



**2025 ACA**  
**Individual Non-Medigap & Small Group Markets**  
**Approved Health Insurance Premiums**

**MHBE Board Meeting**

**Monday, September 16, 2024, 2 PM – 4 PM**

**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 2023 experience period claims and comparing to past years and to what carrier’s had previously projected when setting 2023 rates. Seek to understand any deviance from the expectations or any large year over year movements.
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 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) reinsurance recoveries under 1332 waiver, and 7) impact of Medicaid unwinding on enrollment/morbidity.
5. Rate filings were submitted on 5/20/24 and approved on 9/05/24.

# Individual ACA Rate Approvals

							Approved	Approved	Approved	Approved	Filed	Approved	Cumulative
							2019-2021	2022	2023	2024	22-May	6-Sep	2019-2025
		Members	Members	% Change			Average	Average	Average	Average	Average	Average	Average
		On & Off	On & Off	in Members	7/31/2024	Market	Rate	Rate	Rate	Rate	Rate	Rate	Rate
Legal	Network	Exchange	Exchange	vs	Share	Change	Change	Change	Change	Change	Change	Change	Change
Entity	Type	7/31/2023	7/31/2024	7/31/2023									
CareFirst BlueChoice	HMO	132,206	128,862	-2.5%	47.6%	-37.6%	6.2%	6.0%	4.9%	4.7%	5.1%	-22.6%	
CareFirst GHMSI	PPO	6,886	8,026	16.6%	3.0%	-27.3%	-12.6%	13.3%	-2.5%	14.2%	8.6%	-23.8%	
CareFirst CFMI	PPO	10,094	11,701	15.9%	4.3%	-27.3%	-12.6%	13.3%	-2.5%	14.2%	8.6%	-23.8%	
Kaiser	HMO	57,569	56,317	-2.2%	20.8%	-21.7%	-5.0%	6.6%	8.3%	8.5%	8.5%	-6.8%	
Optimum Choice (UHC)	HMO	23,019	63,355	175.2%	23.4%	N/A	1.2%	4.4%	-1.2%	6.7%	5.5%	N/A	
Aetna Health Inc.	HMO	0	2,636	0.0%	1.0%	N/A	N/A	N/A	New	12.4%	8.8%	N/A	
Wellpoint Maryland, Inc.	HMO	0	0	0.0%	0.0%	N/A	N/A	N/A	N/A	New	New	N/A	
<b>TOTAL</b>		<b>229,774</b>	<b>270,897</b>	<b>17.9%</b>	<b>100.0%</b>	<b>-31.4%</b>	<b>2.1%</b>	<b>6.6%</b>	<b>4.7%</b>	<b>6.7%</b>	<b>6.2%</b>	<b>-17.0%</b>	
<b>SUBTOTAL (By Insurer)</b>													
CareFirst		149,186	148,589	-0.4%	54.9%	-36.5%	4.7%	6.7%	4.1%	5.9%	5.6%	-21.8%	
Kaiser		57,569	56,317	-2.2%	20.8%	-21.7%	-5.0%	6.6%	8.3%	8.5%	8.5%	-6.8%	
Optimum Choice (UHC)		23,019	63,355	175.2%	23.4%	N/A	1.2%	4.4%	-1.2%	6.7%	5.5%	N/A	
Aetna Health Inc.		0	2,636	0.0%	1.0%	N/A	N/A	N/A	N/A	12.4%	8.8%	N/A	
Wellpoint Maryland, Inc.		0	0	0.0%	0.0%	N/A	N/A	N/A	N/A	New	New	N/A	
<b>TOTAL</b>		<b>229,774</b>	<b>270,897</b>	<b>17.9%</b>	<b>100.0%</b>	<b>-31.4%</b>	<b>2.1%</b>	<b>6.6%</b>	<b>4.7%</b>	<b>6.7%</b>	<b>6.2%</b>	<b>-17.0%</b>	



