New Hampshire Insurance Department

2019 Final Report of Health Care Premium and Claim Cost Drivers
Gorman Actuarial, Inc.

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GOAL OF THE ANNUAL HEARING AND REPORT

In May 2010, New Hampshire passed RSA 420-G:14-a, V-VII (Chapter 240 of the laws of 2010, an act requiring public hearings concerning health insurance cost increases). In 2014, SB 345 amended Section VI: "The commissioner shall prepare an annual report concerning premium rates in the health insurance market and the factors that have contributed to rate increases during prior years."

The report shall be based on the analysis of information and data, including items such as medical loss ratios, cost of medical care by payment type and insurance premiums by network, among other things.

OVERVIEW OF MARKETS AND NATIONAL COMPARISONS

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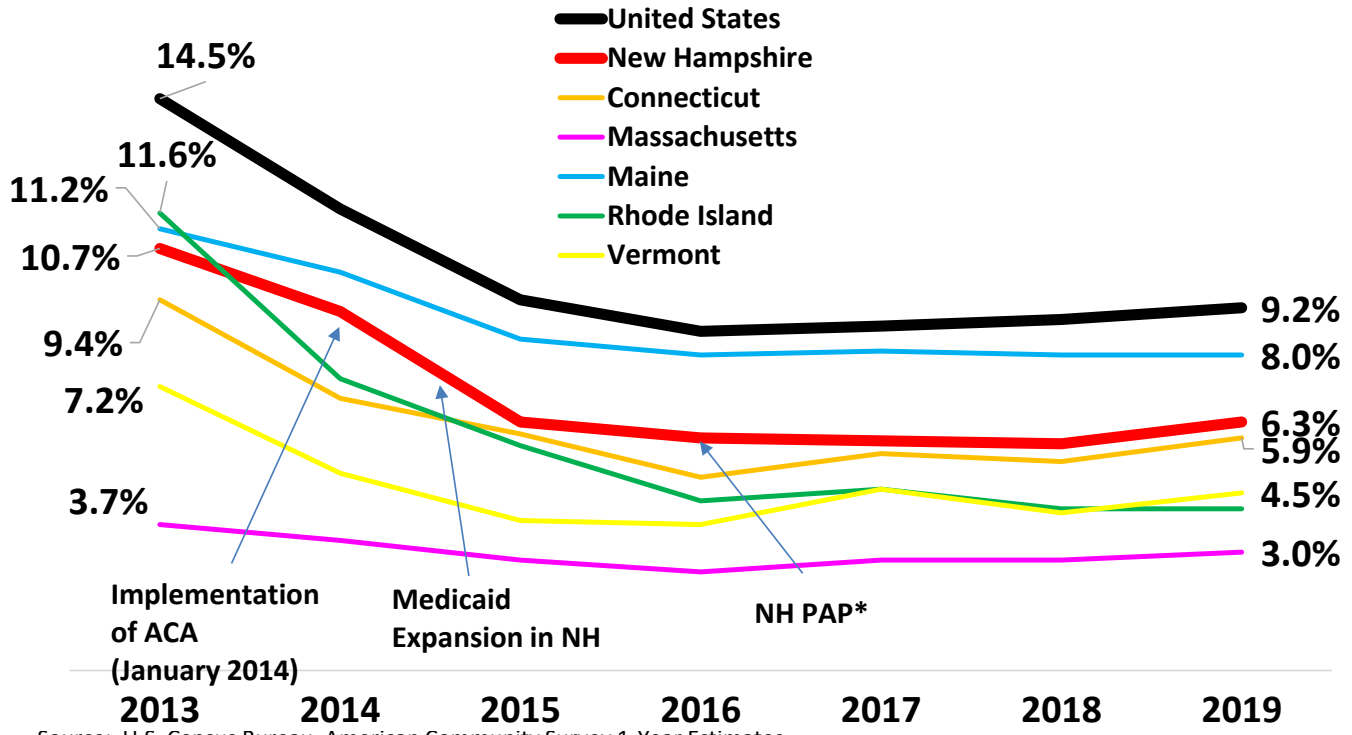
The uninsured rate has decreased 2.8 percentage points for NH residents, from a high of 9.1% in 2014 to 6.3% in 2019. During that same time, the United States uninsured rate experienced a similar decrease, dropping from 11.7% to 9.2%. The NH uninsured rate remains lower than the national uninsured rate. Significant impacts on the uninsured rate in NH were the implementation of many major provisions of the Affordable Care Act in 2014 and Medicaid Expansion in August 2014. Compared to other New England states, New Hampshire's uninsured rate in 2019 is in the middle, with Maine having the highest at 8.0% and Massachusetts the lowest at

The uninsured rate in New Hampshire remained around 6% and while it did increase slightly from 5.75% to 6.25%, the change remains within the margin of error. The uninsured rate in the United States also increased slightly from 2018 to 2019. Compared to other New England states, New

New England States and United States Uninsured Rate 2013 - 2019



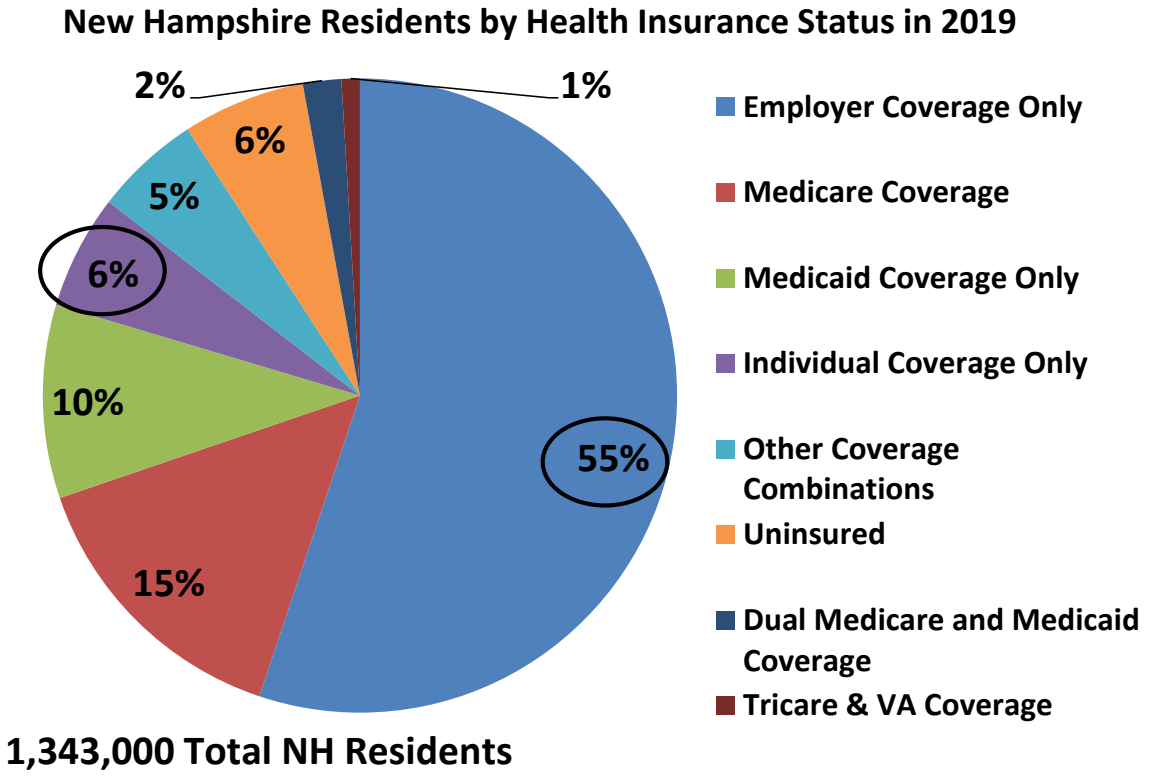
Source: U.S. Census Bureau. American Community Survey 1-Year Estimates.

*Note: NH's Medicaid Expansion was converted to the Premium Assistance Program (NH PAP) on January 1, 2016. As of that date, these members are part of the Commercial Individual Market and are rated under the single risk pool requirements of the ACA. Individuals eligible for the NH Premium Assistance Program generally include adults aged 19-64 with incomes up to 138% of the Federal Poverty Level (FPL) who do not fall into other Medicaid eligibility categories and who do not qualify for Medicare.

OVERVIEW OF MARKETS AND NATIONAL COMPARISONS

The percentage of residents in New Hampshire who received coverage through the private insurance market has remained at approximatley 61% for the past two years. Medicare coverage is the next largest coverage category after Employer coverage at 15% followed by Medicaid at 10%. The percentage of residents with Medicare coverage has increased slightly from 14% in 2018. Medicaid coverage has remained fairly consistent since 2018.
Of the 1,343,000 NH residents in 2019, approximately 84,000 did not have health insurance in 2019 which equates to 6%.

Approximately 61%, or 819,000, residents in New Hampshire received health insurance through the private insurance market, either through their employer or by purchasing their own coverage.



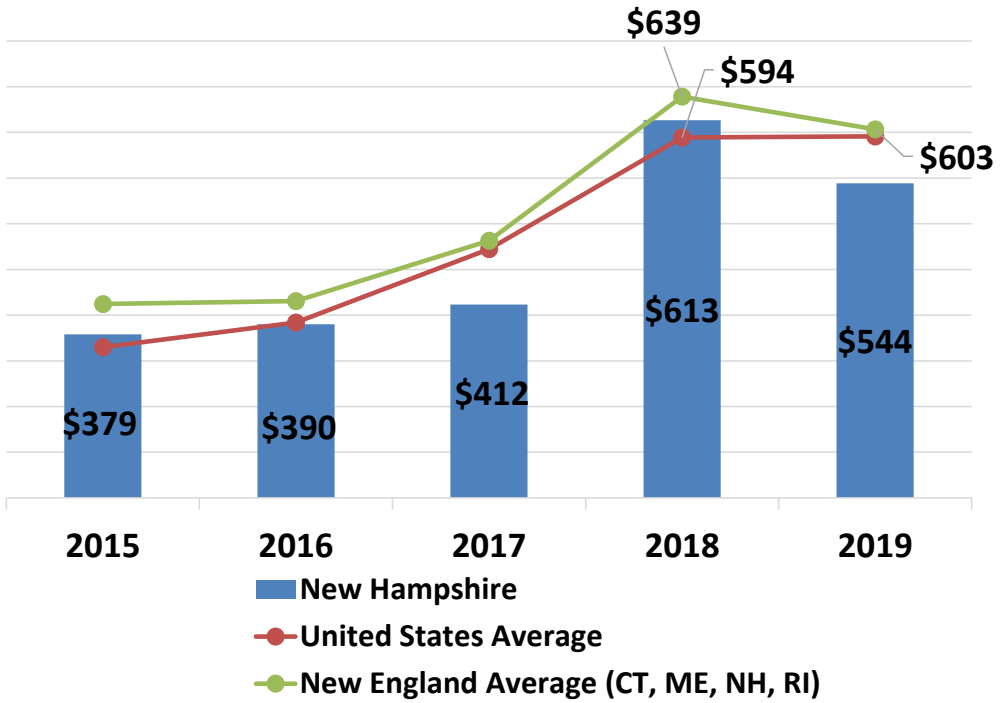
Source: U.S. Census Bureau. 2019 American Community Survey 1-Year Estimate. The "Other Coverage Combinations" category includes those persons with two or more types of health insurance coverage that are not in the following six multi-coverage categories: With employer-based and direct-purchase coverage; With employer-based and Medicare coverage; With direct-purchase and Medicare coverage; With Medicare and Medicaid/means-tested public coverage; Other private only combinations; Other public only combinations.

OVERVIEW OF MARKETS AND NATIONAL COMPARISONS

New Hampshire's average premium decreased 11% from 2018 to 2019. The NH PAP ended on 12/31/2018 and these members were transitioned from Qualified Health Plans (QHP) to Medicaid Care Management (MCM) plans. The transition of NH PAP out of the Individual Market drove the decrease in the average premium from 2018 to 2019. During this same time, the United States average premium remained flat and the New England average premium decreased 5.6%. The large premium increases in New Hampshire and across the United States in 2018 are attributed to the elimination of the cost-sharing reduction (CSR) subsidies along with general uncertainty in the market at that time. In addition, New Hampshire's low cost insurer, Minuteman, exited the market as of 12/31/2017.

While the average premium in the New Hampshire Individual Market decreased significantly in 2019, driven by the migration of NH PAP, the average premium in the United States remained flat. The New England average premium decreased 6%.

Individual Market Average Premium PMPM

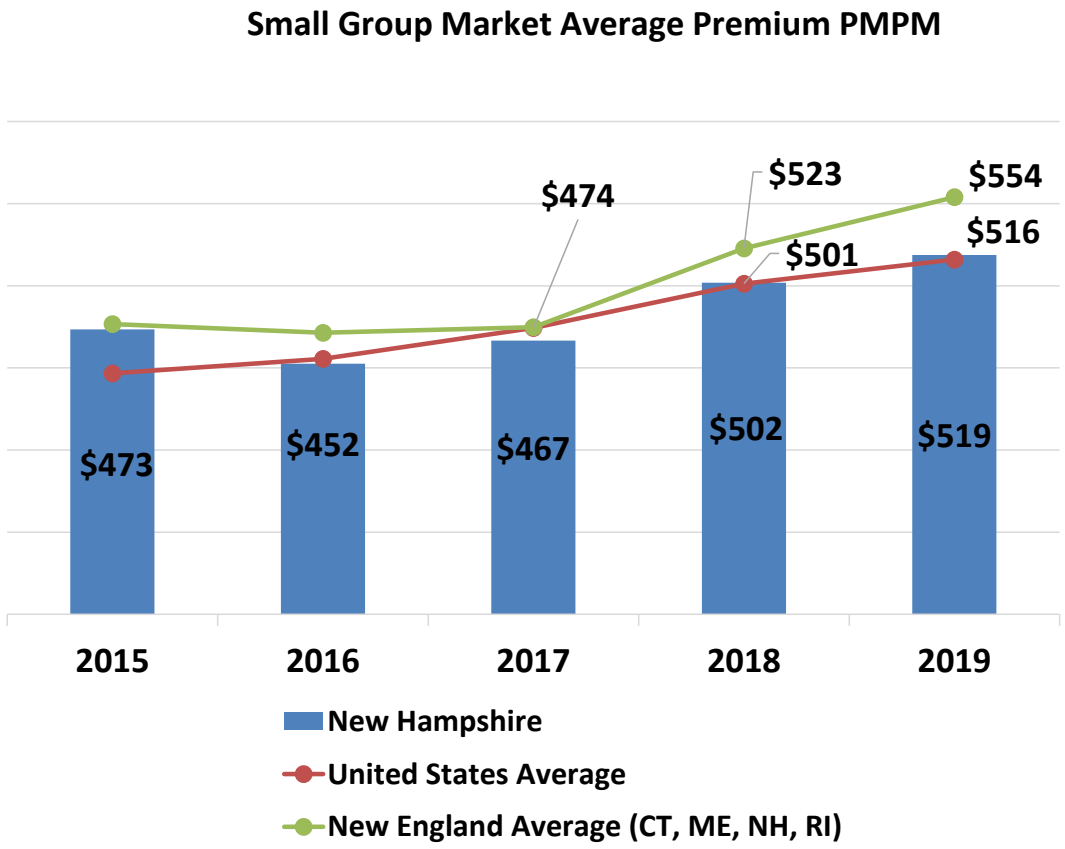


Source: Centers for Medicare and Medicaid Services. Risk Adjustment Report Appendix A for 2015, 2016, 2017 and 2018 benefit years. https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/index.html. These values are not adjusted for MLR Rebates.

OVERVIEW OF MARKETS AND NATIONAL COMPARISONS

The average premium in the United States Small Group Market increased 2.9% from 2018 to 2019 which is close to the New Hampshire Small Group Market increase of 3.4%. The average premium in New England increased 6.0% during this same time period. The New Hampshire average premium continued to be close to the United States average premium and lower than the New England average. In 2019, the New Hampshire average premium is 6% lower than the New England average. There is also much more stability in the Small Group Market premiums as compared to the Individual Market.

Consistent with the most recent prior years, the New Hampshire Small Group Market average premium in 2019 was close to the average across the United States. The New Hampshire average premium also continued to be lower than the New England average.

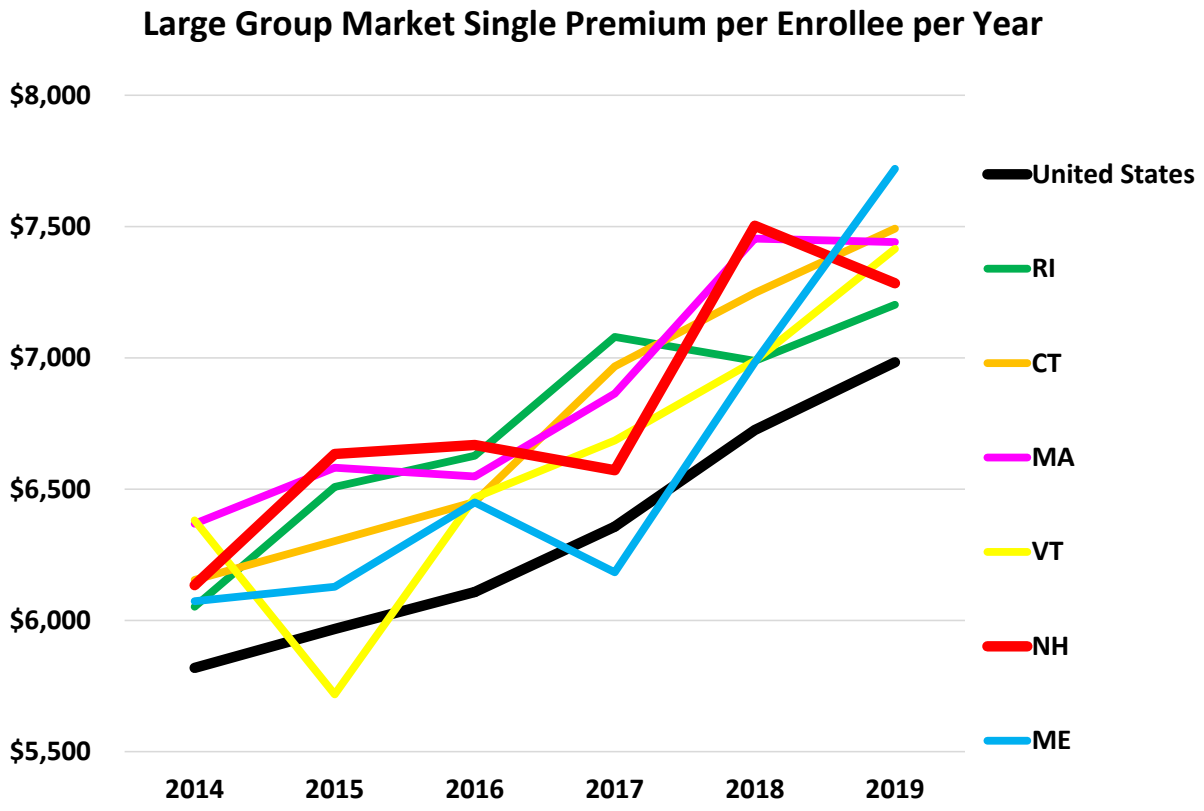


Source: Centers for Medicare and Medicaid Services. Risk Adjustment Report Appendix A for 2015, 2016, 2017 and 2018 benefit years. https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/index.html. These values are not adjusted for MLR Rebates.

OVERVIEW OF MARKETS AND NATIONAL COMPARISONS

This information is from the Medical Expenditure Panel Survey (MEPS). It illustrates that in the Large Group Market, the New Hampshire average premium and all other New England average premiums, are consistently higher than the United States average. In 2019, New Hampshire had a slightly lower premium than all the other New England states, except Rhode Island. It is important to note there is variability in the data and the ranks of the New England states have changed over time. New Hampshire has the third highest average age (2018 US Census, ACS) and the eighth highest median income (2014-2018 US Census, ACS) which may both contribute to higher average premiums.

In the Large Group Market, New Hampshire's relative position compared to the other New England states has fluctuated over time, but New Hampshire consistently had higher average premiums than the United States average.

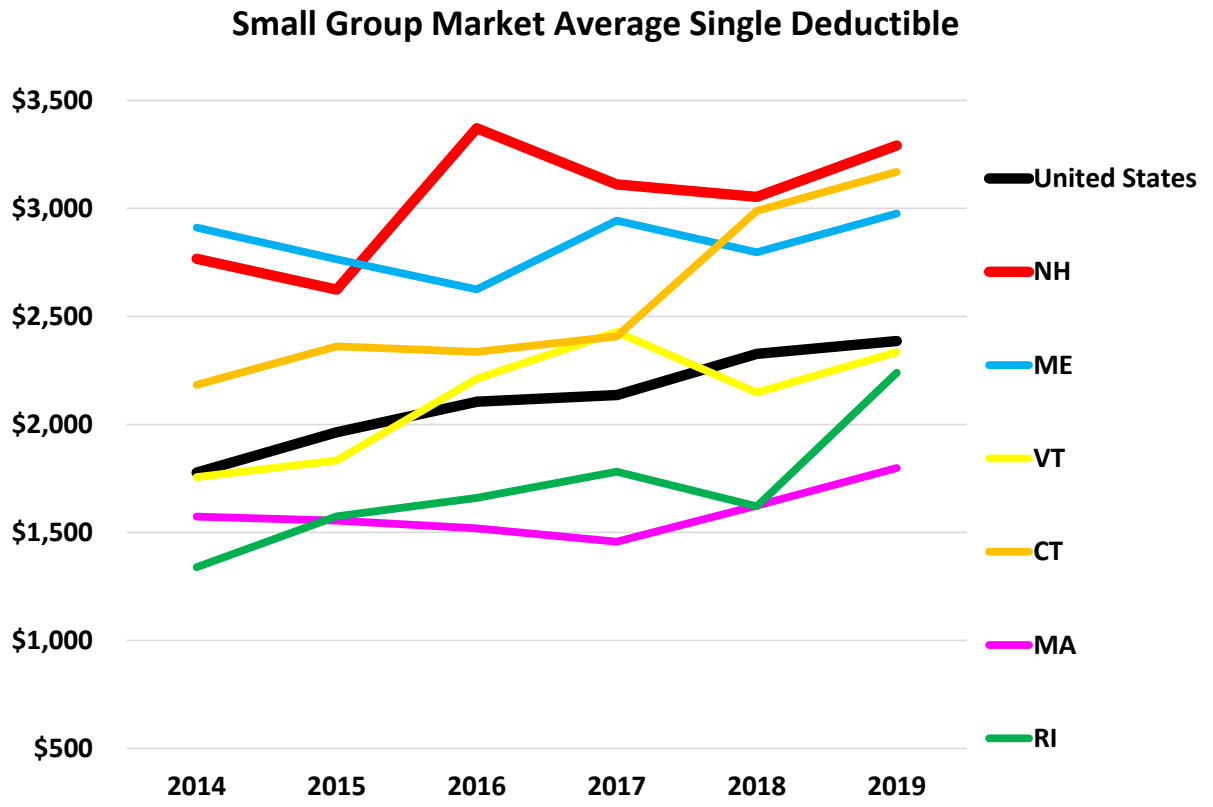


Source: Medical Expenditure Panel Survey (MEPS); https://meps.ahrq.gov/mepsweb/index.jsp.
Table II.C.1 Average total single premium (in dollars) per enrolled employee at private-sector establishments that offer health insurance by firm size and State: United States, 2014- 2019. Notes on average age and median income from the US Census, Amercian Community Survey data.

OVERVIEW OF MARKETS AND NATIONAL COMPARISONS

This information comes from Medical Expenditure Panel Survey (MEPS) data. It shows that in the Small Group Market, New Hampshire's single deductible was significantly higher than the United States average and consistently higher than most other New England states. In 2019, New Hampshire's average deductible is 38% higher than the United States average. Massachusetts and Rhode Island had consistently lower average deductibles compared to other New England states, although Rhode Island experienced a large increase in 2019.

In the 2019 Small Group Market, the New Hampshire average deductible remained significantly higher than the United States average. In addition, New Hampshire's average deductible continued to be the highest among New England states, followed closely behind by Connecticut and Maine.

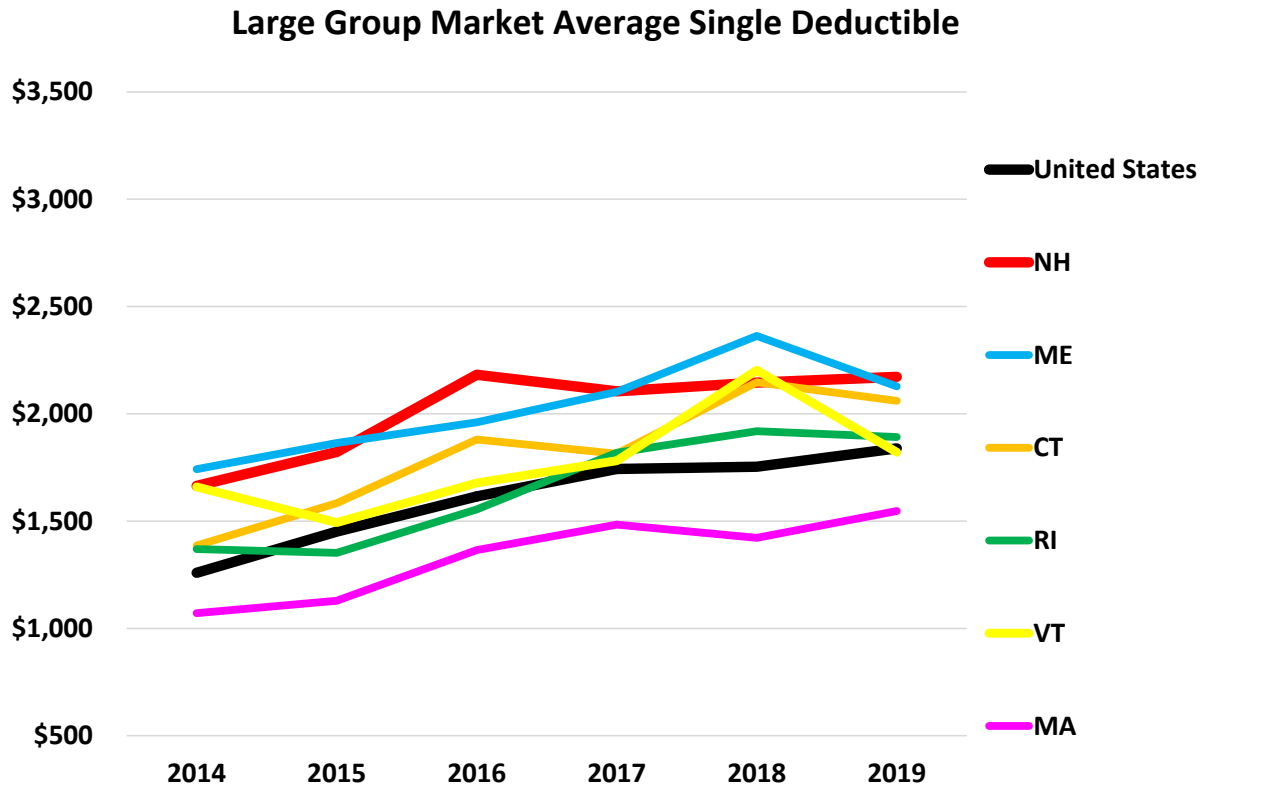


Source: Medical Expenditure Panel Survey (MEPS); https://meps.ahrq.gov/mepsweb/index.jsp.
Table II.F.2 Average individual deductible (in dollars) per employee enrolled with single coverage in a health insurance plan that had a deductible at private-sector establishments by firm size and State: United States, 2014- 2019.

OVERVIEW OF MARKETS AND NATIONAL COMPARISONS

This information is from the Medical Expenditure Panel Survey (MEPS) data. New Hampshire's average deductible was fairly constant between 2017 and 2019. New Hampshire, Maine and Connecticut have the highest average deductibles in the Large Group Market compared to Rhode Island, Vermont and Massachusetts. There is less variability in average deductibles by state in the Large Group Market compared to the Small Group Market and the variability in the Large Group Market decreased in 2019 compared to 2018. In 2018, there was a 66% difference when comparing the highest to lowest New England states compared to 40% in 2019.

New Hampshire's Large Group Market average deductible was higher than the United States average by approximately 18% in 2019. There continues to be much less variability in the average deductible by state in the Large Group Market compared to the Small Group Market.



Source: Medical Expenditure Panel Survey (MEPS); https://meps.ahrq.gov/mepsweb/index.jsp.
Table II.F.2 Average individual deductible (in dollars) per employee enrolled with single coverage in a health insurance plan that had a deductible at private-sector establishments by firm size and State: United States, 2014- 2018.

COVERAGE SHIFTS

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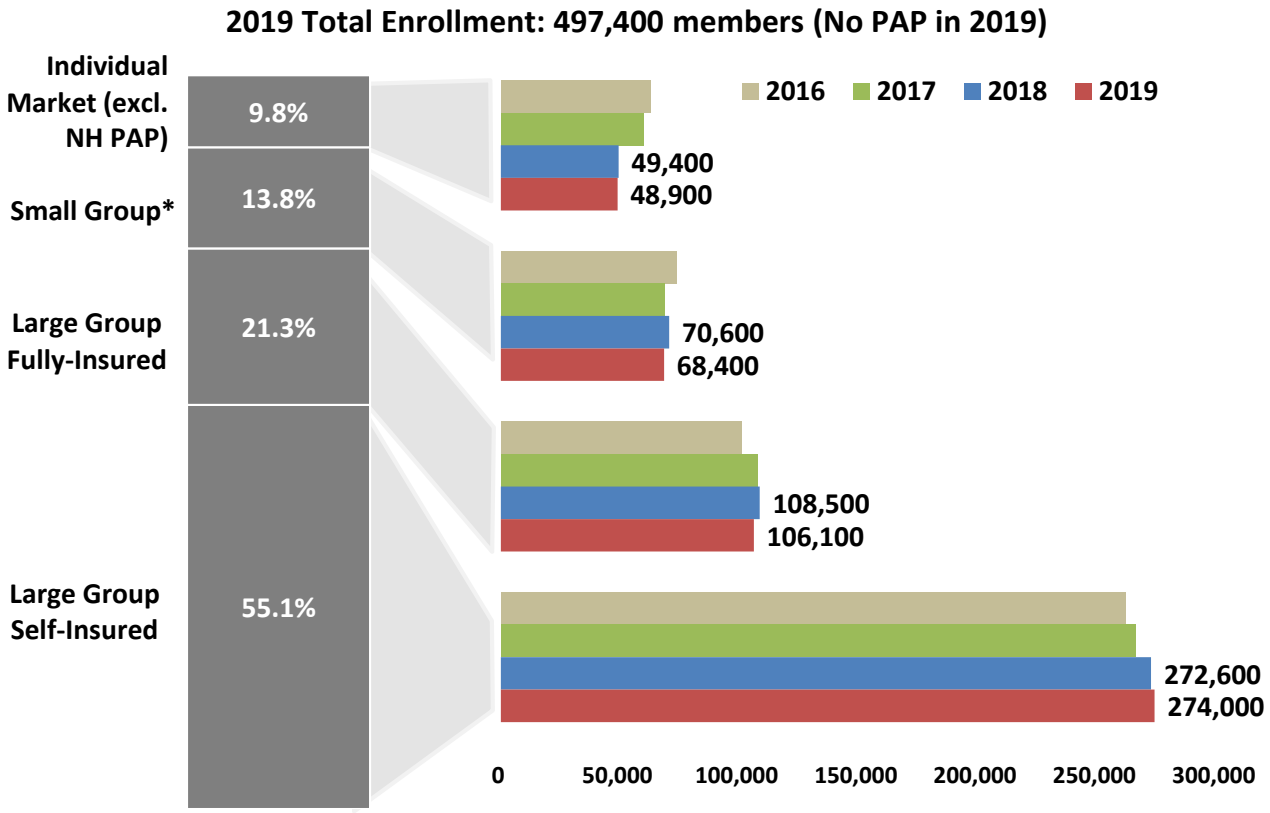
Similar to prior years, in 2019, the majority (90%) of private commercial coverage was purchased through Employer-Sponsored Insurance (ESI). This consists of Small Group (employers with 50 or less employees), Large Group Fully-Insured, and Large Group Self-Insured. Enrollment in the Individual Market, Small Group Market and Large Group Fully-Insured market segments all decreased slightly while enrollment in the Large Group Self-Insured segment increased slightly. The NH PAP population was new to the Commercial Market in 2016 adding 40,100 members to the total market in 2018. The NH PAP ended on 12/31/2018 and these members were transitioned from Qualified Health Plans (QHP) to Medicaid Care Management (MCM) plans.

