

# CARRIER TREND REPORT

JANUARY 2014 ANALYSIS

# CONTENTS

1. REPORT OVERVIEW	1
2. EXECUTIVE SUMMARY	2
3. RESULTS FOR JANUARY 2014	3
4. HISTORICAL EXPERIENCE	12
5. PARTICIPATING PROVIDERS	18
6. EXPOSURES BY LINE OF BUSINESS	19
7. ABOUT US	20

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# 1. REPORT OVERVIEW

Oliver Wyman Actuarial Consulting, Inc. developed the Carrier Trend Survey in order to conduct market research in the health insurance and HMO industry. Specific individual carrier or HMO responses are held in strict confidence.

This report summarizes the January 2014 trends from the survey that Oliver Wyman sent to healthcare carriers in December 2013. A summary of the median trends is shown in the table to the right. The coverage specific results are discussed in the Executive Summary. We intend this report to be of use to carriers, brokers, state insurance agencies and other interested parties who are affected by the trends in the cost of healthcare.

This report presents pricing trends used by the participating companies in the development of their rates for January 2014<sup>1</sup>. These trends are used to develop premiums for approximately 104.3 million group members as reported by the participating companies. (We have made no attempt to eliminate the effects that dual coverage may have on these trends.) In addition, this edition of the report reflects pricing trends for about 4.3 million members with individual health policies, about 7.5 million Medicare members and 2.3 million Medicaid members.

Note that the survey results shown in Section 3 of this report are aggregated and stratified by percentile. The intent is to show the range of trends currently being employed by the insurance community as of January 2014. The 100th percentile represents the highest trend reported. The 0th percentile represents the lowest trend reported.

To a limited extent, we asked respondents to provide trends for specific benefit designs. We have not made adjustments to the reported trends if respondents provided trends for benefit designs other than those specified.

Section 4 of this report contains the historical median trends.

CATEGORY	MEDIAN TREND
Group Medical Indemnity	10.00%
Group Medical PPO	9.01%
Group Medical POS	8.44%
Group Medical HMO	7.50%
Prescription Drug	8.80%
Group Dental Indemnity	5.00%
Group Dental PPO	5.00%
Group Dental DHMO	4.50%
Group Vision Indemnity	4.00%
Group Vision PPO	3.00%
Group Vision Prepaid	2.00%
Medicare Supplement with Drug	2.50%
Medicare Supplement without Drug	4.00%
Medicare Advantage with Drug	3.70%
Medicare Advantage without Drug	3.35%
Medicare Part D Standard Plan	3.52%
Individual Medical Indemnity	8.40%
Individual Medical PPO	7.60%
Individual Medical POS	7.95%
Individual Medical HMO	9.20%
Group Medical HSA with Drug	9.40%
Group Medical HSA without Drug	7.30%
Individual Medical HSA with Drug	8.60%
Individual Medical HSA without Drug	7.30%
Specific Stop Loss \$50,000	13.95%
Specific Stop Loss \$150,000	17.30%
ASO Fees	3.00%
Medicaid	2.10%

<sup>1</sup> There are some categories that experienced a significant change in membership from the July 2013 report. Some of the changes in trends may be attributable to a different mix in respondents.

## 2. EXECUTIVE SUMMARY

The median trend, weighted average, and sample average decreased from the July 2013 survey for all categories of the group medical products with the exception of PPO products which experienced a slight increase in median trend. HMO products continue to have the lowest median trend at 7.50%, while group indemnity products are showing the highest median trend at 10.00%.

The prescription drug median trend increased from July 2013 levels. Over the last four years the prescription drug median trend has decreased nearly four percentage points. The median drug trend is at 8.80%.

The median trend for dental PPO decreased from July 2013 levels, while group dental indemnity and DHMO products remained unchanged. The group dental median trends show a tight range, between 4.50% and 5.00%, with PPO and indemnity products having the highest median trend at 5.00%.

The median trend remained at July 2013 levels for group vision indemnity and prepaid products, while median trends for group vision PPO decreased. Indemnity products have the highest median trend among group vision products at 4.00%.

Medicare Supplement products have shown decreases in trends from the July 2013 survey. Medicare Supplement products with prescription drug coverage experienced a decrease in the median trend of 3.60 percentage points from July 2013 levels, while products without drug coverage experienced a decrease of 0.40 percentage points.

The median trend decreased from the July 2013 survey for Medicare Advantage (MA) products with drug coverage, while the median trend increased slightly for MA products without drug coverage. The median trend for MA products with drug coverage continues to show a higher median trend than MA products without drug coverage. The median trend for Medicare Part D has decreased from the July 2013 levels.

The median trend increased from the July 2013 survey for group medical HSA plans with drug coverage and individual medical HSA plans without drug coverage, while the median trend for group medical HSA plans without drug coverage decreased. The median trend for individual medical HSA plans with drug coverage remained the same as the July 2013 trend at 8.60%.

The median trend for all individual medical products decreased from the July 2013 survey. The highest median trend is among the individual medical HMO products at 9.20%.

The median trend for \$50,000 Specific Stop Loss increased from the July 2013 survey, while the median trend for \$150,000 Specific Stop Loss remained the same at 17.30%.

The Medicaid median trend and weighted average decreased from trends reported in the July 2013 survey, while the sample average increased. The median trend is currently 2.10%.

ASO fees median trend decreased from the July 2013 survey to 3.00%.

