

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

**Carrier Name: Harvard Pilgrim Healthcare Insurance Co.**

**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	7.2%	7.2%	7.2%	384

*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	2.2%	30.8%
FFS Cost Trend	4.0%	54.9%
Contribution to Surplus/Profit/Reserve	2.1%	29.4%
Benefit/Cost Sharing Changes	0.0%	0.0%
Risk Adjustment	0.6%	8.3%
Administrative Charge	-0.1%	-1.3%
Multiplicative Claims Adjustment	1.3%	17.5%
Trend Leveraging	0.7%	9.6%
Other	-3.5%	-48.3%
All Other	-0.1%	-0.9%
<b>Total</b>	<b>7.2%</b>	

**Table 3: Annualized Trend Assumption 1Q 2024**

Allowed Trends	Medical	Pharmacy	Total
Utilization & Mix	2.6%	2.3%	2.5%
Cost (Price)	3.6%	7.8%	4.5%
<b>Total</b>	<b>6.3%</b>	<b>10.3%</b>	<b>7.2%</b>

**Table 4: 2024 Non Medical Expenses and Payor Surplus Charge**

	Percentage Charge	PMPM Charge
Administrative Charge	8.9%	\$ 53.22
Taxes and Fees	0.8%	\$ 4.63
Contribution to Surplus/Profit/Reserve	1.8%	\$ 10.81
<b>Total</b>	<b>11.4%</b>	<b>\$ 68.66</b>

**Table 5: Actual Historical Administrative Expenses**

	CY 2021		CY 2022	
	Total Dollars	CY 2021 PMPM	Total Dollars	CY 2022 PMPM
Taxes and Fees	\$2,554,828	\$4.06	\$2,830,074	\$4.62
Other Administrative Expenses	\$40,655,104	\$69.46	\$40,627,178	\$66.35
<b>Total</b>	<b>\$43,209,932</b>	<b>\$73.52</b>	<b>\$43,457,252</b>	<b>\$70.97</b>

**Table 6: Medical Loss Ratio**

	CY 2020	CY 2021	CY 2022	Proposed 2024 Rates
Medical Loss Ratio	82.0%	114.2%	78.8%	91.3%

*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*