

# **Consumer Narrative**

## **Tufts Health Public Plans, Inc.**

### **Massachusetts Merged Market Rate Filing**

#### **Scope and Range of the Rate Increase**

The average requested first quarter 2024 rate increase for the THPP suite of commercial products is 2.90%. The actual rate change realized by a group or individual may vary depending on age composition, geographic location and benefit plan design. This filing impacts 142,475 members currently enrolled in one of the THPP commercial products with a renewal date in the first quarter 2023.

#### **Financial Experience of the Product**

As demonstrated in the 2022 Medical Loss Ratio ("MLR") Rebate Calculation Form, Tufts Health Public Plans, Inc. met the legal requirements of a loss ratio in excess of 88.0%.

The loss ratio in this filing is anticipated to be above the 88.0% minimum.

#### **Changes in Medical Service Utilization**

The rate increase is primarily driven by the continual increase in medical service cost and utilization. The key medical cost and utilization factors included in the rate filing are as follows:

- Higher provider reimbursement levels from increases in fee schedules
- Higher medical service utilization

#### **Changes in Benefits**

A consideration in the rate filing process is the changes in benefit plan design by product. The changes are typically made to keep a product affordable, meaning a lower premium a member will pay. Benefit plan design changes were made for the first quarter 2024, including the Standard plan designs mandated by the Massachusetts Health Connector.

#### **Changes in administrative expenses, taxes, and fees**

Administrative expenses, including ACA related administrative expenses and fees have increased slightly as a percent of premium.

In this rate filing, Tufts Health Plan (Tufts Health Public Plans, Inc.) is requesting a contribution to surplus of 1.5% of premium.