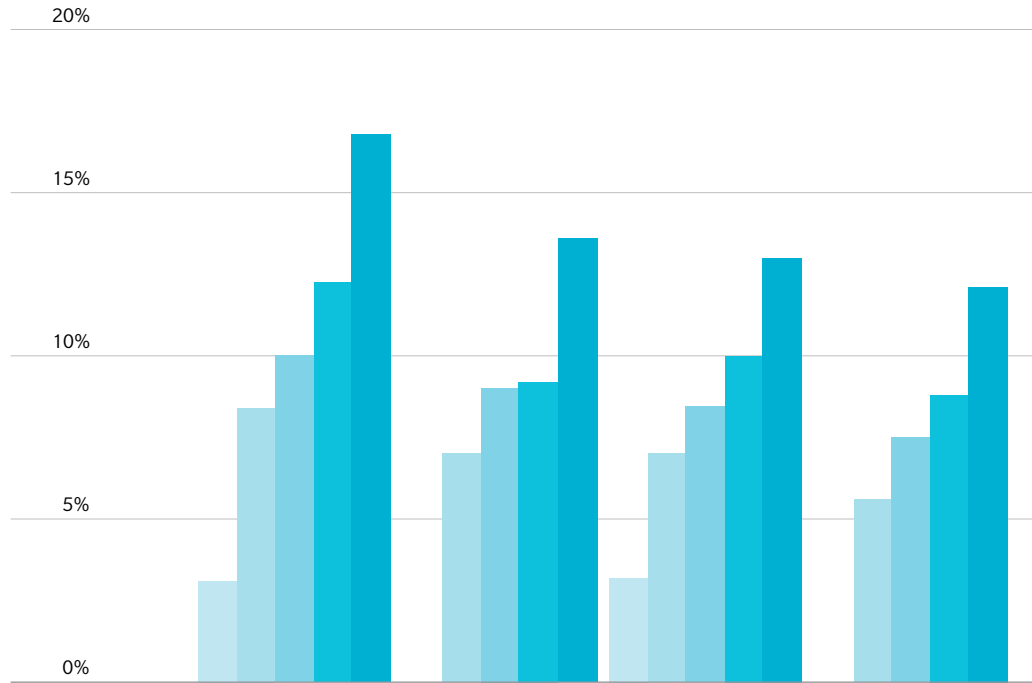
## 3. RESULTS FOR JANUARY 2014

The following charts show trends for:

- Group Medical
- Prescription Drug and Dental
- Group Vision
- Medicare Supplement Products
- Medicare Advantage Products
- High Deductible Health Plans
- Individual Medical
- Stop Loss, ASO Fees and Medicaid

## EXHIBIT 1: GROUP MEDICAL PRICING TRENDS

ANNUAL TREND  
25%



	Group Medical Indemnity	Group Medical PPO <sup>2*</sup>	Group Medical POS <sup>3*</sup>	Group Medical HMO <sup>2*</sup>
# of Responses	45	91	61	83
Exposures <sup>1*</sup>	2,514,885	55,250,109	17,284,546	18,621,788
100th Percentile	16.79%	13.60%	13.00%	12.10%
75th Percentile	12.25%	9.20%	10.00%	8.80%
Median	10.00%	9.01%	8.44%	7.50%
25th Percentile	8.40%	7.00%	7.00%	5.60%
0th Percentile	3.10%	0.00%	3.19%	0.00%
Sample Average	9.59%	8.54%	8.31%	7.76%
Weighted Average	10.37%	8.51%	9.82%	7.41%

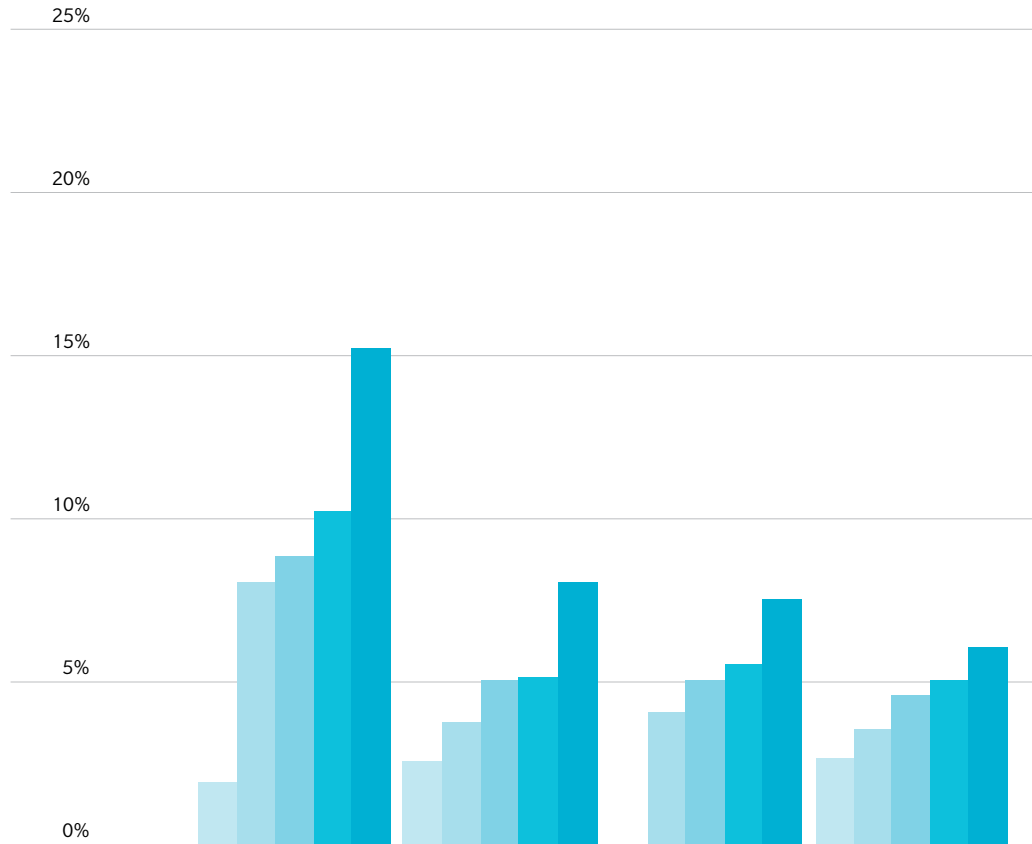
<sup>1\*</sup> Based on member count

<sup>2\*</sup> The zero trend is not an error; at least one carrier reported a zero or negative trend

<sup>3\*</sup> Percentiles for Group Medical POS are based on the number of respondents, as opposed to members

## EXHIBIT 2: PRESCRIPTION DRUG AND DENTAL PRICING TRENDS

### ANNUAL TREND



	Prescription Drug	Group Dental Indemnity	Group Dental PPO <sup>2,3*</sup>	Group Dental DHMO <sup>3*</sup>
# of Responses	103	40	46	13
Exposures <sup>1*</sup>	60,387,697	6,078,173	37,729,033	4,231,059
100th Percentile	15.20%	8.00%	7.50%	6.00%
75th Percentile	10.20%	5.10%	5.50%	5.00%
Median	8.80%	5.00%	5.00%	4.50%
25th Percentile	8.00%	3.70%	4.00%	3.50%
0th Percentile	1.88%	2.50%	0.00%	2.58%
Sample Average	8.44%	5.08%	4.54%	4.24%
Weighted Average	8.70%	4.74%	5.17%	4.11%