# MD's premiums relative to nation in 2024

Lowest Cost Plan by Metal Level						
Age 40 Premium						
Weighted Average by zip code						
Source: Kaiser Family Foundation						
		Bronze			Silver	
1	MD	\$	256	-30%	1	NH \$ 324
2	NH	\$	266		2	MN \$ 337
3	RI	\$	281		3	MD \$ 342 -27%
4	MN	\$	283		4	VA \$ 370
5	VA	\$	284		5	AZ \$ 373
	US Average	\$	364		US Average	\$ 468
		Gold				
1	MD	\$	336	-31%		
2	NH	\$	354			
3	RI	\$	371			
4	MN	\$	377			
5	VA	\$	391			
	US Average	\$	488			

# Individual Trend by service category

Overall Individual Market Average					
Service Category	PMPM	% Total Services	Cost Trend	Utilization Trend	Total Trend
Inpatient Hospital	\$ 115	18%	1.038	1.000	1.038
Outpatient Hospital	\$ 120	19%	1.023	1.024	1.048
Professional	\$ 220	35%	1.044	1.039	1.085
Other Medical	\$ 43	7%	0.998	1.067	1.064
Capitation	\$ 1	0%	0.747	0.764	0.747
Prescription Drug	\$ 137	22%	1.055	1.045	1.103
<b>Total</b>	<b>\$ 636</b>	<b>100%</b>	<b>1.033</b>	<b>1.027</b>	<b>1.061</b>
Total Hospital	\$ 235	37%	1.030	1.013	1.043
HSCRC Update Factor (2024 to 2025)					1.045



# Impact of Risk Adjustment and Reinsurance by Carrier

2023 Experience Period									
	Allowed Claims	Member Months	PMPM	Risk Adjustment	RA PMPM	Post-RA PMPM	Reinsurance	RI PMPM	Post-RARI PMPM
Optimum Choice	\$120,716,953	286,957	\$421	(\$22,040,588)	(\$77)	\$497	\$37,266,661	\$130	\$368
Kaiser	\$373,165,662	709,562	\$526	(\$66,265,784)	(\$93)	\$619	\$85,287,091	\$120	\$499
BlueChoice	\$1,029,249,804	1,610,064	\$639	\$4,525,944	\$3	\$636	\$336,940,146	\$209	\$427
CFMI	\$178,291,568	121,885	\$1,463	\$44,904,518	\$368	\$1,094	\$60,280,952	\$495	\$600
GHMSI	\$136,622,272	82,765	\$1,651	\$38,875,909	\$470	\$1,181	\$48,061,629	\$581	\$600
<b>Total Market</b>	<b>\$1,838,046,259</b>	<b>2,811,233</b>	<b>\$654</b>	<b>\$0</b>	<b>\$0</b>	<b>\$654</b>	<b>\$567,836,479</b>	<b>\$202</b>	<b>\$452</b>

# MD Individual Market MLR History

	Rebates (in Millions)				
	2011-2018	2019	2020	2021	2022
Kaiser	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
CareFirst BlueChoice	\$0.0	\$20.2	\$48.9	\$24.8	\$0.0
CareFirst PPO (CFMI)	\$0.0	\$6.7	\$19.4	\$12.0	\$0.0
CareFirst PPO (GHMSI)	\$0.0	\$0.0	\$4.2	\$7.4	\$0.1
Optimum Choice Inc.	N/A	N/A	N/A	\$0.6	\$2.2
<b>Total Ind. Rebates</b>	<b>\$0.0</b>	<b>\$26.9</b>	<b>\$72.5</b>	<b>\$44.9</b>	<b>\$2.3</b>
Rebate % of Premium	0.0%	2.2%	6.1%	4.1%	0.2%