The insured market segments in New Hampshire (Individual, Small Group and Large Group) have experienced slight membership decreases from 2018 to 2019 while the Self-Insured Large Group segment has slightly increased.

Commercial Market Enrollment by Segment, 2016 - 2019



Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. Membership in each year is estimated based on calendar year member months divided by 12. Note that percentage values may not add to 100% due to rounding.

*The Small Group Market has approximately 500 self-insured members (0.8% of the Small Group Market), and are included in this chart.

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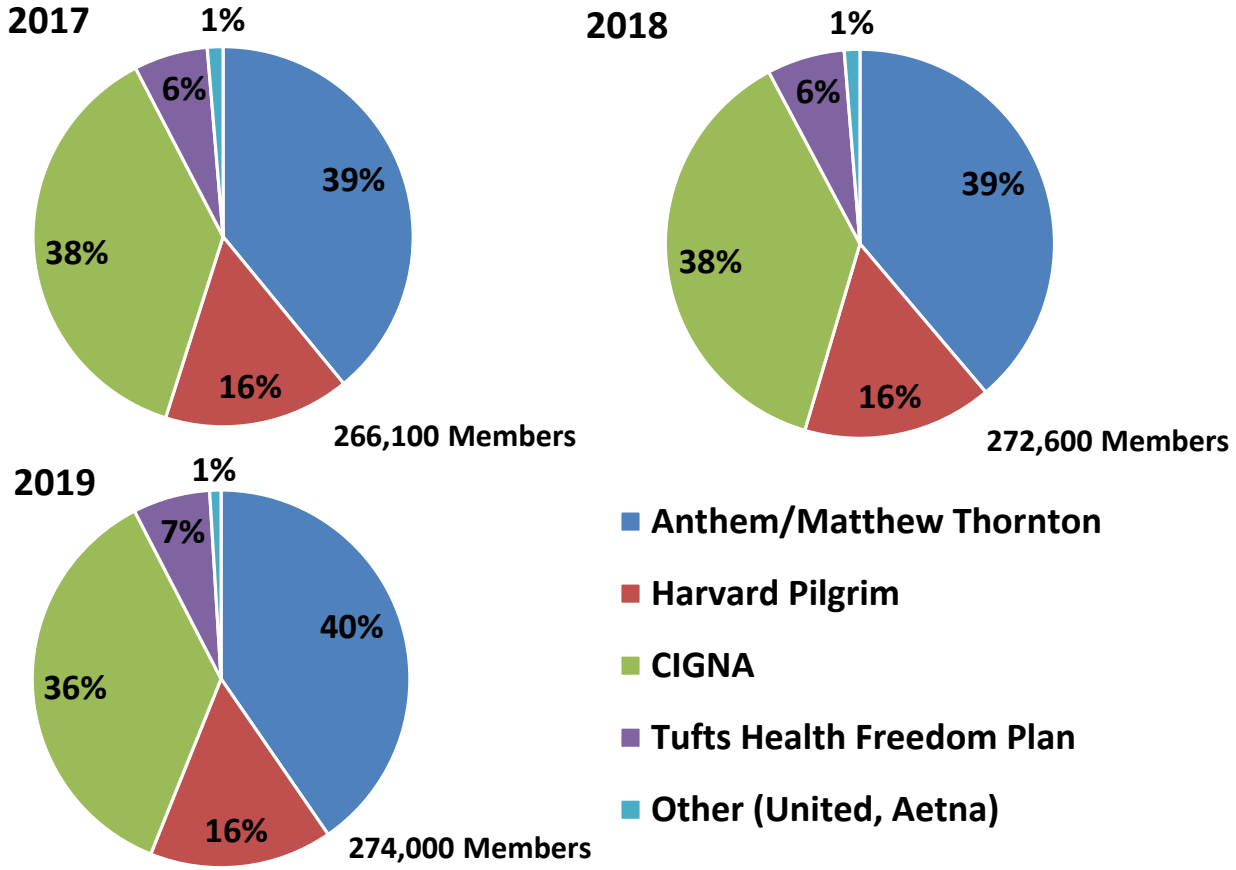
Membership within the Self-Insured Large Group Market increased by approximately 3% or approximately 7,900 members from 2017 to 2019. Market share remained relatively consistent among all insurers during this time period. Tufts Health Freedom Plan has gained a small amount of market share during this time, growing from 6% to 7% while CIGNA has decreased slightly from 38% to 36%.

The Self-Insured Large Group Market membership increased by approximately 7,900 members from 2017 to 2019. Over this time period, each insurer's market share has remained fairly consistent.

Distribution by Insurer of Large Group Situs and Self-Insured



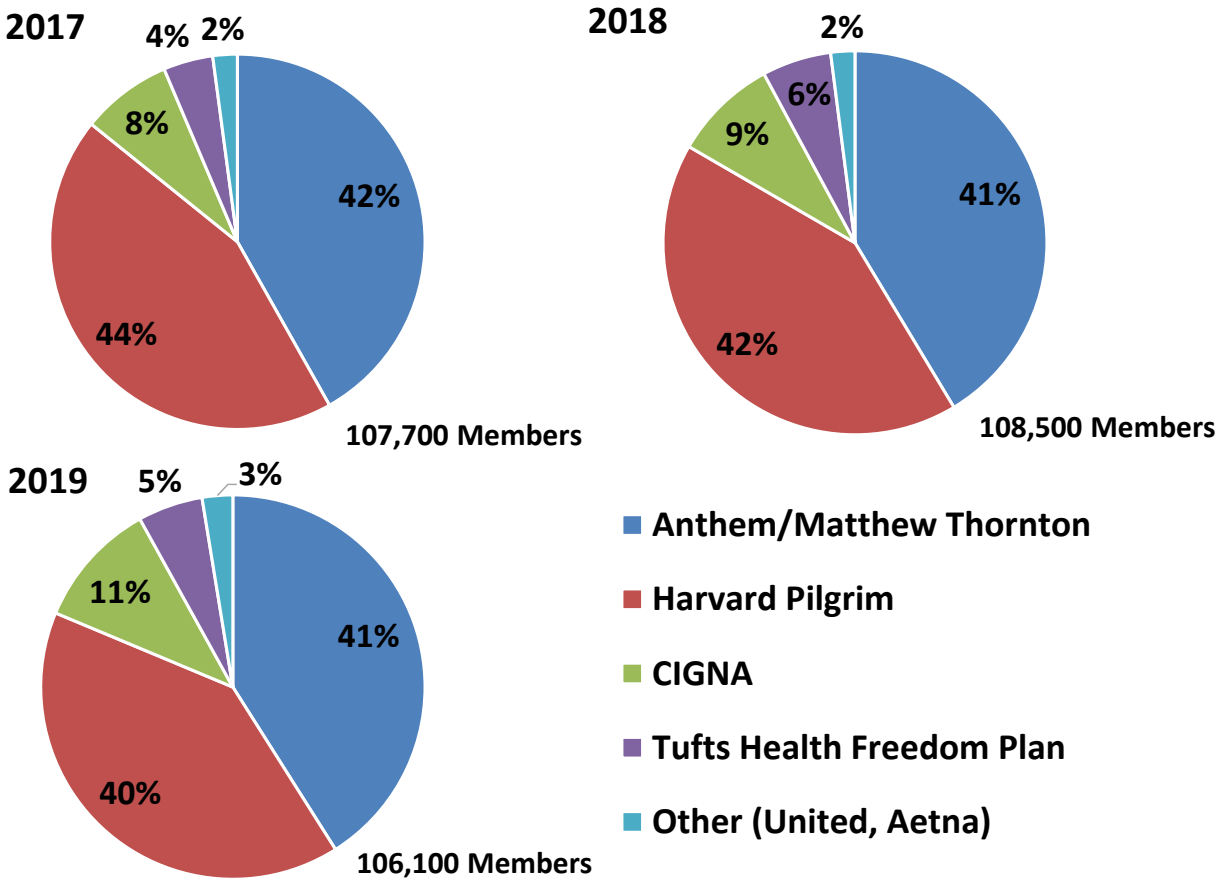
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. Membership is estimated based on calendar year member months divided by 12.

COVERAGE SHIFTS

The Large Group Fully-Insured Market is smaller than the Self-Insured Market, representing 28% of the total Large Group Market. The two largest insurers, Anthem/ Matthew Thornton and Harvard Pilgrim, represented 81% of Large Group Fully-Insured members in 2019. This has decreased from prior years where their combined market share was 86%. Tufts Health Freedom Plan was a new entrant in 2016 and its market share grew from 1% in 2016 to 5.5% in 2019, which represents an increase of approximately 5,100 members.

From 2017 to 2019, Harvard Pilgrim's Large Group insured market share decreased four percentage points and enrollment decreased by approximately 5,000 members (about 10%). CIGNA and Tufts Health Freedom Plan have increased their market share during this same time.

Distribution by Insurer of Large Group Situs and Fully-Insured



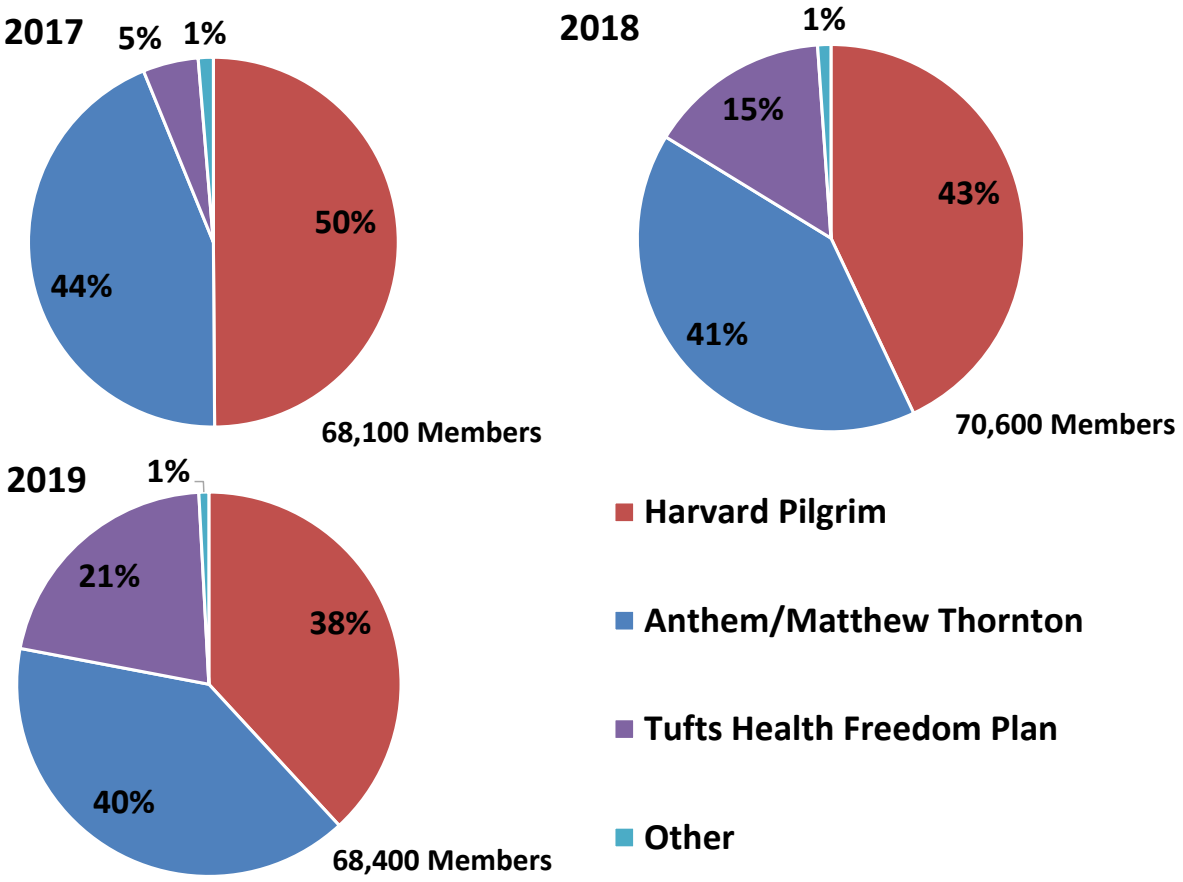
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. Membership is estimated based on calendar year member months divided by 12.

COVERAGE SHIFTS

Community Health Options (CHO) exited the market in 2017 and Tufts Health Freedom Plan, the new entrant in 2016, grew their market share to 21% by 2019. Harvard Pilgrim and Anthem/Matthew Thornton saw a decrease in market share from 2017 to 2019. Harvard Pilgrim's market share decreased by twelve percentage points while Anthem/Matthew Thornton decreased by four percentage points. When examining membership over a longer timeframe, overall membership decreased by 6% from 2016 to 2019, but it has fluctuated year to year with an increase in membership followed by a decrease in membership in 2019.

In the Small Group Market, Tufts Health Freedom Plan greatly increased market share from 5% in 2017 to 21% in 2019 while Harvard Pilgrim and Anthem/Matthew Thornton lost market share.

Distribution by Insurer of Small Group Situs and Fully-Insured

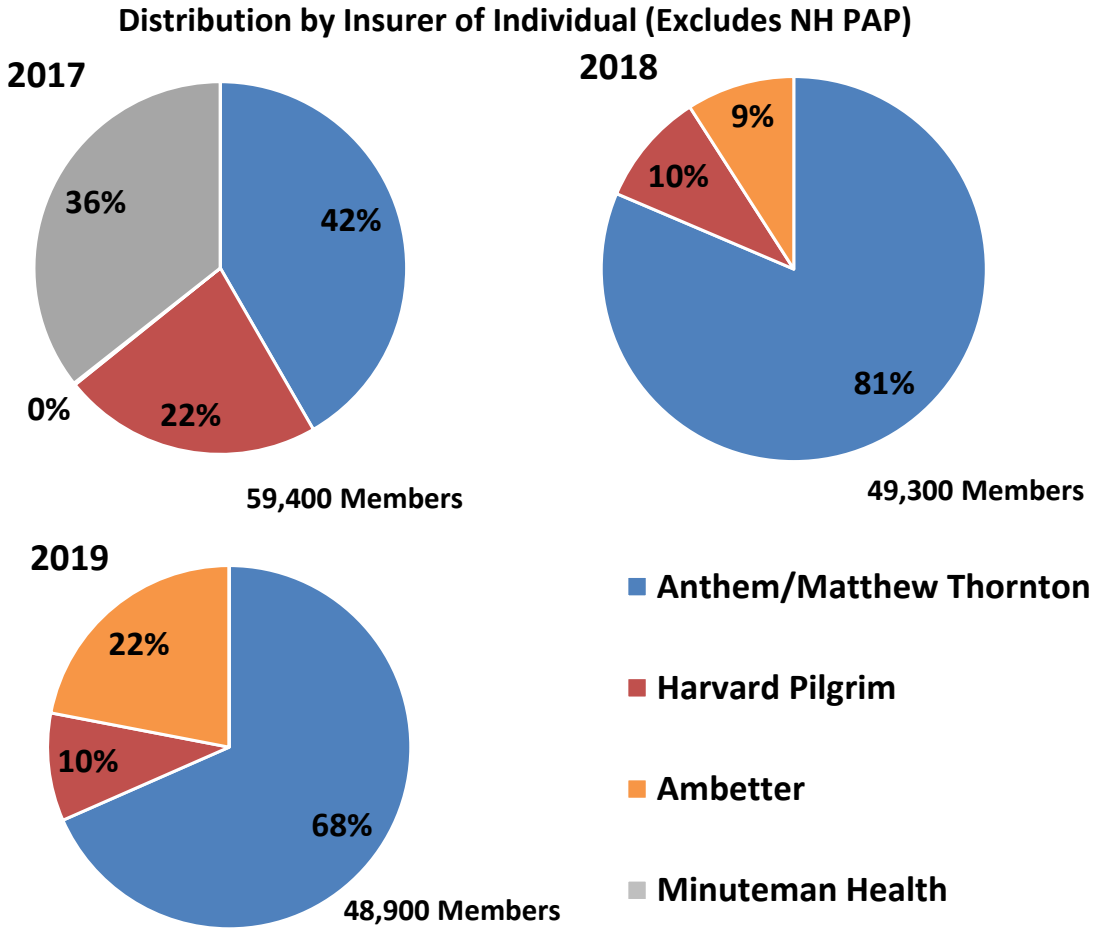


Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. Membership is estimated based on calendar year member months divided by 12.

COVERAGE SHIFTS

Compared to 2017, Individual Market membership decreased in 2018 by 17% but then remained fairly stable in 2019. Due to the premium increases in the Individual Market in 2018 and the closure of Minuteman in 2017, which was the low cost option, some enrollees in the Individual Market either dropped health insurance coverage or found it elsewhere via Medicaid or Employer Sponsored Insurance (ESI). While Anthem/Matthew Thornton significantly increased their market share from 2017 to 2018, their market share decreased in 2019 with Ambetter's market share growing from 0% to 22%. Harvard Pilgrim has lost significant market share, decreasing from 22% in 2017 to 10% in 2018 and 2019.

In the Individual Market, Harvard Pilgrim has decreased market share from 2017 to 2019 while Ambetter and Anthem/Matthew Thornton have increased their market share. Overall membership decreased significantly by 17% in 2018 but remained fairly stable in 2019.



Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. Membership is estimated based on calendar year member months divided by 12. These charts include approximately 2,000 Grandfathered and 2,600 Transitional members in 2019, approximately 1,100 less than in 2018.

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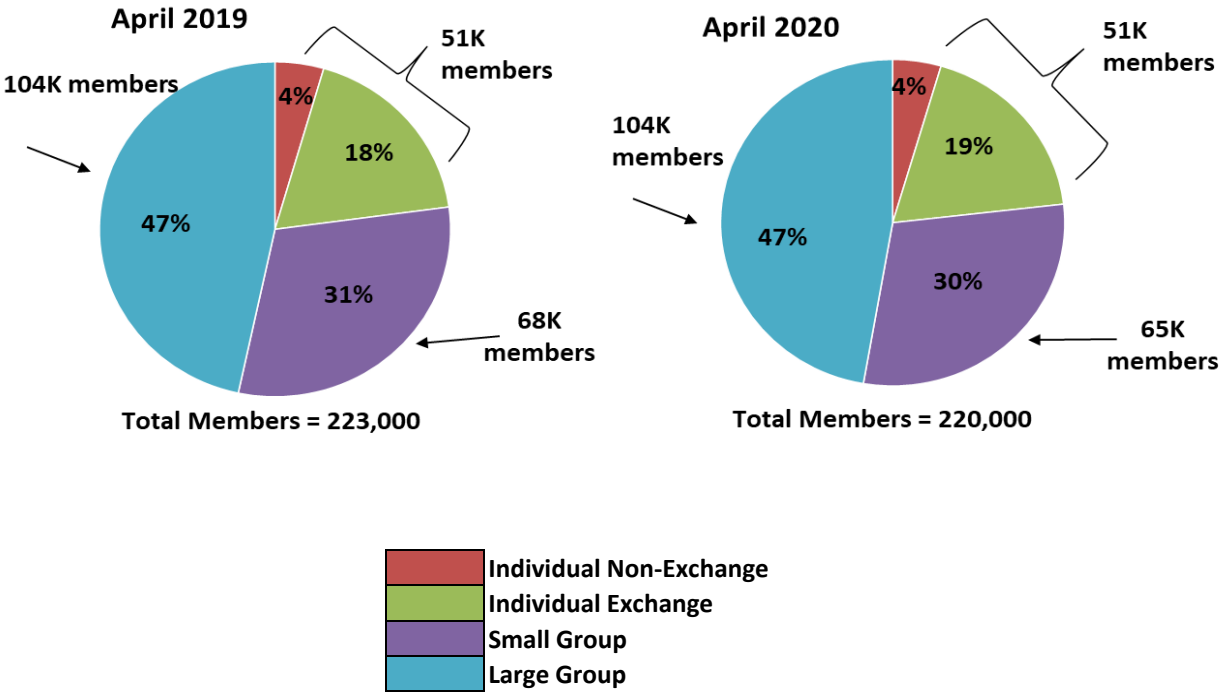
The NH PAP ended on 12/31/2018 and these members were transitioned from Qualified Health Plans (QHP) to Medicaid Care Management (MCM) plans, therefore these members are not part of the Fully-Insured commercial population in 2019. The Individual Market membership is fairly consistent from April 2019 to April 2020. The Large Group membership is also fairly consistent from April 2019 to April 2020. Small Group Market experienced a decrease of approximately 3,000 members from April 2019 to April 2020.

When examining membership in early 2020, the Small Group Market experienced a decrease of 3,000 membership while the Individual and Large Group Markets remained stable.

Fully-Insured Membership by Market Segment

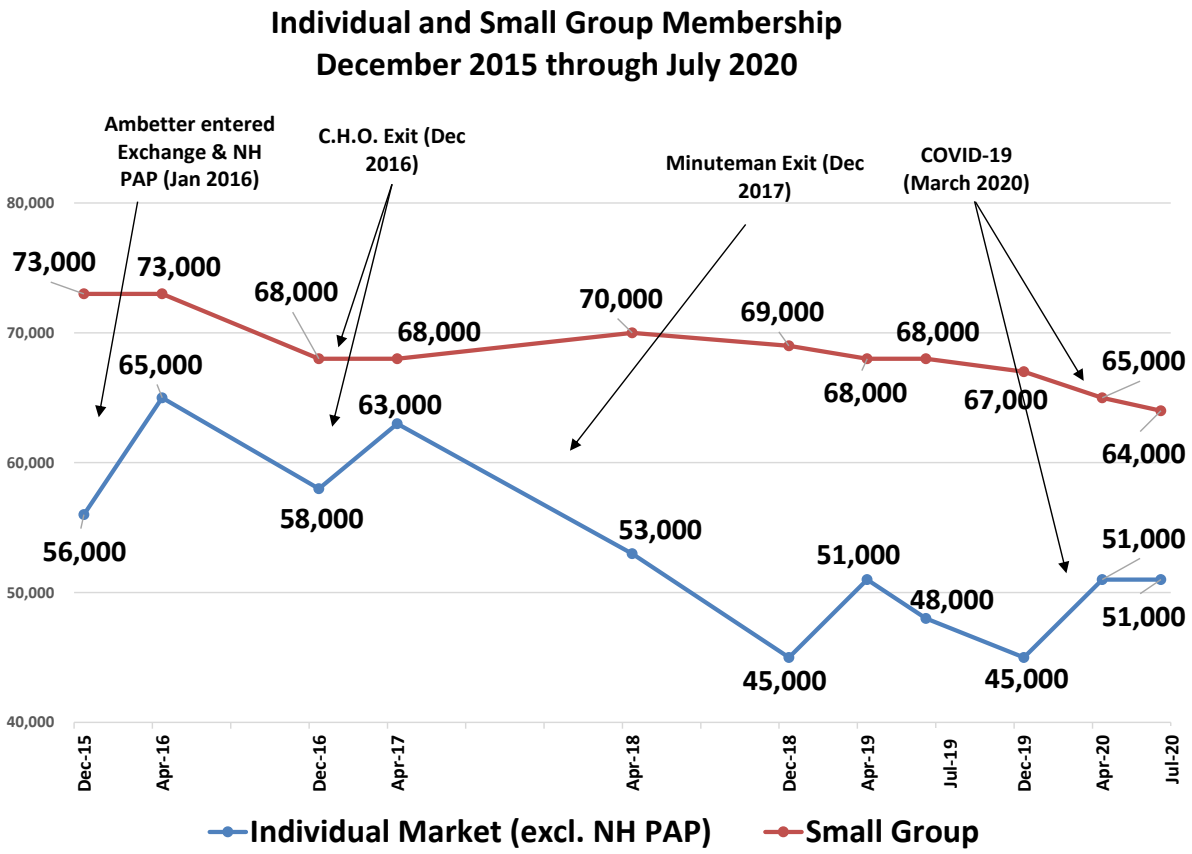


Source: NHID Annual Hearing data 2019 and 2020; Excludes FEHBP. The Annual Hearing data does not include a few insurers that are in the Supplemental Data Request, however this only represents a small percentage of the total Small and Large Group membership and this has been estimated for purposes of this chart. .

COVERAGE SHIFTS

Membership is typically collected as of April and December of each year. This year we also collected membership as of July 2019 and July 2020 to try to understand any potential impacts on membership due to COVID-19. Between December 2015 and July 2020, Small Group enrollment declined 12%. Individual Market membership is more volatile and there are typically decreases in membership between the beginning and end of a calendar year. Membership from April 2020 to July 2020 remained flat while membership from April 2019 to July 2019 decreased 5%. Based on New Hampshire HHS reporting on Medicaid, enrollees with full Medicaid has increased from 178K as of December 2019 to 199K as of August 2020 with a steady monthly increase April to August 2020.

Small Group Market membership has steadily declined from at least as far back as 2015 to mid-2020. Individual Market membership typically declines early in the year to later in the year. As of July 2020, Individual Market membership is consistent with April 2020.



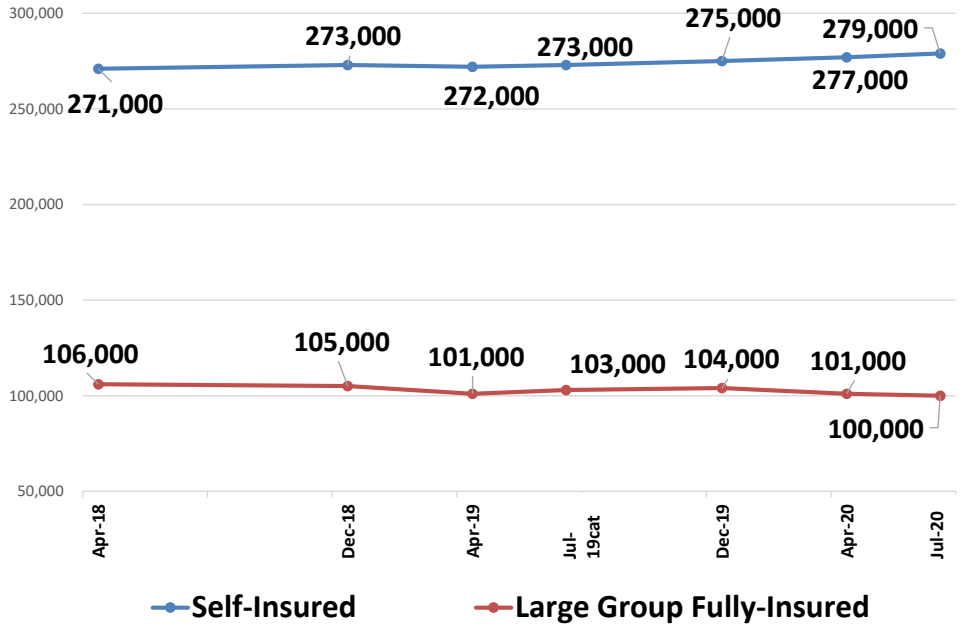
Source: NHID Annual Hearing data 2016 through 2020; Excludes NH PAP and FEHBP. December 2017 data point not included due to missing Minuteman membership. Each circle on the graph represents a data point. The Annual Hearing data does not include a few insurers that are in the Supplemental Data Request, however this only represents a small percentage of the total Small Group

COVERAGE SHIFTS

Consistent with the Individual and Small Group Markets shown on the previous slide, membership is typically collected as of April and December of each year for the Large Group Markets. This year we also collected membership as of July 2019 and July 2020 to try to understand any potential impacts on membership due to COVID-19. This slide shows Large Group Fully-Insured and Self-Insured membership from April 2018 through July 2020. The Self-Insured segment has increased by 3% between April 2018 and July 2020 while the Large Group Fully-Insured segment has decreased 5% during this same time. There does not appear to be a significant change in membership in July 2020 compared to prior months.

The Large Group Fully-Insured Market has experienced a gradual decline in membership while the Self-Insured Market has gradually increased from April 2018 to July 2020, but no significant change in July 2020 compared to prior months.

Large Group Fully-Insured and Self-Insured Membership
April 2018 through July 2020



Source: NHID Annual Hearing data 2016 through 2020; Excludes NH PAP and FEHBP. The Annual Hearing data does not include a few insurers that are in the Supplemental Data Request, however this only represents a small percentage of the total Large Group and Self-Insured membership.

COVERAGE SHIFTS

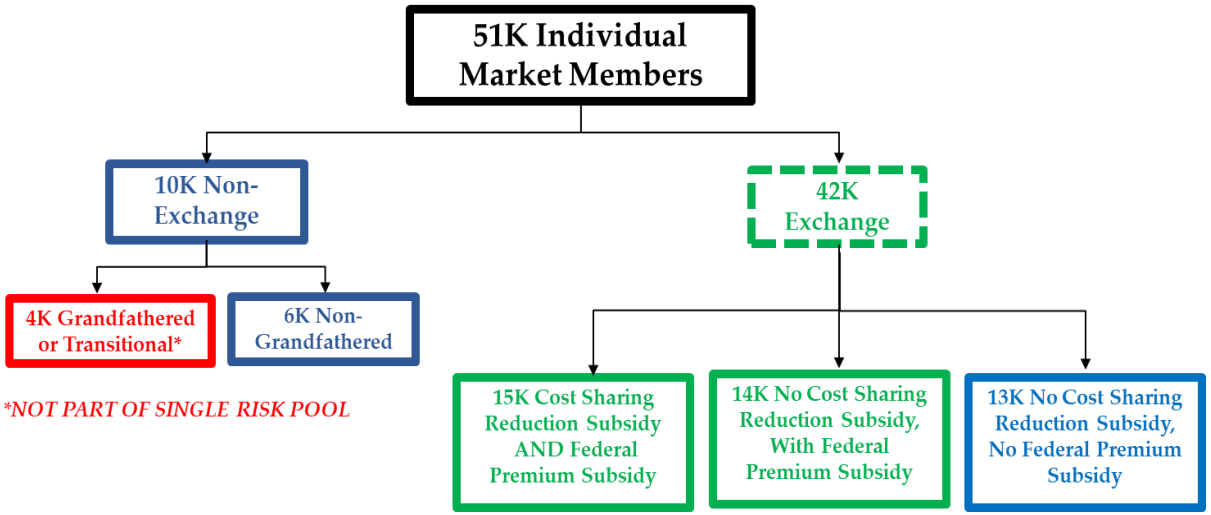
The Individual Market population who are receiving some kind of subsidy are outlined in green, while segments who are not receiving some kind of subsidy are outlined in blue.