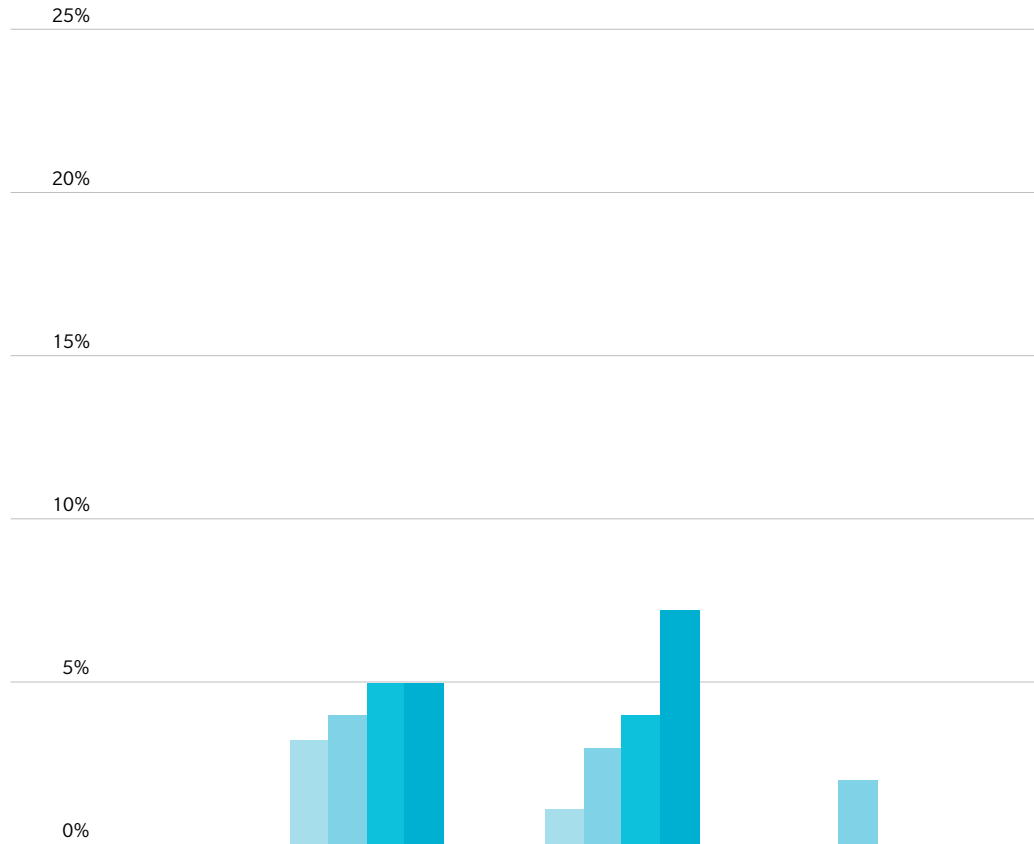
<sup>1\*</sup> Based on member count

<sup>2\*</sup> The zero trend is not an error; at least one carrier reported this trend

<sup>3\*</sup> Percentiles for Group Dental PPO and Group Dental DHMO are based on the number of respondents, as opposed to members

### EXHIBIT 3: GROUP VISION PRICING TRENDS

ANNUAL TREND



	Group Vision Indemnity <sup>2,3,4*</sup>	Group Vision PPO <sup>2,3*</sup>	Group Vision Prepaid <sup>3*</sup>
# of Responses	21	26	7
Exposures <sup>1*</sup>	4,266,048	35,581,653	728,164
100th Percentile	5.00%	7.23%	-
75th Percentile	5.00%	4.00%	-
Median	4.00%	3.00%	2.00%
25th Percentile	3.25%	1.13%	-
0th Percentile	0.00%	0.00%	-
Sample Average	3.65%	2.95%	2.43%
Weighted Average	3.47%	2.59%	4.79%

<sup>1\*</sup> Based on member counts

<sup>2\*</sup> The zero trend is not an error; at least one carrier reported this trend

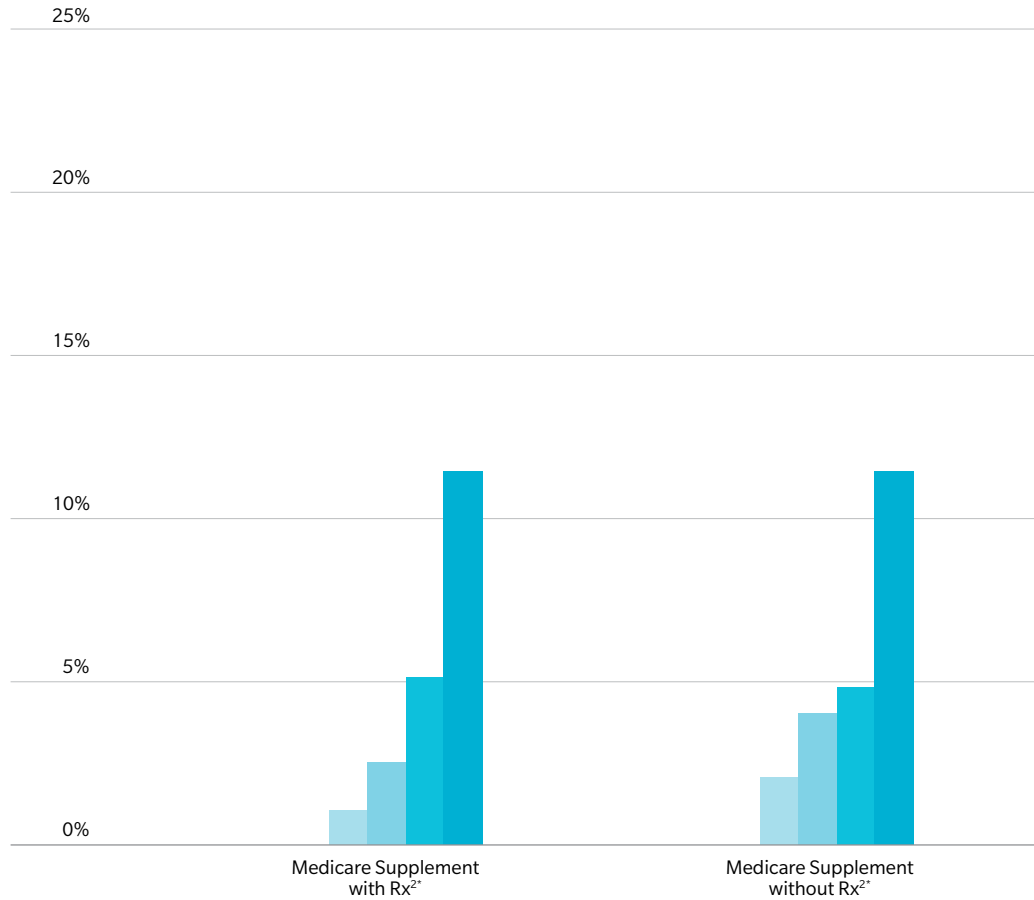
<sup>3\*</sup> Percentiles for all vision products are based on the number of respondents, as opposed to members

