New Hampshire Insurance Department

2021 Preliminary Report of Health Care Premium and Claim Cost Drivers
Gorman Actuarial, Inc.

October 18, 2022

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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

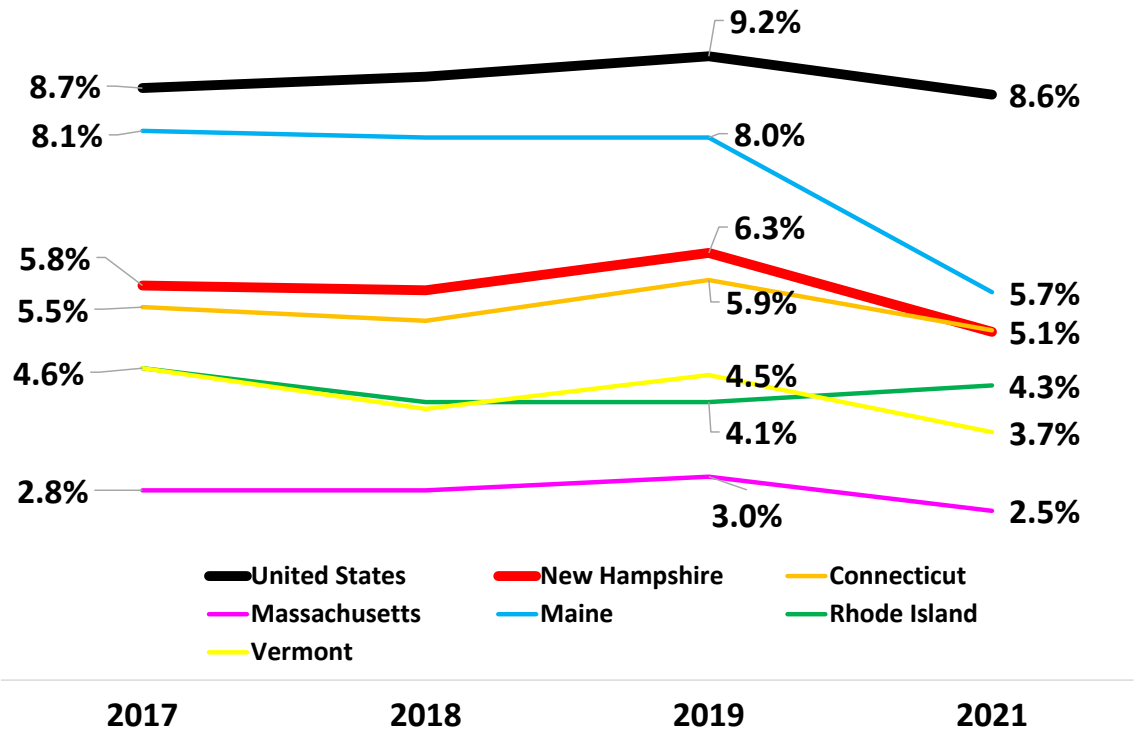
OVERVIEW OF MARKETS AND NATIONAL COMPARISONS

The uninsured rate in New Hampshire decreased from 6.3% in 2019 to 5.1% in 2021. The uninsured rate in the United States also decreased from 2019 to 2021. Compared to other New England states, New Hampshire's uninsured rate was slightly above the median.

The uninsured rate in NH increased slightly from 2017 to 2019 but then decreased from 6.3% in 2019 to 5.1% in 2021. NH's Section 1332 Waiver state-based reinsurance program started 1/1/2021. During this same time (2017 to 2021) the United States uninsured rate increased in 2019 but then decreased again to 8.6%. The NH uninsured rate remained lower than the national uninsured rate.

Compared to other New England states, New Hampshire's uninsured rate in 2021 was in the middle, with Maine having the highest at 5.7% and Massachusetts the lowest at 2.5%.

New England States and United States Uninsured Rate 2017 - 2021



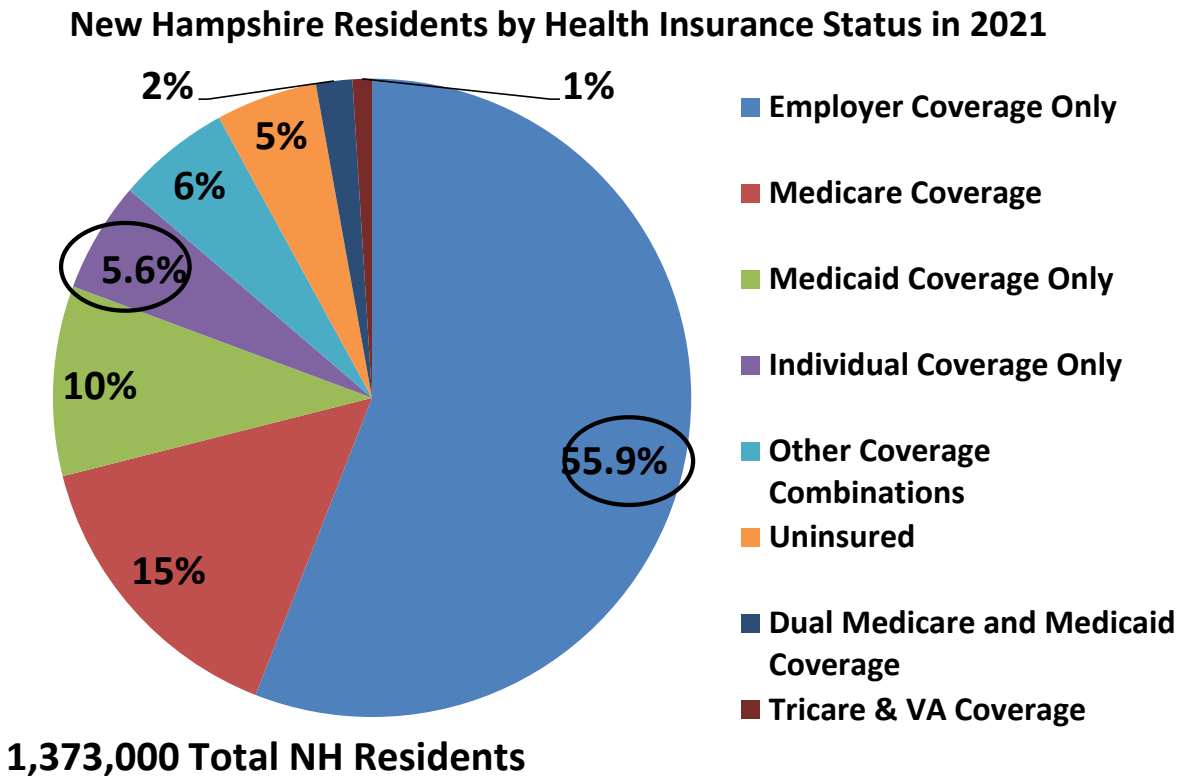
Source: U.S. Census Bureau. American Community Survey 1-Year Estimates. Note that estimates for 2020 are not available.

OVERVIEW OF MARKETS AND NATIONAL COMPARISONS

The percentage of residents in New Hampshire who received coverage through the private insurance market has remained at approximately 62% for the past several 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 1,373,000 NH residents approximately 71,000 did not have health insurance in 2021 which is approximately 5%.

Approximately 62%, or 845,000, residents in New Hampshire received health insurance through the private insurance market, either through their employer or by purchasing their own coverage.



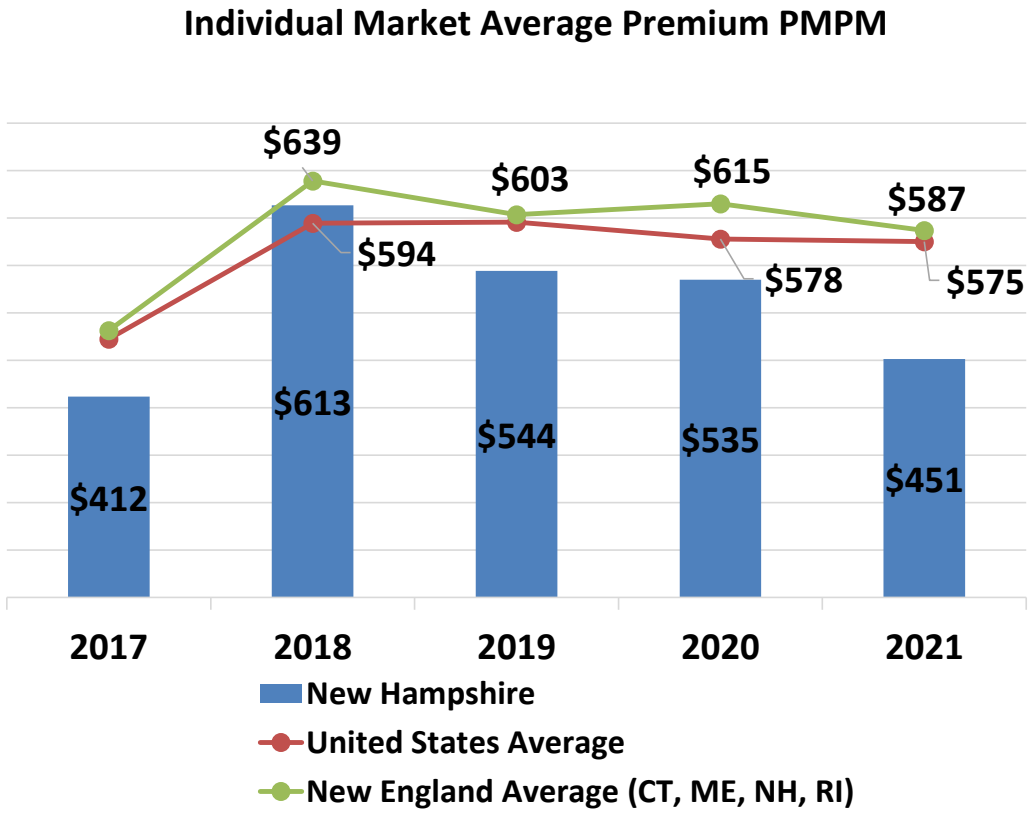
Source: U.S. Census Bureau. 2021 American Community Survey 1-Year Estimate. The "Other Coverage Combinations" category includes those persons with two or more types of health insurance coverage that are not in the following six multi-coverage categories: With employer-based and direct-purchase coverage; 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

As expected, from 2020 to 2021 there was a large decrease in the average New Hampshire premium due to the Section 1332 Waiver state-based reinsurance program, which began on 1/1/2021. Average premiums in NH decreased 15.6% from 2020 to 2021. During this same time frame, the average premium decreased 4.6% in New England and there was little change in the average the United States premium.

From 2018 to 2019, New Hampshire's average premium decreased 11%. The New Hampshire Premium Assistance Program (NH PAP) ended on 12/31/2018 and these members were transitioned to Medicaid plans. The transition of NH PAP out of the Individual Market drove the decrease in the average premium from 2018 to 2019.

The average premium in the New Hampshire Individual Market decreased 15.6% in 2021 driven by the new state-based reinsurance program. The average premium in New England decreased 4.6% in 2021 while the United States average premium experienced little change.



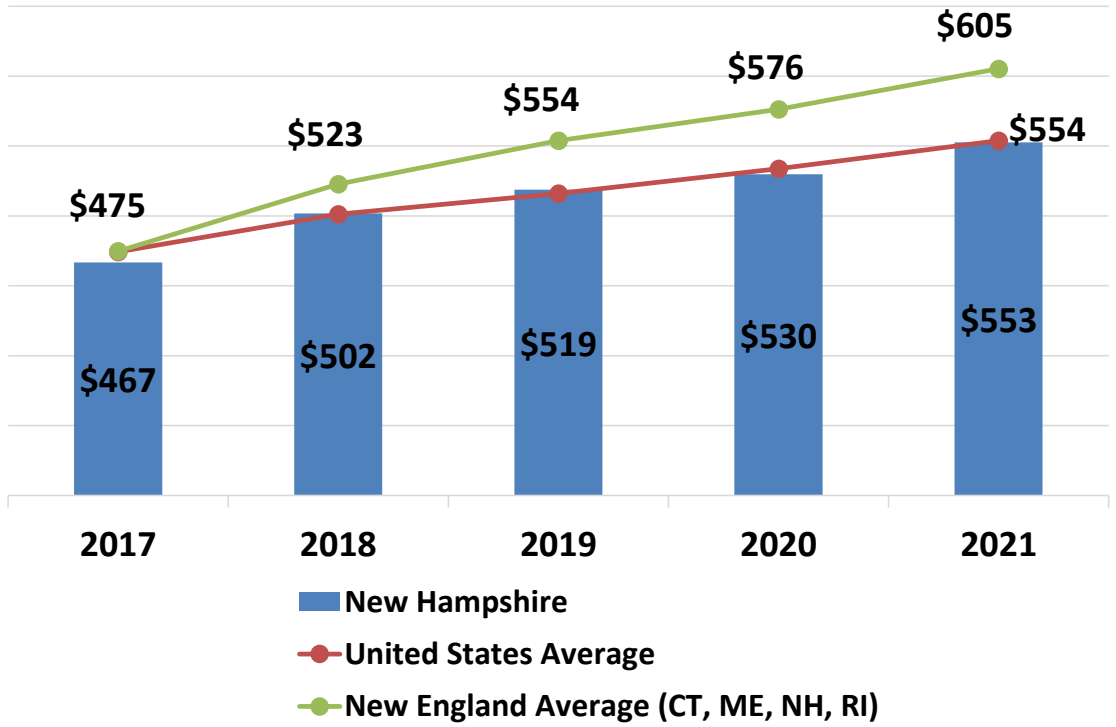
Source: Centers for Medicare and Medicaid Services. Risk Adjustment Report Appendix A for 2017, 2018, 2019, 2020 and 2021 benefit years. https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/index.html. Value are not adjusted for MLR Rebates. Premiums will vary by state due to plan design, demographics and regional cost differences.

OVERVIEW OF MARKETS AND NATIONAL COMPARISONS

The average premium in the United States Small Group Market increased 3.8% from 2020 to 2021 while the New Hampshire Small Group Market average premium increased slightly more at 4.3%. The average premium in New England increased 3.8% 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 2021, the New Hampshire average premium is 9% lower than the New England average. New Hampshire has lower plan liability risk scores (PLRS) and average rating factors (ARF) which will drive the lower premiums in New Hampshire compared to the New England average.

Consistent with the most recent prior years, the New Hampshire Small Group Market average premium in 2021 was close to the average across the United States. The New Hampshire average premium also continued to be lower than the New England average.

Small Group Market Average Premium PMPM

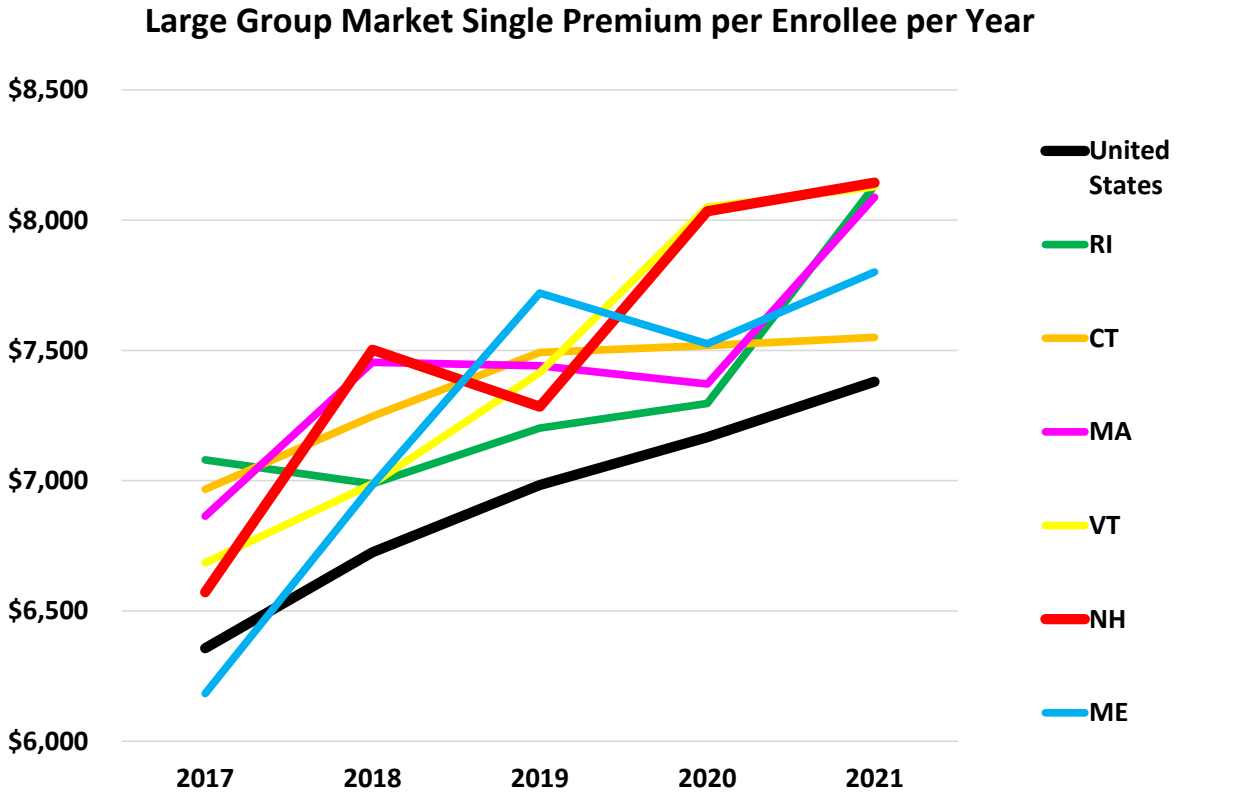


Source: Centers for Medicare and Medicaid Services. Risk Adjustment Report Appendix A for 2017, 2018, 2019, 2020 and 2021 benefit years. https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/index.html. Value are not adjusted for MLR Rebates. Premiums will vary by state due to plan design, demographics and regional cost differences.

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 2021, New Hampshire had a higher average premium than all the other New England states. 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 had the second highest average age and the sixth highest median income by state (2021 US Census, ACS) which may 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 and most other New England states.

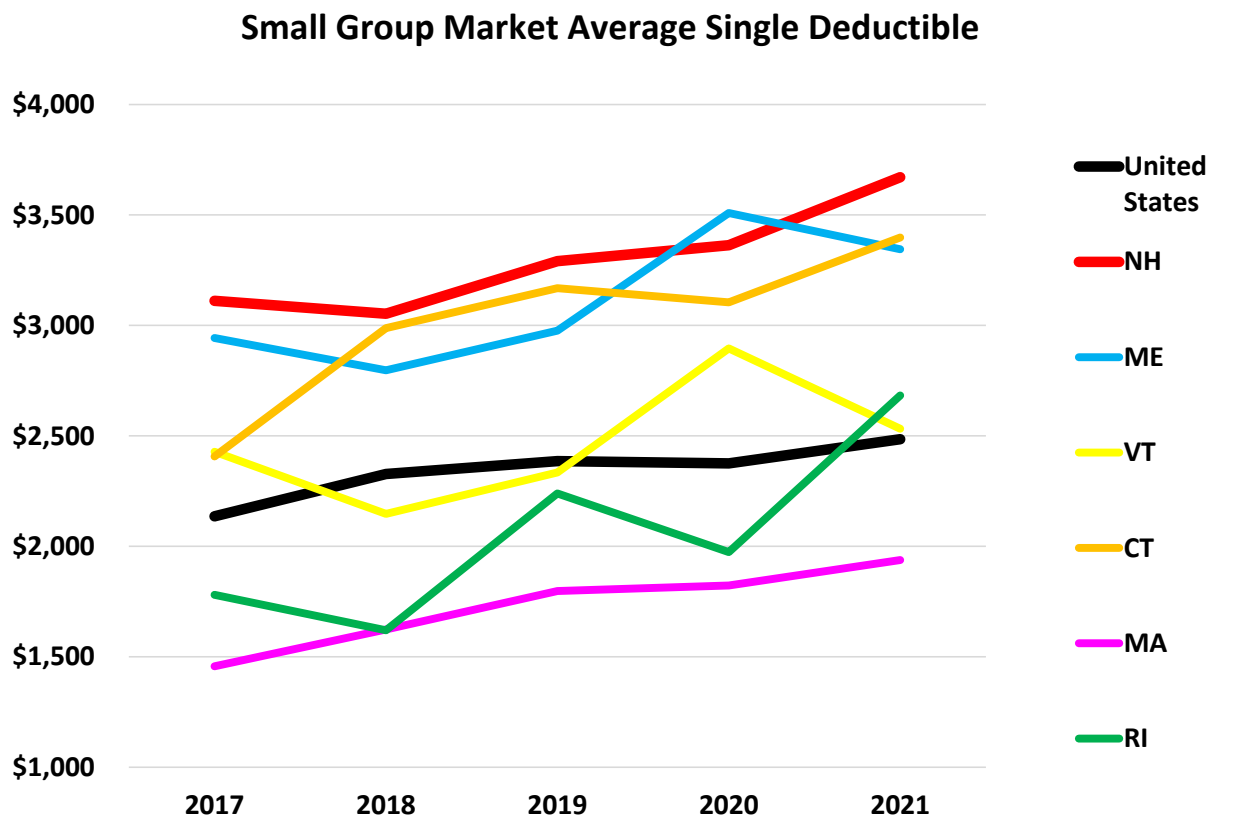


Source: Medical Expenditure Panel Survey (MEPS); https://meps.ahrq.gov/mepsweb/index.jsp.
Table II.C.1 Average total single premium (in dollars) per enrolled employee at private-sector establishments that offer health insurance by firm size and State: United States. Notes on average age and median income from the US Census, American 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 2021, New Hampshire's average deductible was 48% higher than the United States average. Massachusetts, Vermont and Rhode Island had consistently lower average deductibles compared to other New England states.

In the 2021 Small Group Market, the New Hampshire average deductible remained significantly higher than the United States average. In addition, New Hampshire's average deductible was higher than all New England states.

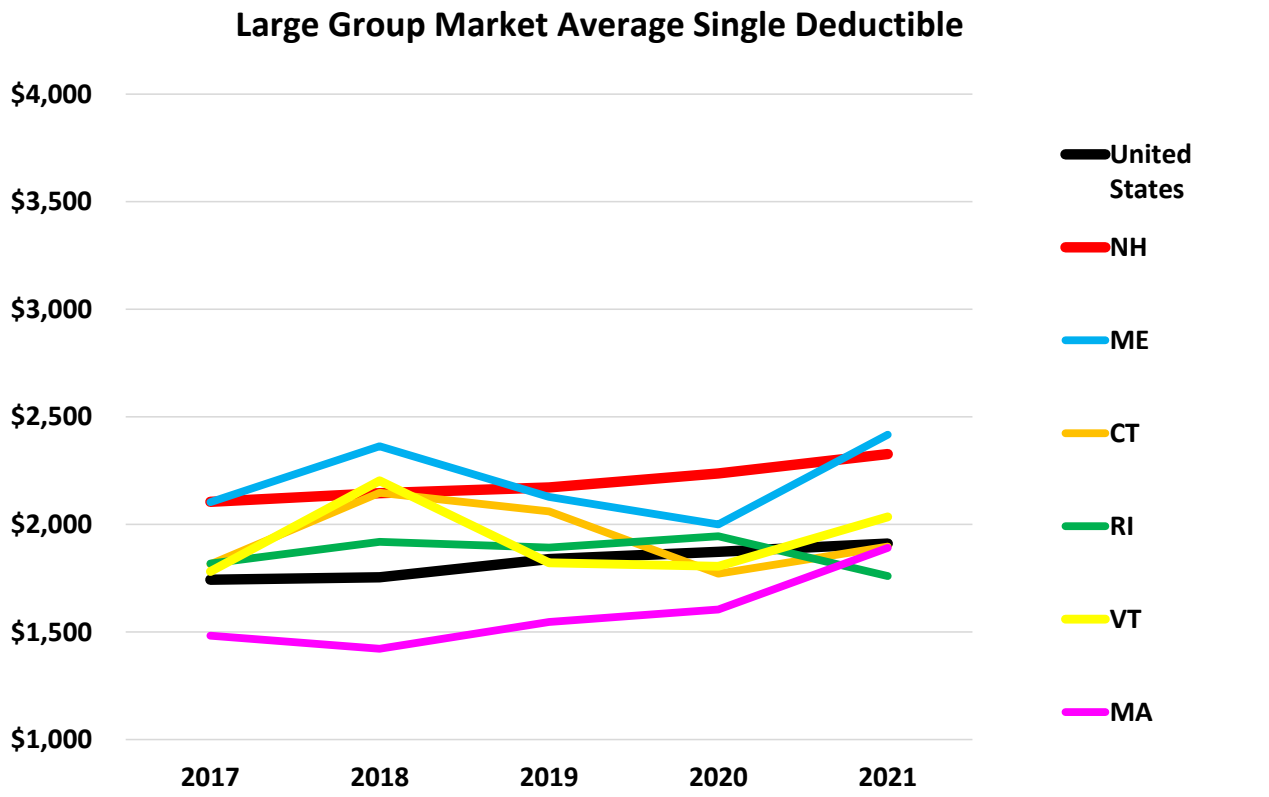


Source: Medical Expenditure Panel Survey (MEPS); https://meps.ahrq.gov/mepsweb/index.jsp.
Table II.F.2 Average individual deductible (in dollars) per employee enrolled with single coverage in a health insurance plan that had a deductible at private-sector establishments by firm size and State: United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

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 and then increased slightly in 2020 and again in 2021. New Hampshire and Maine have the highest average deductibles in the Large Group Market compared to the other New England states. 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, 2020 and 2021 compared to 2018. In 2018, there was a 66% difference when comparing the highest to lowest New England states compared to 37% in 2021.

New Hampshire's Large Group Market average deductible was higher than the United States average by approximately 22% in 2021. 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.

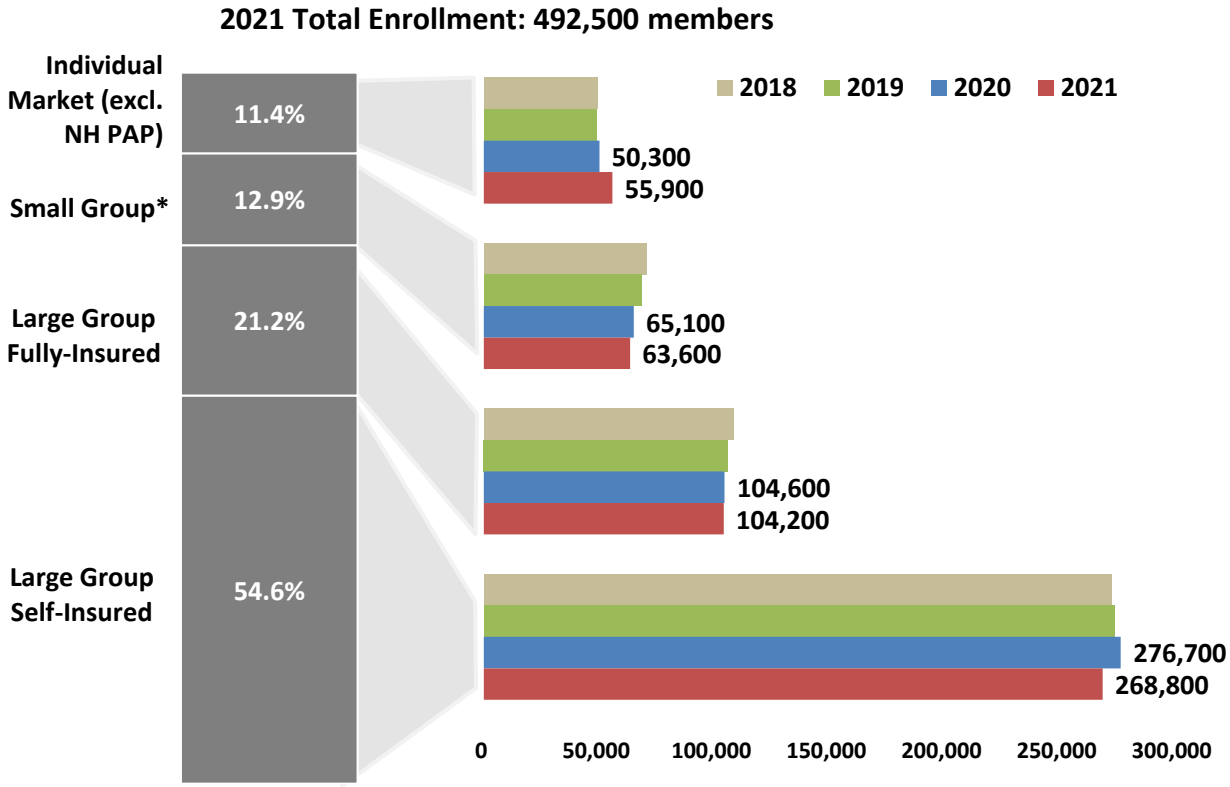
COVERAGE SHIFTS

COVERAGE SHIFTS

Similar to prior years, in 2021, the majority (89%) of private commercial coverage was purchased through Employer-Sponsored Insurance (ESI). This consists of Small Group (employers with 50 or fewer employees), Large Group Fully-Insured, and Large Group Self-Insured. Enrollment in the Individual Market increased by 5,600 average enrollees in 2021 compared to 2020. This increase was most likely due in part to the state-based reinsurance program that began on 1/1/2021. Small Group Market experienced a slight decrease in 2021 of 1,500 average enrollees. The Self-Insured segment also decreased by approximately 7,900 enrollees from 2020 to 2021.

Overall enrollment in 2021 was fairly consistent with the prior year. The Individual Market enrollment increased by 5,600 enrollees while the Small Group Market enrollment decreased by 1,500 enrollees and the Large Group Self-Insured segment decreased by 7,900.

Commercial Market Enrollment by Segment, 2018 - 2021



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.

