

CHIA Standard Statistics: Commercial Health Insurance Benefit Levels (Paid-to-Allowed Claims Ratio)



Time Period/Data Year(s): CY 2015 – CY 2023

Governing Legislation: M.G.L. c. 12C, section 10; Regulation 957 CMR 10.00

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| Description | CHIA's Benefit Level statistic measures the proportion of medical claim costs covered by payers for primary medical health insurance plans in the Massachusetts commercial market. Benefit levels are estimated from the paid-to-allowed claims ratio. Calculated benefit levels reflect payer liability for covered medical and pharmacy claims. Except where otherwise noted, reported benefit levels include cost-sharing reduction (CSR) subsidies that lowered out-of-pocket costs for qualifying members purchasing ConnectorCare plans through the Massachusetts Health Connector. |
| Frequency | Benefit level data is collected as part of the Annual Premiums Data Request, for which payers submit data each September. Prior to 2020, data was submitted in May of each year. |
| Statutory Definition | CHIA is directed by M.G.L. c. 12C, section 10 to report on "changes in the benefit and cost-sharing design of plans." Data collection requirements are outlined by regulation 957 CMR 10.00. |
| Data Submitters | Under 957 CMR 10.00, "[a] Payer is subject to the reporting requirements in 957 CMR 10.00 if the Payer, including Affiliated Payers, had at least 50,000 Massachusetts Private Commercial Plan members for the latest quarter as reported in the Center's most recently published Enrollment Trends report as of February 1 st of the Reporting Year and posted on the Center's website. If a Payer is subject to the reporting requirements of 957 CMR 10.00, it shall file the required data for all of its Private Commercial Plans, clients, and Affiliated Payers." |
| Data Included | <p>As part of the Annual Premiums Data Request, payers submit aggregate data for their primary, medical, commercial Massachusetts contract-membership for the previous three calendar years. Submitted benefit level data - which relies upon submitted Allowed and Incurred Claims data* - is broken out by funding type (fully-/self-insured), market sector (employer size), product type (HMO/PPO/POS/Other), and benefit design type (High Deductible Health Plan/Limited Networks/Tiered Networks). Benefit level data is frequently paired with other financial data (e.g., premiums) for context on health plan "value."</p> <p>* Prior to the 2018 analysis (CY 2015-CY 2017 data), estimated actuarial value, a similar benefit level measure, was reported in place of the paid-to-allowed claims ratio. Actuarial value data is available in the databooks for CHIA's 2013-2017 <i>Annual Reports</i>, encompassing data from CY 2009-CY 2016.</p> |
| Quality Assurance Process | <p>Data submitted as part of the Annual Premiums Data Request undergoes a quality assurance and verification process:</p> <p>Along with CHIA's actuary, CHIA runs internal and external validity checks on all payer-submitted data. Internal validity checks are run on payer-submitted data for point-in-time and trend consistency and reasonableness. External checks are also run, comparing payer-submitted data against other payer-submitted state and federal reports, including the Supplemental Health Care Exhibit, the Massachusetts Medical Loss Ratio Reporting Form,</p> |

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| | and the CCIO Medical Loss Ratio Reporting Form. Where discrepancies are found and confirmed, CHIA requests revised data submissions from payers. |
| Reports | <p>Benefit level data is profiled in CHIA's</p> <ul style="list-style-type: none">• Annual Report on the Performance of the Massachusetts Health Care System <p>Reports include databooks/datasets, chartpacks, and technical appendices.</p> |
| Data Notes | <p>Important notes about data received from the Annual Premiums Data Request:</p> <ul style="list-style-type: none">• Massachusetts contract-membership includes non-Massachusetts residents.• Starting with the 2022 analysis (CY2018-2020 data), the allowed and incurred claims were reported net of pharmacy rebates.• Each year's data submissions include slight methodological refinements, and payer inclusion varies from year to year based on data quality. See relevant technical appendices.• An expanded analytic dataset, including enrollment and financial data not profiled in the 2024 <i>Annual Report</i>, is available on CHIA's website. |
| How to Obtain Data | <p>Most aggregate data from the Annual Premiums Data Request is published annually in databooks/datasets on CHIA's website concurrently with the reports noted above.</p> |
| Related CHIA Measures | <p>CHIA's average Cost-Sharing statistic measures the actual dollar amounts paid by members, while benefit levels track the percentage of claims dollars covered by members' health plans (including both payer liabilities and subsidies).</p> |
| Questions? | <p>Questions may be directed to Molly Bailey at molly.bailey@chiamass.gov.</p> |