<sup>4\*</sup> The 100th percentile and the 75th percentile are the same for Group Vision Indemnity. These reflect trends from multiple carriers



## EXHIBIT 4: MEDICARE SUPPLEMENT PRODUCTS PRICING TRENDS

### ANNUAL TREND



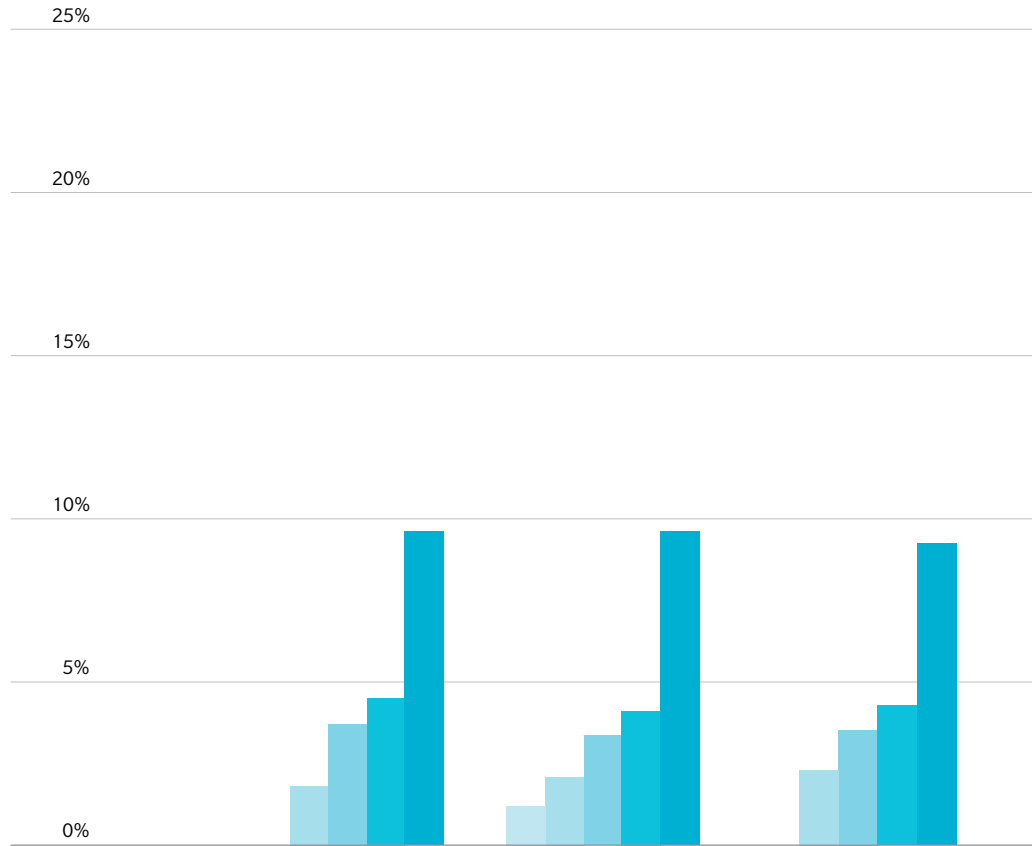
	Medicare Supplement with Rx <sup>2*</sup>	Medicare Supplement without Rx <sup>2*</sup>
# of Responses	30	48
Exposures <sup>1*</sup>	422,685	1,431,941
100th Percentile	11.45%	11.45%
75th Percentile	5.10%	4.80%
Median	2.50%	4.00%
25th Percentile	1.00%	2.00%
0th Percentile	0.00%	0.00%
Sample Average	4.61%	4.29%
Weighted Average	2.94%	3.48%

<sup>1\*</sup> Based on member counts

<sup>2\*</sup> The zero trend is not an error; at least one carrier reported a zero or negative trend

## EXHIBIT 5: MEDICARE ADVANTAGE PRODUCTS PRICING TRENDS

ANNUAL TREND



	Medicare Advantage with Rx <sup>2,3*</sup>	Medicare Advantage without Rx <sup>3*</sup>	Medicare Part D Standard Plan <sup>2,3*</sup>
# of Responses	33	24	24
Exposures <sup>1*</sup>	2,075,787	879,914	2,690,494
100th Percentile	9.60%	9.60%	9.24%
75th Percentile	4.50%	4.10%	4.25%
Median	3.70%	3.35%	3.52%
25th Percentile	1.80%	2.08%	2.30%
0th Percentile	0.00%	1.20%	0.00%
Sample Average	3.52%	3.56%	3.15%
Weighted Average	3.66%	3.96%	5.68%

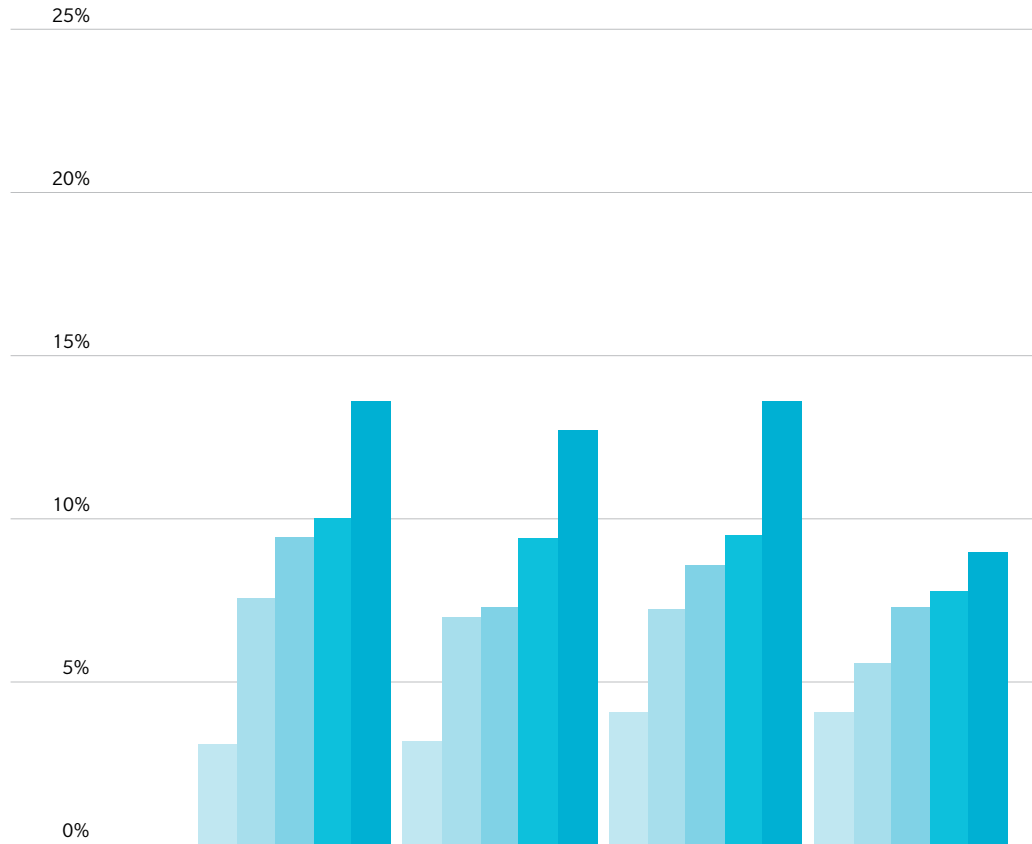
<sup>1\*</sup> Based on member counts

<sup>2\*</sup> The zero trend is not an error; at least one carrier reported a zero or negative trend

