



**2024 ACA**  
**Individual Non-Medigap & Small Group Markets**  
**Approved Health Insurance Premiums**

**Health and Government Operations Committee (HGO) Briefing**

**Thursday, October 5, 2023**

**Presenter: Brad Boban, Chief Actuary**

# General Rate Review Process

1. Maryland Insurance Article § 11-603(c)(2) requires that rates must not be excessive, inadequate, or unfairly discriminatory and must be reasonable in relation to benefits. Otherwise the Commissioner “...shall disapprove or modify a proposed premium rate filing.”
2. Begin by reviewing 2022 experience period claims and comparing to past years claims and to what carrier’s had previously projected when setting 2022 rates. Obtain analyses from carriers that help normalize for confounding variables and understand drivers of past year’s experience.
3. Review assumptions used to project experience period claims. “Actuarial Standards of Practice” (ASOP) # 8 describe an approach where assumptions need to be supported and reasonable both individually and in aggregate.
4. Key assumptions for 2024 include 1) claims trend (both cost and utilization), 2) morbidity (relative health status of the pool), 3) operating expenses, 4) profit margin/contribution to reserve, 5) risk adjustment transfers 6) COVID-19 Impact 7) reinsurance recoveries under 1332 waiver, and 8) impact of Medicaid unwinding on enrollment/morbidity
5. Rate filings were submitted on 5/22/23 and approved on 9/18/23.

# What's Been Approved – 2024 Individual ACA

1. Carriers originally asked for an average 5.7% increase. Final approved average was 4.7%
2. CareFirst PPO and United (17% of total market) rates are decreasing.
3. Aetna entering market for 2024 with 9 plans; offered statewide. All counties will have at least 3 carriers to choose from.
4. Reinsurance attachment point (AP) was lowered from \$20k to \$18,500 in 2023 because of the potential for large double digit increases if ARPA subsidies were not extended.
5. For 2024, with APRA subsidies extended through 2025 by the Inflation Reduction Act and in interest of long-term solvency of Reinsurance program, AP was increased by MHBE board back up to \$20k, the same level as 2019 – 2022.
6. This put about +1.6% of upward pressure on rates. Had AP remain untouched, last year's approval would have been over 8% and this year's approval would have been close to 3%
7. Low increase driven by 2022 claims coming in slightly lower than carriers projected; and carriers projecting a fairly low pricing trends into the future (5.3% average)

# 2024 Individual Average Rate Approvals

EXHIBIT 1: 2024 MARYLAND ACA INDIVIDUAL MARKET RATE FILING SUMMARY									
				Approved	Approved	Approved	Filed	Approved	Cumulative
		Members		2019-2021	2022	2023	2024	2024	2019-2024
		On & Off	6/30/2023	Average	Average	Average	Average	Average	Average
Legal	Network	Exchange	Market	Rate	Rate	Rate	Rate	Rate	Rate
Entity	Type	6/30/2023	Share	Change	Change	Change	Change	Change	Change
CareFirst BlueChoice	HMO	132,123	57.7%	-37.6%	6.2%	6.0%	6.4%	4.9%	-26.3%
CareFirst GHMSI	PPO	6,889	3.0%	-27.3%	-12.6%	13.3%	0.5%	-2.5%	-29.8%
CareFirst CFMI	PPO	10,054	4.4%	-27.3%	-12.6%	13.3%	0.5%	-2.5%	-29.8%
Kaiser	HMO	58,451	25.5%	-21.7%	-5.0%	6.6%	8.0%	8.3%	-14.1%
Optimum Choice (UHC)	HMO	21,283	9.3%	N/A	1.2%	4.4%	-2.0%	-1.2%	N/A
Aetna Health Inc.	HMO	0	0.0%	N/A	N/A	N/A	New	New	N/A
<b>TOTAL</b>		<b>228,800</b>	<b>100.0%</b>	<b>-31.4%</b>	<b>2.1%</b>	<b>6.6%</b>	<b>5.7%</b>	<b>4.7%</b>	<b>-21.9%</b>
<b><u>SUBTOTAL (By Insurer)</u></b>									
CareFirst		149,066	65.2%	-36.5%	4.7%	6.7%	5.7%	4.1%	-26.2%
Kaiser		58,451	25.5%	-21.7%	-5.0%	6.6%	8.0%	8.3%	-14.1%
Optimum Choice (UHC)		21,283	9.3%	N/A	1.2%	4.4%	-2.0%	-1.2%	N/A
Aetna Health Inc.		0	0.0%	N/A	N/A	N/A	N/A	N/A	N/A
<b>TOTAL</b>		<b>228,800</b>	<b>100.0%</b>	<b>-31.4%</b>	<b>2.1%</b>	<b>6.6%</b>	<b>5.7%</b>	<b>4.7%</b>	<b>-21.9%</b>