Each of these sub-populations of the Individual Market may have different plan offerings, distribution channels, and risk characteristics.

The box highlighted in red is the Grandfathered and Transitional members who are not part of the Single Risk Pool.

The Individual Market continues to be diverse and includes several sub-populations.

April 2020 Individual Market Membership



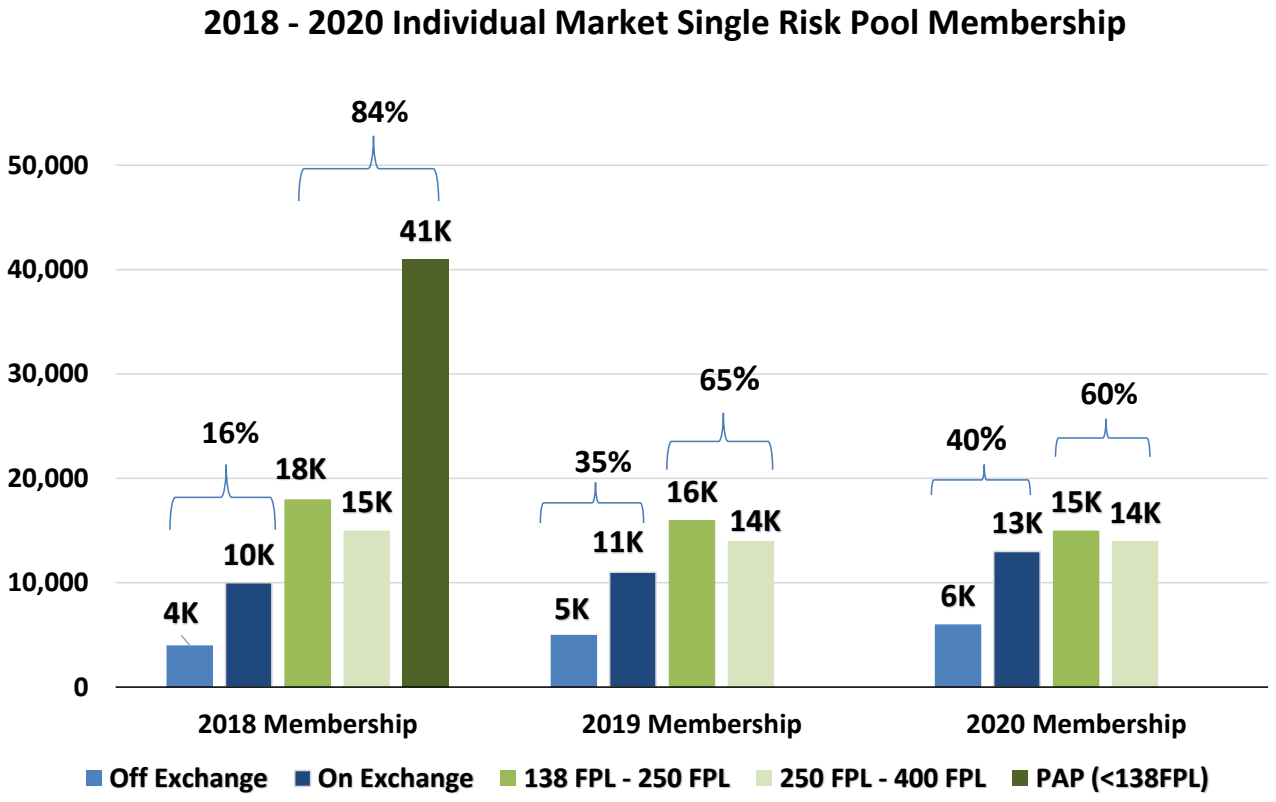
Source: NHID Annual Hearing data 2020; Membership as of April 2019; Excludes FEHBP. Values may not add to the total due to rounding.

Note: Single Risk Pool is a concept under the ACA where the claims experience from all enrollees have to be considered when an insurer calculates premiums for that market segment. All of the segments shown above are included as part of the Individual Market Single Risk Pool except for the Grandfathered/Transitional population outlined in red. The Grandfathered/Transitional members are exempt from the Single Risk Pool provision per the ACA and therefore continue to be rated separately from the rest of the Individual Market.

COVERAGE SHIFTS

Consistent with the previous slide, the Individual Market members who are receiving some kind of subsidy are colored in green, while segments who are not receiving some kind of subsidy are colored in blue. The NH PAP ended 12/31/18 and resulted in the proportion of the Individual Market receiving subsidies to decrease significantly from 84% in 2018 to 65% in 2019. The proportion of members receiving subsidies decreased further into 2020. This may be driven in part by the transition of non-subsidized Grandfathered and Transitional members into the Single Risk Pool. The number of members receiving CSR and APTC subsidies has decreased from approximately 16,000 to 15,000 in 2019 to 2020.

In 2020, 60% of the Individual Market Single Risk Pool received some form of subsidy towards health insurance, a decrease from 2019 where 65% of members received a subsidy. When only examining Exchange membership, 69% of members received a subsidy in 2020.



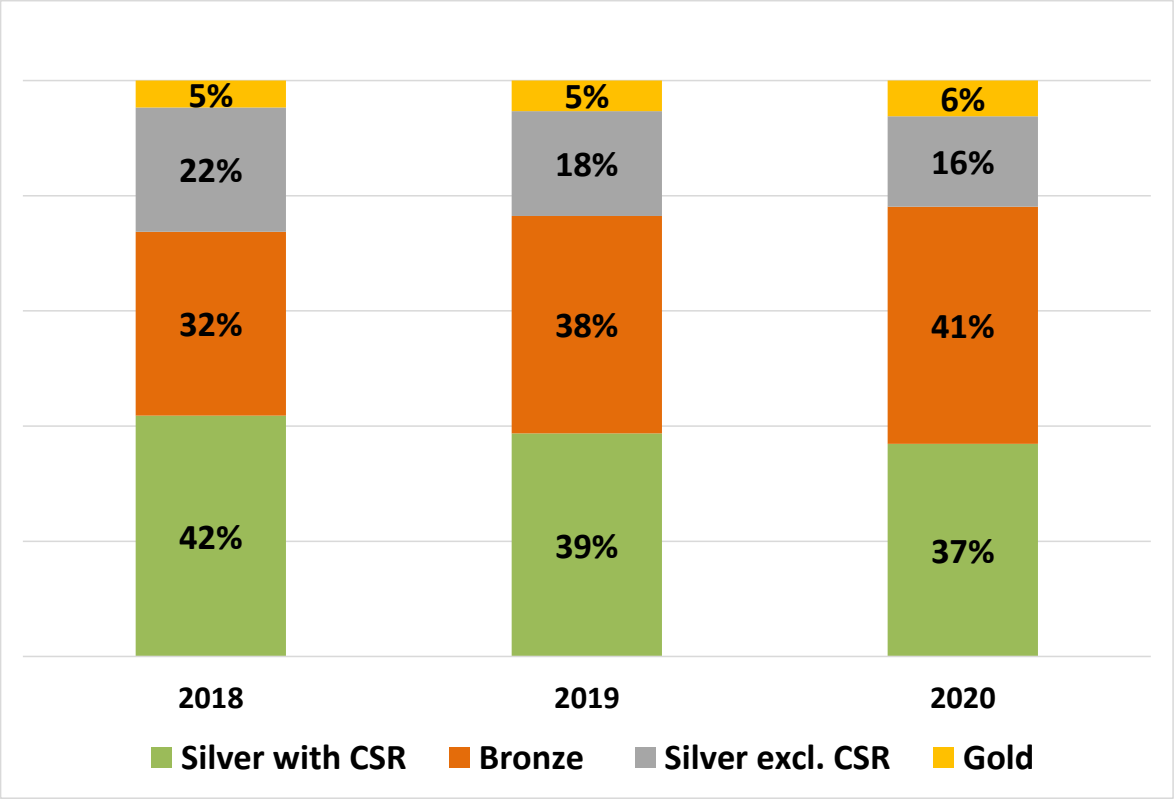
Source: NHID Annual Hearing data 2018, 2019 and 2020; Membership as of April. Note this chart only represents the Single Risk Pool.

COVERAGE SHIFTS

The metal level represents a plan's actuarial value (AV) or benefit richness. Generally, Bronze plans have lower premiums and higher cost sharing while Silver and Gold plans have higher premiums and lower cost sharing. For members on the Individual Market Exchange, there was a shift away from Silver plans to less rich Bronze plans. In 2018, 22% of the membership was in Silver plans and this decreased to 16% in 2020. This is coupled with an increase in Bronze plans from 32% in 2018 to 41% in 2020. Membership in Silver CSR plans have also decreased from 2018 to 2020. Ambetter and Harvard Pilgrim both started offering Bronze plans on Exchange in 2020. The chart does not include catastrophic members which represent less than 2% of exchange membership each year.

From 2018 to 2020, membership in the Individual Market Exchange shifted away from Silver plans towards Bronze plans.

2018, 2019 and 2020 Individual Market Exchange Membership by Metal Level



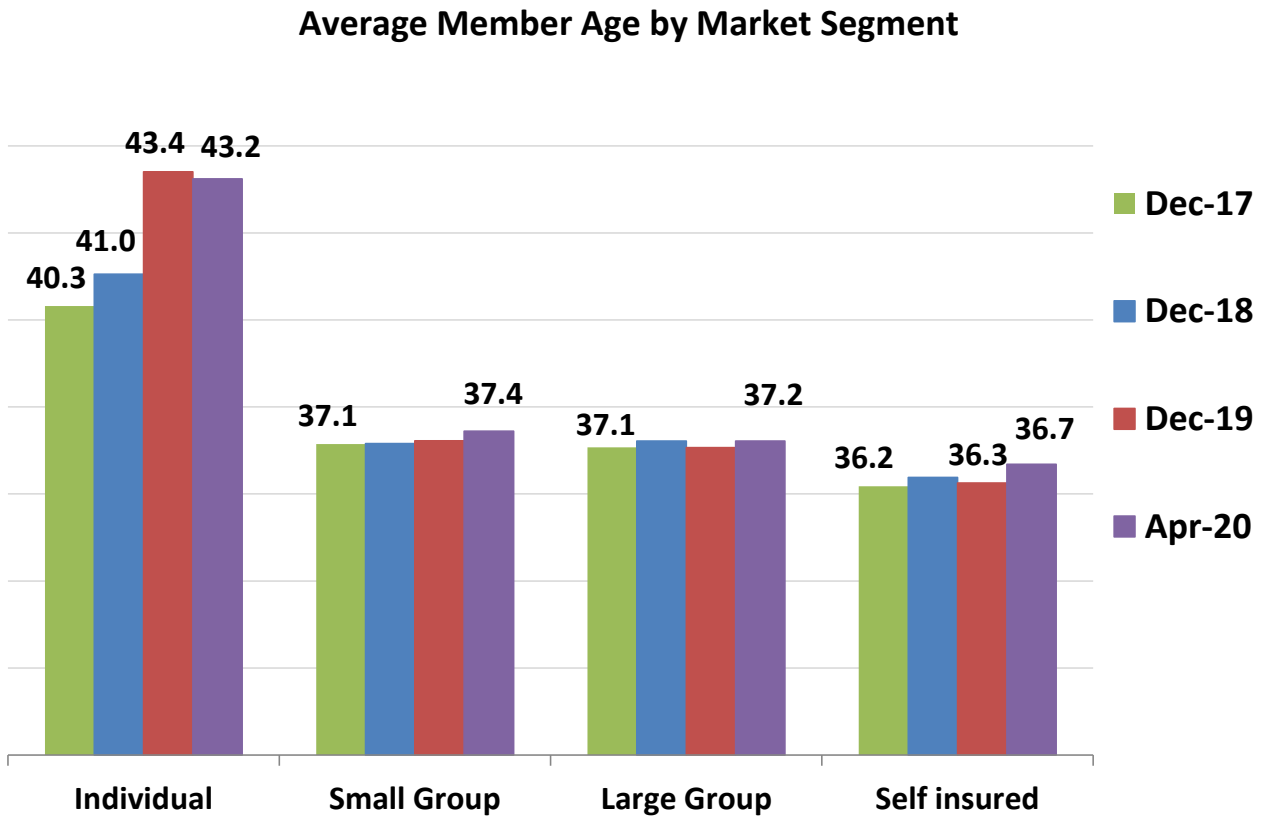
Source: NHID Marketplace Enrollment Reports as of July each year. CSR membership collected from SDR and NHID Annual Hearing data requests. Excludes NH PAP and catastrophic membership.

COVERAGE SHIFTS

The Individual Market's average age is higher than the other segments, suggesting that its health care needs may be higher. The average age in the Individual Market has increased significantly in early 2019 due to the transition of the NH PAP to Medicaid Care Management. The average age also increased in 2018 compared to 2017. Given the membership declines in 2018, this most likely means that younger members left the market in 2018.

The Self-Insured Market continued to have slightly younger average ages than the Small Group and Large Group Fully-Insured Markets but did experience a slight increase in 2020.

The average age in each of the segments continues to be fairly consistent from 2019 to 2020. The significant increase in age from 2018 to 2019 in the Individual Market was due to the transition of NH PAP as of 12/31/2018.



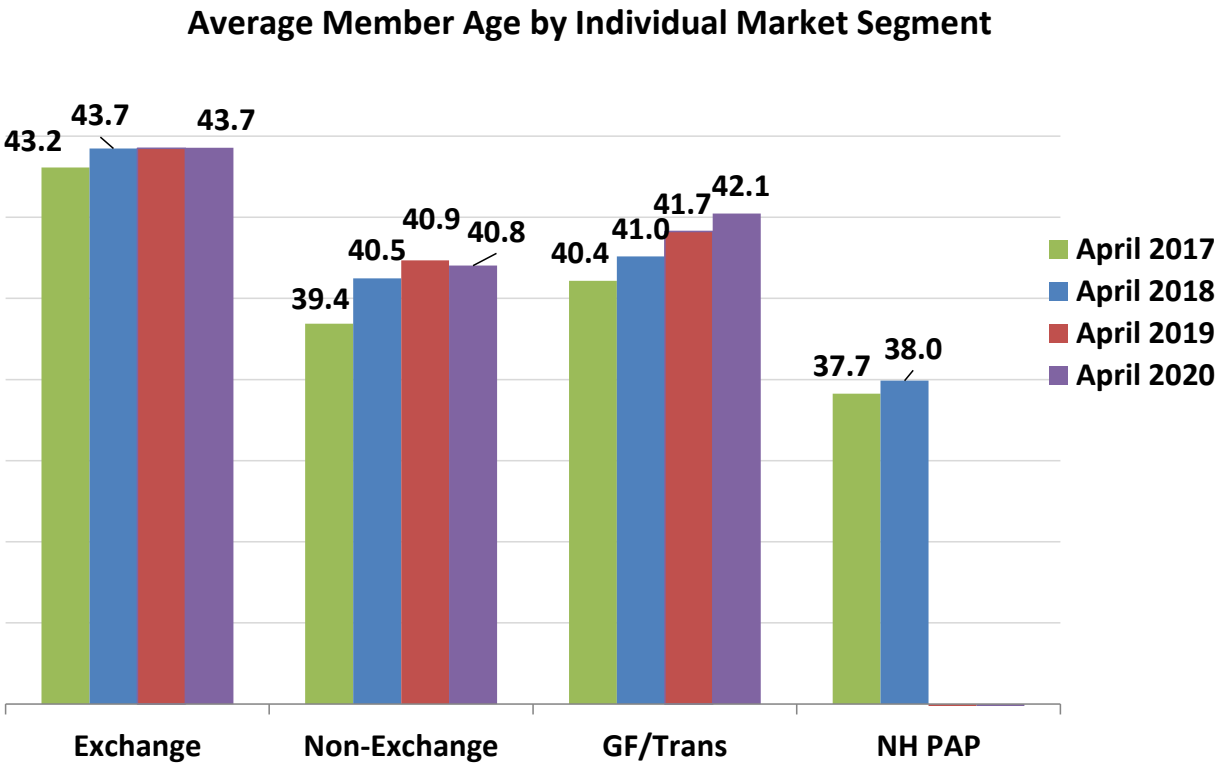
Source: NHID Annual Hearing data 2018, 2019, and 2020; Excludes FEHBP. No Minuteman data available for December 2017.

COVERAGE SHIFTS

Over the four years examined, the average age of the Grandfathered/ Transitional segment experienced the largest increase from 40.4 to 42.1 The average age of the Non-Exchange segment also increased from 39.4 to 40.8. The Exchange population's average age increased slightly from 2017 to 2018, but did not change from 2018 to 2020, remaining at 43.7.

The NH PAP population had the youngest average age of the segments within the Individual Market. The NH PAP ended on 12/31/2018 and these members were transitioned from Qualified Health Plans (QHP) to Medicaid Care Management (MCM).

Within the Individual Market, the Exchange population's average age did not change significantly, while the Non-Exchange and Grandfathered/Transitional population's average age increased from 2017 to 2020.



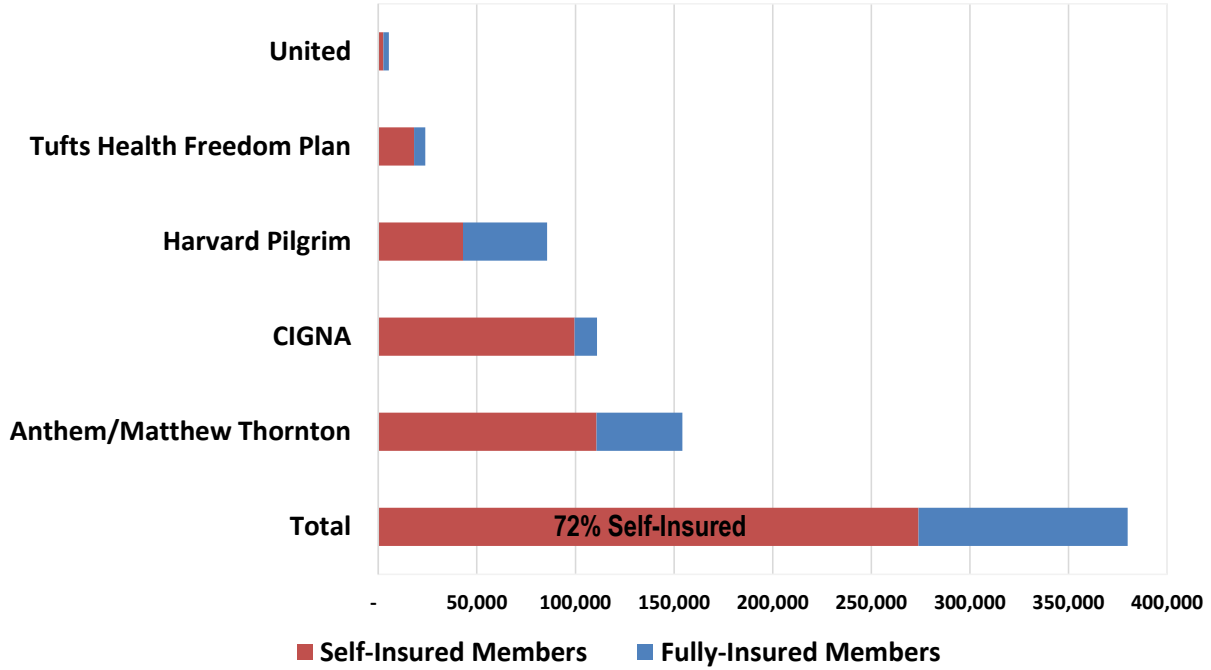
Note: 2017 data includes Minuteman whereas 2018 does not as they exited the market end of 2017.
Source: NHID Annual Hearing data 2017, 2018, 2019 and 2020; Excludes FEHBP.

COVERAGE SHIFTS

The primary difference between a self-insured and a fully-insured arrangement is that under self-insured, the employer assumes the risk of the health care claims of its members. Under fully-insured, the insurer assumes the risk for health care claims and will charge a risk premium for this benefit. An employer will weigh the pros and cons of the self-insurance arrangement considering questions such as:
Is the employer large enough to smooth out the volatility in health care claims expenditures?
Is the employer able to absorb an unexpected high cost claim?
Will the savings the employer expects under a self-insured arrangement be enough to take on the added risks?

The Self-Insured Market continued to dominate the Large Group Market. In 2019, 72% of the Large Group Market was self-insured, driven by enrollment in Anthem & CIGNA. These two insurers account for more than three quarters of self-insured enrollment.

Large Group Membership Distribution by Self-Insured vs. Fully-Insured, 2019



Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. Anthem Health Plans of NH, Inc Matthew Thornton Health Plans Inc. are shown combined, as are the 3 HPHC entities (Harvard Pilgrim Health Care of New England, HPHC Insurance Company and Health Plans, Inc).United includes United Healthcare Services Inc. and UnitedHealthcare Insurance Company.

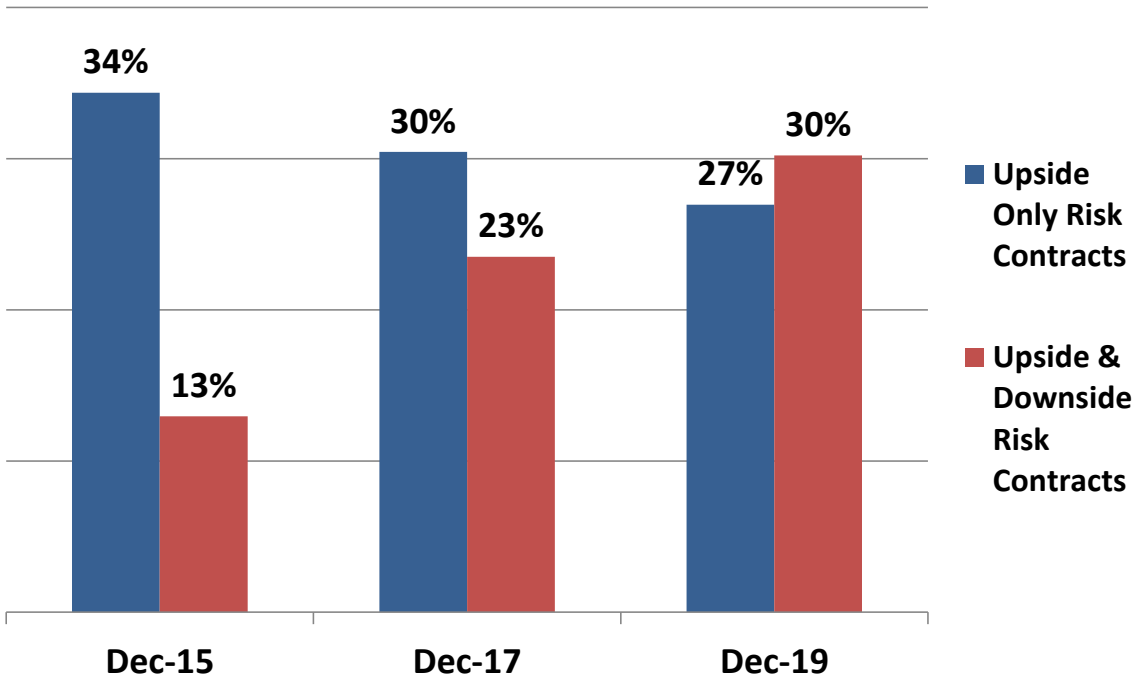
Membership is estimated based on calendar year member months divided by 12.

COVERAGE SHIFTS

A provider contract with upside & downside risk is defined as a contract with a provider group where the provider will share in any budget surplus or deficit with the insurer. Upside only risk contracts are defined as a contract where the providers may share in any budget surplus, but they are not at risk for any portion of a budget deficit. This chart shows the changes in the fully-insured segment. In the self-insured segment, the percentage of members in risk contracts with both upside & downside risk increased from 6% in 2015 to 19% in 2019, while the percentage with upside only risk decreased from 38% to 32%.

Within the fully-insured markets, the percentage of members in risk contracts with both upside and downside risk has increased significantly from 2015 to 2019 while the percentage of members in upside only risk contracts has decreased.

Percentage of Fully-Insured Members in Risk Contracts



Source: NHID Annual Hearing data 2016-2020. Includes all markets. Excludes FEHBP.

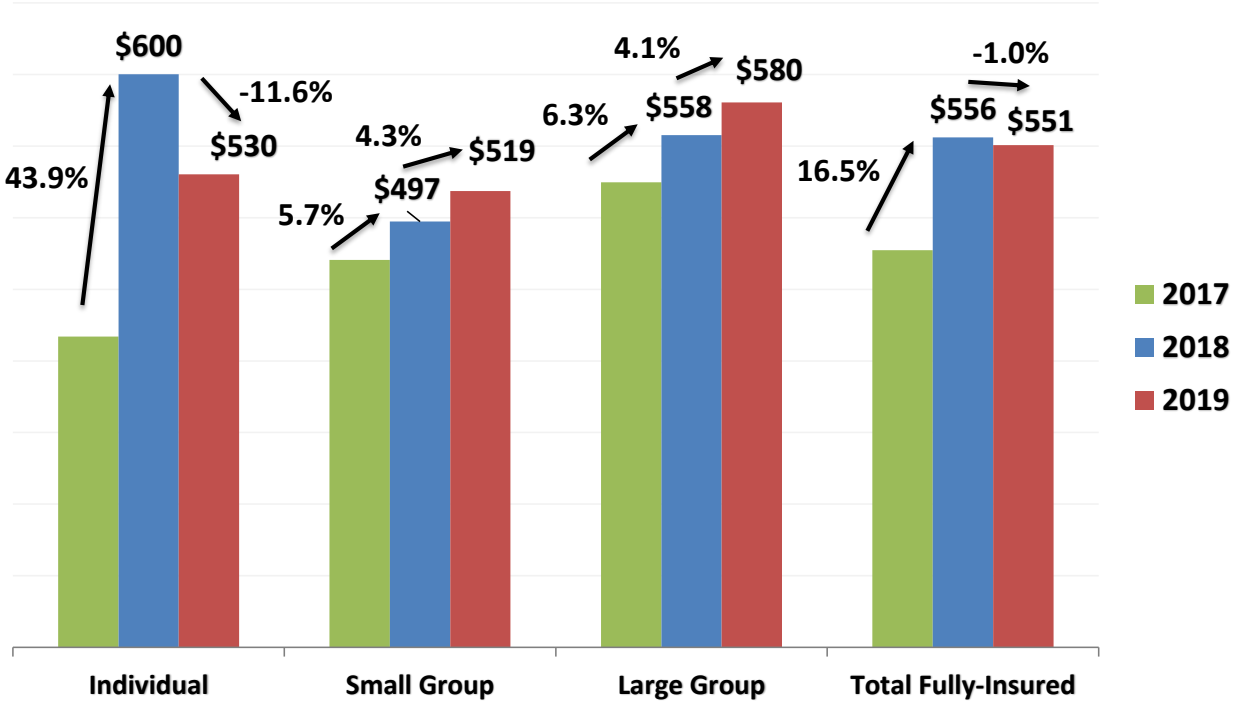
PREMIUM LEVEL AND TRENDS

PREMIUM LEVEL AND TRENDS

The average premiums in the Fully-Insured Market increased 16.5% in 2018 but then decreased 1.0% in 2019. The Individual Market increase in 2018 was driven in part by the closure of Minuteman in 2017 (lower costing option in New Hampshire) and in part by silver loading due to the loss of CSR subsidies (see footnote.) The average premium then decreased in 2019 due to the transition of the NH PAP from QHPs to MCMs. The Small Group Market and Large Group Market experienced lower increases compared to the previous year. Based on the 2019 Employer Benefits Survey from the Kaiser Family Foundation and the Health Research & Education Trust, in 2019, average premiums in the Employer Market increased 4% for single coverage and 5% for family coverage.

The average Fully-Insured premium in New Hampshire decreased 1.0% in 2019. The Individual Market premium decreased 11.6%, while the Group Markets increased 4.2%. The decrease in the Individual Market is driven by the transition of NH PAP to Medicaid Care Management.

Fully-Insured Commercial Premium PMPMs by Market Segment



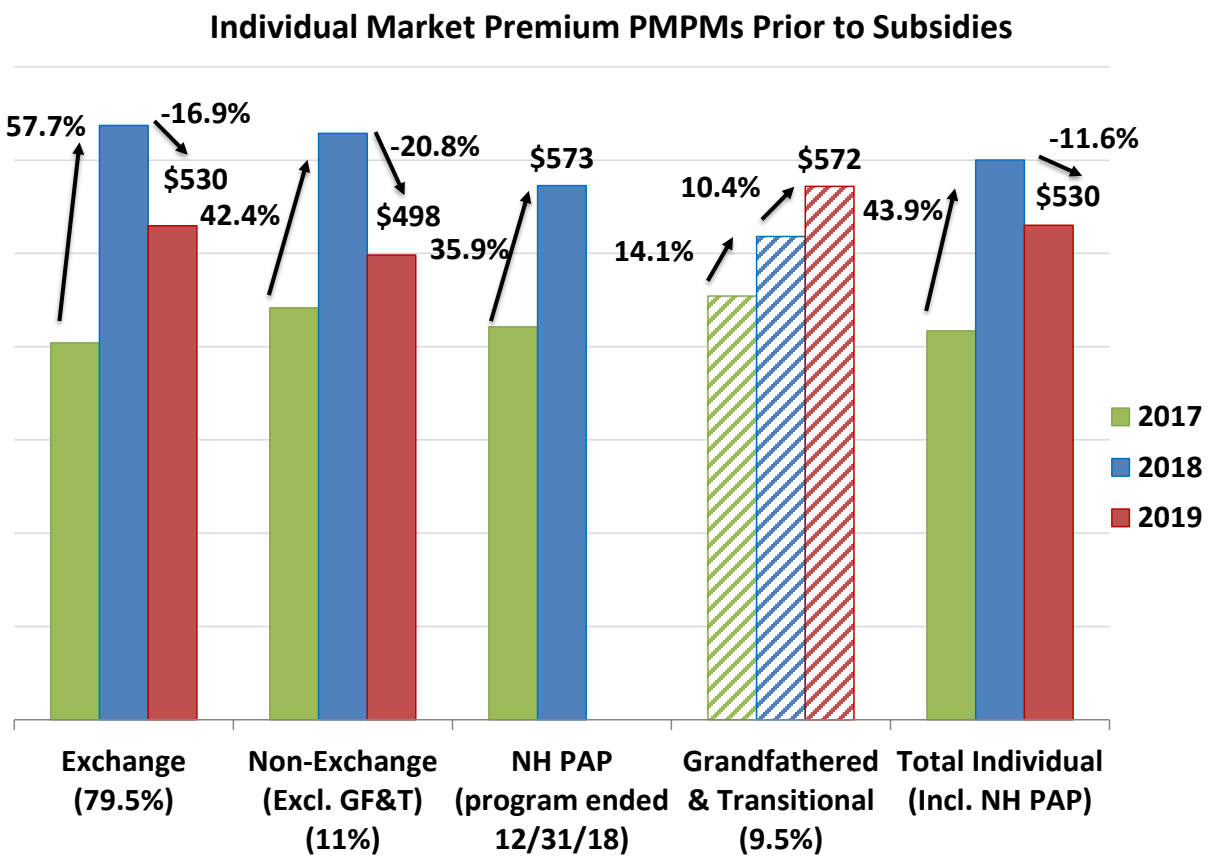
Source: NHID Supplemental Data Request; Commercial fully-insured population including New Hampshire situs membership only. Excludes FEHBP population. Individual Market includes the NH PAP population and Minuteman data, which was estimated using premium data from federal risk adjustment reports for the non-PAP population and estimates for the NH PAP premium, with adjustments to account for actual 2017 NH PAP premium.

