



## **MERGED MARKET RATE FILING SUMMARY (211 CMR 66.08(3)(c))**

### **OVERVIEW OF THE FILING**

- Company Legal Name: Boston Medical Center Health Plan, Inc. (BMCHP) d/b/a WellSense Health Plan (WellSense)
- Actuary Responsible for Filing: Blesilda Tuan, ASA MAAA
- Coverage Period for Rates Filed: Issued/renewed in CY 2025
- Number of Plans Filed: 8
- Number of Renewing Individuals and Dependents: 82,303
- Number of Renewing Small Groups: 388
- Number of Renewing Small Group Members: 958
- Overall Average Proposed Rate Change over Prior Period: 6.4%

### **KEY DRIVERS FOR THE PROPOSED RATE CHANGE**

The overall average annual premium rate change is 6.4%, which is driven by the factors outlined below:

- Projected higher annual trend: Overall trends are projected to be higher driven by pharmacy trend and increasing provider cost trend.
  - The high pharmacy trend is driven by increased usage of brand and specialty drugs, such as on- and off-label use of GLP-1 for diabetes and weight loss, and newly approved high cost cell/genes therapies.
  - WellSense has a higher provider cost trend based on rate increases from completed and on-going negotiations, as well as any planned or estimated increases and adjustments to provider contracts. The network expansion required by the 2024 Connector's SOA to offer the same wide network across all metal tiers has also contributed to higher provider cost trends.
- The anticipated increase in state assessment: Currently proposed assessment PMPM for the Health Safety Net, Pediatric Immunization Program, Behavioral Health Trust Fund, Center for Health Information and Analysis, Health Policy Commission, and MA Child Psychiatry Access Program has raised the rate by an additional 1.8%.
- Member mix changes: The ConnectorCare program has expanded to include individual whose income falls within 300% to 500% of the Federal Poverty Level (FPL). This expansion has driven more membership to be eligible for State subsidy and has helped to reduce the rate by 1.2%.

See the accompanying file called "Exhibit for Public Release" for additional details.





## **SUMMARY OF COST-SHARING AND BENEFITS**

See the accompanying file called "Exhibit for Public Release."

## **GENERAL METHODOLOGY FOR ESTABLISHING RATES OF REIMBURSEMENT**

The process for setting in-network, contracted rates begins with the base rate, which is modeled on MassHealth reimbursement rates and methodology. The payment methodology may vary by provider type and includes: All patient refined diagnosis related group (APR-DRG) methodology, per diem, per case, per visit, per unit, fee schedule and percent of charges.

In addition to using MassHealth as a benchmark, WellSense takes into account market forces and provider negotiations when determining reimbursement rates. We may offer higher rates to ensure network adequacy in certain geographic locations and maintain our competitiveness in the marketplace.

We have also implemented a shared savings incentive program for some of our provider systems to encourage high quality, cost-effective care. The provider systems are eligible to receive financial incentives based on their ability to achieve quality and cost targets.

WellSense conducts an annual review of our payment terms, and we do not foresee any significant modifications to our provider reimbursement methodology and rates in the immediate future.

## **SUMMARY OF ADMINISTRATIVE EXPENSES**

See the accompanying file called "Exhibit for Public Release."

## **MEDICAL LOSS RATIOS**

See the accompanying file called "Exhibit for Public Release."

## **CONTRIBUTION TO SURPLUS**

WellSense has built in a 1.9% contribution to surplus, as allowed by Massachusetts law,

## **DIFFERENCES FROM FILED FINANCIAL STATEMENT**

The information used in the rate filing may differ from the information contained in the filed financial report due to the following reasons:

- Different claims paid-through dates: CY 2023 claims experience used in developing the 2025 rates is paid through March 31, 2024. However, the claims reflected in the CY 2023 financial statements are paid claims as of December 31, 2023.
- Use of the incurred period vs. inclusion of retroactive adjustment: The majority of the financial information and membership utilized in the rate filing are incurred-based. This means that the statistics are recorded when they incurred in CY 2023. The CY 2023



financial statement may include retroactive payments, receivables, or adjustments for prior periods.

- Different allocation methods: The financial statement might employ a different allocation method or base for certain expenses or other financial statistics.

## **COST CONTAINMENT PROGRAMS**

WellSense has cost containment programs that focus on clinical programs and care and utilization management.

### **Clinical Programs**

The areas of focus for each CM program include but are not limited to: keeping members healthy, managing members' emerging risk, addressing member safety issues and concerns across various settings, and managing multiple chronic illnesses.

Additionally, WellSense has several medical management programs aimed at supporting individual member needs, such as health care education, disease management, population health management, transition of care, complex care management, and behavioral health services.

#### ***HealthCare Education***

HealthCare education is a core activity targeting the general population as well as members identified with specific emerging risk or chronic illnesses. The educational materials consist of tools, and resources to promote wellness and prevention, and to provide new and easy ways for members to manage illness and stay healthy. Additionally, we offer multiple self-management programs such as chronic disease, chronic pain, diabetes and building better caregivers. Other topics include prevention activities related to childhood and adult immunizations, general nutritional tips, home and safety reminders, as well as condition specific education via traditional mailings, text messaging and online material.

#### ***Disease Management***

Addresses chronic disease states, such as asthma and diabetes, and monitors the member's current status and provides education and outreach aimed at helping member understand their disease and the self-management they can do to optimize their health and safety.

#### ***Population Health Management***

Addresses members with medical, behavioral, and social needs and interventions for specified diagnoses. This involves assessing the member's condition and/or emerging risk, coordinating care and services, and determining available benefits and resources, such as family support and community resources. An Individual Care Plan (ICP) is developed and implemented for the member, emphasizing psychosocial supports, self-management goals, care coordination, ongoing monitoring, personal and home safety, and appropriate follow-up.





### ***Transition of Care***

This program targets members discharged from any setting throughout the healthcare continuum (emergency department, acute inpatient, and post-acute facilities). The Care Transition Program aims to meet the goal of mitigating unnecessary emergency department encounters and reducing inpatient readmission within 30 days of discharge. Through the member assessment and ICP, the program also aims to provide available benefit services and resources to keep the member in the least restrictive setting.

### ***Complex Care Management (CCM)***

The CCM program targets members with multiple complex illnesses, including those stratified as the highest-risk and may include members with special health care needs. The program involves a multidisciplinary approach to assessing the member's clinical status and associated social determinants of health. The program emphasizes consensual face-to-face member meetings, coordination of care through the health care continuum, and determination of available benefits and resources including family support and community resources / partners.

### ***Behavioral Health Care Management (BH CM)***

WellSense offers support to our members with certain behavioral health conditions. Our behavioral health care coordinators are trained to help members with access to behavioral health services and can help with finding a behavioral health counselor and community resources near the member or explaining available treatment options.

WellSense also offers a Behavioral Health Enhanced Care Coordination (BH ECM) program to provide additional support. This is a care management program provided for WellSense members who are experiencing complex behavioral health or psychosocial conditions, sometimes in addition to medical concerns. BH ECM is a voluntary, flexible, short-term program to meet the individual needs and promote optimal behavioral health.

### **Utilization Management**

WellSense performs utilization management for medical services such as inpatient stays and outpatient services. Additionally, WellSense performs pharmacy management, including prior authorization, quantity limits, step therapy, and formulary management.

