered lives, amount of premiums earned, revenue, and net income for 2022. Identify the top three pharmacy benefit managers (PBMs) by market share for 2022 and provide their total prescriptions filled and revenue from pharmacy services.

This report updates OLR Report [2022-R-0030](#).

Summary

According to a National Association of Insurance Commissioners (NAIC) [report](#), the 10 largest health insurers by total market share account for over 60% of the commercial health insurance market. The largest, UnitedHealth Group, accounts for nearly 18% of the total market. It insured over 53 million people and had revenue of over \$324 billion in 2022, according to NAIC data and filings with federal Securities and Exchange Commission (SEC) (i.e., annual 10-K and proxy statement filings).

The smallest of the 10, Independence Health, accounts for a little over 2% of the total market, covering approximately 4.8 million people. No insurer outside the top 10 has more than a 1.75% market share.

For PBMs, market share is generally considered the percentage of total prescriptions filled. (Generally, PBMs administer a health insurance plan's prescription drug benefits.) According to a

Drug Channels [article](#), the three largest PBMs by market share represent almost 80% of the total market. All three are owned by one of the top 10 insurers referenced above (Caremark, owned by CVS Health; Express Scripts, owned by Cigna; and OptumRx, owned by UnitedHealth Group). In 2022, CVS Caremark processed the most prescriptions in the country (over 2 billion), and generated revenue of \$169.2 billion. In contrast, OptumRX processed the third most prescriptions (1.4 billion) and generated revenue of \$99.8 billion.

Health Insurers

Table 1 lists the top 10 accident and health insurers by their 2022 market share. For each insurer, the table also provides (1) the total earned premiums and number of covered lives for 2022, and (2) for the most recent year for which data is available, its revenue and net income (or net assets, as applicable), CEO, and CEO total compensation.

Market share, premiums written, and covered lives data is from the [NAIC 2023 Accident and Health Policy Experience Report](#) (p. 226). Where possible, other data comes from financial statements insurers file with the SEC or submit to NAIC. Revenue figures are generally total revenue, which may include revenue from pharmacy benefit services, investment gains or losses, third-party administrative services, or other sources, depending on how the figures are described in each company’s financial documents. Total CEO compensation includes salary, stock and option awards, bonuses, and other compensation as reported to the SEC. Finally, (1) HCSC is a private company, and data comes from its annual report, and (2) GuideWell is a nonprofit, private holding company and does not appear to publicly release data.

Table 1: 10 Largest Health Insurers by Total Market Share Covered Lives, Revenue, Net Income, and Executive Compensation by Total Market Share (2022)

Insurer	% Market Share (2022)	Premiums Earned (Millions) (2022)	Covered Lives (Millions) (2022)	2022 Revenues (Millions)	2022 Net Income (Millions)	CEO	CEO Total Compensation
UnitedHealth Group	17.85%	\$218,631	53.1	\$324,162	\$17,111	Andrew Witty	\$20,865,106
Elevance Health (Prior to 2022, Elevance was called Anthem)	8.43	103,216	59.2	156,595	6,025	Gail Boudreaux	20,931,081
Centene Corporation	7.85	96,188	18.9	144,547	1,202	Sarah London	13,246,447
Humana	7.10	86,972	16.6	92,870	2,806	Bruce Broussard	17,198,844

Table 1 (continued)

Insurer	% Market Share (2022)	Premiums Earned (Millions) (2022)	Covered Lives (Millions) (2022)	2022 Revenues (Millions)	2022 Net Income (Millions)	CEO	CEO Total Compensation
CVS	6.72	82,345	40.7	322,467	4,149	Karen Lynch	21,317,055
HCSC	4.13	50,589	27.0	49,304	1,469	Maurice Smith	N/A
Cigna Health Group	2.76	33,805	45.6	180,516	6,668	David Cordani	20,965,504
GuideWell Mutual Holding	2.17	26,625	7.7	N/A	N/A	Patrick Geraghty	N/A
Molina Healthcare	2.16	26,425	4.2	31,974	792	Joseph Zubretsky	22,131,256
Independence Health Group	2.07	25,345	4.8	24,721 (2021)	816 (2021)	George Deavens	N/A

Pharmacy Benefit Managers

Table 2 shows the top three PBMs by market share, including the number of pharmacy claims processed (i.e., prescriptions) and total revenue attributed to pharmacy services.

Table 2: Pharmacy Claims Processed and Revenue From Pharmacy Services, 2022

Pharmacy Benefit Manager	Market Share	Pharmacy Claims Processed (Millions)	Revenue From Pharmacy Services (Millions)
CVS Caremark	33%	2,337	\$169,236
Express Scripts (Cigna)	24	1,575	128,556
OptumRX (UnitedHealth Group)	22	1,438	99,773

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