Following the loss of CSR subsidies in late 2017, insurers in New Hampshire increased premiums in 2018 for on exchange silver plans, a strategy referred to as "silver loading." Members receiving CSR subsidies were largely insulated from these changes as federal advance premium tax credits increased to offset these additional costs.

PREMIUM LEVEL AND TRENDS

The average premium in the overall Individual Market decreased 11.6% from 2018 to 2019, due primarily to the transition of the NH PAP program to Medicaid Care Management. The Grandfathered & Transitional Market experienced the highest increase of 10.4%.

The average premium in the Individual Market increased 43.9% in 2018. The high increase in 2018 was expected due to the closure of Minuteman in 2017, New Hampshire's low cost insurer. When Minuteman exited the market as of 12/31/2017, insurers expected healthier members to leave the market which would increase the morbidity expectations for the remaining population, thus driving up premiums. The average premium then decreased in 2019 due to the transition of the NH PAP from Qualified Health Plans (QHP) to Medicaid Care Management (MCM). Grandfathered/Transitional population experienced the highest increase in 2019 of 10.4% and this comes after an increase of 14.1% in 2018. This is a small and shrinking population. This segment is not part of the Single Risk Pool and is shown as shaded rather than



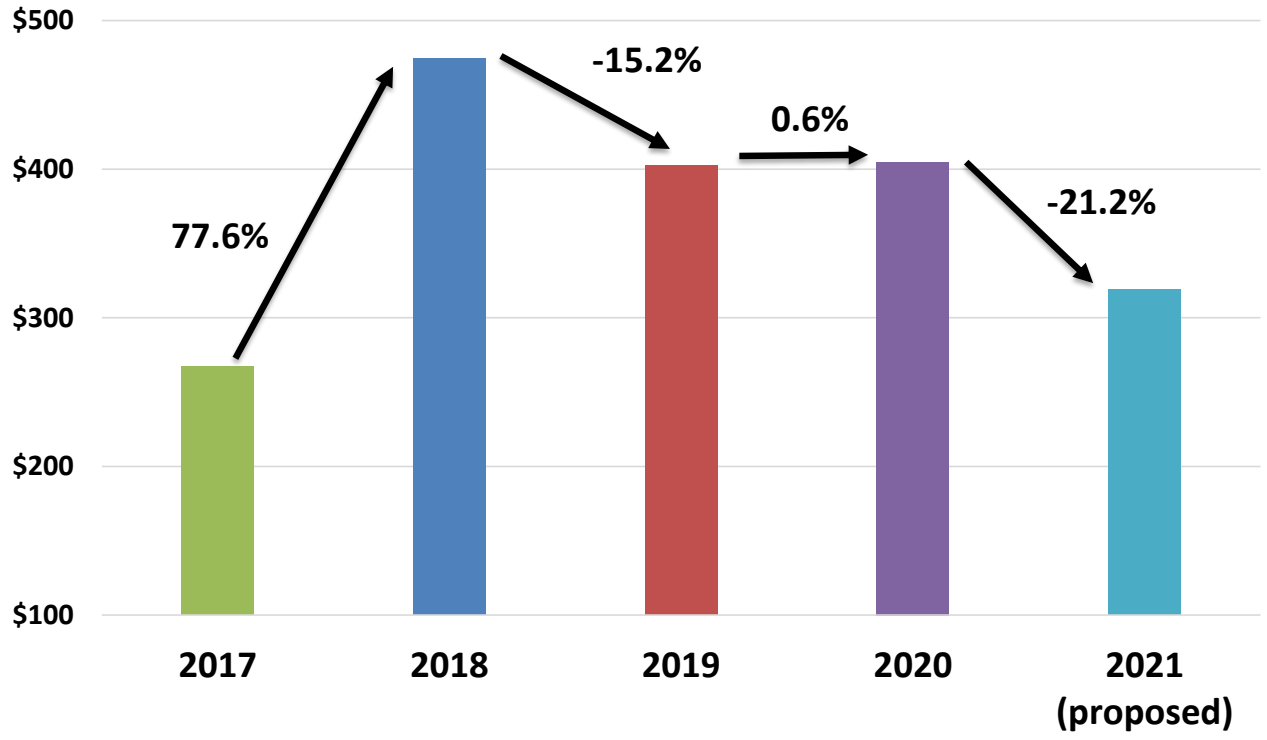
Note: The distribution % shown under each market is based on 2019 member months.
Source: NHID Supplemental Data Request; Commercial fully-insured population including New Hampshire situs membership only. Excludes FEHBP population. Individual Market includes NH PAP.

PREMIUM LEVEL AND TRENDS

The rate change in the second lowest cost silver plan from 2017 to 2018 was 77.6%. The rate change in the second lowest cost silver plan from 2018 to 2019 was negative, -15.2%. The rate decrease in 2019 is due in part to the migration of NH PAP out of the Individual Market Single Risk Pool. In 2020 the rate remained fairly flat with only a 0.6% increase. The proposed 2021 rate decrease is expected to be -21.2% which is stated to be attributed partly to market trends and partly due to the approval of the Section 1332 Waiver Reinsurance Program.

The 2019, 2020 and proposed 2021 rate changes in the Individual Market's second lowest cost silver plan are favorable. The Section 1332 Waiver Reinsurance Program will have a favorable impact in 2021.

Individual Market Monthly Second Lowest Cost Silver for 40-Year-Old Non-Tobacco User



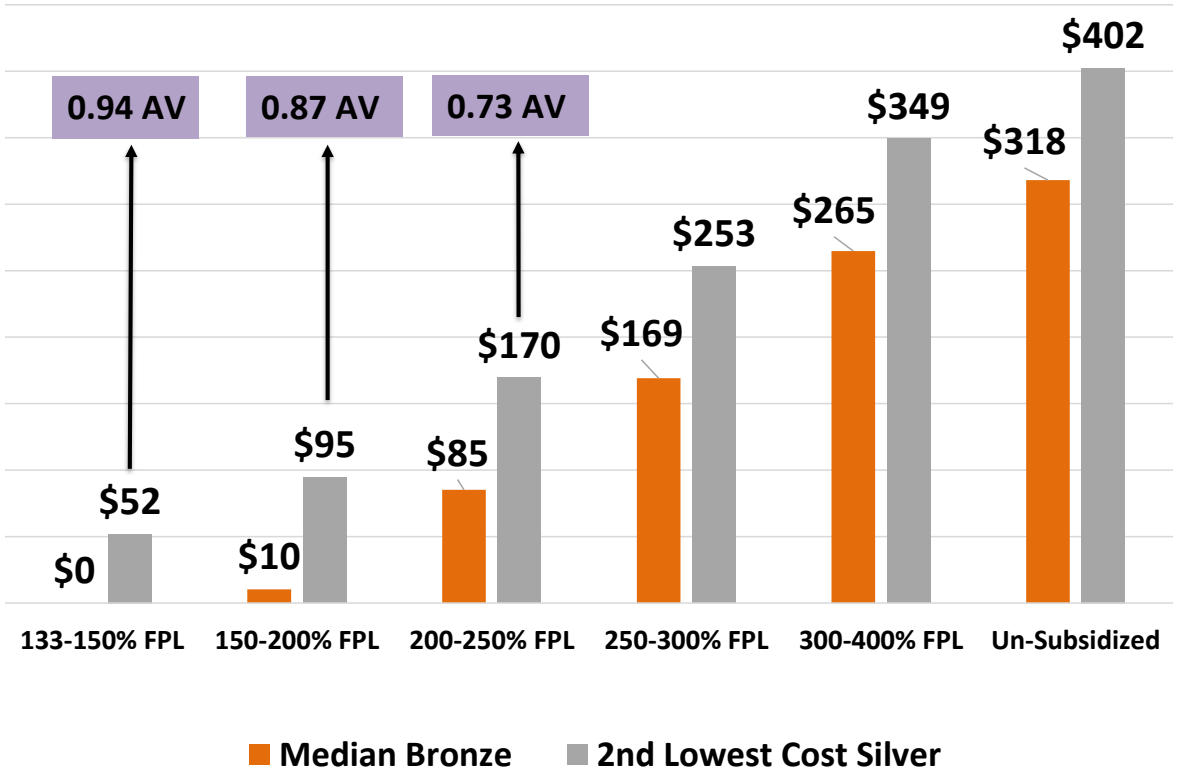
Sources: 2020 Average Monthly Premiums for Second Lowest Cost Silver Plan released by CMS 10/22/2019. Translated to represent 40-year-old rather than 27-year-old. https://www.cms.gov/CCIIO/Resources/Data-Resources/Downloads/2020QHPPremiumsChoiceReport.pdf. Proposed 2021 Average Monthly Premiums for Second Lowest Cost Silver Plan: https://www.nh.gov/insurance/media/pr/2020/documents/press-release-proposed-health-premium-rates-2021.pdf

PREMIUM LEVEL AND TRENDS

Lower income members with cost sharing reduction subsidies and advanced premium tax credits pay significantly less than non-subsidized individuals.

This slide shows an illustrative example of what a 40-year-old single policyholder in NH would pay for the second lowest cost silver plan and median bronze plan in 2019 at various income levels. Federal premium subsidies (or APTCs) are available on a sliding scale to qualifying individuals and families on the Exchange with incomes less than 400% of the Federal Poverty Level. In this example, APTC members will pay between $52 a month and $349 a month in premium depending on their income. At the far right we show that the non-subsidized individual pays $402 a month, which is about $350 more per month than what the individual earning 150% FPL will pay. Members with FPL between 133% and 250% will also receive CSR subsides which increase the richness of their benefit levels between .73 AV to .94 AV depending on income level.

2019 Illustrative Monthly Premium 40-Year-Old Single Policyholder



Note: These charts assume the age of the adult enrollee is 40 and that the APTC and un-subsidized enrollees are enrolled in the second lowest cost silver plan or median bronze plan.

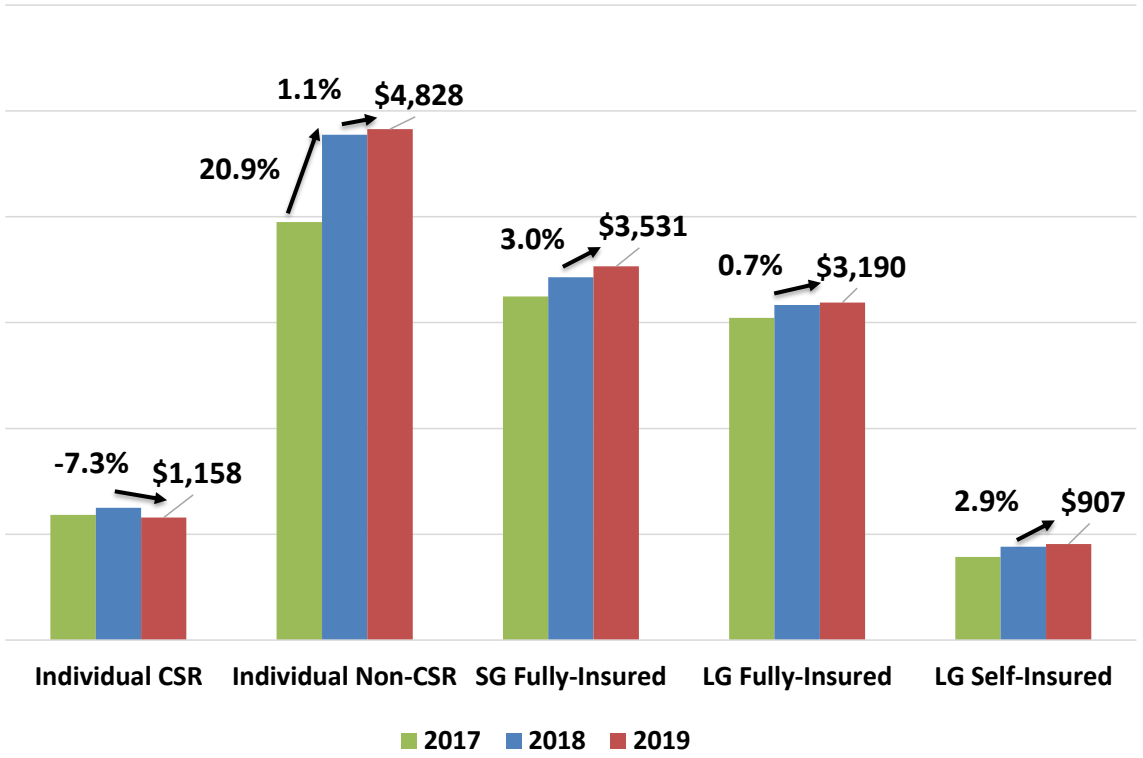
MEMBER COST SHARING

COST SHARING

The average deductible for the Individual Market without Cost Sharing Reduction (CSR) subsidies increased 20.9% from 2017 to 2018 but then only increased slightly from 2018 to 2019 at 1.1%. The large premium increases in the Individual Market in 2018 and then subsequent decreases in 2019 most likely led to the changes in deductibles level. In 2019, Individuals did not need to move to plans with higher deductibles given the decreases in premium. The Large Group Self-Insured Market experienced an increase of 2.9%, but continued to have a much lower average deductible, over $2,200 lower than the Large Group Fully-Insured Market. Nearly half of all Large Group Self-Insured members are in State and Municipal plans.

The average deductible increased slightly in all markets except the Individual Market with CSR. The large premium decreases in the Individual Market in 2019 most likely led to little change in the average deductibles in the segment with no CSR subsidies.

Comparison of Average Single Deductible by Market Segment



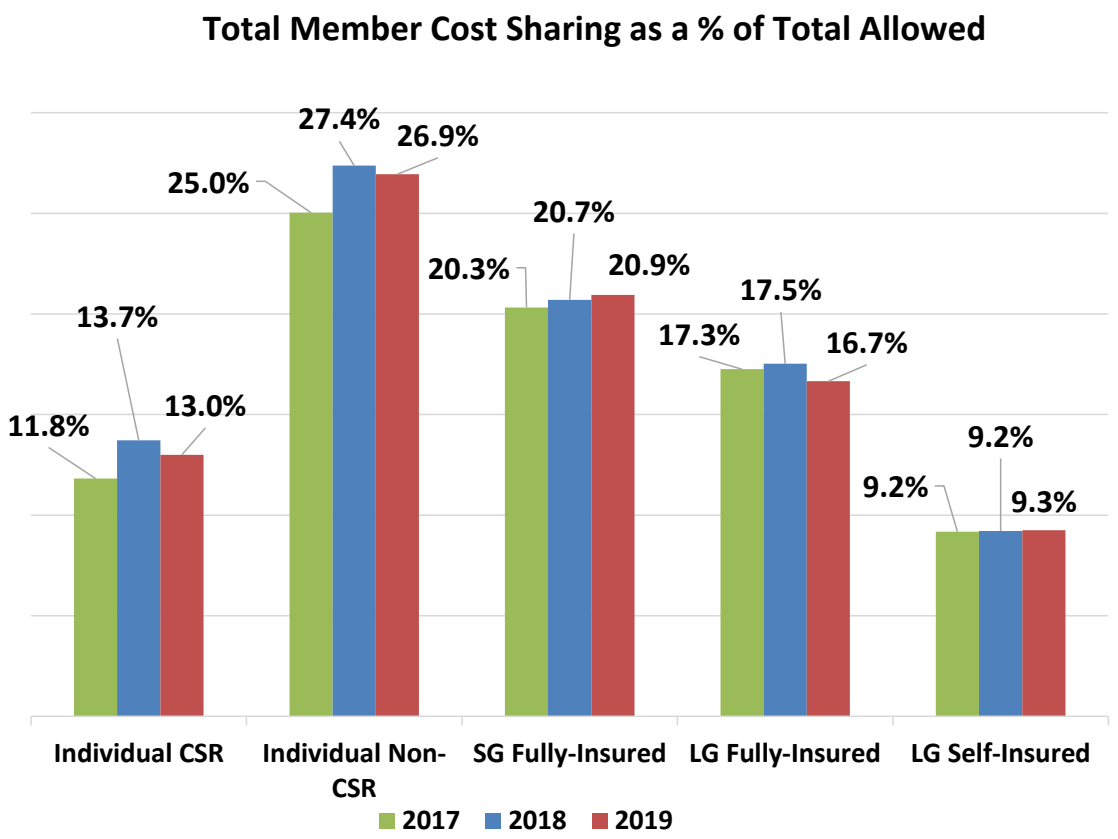
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes NH PAP and FEHBP population. Data shown is for single, in-network coverage and includes zero dollar deductibles.
Minuteman data is excluded, however an analysis of 2015 and 2016 data shows that average Minuteman deductibles are similar to the rest of the market. Individual Market data accounts for the lower cost sharing for members that receive Cost Sharing Reduction (CSR) discounts.

COST SHARING

Across each of the market segments, the average member cost sharing as a percentage of total allowed costs has not changed significantly from 2018 to 2019. The member cost sharing as a percentage of total allowed costs is much higher in the Individual Market without CSR at 26.9% compared to the Individual Market with CSR where 13.0% of total allowed costs are the member's responsibility in 2019.

In the Large Group Self-Insured Market the member cost sharing as a percentage of total allowed costs is much lower than the Large Group Fully-Insured Market, at 9.3% versus 16.7%.

Individuals without CSR (above 250% of the FPL) pay 27% in cost sharing as a percentage of total allowed claims in 2019 which is significantly higher than all other market segments. Large Group Self-Insured members pay 9% in cost sharing as a percentage of total allowed claims.



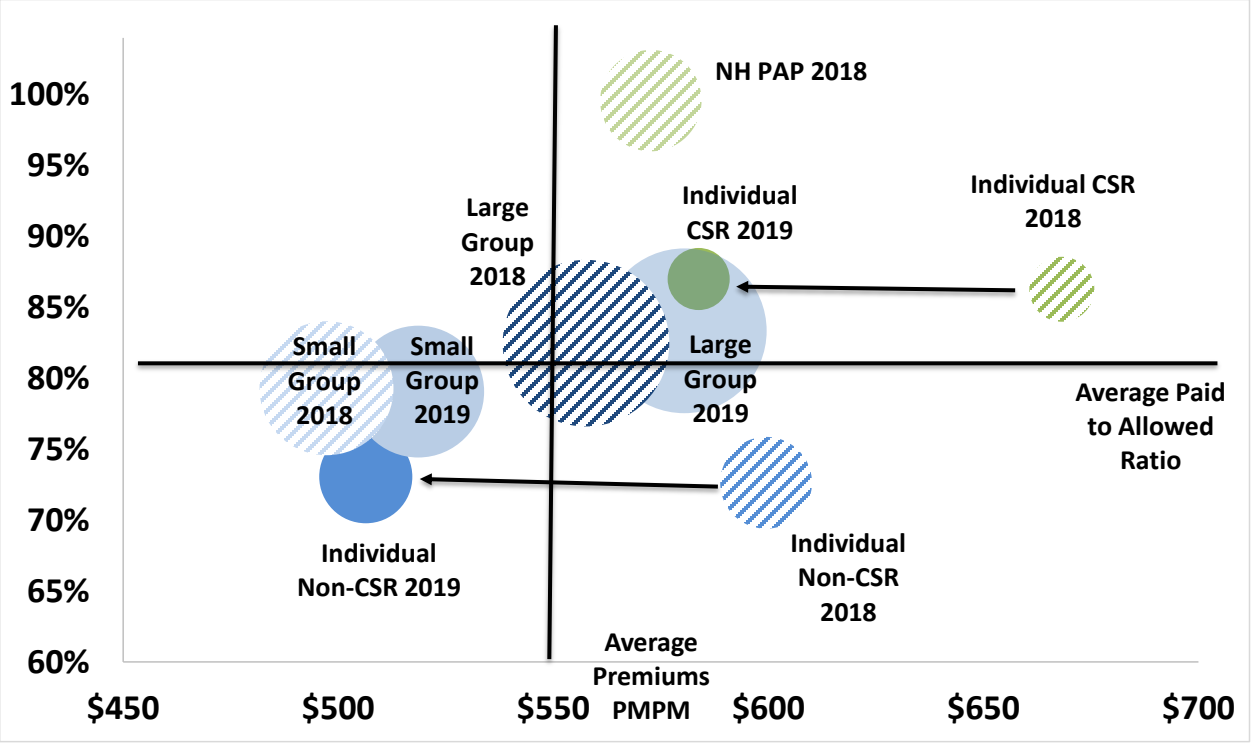
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes NH PAP and FEHBP population.
Minuteman data is excluded from 2017 data, however an analysis of 2015 and 2016 data shows that average Minuteman cost sharing is similar to the rest of the market. Individual Market data accounts for the lower cost sharing for members that receive Cost Sharing Reduction (CSR) discounts.

COST SHARING

The paid to allowed claims ratio is an indicator of the richness of a health insurance plan's benefits. The higher the ratio, the more rich the benefits. Individual Market who received Cost Sharing Reduction subsidies (indicated by the green bubble) has the richest benefits in the market in 2019. By contrast, the enrollees within the Individual Market who do not receive Cost Sharing Reduction subsidies (Individual Non-CSR) have the least rich benefits in the market. Due to the large premium decreases in this segment, the premium levels are once again lower than the group markets.

Enrollees with subsidized insurance had the most comprehensive health insurance benefits. The Individual Market without CSR experienced large premium decreases in 2019 and they now have lower premiums than the Group Markets but their benefit richness is still lower.

2018 and 2019 Fully-Insured Premium Levels vs. Paid to Allowed Claims Ratio



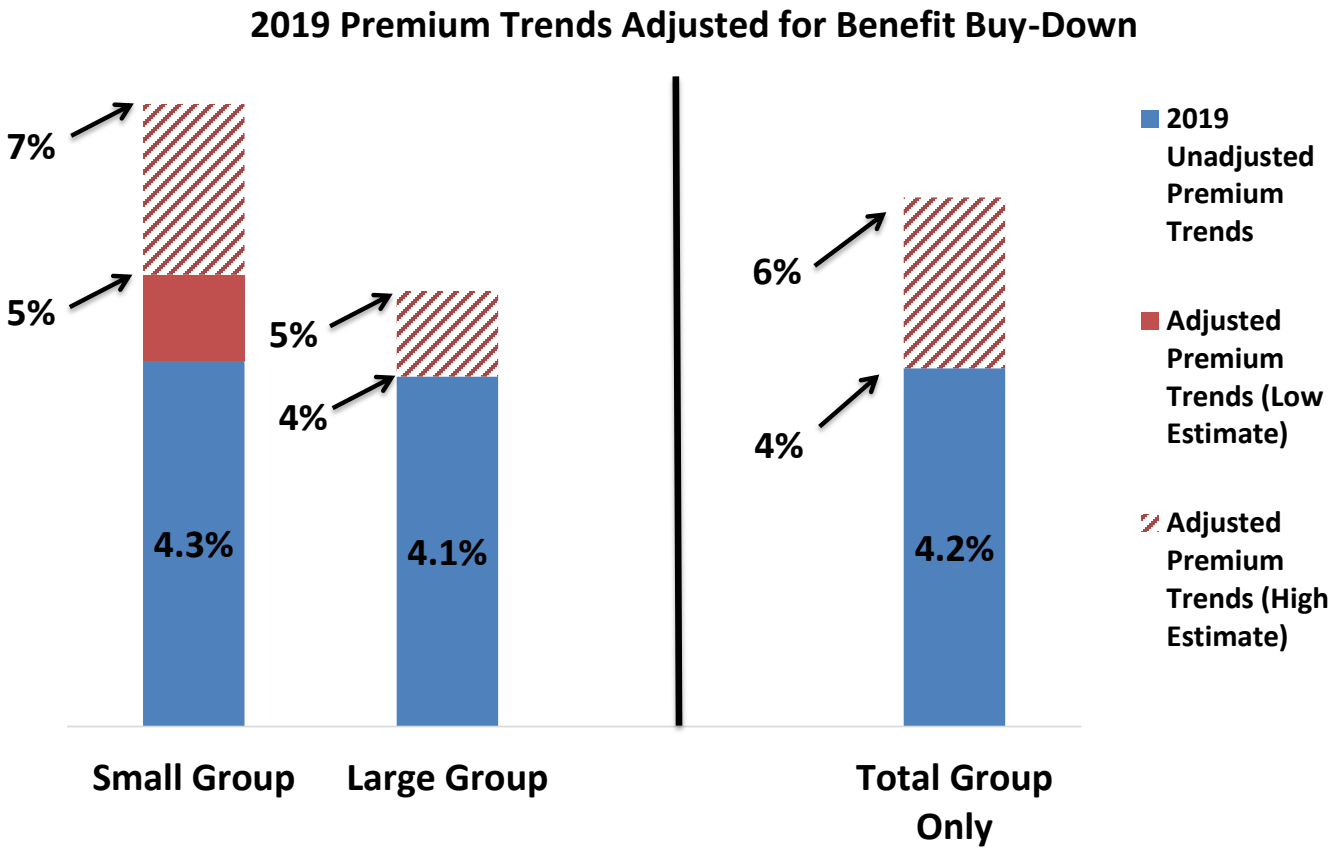
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. The size of the circle indicates the relative size of the segment in members. Segments that receive a subsidy are colored in green and segments that receive no subsidy are colored in blue.

BENEFIT BUY-DOWN AND BENEFIT ADJUSTED PREMIUM TRENDS

BENEFIT BUY-DOWN AND PREMIUM ADJUSTED TRENDS

This chart shows the "unadjusted premium trends" from slide 3.1 along with the estimated impact of benefit buy-down - which is the resulting premium trends in the absence of plan design changes. If Small Group employers had not changed their 2018 plan designs, the Small Group Market would have experienced average premium increases in the range of 5% to 7% in 2019. However, since they did "buy-down", the resulting unadjusted premium trend is 4.3%. In the Large Group Market, there was minimal benefit buy-down in 2019.

Small Group Market benefit buy-down decreased slightly from 2 to 4% last year to 1 to 3% this year. Large Group Market benefit buy-down remained consistent at 0 to 1%. Without benefit buy-down in these segments, premiums trends would have been higher.



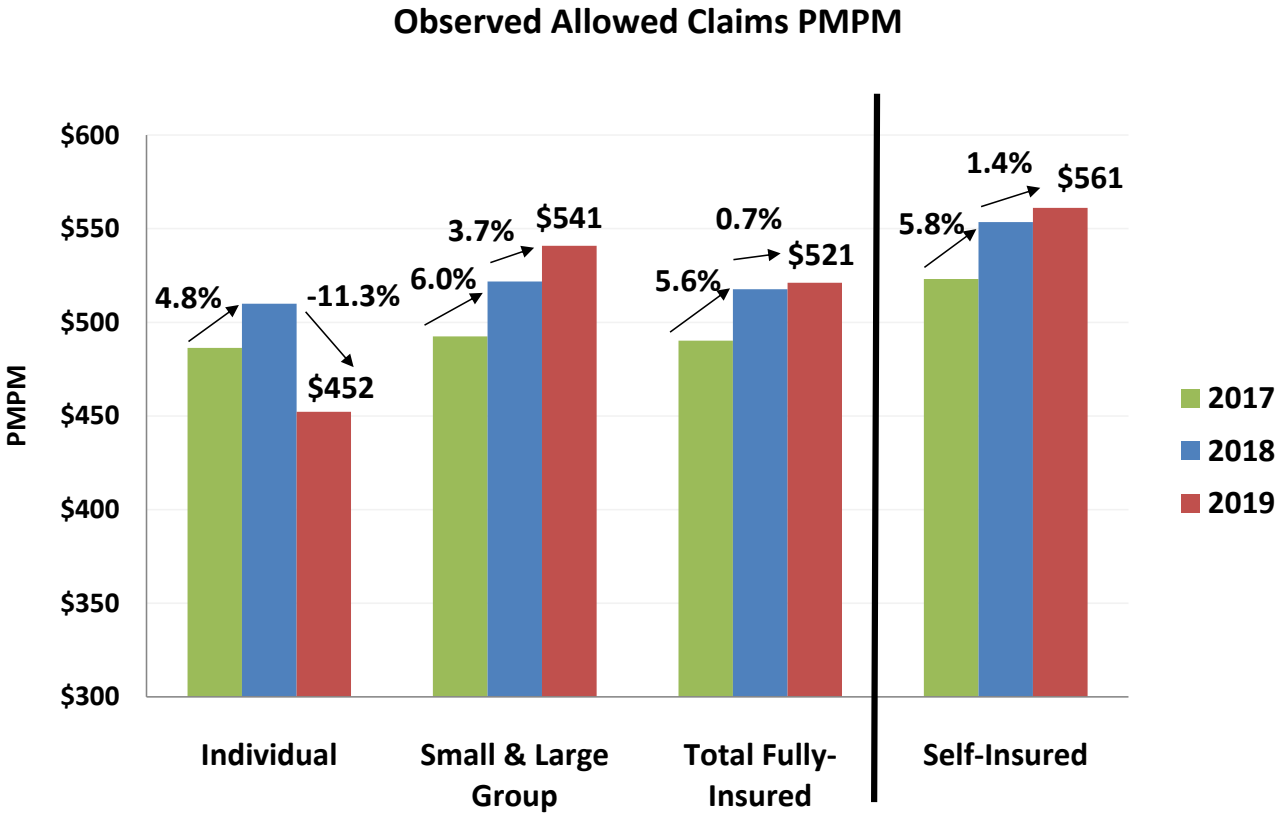
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population.

CLAIM TRENDS

CLAIM TRENDS

Observed allowed claims per member per month (PMPM) trends in the overall Fully-Insured Market in 2019 were at 0.7%, representing an decrease compared to the 2018 trends of 5.6%. The Small Group and Large Group Markets collectively experienced a lower trend in 2019 compared to the prior year at 3.7% compared to 6.0%. The overall Individual Market trend was negative in 2019. The NH PAP population was part of the Individual Market in 2016, 2017 and 2018. The NH PAP ended on 12/31/2018 and these members were transitioned from QHP's to MCM plans. This led to the Individual Market allowed claims PMPM decreasing 11.3% from 2018 to 2019.

Trends in the Fully-Insured and Self-Insured Group Markets were lower in 2019 compared to the trends in 2018. Individual Market trends were negative 2019 due to the transition of NH PAP to Medicaid Care Management.