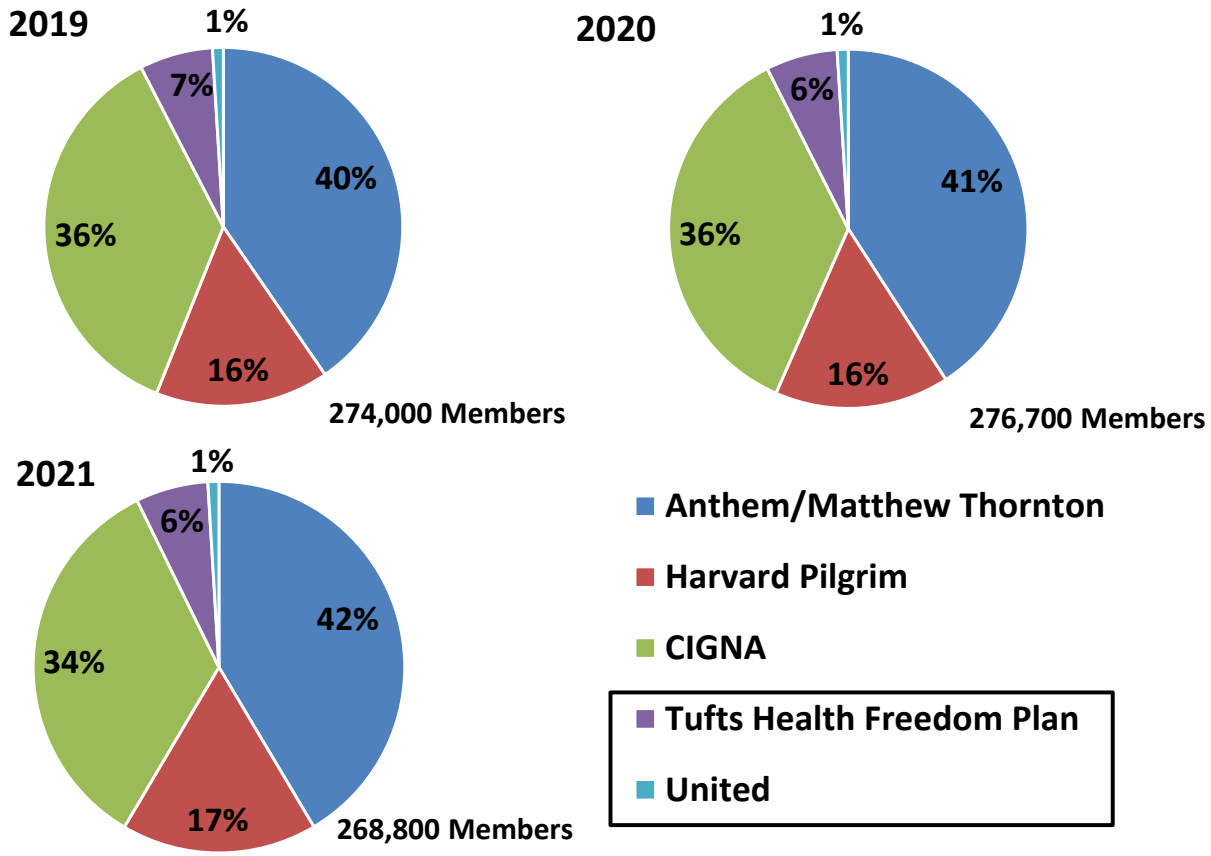
*The Small Group Market has approximately 300 self-insured members (0.7% of the Small Group Market), and are included in this chart.

COVERAGE SHIFTS

Membership within the Self-Insured Large Group Market increased by approximately 1% or 2,700 members from 2019 to 2020. This increase was reversed in 2021 where membership decreased by approximately 2.9% or 7,900 members. Market share remained relatively consistent among all insurers during this time period. Anthem/Matthew Thornton has gained a small amount of market share during this time, growing from 40% to 42% while CIGNA has decreased slightly from 36% to 34%. As of January 1, 2021, UnitedHealthcare owns Tufts Health Freedom Plan. Also effective January 1, 2021 Harvard Pilgrim Health Care combined with Tufts Health Plan under the corporate entity Point32Health.

The Self-Insured Large Group Market enrollment increased by approximately 2,700 members from 2019 to 2020 but then deceased by 7,900 members in 2021. Over this time period, each insurer's market share has remained fairly consistent.

Distribution by Insurer of Large Group Situs and Self-Insured



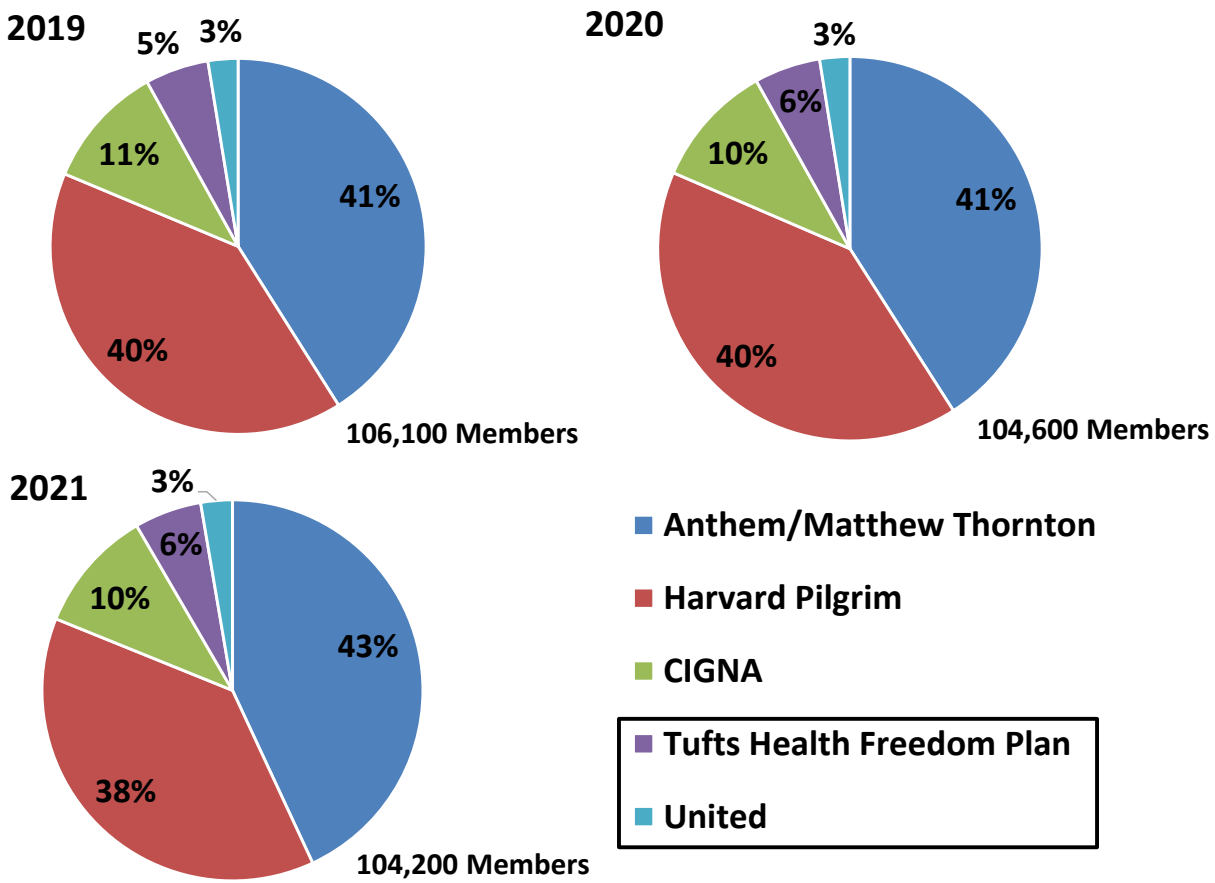
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. Membership is estimated based on calendar year member months divided by 12. As of January 1, 2021, UnitedHealthcare owns Tufts Health Freedom Plan.

COVERAGE SHIFTS

The Large Group Fully-Insured Market is smaller than the Self-Insured Market, representing 27% of the total Large Group Market. Overall enrollment in this segment has slowly declined in the most recent two years, by approximately 1,900 members or 2% from 2019 to 2021. The two largest insurers, Anthem/ Matthew Thornton and Harvard Pilgrim, represented 81% of Large Group Fully-Insured members in 2021. Tufts Health Freedom Plan was a new entrant in 2016 and its market share grew from 1% in 2016 to 6% in 2021. As of January 1, 2021, UnitedHealthcare owns Tufts Health Freedom Plan.

Enrollment in the Large Group Fully-Insured Market has decreased from 2019 to 2021, with a decline of 1,900 members overall. Anthem/Matthew Thornton experienced an increase in market share during this time.

Distribution by Insurer of Large Group Situs and Fully-Insured



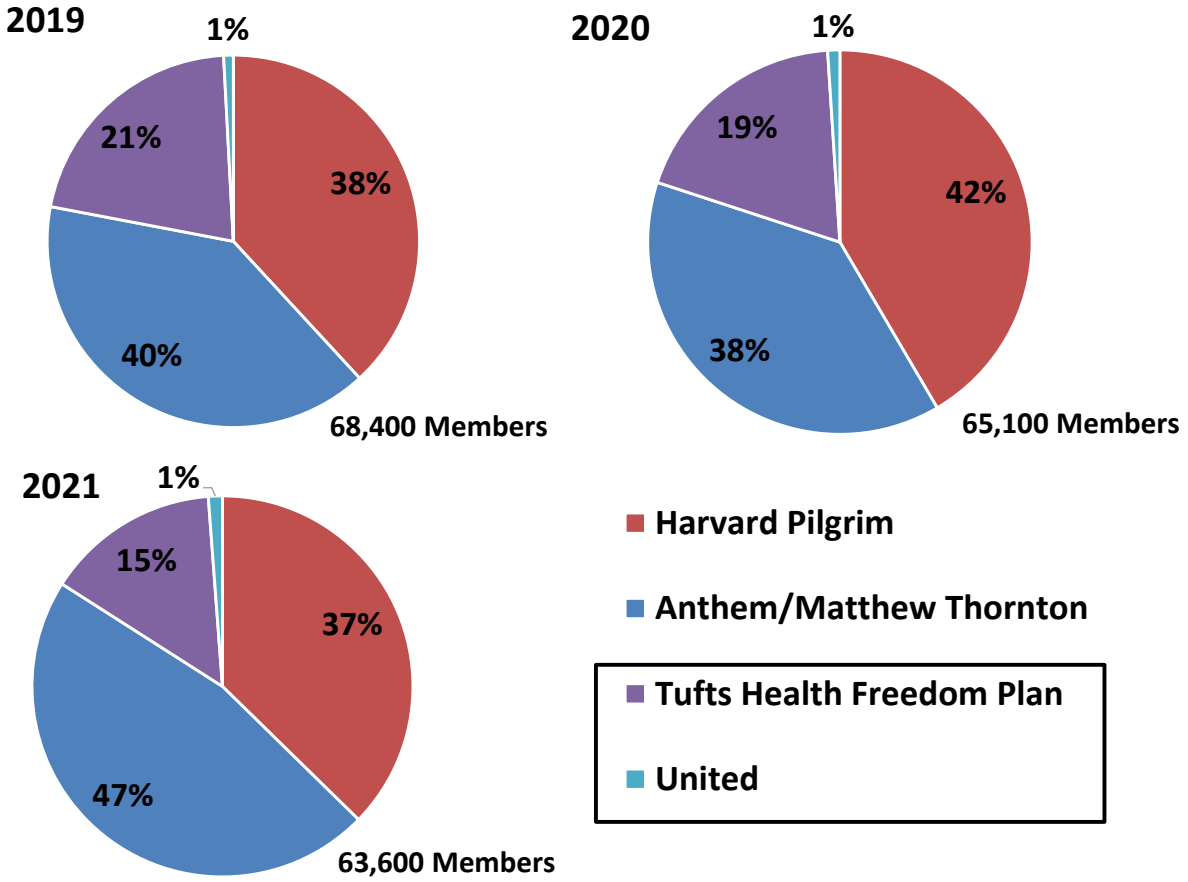
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. Membership is estimated based on calendar year member months divided by 12.As of January 1, 2021, UnitedHealthcare owns Tufts Health Freedom Plan.

COVERAGE SHIFTS

From 2019 to 2021, Small Group Market enrollment decreased by approximately 4,800 members. Tufts Health Freedom Plan, the new entrant in 2016, grew their market share prior to 2019 but recently experienced declines, from 21% in 2019 to 15% in 2021. Anthem/Matthew Thornton experienced an increase in market share from 2020 to 2021 (38% to 47%) while Harvard Pilgrim experienced a decline from 42% to 37%. As of January 1, 2021, UnitedHealthcare owns Tufts Health Freedom Plan.

In the Small Group Market, enrollment declined from 2019 to 2021. Anthem/Matthew Thornton gained market share from 2020 to 2021 at the expense of Tufts Health Freedom Plan and Harvard Pilgrim.

Distribution by Insurer of Small Group Situs and Fully-Insured

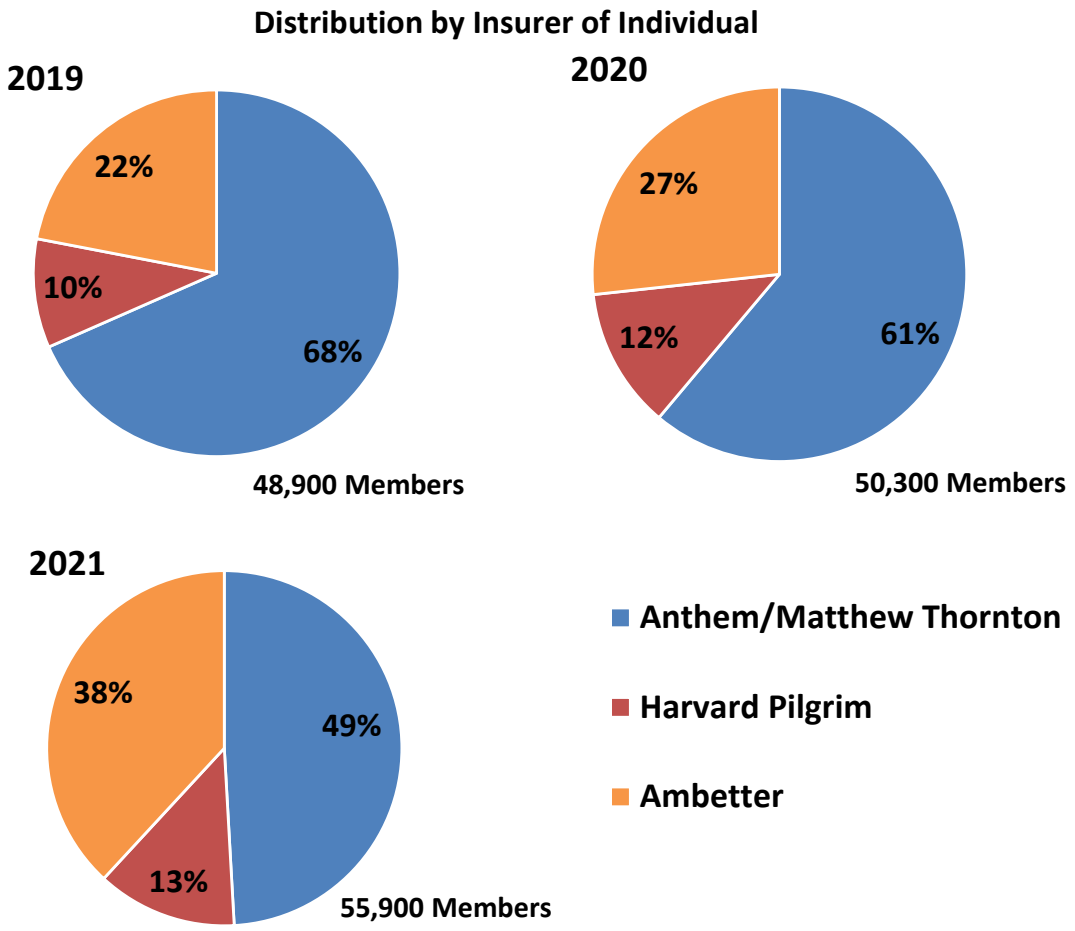


Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. Membership is estimated based on calendar year member months divided by 12. As of January 1, 2021, UnitedHealthcare owns Tufts Health Freedom Plan.

COVERAGE SHIFTS

Individual Market membership increased 1,400 members from 2019 to 2020 and by an additional 5,600 members from 2020 to 2021. This is an overall increase of approximately 14%. The increase in 2021 may be driven by the state-based reinsurance program that began on 1/1/2021. Anthem/Matthew Thornton decreased their market share from 68% in 2019 to 49% in 2021. Ambetter's market share has increased steadily and significantly from 22% in 2019 to 38% in 2021. Harvard Pilgrim's market share has remained fairly stable, increasing slightly to 13% in 2021. Ambetter and HPHC both indicated that the introduction of Bronze plans on-exchange, which are generally more affordable, as one of the reasons for their enrollment growth in 2020.

Overall membership increased slightly from 2019 to 2020 but then more significantly from 2020 to 2021, increasing by 7,000 members overall. In the Individual Market, Ambetter gained significant market share increasing from 22% in 2019 to 38% in 2021.



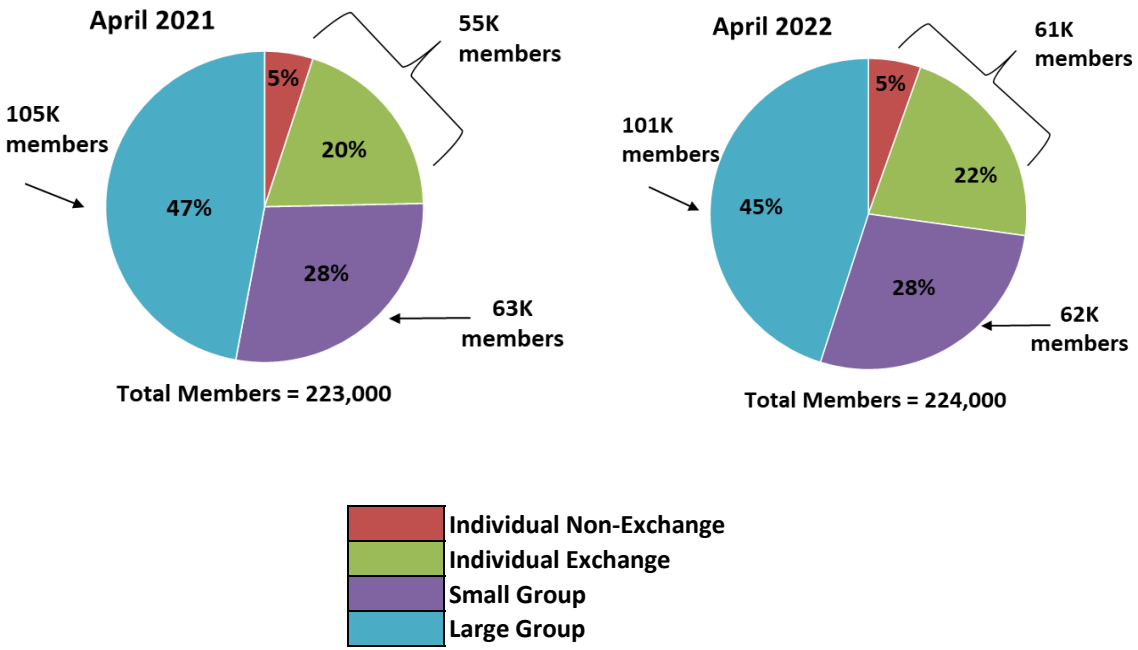
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. Membership is estimated based on calendar year member months divided by 12. These charts include approximately 1,500 Grandfathered and 1,700 Transitional members in 2021, approximately 700 less than in 2020.

COVERAGE SHIFTS

When examining membership in early 2022, the Individual Market experienced an increase of 6,000 members, the Small Group Market decreased by 1,000 members, and the Large Group Market decreased by 4,000 members.

The Individual Market membership increased in April 2022 driven by the Exchange population which added 5,000 members, while Non-Exchange added about 1,000 members. The group markets both decreased with the Large Group Market losing 4,000 members and the Small Group Market losing 1,000 members from April 2021 to April 2022. The Individual Market experienced several changes in 2021. First, NH's Section 1332 Waiver state-based reinsurance program started on 1/1/2021 helping to lower premiums in the Individual Market. Second, the American Rescue Plan Act of 2021 (ARPA) temporarily expanded eligibility for premium subsidies and increased the financial assistance to those who already qualified for subsidies. Lastly, the special enrollment period in 2021 was enxtended to August 15, 2021.

Fully-Insured Membership by Market Segment



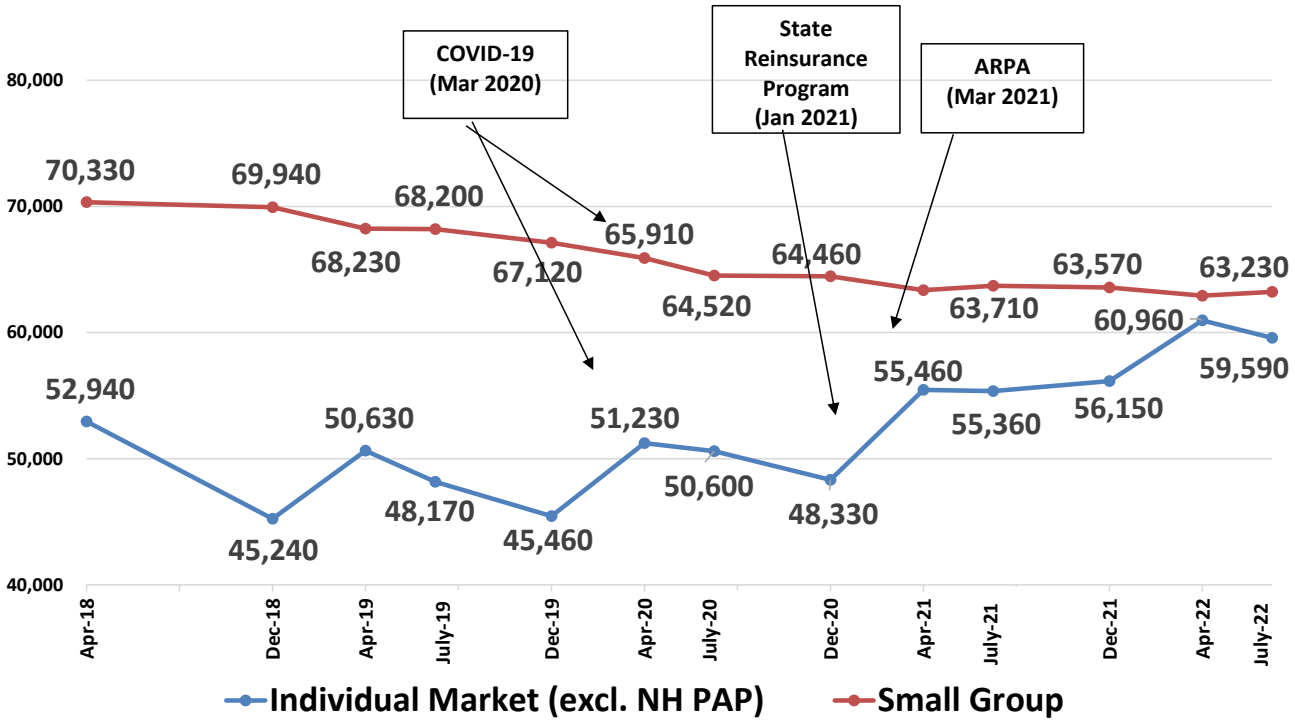
Source: NHID Annual Hearing data. Excludes FEHBP. The Annual Hearing data does not include a few insurers that are in the Supplemental Data Request, however this only represents a small percentage of the total Small and Large Group membership and this has been estimated for purposes of this chart. There may be small differences in the numbers for this chart compared to other charts due to rounding and differences in the point in time that the data represent.

COVERAGE SHIFTS

Membership is typically collected as of April and December of each year. For the most recent four years, July membership was collected to try to understand any potential impacts on membership due to COVID-19 and other changes. Between April 2018 and July 2022, Small Group enrollment declined 10%. Individual Market membership has increased by 8,000 members or nearly 15% between April 2018 and April 2022. In the Individual Market there are typically decreases in membership between the beginning and end of a calendar year. Membership from April 2022 to July 2022 decreased 2%. The NHID Exchange Monthly enrollment reports showed an increase of 800 enrollees from July 2022 to September 2022.

Small Group Market membership has experienced a steady gradual decline at least as far back as early 2018 to mid-2022 while the Individual Market membership has experienced significantly in recent years.

Individual and Small Group Membership April 2018 through July 2022



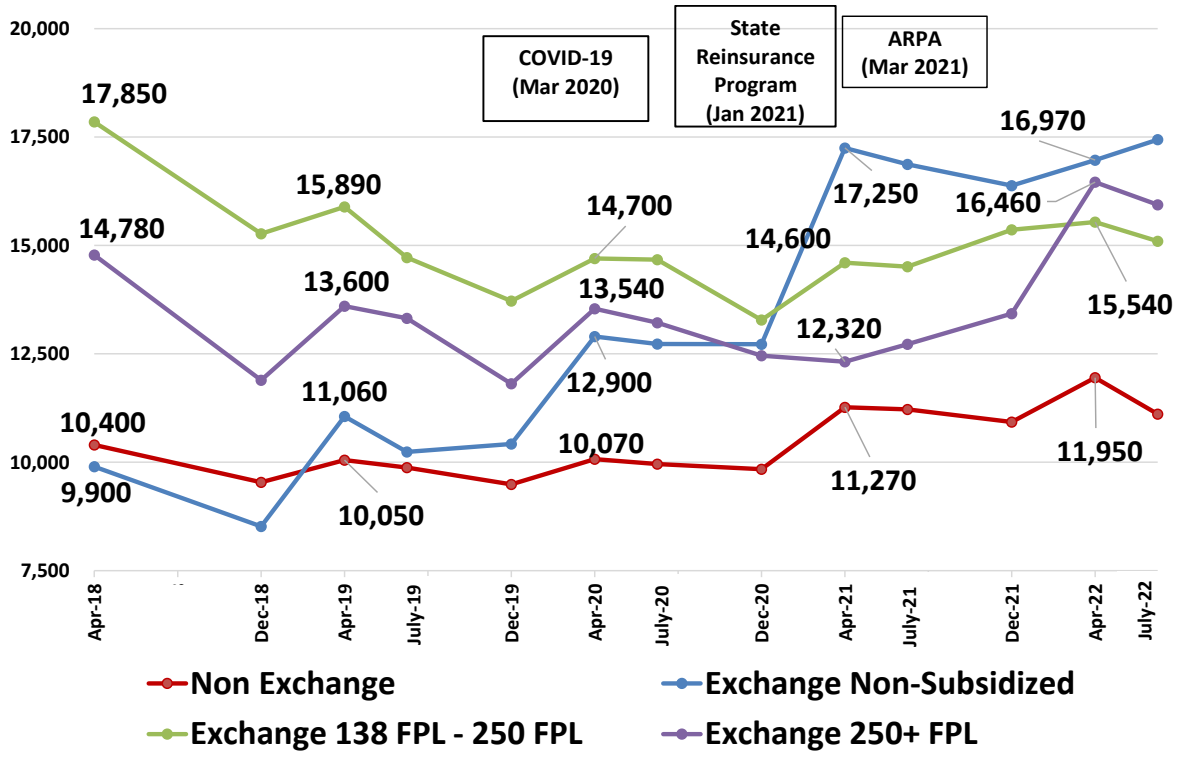
Source: NHID Annual Hearing data. Excludes NH PAP and FEHBP. Each circle on the graph represents a data point. The Annual Hearing data does not include a few insurers that are in the Supplemental Data Request, however this only represents a small percentage of the total Small Group membership and this has been estimated and included for purposes of this chart. There may be small differences in the numbers for this chart compared to other charts due to rounding and differences in the point in time that the data represent. ARPA is the American Rescue Plan Act of 2021.

COVERAGE SHIFTS

New Hampshire introduced a Section 1332 Waiver state-based reinsurance program as of 1/1/2021. This lowered premiums by 15.6% on average. Between April 2020 and April 2022, the non-exchange membership increased by 1,900 members and the exchange non-subsidized membership increased by 4,100 members, for a total of 6,000 enrollees. In addition, the American Rescue Plan Act of 2021 (ARPA) expanded eligibility for premium subsidies for those over 400% of the federal poverty level (FPL) for 2021 and 2022. The Inflation Reduction Act (IRA) has extended the subsidies to 2023, 2024 and 2025. New Hampshire experienced an increase in the subsidized exchange population with greater than 250% of FPL, growing from 13,500 as of April 2020 to 16,500 as of April 2022.

The non-subsidized populations (red and blue lines) increased from April 2020 to April 2022 by 25% or approximately 6,000 enrollees. The subsidized population 250% or greater of FPL (purple line) also increased during this time-frame, by approximately 3,000 enrollees.

