

# New Hampshire Insurance Department 2020 Annual Hearing

## Health Care Premium and Claim Cost Drivers Fact Sheet

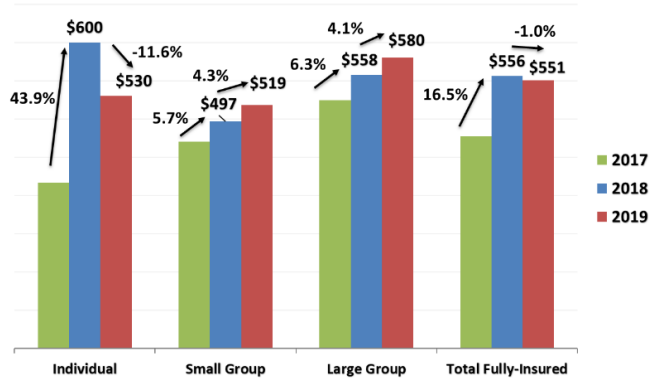
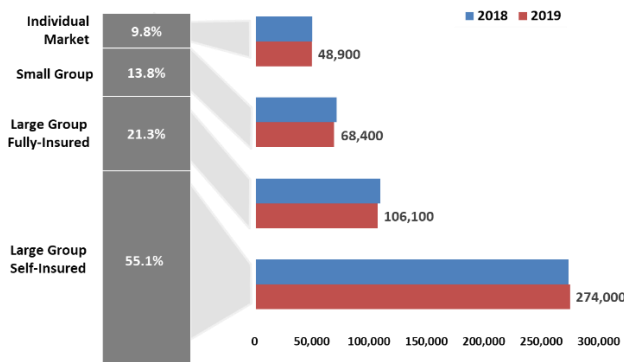
The uninsured rate in New Hampshire remained around 6% and while it did increase slightly from 5.75% to 6.25%, the change remains within the margin of error. The uninsured rate in the United States also increased slightly from 2018 to 2019.

The average Fully-Insured premium in New Hampshire decreased 1.0% overall in 2019. The Individual Market premium decreased 11.6%, driven by the transition of NH PAP. The Group Markets increased 4.3% and 4.1%, lower than the trends from the prior year.

The insured segments in New Hampshire have experienced slight membership decreases from 2018 to 2019 while the Large Group Self-Insured segment has increased slightly.

Fully-Insured Commercial Premium PMPMs by Market Segment

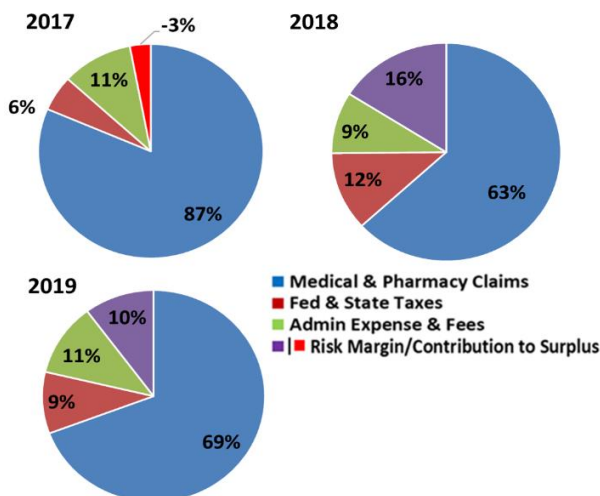
Commercial Market Enrollment by Segment, 2018 and 2019



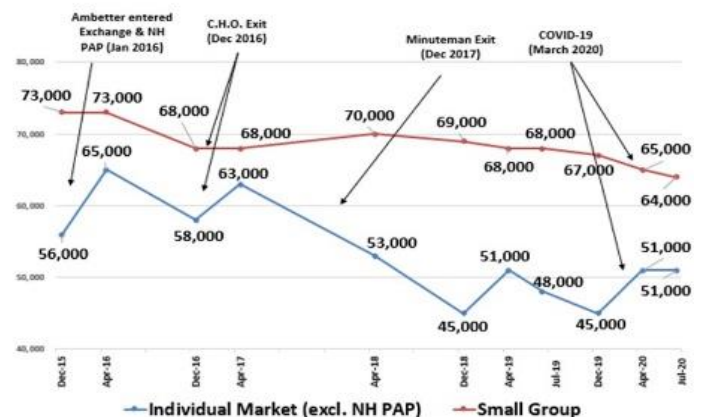
Risk margins in the Individual Market increased significantly from 2017 to 2018 but then decreased in 2019. This market has experienced significant change and uncertainty over the recent years which led to volatility in financial results.

Enrollment from December 2015 through July 2020 in the Individual and Small Group Markets may provide some insight into impacts from COVID-19. 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.