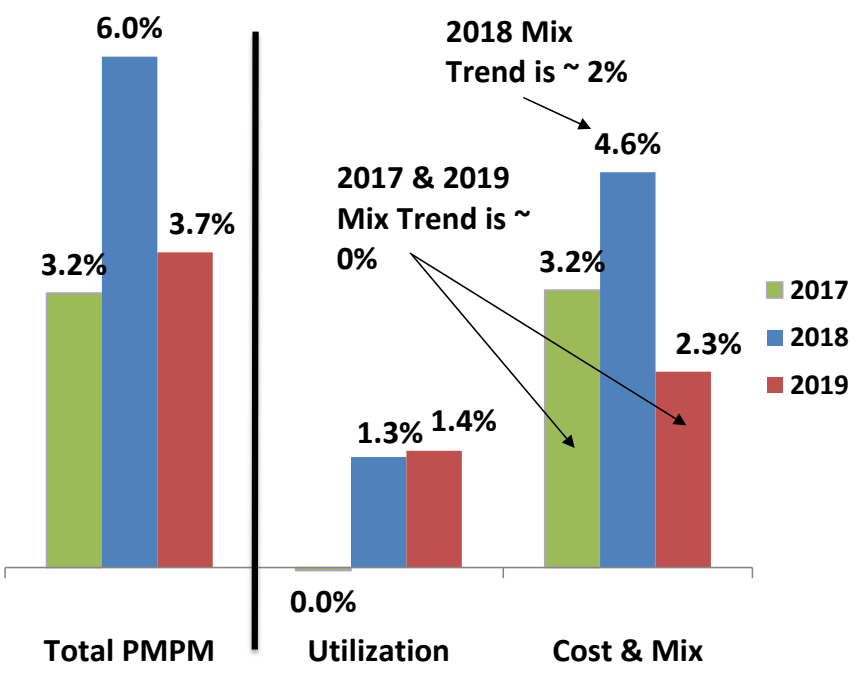
Source: NHID Annual Hearing data 2019 and 2020, including NH PAP. The 2017 values for Minuteman were based on limited data with adjustments from additional external sources. Self-Insured data are from the NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only.

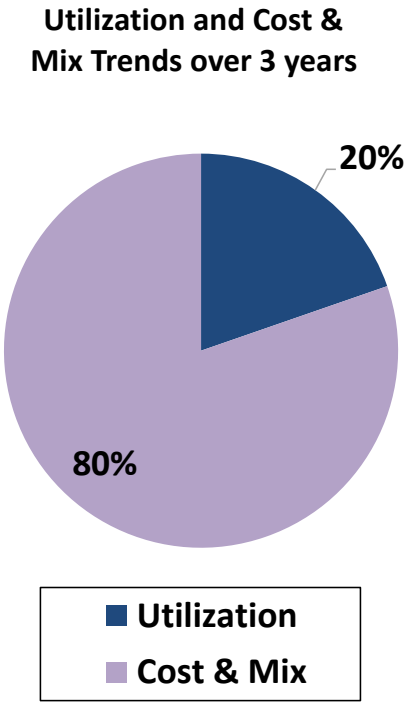
CLAIM TRENDS

This chart takes the combined 3.7% Small Group & Large Group allowed per member per month trend and breaks it into two components: Utilization and Unit Cost & Mix. Utilization is the number of services provided. Unit Cost & Mix trends are a combination of the change in unit price of specific services and changes in the mix of services or changes in the mix of providers being used by patients. Overall trends decreased from 6.0% in 2018 to 3.7% in 2019. The majority of the decrease is driven by mix trend. One key driver of service mix cited by insurers in 2018 was a shift to higher costing specialty drugs. In 2019, key drivers of service mix cited by some insurers include a shift away from higher costing setting such as inpatient and outpatient surgery along with less intense emergency depratment visits.

The 2019 trends in the Group Markets were lower than 2018 trends primarily driven by decreases in mix trend. Utilization trends are higher in 2018 and 2019 compared to 2017. Cost & Mix are the still the primary driver of trends.

Fully-Insured Allowed Claims Trend - Small and Large Group Markets





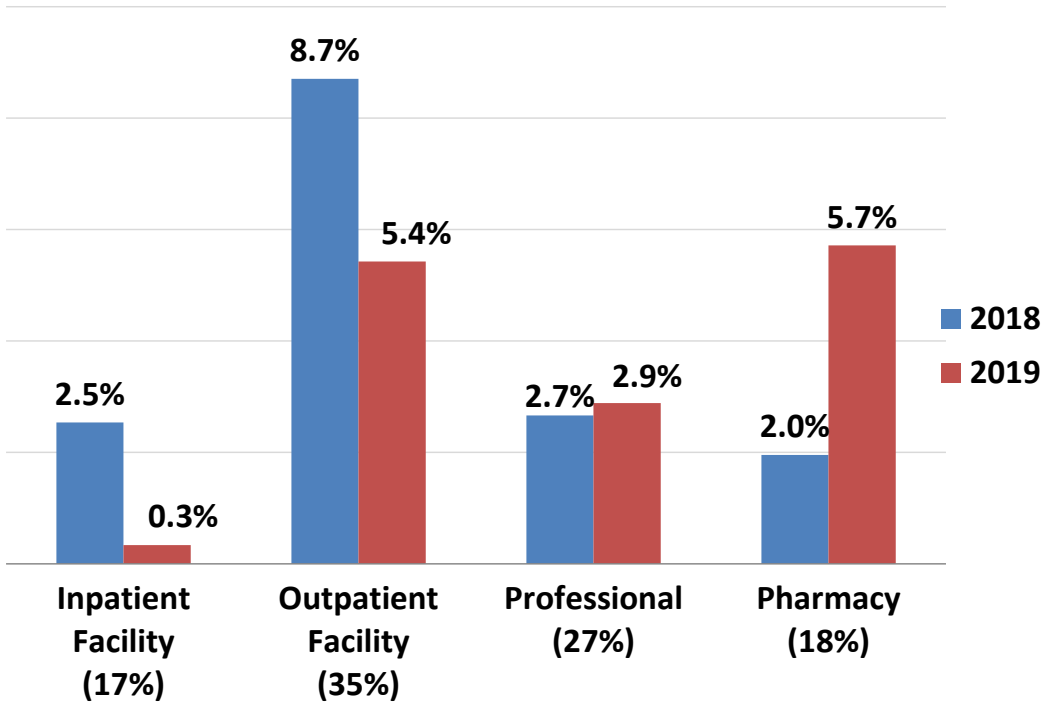
Source: NHID Annual Hearing data 2019 and 2020.

CLAIM TRENDS

Inpatient Facility trends also decreased from 2.5% in 2018 to 0.3% in 2019 driven by lower utilization trends. Outpatient Facility trends have decreased from 8.7% in 2018 to 5.4% in 2019 driven by both lower cost & mix and lower utilization trends Emergency department and outpatient surgery services within this category contributed to the lower trends. Professional trends remained fairly unchanged from 2018 to 2019 although there are increases in utilization trends that were offset by decreases in cost & mix trends.

In the Group Markets, Outpatient Facility trends decreased to 5.4% in 2019 after a trend of 8.7% in 2018. Pharmacy trends increased from 2.0% in 2018 to 5.7% in 2019.

Allowed Claims PMPM Trends by Service Category - Small & Large Group



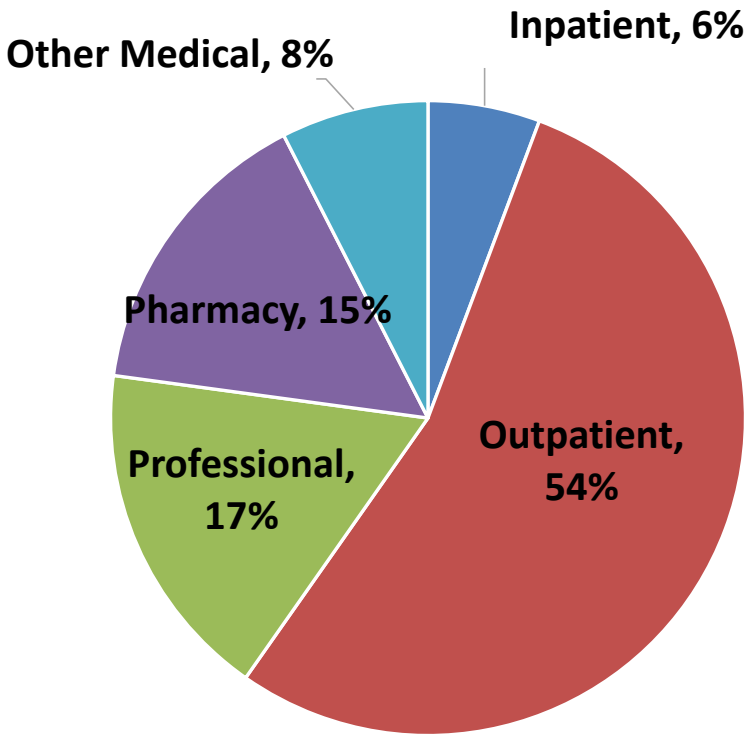
Note: The distribution % shown under each service category is based on 2019 claims. Not shown is the "Other" service category which accounts for 3% of the 2019 claims. This category is omitted due to the different services each carrier reports under this category which leads to variation in the trends. Also not shown in this chart are additional non fee-for-service (FFS) costs that are included in the total allowed PMPM's in the previous slides. These non-FFS include costs for capitated services (such as for behavioral health) and risk sharing payments with providers. Non-FFS trends were negative or flat for all insurers in the combined Group Market and the overall Non-FFS PMPM in the Group Market in 2019 is $13 PMPM. One insurer in NH changed the methodology for allocated services by category in the 2020 data submission compared to the 2019 data submission. This insurer submitted revised data for 2017 and 2018, therefore results in this report may vary from prior years' reports.
Source: NHID Annual Hearing data 2020.

CLAIM TRENDS

Consistent with last year, Outpatient Facility was the largest contributor to trends from 2018 and 2019, contributing 54% to the overall trend. Given the increase in pharmacy trends in 2019, pharmacy is now a larger contributor to trend compared to the prior year (15% in this year's report compared to 2% in last year's report.) Inpatient is now a lower contributor to overall trend compared to the prior year (6% in this year's report compared to 18% in last year's report.) Insurers reported that the majority of pharmacy under the medical benefit was reported in the Outpatient Facility, Professional and Other Medical categories. Anywhere from 3% to 20% of Outpatient Facility, 2% to 8% of Professional and 4% to 14% of Other Medical is for pharmcy under the medical benefit.

Outpatient Facility continues to be the largest contributor to trends in 2018 and 2019, driving slightly more than half of the overall trend.

Contributors to Group Market Trends 2018 and 2019 Combined



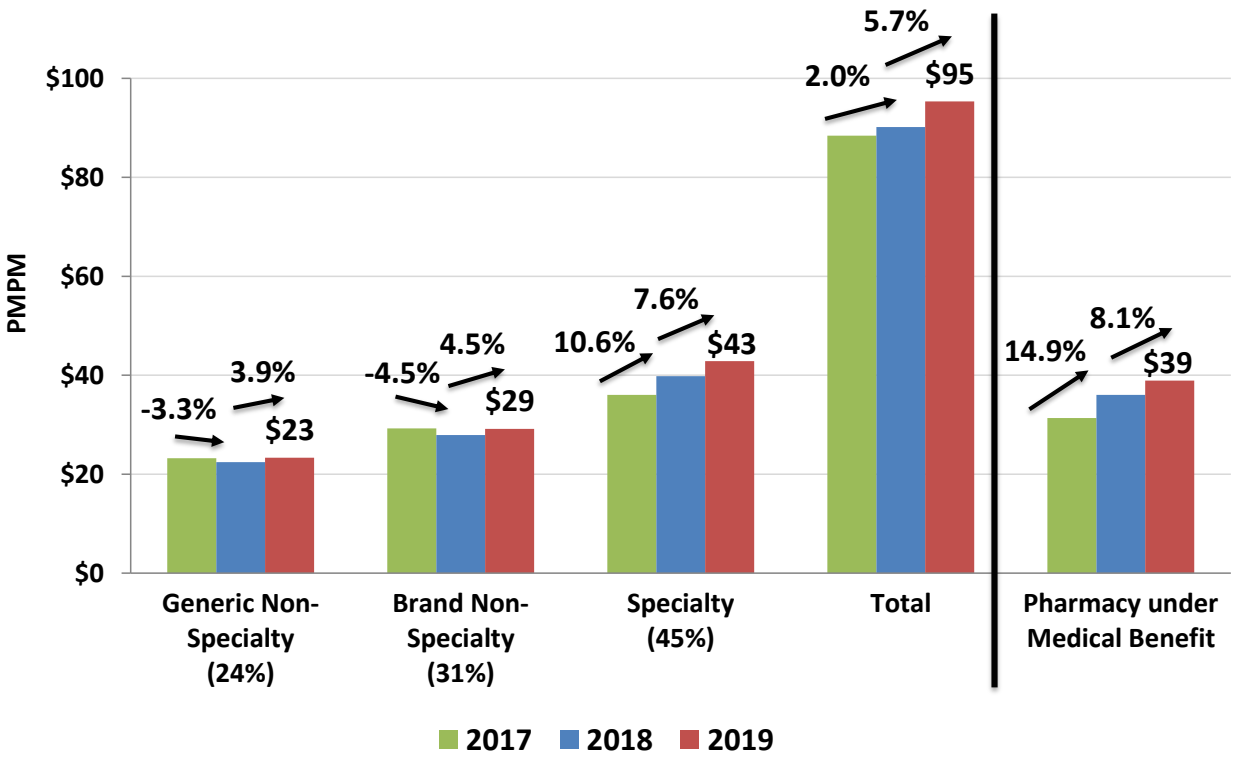
Source: NHID Annual Hearing data 2019 and 2020. FFS only.

CLAIM TRENDS

Specialty pharmacy trends decreased from 10.6% to 7.6% but still significantly outpaced trends for generic non-specialty and brand non-specialty. In addition, specialty drugs continued to be a significant contributor to pharmacy spending, contributing 45% of total pharmacy spending in 2019. After two years of negative trends for generic and brand non-specialty drugs, the 2019 trends for these two categories is positive. The right side of the chart shows pharmacy drug PMPM costs covered under the medical benefit which include prescriptions drugs that are administered at a physician's office or in a hospital setting. In many cases these are high costing injectables. After two years of double digit trends, these trends are 8.1% in 2019.

Pharmacy trends in in the Group Markets in 2019 were 5.7%, higher than the previous year. When including pharmacy under the medical benefit, overall trends are 6.4%. While non-specialty generic and brand trends have increased from prior years, specialty drugs remain the key driver of trend.

Pharmacy Allowed Claims PMPM - Small Group and Large Group



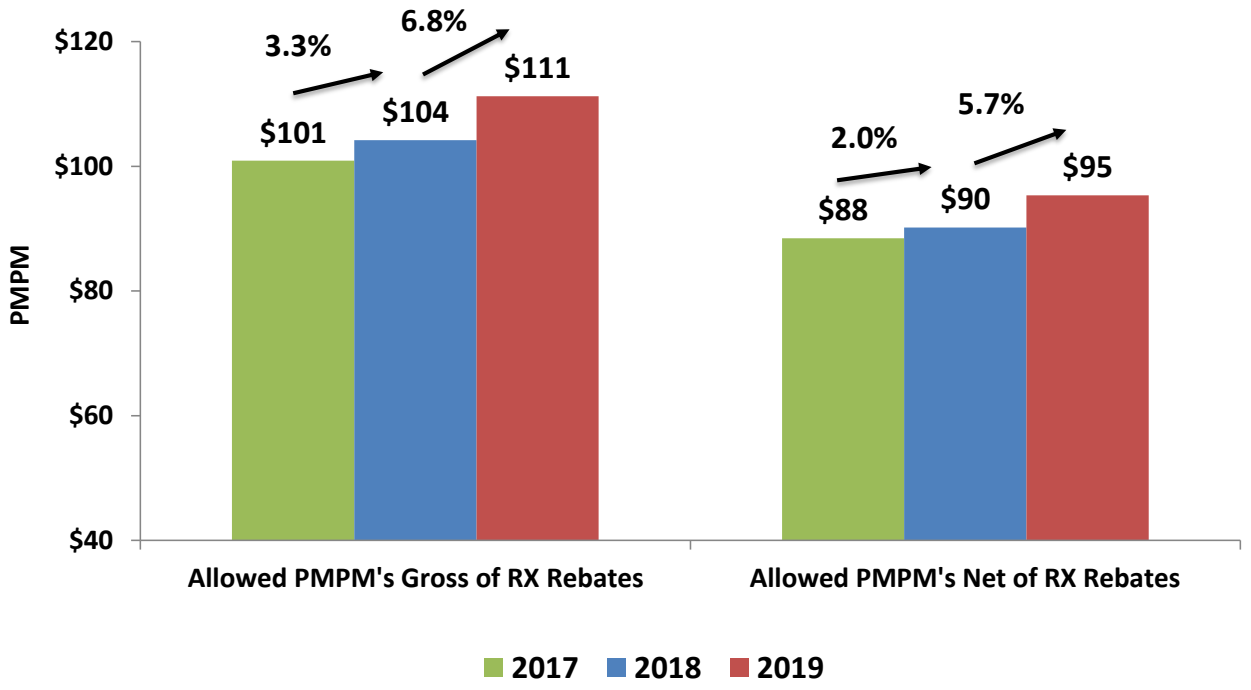
Note: The distribution % shown under each category is based on 2019 claims.
Source: NHID Annual Hearing data 2019 and 2020.

CLAIM TRENDS

Throughout this report, the pharmacy information is presented net of prescription drug rebates. These rebates, which are paid to insurers from drug manufacturers, reduce total pharmacy costs. Prescription drug rebates have grown at a faster rate than pharmacy costs, helping to keep pharmacy trends lower than they otherwise would have been. In 2019, pharmacy trend gross of rebates was 6.8% compared to 5.7% net of rebates. Pharmacy trends net of rebates have consistently been approximately 1% lower than trends gross of rebates for the past three years. About 56% of rebates were for brand non-specialty drugs in 2019. This is a decrease from 2017 where 61% of rebates were for brand non-specialty drugs.

Prescription drug rebates increased at a faster rate than pharmacy costs, lowering overall pharmacy spend. Pharmacy trends net of rebates were lower than pharmacy trends gross of rebates by approximately one percentage point in 2019.

Pharmacy Allowed Claims PMPM Gross and Net of Rebates - Small Group and Large Group



Source: NHID Annual Hearing data 2019 and 2020.

CLAIM TRENDS

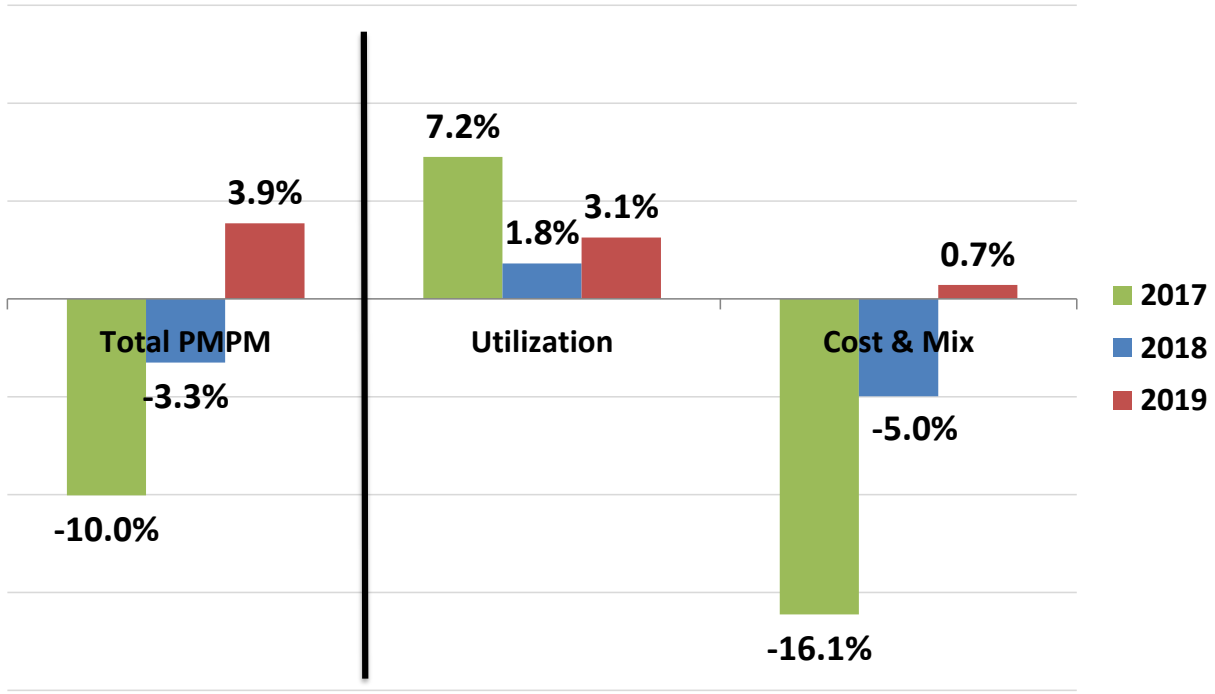
Generic non-specialty PMPM trends changed from negative to positive in 2019 driven by higher cost & mix trends.

Generic utilization continued to increase during this timeframe. In 2019, generics comprised 89.2% of prescriptions in the group market which is a slight increase from 2018 of 88.2%. In 2017, generic prescriptions comprised 87.6% of the market.

The average prescriptions per 1,000 members per year was 12,717 in 2019. The average allowed amount per script was $22.

Generic non-specialty PMPM trends in the group markets have changed from negative to positive driven by higher cost & mix trends. Insurers cited analgesics, anti-inflammatories, and antipsychotic agents among the categories of drugs driving the changes in trend.

Generic Non-Specialty Allowed Claims Trends - Small Group & Large Group



Source: NHID Annual Hearing data 2019 and 2020.

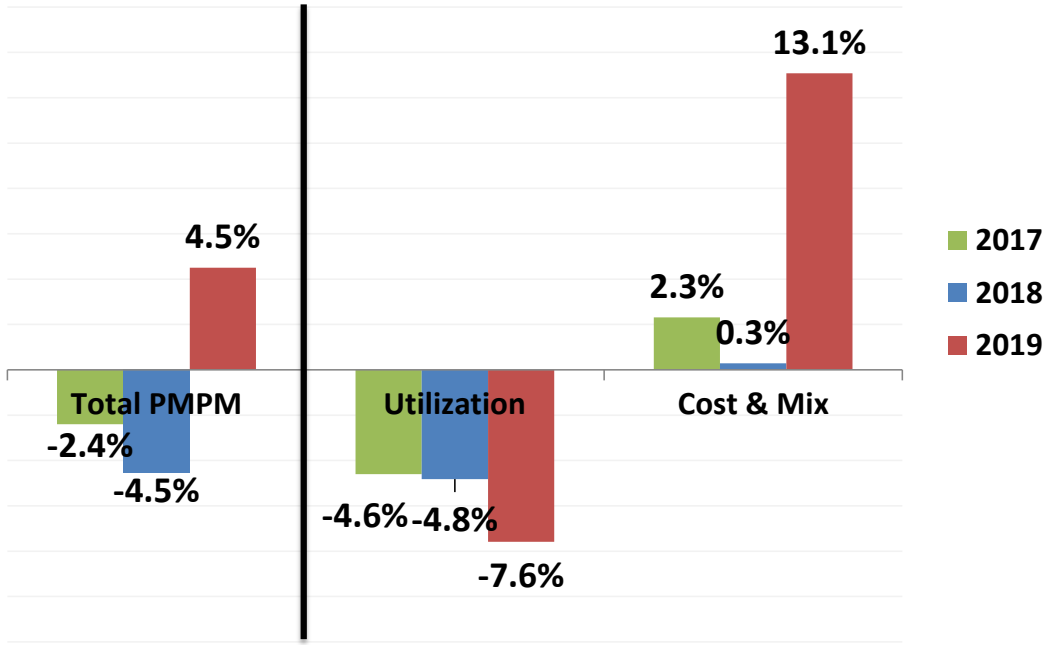
CLAIM TRENDS

Brand non-specialty PMPM trends experienced an increase in 2019 driven by much higher cost & mix trends. Utilization trends continue to be negative.

The average prescriptions per 1,000 members per year was 1,401 in 2019. The average allowed amount per script was $250. Brand non-specialty prescriptions represented 9.8% of total prescriptions in the group market in 2019 which is a decrease from 10.8% in 2018.

Similar to the generics non-specialty PMPM trend, brand non-specialty PMPM trends increased in 2019 driven by much higher cost & mix trends in the group markets. Insurers cited analgesics, anti-inflammatories, and antipsychotic agents among the categories of drugs driving the changes in trend.

Brand Non-Specialty Allowed Claims Trends - Small Group & Large Group



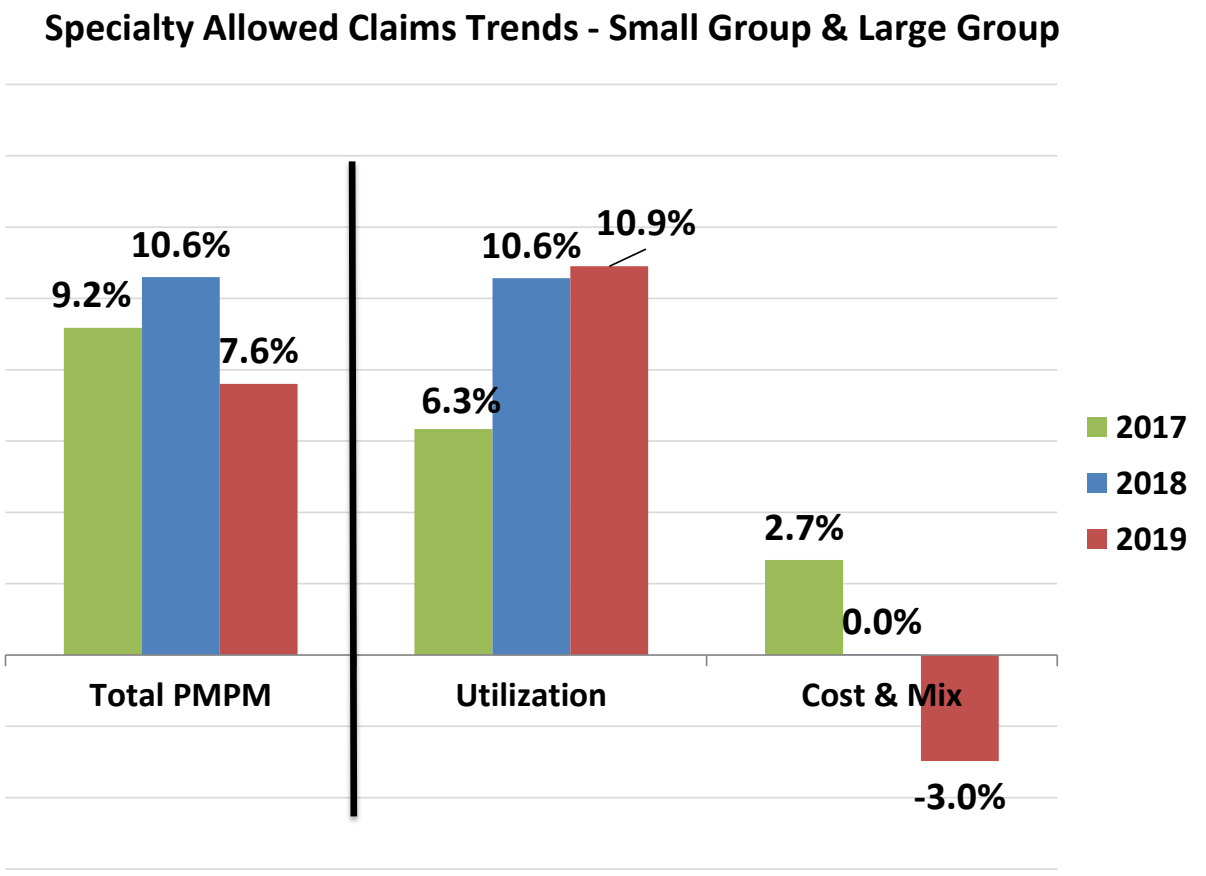
Source: NHID Annual Hearing data 2019 and 2020.

CLAIM TRENDS

Specialty PMPM trends remained positive and higher than non-specialty trends but they have decreased, changing from 10.6% in 2018 to 7.6% in 2019. When reviewing prior year reports, the trends for this category were as high as 18.4% in 2015. The decrease in trends in 2019 is driven by negative cost & mix trends.

The average prescriptions per 1,000 members per year was 145 in 2019. The average allowed amount per script was $3,534. Specialty prescriptions represented 1% of total prescriptions in 2019 but 44.9% of total allowed costs.

While specialty PMPM trends remain higher than non-specialty PMPM trends, the specialty PMPM trends decreased in 2019 compared to 2018 driven by lower cost & mix trends.

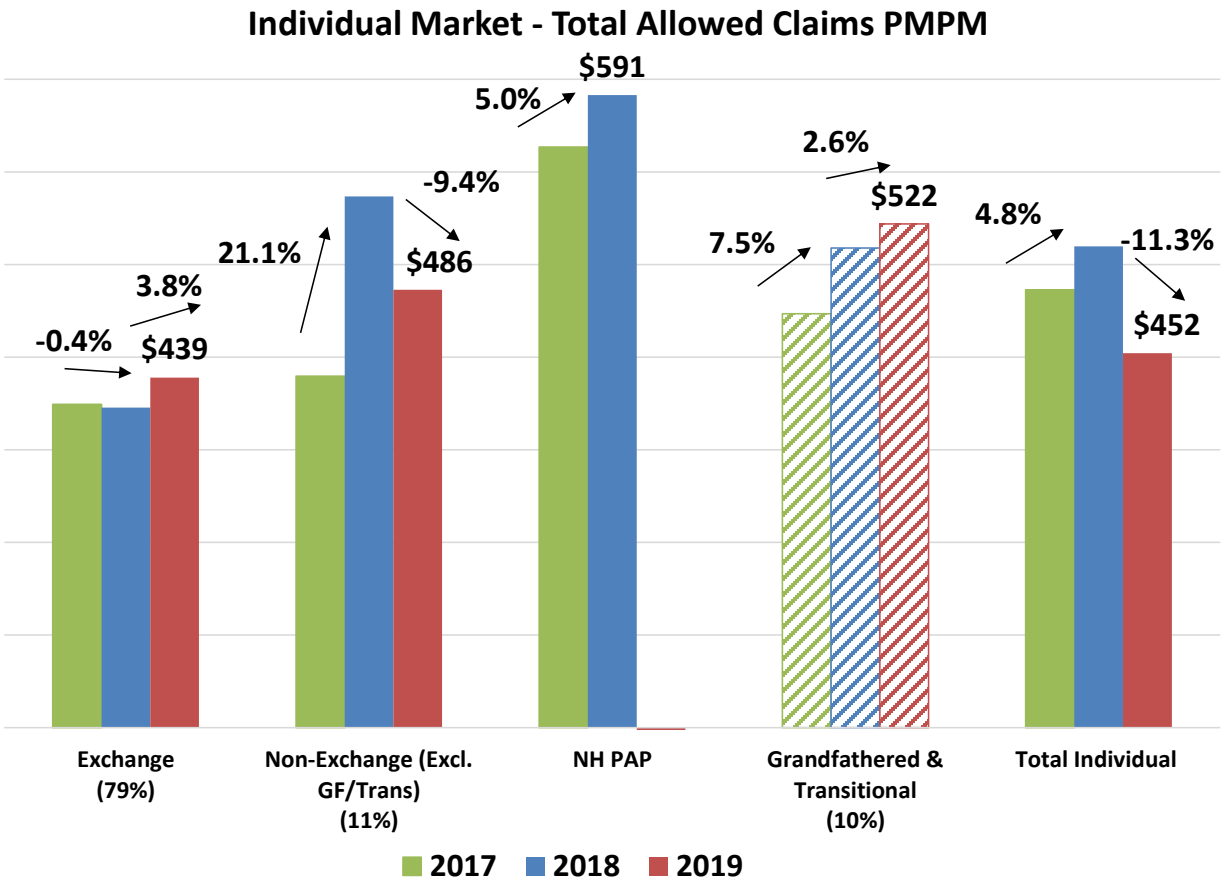


Source: NHID Annual Hearing data 2019 and 2020.