Individual Membership April 2018 through July 2022

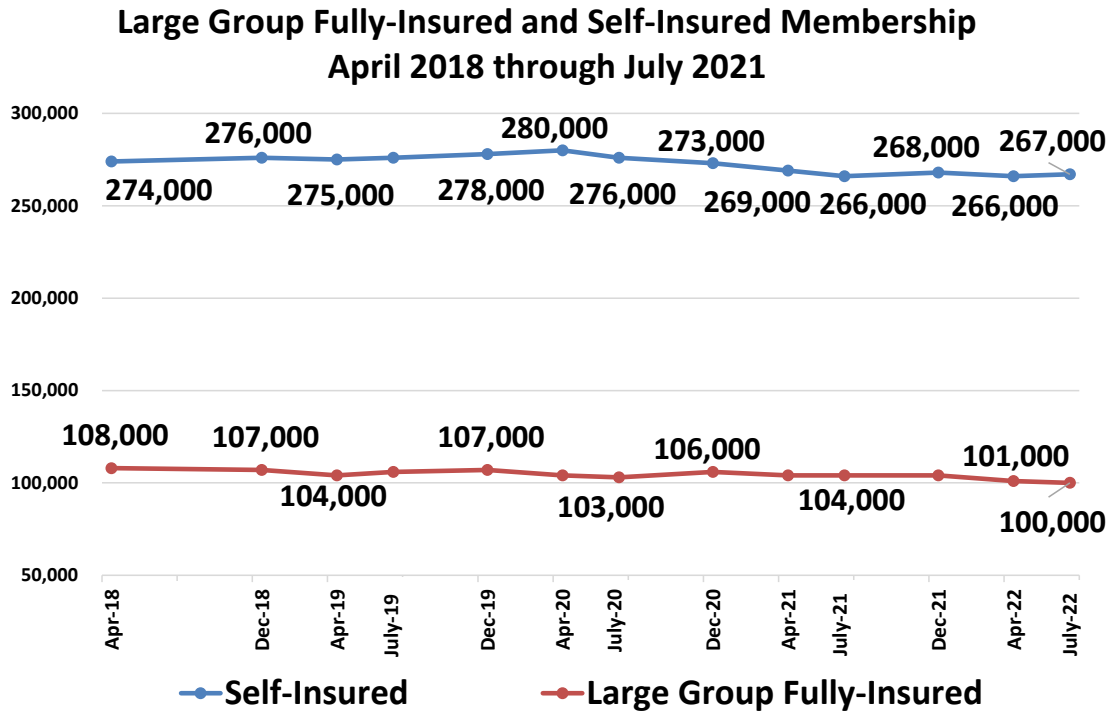


Source: NHID Annual Hearing data. Excludes NH PAP and FEHBP. Non Exchange includes Grandfathered and Transitional members. Each circle on the graph represents a data point. There may be small differences in the numbers for this chart compared to other charts due to rounding and differences in the point in time that the data represent. ARPA is the American Rescue Plan Act of 2021.

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. The last two years we also collected membership as of July to try to understand any potential impacts on membership due to COVID-19 and other changes. This slide shows Large Group Fully-Insured and Self-Insured membership from April 2018 through July 2022. The Self-Insured segment has increased by 2.5% between April 2018 and April 2020 but then decreased 4.7% from April 2020 to July 2022. The Large Group Fully-Insured segment has decreased 8.6% from April 2018 to July 2022.

The Large Group Fully-Insured Market has experienced a gradual decline in membership while the Self-Insured Market gradually increased from April 2018 to April 2020, but has declined slightly in recent months.

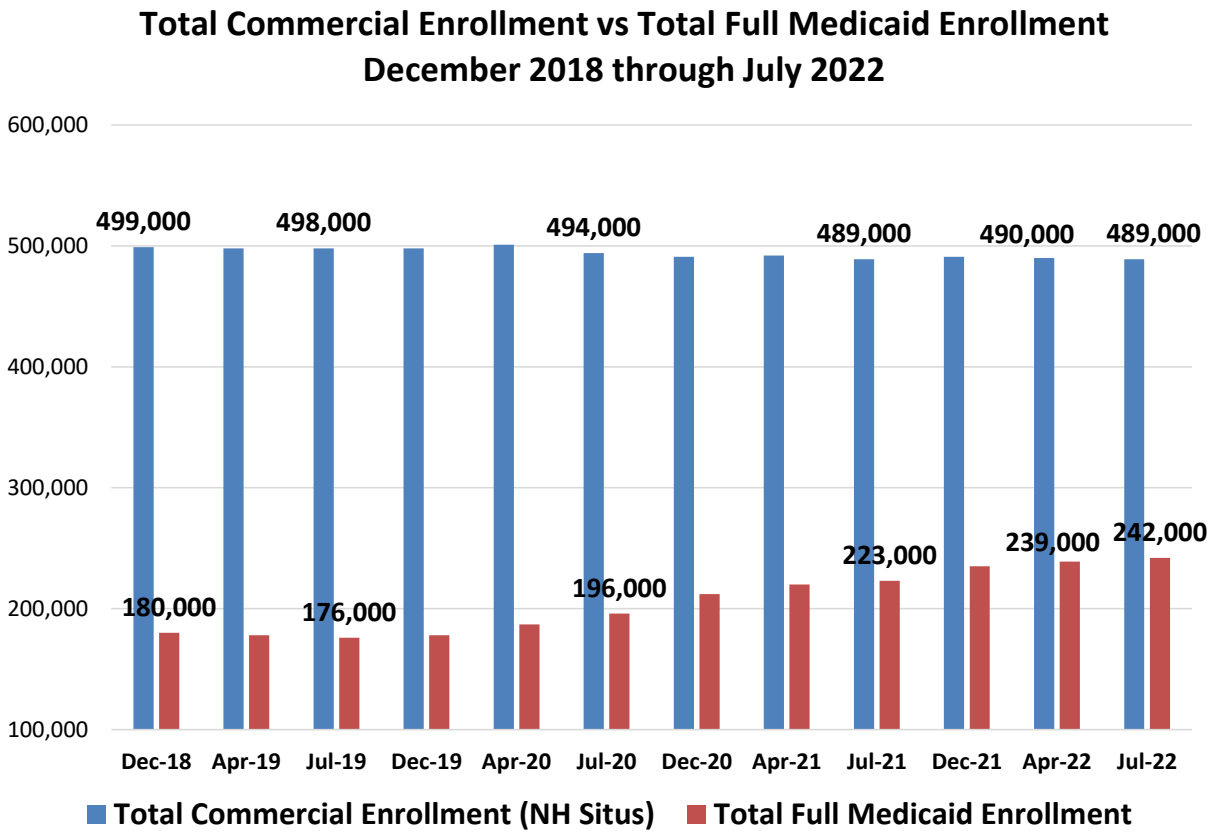


Source: NHID Annual Hearing data. Excludes FEHBP. The Annual Hearing data does not include a few insurers that are in the Supplemental Data Request, however this only represents a small percentage of the total Large Group and Self-Insured membership and this has been estimated and included for purposes of this chart. There may be small differences in the numbers for this chart compared to other charts due to rounding and differences in the point in time that the data represent.

COVERAGE SHIFTS

Based on New Hampshire HHS reporting on Medicaid, enrollees with full Medicaid have increased from 196K as of July 2020 to 242K as of July 2021, with a steady monthly increase during this time period. The New Hampshire Situs Commercial Enrollment is a combination of the four segments analyzed in previous slides (Individual, Small Group, Large Group Fully-Insured and Self-Insured.) Total commercial enrollment has decreased slightly in the most recent time periods.

From July 2020 to July 2022 overall Commercial Enrollment in NH has decreased by 5K members, while Medicaid Enrollment has steadily increased, gaining 46K members overall.



Source: Total Commercial data from the NHID Annual Hearing data. 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 percent of the total Small Group, Large Group and Self-Insured membership and this has been estimated and included for purposes of this chart. There may be small differences in the numbers for this chart compared to other charts due to rounding and differences in the point in time that the data represent. Medicaid enrollment from the NH Department of Health and Human Services. Note: NH PAP (Medicaid Expansion) included in Medicaid enrollment.

COVERAGE SHIFTS

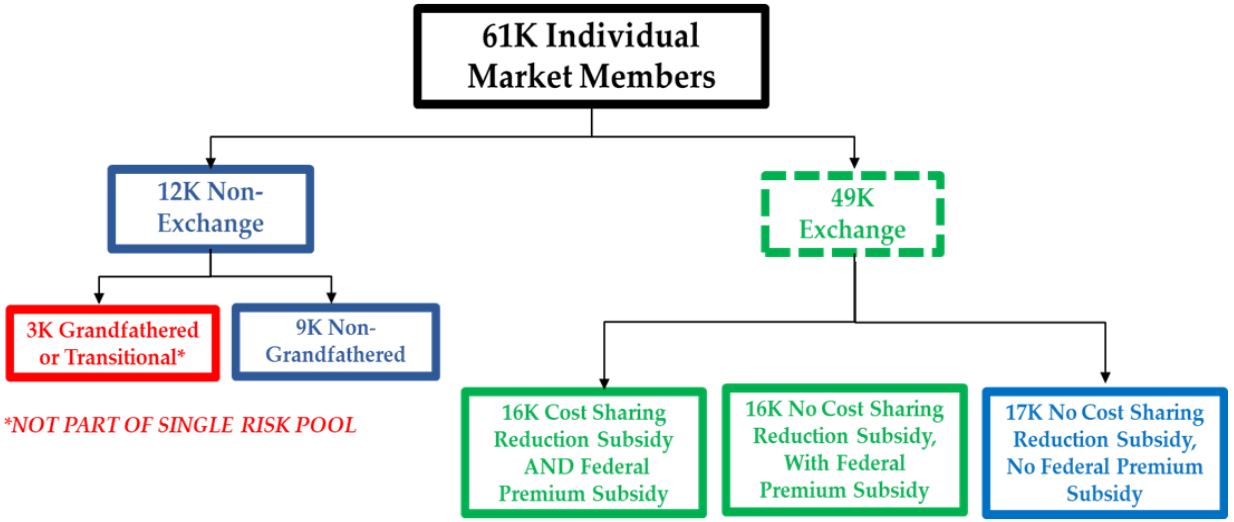
The Individual Market population who are receiving some kind of subsidy are outlined in green, while segments who are not receiving some kind of subsidy are outlined in blue.

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 2022 Individual Market Membership



Source: NHID Annual Hearing data. Excludes FEHBP.

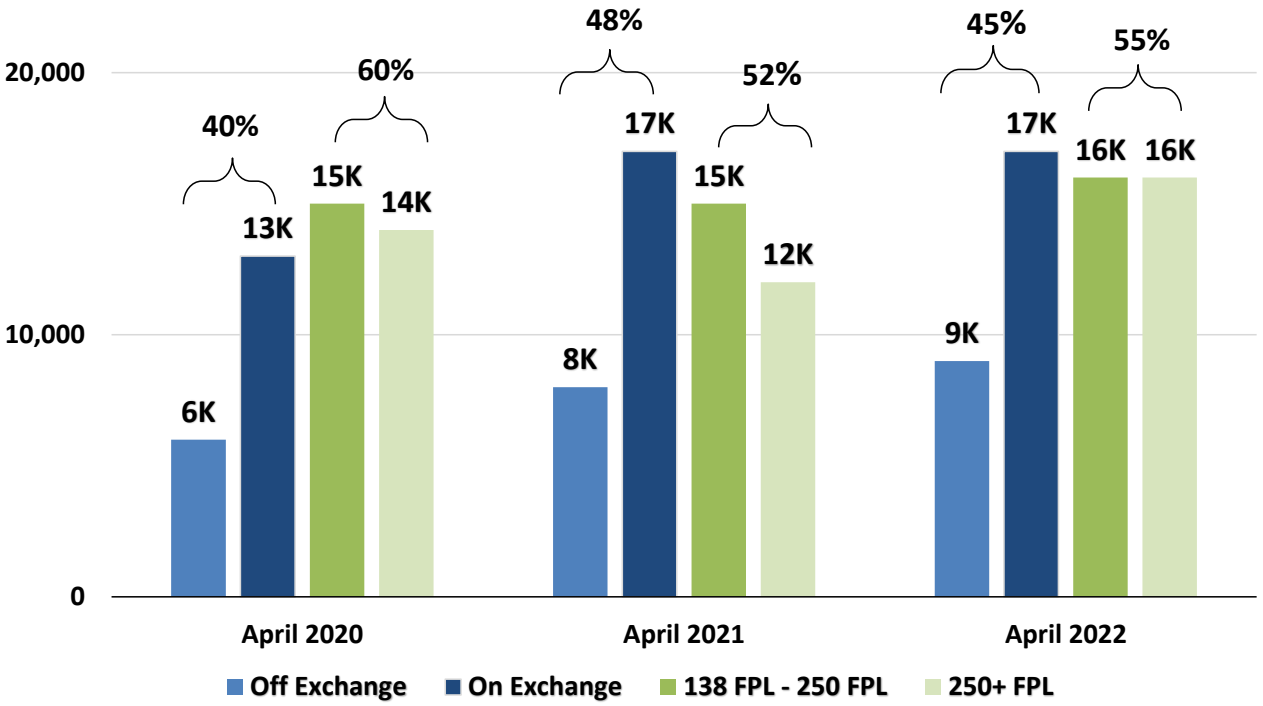
Note: Single Risk Pool is a concept under the ACA where the claims experience from all enrollees have to be considered when an insurer calculates premiums for that market segment. All of the segments shown above are included as part of the Individual Market Single Risk Pool except for the Grandfathered/Transitional 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. There may be small differences in the numbers for this chart compared to other charts due to rounding and differences in the point in time that the data represent.

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 a subsidy are colored in blue.
Enrollees not receiving premium subsidies increased from 19 thousand in 2020 to 25 thousand in 2021 and to 26K in 2022. This is most likely driven by the introduction of the Section 1332 Waiver state-based reinsurance program in 2021. The number of enrollees in the 250+ FPL category increased significantly from 12K in 2021 to 16K in 2022 most likely due the expanded subsidies under ARPA.

In 2022, 55% of the Individual Market Single Risk Pool received some form of subsidy towards health insurance, an increase from 2021 where 52% of members received a subsidy. When only examining Exchange membership, 65% of members received a subsidy in 2022.

2020 - 2022 Individual Market Single Risk Pool Membership



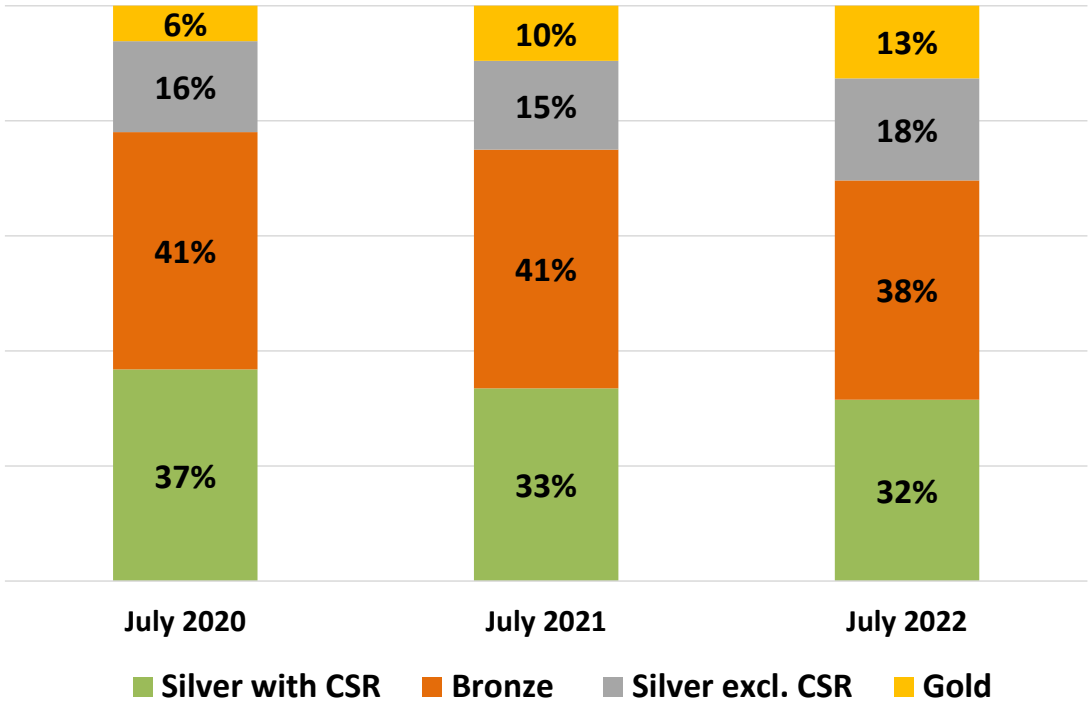
Source: NHID Annual Hearing data. Excludes FEHBP. Note this chart only represents the Single Risk Pool. There may be small differences in the numbers for this chart compared to other charts due to rounding and differences in the point in time that the data represent.

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 Bronze plans to richer Silver (excluding CSR) and Gold plans from 2020 to 2022. From 2021 to 2022 the percentage of enrollees in Silver plans excluding CSR and Gold plans each increased three percentage points. This is coupled with a decreases in Silver CSR plans and Bronze plans in 2022. The chart does not include catastrophic members which represent less than 2% of exchange membership each year.

From 2020 to 2022, membership in the Individual Market Exchange shifted away from Bronze plans towards Silver (excluding CSR) and Gold plans.

2020, 2021 and 2022 Individual Market Exchange Membership by Metal Level



Source: NHID Annual Hearing data. Excludes catastrophic membership, and American Indians/Alaskan Natives.

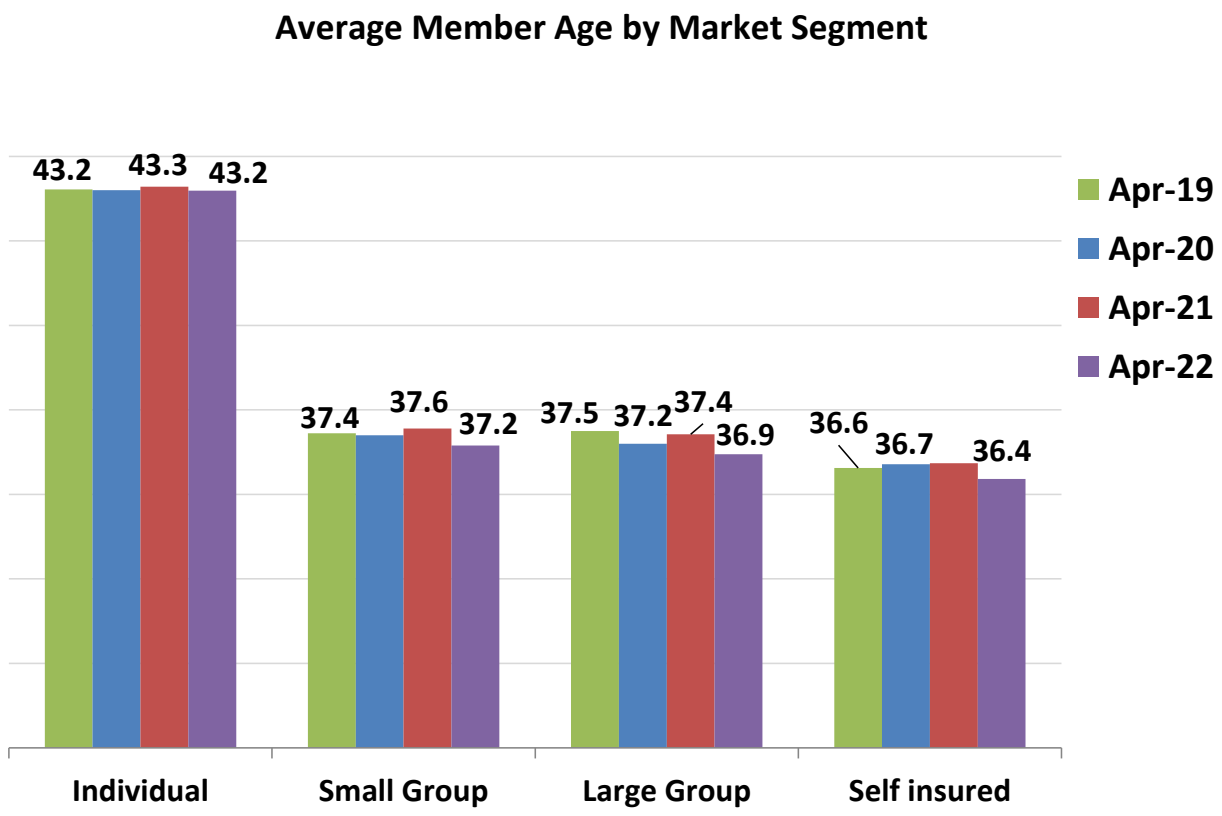
COVERAGE SHIFTS

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 remained unchanged from 2019 to 2022, despite increased enrollment in this segment.

After a slight increase in 2021, the average age in the Small Group Market decreased slightly in early 2022. The Large Group Market also experienced a decrease in the average age in early 2022 after a small increase in 2021.

The Self-Insured Market continued to have a slightly younger average age than the Small Group and Large Group Fully-Insured Markets, and experienced a slight decrease in 2022.

The average age in all markets decreased slightly in early 2022.



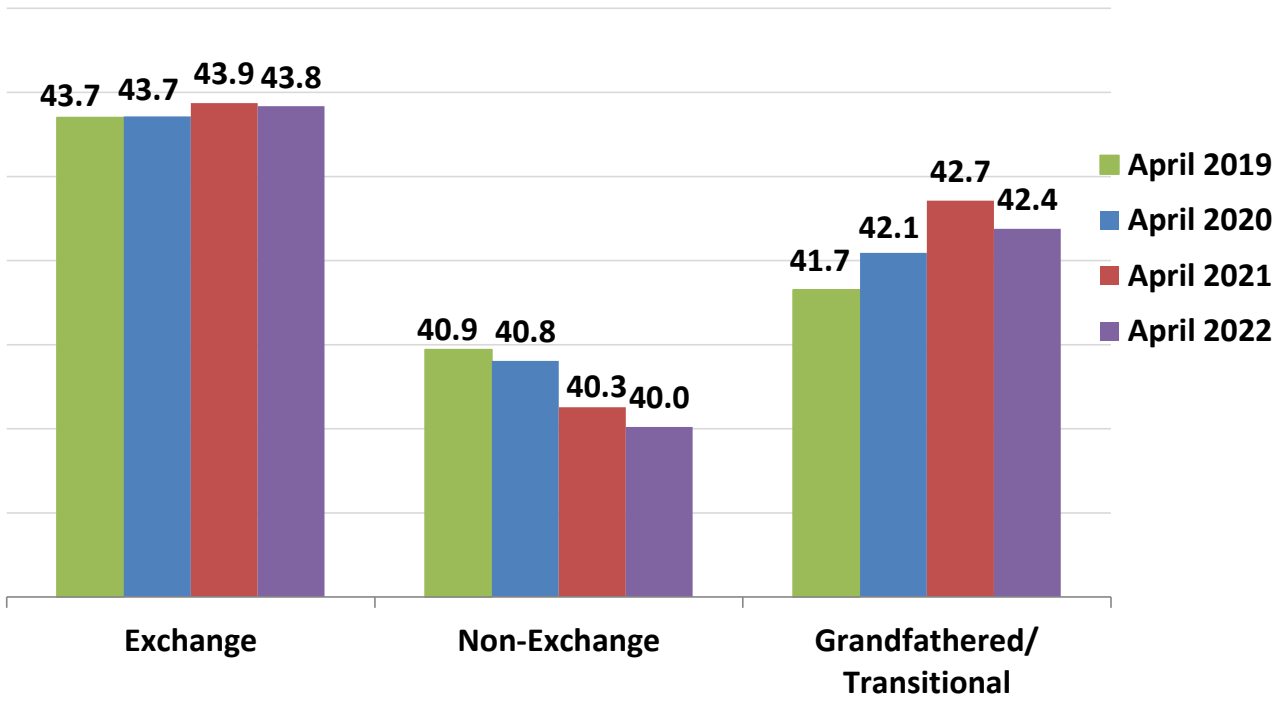
Source: NHID Annual Hearing data 2018, 2019, 2020, and 2021; Excludes FEHBP. The Self-Insured data is excluding Tufts Health Freedom Plan for all years.

COVERAGE SHIFTS

From 2019 to 2021, the average age of the Grandfathered/ Transitional segment experienced steady increases from 41.7 to 42.7. This makes sense given it is a closed pool and it is more likely that older members will remain in this segment. In 2022, the average declined slightly. The average age of the Non-Exchange segment has decreased over the four years examined from 40.9 in 2019 to 40.0 in 2022. The Exchange population's average age has stayed relatively flat.

Within the Individual Market, the Exchange population's average age did not change significantly, while the Non-Exchange population's average age decreased each year from 2019 to 2022. The Grandfathered/Transitional population's average age decreased in 2022 after increasing the prior three years.

Average Member Age by Individual Market Segment



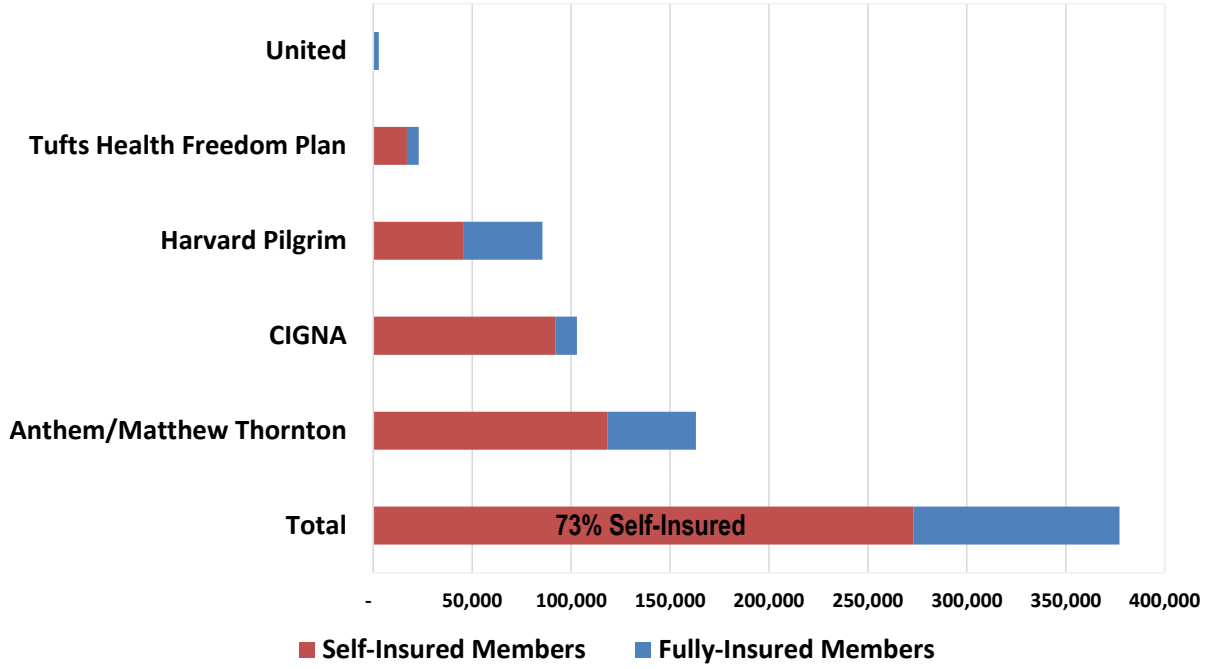
Source: NHID Annual Hearing data 2019 2020, 2021 and 2022; Excludes FEHBP.

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 2021, 73% of the Large Group Market was self-insured, driven by enrollment in Anthem and CIGNA. These two insurers account for more than three quarters of self-insured enrollment.

Large Group Membership Distribution by Self-Insured vs. Fully-Insured, 2021



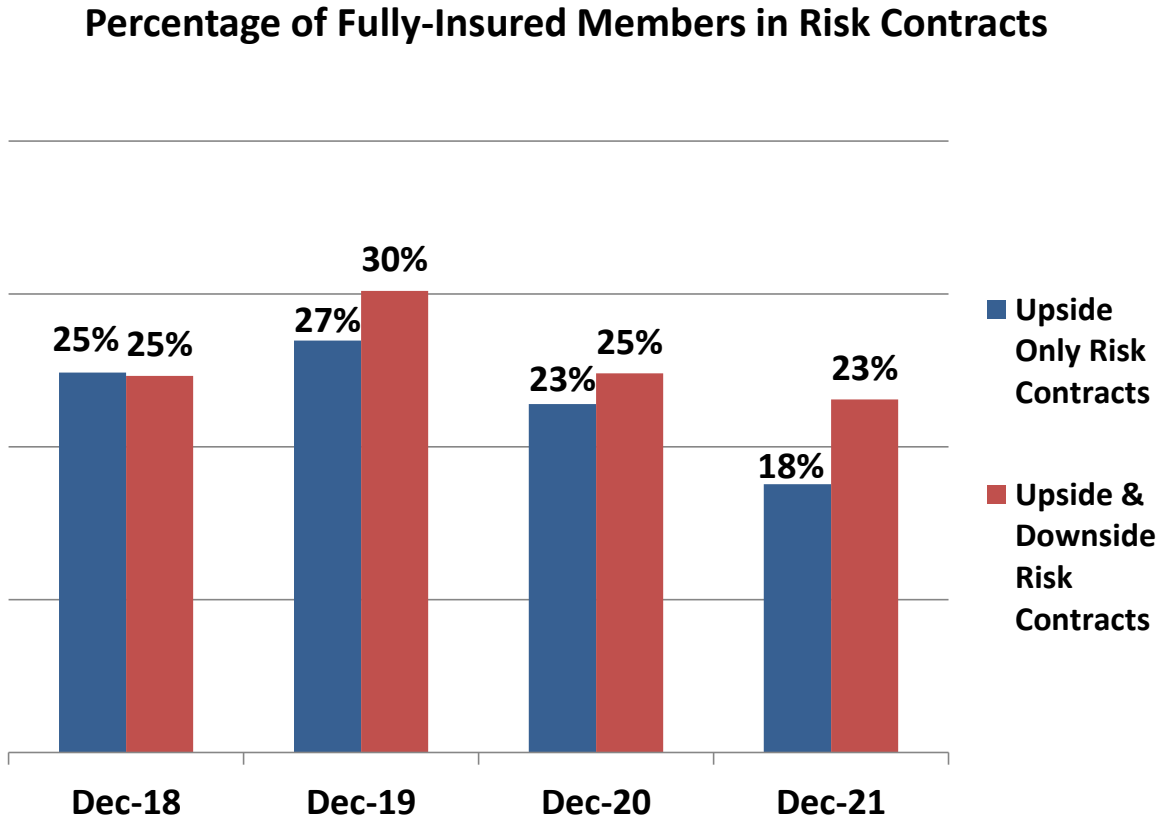
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. Anthem Health Plans of NH, Inc Matthew Thornton Health Plans Inc. are shown combined, as are the 3 HPHC entities (Harvard Pilgrim Health Care of New England, HPHC Insurance Company and Health Plans, Inc).United is UnitedHealthcare Insuran ce Company. As of January 1, 2021, UnitedHealthcare owns Tufts Health Freedom Plan.