# What's Been Approved – Individual ACA Dental

1. Dental carriers requested an average rate decrease of -1.3%; which was what the MIA approved
2. 75% of policyholders receiving rate decreases
3. The two carriers raising rates (Alpha and Delta) requested increases equal to the decreases they implemented in 2023, for a 2-year average of 0%.
4. Claims trends in dental remain very low compared to medical

# Individual ACA Dental Approvals

**EXHIBIT 5: 2024 MARYLAND ACA INDIVIDUAL STAND-ALONE DENTAL MARKET  
RATE FILING SUMMARY**

EXHIBIT 5: 2024 MARYLAND ACA INDIVIDUAL STAND-ALONE DENTAL MARKET									
RATE FILING SUMMARY									
	1	3	4	6	10			14	
								Filed 05/02/23	Approved
				Actual Members On & Off	03/31/23	Approved 2022 Average Rate Change*	Approved 2023 Average Rate Change*	2024 Average Rate Increase	2024 Average Rate Increase
Market	Legal Entity	Network Type	Exchange 03/31/23	Market Share					
Individual	Alpha Dental	DPPO	4,077	4%	0.0%	-4.0%	4.2%	4.2%	
Non-Medigap (INM)	CareFirst GHMSI	DPPO	16,309	17%	0.0%	9.5%	-3.2%	-3.2%	
	CareFirst CFMI	DPPO	38,054	40%	0.0%	9.5%	-3.2%	-3.2%	
	Delta Dental of PA	DPPO	21,896	23%	0.0%	-2.3%	2.0%	2.0%	
	Dominion Dental Services	DHMO+DPPO	15,713	16%	1.5%	0.7%	-1.0%	-1.0%	
	<b>TOTAL</b>		<b>96,049</b>	<b>100%</b>	<b>0.2%</b>	<b>4.8%</b>	<b>-1.3%</b>	<b>-1.3%</b>	



# What's Been Approved – Small Group ACA

1. Small group carriers originally requested an average increase of 7.5%. The average approved increase is 6.9%.
2. Significant variation by carrier, but all carriers are filing for increases.
3. Major driver of rate increase is trend. Average small group trend of 7.8% significantly higher than Individual. High prescription drug is main service driver.
4. Even though small group trends are higher than Individual, small group claims remain significantly lower. For 2022, SG average \$502 per member per month in claims, Individual average \$623