CLAIM TRENDS

Overall allowed claim PMPM trends were negative in 2019 at -11.3% driven by the transition of the NH PAP from QHP's to MCM's. In 2018, the NH PAP population had claims that were 36% higher than the combined Exchange and Non-Exchange segments. In 2019, trends in the Non-Exchange segment were -9.4% after a trend of 21.1% in 2018. This high trend in 2018 was due to large changes in the population in the Non-Exchange segment which lost nearly 5,000 members from 2017 to 2018. There are currently 5,000 members in this population in 2019. The negative trends are driven in part by lower costing inpatient admissions. The Exchange population now represents 79% of the total Individual Market and trends were fairly low at 3.8% overall.

Overall claims trends in the Individual Market were negative in 2019 driven by the transition of NH PAP to Medicaid Care Management. The Non-Exchange market only represents 11% of this segment in 2019, and their trend was negative in 2019 after a large increase from 2017 to 2018.



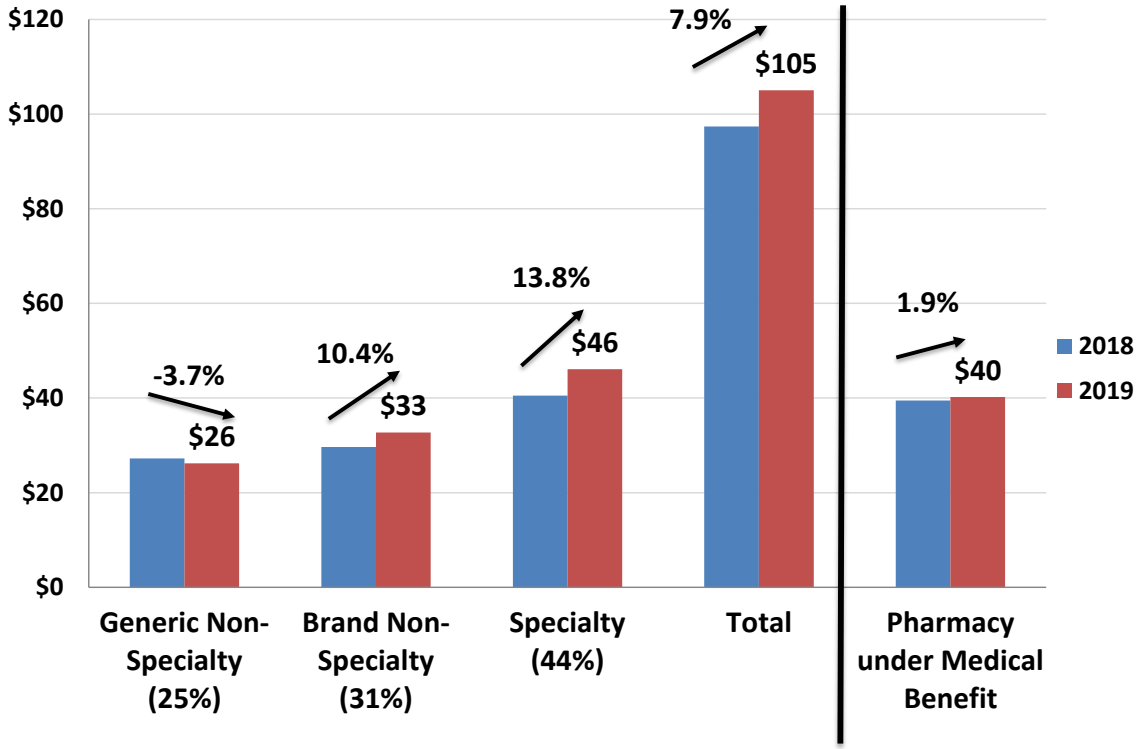
Note: The distribution % shown under each market is based on 2019 member months. In 2018 NH PAP represented 45% of the Individual Market member months. The 2017 values for Minuteman were based on limited data with adjustments from additional external sources. Source: NHID Annual Hearing data 2018, 2019 and 2020.

CLAIM TRENDS

As was the case in the Group Markets, specialty drugs continued to represent a larger portion of pharmacy spending in the Individual Market, representing 44% of total pharmacy spending in 2019. The Individual Market's PMPMs have increased 7.9% in 2019 compared to 2018. This compares to a 5.7% trend in the Group Markets. The pharmacy PMPMs in the Individual Market remained higher than the Group Market PMPMs, at $105 compared to $95. Alternatively, the absolute pharmacy under the medical benefit PMPM are fairly similar between the Individual and Group Markets, at $40 and $39 respectively. The pharmacy under the medical benefit trend is fairly low at 1.9%. There was a large shift in membership by insurer from 2018 to 2019, making this category difficult to analyze.

The pharmacy trends in the Individual Market are somewhat similar to the Group Markets in 2019. The total pharmacy trend is 7.9% in the Individual Market compared to 5.7% in the Group Markets.

Pharmacy Allowed Claims PMPM - Individual Market excluding NH PAP

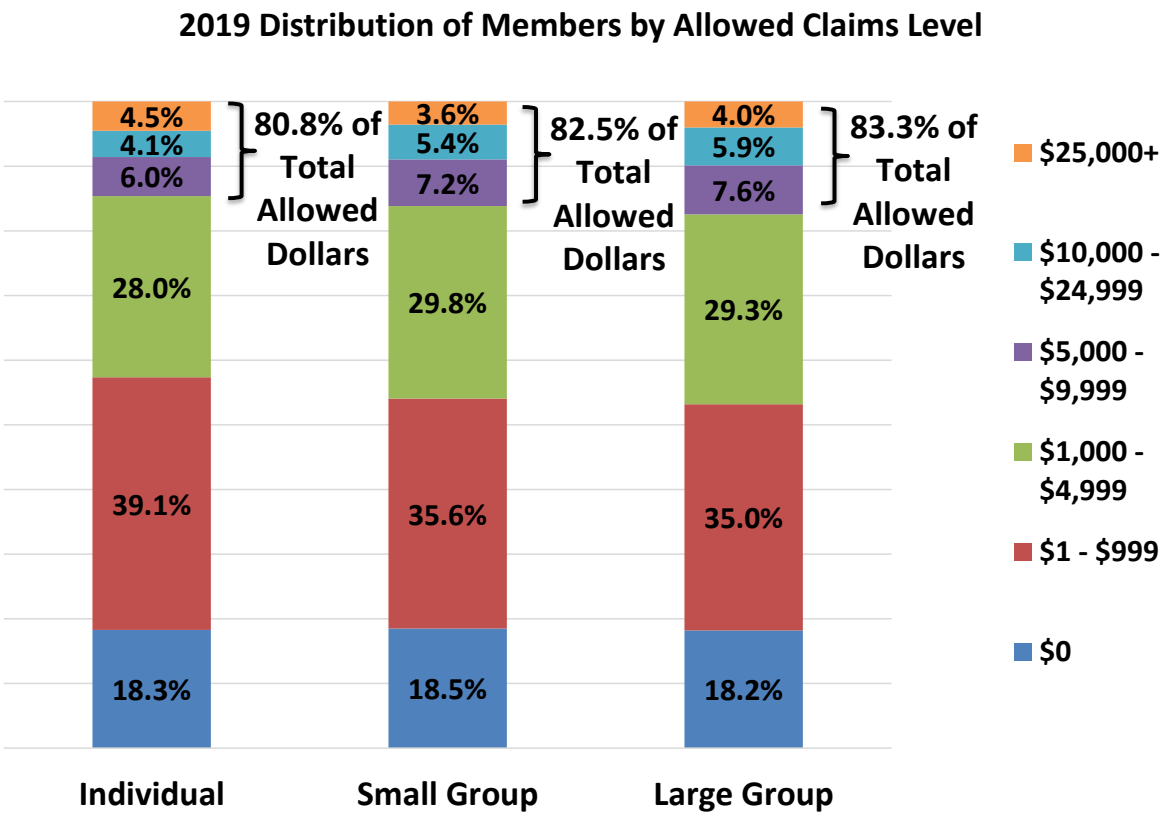


Note: The distribution % shown under each category is based on 2019 claims. The data for 2017 is excluded given lack of Minuteman data for that year.
Source: NHID Annual Hearing data 2019 and 2020.

CLAIM TRENDS

This chart compares the distribution of members for the Individual, Small Group and Large Group Fully-Insured Markets by their annual allowed claims costs. For example, in the Individual Market 18.3% of members had no claims in 2019 which are very similar amounts to the Small Group and Large Group (18.5% and 18.2%.) On the other hand, the Individual Market had 14.6% of members with $5,000 or greater in annual claims spend while the Small Group and Large Group Markets had slightly more at 16.2% and 17.5%. When comparing to last year, there is a smaller percentage of members with no claims in each market segment. The Group Market distributions overall are consistent between 2018 and 2019 while the Individual Market is different, most likely driven by the transition of NH PAP to MCM in 2019.

The Individual Market had 14.6% of members with $5,000 or greater in annual claims spend while the Small Group and Large Group Markets had slightly more at 16.2% and 17.5%.



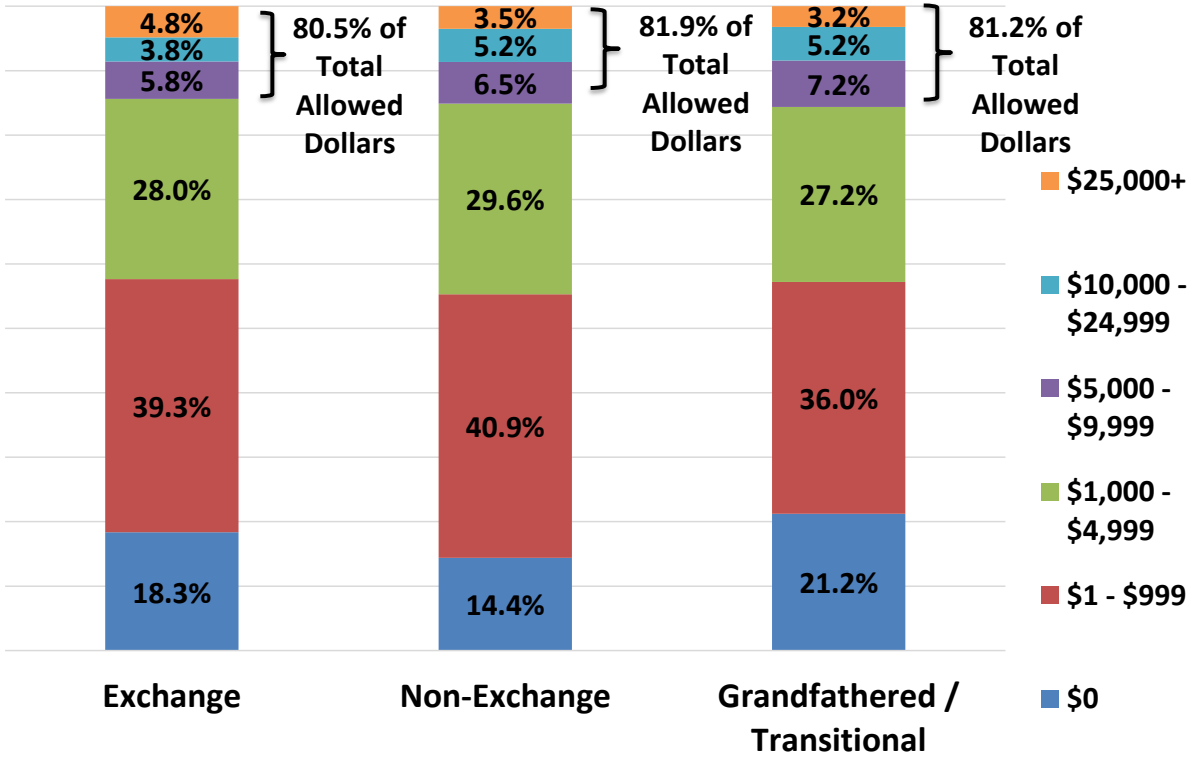
Source: NHID Annual Hearing data 2020.

CLAIM TRENDS

This graph compares the distribution of members within the three segments of the Individual Market by their annual allowed claims costs. Note that while members with over $5,000 comprise only 14% to 16% of total members, they represent between 80% to 82% total allowed claims for the market segment. There were minimal changes in the distribution for the Exchange and Non-Exchange populations when comparing 2018 to 2019. There were more significant changes in the Grandfathered/Transitional populations, but this is population is relatively small at approximatey 5K members in 2019, therefore more volatility is expected.

Within the Individual Market segments, there is greater variation in the distribution of members by annual allowed claims level. The Grandfathered/Transitional population has the highest percentage of members with no annual claims at 21.2% followed by the Exchange, and Non-Exchange populations.

2019 Distribution of Members by Allowed Claims Level - Individual Market



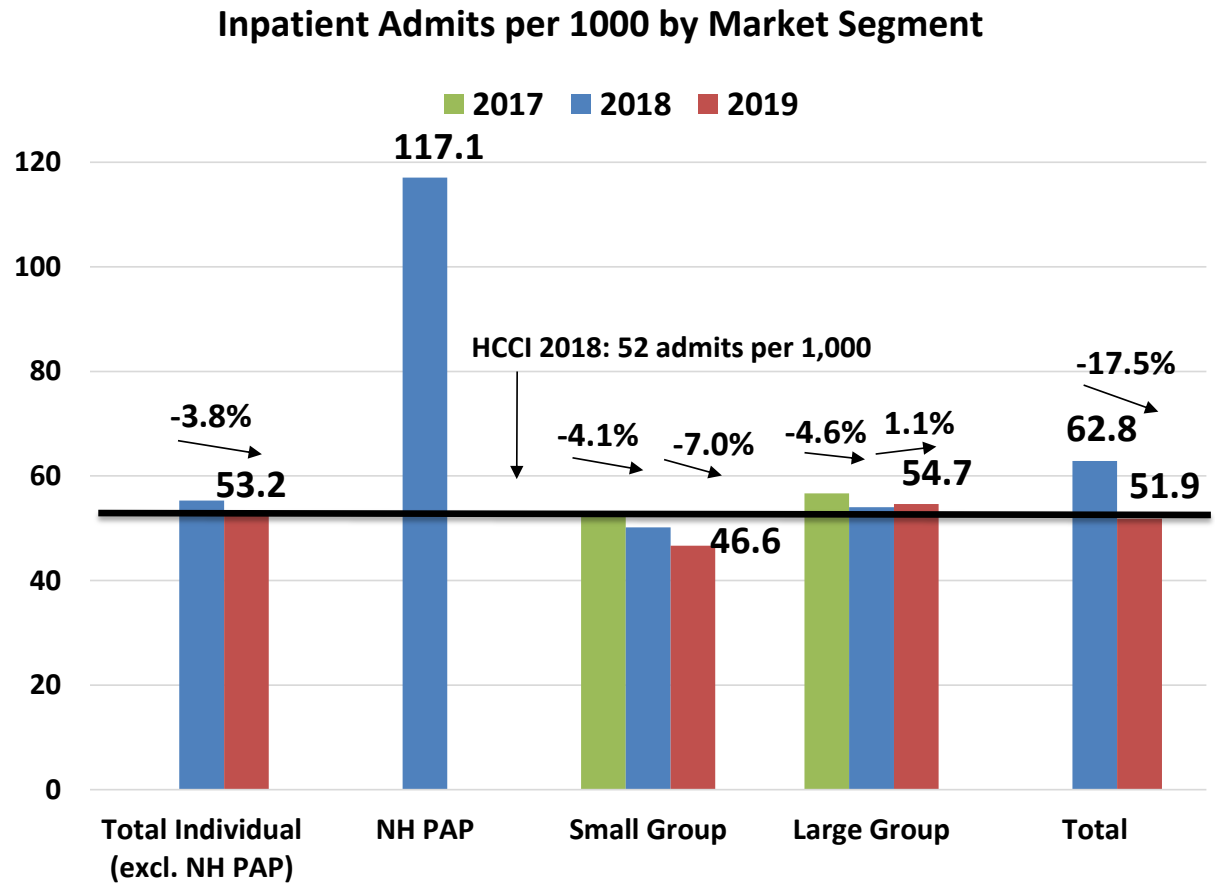
Source: NHID Annual Hearing data 2020.

UTILIZATION LEVELS AND TRENDS

UTILIZATION LEVELS AND TRENDS

In 2018, the total inpatient admissions across the entire market was 62.8 and 53.1 per 1,000 excluding NH PAP. In 2019, the NH PAP is no longer part of the Individual Market. This translates to a -2% trend in inpatient admissions across the entire NH fully-insured market excluding NH PAP. Inpatient admissions have decreased in each of the past two years in the Small Group Markets. The Large Group Market experienced a small increase in inpatient admissions in 2019 after decreasing from 2017 to 2018. The Small Group utilization is below national benchmarks while the Large Group utilization is slightly higher.

Inpatient admissions decreased in the Individual and Small Group Market from 2018 to 2019 and increased slightly in the Large Group Market at 1%.



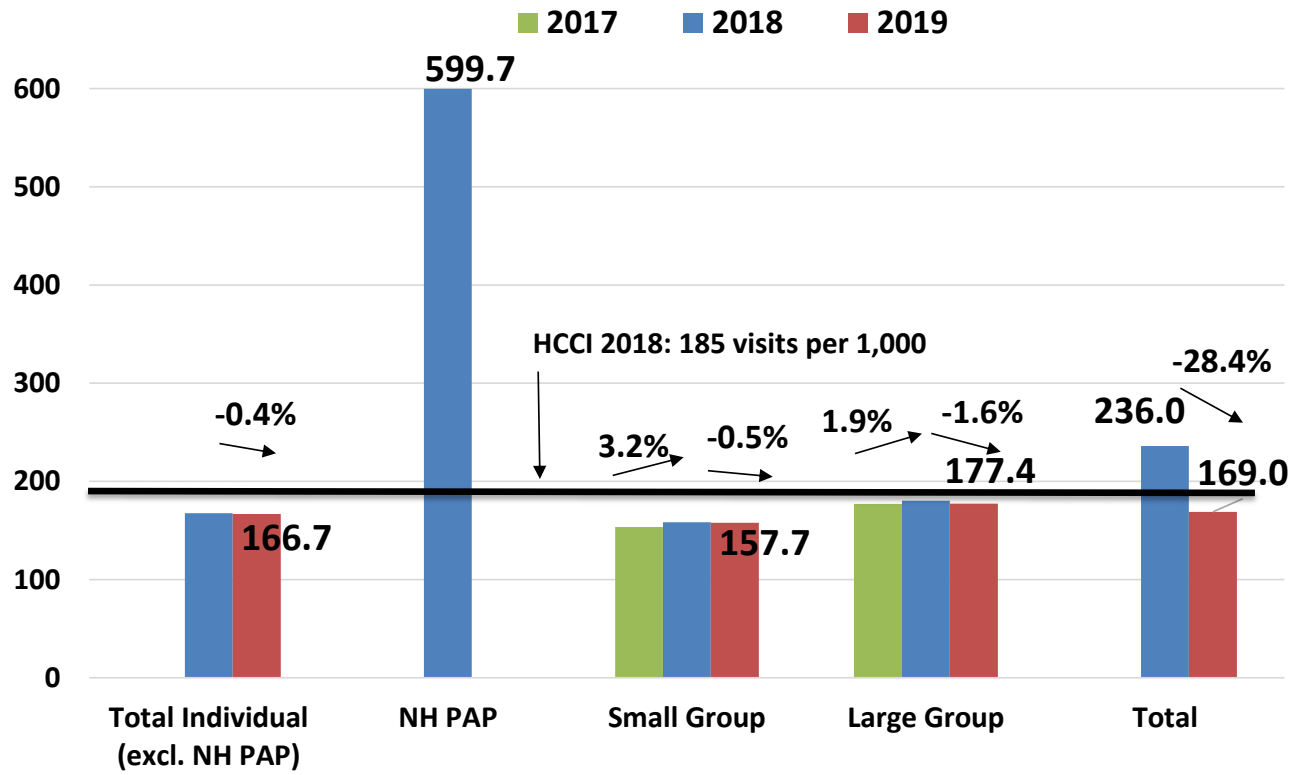
Source: NHID Annual Hearing data 2019 and 2020. Data were not available for Minuteman for 2017. The total for 2018 includes NH PAP. Comparisons were made to the Health Care Cost Institute 2018 data. Note that this data only reflects employer sponsored insurance.

UTILIZATION LEVELS AND TRENDS

The total Individual Market excluding the NH PAP population had utilization similar to the Group Markets.
The Individual Market excluding NH PAP and the Group Markets utilization were below national benchmarks. Emergency department use decreased in all market segments from 2018 to 2019. In 2019, the NH PAP is no longer part of the Individual Market. When excluding NH PAP from 2018, this translates to a -1% trend in emergency department usage from 2018 to 2019 across the entire NH fully-insured market excluding NH PAP.

Emergency Department usage decreased in all market segments from 2018 to 2019 and remains below national benchmark levels (excluding NH PAP.)

Emergency Department Visits per 1000 by Market Segment



Source: NHID Annual Hearing data 2019 and 2020. Data were not available for Minuteman for 2017. The total for 2018 includes NH PAP. Comparisons were made to the Health Care Cost Institute 2018 data. Note that this data only reflects employer sponsored insurance.

MEDICAL LOSS RATIOS, EXPENSES AND RISK MARGINS

MEDICAL LOSS RATIOS, EXPENSES AND RISK MARGINS

The risk adjustment program generally redistributes funds from insurers with lower risk/healthier enrollees to insurers with higher risk/sicker enrollees. Health plans who have healthier members will pay money (shown in red) and health plans who have sicker members will receive money (shown in black). As a result of Minuteman's closure in 2017, the $39.1 payment was not received by other carriers and there was no money redistributed. In 2018 and 2019 Matthew Thornton Health Plan is the only payer, meaning they generally enrolled healthier enrollees. Matthew Thornton's payment decreased from $37.8 million in 2018 to $17.4 million in 2019. This is mostly driven by decreases in membership.

In the Individual Market, Matthew Thornton Health Plan (Anthem) was assessed for a $17.4 million payment for 2019 Risk Adjustment, which is lower than the previous year's payment of $37.8 million, primarily due to the transition of NH PAP from Qualified Health Plans to Medicaid Care Management.

Individual Market - Federal Risk Adjustment Program	2017 Risk Adjustment ($ millions) ORIGINAL	2017 Risk Adjustment ($ millions) REVISED	2018 Risk Adjustment ($ millions)	2019 Risk Adjustment ($ millions)
Celtic Insurance Company	$14.4	$0.0	$16.0	$4.3
Harvard Pilgrim Health Care of NE	$15.8	$0.0	$21.8	$13.0
Matthew Thornton Hlth Plan	$8.9	$0.0	($37.8)	($17.4)
Minuteman Health, Inc.	($39.1)	n/a	n/a	n/a
Total	**$0.0**	**$0.0**	**$0.0**	**$0.0**
Total Amount Distributed	***$39.1***	***$0.0***	***$37.8***	***$17.4***

***Negative = Company was a PAYER; Positive = Company was a RECEIVER**

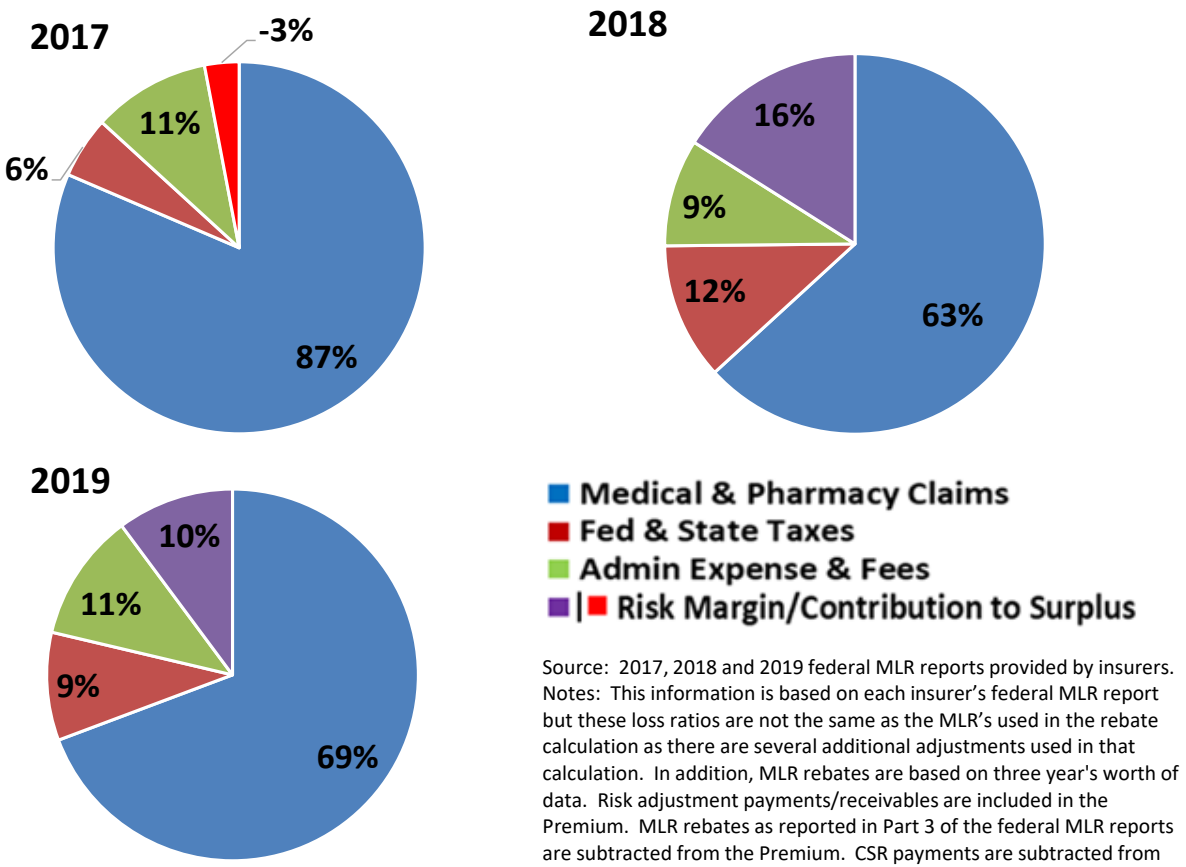
Note: Celtic Insurance Company is referred to as Ambetter throughout this report.
Source: CMS SUMMARY REPORT ON PERMANENT RISK ADJUSTMENT TRANSFERS FOR THE 2019 BENEFIT YEAR Released: July 17, 2020, https://www.cms.gov/files/document/appendixcissuer-specific-information-non-merged-market-issuers.xlsx

MEDICAL LOSS RATIOS, EXPENSES AND RISK MARGINS

The 2017 information in this chart excludes Minuteman, which closed as of 12/31/2017 and generally enrolled healthier members. The remaining insurer's profits in 2017 were negative 3%. Based on the 2018 loss ratio results, insurers overestimated the impact of the loss of healthier members and the subsequent increase in morbidity in 2018 and as a result their risk margins increased significantly to 16%. The 2018 results reflect the rebate payments paid in 2019 based on the 2018 federal MLR forms, but due to the MLR rebate formula's use of three years of data, insurers will still experience a significant increase in profits even after the payment of MLR rebates. Risk margins in 2019 decreased from 2018 but remain higher than previous years.

Risk margins (contribution to surplus) increased significantly from 2017 to 2018 but then decreased in 2019. The Individual Market has experienced significant change and uncertainty over the past couple years which led to volatility in financial results.

2017, 2018 and 2019 Individual Market Distribution of Premium



Source: 2017, 2018 and 2019 federal MLR reports provided by insurers.
Notes: This information is based on each insurer's federal MLR report but these loss ratios are not the same as the MLR's used in the rebate calculation as there are several additional adjustments used in that calculation. In addition, MLR rebates are based on three year's worth of data. Risk adjustment payments/receivables are included in the Premium. MLR rebates as reported in Part 3 of the federal MLR reports are subtracted from the Premium. CSR payments are subtracted from the Incurred Claims report in Part I of the federal MLR reports. One insurer had to revise their 2017 and 2018 administrative costs compared to the prior year report.

MEDICAL LOSS RATIOS, EXPENSES AND RISK MARGINS

In the Small Group Markets, the total amount distributed decreased slightly in 2019 compared to 2018. In 2018 and 2019, Tufts Health Freedom Plan was the largest payer while Matthew Thornton and HPHC Insurance Company received most of the risk adjustment payments. This suggests that Tufts Health Freedom Plan enrolled the healthiest risk in its market while HPHC Insurance Company and Matthew Thornton have enrolled the least healthiest risk.

Similar to 2018, 2019 risk adjustment results showed that Tufts Health Freedom Plan and Harvard Pilgrim Health Care of New England made risk adjustment payments while Matthew Thornton and HPHC Insurance Company received the majority of risk adjustment payments in the Small Group Market.