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. Two out of five insurers reported membership in these contracts across the NH Commercial market. 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. Three out of five insurers reported membership in these contracts across the NH Commercial market. This chart shows the changes in the Fully-Insured segment. There was a decrease in percentages from 2019 to 2021 in both upside only and upside & downside risk contracts of nine percentage points and seven percentage points respectively.

Within the Fully-Insured Markets, the percentage of members in both upside only and upside & downside risk contracts decreased from 2019 to 2021.



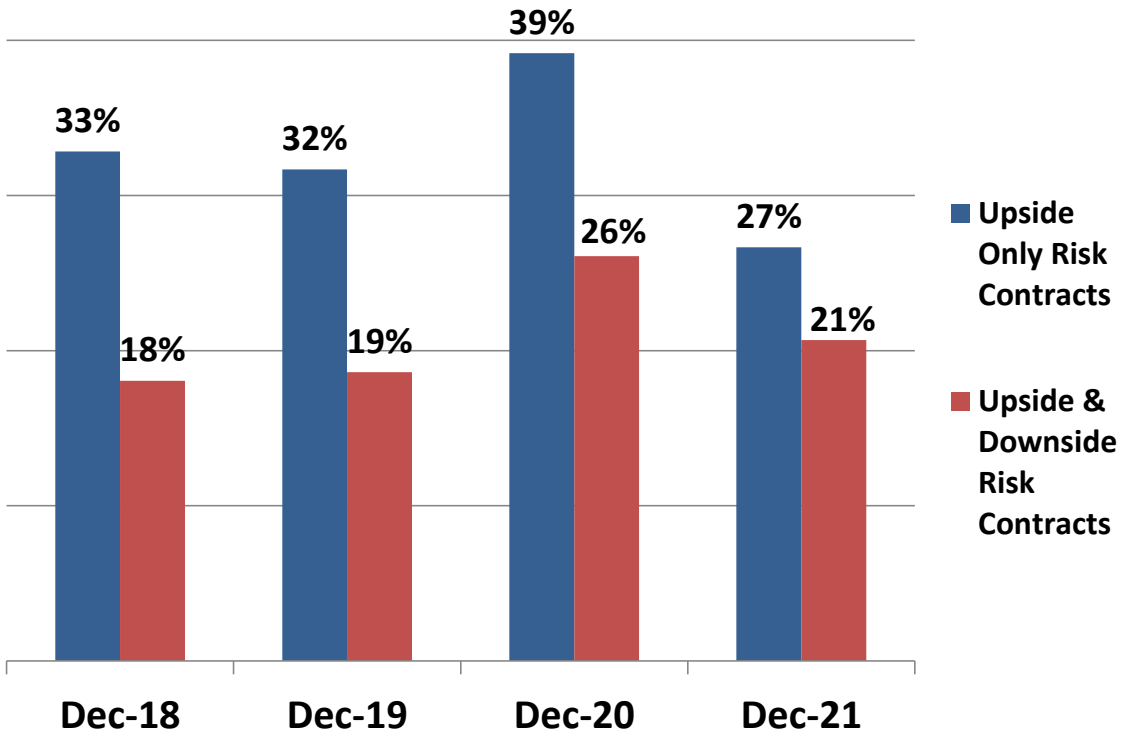
Source: NHID Annual Hearing data. Includes all markets. Excludes FEHBP.

COVERAGE SHIFTS

While the previous slide shows the changes in provider risk contract enrollment in the Fully-Insured segment, this chart shows the changes in enrollment for the Self-Insured segment. The percentages in upside & downside risk contracts decreased from 26% in 2020 to 21% in 2021. Two out of five insurers reported membership in these contracts across the NH Commercial market. The percentage of members with upside only risk contracts decreased in 2021 to 27% after an increase in 2020 to 39%. Three out of five insurers reported membership in these contracts across the NH Commercial market.

In the Self-Insured segment, the percentage of members in risk contracts with both upside and downside risk decreased from 26% in 2020 to 21% in 2021, and the percentage with upside only risk decreased from 39% to 27% from 2020 to 2021.

Percentage of Self-Insured Members in Risk Contracts



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

PREMIUM LEVEL AND TRENDS

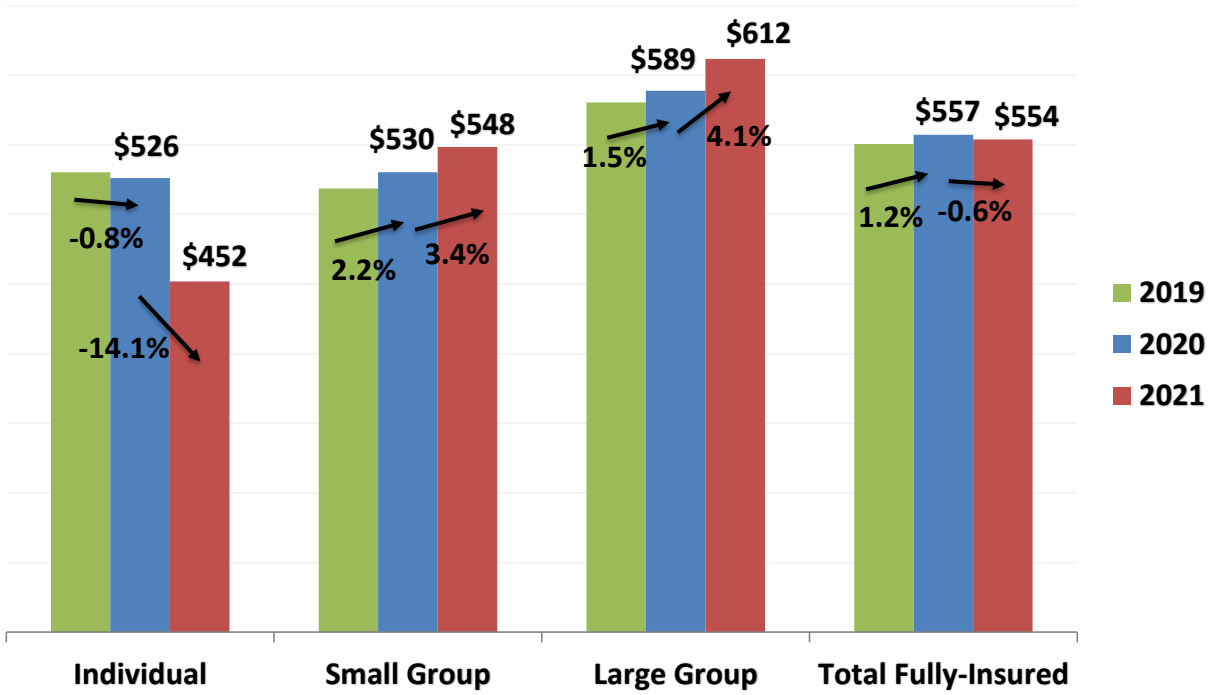
PREMIUM LEVEL AND TRENDS

The average premiums in the Fully-Insured Market increased 1.2% in 2020 and decreased 0.6% in 2021. The Individual Market decrease in 2021 is due to the start of the Section 1332 Waiver state-based reinsurance program. The Small Group Market experienced increases in both 2020 and 2021 of 2.2% and 3.4% respectively while the Large Group Market premiums increased 1.5% in 2020 and 4.1% in 2021. Based on the 2021 Employer Benefits Survey from the Kaiser Family Foundation and the Health Research & Education Trust, in 2021, average premiums in the Employer Market increased 4% for single coverage and 4% for family coverage from 2020 to 2021.

Total 2021 premium reported for fully-insured business was $1.5B. Total 2021 premium equivalents for self-insured business was $1.8B, for a total across both lines of business of $3.3B.

The overall average Fully-Insured premium PMPM in New Hampshire decreased 0.6% in 2021. The Small and Large Group Market premiums increased 3.4% and 4.1% respectively, while the Individual Market premiums decreased 14.1%, driven by the state-based reinsurance program that began 1/1/2021.

Fully-Insured Commercial Premium PMPMs by Market Segment

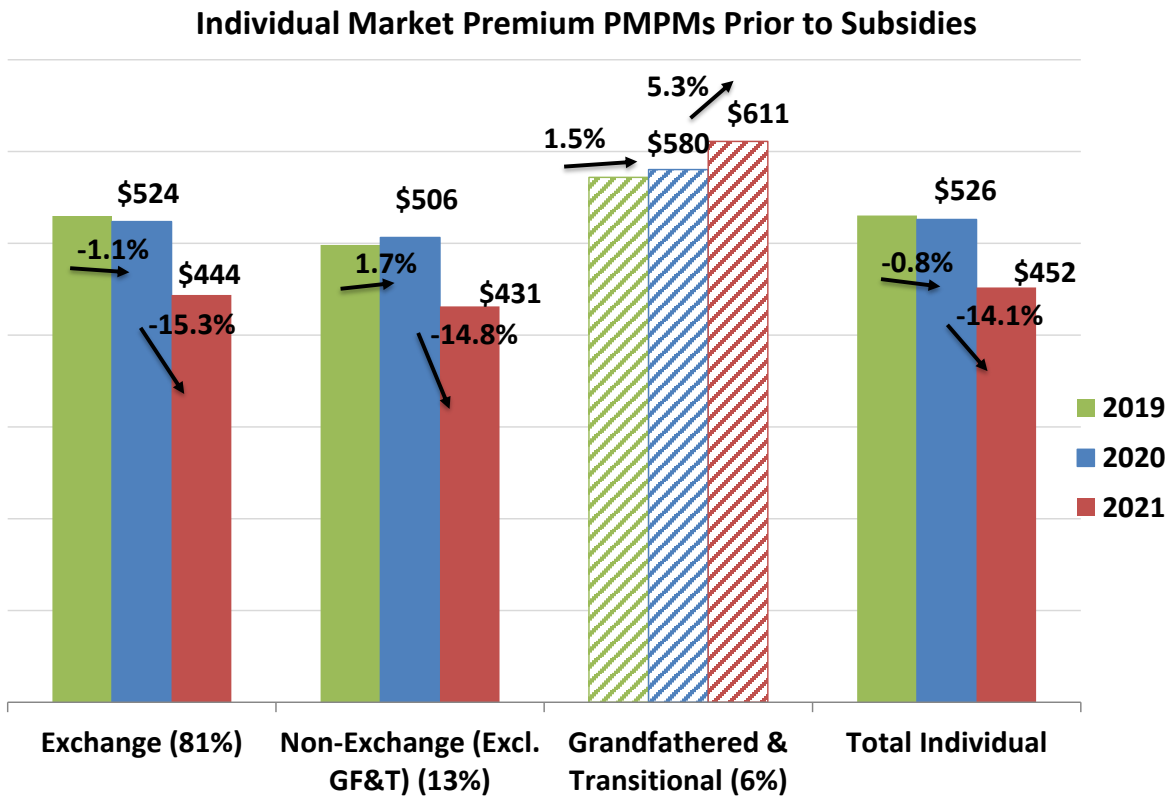


Source: NHID Supplemental Data Request; Commercial fully-insured population including New Hampshire situs membership only. Excludes FEHBP population. Three insurers provided COVID premium credits in 2020. The 2020 data reflects the COVID premium credits for two of the three insurers. One insurer did not reduce the premiums reported in the SDR for COVID-19 premium credits but the premium credits for this insurer represents less than $0.50 PMPM across the large group insured market. Kaiser Family Foundation 2021 Employer Benefits Survey: https://www.kff.org/report-section/ehbs-2021-section-1-cost-of-health-insurance/

PREMIUM LEVEL AND TRENDS

The average premium in the overall Individual Market decreased 14.1% from 2020 to 2021.

The overall Individual Market average premium in 2021 decreased 14.1% compared to 2020. The large decreases in the Exchange and Non-Exchange segments was driven by the introduction of the Section 1332 Waiver state-based reinsurance program on 1/1/2021. The Exchange segment was the largest segment, representing 81% of the 2021 Individual Market enrollment. The Grandfathered/Transitional population experienced an increase in 2021 of 5.3%. This is a small and shrinking population which is not part of the Single Risk Pool and is shown shaded rather than in solid colors. This reinsurance program does not cover this segment. In 2020 in each of the segments within the Individual Market, the premium trends were either negative or low.

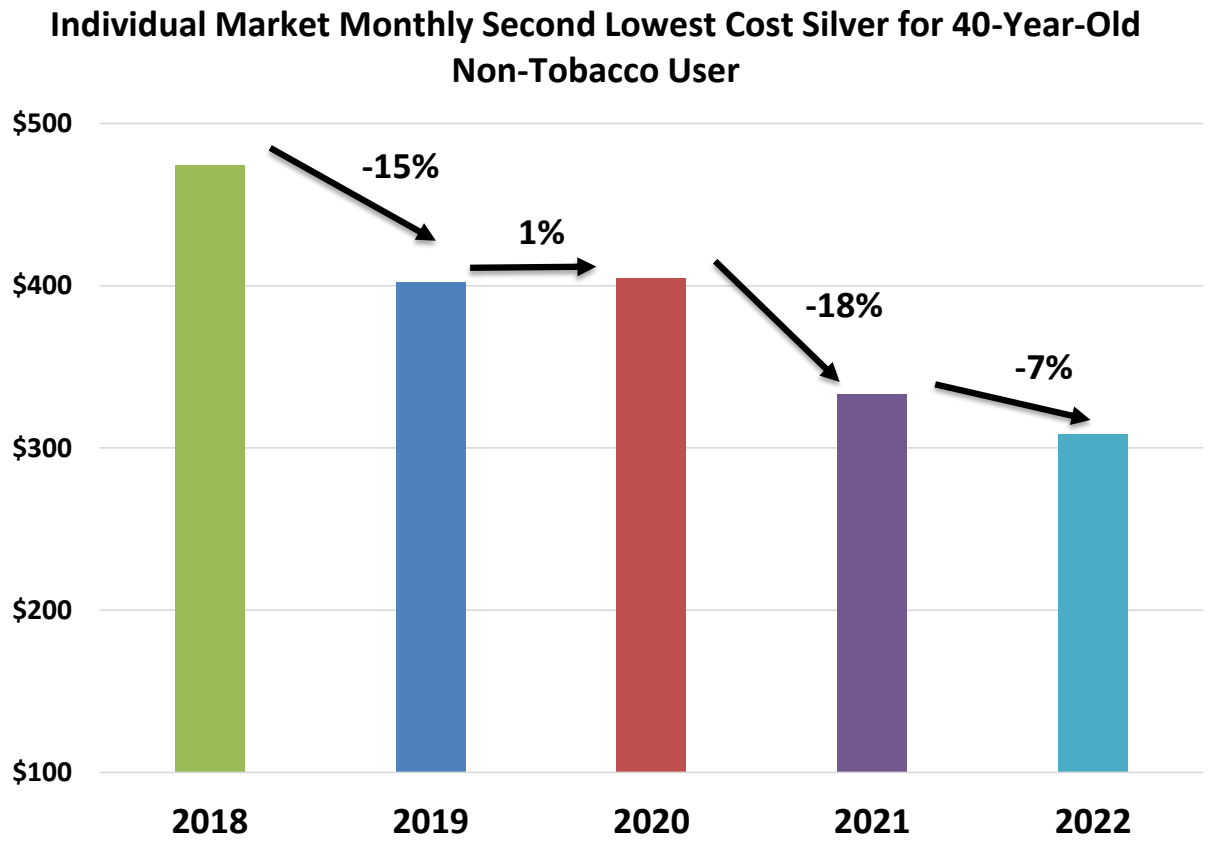


Note: The distribution % shown under each market is based on 2021 member months.
Source: NHID Supplemental Data Request; Commercial fully-insured population including New Hampshire situs membership only. Excludes FEHBP population.

PREMIUM LEVEL AND TRENDS

The rate change in the second lowest cost silver plan from 2018 to 2019 was negative, -15%. 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 1% increase. The 2021 rate decrease was -18% which is stated to be attributed in part to market trends and in part due to the approval of the Section 1332 Waiver state-based reinsurance program. In 2022, there is further reduction in the second lowest cost silver of 7%. The cumulative decrease from 2018 to 2022 was 35%.

The 2019, 2020, 2021 and 2022 rate changes in the Individual Market's second lowest cost silver plan were all favorable and resulted in a cumulative 35% decrease from 2018 to 2022. The Section 1332 Waiver state-based reinsurance program first started in 2021 had a favorable impact on premiums in 2021.



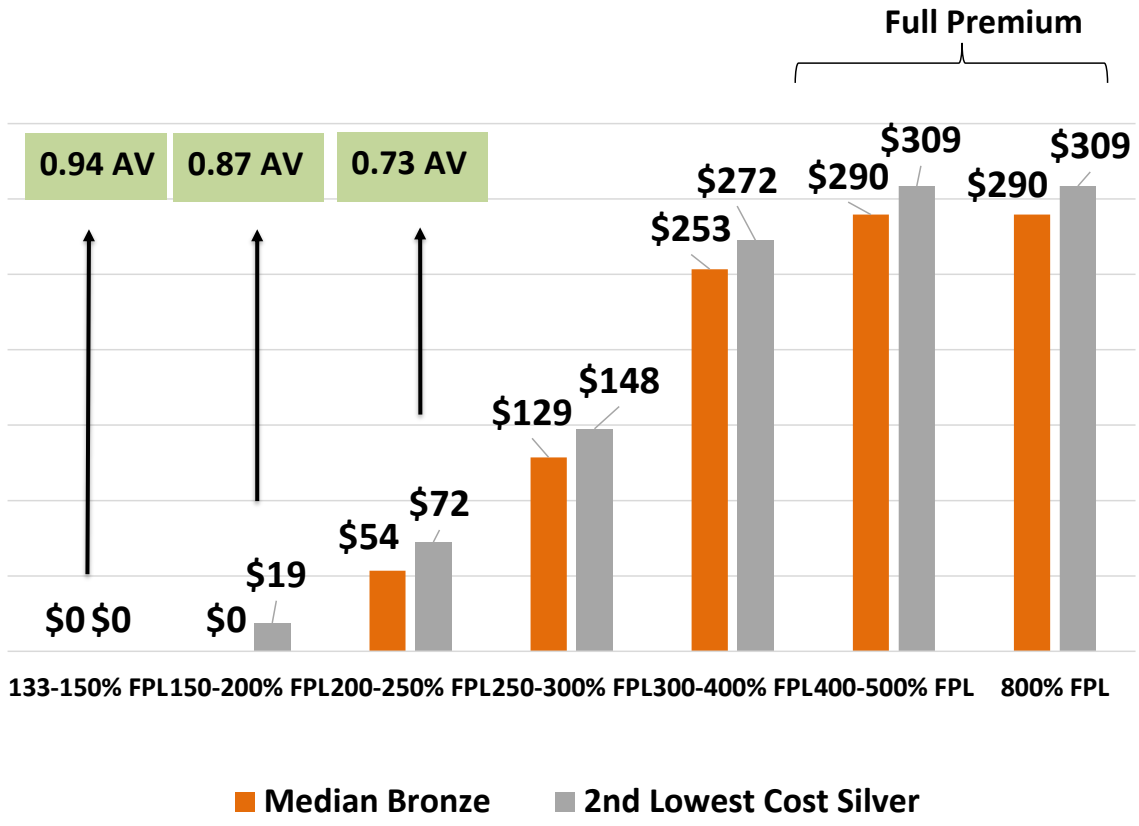
Sources: https://www.cms.gov/CCIIO/Resources/Data-Resources/QHP-Choice-Premiums. Rates translated from a 27 year old to a 40 year old.

PREMIUM LEVEL AND TRENDS

Lower income members with cost sharing reduction subsidies and advanced premium tax credits pay significantly less than members at higher income levels.

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 2022 at various income levels under the American Rescue Plan Act (ARPA). $309 is the full premium for the second lowest cost silver plan in 2022 while $290 is the full premium for the median Bronze plan in 2022, both for a 40-year-old. While ARPA provides subsidies for incomes over 400% of FPL, the subsidies only come into effect after the enrollee pays 8.5% of their income towards health insurance. Generally, 8.5% of these enrollees income is higher than the actual premium rates for the second lowest costing Silver and median Bronze plan and therefore subsidies are not provided. For older individuals, 8.5% of income may be lower than the actual premium rate and in these instances there may be subsidies.

2022 Monthly Premium 40-Year-Old Non-Tobacco Single Policyholder under ARPA



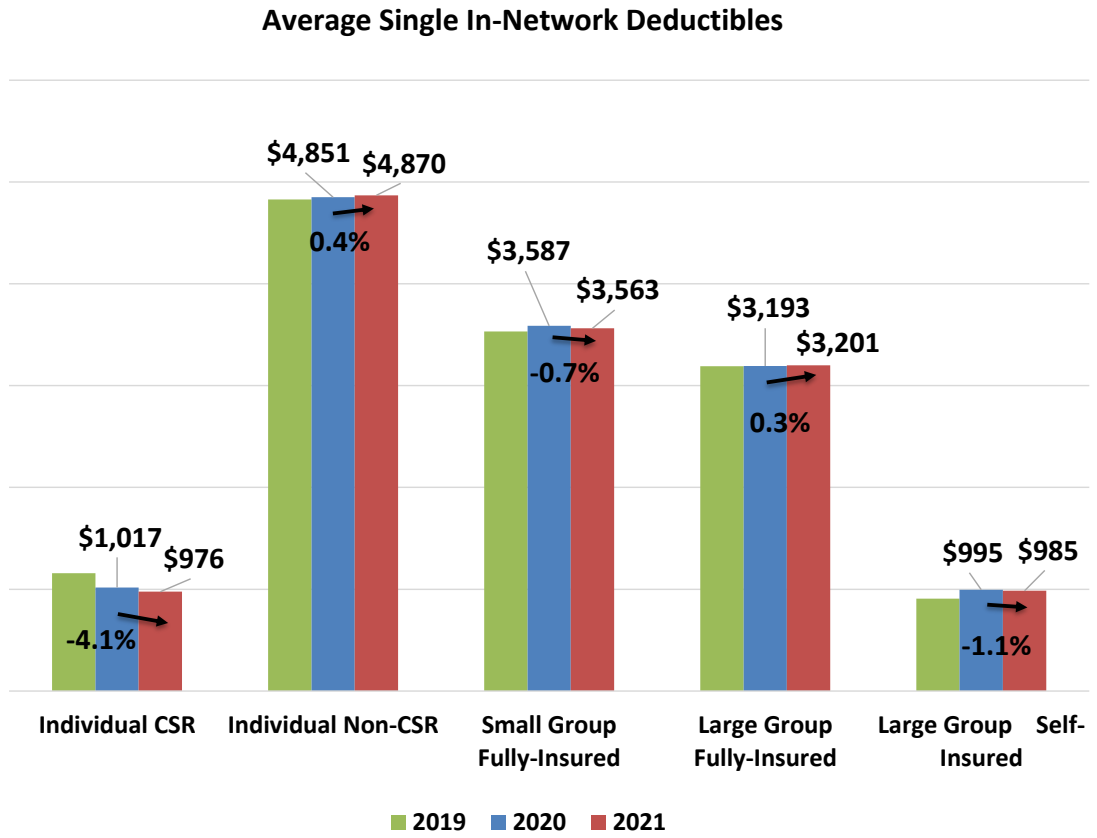
Note: These charts assume the age of the adult enrollee is 40 and that the enrollees are enrolled in the second lowest cost silver plan or median bronze plan. $333 is the full premium for the second lowest cost silver plan in 2021. $277 is the full premium for the median bronze plan in 2021. ARPA is the American Rescue Plan Act of 2021.

MEMBER COST SHARING

COST SHARING

All segments experienced decreases or minimal change in average deductibles from 2020 to 2021. The relatively small premium changes in each of the fully-insured markets was most likely coupled with little change in the average deductibles.

Individual Market without Cost Sharing Reduction (CSR) subsidies, Small Group, and Large Group Fully-Insured segments each experienced minimal change in their average deductibles from 2019 to 2021. In 2020 and 2021, enrollees in these market segments most likely did not need to move to plans with higher deductibles given the small changes in premium. The Large Group Self-Insured Market also experienced a decrease from 2020 to 2021 and continued to have a much lower average deductible, approximately $2,200 lower than the Large Group Fully-Insured Market. Note that these are the average deductibles of the plans that members enrolled in, not the amount actually spent towards the deductible by members.



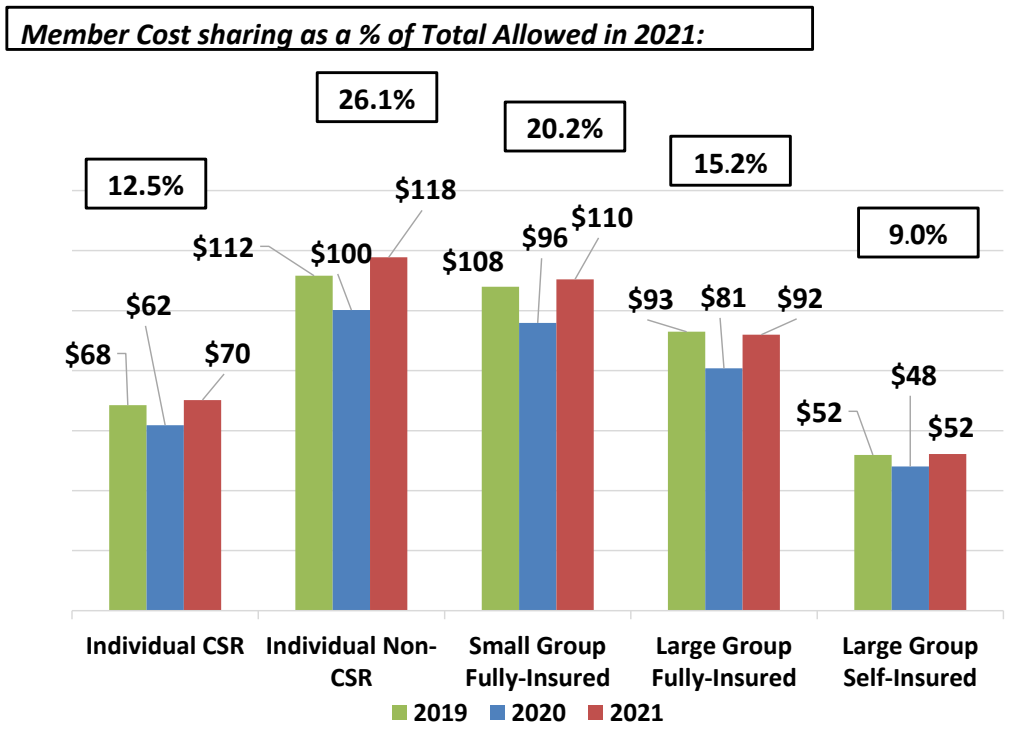
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population and approximately 300 members reported as small group self-insured. THFP was unable to provide plan design information for ~6% of their membership. Those members have been excluded from this analysis. Data shown is for single, in-network coverage and includes zero dollar deductibles. Individual Market data accounts for the lower cost sharing for members that receive Cost Sharing Reduction (CSR) discounts.

COST SHARING

Member cost sharing includes costs paid by members in the form of deductibles, copayments and coinsurance. In 2021, cost sharing PMPMs increased, reverting back to 2019 levels for most market segments. The decrease in 2020 was likely due to members utilizing less services and a change in the mix of services due to the impact of COVID-19. Another contributory factor is that some services had their cost sharing waived in 2020. Individual Market enrollees without CSR paid the most in member cost sharing at $118 PMPM in 2021 which represented 26% of allowed claim costs. This is in contrast to the Individual Market enrollees with CSR who paid $70 PMPM in member cost sharing which represents 12.5% of allowed claim costs. The Large Group Self-Insured segment continued to pay the least in cost sharing at $52 PMPM.

Individuals without CSR (above 250% of the FPL) paid $118 PMPM in member cost sharing or 26% of total allowed claims in 2021. This is higher than other market segments. Large Group Self-Insured members paid the lowest at $52 PMPM or 9% of total allowed claims.

