

**Massachusetts Division of Insurance
2025 Merged Market Rate Filing Summary**

Carrier Name: Health New England, Inc.

Table 1: Proposed Weighted Average Base Rate Change CY 2025

	Annual Weighted Average Base Rate Change	Min Rate Change	Max Rate Change	Renewing Enrollees
1Q	6.9%	-5.3%	15.0%	11,880
2Q	6.4%	-5.4%	14.9%	5,448
3Q	6.0%	-5.5%	14.8%	3,820
4Q	6.2%	-5.6%	14.6%	4,616
Total	6.5%	-5.6%	15.0%	25,764

Note: The Min and Max rate change is among existing and modified plans only.

Table 2: Drivers of Proposed CY 2025 Weighed Average Base Rate Change

	Rate Change Impact	% of Rate Change Impact
FFS Utilization & Mix Trend	1.7%	26.9%
FFS Cost Trend	5.1%	78.4%
Contribution to Surplus/Profit/Reserve	0.1%	2.0%
Benefit/Cost Sharing Changes	-0.3%	-4.4%
Risk Adjustment	0.3%	4.3%
Administrative Charge	-0.8%	-12.5%
Other 1	0.0%	0.0%
Other 2	0.0%	0.0%
Other 3	0.0%	0.0%
All Other	0.3%	5.3%
Total	6.5%	

Table 3: Annualized Trend Assumption CY 2025

Allowed Trends	Prescription		Total
	Medical	Drug	
Utilization & Mix	1.5%	2.5%	2.0%
Cost (Price)	4.3%	10.2%	5.7%
Total	5.8%	13.0%	7.8%

Table 4: CY 2025 Non Medical Expenses and Payor Surplus Charge

	Percentage	
	Charge	PMPM Charge
Administrative Charge	7.8%	\$55.40
Taxes and Fees	0.7%	\$4.74
Contribution to Surplus/Profit/Reserve	1.9%	\$13.49
Total	10.4%	\$73.63

Table 5: Actual Historical Administrative Expenses

	CY 2022 Total		CY 2023	
	Dollars	CY 2022 PMPM	Total Dollars	CY 2023 PMPM
Taxes and Fees	\$3,291,042	\$7.66	\$2,569,020	\$7.30
Other Administrative Expenses	\$22,423,700	\$52.20	\$20,468,769	\$58.16
Total	\$25,714,742	\$59.86	\$23,037,788	\$65.46

Table 6: Medical Loss Ratio

	CY 2021	CY 2022	CY 2023	Proposed 2025 Rates
Medical Loss Ratio	107.7%	98.1%	94.3%	92.1%

Note: The medical loss ratio has been adjusted for taxes and fees, health care quality improvement expenses, and deductible fraud and abuse detection/recovery expenses