

Company Name: UnitedHealthcare Insurance Company

NAIC Company Code: 79413

Market Segment: 2010 Standardized Medicare Supplement Plans (plans issued on or after June 1, 2010)

SERFF Tracking Number: UHLC-133830765

Scope and Range of the Rate Increase

2024 rate increases have been proposed for the AARP Standardized Medicare Supplement Insurance Plans for members residing in Rhode Island. These rate actions are projected to apply to 15,287 members. The new monthly premium rates will apply to members beginning June 1, 2024. Members will not receive a rate increase within their first twelve months of coverage.

We calculate a needed overall increase of 10.3% to cover projected 2024 rating period claims cost and expenses. We are proposing to limit the average increase to 8.9%, which is 1.4% lower than the calculated needed increase. These lower rate actions are intended to help mitigate the member impact at this time. Rate increases vary by plan. The range of rate increases is: 8.9% to 9.0%. Additional premium changes may occur due to changes in policyholder discounts.

The proposed rate increase is needed to cover the projected medical and administrative costs for 2024. We will continue to work hard to keep premium rates as low as possible for all members.

Increases in Medical Costs

There are many different health care cost trends that contribute to increases in the Medicare health care spending each year. Some of the key health care cost trends that have affected this year's rate increases include:

- **Increasing Cost of Medical Services:** Annual increases in reimbursement rates to health care providers.
- **Increasing Utilization:** The number of office visits and other medical services continues to grow. In addition, total health care spending will vary by the intensity of care and use of different types of health services.
- **Increases in Medicare Deductibles:** Medicare deductibles that are covered under these plans are expected to increase.
- **Impact of New Technology:** Improvements to medical technology and clinical practice lead to more expensive services increasing health care spending.

Administrative Costs

Expected administrative costs for these plans are similar to current administrative costs and are not contributing to the proposed rate increase.