Member Cost Sharing PMPM



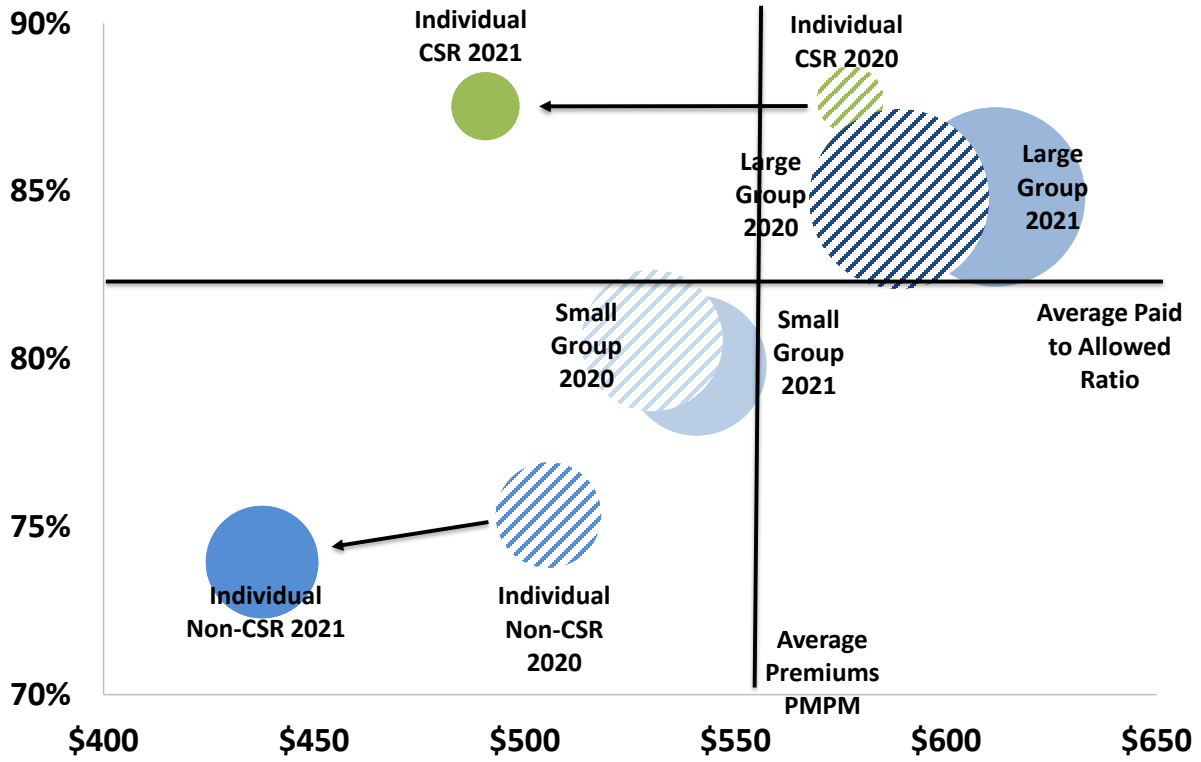
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population and approximately 300 members reported as small group self-insured. Individual Market data accounts for the lower cost sharing for members that receive Cost Sharing Reduction (CSR) discounts. Commissioner's order waived cost sharing for COVID testing and services at time of the visit: https://www.nh.gov/insurance/legal/documents/nhid-order-health-insurer-coverage-coronavirus.pdf. Governor's order waived cost sharing for telemedicine services related to COVID. https://www.governor.nh.gov/sites/g/files/ehbemt336/files/documents/emergency-order-8.pdf. In addition, insurers may have waived cost sharing for other services.

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 richer the benefits. Individual Market enrollees who received Cost Sharing Reduction subsidies (indicated by the green bubbles) has the richest benefits in the market in 2021. By contrast, the enrollees within the Individual Market who did not receive Cost Sharing Reduction subsidies (Individual Non-CSR) have the least rich benefits in the market. Due to the large premium decreases in both the Individual CSR and Individual Non-CSR, the premium levels are lower than each of the group markets.

Enrollees in the Individual Market with subsidized insurance had the most comprehensive health insurance benefits followed by the Large Group Market.

2020 and 2021 Fully-Insured Premium Levels vs. Paid to Allowed Claims Ratio



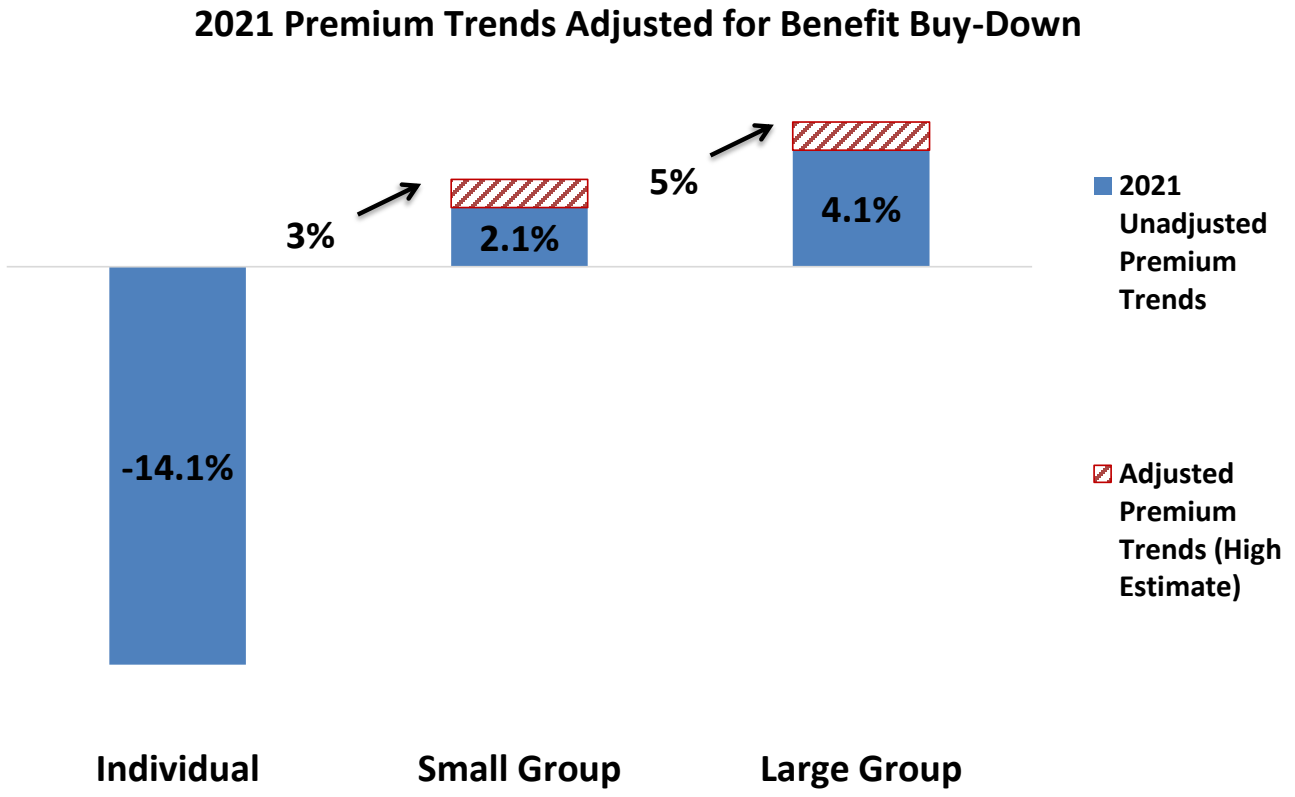
Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. The size of the circle indicates the relative size of the segment in members. Segments that receive a subsidy are colored in green and segments that receive no subsidy 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 the Premium Section along with the estimated impact of benefit buy-down, which is the resulting premium trends in the absence of plan design changes. In both the Small Group and Large Group Markets, there was minimal benefit buy-down in 2021, consistent with 2020. It is estimated that there was no benefit buy-down in 2021 for the Individual Market, most likely due to the large premium decrease from the state-based reinsurance program.

Similar to 2020, there was minimal benefit buy-down in 2021. In each of the Group Fully-Insured Market Segments, benefit buy-down is estimated at 0% to 1%. There was not benefit buy-down estimated for the Individual Market, most likely due to the large premium decrease.



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

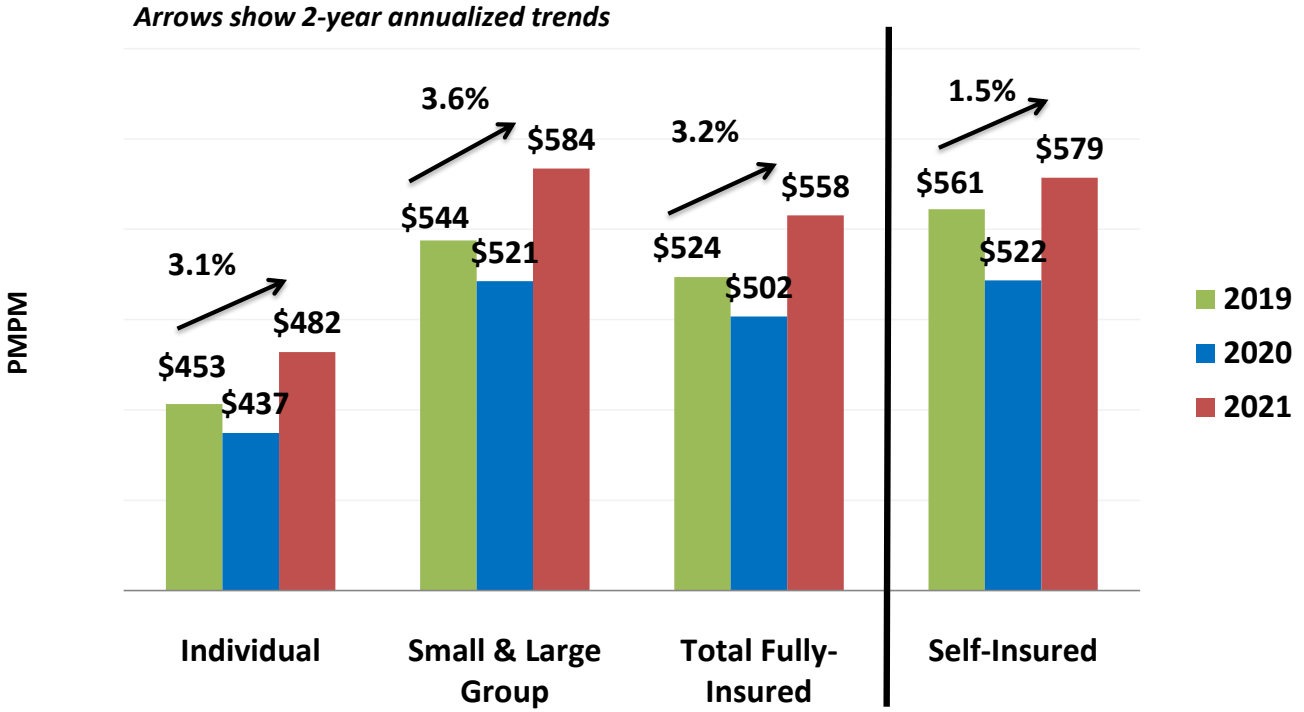
CLAIM TRENDS

CLAIM TRENDS

Allowed claims per member per month (PMPM) levels decreased from 2019 to 2020 but then increased in 2021 to levels higher than 2019. The decrease in the Fully-Insured Market from 2019 to 2020 was 4.2% followed by an inrease of 11.2% from 2020 to 2021. This is primarily due to the impacts from COVID-19 on utilization levels in 2020. The allowed claims PMPM trend in the overall Fully-Insured Market was 3.2% on a two-year annualized basis from 2019 to 2021. The Self-Insured Market experienced a slightly lower two-year annualized trend of 1.5% during this same time period.

Allowed claims PMPMs significantly increased from 2020 to 2021. This was driven by the low utilization levels in 2020 as a result of COVID-19. The two-year annualized trend from 2019 to 2021 across the Fully-Insured segment was 3.2%.

Allowed Claims PMPM



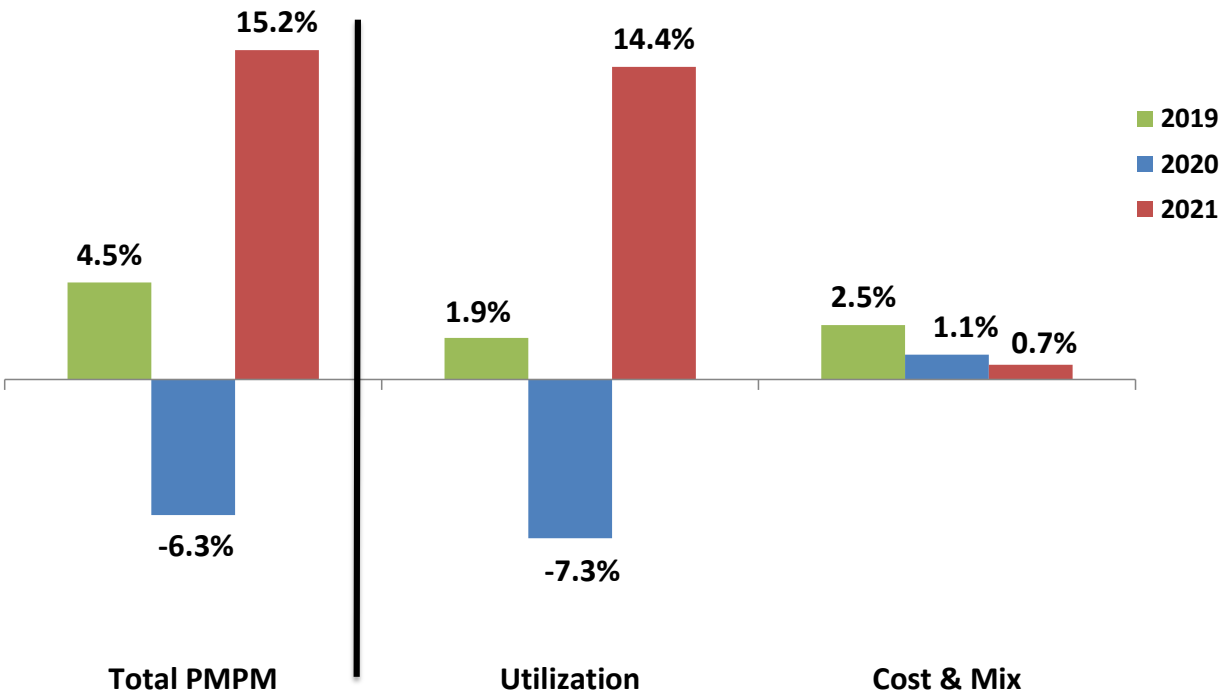
Source: NHID Annual Hearing data. Self-Insured data are from the NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP. Includes both fee for service (FFS) and non-FFS expenses.

CLAIM TRENDS

This chart starts with the fee for service only (FFS) per member per month (PMPM) trend for the combined Small Group and Large Group Markets and separates 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. The impacts from COVID-19 have caused dramatic shifts in the utilization trends: -7.3% in 2020 followed by a +14.4% in 2021.

The 2021 trends in the Group Markets were significantly higher than 2020 trends primarily driven by increases in utilization. This is the opposite of 2020 where utilization trends were negative. The impacts from COVID-19 caused dramatic changes in medical trend.

Fully-Insured Allowed Claims Trend - Small and Large Group Markets (Fee for Service Claims Only)



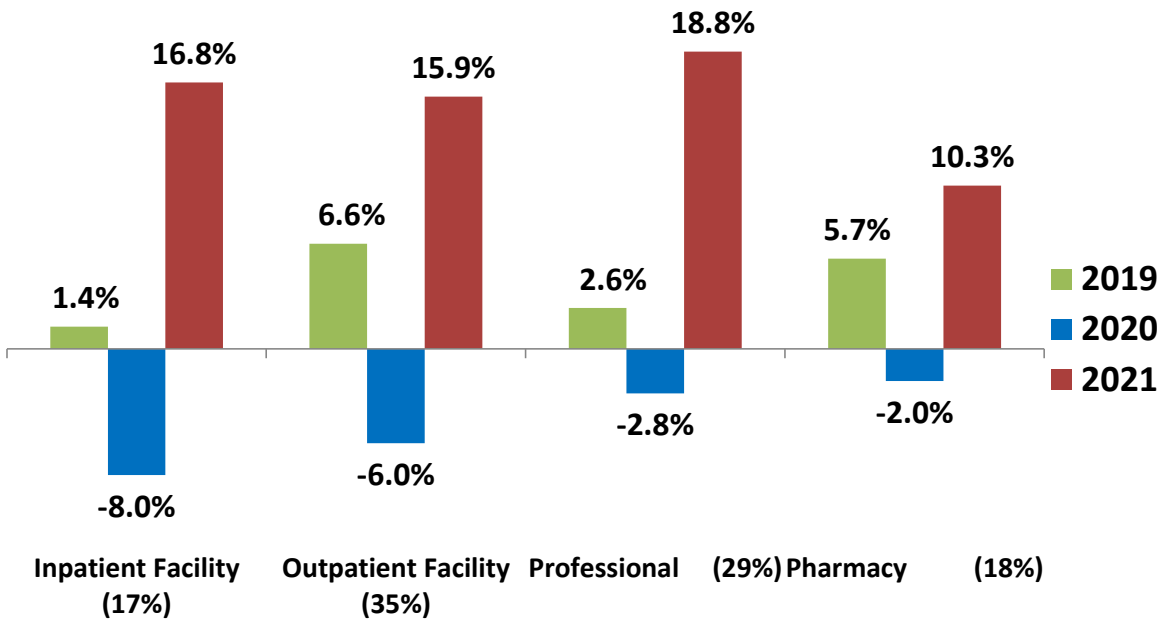
Source: NHID Annual Hearing data. This chart excludes FEHBP and this chart excludes data from Tufts Health Freedom Plan (THFP). Exclusion of THFP is not expected to significantly impact the results. This chart is for Fee for Service (FFS) Claims Only which is different than the previous page which includes both FFS and non-FFS expenses.

CLAIM TRENDS

High positive allowed claims PMPM trends in all medical fee for service (FFS) categories in 2021 were expected due to low utilization levels in 2020 as a result of COVID-19. Pharmacy trends were also positive, driven by both higher utilization and higher cost & mix trends. There are additional non fee-for-service (FFS) costs that are not included in this chart but are included in the total allowed PMPM's in a prior slide. These non-FFS claims include costs for capitated services and risk sharing payments with providers. Non-FFS costs decreased from $21 PMPM in 2020 to $5 PMPM in 2021. The large changes are primarily driven by changes in provider risk sharing.

All service categories experienced double digit positive PMPM trends in 2021 following negative trends in 2020. High positive trends for the medical service categories were expected in 2021 due to the low utilization levels in 2020 as a result of COVID-19.

Allowed Claims PMPM Trends by Service Category - Small & Large Group (Fee For Service Claims Only)



Note: The distribution percentage shown under each service category is based on 2021 FFS claims. Not shown is the "Other" service category which accounts for 1% of the 2021 FFS claims. This category is omitted due to the different services each insurer r eports 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 a prior slide. These non-FFS claims include costs for capitated services (such as for behavioral health) and risk sharing payments with providers.

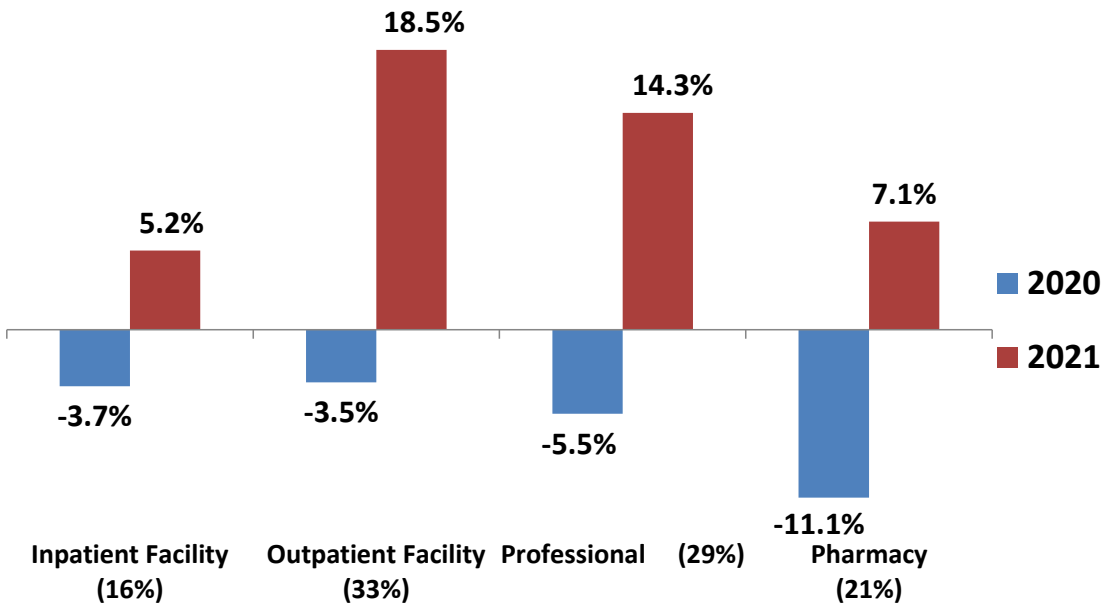
Source: NHID Annual Hearing data. FFS only. Excludes FEHBP.

CLAIM TRENDS

High positive allowed claims PMPM trends in all medical fee for service (FFS) categories in 2021 were expected due to low utilization levels in 2020 as a result of COVID-19. Pharmacy trends were also positive, driven primarily by higher cost & mix trends. There are additional non fee-for-service (FFS) costs that are not included in this chart but are included in the total allowed PMPM's in a prior slide. These non-FFS claims include costs for capitated services and risk sharing payments with providers. Non-FFS costs decreased from $14 PMPM in 2020 to $6 PMPM in 2021. The large changes are primarily driven by changes in provider risk sharing.

Similar to the Group Market, all service categories experienced higher positive trends in 2021 following negative trends in 2020. High positive trends for the medical service categories were expected in 2021 due to the low utilization levels in 2020 as a result of COVID-19.

Allowed Claims PMPM Trends by Service Category - Individual Market (Fee For Service Claims Only)



Note: The distribution percentage shown under each service category is based on 2021 FFS claims. Not shown is the "Other" service category which accounts for 1% of the 2021 FFS claims. This category is omitted due to the different services each insurer r eports 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 a prior slide. These non -FFS claims include costs for capitated services (such as for behavioral health) and risk sharing payments with providers.

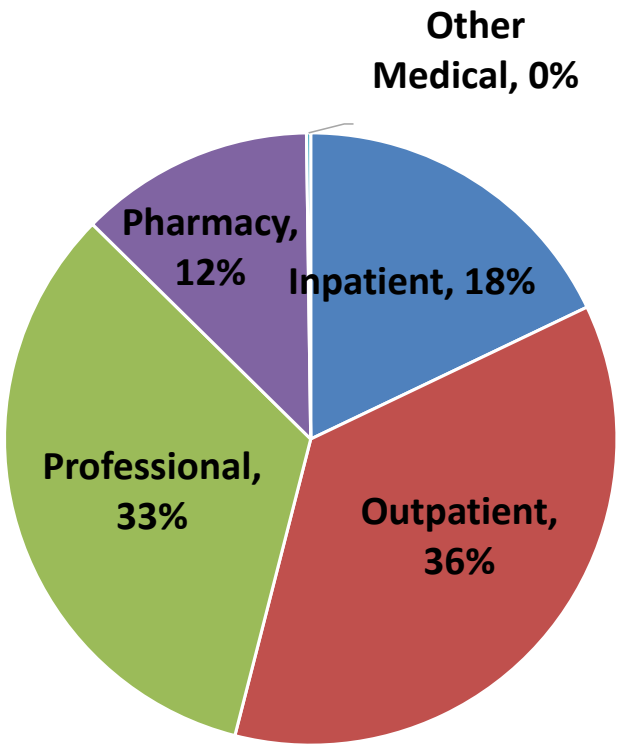
Source: NHID Annual Hearing data. FFS only.

CLAIM TRENDS

This slide examines the drivers of the overall positive FFS trend in 2021. As shown, Outpatient Facility and Professional Services contribute more than two-thirds to the overall trend, driven by both the size of the category (representing 35% and 29% respectively of total FFS claims in 2021) and the large positive trend in 2021 of 15.9% and 18.8%, respectively. Inpatient Facility also contributed to the positive trend in 2021, at 18%. Pharmacy contributed 12% to the positive trend.

Outpatient Facility was the largest contributor to the overall positive trend in 2021, responsible for slightly more than one third of the overall trend.

Contributors to 2021 Group Market Trends



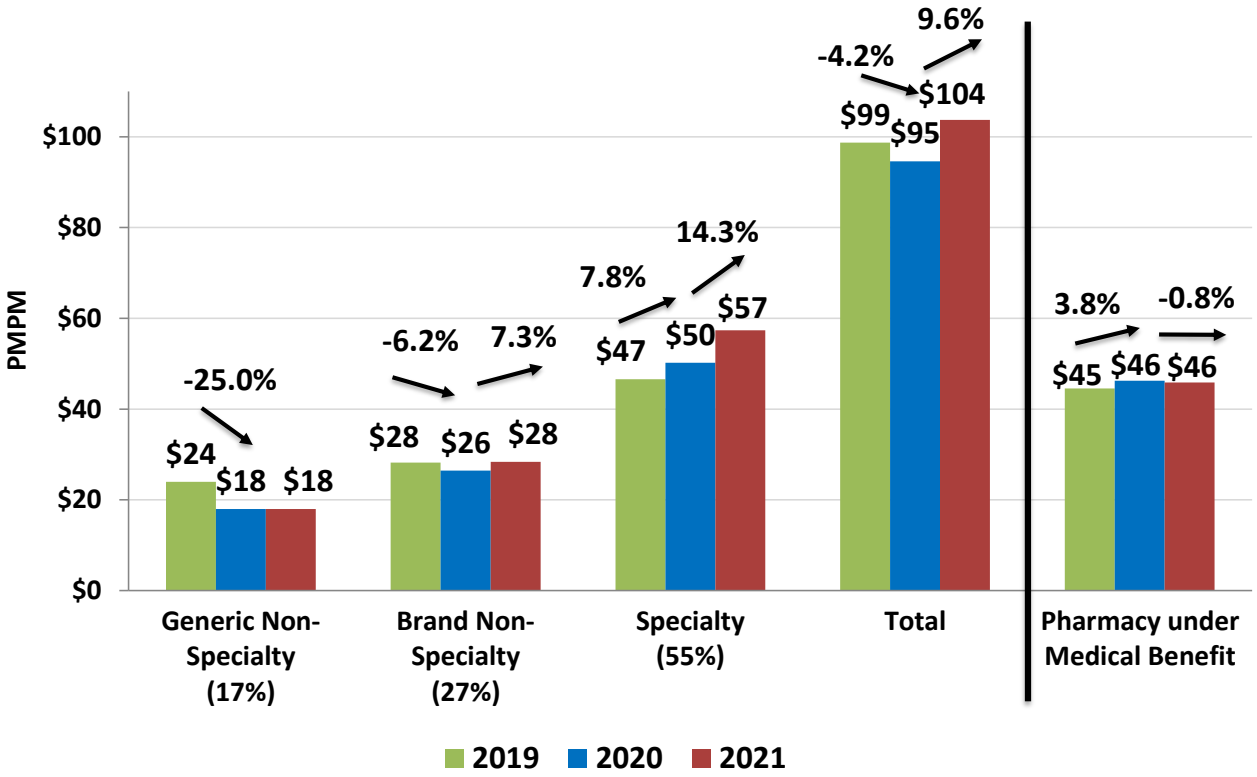
Source: NHID Annual Hearing data. FFS only. Excludes FEHBP.

CLAIM TRENDS

Specialty pharmacy trends were 14.3% in 2021 and continued to outpace trends for non-specialty drugs. Specialty drugs are the major contributor of pharmacy spending, contributing 55% of total pharmacy spending in 2021. In 2019, specialty drugs comprised 47% of total pharmacy spending. The right side of the chart shows pharmacy drug PMPM costs covered under the medical benefit which include prescription drugs that are administered at a physician's office or in a hospital setting. These are typically high-cost injectables. These trends are fairly flat in 2021 at -0.8%. The combined specialty pharmacy and pharmacy under the medical benefit represented 69% of total pharmacy and pharmacy under the medical benefit spend in 2021.

Pharmacy trends in the Group Markets in 2021 were 9.6%. This was higher than the prior year trend of -4.2%. In 2020, insurers indicated that the reductions are due to changes with pharmacy benefit managers (PBMs) or rebate contracts. In 2021, higher pharmacy trends are driven by specialty pharmacy.

Pharmacy Allowed Claims PMPM - Small Group and Large Group



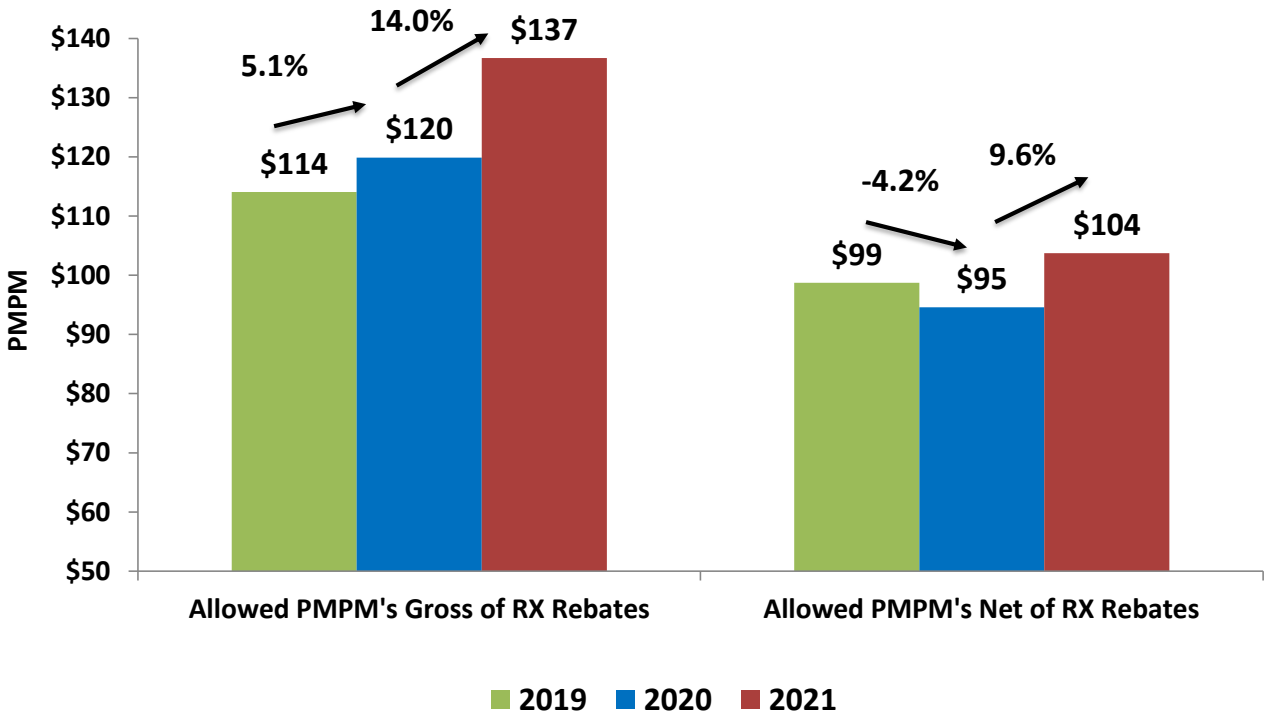
Note: The distribution % shown under each category is based on 2021 pharmacy benefit spend and does not includes pharmacy under the medical benefit shown to the right of the black vertical line. Percentages may not add to 100% due to rounding.
Source: NHID Annual Hearing data. Excludes FEHBP. This chart excludes data from Tufts Health Freedom Plan (THFP). Exclusion of THFP is not expected to significantly impact the results.