Small Group Market - Federal Risk Adjustment Program				
	2017 Risk Adjustment ($ millions) ORIGINAL	2017 Risk Adjustment ($ millions) REVISED	2018 Risk Adjustment ($ millions)	2019 Risk Adjustment ($ millions)
Anthem Health Plans of NH	$0.8	$0.7	$0.3	$0.7
Harvard Pilgrim Health Care of NE	$0.1	$0.1	($1.2)	($2.7)
HPHC Insurance Company, Inc	$5.1	$4.8	$4.3	$4.2
Maine Community Health Options	($1.3)	($1.3)	n/a	n/a
Matthew Thornton Hlth Plan	($1.4)	($1.4)	$3.3	$2.5
Minuteman Health, Inc.	($0.3)	$0.0	n/a	n/a
Tufts Health Freedom Insurance Company	($3.3)	($3.3)	($5.7)	($4.0)
UnitedHealthcare Insurance Company	$0.4	$0.3	($0.9)	($0.7)
Total	**$0.0**	**$0.0**	**$0.0**	**$0.0**
Total Amount Distributed	***$6.3***	***$6.0***	***$7.8***	***$7.4***

***Negative = Company was a PAYER; Positive = Company was a RECEIVER**

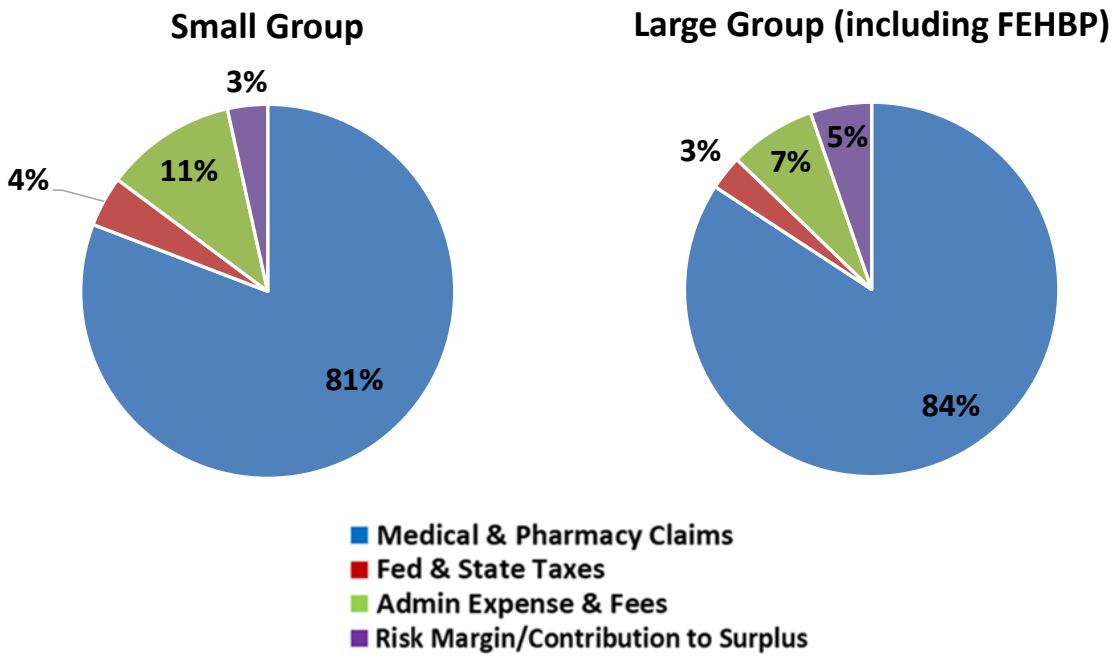
Source: CMS SUMMARY REPORT ON PERMANENT RISK ADJUSTMENT TRANSFERS FOR THE 2019 BENEFIT YEAR Released: July 17, 2020, https://www.cms.gov/files/document/appendixcissuer-specific-information-non-merged-market-issuers.xlsx

MEDICAL LOSS RATIOS, EXPENSES AND RISK MARGINS

The risk margin (or contribution to surplus) in the Small Group Market was 3% in 2019, higher than 2018 which was 1%. The percentage that went toward medical and pharmacy claims and federal and state taxes was slightly lower than 2019 compared to 2018. The risk margin in the Large Group Market including FEHBP increased slightly from 4% in 2018 to 5% in 2019. The percentage that went toward medical and pharmacy claims remained consistent. The percentage that went toward federal and state taxes decreased when comparing 2019 to 2018.

In 2019, 81% of premium in the Small Group Market and 84% of premium in the Large Group Market were spent on medical and pharmacy claims.

2019 Fully-Insured Distribution of Premium



Source: 2019 federal MLR reports provided by insurers. FEHBP is included in both years when comparing 2019 to 2018 results described in the text. This represents a change from prior years when FEHBP was excluded based on estimates provided by Anth em.

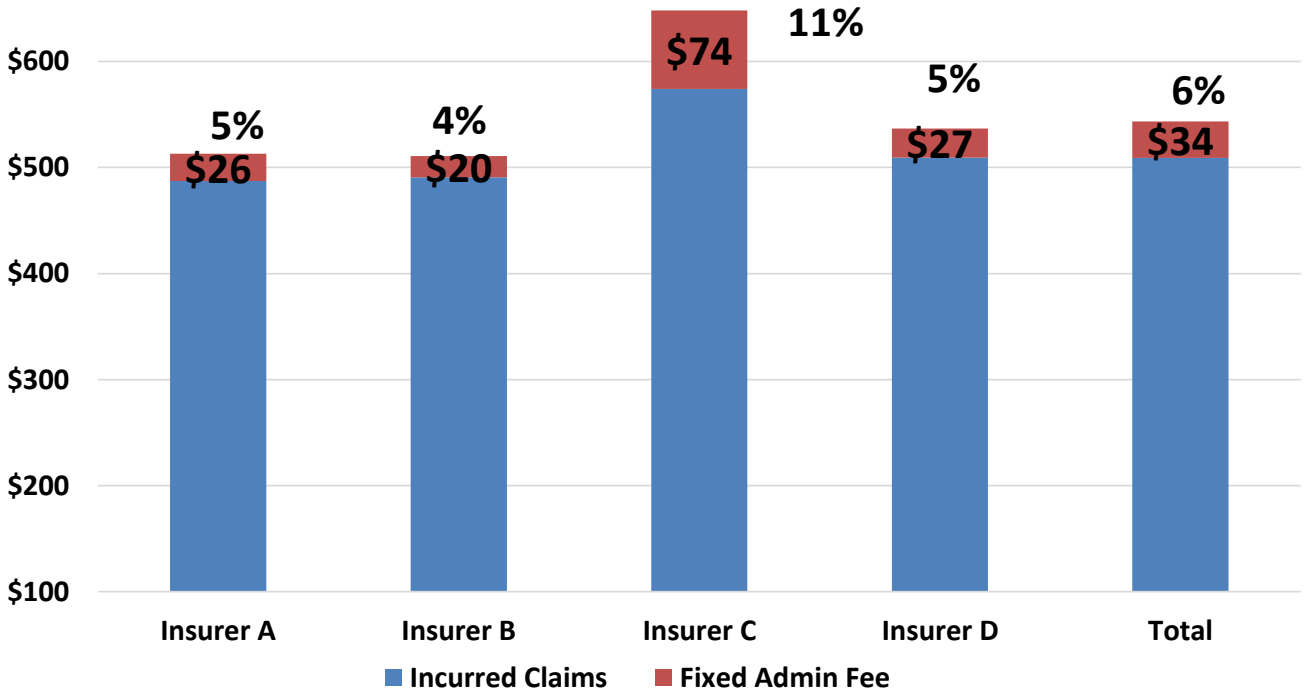
Notes: This information is based on each insurer's federal MLR report but these loss ratios are not the same as the MLR's used in the rebate calculation as there are several additional adjustments used in that calculation. In addition, MLR rebates are based on three year's worth of data. Risk adjustment payments/receivables are included in the Premium. MLR rebates as reported in Part 3 of the federal MLR reports are subtracted from the Premium. One insurer had to revise their 2017 and 2018 administrative costs compared to the prior year report. The comparisons provided in the text reflect the updated 2017 and 2018 results.

MEDICAL LOSS RATIOS, EXPENSES AND RISK MARGINS

The administrative fee charged by insurers to self-insured employers ranged from 4% to 11% of total health insurance costs. The range of fees was 1% to 7% in 2018 and 4% to 9% in 2017, so there continues to variation in each year. The range of fees continues to suggests that insurers actual administrative expenses can be highly variable from one insurer to the next.

The administrative fee charged by insurers to self-insured employers varies considerably by insurer, ranging from $20 PMPM to $74 PMPM.

2019 Large Group Self-Insured Administrative Fees by Insurer

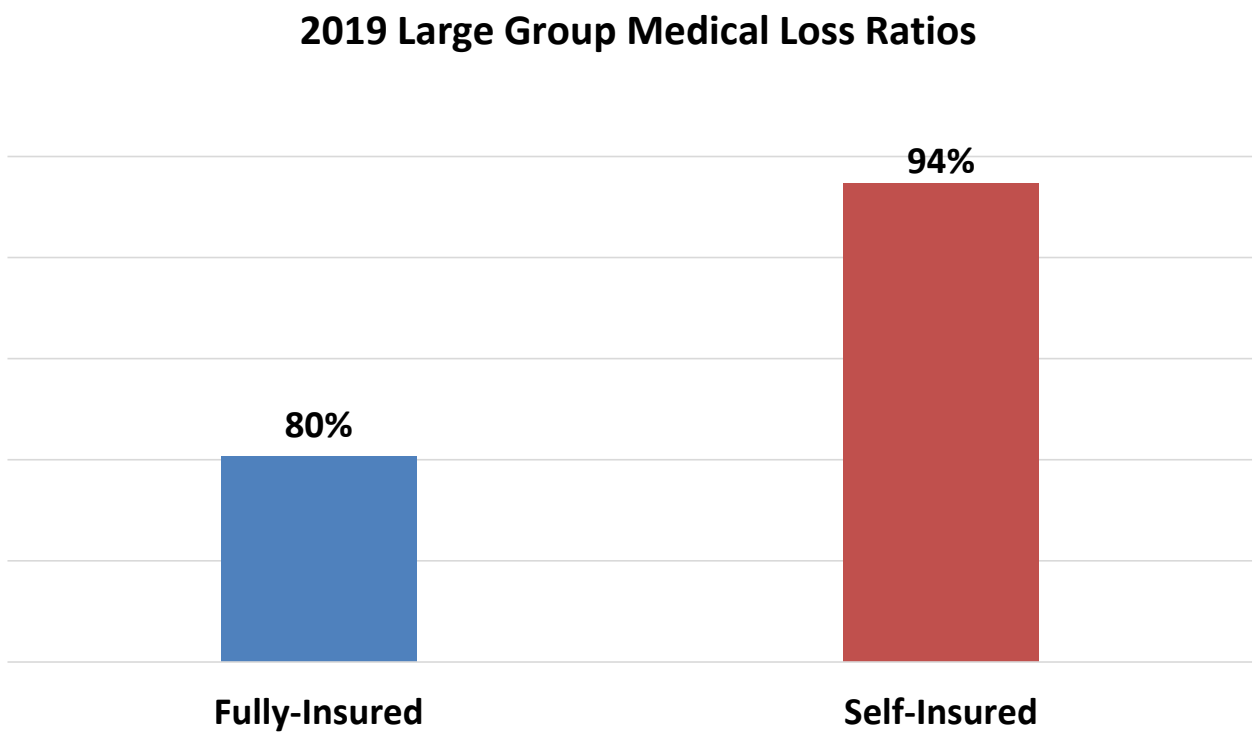


Source: NHID Supplemental Data Request; Commercial self-insured population including New Hampshire situs membership only. Excludes FEHBP population. The smallest insurer in this segment excluded because data did not appear credible.

MEDICAL LOSS RATIOS, EXPENSES AND RISK MARGINS

Generally, insurers need to retain more of the health insurance premium in the Fully-Insured Market because, in addition to administering the benefit, they are also assuming the risk by paying all medical claims expenses. In addition, self-insured accounts are generally larger than fully-insured accounts, and an economy of scale is recognized which allows insurers to charge a lower administrative fee to the Self-Insured Market.

In 2019, 80% of premium in the Large Group Fully-Insured Market was spent on health care claims, compared to 94% in the Self-Insured Market. This is similar to 2017 and 2018.



Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population.

LIMITATIONS AND DATA RELIANCE

Gorman Actuarial prepared this report for use by the New Hampshire Insurance Department. While we understand that this report may be distributed to third parties, Gorman Actuarial assumes no duty or liability to any third parties who receive the information herein. This report should only be distributed in its entirety.

Users of this report must possess a reasonable level of expertise and understanding of health care, health insurance markets and financial modeling so as not to misinterpret the information presented. The report addresses certain provisions of the Affordable Care Act, but is not intended to act as an official or comprehensive interpretation of the legislation itself.

Analysis in this report was based on data provided by the New Hampshire Insurance Department, insurers in the New Hampshire health insurance markets, and other public sources. Gorman Actuarial has not audited this information for accuracy. We have performed a limited review of the data for reasonableness and consistency. If the underlying data are inaccurate or incomplete, the results of this analysis may likewise be inaccurate or incomplete.

The report contains statements that attempt to provide some prospective context to current or past trends. These statements are based on the understanding of the existing and proposed regulatory environment as of October 2020. If subsequent changes are made, these statements may not appropriately represent the expected future state.

QUALIFICATIONS

This study includes results based on actuarial analyses conducted by Jennifer Smagula and peer reviewed by Bela Gorman, both of whom are members of the American Academy of Actuaries and Fellows of the Society of Actuaries. They both meet the qualification standards for performing the actuarial analyses presented in this report.

APPENDIX

GLOSSARY

ACA: Affordable Care Act of 2010

Actuarial Value: For purposes of this report, "actuarial value" is defined as the share of medical costs covered by the health plan for a standard population, and is the federal Minimum Value measure as outlined in Section 1302 (d)(2)(C) of the Affordable Care Act.

APTC: An Advanced Premium Tax Credit is a federal tax credit for individuals that reduces the amount they pay for monthly health insurance premiums when they buy health insurance on the exchange.

Allowed Costs: These costs include both the amount paid by the insurer and the amount paid by the member through cost sharing such as deductibles, copayments and coinsurance.

Benefit-Adjusted Premium Trend: The premium trend recalculated to assume no changes in benefits from year to year.

Benefit Buy-Down: The process of selecting a plan with reduced benefits or higher member cost sharing as a way to mitigate premium increases.

Cost Trend: For purposes of this report, "cost trend" represents the combination of the change in the unit price of specific services, the change in the claim severity of the total basket of services provided, and the change in mix of providers being used.

CSR Subsidies: Cost sharing reduction subsidies are one of the subsidies prescribed by the ACA which lowers out-of-pocket costs based on income for Silver plans bought on the exchange.

EPO: Exclusive Provider Organization; a type of health plan with a defined network of providers. Unlike an HMO, the member may not be required to select a Primary Care Physician or receive referrals to Specialists within the network.

FEHBP: Federal Employees Health Benefits Program.

Fully-Insured Plan: A health plan in which an insurer receives a premium payment in return for covering all claims risk associated with the enrollees.

HMO: Health Maintenance Organization; a type of health plan that employs medical management techniques such as a defined provider network, Primary Care Physician selection and Specialist referral requirements.

NHID: New Hampshire Insurance Department

Per Member Per Month (PMPM): A common method of expressing healthcare financial data that normalizes for the size of the membership pool. Dollars are divided by member months to calculate the PMPM value.

POS: Point-of-Service plan; a type of health plan similar to an HMO, but with the option to self-refer to providers outside of the HMO network, typically with increased levels of member cost sharing.

PPO: Preferred Provider Organization; a type of health plan that employs a network of preferred providers, but does not limit a member from seeking care at any provider. Typically, the member cost sharing will be lower when care is provided within the preferred network.

Situs: "Situs" of a policy is defined as the jurisdiction in which the policy is issued or delivered as stated in the policy.

Self-Insured Plan: A health plan in which an employer does not actually pay insurance premiums to an insurer to accept the claims risk. The employer pays only a service fee to an insurer to administer the plan, but then the employer covers the cost of claims for their enrollees directly.

Stop-Loss Coverage: Self-insured groups with stop-loss insurance are liable for claims up to a specific or aggregate prescribed threshold. The stop loss insurer only becomes liable for claims after the prescribed threshold has been exceeded.

Unadjusted Premium Trend: The actual percentage increase in premium PMPMs as reported by insurers.

Utilization Trend: The change in the number of services provided. Examples of the types of metrics used to calculate utilization includes the number of admissions to a hospital, the number of visits to a specialist physician, or the number of pharmacy prescriptions filled.

DATA SOURCES

Data are collected from two data requests: The Supplemental Data Request (SDR) and Annual Hearing Carrier Questionnaire (AH). Each serves a different purpose and captures a slightly different population.

For the SDR, we collect data from all insurers in the market, except those that request an exemption due to meeting the *de minimis* requirements. For the New Hampshire situs population in CY 2019, we estimate that the data collected represent virtually all of the covered lives in the Individual Market. Data are also collected for the Federal Employees Health Benefits Program (FEHBP) and non-New Hampshire situs membership.

The focus of the SDR is detailed benefit information along with membership, cost sharing, claims and premium.

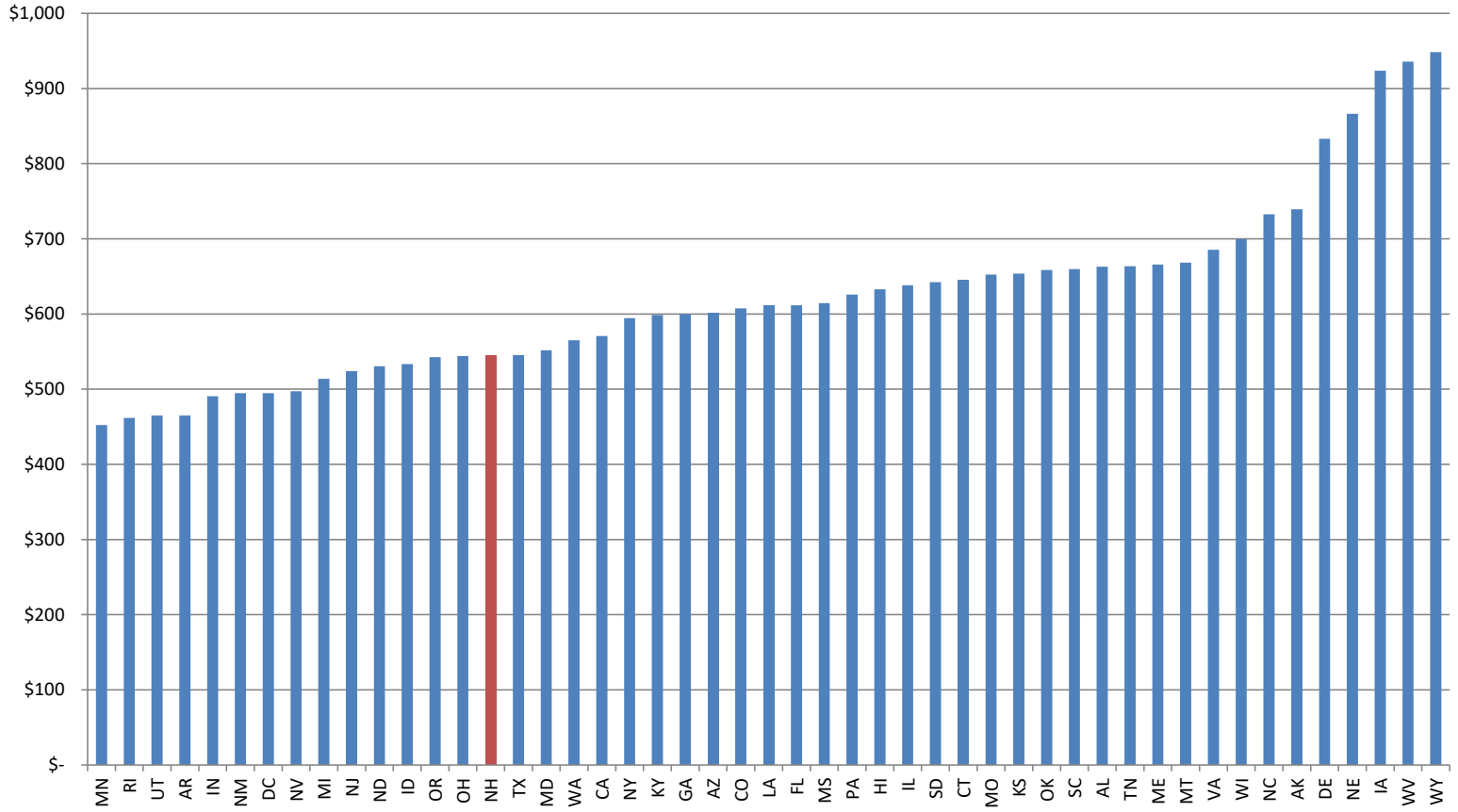
For the AH, we collect data from the five largest insurers: Anthem/Matthew Thornton Health Plan, Harvard Pilgrim Health Care, CIGNA, Ambetter (Centene) and Tufts Health Freedom Plan. The focus of the AH is more detailed claims trend, rating assumptions and demographic information.

The information from these two data requests are integrated into a single set of findings in this report.

The NHID reviews premium rates and ensures compliance with all New Hampshire insurance laws for fully-insured products sitused in New Hampshire. Fully-insured members covered under policies outside of New Hampshire receive the benefit of New Hampshire insurance mandates and other coverage requirements when they work at a New Hampshire branch location, but the NHID does not review premium rates for non-New Hampshire sitused policies.

APPENDIX

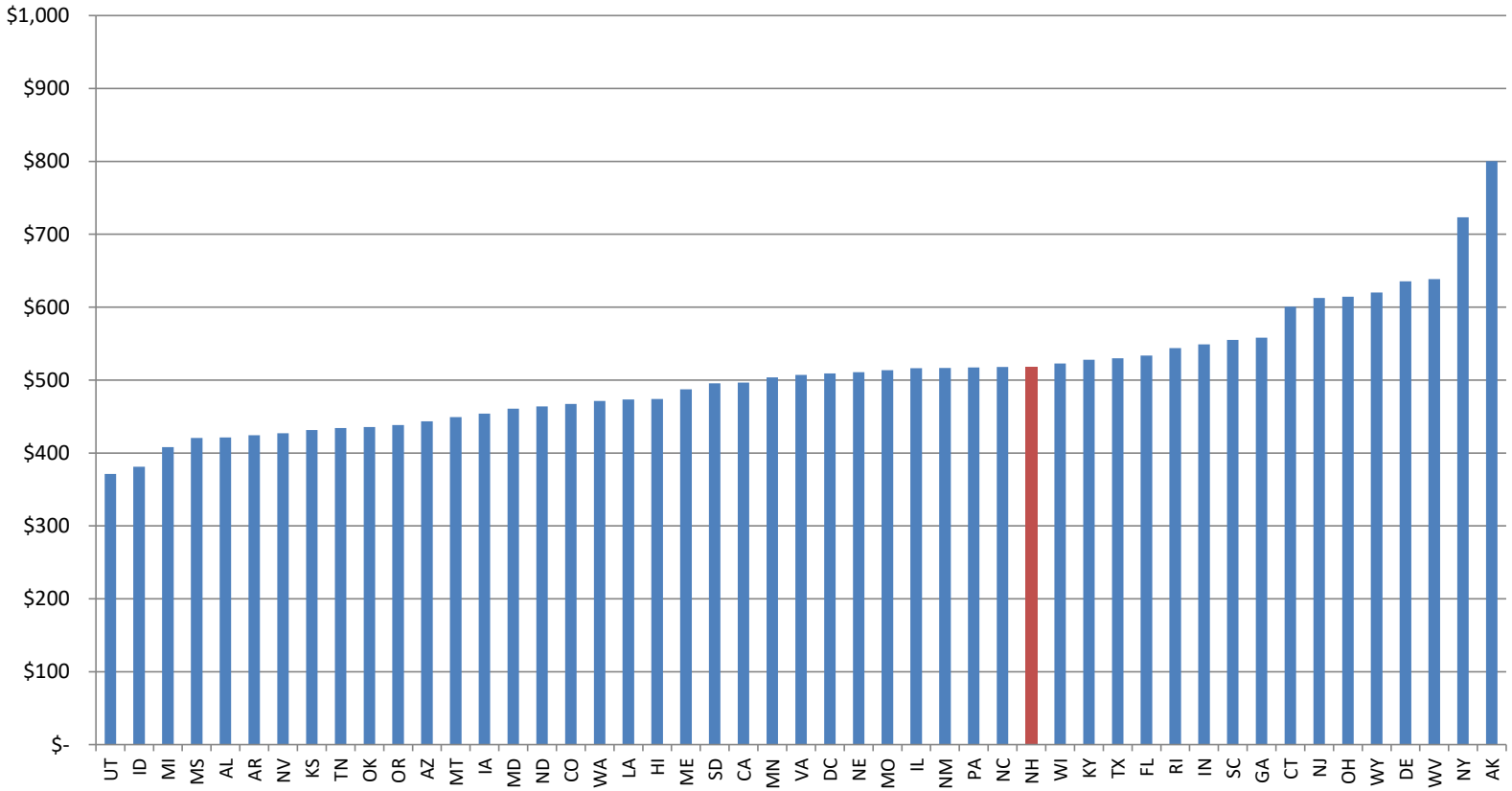
2019 Benefit Year State Average Premium Before Adjustment (Individual Market)



Source: Centers for Medicare and Medicaid Services. Appendix C to the Summary Report on Transitional Reinsurance Payments and Permane nt Risk Adjustment Transfers for the 2019 Benefit Year. Available at: https://www.cms.gov/files/document/appendixcby19radv2.xlsx

APPENDIX

2019 Benefit Year State Average Premium Before Adjustment (Small Group Market)



Source: Centers for Medicare and Medicaid Services. Appendix C to the Summary Report on Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers for the 2019 Benefit Year. Available at: https://www.cms.gov/files/document/appendixcby19radv2.xlsx

APPENDIX

New Hampshire Residents by Health Insurance Status (2015 - 2019)

	2015		2016		2017		2018		2019	
	NH Number	NH %	NH Number	NH %	NH Number	NH %	NH Number	NH %	NH Number	NH %
Employer Coverage Only	751,000	57%	738,000	56%	741,000	56%	752,000	56%	741,000	55%
Medicare Coverage	168,000	13%	172,000	13%	181,000	14%	187,000	14%	196,000	15%
Medicaid Coverage Only	125,000	9%	132,000	10%	136,000	10%	137,000	10%	132,000	10%
Individual Coverage Only	80,000	6%	82,000	6%	78,000	6%	69,000	5%	78,000	6%
Other Coverage Combinations	70,000	5%	76,000	6%	78,000	6%	77,000	6%	73,000	5%
Uninsured	83,000	6%	78,000	6%	77,000	6%	77,000	6%	84,000	6%
Dual Medicare and Medicaid Coverage	26,000	2%	26,000	2%	21,000	2%	27,000	2%	26,000	2%
Tricare & VA Coverage	12,000	1%	12,000	1%	12,000	1%	12,000	1%	13,000	1%
Total	**1,315,000**	**100%**	**1,316,000**	**100%**	**1,324,000**	**100%**	**1,340,000**	**100%**	**1,343,000**	**100%**

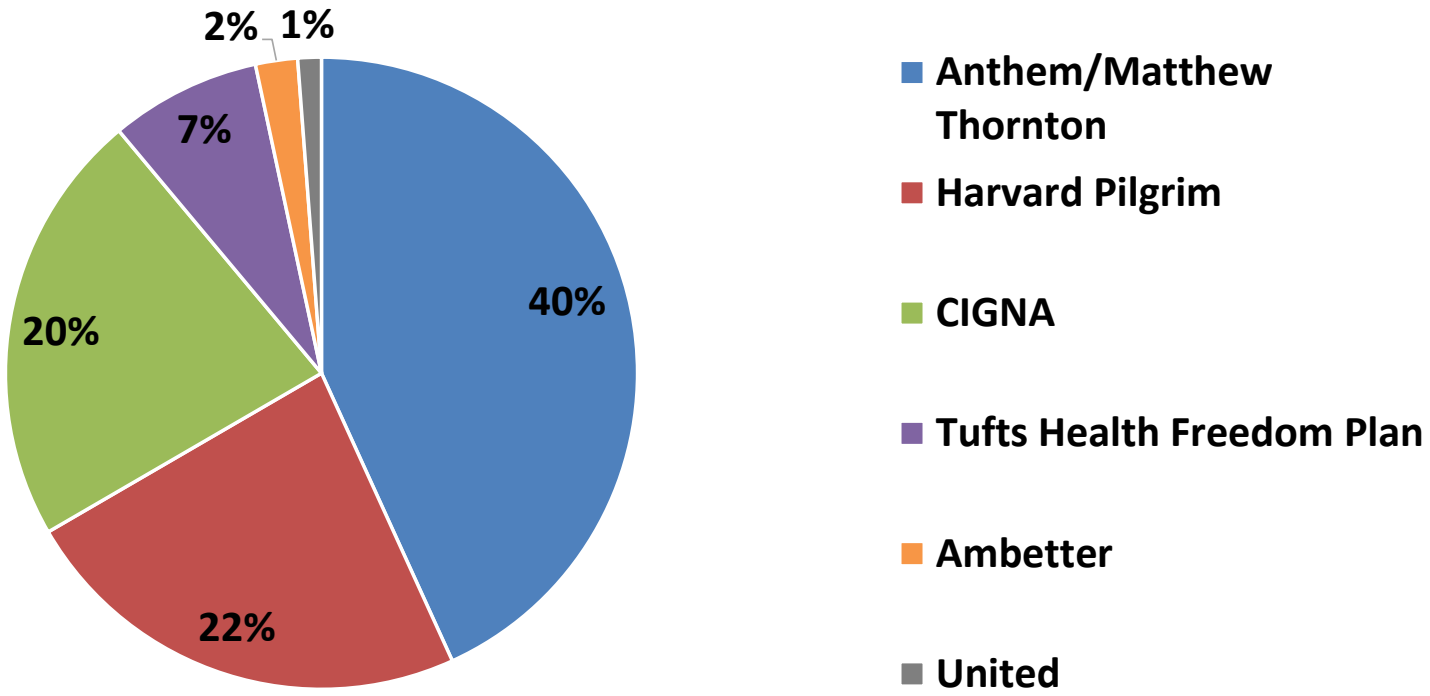
Source: U.S. Census Bureau, American Community Survey (ACS) 1-Year estimates for 2015 through 2019. Available at: http://factfinder.census.gov.

The "Other Coverage Combinations" category includes those persons with two or more types of health insurance coverage that are not in the following six multi-coverage categories: With employer-based and direct-purchase coverage; With employer-based and Medicare coverage; With direct-purchase and Medicare coverage; With Medicare and Medicaid/means-tested public coverage; Other private only combinations; Other public only combinations.

The ACS does not explicitly state that the NH PAP population is designated as Medicaid, but based on the size of the Medicaid and Individual membership, it is assumed that NH PAP is designated as Medicaid.

APPENDIX

Membership Distribution by Insurer of New Hampshire Situs Only, Fully-Insured and Self-Insured 2019



Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population.