<sup>3\*</sup> Percentiles for all Medicare products are based on the number of respondents, as opposed to members

## EXHIBIT 6: HIGH DEDUCTIBLE HEALTH PLANS PRICING TRENDS

### ANNUAL TREND

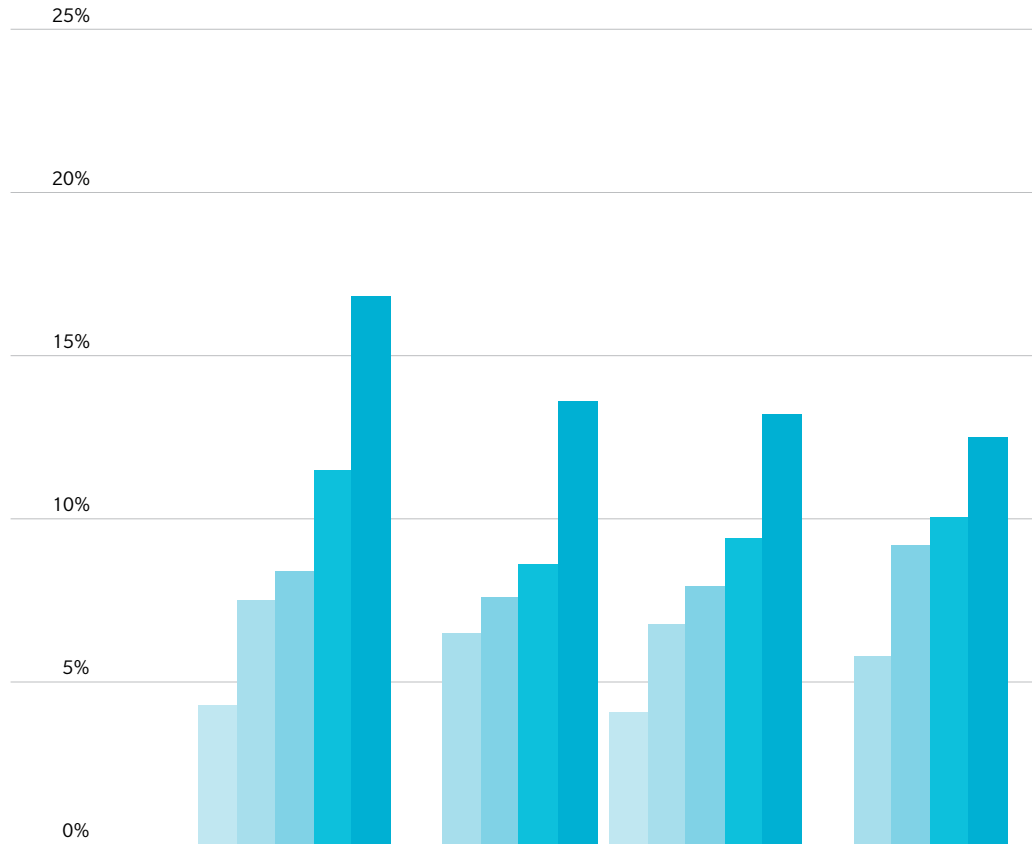


	Group Medical HSA with Rx	Group Medical HSA without Rx	Individual Medical HSA with Rx	Individual Medical HSA without Rx
# of Responses	55	24	38	11
Exposures <sup>1*</sup>	5,676,192	4,935,021	525,868	280,613
100th Percentile	13.60%	12.73%	13.60%	9.00%
75th Percentile	10.00%	9.40%	9.50%	7.80%
Median	9.40%	7.30%	8.60%	7.30%
25th Percentile	7.59%	7.00%	7.23%	5.60%
0th Percentile	3.10%	3.19%	4.10%	4.10%
Sample Average	8.77%	8.23%	8.56%	7.20%
Weighted Average	8.67%	7.85%	8.50%	7.02%

<sup>1\*</sup> Based on member counts

## EXHIBIT 7: INDIVIDUAL MEDICAL PRICING TRENDS

### ANNUAL TREND



	Individual Medical Indemnity <sup>2*</sup>	Individual Medical PPO <sup>3*</sup>	Individual Medical POS <sup>2*</sup>	Individual Medical HMO <sup>3*</sup>
# of Responses	29	48	8	37
Exposures <sup>1*</sup>	144,458	2,963,536	57,486	290,123
100th Percentile	16.79%	13.60%	13.21%	12.50%
75th Percentile	11.50%	8.60%	9.40%	10.05%
Median	8.40%	7.60%	7.95%	9.20%
25th Percentile	7.50%	6.50%	6.76%	5.80%
0th Percentile	4.30%	0.00%	4.10%	0.00%
Sample Average	9.47%	8.08%	8.12%	6.61%
Weighted Average	10.78%	7.60%	8.29%	8.00%