CLAIM TRENDS

Throughout this report, 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 significantly faster rate than pharmacy costs and increased nearly 65% in 2020 and another 31% in 2021 helping to keep pharmacy trends lower than they otherwise would have been. In 2021, pharmacy trend gross of rebates was 14.0% compared to 9.6% net of rebates. About 54% of rebates were for specialty drugs in 2021 compared to 42% in 2019. This percentage has increased steadily over the last couple years as rebates for specialty drugs are increasing at a faster rate than non-specialty rebates.

Prescription drug rebates increased significantly and represent nearly one quarter of the gross Pharmacy Allowed PMPM. Rebates PMPM were $16 in 2019, $25 in 2020, and $33 in 2021.

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



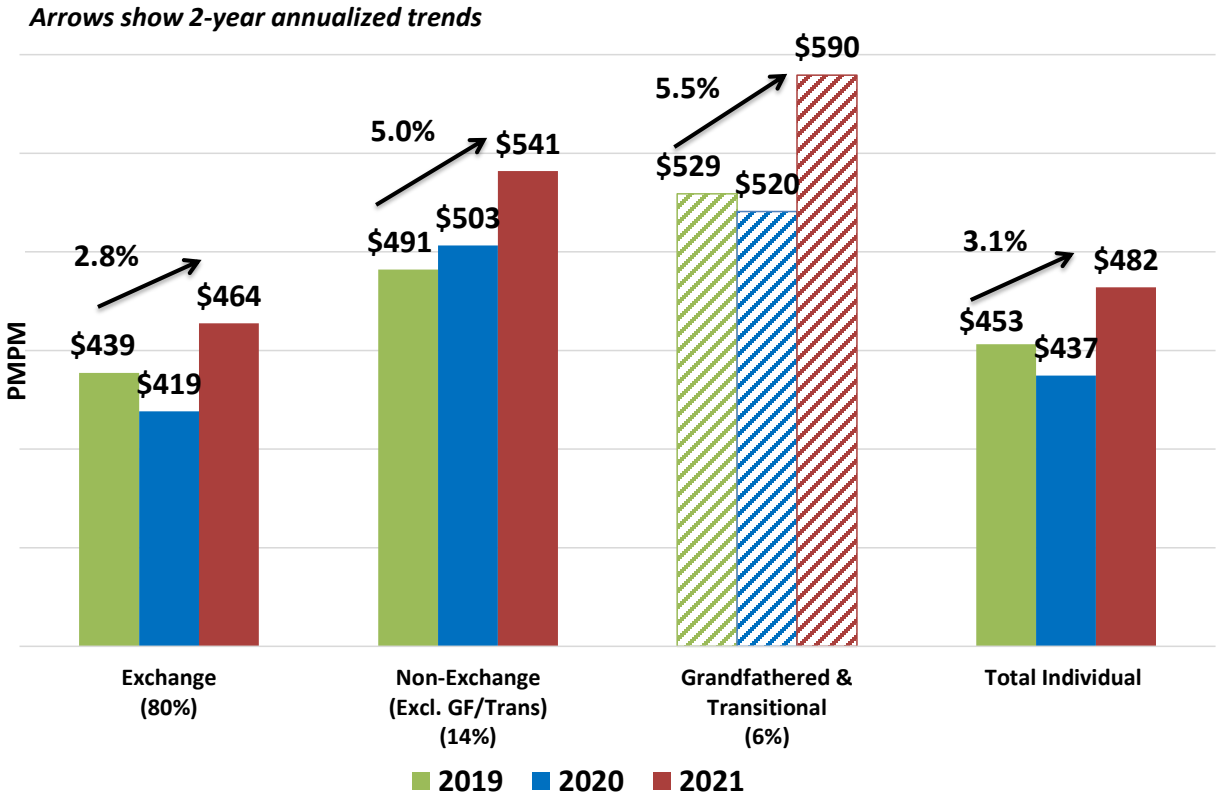
Source: NHID Annual Hearing data. Excludes FEHBP. This chart excludes data from Tufts Health Freedom Plan (THFP.) Exclusion of THFP is not expected to significantly impact the results.

CLAIM TRENDS

Overall allowed claims PMPM trend in the Individual Market was 3.1% on a two-year annualized basis from 2019 to 2021. The Exchange population represented 80% of the total Individual Market in 2021. The Non-Exchange and the Grandfathered and Transitional Market experienced higher two-year annualized trends of 5.0% and 5.5% compared to the Exchange segment, but these two segments combined only represent 20% of the Individual Market.

The two-year annualized trend from 2019 to 2021 was 3.1% in the Individual Market and trends were positive in all segments from 2020 to 2021. Similar to the Group Markets, the high trends in 2021 are driven by high utilization trends.

Individual Market - Total Allowed Claims PMPM

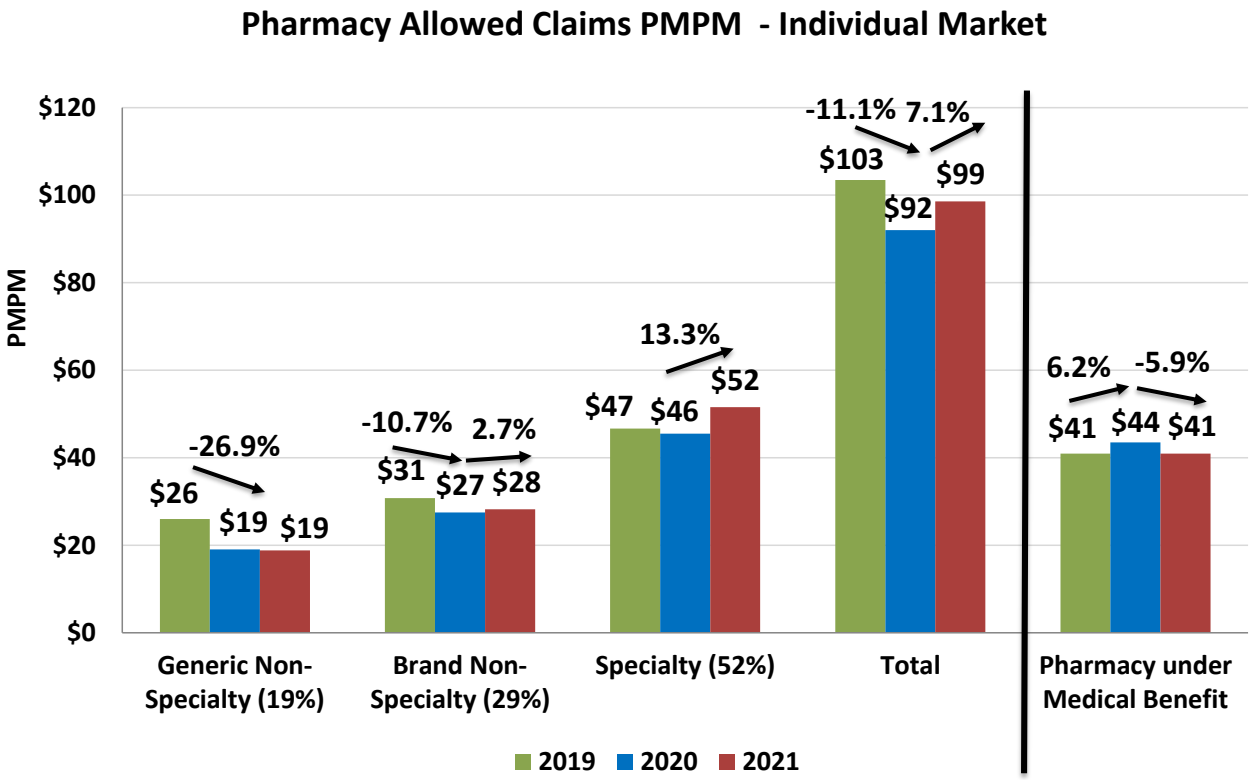


Note: The distribution % shown under each market is based on 2021 member months. Includes both fee for service (FFS) and non-FFS expenses.
Source: NHID Annual Hearing data.

CLAIM TRENDS

The Individual Market's pharmacy PMPMs have increased 7.1% in 2021 compared to 2020. This compares to a 9.6% trend in the Group Markets. The pharmacy PMPMs in the Individual Market are lower than the Group Market PMPMs, at $99 compared to $104. As was the case in the Group Markets, specialty drugs continued to represent a larger portion of pharmacy spending in the Individual Market, representing 52% of total pharmacy spending in 2021 compared to 46% in 2019. The pharmacy under the medical benefit PMPMs are lower for the Individual Market at $41 compared to the Group Markets at $46. The pharmacy under the medical benefit trend was -5.9%.

The Individual Market pharmacy trend is 7.1% in the Individual Market compared to 9.6% in the Group Markets. Similar to the Group Markets, the higher pharmacy trends in 2021 are driven by specialty pharmacy.



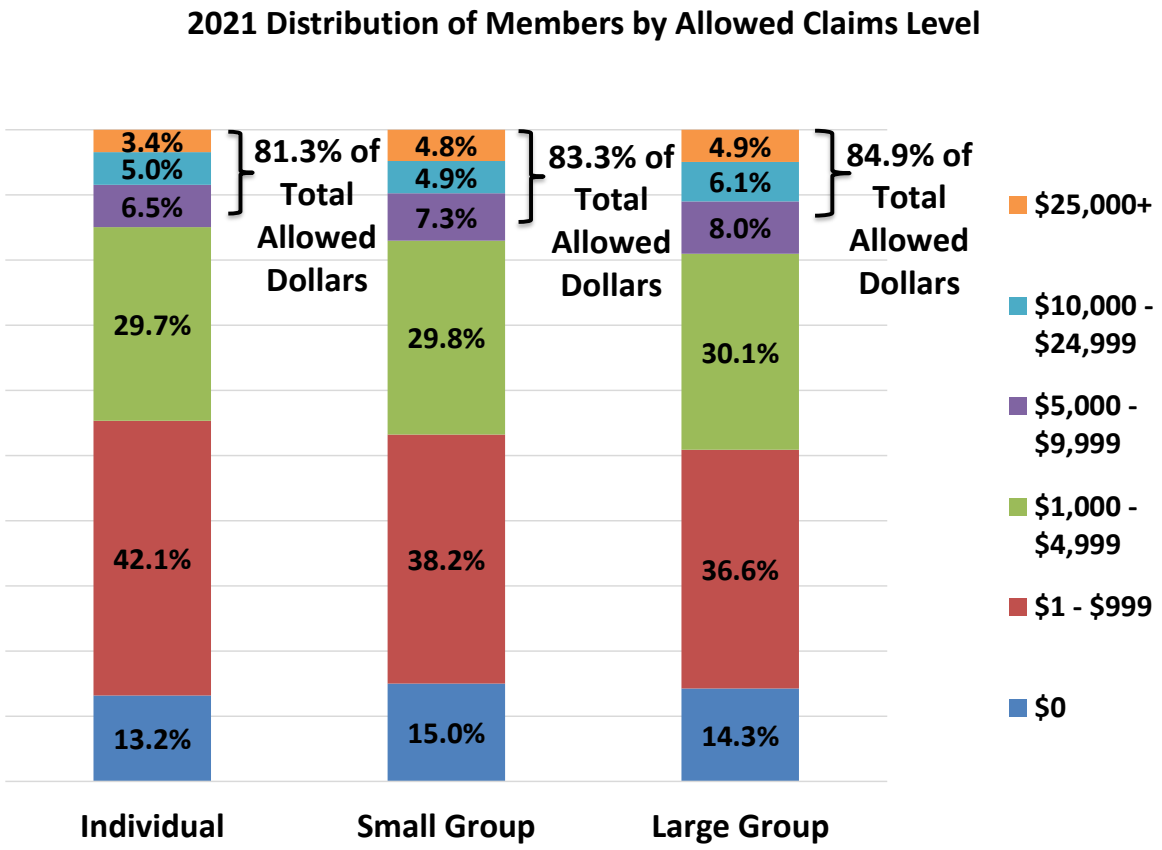
Note: The distribution percentage shown under each category is based on 2021 claims.

Source: NHID Annual Hearing data.

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, 13.2% of members had no claims in 2021, which is a lower percentage than the Small Group and Large Group (15.0% and 14.3%.) In 2020, each market segment had a higher percentage of members with no claims (15.3% for Individual, 17.1% for Small Group and 20.0% for Large Group.) The Individual Market had 14.9% of members with $5,000 or greater in annual claims spend, while the Small Group and Large Group Markets had slightly more at 17.0% and 19.0%. When comparing to last year, there is a larger percentage of members with $5,000 or greater in annual claims spend in each market segment.

The Individual Market had 14.9% of members with $5,000 or greater in annual claims spend while the Small Group and Large Group Markets had slightly more at 17.0% and 19.0%, respectively.



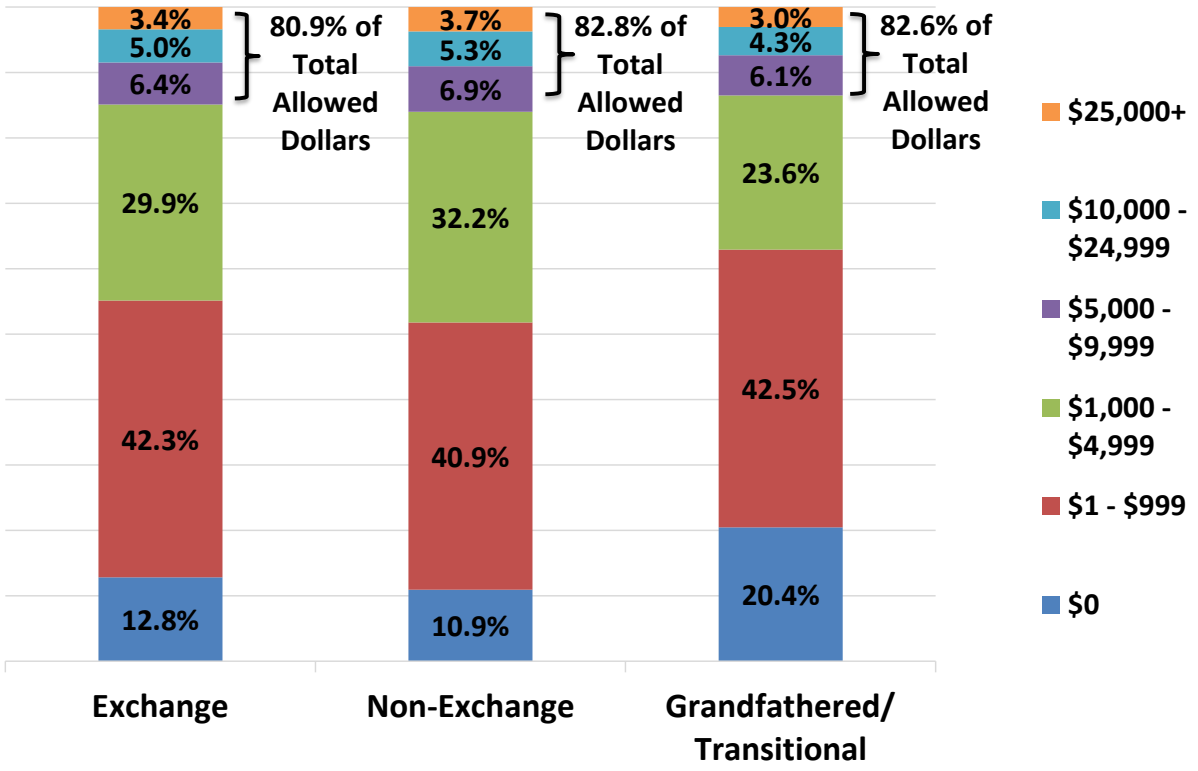
Source: NHID Annual Hearing data. Excludes FEHBP. Some insurers do not allocate non-claim costs and pharmacy rebates while some do. This is not expected to have a material impact on distribution by claims category.

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 13% to 16% of total members, they represent between 80% to 83% total allowed claims for the market segment. In 2021, 12.8% of the Exchange population has no claims and 10.9% of the Non-Exchange population has no claims. This compares to the Grandfathered/Transitional population where 20.4% of the population has no claims. This population is relatively small at approximately 3K members in 2021.

Across the Individual Market segments, there is variation in the distribution of members by annual allowed claims level.

2021 Distribution of Members by Allowed Claims Level - Individual Market



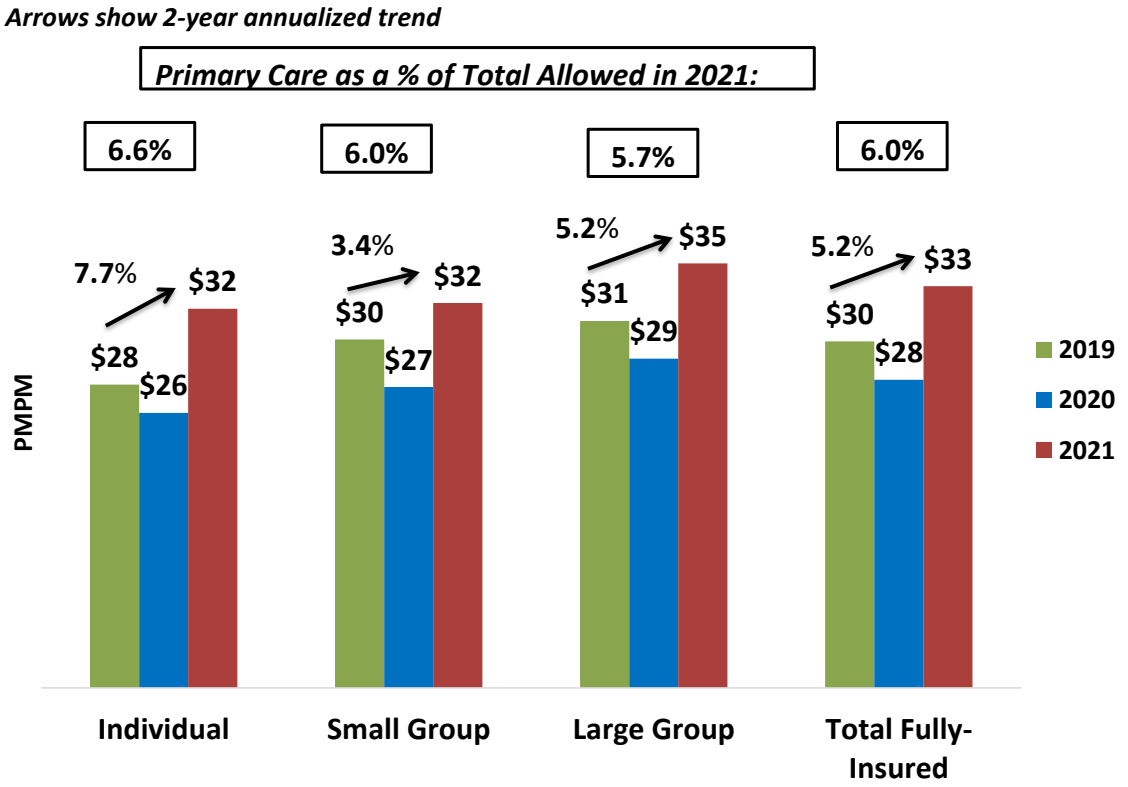
Source: NHID Annual Hearing data. Some insurers do not allocate non-claim costs and pharmacy rebates while some do. This is not

CLAIM TRENDS

Insurers were asked to report on primary care PMPM spending by market segment for 2019 through 2021. NHID did not specifically define this for the insurers, but each insurer provided their definition of primary care which was generally based on provider type and included providers such as general practice, family practice, internal medicine, pediatrics, and geriatric medicine. The PMPMs by insurer were fairly consistent in the Group Markets while there was more variation in the Individual Markets. In each market segment and for each insurer, there was a significant increase in primary care PMPMs from 2020 to 2021. On a percentage of total allowed claims basis, primary care spending represented 5.7% of total spend in 2019 and 6.0% in 2021.

Primary Care allowed claims PMPM represents 6.0% of total fully-insured allowed claims in 2021. There was a significant increase in Primary Care PMPMs from 2020 to 2021 in all market segments. The two-year annualized trend from 2019 to 2021 is 5.2%.

Primary Care Allowed Claims PMPM



Source: NHID Annual Hearing data. Excludes FEHBP. This chart excludes data from Tufts Health Freedom Plan (THFP.) Exclusion of THFP is not expected to significantly impact the results.

UTILIZATION LEVELS AND TRENDS

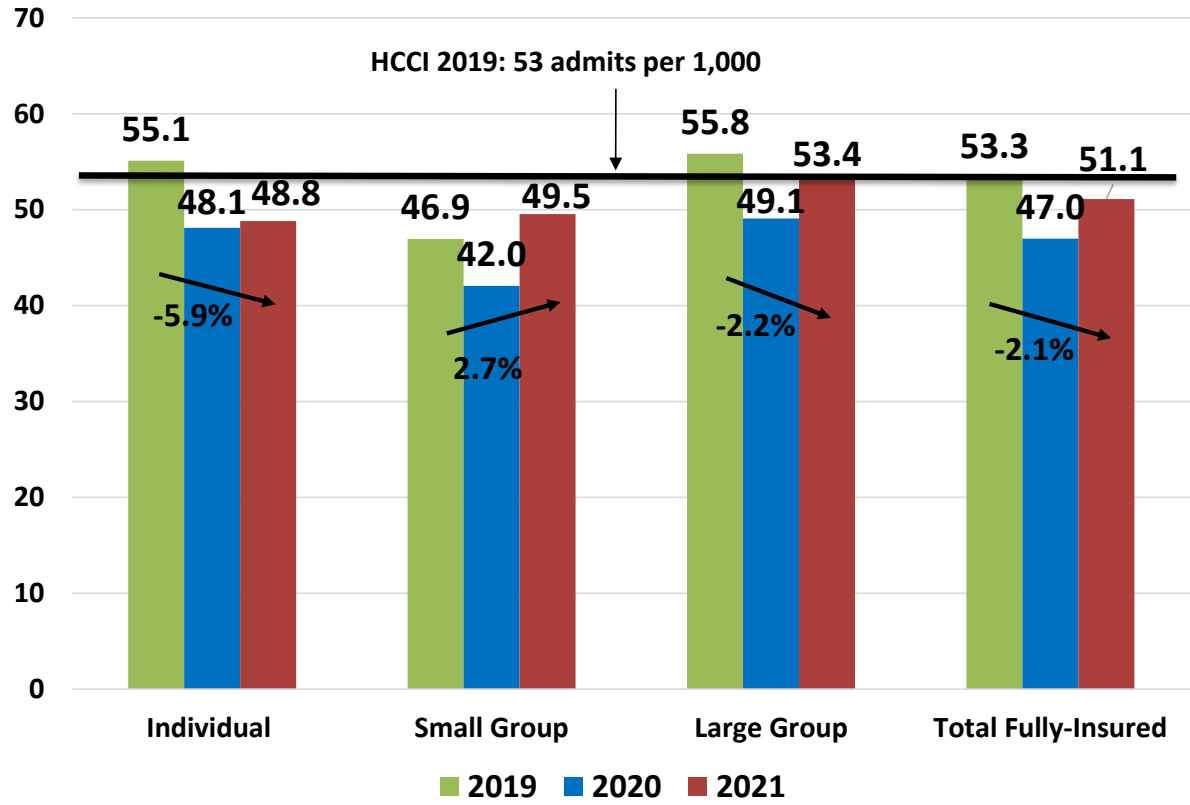
UTILIZATION LEVELS AND TRENDS

All market segments experienced trend increases in inpatient admissions per 1000 from 2020 to 2021 with the largest increase in the Small Group Market at 17.8%. Since 2020 utilization was depressed due to COVID-19, the trend increase in 2021 was expected. The segment with the smallest change in inpatient admissions per 1000 from 2020 to 2021 was in the Individual Market, which is now lower than compared to the Group Markets. Despite the significant increases in inpatient admits from 2020 to 2021, the levels in 2021 remain lower than 2019 in all segments except Small Group. The Health Care Cost Institute 2019 admissions per 1000 is 53.

While inpatient admissions increased in each of the Fully-Insured Market segments from 2020 to 2021, inpatient admission levels were lower in 2021 compared to 2019 in all segments except the Small Group Market.

Inpatient Admits per 1000 by Market Segment

Arrows show 2-year annualized trend



Source: NHID Annual Hearing data. Excludes FEHBP. This chart excludes data from Tufts Health Freedom Plan (THFP). Exclusion of THFP is not expected to significantly impact the results.

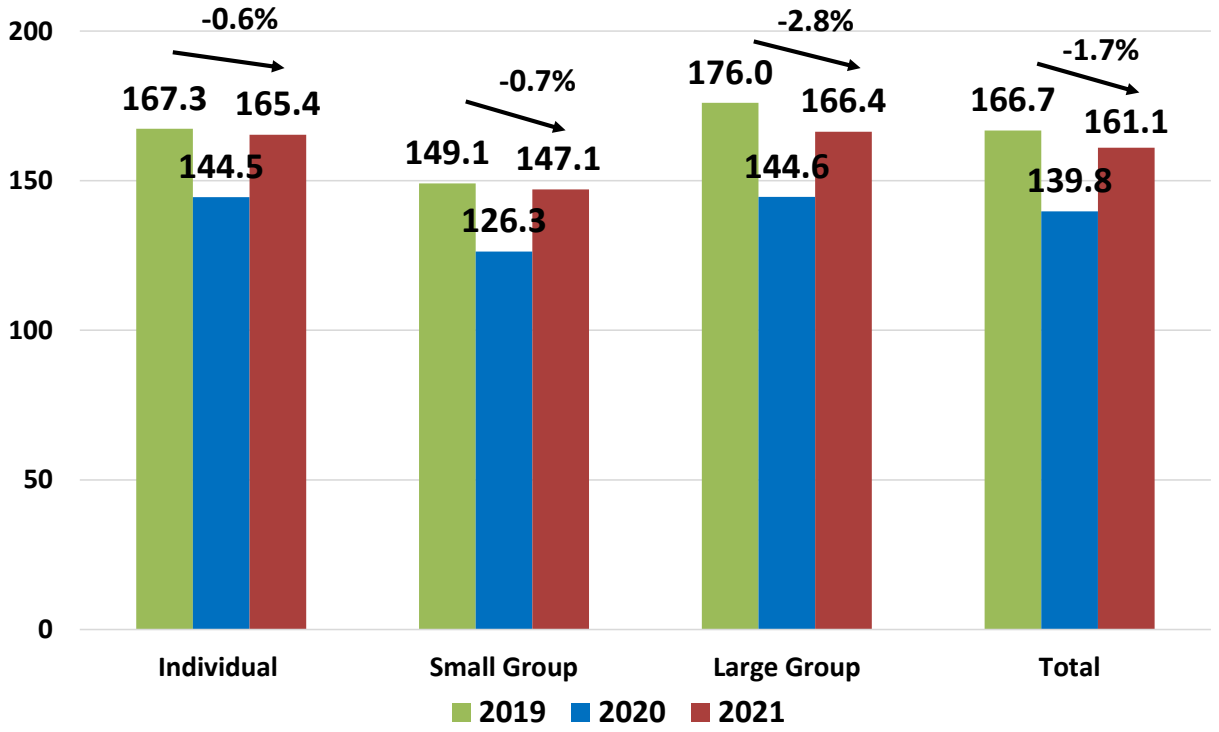
UTILIZATION LEVELS AND TRENDS

All markets experienced double digit trend increases in emergency department visits per 1000 from 2020 to 2021 with the largest increase in the Small Group Market at 16.5%. However, emergency department visits in the Small Group Market still remain slightly lower than the Individual and Large Group Markets in 2021. Despite the high utilization trends in 2021, the emergency department usage levels remain lower in 2021 compared to 2019.

In all segments, the emergency department utilization levels remained lower in 2021 than 2019. Similar to inpatient admissions, emergency department usage increased in all market segments from 2020 to 2021 and in total increased 15.2%.

Emergency Department Visits per 1000 by Market Segment

Arrows show 2-year annualized trend



Source: NHID Annual Hearing data. Excludes FEHBP. This chart excludes data from Tufts Health Freedom Plan. Exclusion of THFP is not expected to significantly impact the results.

MEDICAL LOSS RATIOS, EXPENSES, AND RISK MARGINS

MEDICAL LOSS RATIOS, EXPENSES, AND RISK MARGINS

The federal risk adjustment program uses health status adjustment or health status risk scores to more equitably distribute payments and to disincentivize insurers from favoring healthier patients. In general, insurers who have healthier members will pay money (shown in red) and health plans who have sicker members will receive money (shown in black). In 2019, 2020, and 2021 Matthew Thornton Health Plan is the only significant payer, meaning they generally have healthier enrollees. Matthew Thornton's payment did decrease from $17.0 million in 2020 to $10.7 million in 2021.

In the Individual Market, Matthew Thornton Health Plan (Anthem) was assessed for a $10.7 million payment for 2021 Risk Adjustment, which is less than the previous year's payment of $17.0 million. Harvard Pilgrim's receivables were lower in 2021 compared to 2020, and Ambetter (Celtic) receivables were nearly zero in 2021.

