



Maryland

INSURANCE ADMINISTRATION

2024 ACA

**Proposed Health Insurance Rates Hearing
Individual Non-Medigap & Small Group Markets**

Wednesday, July 19, 2023, 10 AM – 12 PM EDT

Presenter: Brad Boban, Chief Actuary

What's Been Filed – 2024 ACA?

INDIVIDUAL NON-MEDIGAP MARKET

- The average 2024 requested renewal is 5.7%. Requested rate changes by carrier vary from -2.0% to +8.0%
- Aetna has filed rates for a plans that will be available statewide in 2024.
- The requested increases would result in 2024 rates that are approximately 21% lower than 2018 rates on average.
- Total market enrollment (on and off Exchange combined) dropped by 1.6% (-3,800 members) between April 2022 and April 2023. First enrollment drop since 2018 after multiple years of strong growth. Enrollment is up ~17.5% (35k members) since 2018 and stands at 231k members.
- COVID-19 claims data has stabilized since Feb 2022 and all carriers are projecting stability in these claims going forward
- The impact of Medicaid disenrollment, which began in June, is still uncertain with carriers not yet making any explicit adjustments.

MD Individual rates vs other states

Comparison of Age 40 non-smoker premiums

Source: Kaiser Family Foundation

	Lowest Average Bronze		Lowest Average Silver		Lowest Average Gold	
2018 US Average	\$ 341		\$456		\$481	
Maryland	\$ 321	-6%	\$448	-2%	\$456	-5%
2023 US Average	\$ 342		\$448		\$472	
Maryland	\$ 242	-29%	\$334	-25%	\$323	-32%
2018 Lowest State	\$ 198		\$287		\$300	
Maryland	\$ 321	62%	\$448	56%	\$456	52%
2023 Lowest State	\$ 242		\$317		\$323	
Maryland	\$ 242	0%	\$334	5%	\$323	0%

What's Been Filed – 2024 ACA?

SMALL GROUP MARKET

1. The average requested renewal is 7.5% for all four quarters, with requests varying from 1.4% to 20.4% depending on the carrier.
2. From 03/31/22 to 03/31/23 total enrollment decreased by 4%, leaving the pool at just under 240k members.

DENTAL - STAND-ALONE - INDIVIDUAL, NON-MEDIGAP MARKET

1. The average filed 2024 renewal is -1.3% with rate requests ranging from -3.2% to +4.2% by carrier.
2. From 03/31/22 to 03/31/23, total enrollment has grown by 1%. Similar to Individual medical, this follows multiple years of strong double digit growth. Total enrollment of 96k, or about 41% of the Individual market.

Individual vs Small Group Allowed PMPM History

Historical Markewide Allowed PMPMs						
MD ACA Market						
Source: URRT data						
	Small Group	YoY Change	Individual			Ind:SG Ratio
2014	\$ 368		\$ 356			0.967
2015	\$ 374	1.6%	\$ 415	16.6%		1.110
2016	\$ 383	2.5%	\$ 440	6.1%		1.148
2017	\$ 402	4.9%	\$ 500	13.7%		1.244
2018	\$ 419	4.3%	\$ 551	10.2%		1.314
2019	\$ 430	2.4%	\$ 562	2.0%		1.308
2020	\$ 427	-0.7%	\$ 568	1.1%		1.332
2021	\$ 482	13.1%	\$ 622	9.5%		1.290
2022	\$ 502	4.0%	\$ 623	0.1%		1.242
4-year Annualized (2018 - 2022)		4.6%		3.1%		
Previous 4-year (2014-2018)		3.3%		11.6%		

