

**RATE INCREASE JUSTIFICATION
PLAIN LANGUAGE SUMMARY**

COMPANY: UnitedHealthcare Insurance Company
(NAIC # 79413)

RATE SUBMISSION: 2024 Rate Revision and Annual Loss Ratio Filing for:
Standardized Medicare Supplement Plans
(SERFF # UHLC-133828020)
Pre-Standardized Medicare Supplement Plans
(SERFF # UHLC-133827934)

DATE: November 10, 2023

2024 premium rate changes have been requested for several AARP Medicare Supplement Insurance Plans. These would affect approximately 12,300 Standardized plan members, and approximately 30 Pre-Standardized plan members in the State of Vermont.

The new monthly premium rates would apply to members beginning June 1, 2024.

Premium rate changes are needed to cover the expected benefit costs and expenses of the program. Benefit costs change due to increases in costs for medical services and supplies, higher Medicare deductibles and co-payments, and the use of medical services and supplies by members.

Proposed 2024 rate revisions for Standardized Plans average 14.9%; increases by plan range from 14.7% to 15.0%.
Proposed 2024 rate revisions for Pre-Standardized Plans average 9.9%; increases by plan range from 0.0% to 9.9%.

Plans Effective 1/1/1992 & Later

Plans Effective Before 1/1/1992

<u>Standardized Plan</u>	<u>Proposed Rate Increases</u>		<u>Pre-Standardized Plan</u>	<u>Proposed Rate Increases</u>
	<u>Ages 65+</u>	<u>Under Age 65</u>		
Plan A	14.9%	14.9%	Plan M1	9.8%
Plan B	14.9%	14.9%	Plan M2	9.9%
Plan C	14.9%	14.9%	Plan M3 (with drugs)	9.9%
Plan D	14.9%	14.8%	Plan M3 (without drugs)	9.9%
Plan E	14.9%	14.8%	Plan M4 (with drugs)	9.9%
Plan F	14.9%	14.9%	Plan M4 (without drugs)	9.9%
Plan G	14.9%	14.8%	Plan M5	9.8%
Plan H (with drugs)	14.9%	14.9%	Plan M6	9.9%
Plan H (without drugs)	15.0%	15.0%	Plan M7 (with drugs)	9.9%
Plan J (with drugs)	14.9%	14.9%	Plan M7 (without drugs)	9.9%
Plan J (without drugs)	14.9%	14.9%	Plan MA	9.9%
Plan K	14.8%	14.7%	Plan AD/DP	0.0%
Plan L	14.9%	14.9%		
Plan N	15.0%	15.0%		

We are working hard to keep premium rates as low as possible for all members. This year’s proposed rate increase is higher than recent years due to higher-than-expected post-COVID emerging experience. As mentioned in past communications, we have taken several steps since 2020 to return savings from reduced utilization during the pandemic to policyholders through reduced premiums. We estimate that collectively these actions are worth approximately \$8.5M, about 20% of premium collected in 2020.

The proposed rate increases have been filed with the Vermont Department of Insurance for approval. This filing complies with the laws and regulations of the State of Vermont. Revised rates will not be implemented until approved by the Department.