# Small Group ACA Approvals

EXHIBIT 3: 2024 MARYLAND, ACA, SMALL GROUP MARKET														
RATE FILING SUMMARY														
								Originally Filed						
			Members		Approved	Approved	05/02/23	Approved	Approved	Approved	Approved	Approved	Approved	Approved
			On & Off	03/31/23	2022	2023	2024	1Q24	2Q24	3Q43	4Q24	2024	2024	2024
			Exchange	Market	Average	Average	Average	Average	Average	Average	Average	Average	Average	Average
	Legal	Network	03/31/23	Share	Rate	Rate	Rate	Rate	Rate	Rate	Rate	Rate	Rate	Rate
	Entity	Type	03/31/23	Share	Increase*	Increase*	Increase	Increase	Increase	Increase	Increase	Increase	Increase	Increase
1	CareFirst BlueChoice, Inc.	HMO	169,619	71%	4.4%	9.1%	7.1%	8.1%	6.6%	6.9%	7.2%	7.3%	7.3%	7.3%
2	CF GHMSI	PPO	12,841	5%	3.7%	0.4%	5.5%	3.1%	2.9%	2.6%	2.4%	2.8%	2.8%	2.8%
3	CF CFMI	PPO	7,681	3%	3.7%	0.4%	5.5%	3.1%	2.9%	2.6%	2.4%	2.8%	2.8%	2.8%
3	United Healthcare of the Mid-Atlantic	HMO	2,914	1%	9.4%	8.9%	20.4%	12.4%	12.8%	13.1%	13.5%	13.0%	13.0%	13.0%
4	United Healthcare (Optimum Choice)	HMO	6,915	3%	7.0%	8.4%	4.4%	5.8%	6.1%	6.4%	6.8%	6.4%	6.4%	6.4%
5	United Healthcare (MAMSI)	EPO	9,982	4%	8.8%	2.5%	6.8%	4.8%	5.0%	5.2%	5.5%	5.2%	5.2%	5.2%
6	United Healthcare Insurance Co.	PPO	14,824	6%	8.0%	2.7%	11.4%	5.7%	5.9%	6.1%	6.4%	6.0%	6.0%	6.0%
	Kaiser	HMO	9,635	4%	7.2%	9.0%	9.2%	6.9%	7.7%	8.4%	9.2%	8.0%	8.0%	8.0%
1	Aetna Health, Inc.	HMO	4,275	2%	-26.8%	11.0%	15.4%	15.9%	15.6%	15.3%	14.9%	15.4%	15.4%	15.4%
2	Aetna Life Insurance Co.	PPO	886	0%	-10.1%	8.9%	1.4%	1.9%	1.6%	1.3%	1.0%	1.4%	1.4%	1.4%
	<b>TOTAL</b>		<b>239,572</b>	<b>100%</b>	<b>4.4%</b>	<b>7.6%</b>	<b>7.5%</b>	<b>7.4%</b>	<b>6.4%</b>	<b>6.7%</b>	<b>6.9%</b>	<b>6.9%</b>	<b>6.9%</b>	<b>6.9%</b>





Questions?



## Appendix – Sample 2024 Rates

# Sample Individual Premiums – Lowest Bronze

Exhibit 2												
2024 ACA: INDIVIDUAL MARKET												
ILLUSTRATIVE PREMIUM IMPACTS												
BALTIMORE RATES												
SELF-ONLY ILLUSTRATION (AGE 40)						FAMILY OF FOUR ILLUSTRATION (AGES 45, 43, 15, 13)						
Lowest Cost Bronze Plan						Lowest Cost Bronze Plan						
		2023	%	2024				%	2024			
	Network	Monthly	Rate	Monthly	Monthly		Network	Monthly	Rate	Monthly	Monthly	
	Carrier	Type	Approved	Change	Approved	Change	Carrier	Type	Approved	Change	Approved	Change
	Aetna Health Inc.	HMO	N/A	N/A	\$294	N/A	Aetna Health Inc.	HMO	N/A	N/A	\$1,012	N/A
	CareFirst BlueChoice	HMO	\$261	6.6%	\$279	\$17	CareFirst BlueChoice	HMO	\$899	6.6%	\$959	\$59
	CareFirst GHMSI/CFMI	PPO	\$447	-6.1%	\$420	(\$27)	CareFirst GHMSI/CFMI	PPO	\$1,538	-6.1%	\$1,444	(\$94)
	Kaiser	HMO	\$241	9.9%	\$264	\$24	Kaiser	HMO	\$828	9.9%	\$910	\$82
	Optimum Choice (UHC)	HMO	\$253	1.2%	\$256	\$3	Optimum Choice (UHC)	HMO	\$869	1.2%	\$879	\$10