2022 Risk Adjustment Transfers in MD

HIOS ID	HIOS INSURANCE COMPANY NAME	STATE	HHS RISK ADJUSTMENT STATE TRANSFER AMOUNT (INDIVIDUAL MARKET) Non-Catastrophic	HHS RISK ADJUSTMENT STATE TRANSFER AMOUNT (CATASTROPHIC RISK POOL)	HHS RISK ADJUSTMENT STATE TRANSFER AMOUNT (SMALL GROUP MARKET)
23620	UnitedHealthcare Insurance Company	MD	-	-	(\$2,918,812)
28137	CareFirst BlueChoice, Inc.	MD	(\$9,184,655)	(\$138,997)	(\$3,896,786)
31112	UnitedHealthcare of the Mid-Atlantic, Inc.	MD	-	-	(\$2,717,810)
45532	CFMI, Inc.	MD	\$46,669,012	-	\$6,683,359
65635	MAMSI Life and Health Insurance Company	MD	-	-	\$227,524
66516	Aetna Health Inc. (a PA corp.)	MD	-	-	(\$2,998,543)
70767	Aetna Life Insurance Company	MD	-	-	(\$91,171)
72375	Optimum Choice, Inc.	MD	(\$13,182,649)	-	(\$456,670)
90296	Kaiser Foundation Health Plan of the Mid-Atlantic States	MD	(\$59,637,861)	\$138,997	(\$7,802,369)
94084	GHMSI, Inc.	MD	\$35,336,154	-	\$13,971,278

CONTACT INFORMATION

INQUIRIES:

Craig Ey

Chief, Communications and Public
Engagement
Maryland Insurance Administration
craig.ey@maryland.gov
(410) 468-2488 (Office)

RATES:

Brad Boban, A.S.A., M.A.A.A.

Chief Actuary
Maryland Insurance Administration
Bradley.Boban@Maryland.gov
(410) 468-2065 (Office)

PUBLIC COMMENTS:

The MIA has posted rate filing documents at www.healthrates.mdinsurance.state.md.us. On that website, consumers can review filings and submit comments through **Friday, August 18, 2023**, as well as find answers to frequently asked questions about the rate review process.

APPENDIX

2024 ACA “Individual Non-Medigap” Filed Rates

		Members	Members	% Change		Approved	Approved	Approved	Filed	Cumulative
		On & Off	On & Off	in Members	4/30/2023	2019-2021	2022	2023	2024	2019-2024
		Exchange	Exchange	vs	Market	Average	Average	Average	Average	Average
Legal	Network	4/30/2022	4/30/2023	4/30/2022	Share	Rate	Rate	Rate	Rate	Rate
Entity	Type					Change	Change	Change	Change	Change
CareFirst BlueChoice	HMO	145,187	134,045	-7.7%	58.0%	-37.6%	6.2%	6.0%	6.4%	-25.3%
CareFirst GHMSI	PPO	6,513	6,887	5.7%	3.0%	-27.3%	-12.6%	13.3%	0.5%	-27.7%
CareFirst CFMI	PPO	9,707	10,165	4.7%	4.4%	-27.3%	-12.6%	13.3%	0.5%	-27.7%
Kaiser	HMO	62,554	59,956	-4.2%	25.9%	-21.7%	-5.0%	6.6%	8.0%	-14.4%
Optimum Choice (UHC)	HMO	10,937	20,063	83.4%	8.7%	N/A	1.2%	4.4%	-2.0%	N/A
Aetna Health Inc.	HMO	0	0	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
TOTAL		234,898	231,116	-1.6%	100.0%	-31.4%	2.1%	6.6%	5.7%	-21.1%
<u>SUBTOTAL (By Insurer)</u>										
CareFirst		161,407	151,097	-6.4%	65.4%	-36.5%	4.7%	6.7%	5.7%	-25.0%
Kaiser		62,554	59,956	-4.2%	25.9%	-21.7%	-5.0%	6.6%	8.0%	-14.4%
Optimum Choice (UHC)		10,937	20,063	83.4%	8.7%	N/A	1.2%	4.4%	-2.0%	N/A
Aetna Health Inc.		0	0	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
TOTAL		234,898	231,116	-1.6%	100.0%	-31.4%	2.1%	6.6%	5.7%	-21.1%