# MLR Details for 2022 MLR Calculation

2022 MLR				2020	2021	2022	3-Year Ave	Rebate %	Cred Adj	Rebate After Cred Adj
Kaiser				91.6%	96.5%	103.0%	<b>96.7%</b>	0.0%		0.0%
CareFirst BlueChoice				77.0%	88.6%	82.8%	<b>82.9%</b>	0.0%		0.0%
CareFirst PPO (CFMI)				59.4%	91.6%	91.1%	<b>79.8%</b>	0.2%	0.9%	0.0%
CareFirst PPO (GHMSI)				66.2%	78.5%	87.8%	<b>78.1%</b>	1.9%	1.7%	0.2%
Optimum Choice Inc.					74.6%	74.2%	<b>73.3%</b>	6.7%	2.7%	4.0%



# Comparison of Value Plan Premiums

	Aetna	BlueChoice	CF PPO	Kaiser	OCI	Wellpoint
<b>Bronze Value</b>						
Age 21	\$247.57	\$242.36	\$357.17	\$226.90	\$207.50	\$253.40
Age 40	\$316.39	\$309.74	\$456.46	\$289.98	\$265.19	\$323.85
Age 60	\$671.90	\$657.77	\$969.36	\$615.81	\$563.16	\$687.73
	Aetna	BlueChoice	CF PPO	Kaiser	OCI	Wellpoint
<b>Silver Value</b>						
Age 21	\$315.17	\$344.09	\$449.72	\$332.90	\$285.85	\$325.13
Age 40	\$402.78	\$439.75	\$574.74	\$425.45	\$365.31	\$415.52
Age 60	\$855.35	\$933.86	\$1,220.54	\$903.49	\$775.79	\$882.40
	Aetna	BlueChoice	CF PPO	Kaiser	OCI	Wellpoint
<b>Gold Value</b>						
Age 21	\$347.32	\$332.25	\$449.19	\$341.18	\$287.30	\$321.31
Age 40	\$443.88	\$424.62	\$574.06	\$436.03	\$367.17	\$410.63
Age 60	\$942.63	\$901.73	\$1,219.10	\$925.96	\$779.74	\$872.04

# Sample Individual Premiums – Lowest Bronze

<b>Lowest Cost Bronze Plan - Age 40 Baltimore Metro Region</b>					
	Network	2024	%	2025	
<u>Carrier</u>	<u>Type</u>	<u>Monthly Approved</u>	<u>Rate Change</u>	<u>Monthly Approved</u>	<u>Monthly Change</u>
Aetna Health Inc.	HMO	\$294	4.7%	\$308	\$14
CareFirst BlueChoice	HMO	\$279	5.9%	\$295	\$16
CareFirst GHMSI/CFMI	PPO	\$420	8.8%	\$456	\$37
Kaiser	HMO	\$264	8.6%	\$287	\$23
Optimum Choice (UHC)	HMO	\$256	2.0%	\$261	\$5
Wellpoint Maryland, Inc.	HMO	N/A	N/A	\$304	N/A

# Sample Individual Premiums – Lowest Silver

Lowest Cost Silver Plan - Age 40 Baltimore Metro Region					
	Network	2024	%	2025	
<u>Carrier</u>	<u>Type</u>	<u>Monthly Approved</u>	<u>Rate Change</u>	<u>Monthly Approved</u>	<u>Monthly Change</u>
Aetna Health Inc.	HMO	\$371	6.7%	\$396	\$25
CareFirst BlueChoice	HMO	\$335	5.9%	\$355	\$20
CareFirst GHMSI/CFMI	PPO	\$469	8.9%	\$510	\$42
Kaiser	HMO	\$288	10.9%	\$319	\$31
Optimum Choice (UHC)	HMO	\$342	-11.6%	\$302	(\$40)
Wellpoint Maryland, Inc.	HMO	N/A	N/A	\$397	N/A