# Sample Individual Premiums – Lowest Bronze

Exhibit 2												
2024 ACA: INDIVIDUAL MARKET												
ILLUSTRATIVE PREMIUM IMPACTS												
BALTIMORE RATES												
Lowest Cost Silver Plan						Lowest Cost Silver Plan						
		2023	%	2024			2023	%	2024			
	Network	Monthly	Rate	Monthly	Monthly		Network	Monthly	Rate	Monthly	Monthly	
	Carrier	Type	Approved	Change	Approved	Change	Carrier	Type	Approved	Change	Approved	Change
	Aetna Health Inc.	HMO	N/A	N/A	\$371	N/A	Aetna Health Inc.	HMO	N/A	N/A	\$1,278	N/A
	CareFirst BlueChoice	HMO	\$335	-0.1%	\$335	(\$0)	CareFirst BlueChoice	HMO	\$1,154	-0.1%	\$1,153	(\$1)
	CareFirst GHMSI/CFMI	PPO	\$513	-8.7%	\$469	(\$45)	CareFirst GHMSI/CFMI	PPO	\$1,766	-8.7%	\$1,613	(\$154)
	Kaiser	HMO	\$268	7.1%	\$288	\$19	Kaiser	HMO	\$924	7.1%	\$990	\$66
	Optimum Choice (UHC)	HMO	\$350	-2.4%	\$342	(\$9)	Optimum Choice (UHC)	HMO	\$1,206	-2.4%	\$1,176	(\$29)



# Sample Individual Premiums – Lowest Bronze

Exhibit 2													
2024 ACA: INDIVIDUAL MARKET													
ILLUSTRATIVE PREMIUM IMPACTS													
BALTIMORE RATES													
Lowest Cost Gold Plan		2023	%	2024		Lowest Cost Gold Plan		2023	%	2024			
	Network	Monthly	Rate	Monthly	Monthly		Network	Monthly	Rate	Monthly	Monthly		
	Carrier	Type	Approved	Change	Approved	Change		Carrier	Type	Approved	Change		
	Aetna Health Inc.	HMO	N/A	N/A	\$359	N/A		Aetna Health Inc.	HMO	N/A	N/A	\$1,237	N/A
	CareFirst BlueChoice	HMO	\$369	4.1%	\$384	\$15		CareFirst BlueChoice	HMO	\$1,268	4.1%	\$1,320	\$52
	CareFirst GHMSI/CFMI	PPO	\$537	-1.5%	\$529	(\$8)		CareFirst GHMSI/CFMI	PPO	\$1,848	-1.5%	\$1,821	(\$27)
	Kaiser	HMO	\$322	10.1%	\$354	\$32		Kaiser	HMO	\$1,108	10.1%	\$1,220	\$112
	Optimum Choice (UHC)	HMO	\$328	2.3%	\$336	\$7		Optimum Choice (UHC)	HMO	\$1,130	2.3%	\$1,156	\$26



# On-Exchange Value Plan Premiums

	Aetna	CFBC	CF PPO	Kaiser	OCI
<b>Bronze Value</b>					
Age 21	\$234.73	\$228.88	\$328.26	\$210.70	\$199.92
Age 40	\$299.98	\$292.51	\$419.52	\$269.27	\$255.50
Age 60	\$637.06	\$621.18	\$890.90	\$571.84	\$542.58
<b>Silver Value</b>					
Age 21	\$306.21	\$322.04	\$411.47	\$313.53	\$270.53
Age 40	\$391.34	\$411.57	\$525.86	\$400.69	\$345.74
Age 60	\$831.05	\$874.02	\$1,116.73	\$850.92	\$734.22
<b>Gold Value</b>					
Age 21	\$320.93	\$312.10	\$413.97	\$312.04	\$272.28
Age 40	\$410.15	\$398.86	\$529.05	\$398.79	\$347.97
Age 60	\$871.00	\$847.04	\$1,123.51	\$846.88	\$738.97