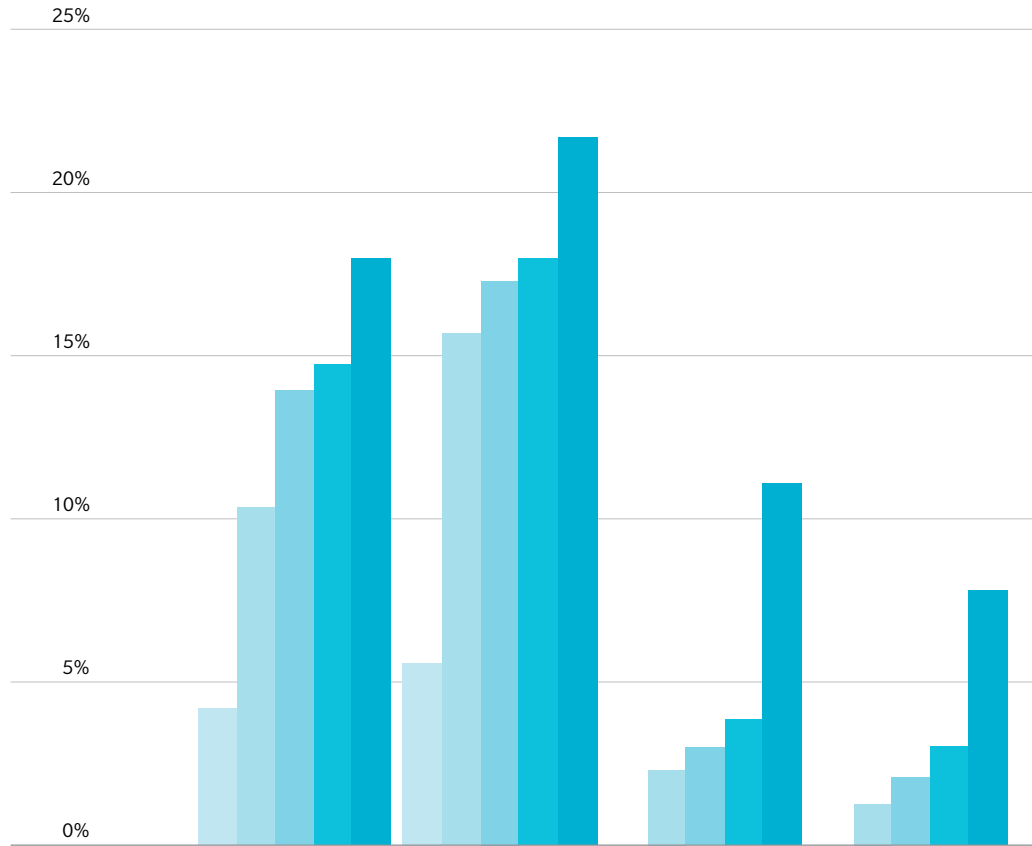
<sup>1\*</sup> Based on member counts

<sup>2\*</sup> Percentiles for Individual Medical Indemnity and Individual Medical POS are based on the number of respondents, as opposed to members

<sup>3\*</sup> The zero trend is not an error; at least one carrier reported a zero or negative trend

## EXHIBIT 8: STOP LOSS, ASO FEES AND MEDICAID PRICING TRENDS

### ANNUAL TREND



	\$50,000 Specific Stop Loss <sup>2*</sup>	\$150,000 Specific Stop Loss	ASO Fees <sup>2*,3*</sup>	Medicaid <sup>3*</sup>
# of Responses	16	15	34	14
Exposures <sup>1*</sup>	320,761	1,044,963	19,424,709	2,260,261
100th Percentile	18.00%	21.70%	11.09%	7.78%
75th Percentile	14.75%	18.00%	3.88%	3.00%
Median	13.95%	17.30%	3.00%	2.10%
25th Percentile	10.35%	15.70%	2.33%	1.28%
0th Percentile	4.20%	5.60%	0.00%	0.00%
Sample Average	12.39%	14.86%	3.91%	2.87%
Weighted Average	15.80%	16.21%	7.35%	2.37%

<sup>1\*</sup> Based on member counts

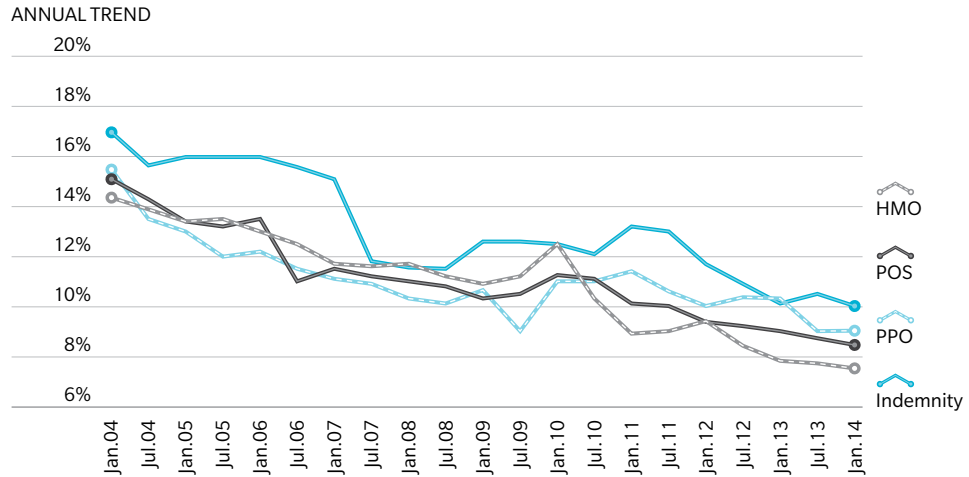
<sup>2\*</sup> Percentiles for \$50,000 Specific Stop Loss and ASO fees are based on the number of respondents, as opposed to members

<sup>3\*</sup> The zero trend is not an error; at least one carrier reported this trend

## 4. HISTORICAL EXPERIENCE

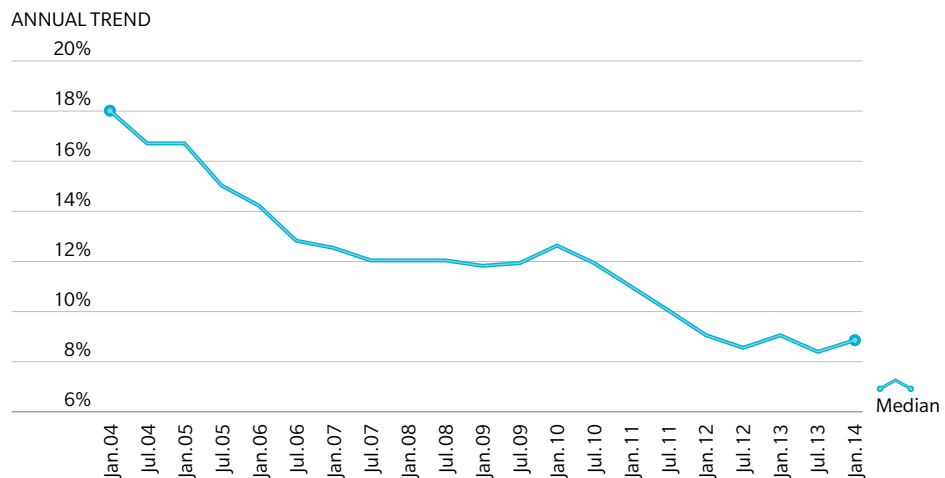
This section shows the median of the trends reported by carriers from January 2004 forward.

