

**Massachusetts Division of Insurance
2024 Merged Market Rate Filing Summary**

Carrier Name: Health New England

Table 1: Proposed Weighted Average Base Rate Change 1Q 2024

	Annual Weighted Average Base Rate Change	Min Rate Change	Max Rate Change	Renewing Enrollees
1Q 2024	7.1%	-6.0%	14.9%	29,825

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

Table 2: Drivers of Proposed 1Q 2024 Weighed Average Base Rate Change

	Rate Change Impact	% of Rate Change Impact
FFS Utilization & Mix Trend	2.7%	38.3%
FFS Cost Trend	5.2%	72.9%
Contribution to Surplus/Profit/Reserve	0.2%	2.2%
Benefit/Cost Sharing Changes	0.0%	0.7%
Risk Adjustment	0.2%	3.0%
Administrative Charge	-0.2%	-2.5%
Medical Management Incentives Adjus	-0.2%	-2.8%
Future COVID-19 Costs Adjustment	-1.9%	-27.3%
Over/Understatement of Prior Projecte	2.1%	29.1%
All Other	-1.0%	-13.5%
Total	7.1%	

Table 3: Annualized Trend Assumption 1Q 2024

Allowed Trends	Medical	Pharmacy	Total
Utilization & Mix	2.8%	4.0%	3.1%
Cost (Price)	5.1%	8.0%	5.9%
Total	8.1%	12.3%	9.1%

Table 4: 2024 Non Medical Expenses and Payor Surplus Charge

	Percentage Charge	PMPM Charge
Administrative Charge	9.0%	\$ 59.44
Taxes and Fees	0.5%	\$ 3.57
Contribution to Surplus/Profit/Reserve	1.9%	\$ 12.55
Total	11.4%	\$ 75.56

Table 5: Actual Historical Administrative Expenses

	CY 2021		CY 2022	
	Total Dollars	CY 2021 PMPM	Total Dollars	CY 2022 PMPM
Taxes and Fees	\$2,904,657	\$6.84	\$3,291,042	\$7.66
Other Administrative Expenses	\$23,513,896	\$55.34	\$22,423,700	\$52.20
Total	\$26,418,553	\$62.18	\$25,714,742	\$59.86

Table 6: Medical Loss Ratio

	CY 2020	CY 2021	CY 2022	Proposed 2024 Rates
Medical Loss Ratio	88.2%	107.4%	94.2%	91.0%

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