# Sample Small Group Premiums – Lowest silver

Exhibit 4										
2024 ACA: SMALL GROUP MARKET										
ILLUSTRATIVE PREMIUM IMPACTS										
BALTIMORE RATES										

Lowest Cost Silver Plan		2023	%	2024	
	Network	Monthly	Rate	Monthly	Monthly
Carrier	Type	Approved	Change	Approved	Change
Aetna	HMO	\$301	12%	\$335	\$35
Aetna	PPO	\$363	-3%	\$351	(\$12)
CareFirst BlueChoice	HMO	\$402	9%	\$439	\$37
CareFirst GHMSI/CFMI	PPO	\$477	4%	\$496	\$19
Kaiser	HMO	\$325	7%	\$349	\$24
United Healthcare (MAMSI)	EPO	\$410	6%	\$434	\$25
United Healthcare (Optimum Choice)	HMO	\$374	8%	\$402	\$29
United Healthcare of the Mid-Atlantic	HMO	\$355	16%	\$411	\$56
United Healthcare Insurance Co.	PPO	\$424	8%	\$456	\$32

Lowest Cost Silver Plan		2023	%	2024	
	Network	Monthly	Rate	Monthly	Monthly
Carrier	Type	Approved	Change	Approved	Change
Aetna	HMO	\$1,035	12%	\$1,154	\$120
Aetna	PPO	\$1,250	-3%	\$1,209	(\$41)
CareFirst BlueChoice	HMO	\$1,384	9%	\$1,513	\$129
CareFirst GHMSI/CFMI	PPO	\$1,642	4%	\$1,708	\$67
Kaiser	HMO	\$1,117	7%	\$1,200	\$82
United Healthcare (MAMSI)	EPO	\$1,410	6%	\$1,494	\$85
United Healthcare (Optimum Choice)	HMO	\$1,287	8%	\$1,385	\$98
United Healthcare of the Mid-Atlantic	HMO	\$1,224	16%	\$1,416	\$193
United Healthcare Insurance Co.	PPO	\$1,458	8%	\$1,569	\$111



# Sample Small Group premiums – Lowest Gold

Exhibit 4 2024 ACA: SMALL GROUP MARKET ILLUSTRATIVE PREMIUM IMPACTS BALTIMORE RATES											
Lowest Cost Gold Plan						Lowest Cost Gold Plan					
		2023	%	2024			2023	%	2024		
	Network	Monthly	Rate	Monthly	Monthly		Monthly	Rate	Monthly	Monthly	
Carrier	Type	Approved	Change	Approved	Change	Carrier	Type	Approved	Change	Approved	Change
Aetna	HMO	\$376	12%	\$421	\$44	Aetna	HMO	\$1,295	12%	\$1,448	\$153
Aetna	PPO	\$454	-3%	\$442	(\$13)	Aetna	PPO	\$1,564	-3%	\$1,520	(\$44)
CareFirst BlueChoice	HMO	\$496	8%	\$536	\$40	CareFirst BlueChoice	HMO	\$1,707	8%	\$1,844	\$137
CareFirst GHMSI/CFMI	PPO	\$563	3%	\$581	\$18	CareFirst GHMSI/CFMI	PPO	\$1,939	3%	\$1,999	\$60
Kaiser	HMO	\$372	8%	\$400	\$28	Kaiser	HMO	\$1,280	8%	\$1,376	\$96
United Healthcare (MAMS)	EPO	\$473	4%	\$490	\$17	United Healthcare (MAMS)	EPO	\$1,628	4%	\$1,686	\$58
United Healthcare (Optimum Choice)	HMO	\$424	7%	\$456	\$32	United Healthcare (Optimum Choice)	HMO	\$1,460	7%	\$1,570	\$109
United Healthcare of the Mid-Atlantic	HMO	\$408	14%	\$464	\$56	United Healthcare of the Mid-Atlantic	HMO	\$1,406	14%	\$1,598	\$192
United Healthcare Insurance Co.	PPO	\$494	4%	\$514	\$20	United Healthcare Insurance Co.	PPO	\$1,701	4%	\$1,771	\$70