EXHIBIT 9: MEDIAN GROUP MEDICAL TRENDS



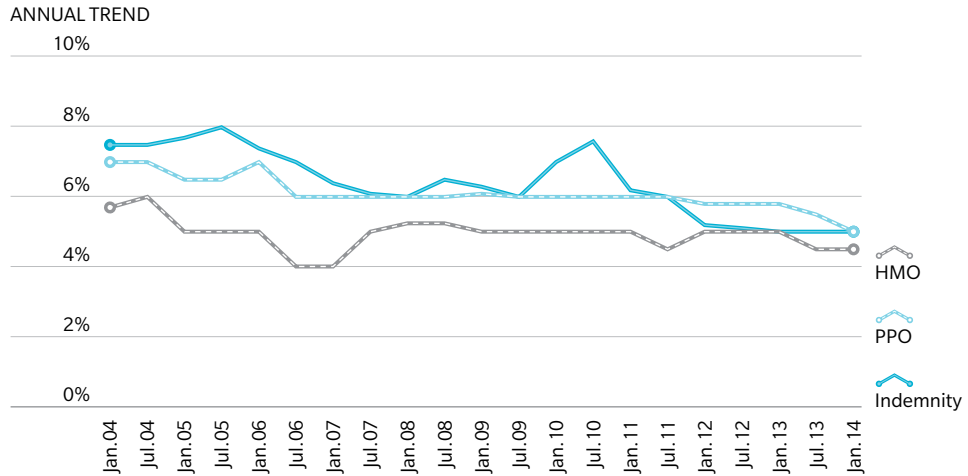
The median trend for all group medical products decreased from July 2013 levels with the exception of group medical PPO. Group medical indemnity products show the highest median trend at 10.00%.

EXHIBIT 10: MEDIAN PRESCRIPTION DRUG TREND



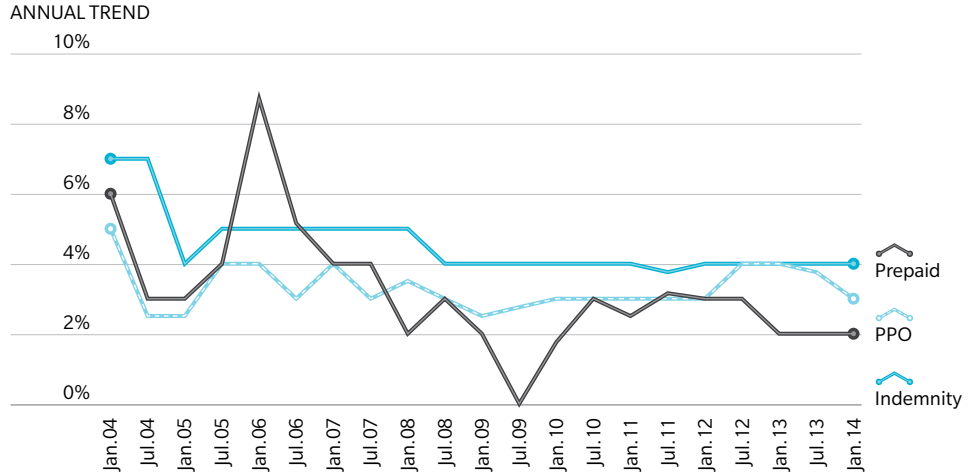
The prescription drug median trend increased from the July 2013 survey. The median trend is currently at 8.80%.

## EXHIBIT 11: MEDIAN GROUP DENTAL TRENDS



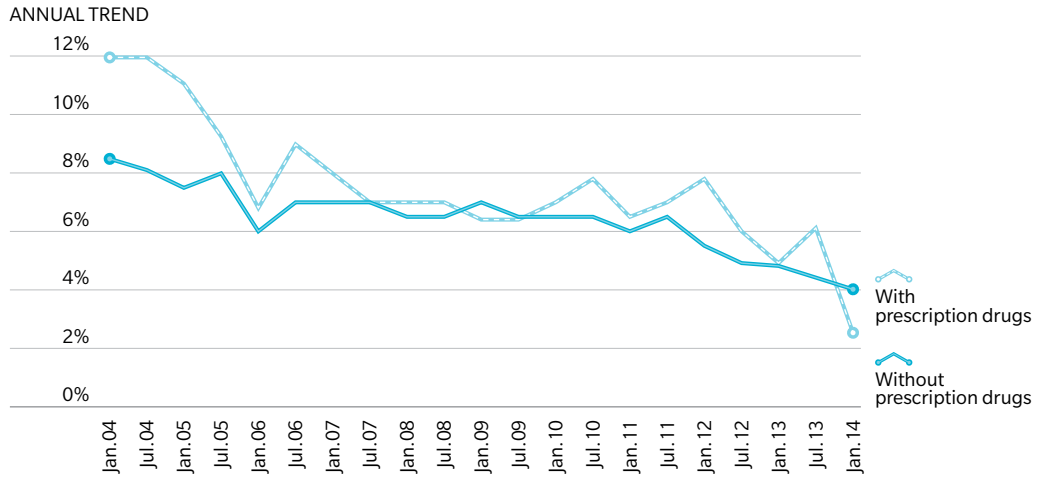
Median trends for group dental products have been relatively stable since July 2007 with the exception of indemnity products. The median trends for indemnity and DHMO remained unchanged from the July 2013 survey, while the median trend for dental PPO decreased.

## EXHIBIT 12: MEDIAN GROUP VISION TRENDS



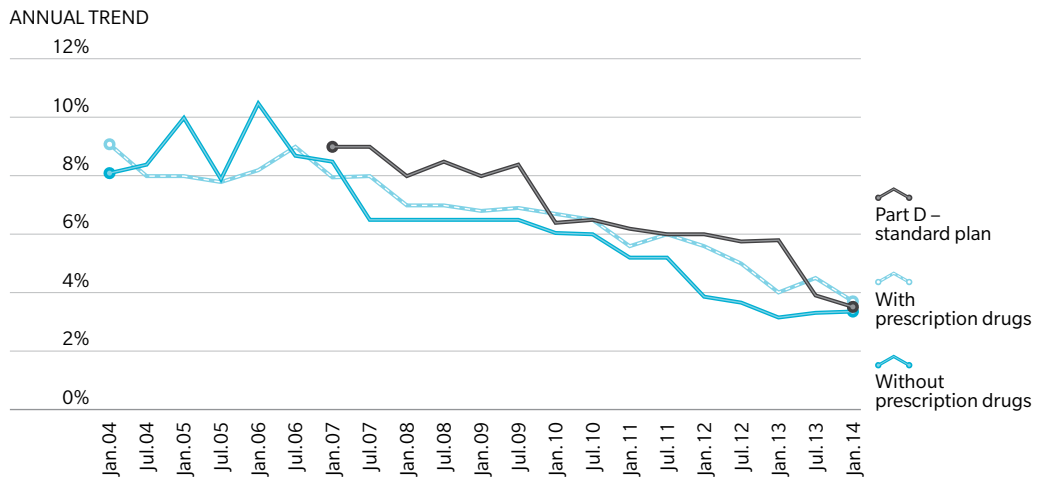
The median trend for group vision indemnity and prepaid products remain unchanged from the July 2013 survey, while the median trend for group vision PPO products experienced a decrease. The fluctuation in historical median trend for prepaid products could be due to the small number of respondents, rather than actual pricing trends.