Individual Market - Federal Risk Adjustment Program	2019 Risk Adjustment ($ millions)	2020 Risk Adjustment ($ millions)	2021 Risk Adjustment ($ millions)	2021 Risk Adjustment (PMPM)
Celtic Insurance Company	$4.3	$4.5	($0.1)	($0)
Harvard Pilgrim Health Care of NE	$13.0	$12.6	$10.8	$127
Matthew Thornton Hlth Plan	($17.4)	($17.0)	($10.7)	($38)
Total	**$0.0**	**$0.0**	**$0.0**	**$0**
Total $ Amount Distributed	***$17.4***	***$17.0***	***$10.7***	

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

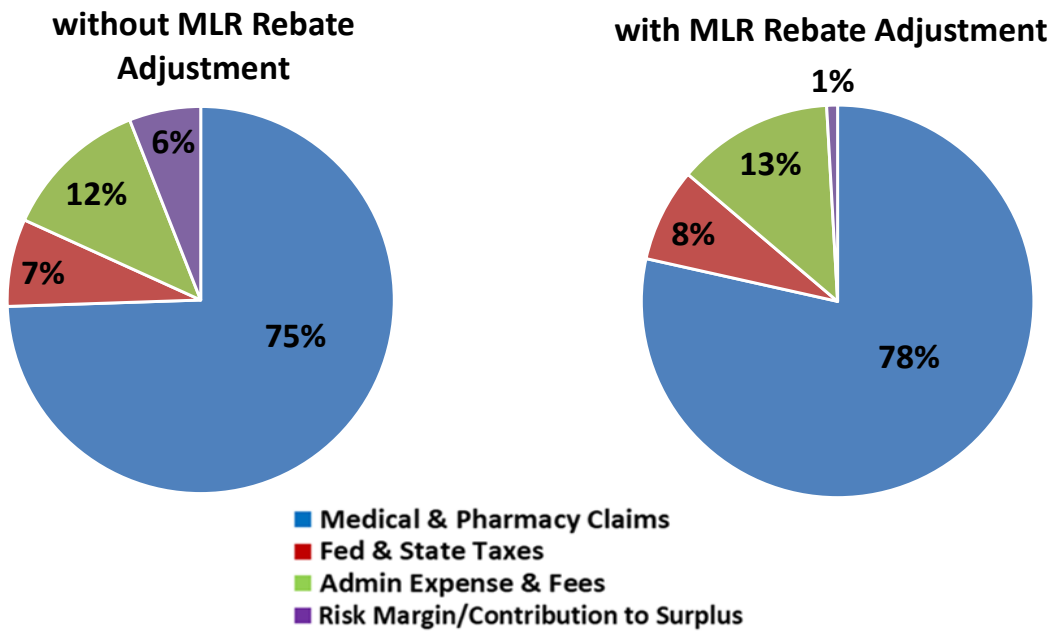
Note: Celtic Insurance Company is referred to as Ambetter throughout this report. This does not include the high cost risk pool receivables.
Source: CMS SUMMARY REPORT ON PERMANENT RISK ADJUSTMENT TRANSFERS FOR THE 2021 BENEFIT YEAR Released: June 30, 2022, https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs

MEDICAL LOSS RATIOS, EXPENSES, AND RISK MARGINS

The chart on the right has been adjusted to reflect the federal MLR rebate payments paid in 2022 based on the 2021 federal MLR forms, which include experience from 2019, 2020, and 2021. Due to the federal MLR rebate formula's use of three years of data, insurers' experience from prior years continue to impact future year's calculation of MLR rebates. There is a 6% risk margin in 2021 prior to MLR rebates, but after accounting for federal MLR rebates, the risk margin decreased to 1%. Federal MLR rebates as a percentage of premium were 5.1% in 2021 which represents a decrease over 2020 which was 7.7%. In 2020, two of the three corporate entities in the NH Individual Market issued MLR rebates totaling $24.6 million.

In the Individual Market, insurer risk margin (contribution to surplus) prior to adjusting for federal MLR rebate payments was 6% in 2021. After adjusting for federal MLR rebates, the risk margin decreased to 1%. The federal MLR rebates as a percentage of premium were 5.1%.

2021 Individual Market Distribution of Premium with and without MLR Rebate Adjustment



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, federal MLR rebates are based on three year's worth of data. In this chart, Risk adjustment payments/receivables are included in the Premium. Total allowable quality improvement expenses and allowable claims recovered through fraud efforts are included in Medical & Pharmacy claims. MLR rebates as reported in Part 3 of the federal MLR reports are subtracted from the Premium in the second chart.

Source: 2021 federal MLR reports provided by insurers. 2020 MLR rebate report from CMS: https://www.cms.gov/files/document/2020-rebates-issuer.pdf

MEDICAL LOSS RATIOS, EXPENSES, AND RISK MARGINS

In the Small Group Markets, the total amount distributed increased in 2021 compared to 2020. In 2021, Tufts Health Freedom Plan and Harvard Pilgrim Health Care of New England were the largest payers while HPHC Insurance Company, Inc. and Matthew Thornton Health Plan received most of the risk adjustment payments. This suggests that Tufts Health Freedom Plan and Harvard Pilgrim Health Care of New England enrolled the healthiest risk in its market while HPHC Insurance Company Inc. have enrolled the least healthy risk. As of January 1, 2021, UnitedHealthcare owns Tufts Health Freedom Plan.

Similar to previous years, Matthew Thornton and HPHC Insurance Company were the primary receivers of risk adjustment payments in the Small Group Market in 2021. The amount of dollars being distributed was $6.3 million in 2021.

Small Group Market - Federal Risk Adjustment Program				
	2019 Risk Adjustment ($ millions)	2020 Risk Adjustment ($ millions)	2021 Risk Adjustment ($ millions)	2021 Risk Adjustment (PMPM)
Anthem Health Plans of NH	$0.7	($0.6)	$0.9	$18
Harvard Pilgrim Health Care of NE	($2.7)	($2.1)	($3.4)	($13)
HPHC Insurance Company, Inc	$4.2	$4.0	$2.9	$92
Matthew Thornton Hlth Plan	$2.5	$0.7	$2.5	$8
Tufts Health Freedom Insurance Company	($4.0)	($1.1)	($1.9)	($17)
UnitedHealthcare Insurance Company	($0.7)	($0.8)	($0.9)	($99)
Total	**$0.0**	**$0.0**	**$0.0**	**$0**
Total Amount Distributed	***$7.4***	***$4.7***	***$6.3***	

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

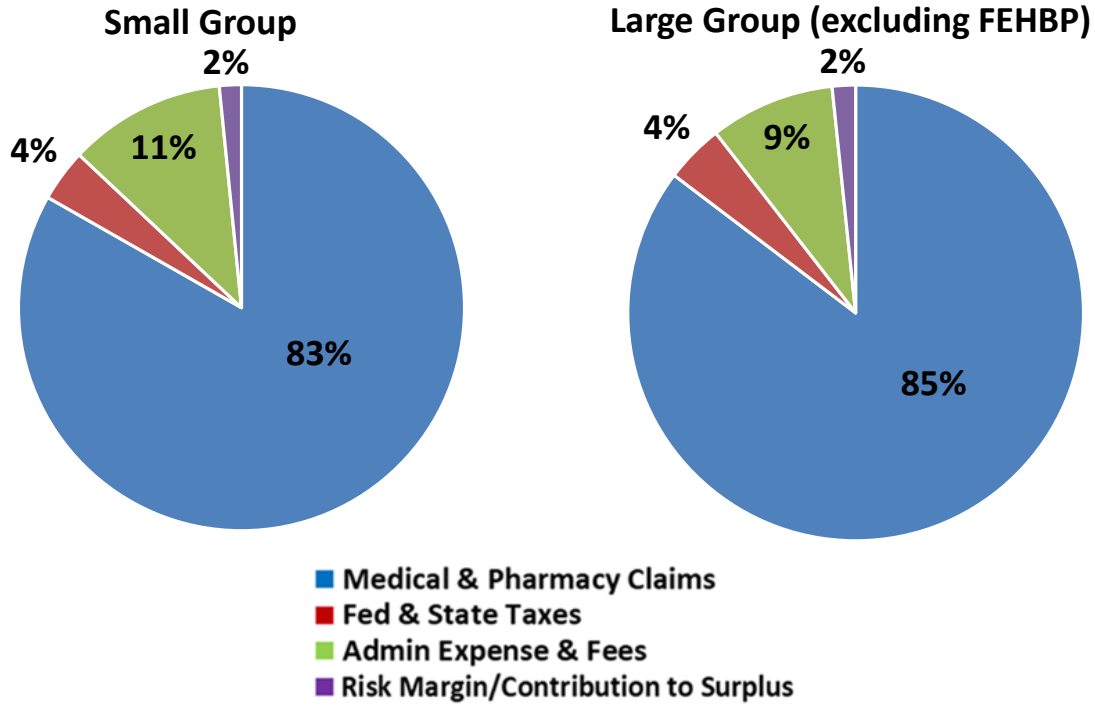
Note: Celtic Insurance Company is referred to as Ambetter throughout this report. This does not include the high cost risk pool receivables.
Source: CMS SUMMARY REPORT ON PERMANENT RISK ADJUSTMENT TRANSFERS FOR THE 2021 BENEFIT YEAR Released: June 30, 2022, https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs

MEDICAL LOSS RATIOS, EXPENSES, AND RISK MARGINS

These charts have both been adjusted to reflect the federal MLR rebate payments paid in 2022 based on the 2021 federal MLR forms, which include experience from 2019, 2020, and 2021. Federal MLR rebates on a percentage of premium was minimal in both of these market segments in 2021 (1.1% in the Small Group Market and 0.6% in the Large Group Market.) In 2020, federal MLR rebates as a percentage of premium was 5.1% in the Small Group Market and 4.0% in the Large Group Market. In 2020, two of the corporate entities in the NH Small Group Market and one in the NH Large Group market issued MLR rebates totaling $3 million and $8 million respectively. The ACA insurer tax was eliminated in 2021.

In 2021, 83% of premium in the Small Group Market and 85% of premium in the Large Group Market were spent on medical and pharmacy claims.

2021 Fully-Insured Distribution of Premium with MLR Rebate Adjustment



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. Total allowable quality improvement expenses and allowable claims recovered through fraud efforts are included in Medical & Pharmacy claims. MLR rebates as reported in Part 3 of the federal MLR reports are subtracted from the Premium.

Source: 2021 federal MLR reports provided by insurers. FEHBP is excluded based on information provided by Anthem. 2020 MLR rebate report from CMS: https://www.cms.gov/files/document/2020-rebates-issuer.pdf

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 infor mation 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 Afford able 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 incomplet e, 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 2022. 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

ARPA: American Rescue Plan Act of 2021

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.

IRA: Inflation Reduction Act of 2022

NHID: New Hampshire Insurance Department

NH PAP: 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. The NH PAP ended on 12/31/2018 and these members were transitioned to Medicaid plans.

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.

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 2020, 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.

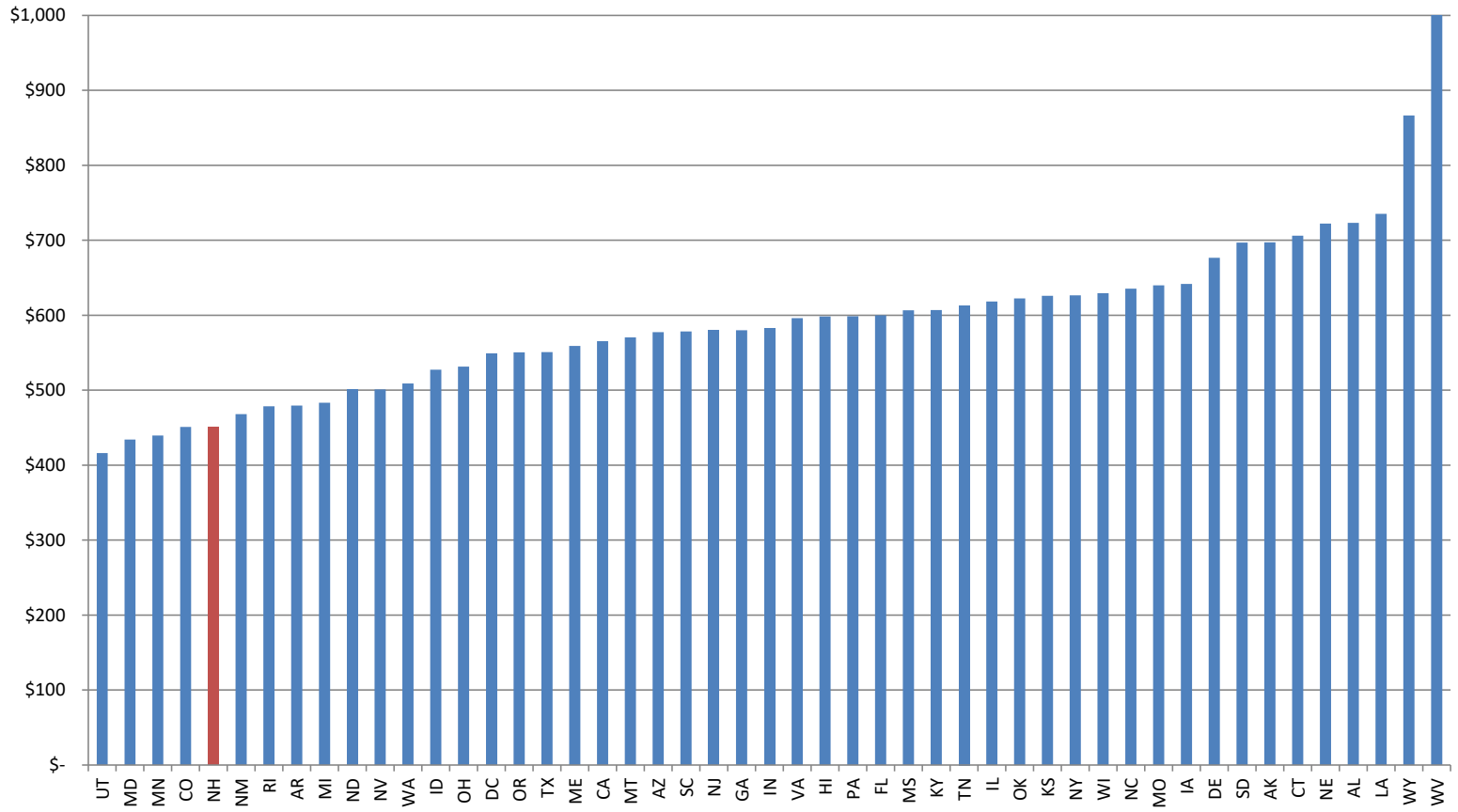
For the AH, we collect data from the five largest insurers: Anthem/Matthew Thornton Health Plan, Harvard Pilgrim Health Care, CIGNA, Ambetter (Centene) and Tufts Health Freedom Plan. The focus of the AH is more detailed claims trend, rating assumptions and demographic information.

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

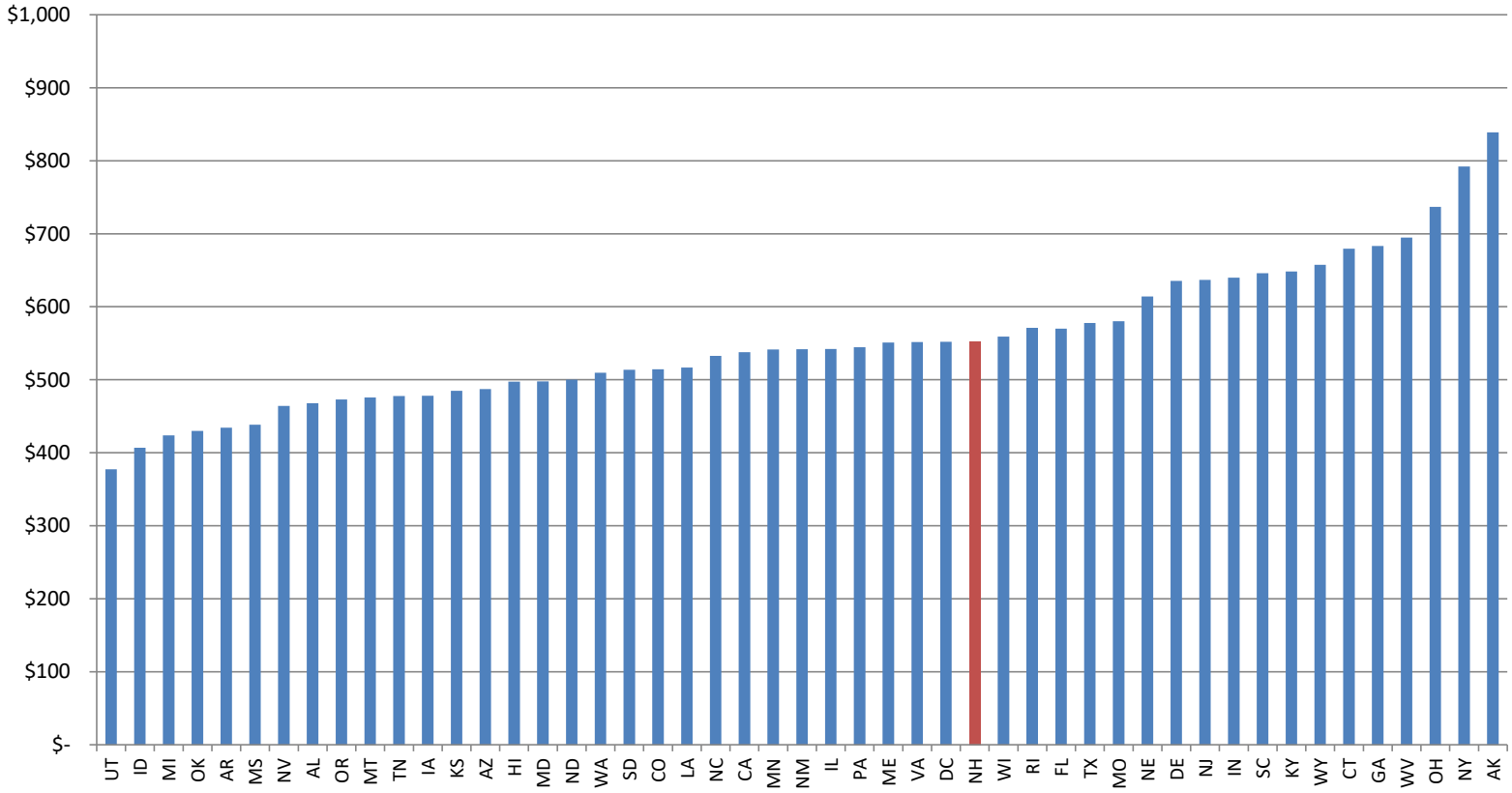
2021 Benefit Year State Average Premium Before Adjustment (Individual Market)



Source: Centers for Medicare and Medicaid Services. Appendix A to the Summary Report on Permanent Risk Adjustment Transfers for the 2021 Benefit Year. Before adjustment means before the 14% adjustment for administrative costs. Available at: https://www.cms.gov/files/document/appendix-2021-benefit-year-risk-adjustment-summary-report-hhs-risk-adjustment-program-state-specific.xlsx

APPENDIX

2021 Benefit Year State Average Premium Before Adjustment (Small Group Market)



Source: Centers for Medicare and Medicaid Services. Appendix A to the Summary Report on Permanent Risk Adjustment Transfers for the 2021 Benefit Year. Available at: https://www.cms.gov/files/document/appendix-2021-benefit-year-risk-adjustment-summary-report-hhs-risk-adjustment-program-state-specific.xlsx

APPENDIX

New Hampshire Residents by Health Insurance Status

	2017		2018		2019		2021	
	NH Number	NH %	NH Number	NH %	NH Number	NH %	NH Number	NH %
Employer Coverage Only	741,000	56%	752,000	56%	741,000	55%	768,000	56%
Medicare Coverage	181,000	14%	187,000	14%	196,000	15%	207,000	15%
Medicaid Coverage Only	136,000	10%	137,000	10%	132,000	10%	132,000	10%
Individual Coverage Only	78,000	6%	69,000	5%	78,000	6%	77,000	6%
Other Coverage Combinations	78,000	6%	77,000	6%	73,000	5%	79,000	6%
Uninsured	77,000	6%	77,000	6%	84,000	6%	71,000	5%
Dual Medicare and Medicaid Coverage	21,000	2%	27,000	2%	26,000	2%	25,000	2%
Tricare & VA Coverage	12,000	1%	12,000	1%	13,000	1%	14,000	1%
Total	**1,324,000**	**100%**	**1,340,000**	**100%**	**1,343,000**	**100%**	**1,373,000**	**100%**

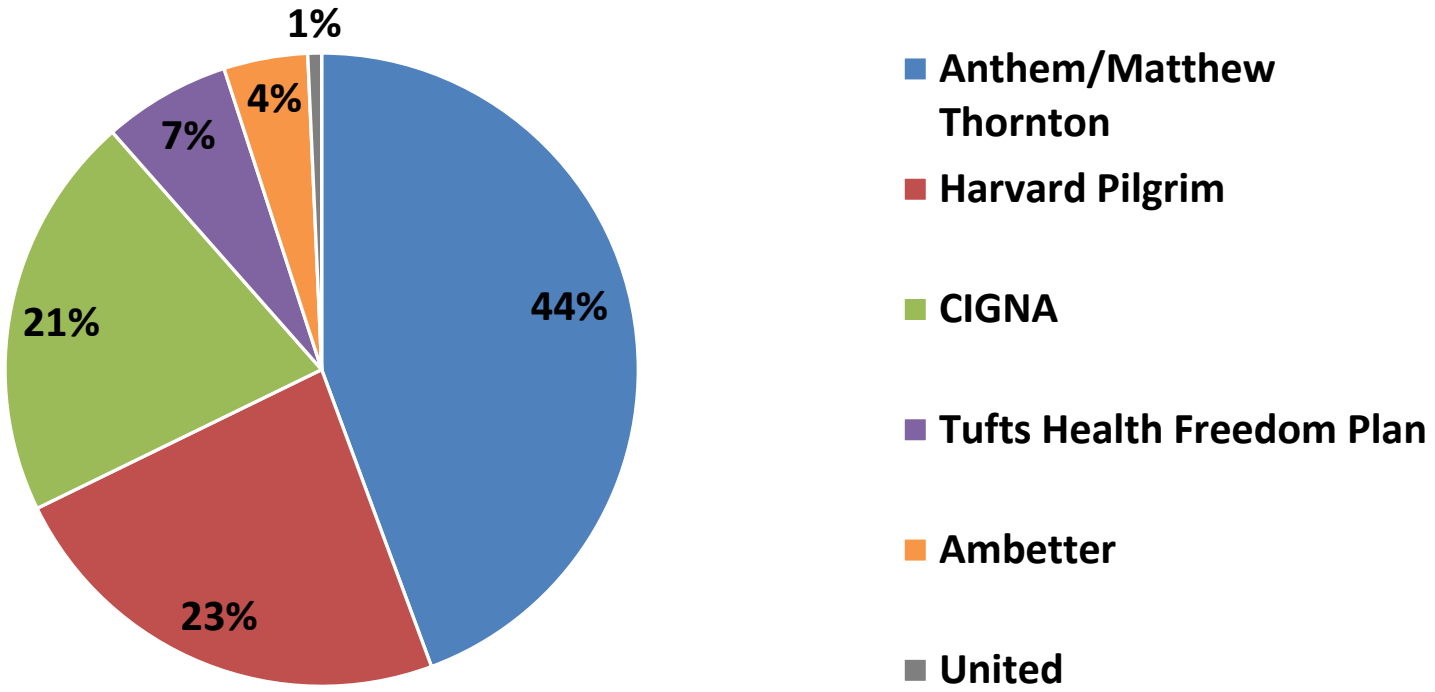
Source: U.S. Census Bureau, American Community Survey (ACS) 1-Year estimates. Available at: http://factfinder.census.gov. Note that estimates for 2020 are not available.

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

APPENDIX

Membership Distribution by Insurer of New Hampshire Situs Only, Fully-Insured and Self-Insured 2021



Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. As of January 1, 2021, UnitedHealthcare owns Tufts Health Freedom Plan.

APPENDIX

Insurers Participating in the Individual Market 2016 to 2023

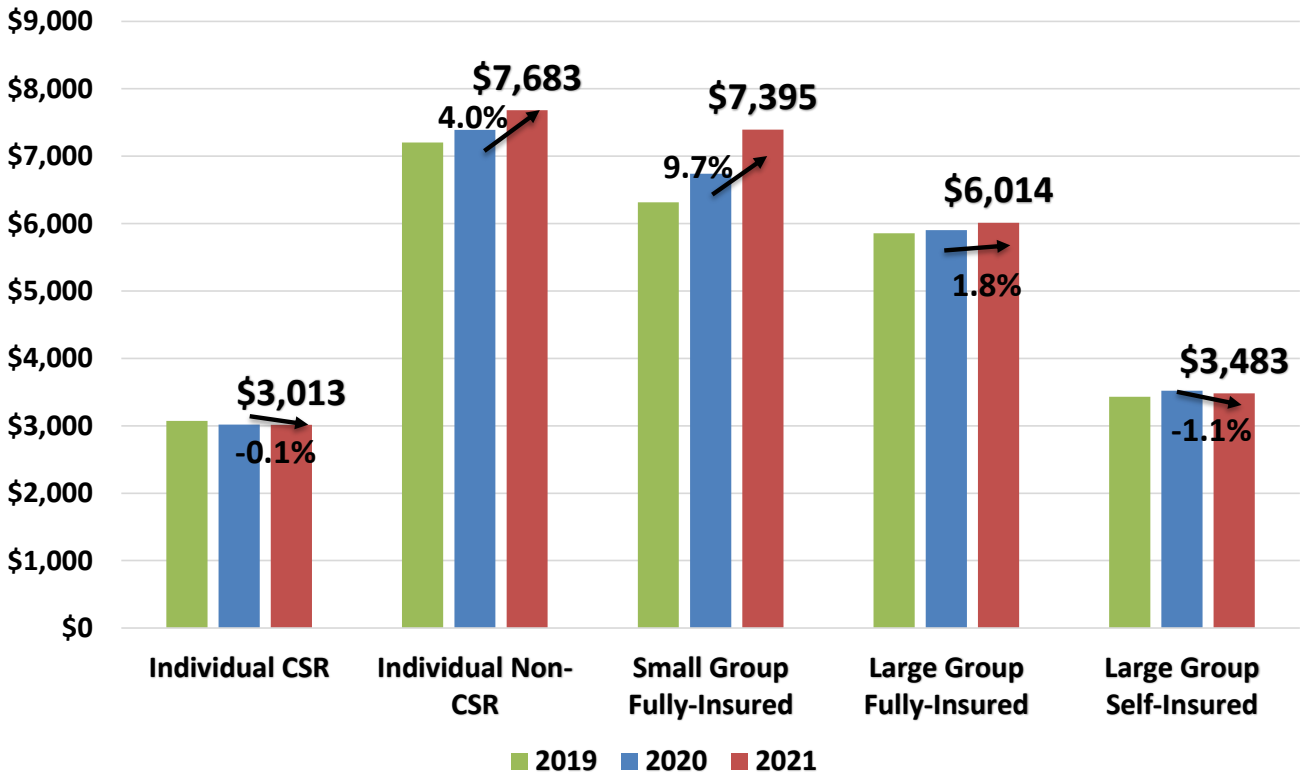
	New Hampshire Individual Market			
	2016	2017	2018 - 2020	2021 - 2023
Anthem/Matthew Thornton				
Ambetter (Celtic)				
Harvard Pilgrim				
Minuteman				
Community Health Options				

On Exchange Only

On and Off Exchange

APPENDIX

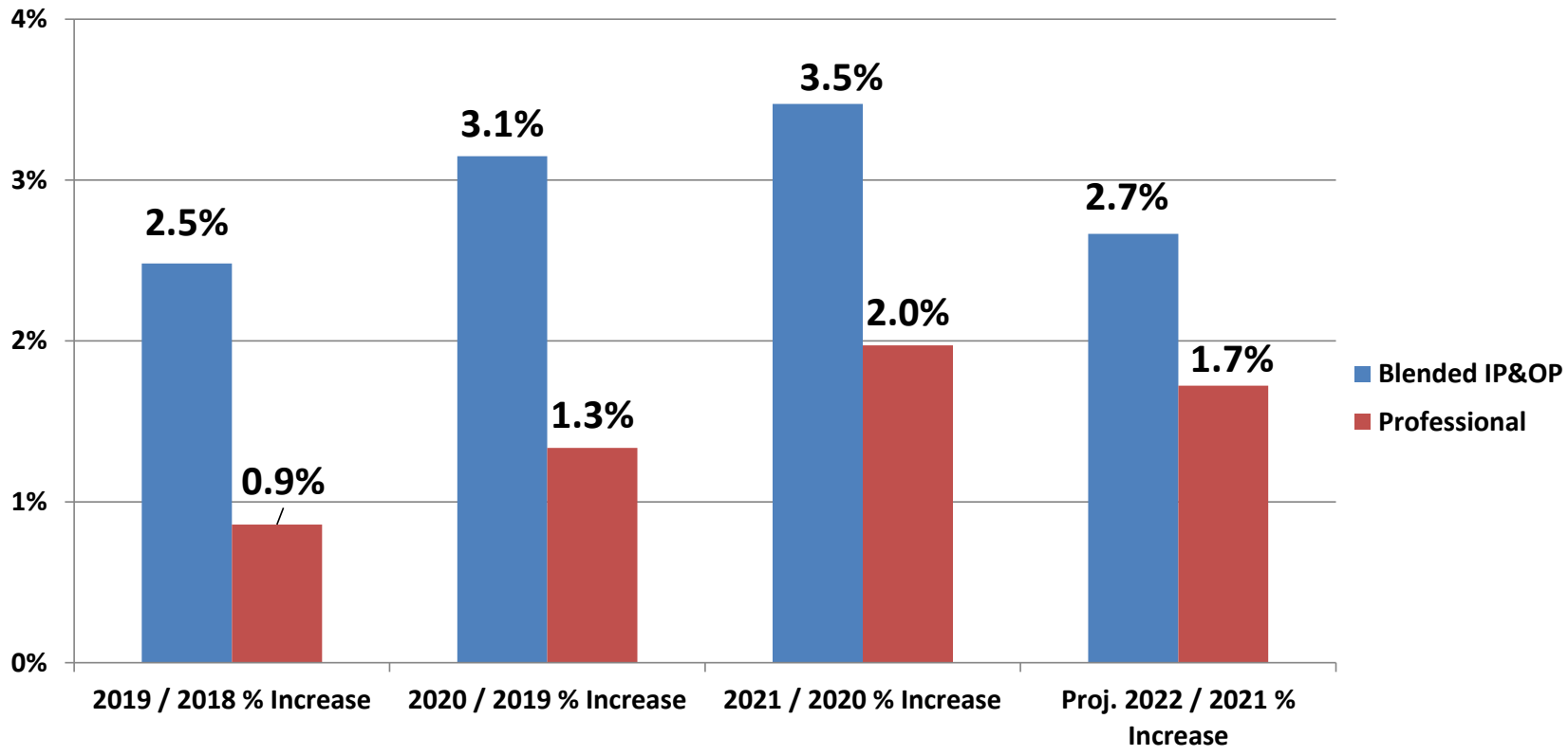
Comparison of Average Out-of-Pocket Maximum by Market Segment



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.

