



COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

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GARY D. ANDERSON
COMMISSIONER OF INSURANCE

**In the Matter of the Disapproval by the Division of Insurance of a Merged
Market Rate Filing by AllWays Health Partners, Inc.**
Docket No. R2021-01

Decision and Order

I. Introduction and Procedural History

On January 4, 2021, AllWays Health Partners, Inc. (“AllWays”) submitted to the Division of Insurance (“Division”) a filing for proposed rates for small group health insurance to take effect on April 1, 2021 for policies issued or renewed during the second quarter of 2021 (the “Filing”). Pursuant to the Filing, AllWays requested an average composite rate increase of 14.58%. On January 21, after review of the Filing by the Division’s Health Care Access Bureau, Deputy Commissioner Kevin Beagan notified AllWays that the filing was disapproved (the “Disapproval Letter”). On January 22, pursuant to the provisions of M.G.L. c. 176J, §6(h) and 211 CMR 66.08(5)(e)5, AllWays requested a hearing before the Commissioner of Insurance (“Commissioner”). Jean Farrington, Esq. was designated as the presiding officer for this proceeding. On January 26, 2021, a hearing notice was issued scheduling a hearing on February 4, 2021 and an initial order was issued instructing AllWays promptly to file documents including the Filing and the Disapproval Letter in the docket and thereafter to file additional documents including, but not limited to, a statement of its reasons for seeking reversal of the disapproval letter.

The hearing took place virtually on February 4. Michael Fee, Esq., of Verrill Dana, LLP represented AllWays and Matthew Mancini, Esq. represented the Division in this matter. Both parties made opening statements, and a representative of Health Care for All spoke on its behalf. The ensuing discussion focused on the scope of hearings seeking to

reverse rate disapprovals, the possibility of deciding this matter in time to satisfy the statutory requirements for filing approved small group rates, and scheduling future evidentiary hearings. In light of the tight time frame for resolving this matter, both parties acknowledged their willingness to discuss a negotiated settlement. AllWays agreed to provide to the Health Care Access Bureau documents responsive to the grounds for disapproval specified in the Disapproval Letter. No further hearing was scheduled but, at its request, AllWays was ordered to submit prefiled written testimony responding to a principal reason for disapproving the Filing, that AllWays had not presented sufficient or adequate information to demonstrate that its proposed rates conform to the statutory standards for approval set out in M.G.L. c. 176J, §6.

At a status conference on February 10, the parties reported that they were engaged in settlement discussions and requested a second conference on February 11. At that conference they confirmed that they had agreed to the terms of a settlement and that they anticipated submitting a Stipulation on February 12. That Stipulation, in brief, agrees to an average composite rate increase of 11.5 percent to be effective for small group policies written or renewed on April 1 through June 30, 2021, or until such time as, pursuant to M.G.L. c. 176J, AllWays submits a new filing for those rates, and is subject to the other conditions set forth in the Stipulation. A copy of the Stipulation which has been entered into by the parties and entered into the docket of this proceeding is attached hereto as Exhibit A.

II. Statutory Framework

M.G.L. c. 176J, §6(c) sets out the statutory requirements for obtaining approval of rates for small group health insurance. Pursuant to M.G.L. c. 176J, §6(c), the Commissioner is required to disapprove any proposed changes to base rates that are excessive, inadequate or unreasonable in relation to the benefits charged. He shall also disapprove any change to small group rating factors that is discriminatory or not actuarially sound.

III. The Stipulation

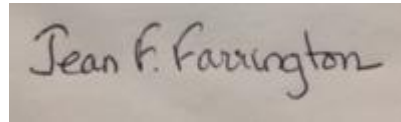
In agreeing to the terms of the Stipulation, the Health Care Access Bureau concluded that the stipulated rate is not excessive, inadequate or unreasonable in relation to the benefits charged, is actuarially sound, and satisfies the requirements of M.G.L. c. 176J. Further, the Stipulation states that no party will object to or appeal from the revised small group rates agreed to in that Stipulation.

IV. Conclusion

I find that the Stipulation submitted by the parties will provide for rates that are not excessive, inadequate or unreasonable in relation to the benefits charged, are actuarially sound and will not result in discriminatory changes to small group rating factors.

Therefore, I approve the Stipulation, and hereby ORDER that AllWays' small group health insurance rates filed on January 4, 2021, as revised according to the terms of the Stipulation, shall apply to new and renewal policies issued on and after April 1, 2021.

ENTERED this 12th day of February 2021.



Jean F. Farrington
Presiding Officer

AFFIRMED this 12th day of February 2021:



Gary D. Anderson
Commissioner of Insurance

Attached: Stipulation and Signature Page

Attachment

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**COMMONWEALTH OF MASSACHUSETTS
DIVISION OF INSURANCE**

AllWays Health Partners, Inc.)

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Filer,) DIVISION OF INSURANCE

) DOCKET NO. R2021-01

Proposed Small Group)

Insurance Rates for Policy Forms)

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STIPULATION

AllWays Health Partners, Inc. (“AllWays”), and the Division of Insurance (“Division”), the parties in the above-referenced proceeding, hereby stipulate as follows:

1. Without in any way admitting any substantive matter, AllWays and the Division agree that the average composite rate increase for small group coverage issued by AllWays between April 1, 2021 and June 30, 2021 shall be 11.5%. AllWays and the Division agree to take all necessary steps to implement this agreement by close of business February 12, 2021.

2. The Division agrees to withdraw its January 21, 2021 disapproval letter and AllWays agrees to withdraw its request for a hearing on the noted disapproval letter. The parties agree not to object to, nor appeal from, approval by the Commissioner of Insurance (“the Commissioner”) of rates effective for small group insurance coverage issued or renewed from April 1, 2021 through June 30, 2021 at the average composite rate increase identified in Paragraph 1.

3. In the event that the Commissioner or his designee approves the rates set out in Paragraph 1, the parties hereby agree to waive their respective rights to review of that decision. This agreement is for the purpose of this proceeding only. The parties acknowledge that the Stipulation has no precedential value and implies no approval or disapproval of any particular methodology or projection used in the development of any rate. Each party specifically reserves the right to contest in future rate hearings, or any other proceedings not related to the Docket No. R2021-01, all aspects of rate approval or disapproval, including the subject matter of this Stipulation. The parties further agree that this Stipulation is not relevant to future rate hearings, or any other proceeding not related to Docket No. 2021-01, and represent that, at or in connection with such hearings or other proceedings, the parties will not attempt to introduce it as evidence or rely on it for any purpose.

4. If this Stipulation is not approved or affirmed by the Commissioner or his designee on or by close of business on February 12, 2021, it is withdrawn and shall be of no force or effect, and the parties agree that they will not attempt to introduce it as evidence or rely on it for any purpose in this proceeding or any other proceedings.

[Signature Page Follows]

AllWays Health Partners, Inc., Proposed Small Group Insurance Rates for Policy Forms
_____, *Docket No. R2021-01*

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AllWays Health Partners, Inc. Division of Insurance

Michael K. Fee, Esq. Matthew M. Mancini, Esq.
Counsel to AllWays Health Partners, Inc. Counsel
AllWays Health Partners, Inc., Proposed Small Group Insurance Rates for Policy Forms
_____, *Docket No. R2021-01.*

/s/ Michael K. Fee

matthew M Mancini