2024 ACA “Small Group” Filed Rates

			Members	Members	% Change		Approved	Filed	Filed	Filed	Filed	Filed
			On & Off	On & Off	in Members	03/31/23	2023	05/02/23	05/02/23	05/02/23	05/02/23	05/02/23
	Legal	Network	Exchange	Exchange	vs	Market	Average	Average	Average	Average	Average	Average
	Entity	Type	03/31/22	03/31/23	03/31/23	Share	Rate	Rate	Rate	Rate	Rate	Rate
							Increase*	Increase	Increase	Increase	Increase	Increase
1	CareFirst BlueChoice, Inc.	HMO	175,399	169,619	-3.3%	71%	11.7%	7.8%	6.3%	6.7%	7.0%	7.1%
2	CF GHMSI	PPO	12,833	12,841	0.1%	5%	5.8%	5.5%	5.5%	5.5%	5.4%	5.5%
3	CF CFMI	PPO	7,264	7,681	5.7%	3%	5.8%	5.5%	5.5%	5.5%	5.4%	5.5%
7	United Healthcare of the Mid-Atlantic	HMO	3,713	2,914	-21.5%	1%	10.1%	19.4%	20.1%	20.8%	21.5%	20.4%
8	United Healthcare (Optimum Choice)	HMO	9,399	6,915	-26.4%	3%	10.0%	3.6%	4.2%	4.8%	5.4%	4.4%
9	United Healthcare (MAMSI)	EPO	11,791	9,982	-15.3%	4%	3.0%	6.1%	6.6%	7.1%	7.6%	6.8%
10	United Healthcare Insurance Co.	PPO	17,084	14,824	-13.2%	6%	3.2%	10.6%	11.1%	11.6%	12.2%	11.4%
4	Kaiser	HMO	10,492	9,635	-8.2%	4%	9.0%	8.0%	8.8%	9.6%	10.4%	9.2%
5	Aetna Health, Inc.	HMO	1,005	4,275	325.4%	2%	12.6%	15.9%	15.6%	15.3%	14.9%	15.4%
6	Aetna Life Insurance Co.	PPO	569	886	55.7%	0%	8.9%	1.9%	1.6%	1.3%	1.0%	1.4%
	TOTAL		249,549	239,572	-4.0%	100%	10.0%	7.9%	6.9%	7.3%	7.6%	7.5%
				(9,977)								
	SUBTOTAL (By Insurer)											
11	CareFirst		195,496	190,141	-2.7%	79%	11.1%	7.6%	6.2%	6.6%	6.8%	6.9%
14	United Healthcare		41,987	34,635	-17.5%	14%	5.1%	8.6%	9.2%	9.7%	10.3%	9.4%
13	Kaiser		10,492	9,635	-8.2%	4%	9.0%	8.0%	8.8%	9.6%	10.4%	9.2%
12	Aetna		1,574	5,161	227.9%	2%	12.0%	13.5%	13.2%	12.9%	12.5%	13.0%
	TOTAL		249,549	239,572	-4.0%	100%	10.0%	7.9%	6.9%	7.3%	7.6%	7.5%
	SUBTOTAL (By Coverage Type)											
15	HMO		200,008	193,358	-3.3%	81%	11.5%	8.0%	6.8%	7.2%	7.5%	7.5%
16	EPO		11,791	9,982	-15.3%	4%	3.0%	6.1%	6.6%	7.1%	7.6%	6.8%
14	PPO		37,750	36,232	-4.0%	15%	4.8%	7.5%	7.7%	7.9%	8.1%	7.8%
	TOTAL		249,549	239,572	-4.0%	100%	10.0%	7.9%	6.9%	7.3%	7.6%	7.5%

2024 ACA “Individual Dental” Filed Rates

1	3	4	5	6	9	10			14
									Filed 05/02/23
			Actual Members On & Off Exchange	Actual Members On & Off Exchange	vs. 03/31/22 Δ	03/31/23 Market Share	Approved 2022 Average Rate Change*	Approved 2023 Average Rate Change*	2024 Average Rate Increase
<u>Market</u>	<u>Legal Entity</u>	<u>Network Type</u>	<u>3/31/22</u>	<u>03/31/23</u>					
Individual	Alpha Dental	DPPO	4,607	4,077	-11.5%	4%	0.0%	-4.0%	4.2%
Non-	CareFirst GHMSI	DPPO	15,825	16,309	3.1%	17%	0.0%	9.5%	-3.2%
Medigap	CareFirst CFMI	DPPO	36,924	38,054	3.1%	40%	0.0%	9.5%	-3.2%
(INM)	Delta Dental of PA	DPPO	23,344	21,896	-6.2%	23%	0.0%	-2.3%	2.0%
	Dominion Dental Services	DHMO+DPPO	14,432	15,713	8.9%	16%	1.5%	0.7%	-1.0%
	TOTAL		95,132	96,049	1.0%	100%	0.2%	4.8%	-1.3%