APPENDIX

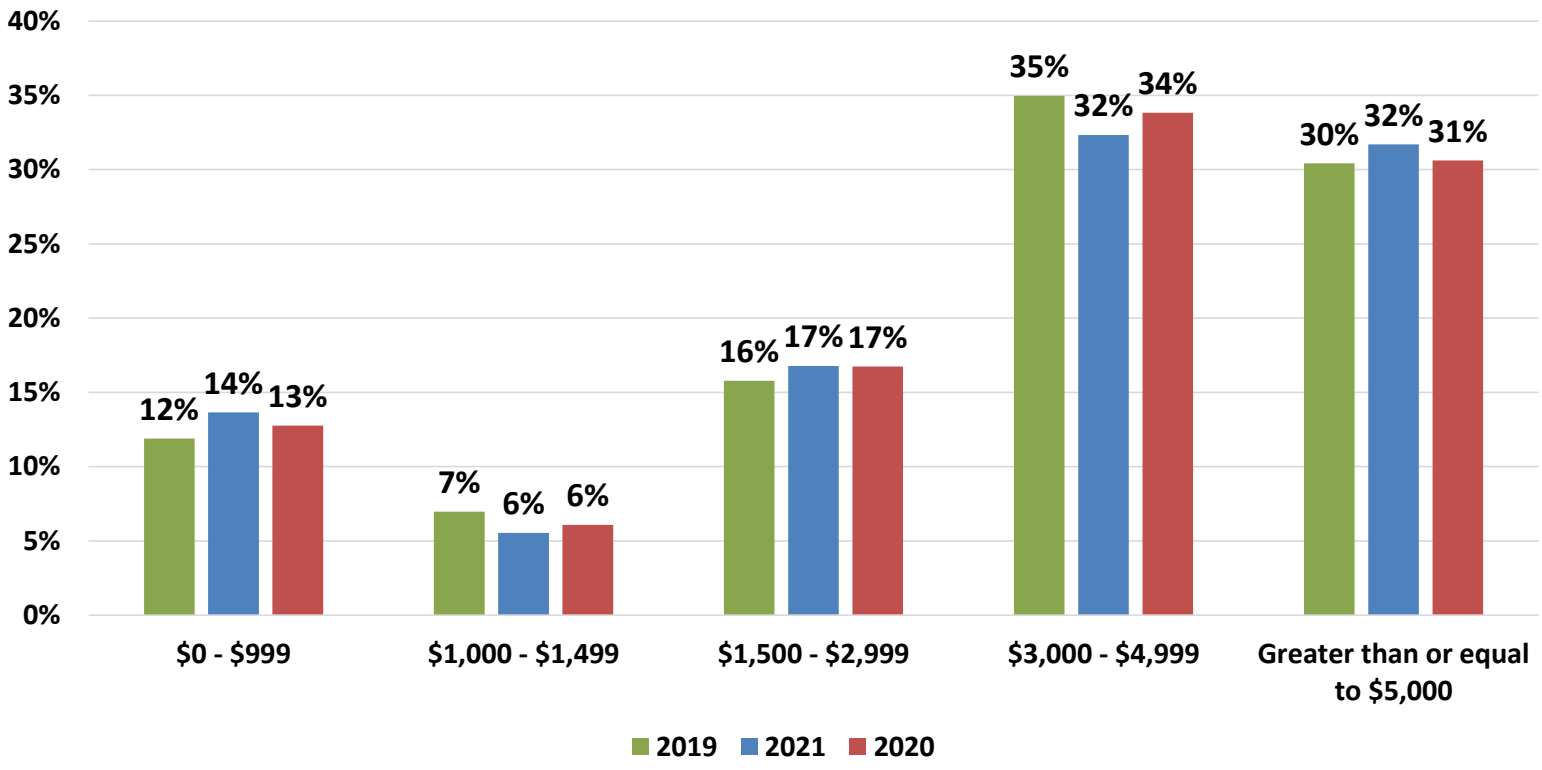
Blended IP Facility & OP Facility and Professional Provider Payment Rate Changes



Source: NHID Annual Hearing data. Standard Network rate changes only. This chart excludes data from Tufts Health Freedom Plan (THFP).

APPENDIX

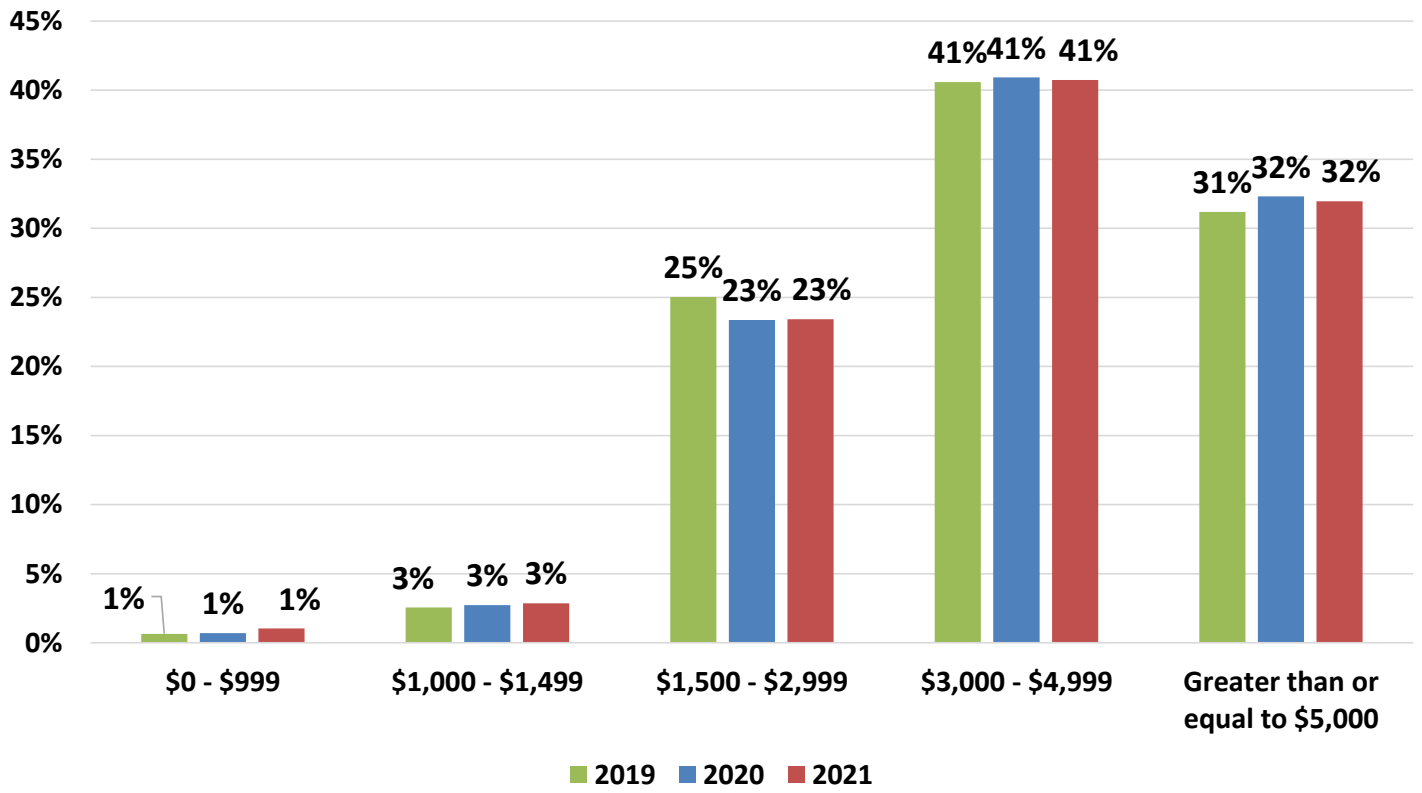
Distribution by Deductible Level - Large Group Market



Source: NHID Supplemental Report data. Fully-Insured Only. Excludes FEHBP population.

APPENDIX

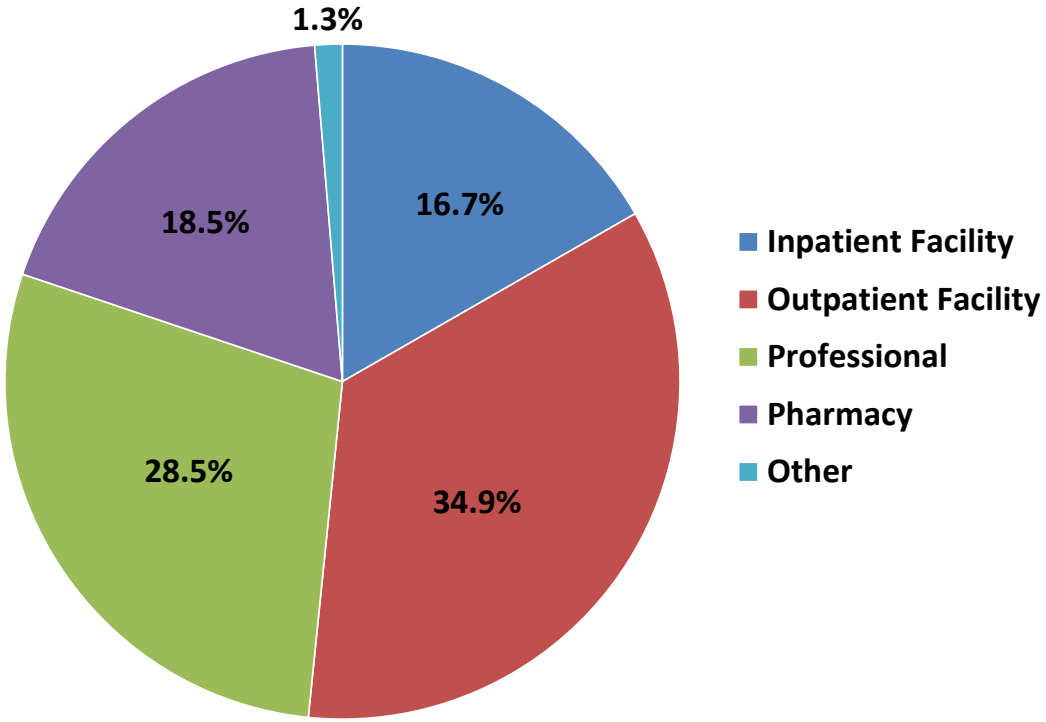
Distribution by Deductible Level - Small Group Market



Source: NHID Supplemental Report data. Fully-Insured Only.

APPENDIX

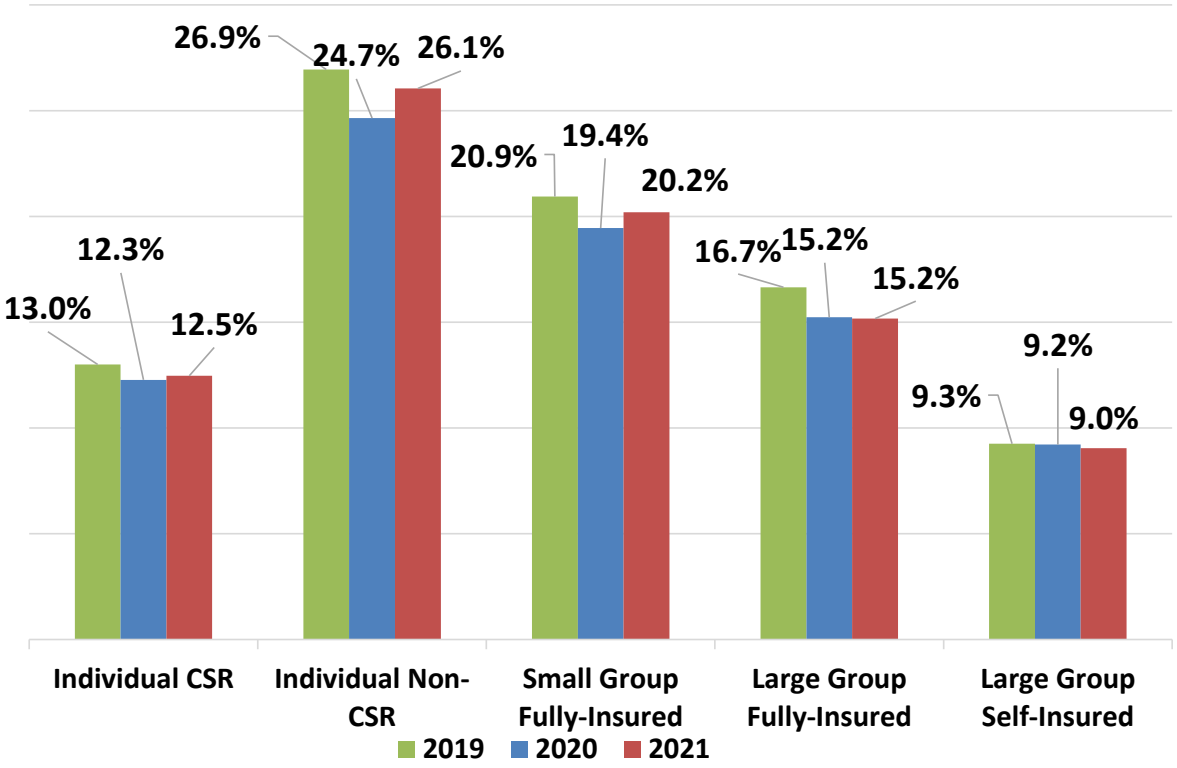
2021 Allowed Claims by Type of Service Fully-Insured Markets



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

APPENDIX

Total Member Cost Sharing as a Percentage of Allowed Claims by Market Segment



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

APPENDIX

Membership Distribution by Single Policy In-Network Deductible of New Hampshire Situs and Fully-Insured and Self-Insured 2021

CY 2021

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	12.8%	0.3%	1.8%	4.1%	26.7%	16.5%
$1 - $249	2.4%	0.7%	6.8%	3.9%	8.4%	6.4%
$250 - $499	0.8%	0.0%	0.0%	0.2%	1.5%	0.9%
$500 - $749	2.3%	0.1%	4.3%	2.6%	18.4%	11.3%
$750 - $999	3.0%	0.0%	0.8%	1.1%	3.0%	2.2%
$1,000 - $1,499	9.4%	2.9%	5.5%	5.7%	17.1%	12.0%
$1,500 - $2,999	5.4%	23.4%	16.8%	15.8%	17.2%	16.6%
$3,000 - $4,999	19.2%	40.7%	32.3%	31.4%	5.3%	17.0%
$5,000 - $7,499	42.6%	31.7%	30.7%	34.0%	2.4%	16.6%
$7,500 - $9,999	2.1%	0.1%	0.0%	0.6%	0.0%	0.3%
$10,000 +	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Grand Total	100%	100%	100%	100%	100%	100%
Average Deductible	$ 3,561	$ 3,587	$ 3,191	$ 3,391	$ 996	$ 2,049

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

APPENDIX

Membership Distribution by Single Policy In-Network Coinsurance of New Hampshire Situs and Fully-Insured and Self-Insured 2021

CY 2021

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%	41.2%	77.4%	52.7%	59.8%	56.6%
10%	12.4%	26.9%	1.9%	11.6%	14.0%	12.9%
15%	7.1%	1.7%	0.1%	2.3%	1.6%	1.9%
20%	9.5%	21.5%	17.4%	16.6%	21.1%	19.1%
25%	4.9%	0.0%	0.0%	1.2%	0.0%	0.6%
30%	12.0%	4.5%	1.9%	5.2%	1.3%	3.0%
35%	5.5%	4.2%	0.0%	2.6%	0.0%	1.2%
40%	19.7%	0.0%	0.1%	5.0%	0.0%	2.2%
50%	9.0%	0.0%	0.0%	2.3%	2.2%	2.2%
> 50%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
Grand Total	100%	100%	99%	100%	100%	100%
Average Coinsurance	19%	7%	3%	8%	5%	7%

Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes NH PAP and FEHBP population. Some totals are less than 100% due to some data not having benefit design information.

APPENDIX

Membership Distribution by Single Policy In-Network PCP Office Visit Copay of New Hampshire Situs and Fully-Insured and Self-Insured 2021

CY 2021

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
$ -	10.1%	0.0%	1.2%	3.1%	2.4%	2.7%
$ 1	6.3%	0.0%	0.0%	1.6%	0.0%	0.7%
$ 3	0.7%	0.0%	0.0%	0.2%	0.0%	0.1%
$ 5	0.8%	0.0%	0.0%	0.2%	1.7%	1.0%
$ 10	12.4%	0.7%	0.3%	3.4%	4.2%	3.9%
$ 15	5.1%	0.0%	0.6%	1.5%	15.8%	9.4%
$ 20	10.1%	1.7%	2.3%	4.1%	21.2%	13.5%
$ 25	6.2%	35.1%	29.8%	25.4%	8.8%	16.3%
$ 30	4.9%	5.9%	17.8%	11.2%	3.7%	7.1%
$ 35	0.1%	0.4%	1.9%	1.0%	2.9%	2.1%
$ 40	22.4%	33.3%	1.2%	15.6%	2.2%	8.2%
$ 45	0.0%	0.3%	0.0%	0.1%	0.0%	0.0%
$ 50	1.7%	13.1%	2.0%	5.1%	0.6%	2.6%
$ 55	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
$ 60	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
$ 65	0.0%	0.3%	0.0%	0.1%	0.0%	0.1%
D/C	19.3%	9.2%	41.8%	26.9%	36.4%	32.1%
Grand Total	100%	100%	99%	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. Some totals are less than 100% due to some data not having benefit design information.

APPENDIX

Membership Distribution, Average Premium PMPM and Actuarial Value of New Hampshire Situs, Fully-Insured and Self-Insured 2021

CY 2021

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	26.0%	$ 615	0.77	25.9%	$ 536	0.91
	POS	4.4%	$ 606	0.75	7.0%	$ 631	0.87
	EPO	3.0%	$ 571	0.71	9.8%	$ 657	0.80
	PPO	13.1%	$ 613	0.79	56.6%	$ 548	0.85
	FFS		N/A		0.6%	$ 213	0.99
Small Group	HMO	20.8%	$ 522	0.71			
	POS		N/A				
	EPO	4.1%	$ 564	0.74		N/A	
	PPO	3.3%	$ 628	0.72			
	FFS		N/A				
Individual	HMO	14.0%	$ 446	0.69			
	POS		N/A				
	EPO	9.5%	$ 436	0.77		N/A	
	PPO	1.4%	$ 609	0.79			
	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 2021

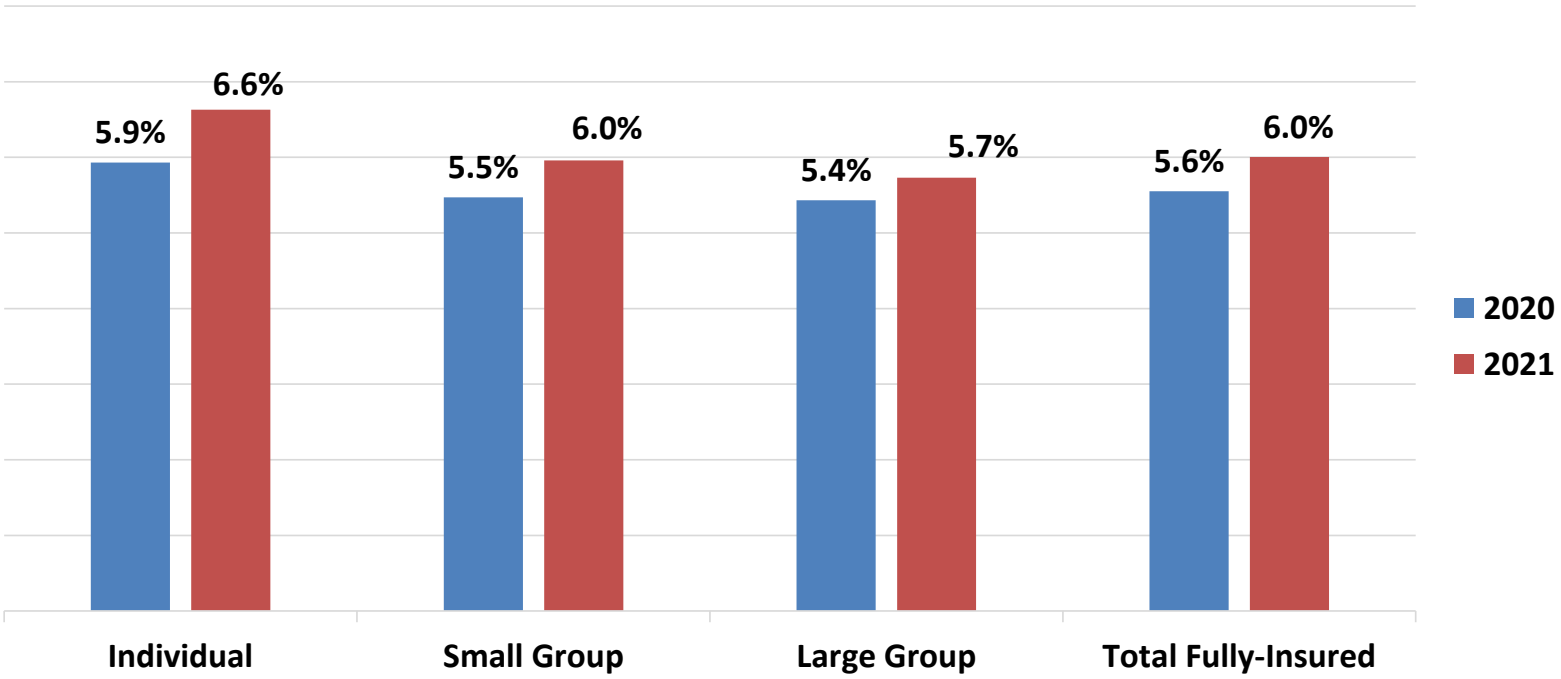
CY 2021

Situs	Self-Insured Membership Percentage with Stop-Loss Coverage
NH Situs	30.8%
Non-NH Situs	21.2%
Total	27.6%

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

APPENDIX

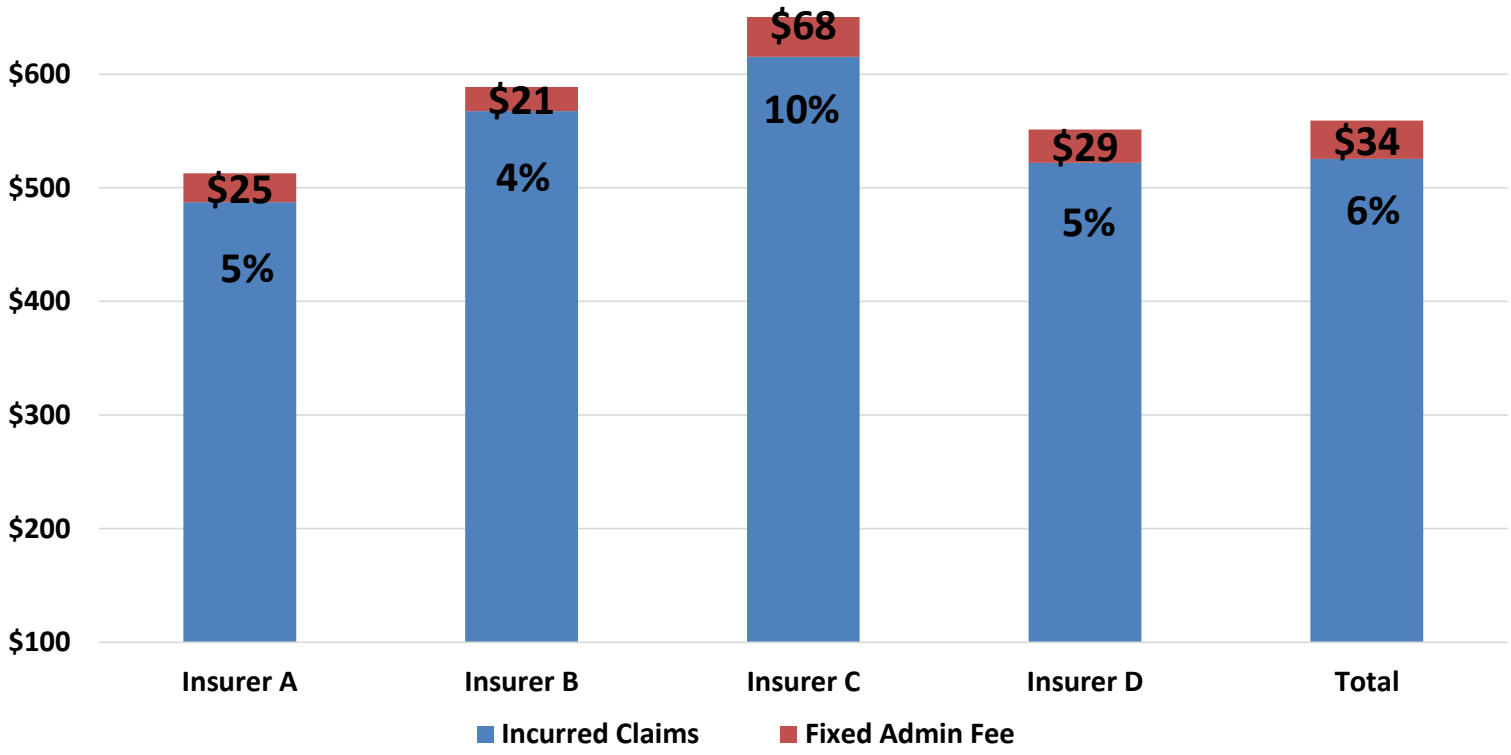
Primary Care PMPM as % of Total Allowed Claims PMPM



Source: NHID Annual Hearing data. This chart excludes data from Tufts Health Freedom Plan (THFP).

APPENDIX

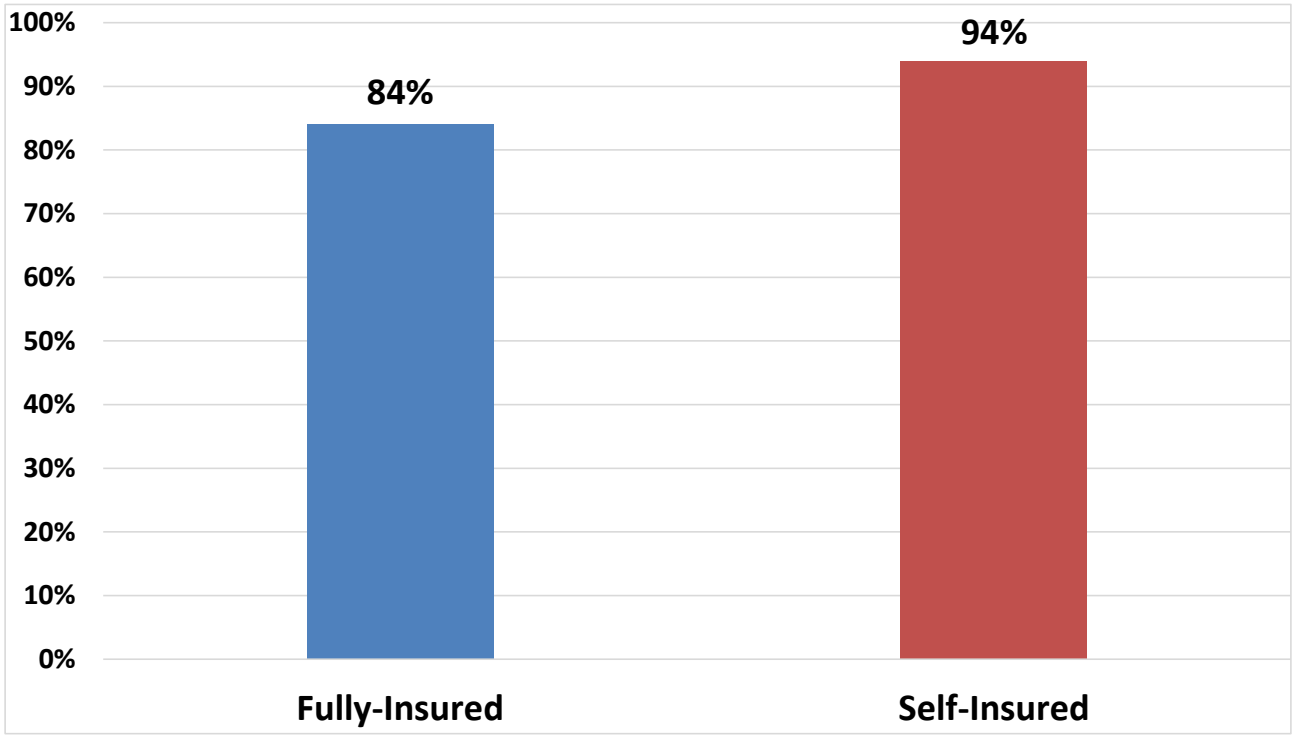
2021 Large Group Self-Insured Administrative Fees by Insurer



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

APPENDIX

2021 Large Group Medical Loss Ratios



Source: NHID Supplemental Data Request; Commercial population including New Hampshire situs membership only. Excludes FEHBP population. This has not been adjusted for federal MLR rebates in the fully-insured market.