# Sample Individual Premiums – Lowest Gold

Lowest Cost Gold Plan - Age 40 Baltimore Metro Region					
<u>Carrier</u>	<u>Network Type</u>	<u>2024 Monthly Approved</u>	<u>% Rate Change</u>	<u>2025 Monthly Approved</u>	<u>Monthly Change</u>
Aetna Health Inc.	HMO	\$359	14.9%	\$413	\$54
CareFirst BlueChoice	HMO	\$384	3.7%	\$398	\$14
CareFirst GHMSI/CFMI	PPO	\$529	8.5%	\$574	\$45
Kaiser	HMO	\$354	10.2%	\$390	\$36
Optimum Choice (UHC)	HMO	\$336	1.2%	\$340	\$4
Wellpoint Maryland, Inc,	HMO	N/A	N/A	\$368	N/A

# Individual ACA Dental Approvals

							Approved	Approved	Filed	Approved
							2023	2024	05/02/24	9/6/2024
							Average	Average	Average	Average
							Rate	Rate	Rate	Rate
Market	Legal Entity	Network Type	Actual Members On & Off Exchange 03/31/23	Actual Members On & Off Exchange 03/31/24	vs. 03/31/23 Δ	03/31/24 Market Share	Change*	Increase	Increase	Increase
Individual	Alpha Dental	DPPO	4,077	4,407	8.1%	5%	-4.0%	4.2%	4.2%	4.2%
Non-Medigap (INM)	CareFirst GHMSI	DPPO	16,309	15,978	-2.0%	17%	9.5%	-3.2%	-5.0%	-5.0%
	CareFirst CFMI	DPPO	38,054	37,281	-2.0%	39%	9.5%	-3.2%	-5.0%	-5.0%
	Delta Dental of PA	DPPO	21,896	25,103	14.6%	26%	-2.3%	2.0%	18.0%	9.7%
	Dominion Dental Services	DHMO+DPPO	15,713	12,990	-17.3%	14%	0.7%	-1.0%	2.3%	2.3%
<b>TOTAL</b>			<b>96,049</b>	<b>95,759</b>	<b>-0.3%</b>	<b>100%</b>	<b>4.6%</b>	<b>-1.3%</b>	<b>2.4%</b>	<b>0.3%</b>



# Sample Individual Dental Premiums

Most Popular Plans - Age 40 Baltimore Metro Region						
<u>Carrier</u>	<u>Network Type</u>	<u>2024 Monthly Approved</u>	<u>2025 Monthly Approved</u>	<u>Monthly Change</u>	<u>Monthly % Change</u>	
Alpha Dental	DPPO	\$25.89	\$27.44	\$1.55	6.0%	
CareFirst GHMSI	DPPO	\$51.54	\$49.49	(\$2.05)	-4.0%	
CareFirst CFMI	DPPO	\$51.54	\$49.49	(\$2.05)	-4.0%	
Delta Dental of PA	DPPO	\$32.09	\$34.92	\$2.83	8.8%	
Dominion Dental Services	DHMO+DPPO	\$31.06	\$32.61	\$1.55	5.0%	