2017, 2018 and 2019 Individual Market Distribution of Premium



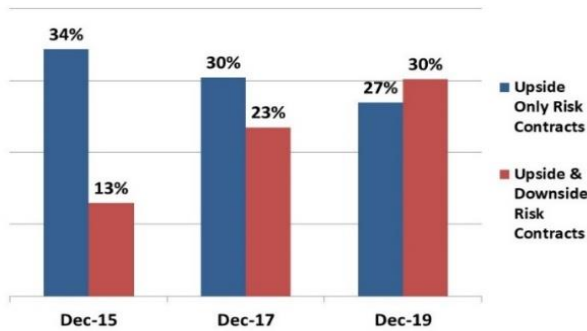
Individual and Small Group Membership Dec 2015 - July 2020



See full NHID 2019 Preliminary Report of Health Care Premium and Claim Cost Drivers for more details and definitions.

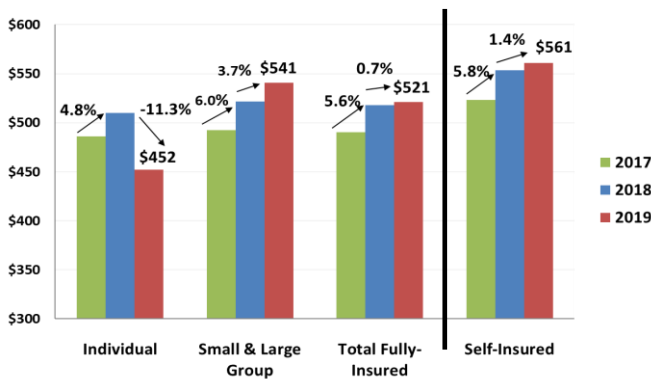
Within the Fully-Insured markets, the percentage of members in risk contracts with both upside and downside risk has increased from 13% in 2015 to 30% in 2019.

Percentage of Fully-Insured Members in Risk Contracts



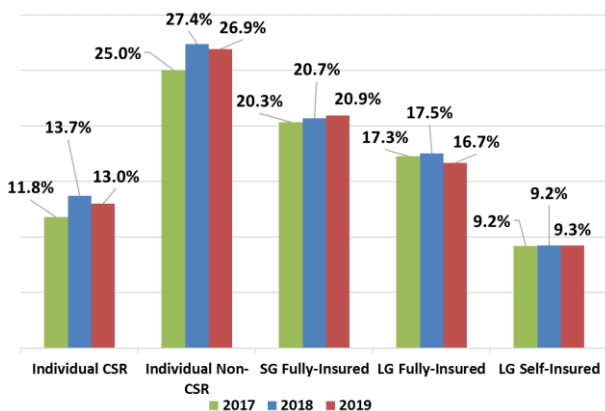
Allowed claims trends in the Fully-Insured and Self-Insured Markets were lower in 2019 compared to the trends in 2018. Individual Market trends were negative due to the transition of NH PAP.

Observed Allowed Claims PMPM



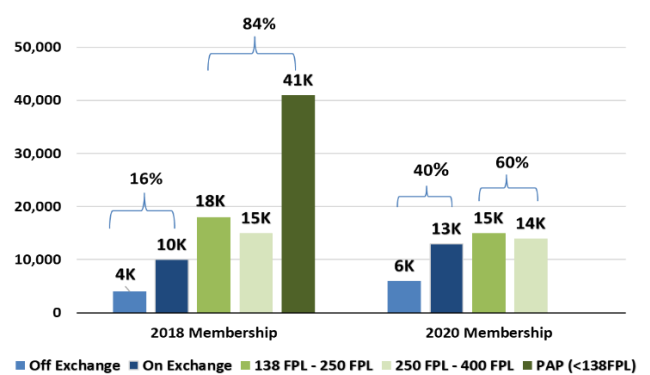
For Individuals without CSR (above 250% FPL) member cost sharing as a percentage of total allowed claims is 27% in 2019, significantly higher than all other market segments.

Total Member Cost Sharing as a % of Total Allowed



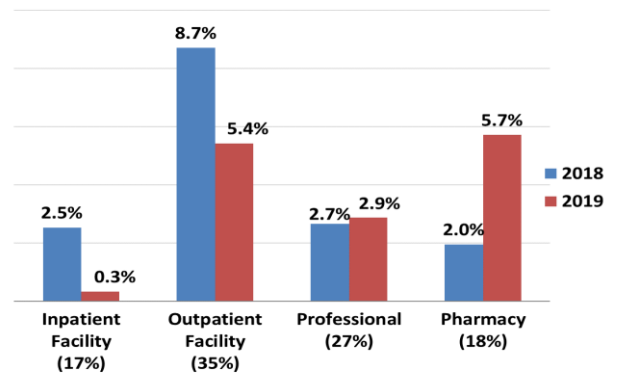
In 2020, 60% of the Individual Market Single Risk Pool members received a subsidy for all or some portion of their premium, which equates to 69% of those on the Exchange.

2018 and 2020 Individual Market Single Risk Pool Membership



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

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



Average premium in the Individual Market decreased in New Hampshire, driven by the transition of NH PAP, and remained flat across the United States from 2018 to 2019.

Individual Market Average Premium PMPM