APPENDIX

Insurers Participating in the Individual Market 2016 to 2020

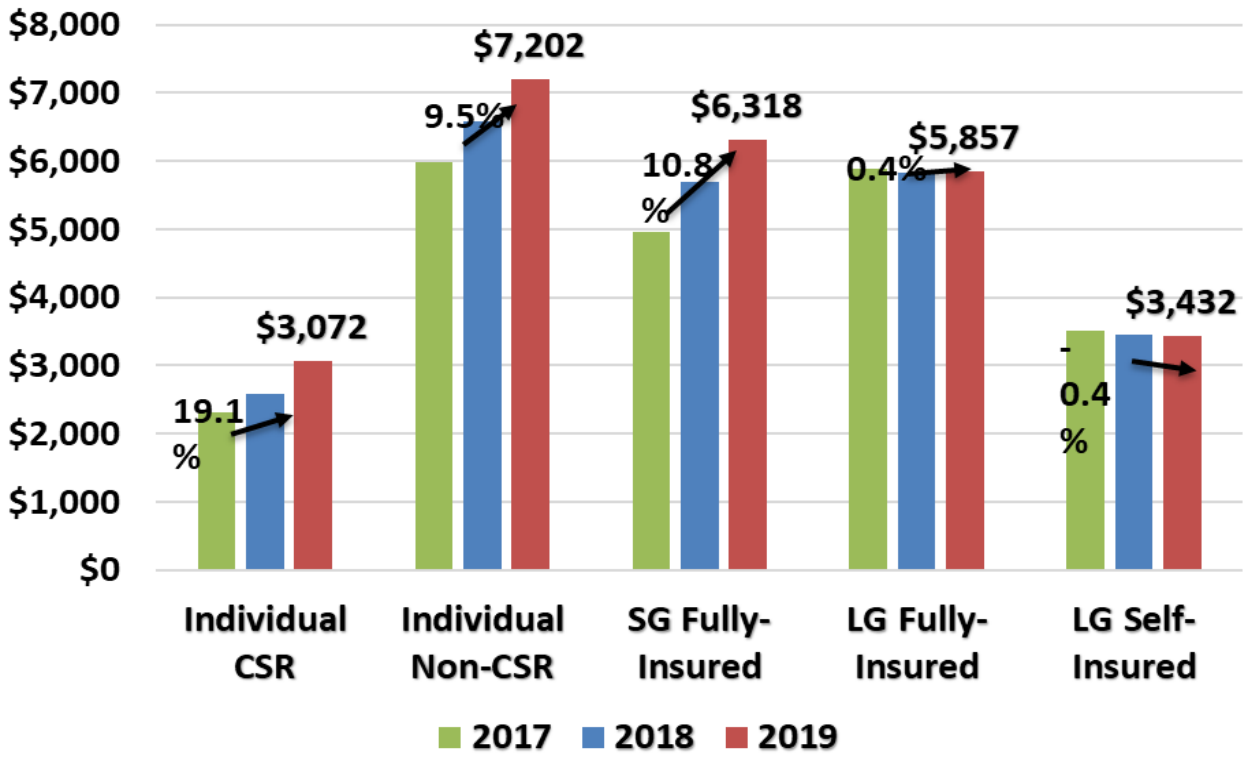
	New Hampshire Individual Market					
	2016	2017	2018	2019	2020	2021
Anthem/Matthew Thornton						
Ambetter (Celtic)						
Harvard Pilgrim						
Minuteman						
Community Health Options						

On Exchange Only

On and Off Exchange

APPENDIX

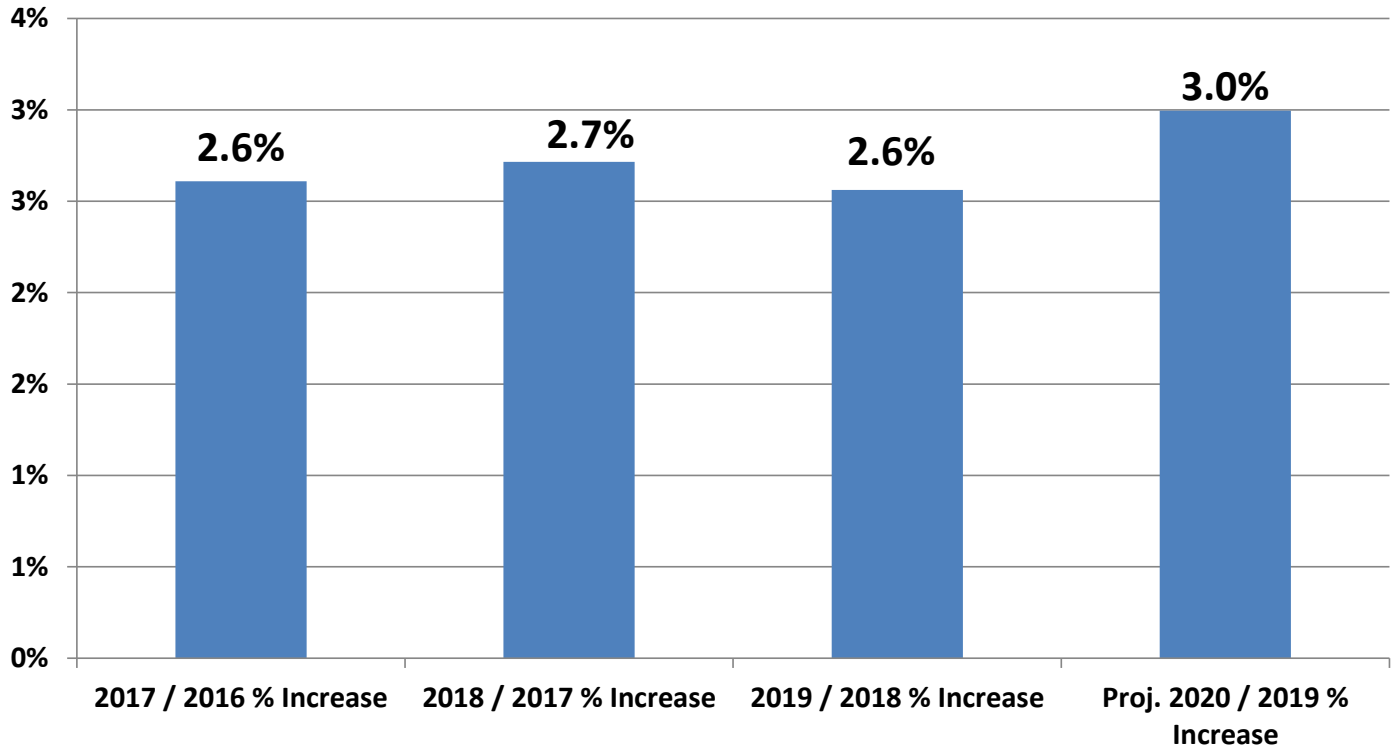
Comparison of Average Out-of-Pocket Maximum by Market Segment



Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes NH PAP and FEHBP population. Data shown is for single, in-network coverage and excludes members with either no OOPMAX or an unlimited OOPMAX. Minuteman data is excluded, however an analysis of 2015 and 2016 data shows that average Minuteman OOPMAX similar to the rest of the market.

APPENDIX

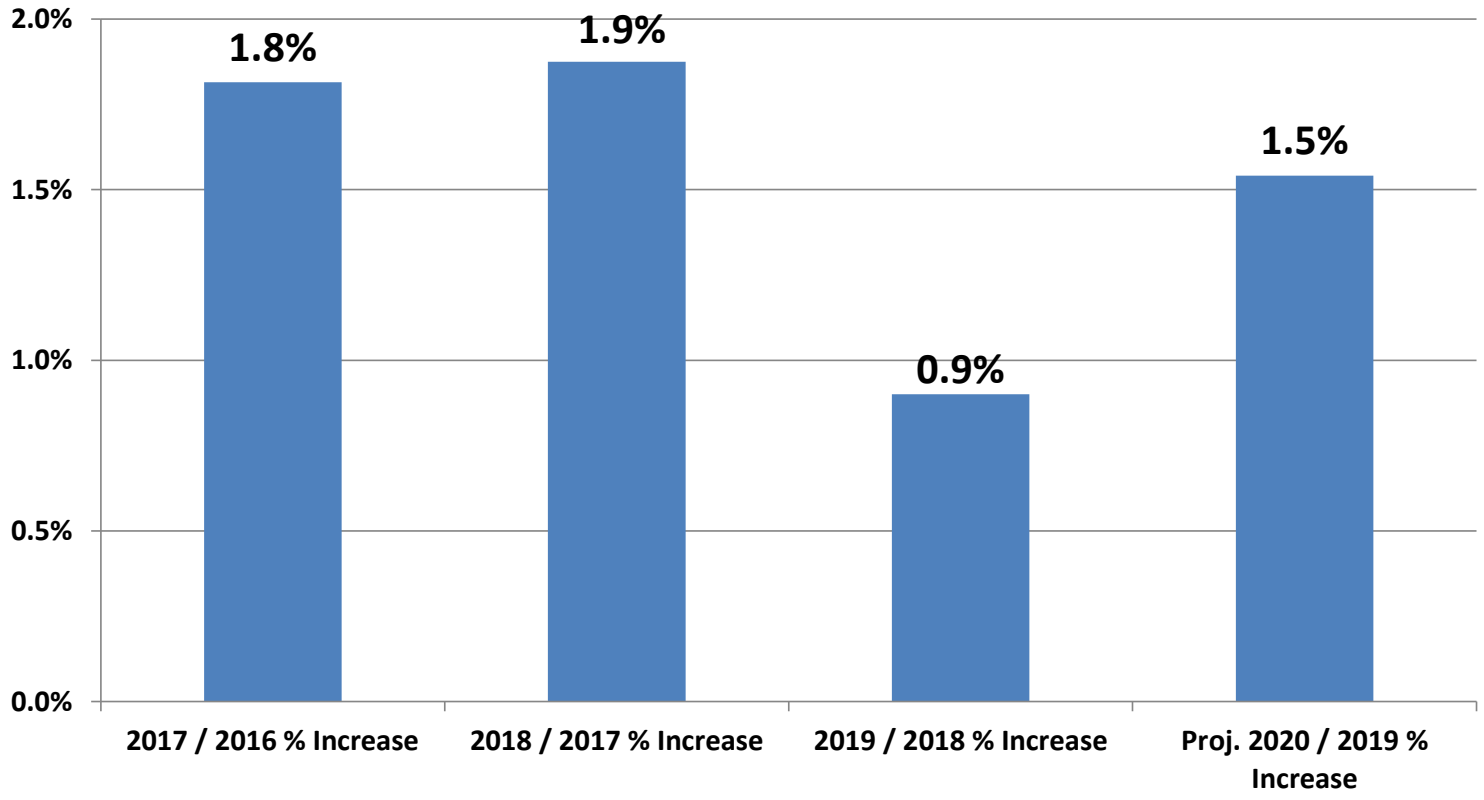
Blended IP Facility & OP Facility Provider Payment Rate Changes



Source: NHID Annual Hearing data 2018, 2019 and 2020. Standard Network rate changes only.

APPENDIX

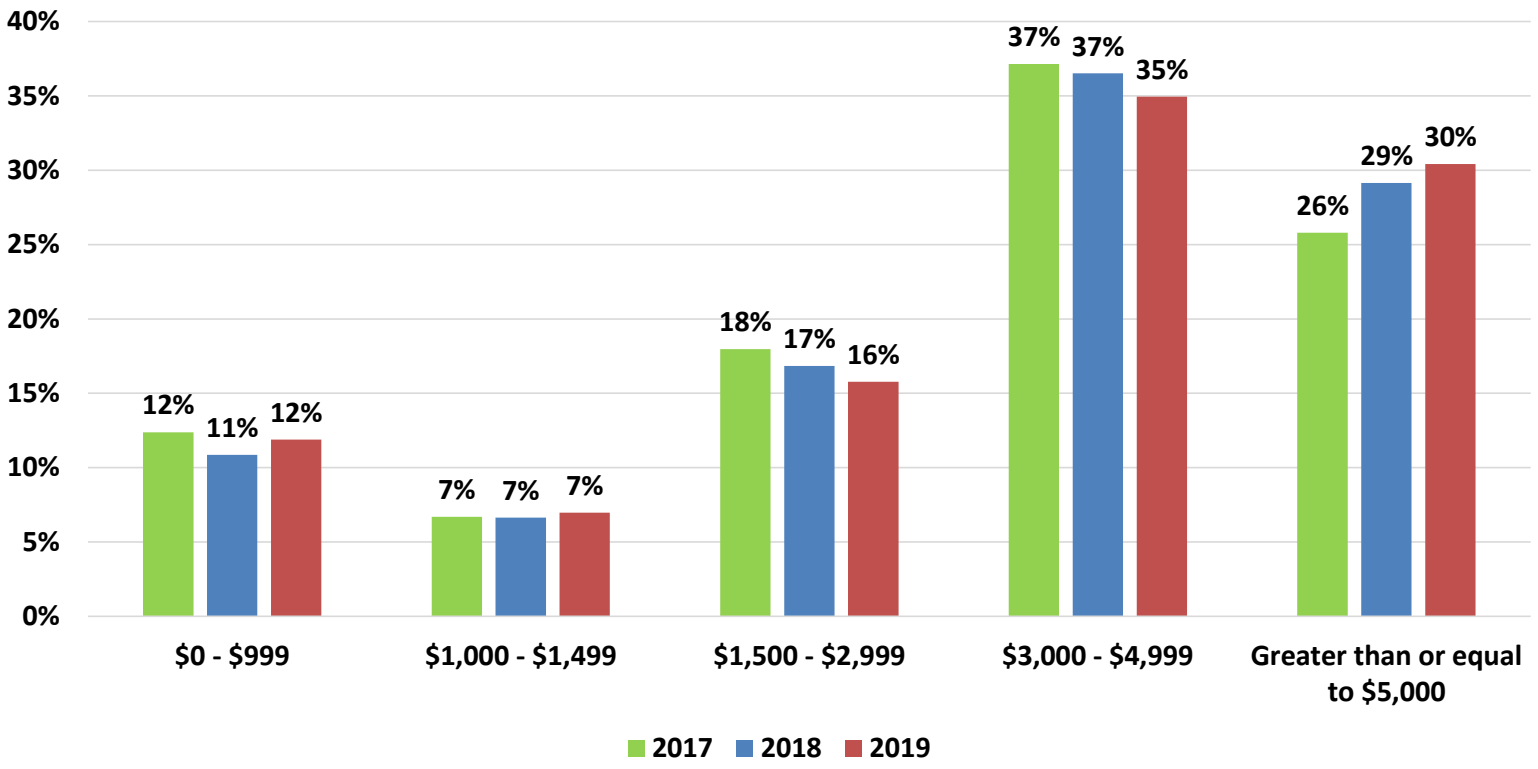
Professional Provider Payment Rate Changes



Source: NHID Annual Hearing data 2018, 2019 and 2020. Standard Network rate changes only.

APPENDIX

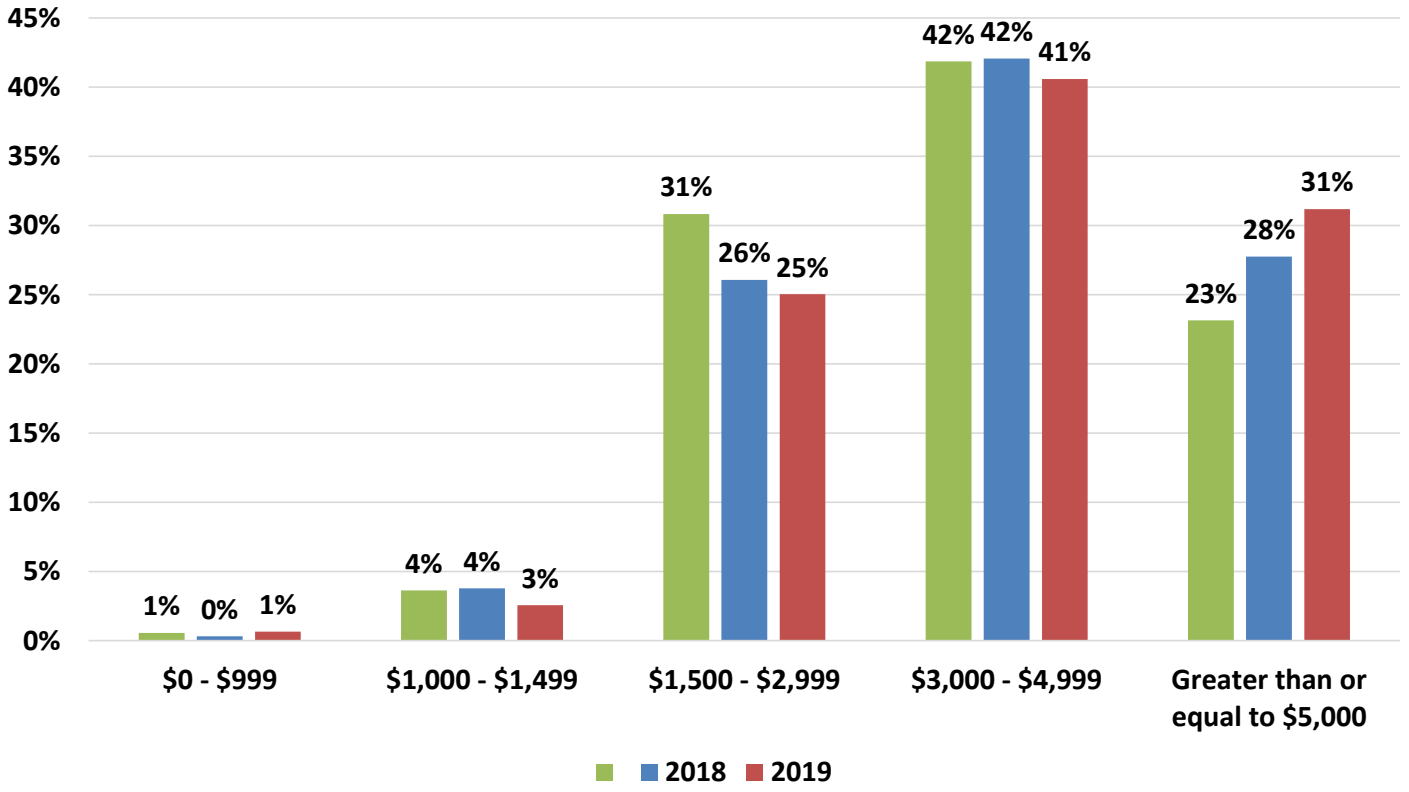
Distribution by Deductible Level - Large Group Market



Source: NHID Supplemental Report data 2017, 2018, 2019. Fully-Insured Only. Excludes FEHBP population.

APPENDIX

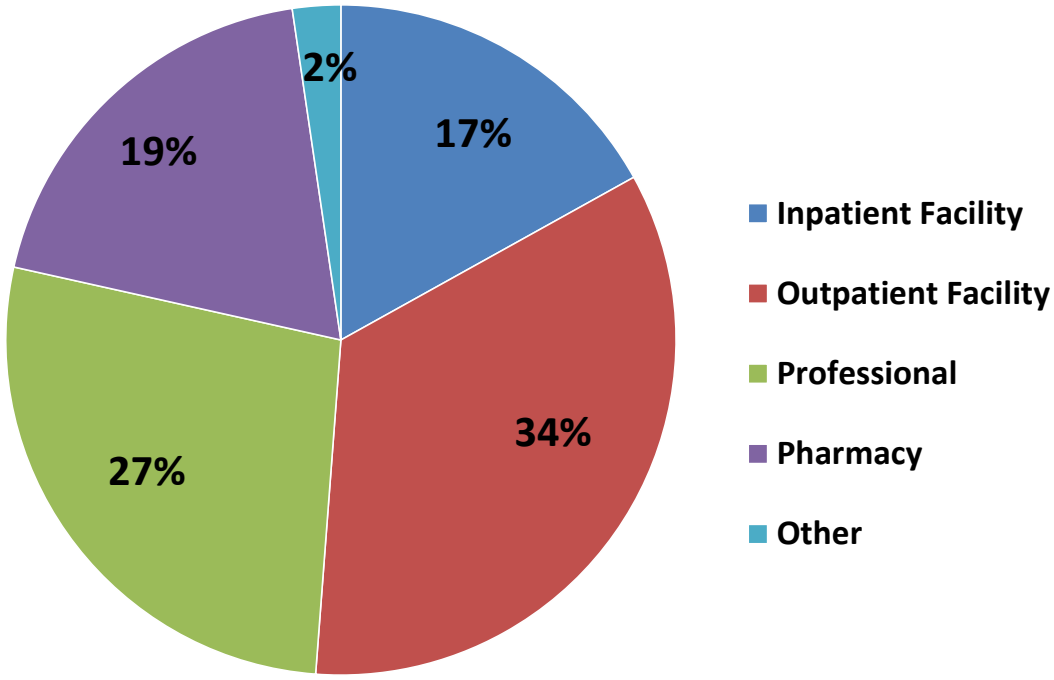
Distribution by Deductible Level - Small Group Market



Source: NHID Supplemental Report data 2017, 2018 and 2019. Fully-Insured Only.

APPENDIX

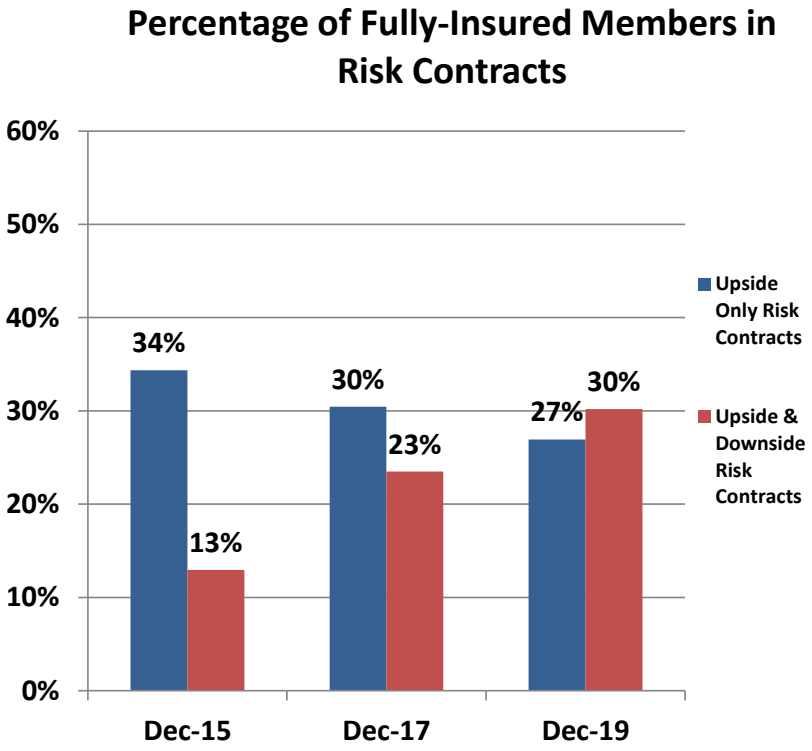
2019 Allowed Claims by Type of Service - Fully Insured Markets

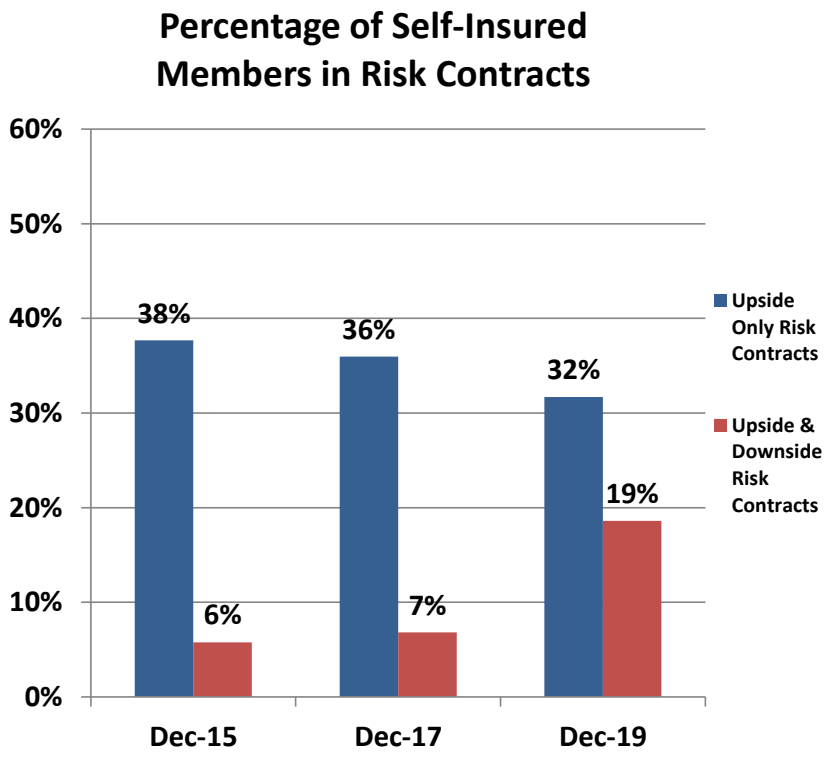


Source: NHID Annual Hearing data 2020. Includes Individual, Small Group and Large Group Markets. FFS claims only.

APPENDIX

Percentage of Fully-Insured and Self-Insured Members in Risk Contracts





Source: NHID Annual Hearing data 2016-2020. Includes all markets. Excludes FEHBP.

APPENDIX

Membership Distribution by Single Policy In-Network Deductible of New Hampshire Situs and Fully-Insured and Self-Insured 2019

CY 2019

Single Policy In-Network Deductible	Fully Insured - Individual Market	Fully Insured - Small Group Market	Fully Insured - Large Group Market	Fully Insured - Total	Self-Insured - Total	Fully Insured and Self-Insured Total
$0	8.4%	0.6%	1.9%	2.9%	31.7%	18.8%
$1 - $249	2.9%	0.0%	5.7%	3.3%	5.5%	4.5%
$250 - $499	1.9%	0.0%	0.0%	0.4%	0.7%	0.6%
$500 - $749	5.8%	0.1%	4.3%	3.4%	23.5%	14.5%
$750 - $999	0.9%	0.0%	0.0%	0.2%	0.2%	0.2%
$1,000 - $1,499	8.3%	2.6%	7.0%	5.9%	15.4%	11.1%
$1,500 - $2,999	12.3%	25.0%	15.8%	17.8%	16.6%	17.1%
$3,000 - $4,999	14.5%	40.6%	35.0%	32.2%	3.8%	16.5%
$5,000 - $7,499	40.8%	31.2%	30.4%	32.9%	2.6%	16.2%
$7,500 - $9,999	4.0%	0.0%	0.0%	0.9%	0.1%	0.4%
$10,000 +	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Grand Total	100%	100%	100%	100%	100%	100%
Average Deductible	$ 3,699	$ 3,531	$ 3,190	$ 3,405	$ 909	$ 2,027

Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes NH PAP and FEHBP population.

APPENDIX

Membership Distribution by Single Policy In-Network Coinsurance of New Hampshire Situs and Fully-Insured and Self-Insured 2019

CY 2019

Member Coinsurance	Fully Insured - Individual Market	Fully Insured - Small Group Market	Fully Insured - Large Group Market	Fully Insured - Total	Self-Insured - Total	Fully Insured and Self-Insured Total
0%	20.0%	42.2%	79.7%	55.2%	65.6%	61.0%
5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10%	16.8%	24.4%	1.2%	11.7%	12.3%	12.0%
15%	1.4%	2.4%	0.1%	1.1%	0.5%	0.8%
20%	7.2%	21.8%	16.8%	16.2%	17.7%	17.1%
25%	10.3%	0.1%	0.0%	2.3%	0.0%	1.0%
30%	22.2%	6.6%	1.9%	7.8%	2.3%	4.8%
35%	0.0%	2.5%	0.0%	0.8%	0.0%	0.3%
40%	22.1%	0.0%	0.3%	5.0%	1.5%	3.1%
50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grand Total	100%	100%	100%	100%	100%	100%
Average Coinsurance	21%	10%	4%	10%	6%	8%

Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes NH PAP and FEHBP population.

APPENDIX

Membership Distribution by Single Policy In-Network PCP Office Visit Copay of New Hampshire Situs and Fully-Insured and Self-Insured 2019

CY 2019

PCP Office Visit Copay	Fully Insured - Individual Market	Fully Insured - Small Group Market	Fully Insured - Large Group Market	Fully Insured - Total	Self-Insured - Total	Fully Insured and Self-Insured Total
$ -	0.0%	0.0%	1.0%	0.5%	1.7%	1.2%
$ 5	1.6%	0.0%	0.0%	0.3%	2.5%	1.6%
$ 7	5.2%	0.0%	0.0%	1.1%	0.0%	0.5%
$ 10	9.8%	0.0%	0.0%	2.2%	7.2%	4.9%
$ 15	0.0%	1.6%	0.6%	0.8%	15.8%	9.0%
$ 20	14.2%	1.4%	8.3%	7.5%	27.3%	18.5%
$ 25	3.8%	37.7%	43.2%	32.9%	12.1%	21.4%
$ 30	6.5%	2.8%	23.4%	13.4%	2.0%	7.1%
$ 35	0.2%	0.6%	3.5%	1.9%	0.2%	1.0%
$ 40	27.3%	35.6%	0.8%	17.2%	2.0%	8.8%
$ 45	0.0%	4.2%	0.0%	1.3%	1.5%	1.4%
$ 50	0.0%	1.0%	0.2%	0.4%	0.0%	0.2%
$ 55	0.0%	0.2%	0.0%	0.1%	0.0%	0.0%
$ 60	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
D/C	31.3%	14.8%	19.0%	20.4%	27.7%	24.4%
Grand Total	100%	100%	100%	100%	100%	100%

Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes NH PAP and FEHBP population.

D/C means that the member cost sharing is subject to the deductible and/or coinsurance.

APPENDIX

Membership Distribution, Average Premium PMPM and Actuarial Value of New Hampshire Situs, Fully-Insured and Self-Insured 2019

CY 2019

Market Category	Plan Type	Fully Insured Membership Percentage	Fully Insured Average Premium PMPM	Fully Insured Actuarial Value	Self-Insured Membership Percentage	Self-Insured Average Premium PMPM	Self-Insured Actuarial Value
Large Group	HMO	30.0%	$ 586	0.77	28.3%	$ 536	0.90
	POS	1.7%	$ 571	0.74	5.3%	$ 653	0.93
	EPO	2.7%	$ 524	0.80	8.6%	$ 628	0.80
	PPO	13.1%	$ 580	0.78	57.0%	$ 528	0.85
	FFS	0.2%	$ 708	0.94	0.6%	$ 232	0.99
Small Group	HMO	20.8%	$ 511	0.71			
	POS	0.1%	$ 647	0.83			
	EPO	6.2%	$ 492	0.75		N/A	
	PPO	3.4%	$ 612	0.72			
	FFS		N/A				
Individual	HMO	15.0%	$ 520	0.68			
	POS		N/A				
	EPO	4.8%	$ 544	0.82		N/A	
	PPO	2.1%	$ 570	0.80			
	FFS		N/A				

Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes NH PAP and FEHBP population.

APPENDIX

Membership Distribution of New Hampshire Situs, Self-Insured 2019

CY 2019

Stop-Loss Specific Attachment Point	Self-Insured Membership Percentage with Stop-Loss Coverage
< $100,000	9%
$100,000 - $499,999	62%
$500,000 - $999,999	17%
$1,000,000	7%
$1,050,000 - $2,000,000	6%

CY 2019

Stop-Loss Aggregate Attachment Point	Self-Insured Membership Percentage with Stop-Loss Coverage
1.00	51%
1.10	6%
1.20	7%
1.25	35%

Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. The total doesn't add to 100% since there are a few members with "other" Attachment Points, such as 1.15 or 2.0.

ANNUAL HEARING MATERIALS

On October 23, 2020 the New Hampshire Insurance Department held a public hearing concerning premium rates in the health insurance market and the factors, including health care costs and cost trends, that have contributed to rate increases during the prior year.

Here is a link to the New Hampshire Insurance Department website: https://www.nh.gov/insurance/media/events/annual-hearing.htm

2020 Hearing Information:
Watch the Insurance Department's Annual Hearing (via YouTube):

Part 1: Opening remarks, presentation on data analysis of premiums and cost drivers
Part 2: "Moving Forward on Alternative Payment" by Paul Ginsburg, PhD and Public Comment Period

Annual Report on Health Care Premium and Claim Cost Drivers (citing 2019 data)
Hearing Agenda
Fact Sheet