# Small Group ACA Approvals

			Members	Members	% Change		Approved	Filed	Approved	Approved	Approved	Approved	Approved
			On & Off	On & Off	in Members	03/31/24	2024	May-24	Sep-24	Sep-24	Sep-24	Sep-24	Sep-24
			Exchange	Exchange	vs	Market	Average	Average	Average	Average	Average	Average	Average
	Legal	Network	03/31/23	03/31/24	03/31/23	Share	Rate	Rate	Rate	Rate	Rate	Rate	Rate
	Entity	Type	Exchange	Exchange	vs	Share	Increase*	Increase	Increase	Increase	Increase	Increase	Increase
1	CareFirst BlueChoice, Inc.	HMO	169,619	154,599	-8.9%	68%	7.3%	4.9%	2.2%	2.1%	5.2%	5.3%	3.7%
2	CF GHMSI	PPO	12,841	12,644	-1.5%	6%	2.8%	7.5%	5.0%	4.9%	7.0%	7.0%	6.0%
3	CF CFMI	PPO	7,681	9,157	19.2%	4%	2.8%	7.5%	5.0%	4.9%	7.0%	7.0%	6.0%
7	United Healthcare of the Mid-Atlantic	HMO	2,914	2,298	-21.1%	1%	13.0%	11.9%	8.3%	8.2%	8.2%	8.1%	8.2%
8	United Healthcare (Optimum Choice)	HMO	6,915	5,249	-24.1%	2%	6.4%	5.7%	3.7%	3.6%	3.6%	3.5%	3.6%
9	United Healthcare (MAMSI)	EPO	9,982	8,637	-13.5%	4%	5.2%	5.0%	-0.2%	-0.3%	2.8%	3.0%	1.5%
10	United Healthcare Insurance Co.	PPO	14,824	14,517	-2.1%	6%	6.0%	5.2%	0.2%	0.1%	3.2%	3.4%	1.9%
4	Kaiser	HMO	9,635	9,377	-2.7%	4%	8.0%	8.1%	8.3%	8.1%	7.9%	7.9%	8.1%
5	Aetna Health, Inc.	HMO	4,275	7,095	66.0%	3.1%	15.4%	18.5%	14.5%	N/A	N/A	N/A	14.5%
6	Aetna Life Insurance Co.	PPO	886	3653	312.3%	1.6%	1.4%	23.0%	18.8%	N/A	N/A	N/A	18.8%
	<b>TOTAL</b>		<b>239,572</b>	<b>227,226</b>	<b>-5.2%</b>	<b>100%</b>	<b>6.9%</b>	<b>6.1%</b>	<b>3.2%</b>	<b>2.4%</b>	<b>5.0%</b>	<b>5.1%</b>	<b>4.5%</b>

# Sample Small Group Premiums – Lowest silver

Lowest Cost Silver Plan - Age 40 Baltimore Metro Region					
<u>Carrier</u>	<u>Network Type</u>	<u>2024 Monthly Approved</u>	<u>% Rate Change</u>	<u>2025 Monthly Approved</u>	<u>Monthly Change</u>
Aetna	HMO	\$335	9.8%	\$368	\$33
Aetna	PPO	\$351	14.6%	\$403	\$51
CareFirst BlueChoice	HMO	\$438	2.9%	\$451	\$13
CareFirst GHMSI/CFMI	PPO	\$519	0.1%	\$520	\$0
Kaiser	HMO	\$349	9.1%	\$380	\$32
United Healthcare (MAMSI)	EPO	\$434	3.8%	\$450	\$16
United Healthcare (Optimum Choice)	HMO	\$402	10.5%	\$445	\$42
United Healthcare of the Mid-Atlantic	HMO	\$411	12.2%	\$462	\$50
United Healthcare Insurance Co.	PPO	\$456	4.9%	\$478	\$22



# Sample Small Group premiums – Lowest Gold

Lowest Cost Gold Plan - Age 40 Baltimore Metro Region						
Carrier	Network Type	2024 Monthly Approved	% Rate Change	2025 Monthly Approved	Monthly Change	
Aetna	HMO	\$421	14.6%	\$482	\$62	
Aetna	PPO	\$442	19.7%	\$529	\$87	
CareFirst BlueChoice	HMO	\$534	3.2%	\$551	\$17	
CareFirst GHMSI/CFMI	PPO	\$589	3.6%	\$610	\$21	
Kaiser	HMO	\$400	8.4%	\$433	\$34	
United Healthcare (MAMSI)	EPO	\$490	2.0%	\$500	\$10	
United Healthcare (Optimum Choice)	HMO	\$456	5.8%	\$483	\$27	
United Healthcare of the Mid-Atlantic	HMO	\$464	7.4%	\$499	\$34	
United Healthcare Insurance Co.	PPO	\$514	3.0%	\$530	\$15	