### EXHIBIT 13: MEDIAN MEDICARE SUPPLEMENT TRENDS



Medicare Supplement products with drug coverage experienced a decrease of 3.60 percentage points in the median trend from July 2013 levels. Products without drug coverage experienced a decrease of 0.40 percentage points.

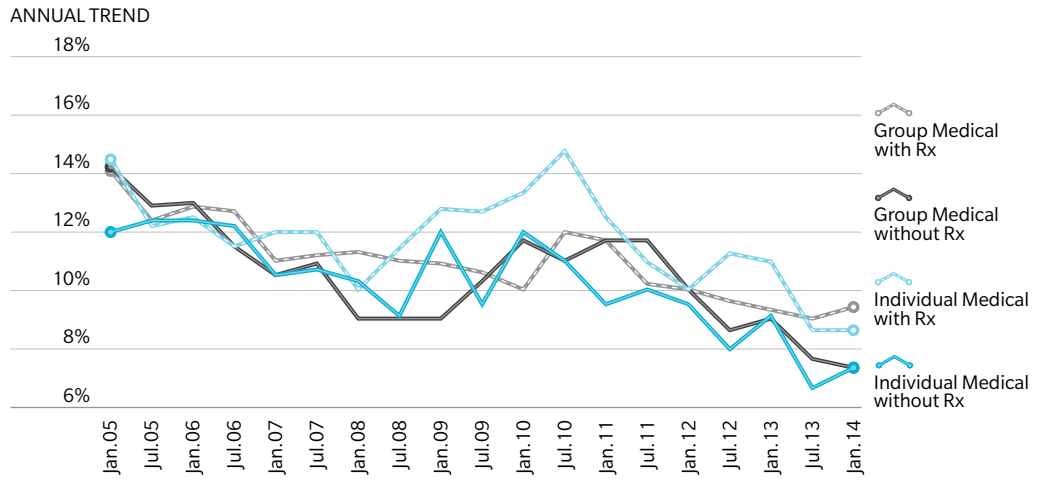
### EXHIBIT 14: MEDIAN MEDICARE ADVANTAGE TRENDS



The median trends for Medicare Advantage products with prescription drug coverage and Medicare Part D decreased from July 2013 levels, while the median trend for Medicare Advantage products without drug coverage increased slightly. All the Medicare median trends appear to be converging to 3.5%.

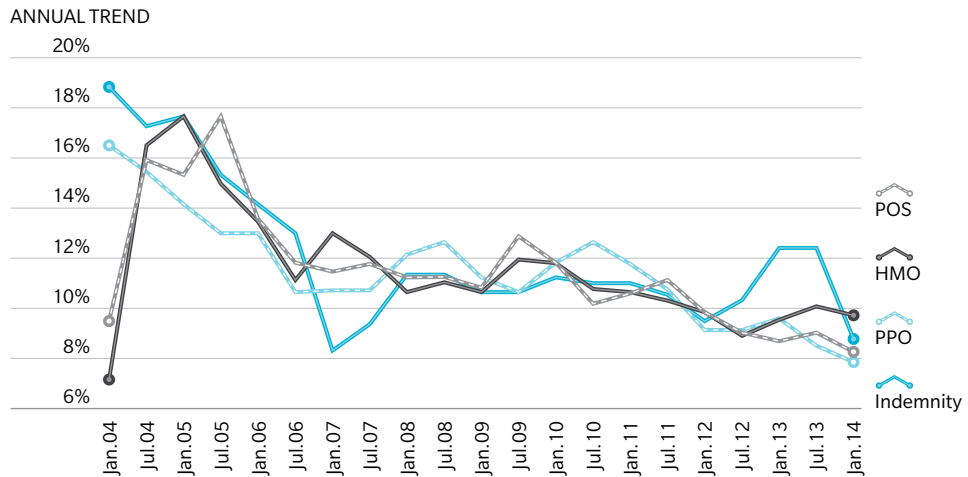


## EXHIBIT 15: MEDIAN HIGH DEDUCTIBLE HEALTH PLAN TRENDS



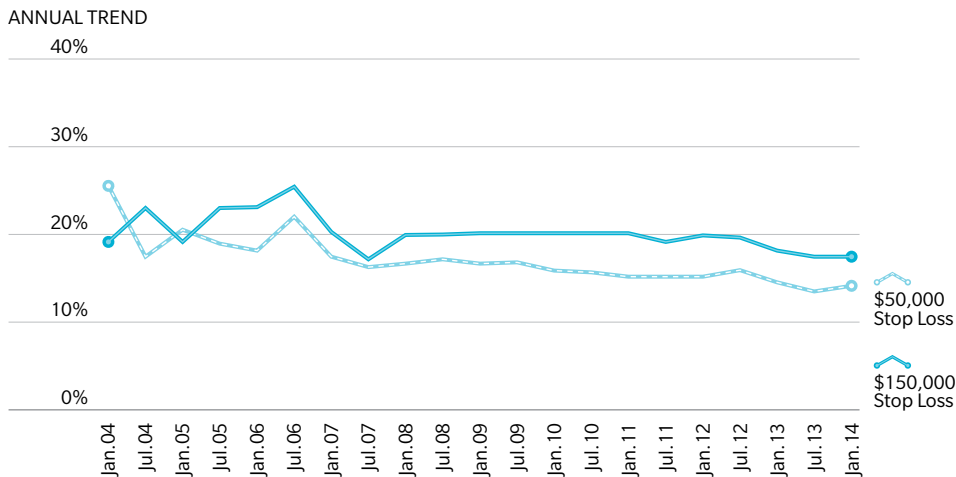
The median trend increased from the July 2013 survey for group medical HSA plans with drug coverage and individual medical HSA plans without drug coverage, while the median trend for group medical HSA plans without drug coverage decreased. The median trend for individual medical HSA plans with drug coverage remained the same as the July 2013 trend at 8.60%.

## EXHIBIT 16: MEDIAN INDIVIDUAL MEDICAL TRENDS



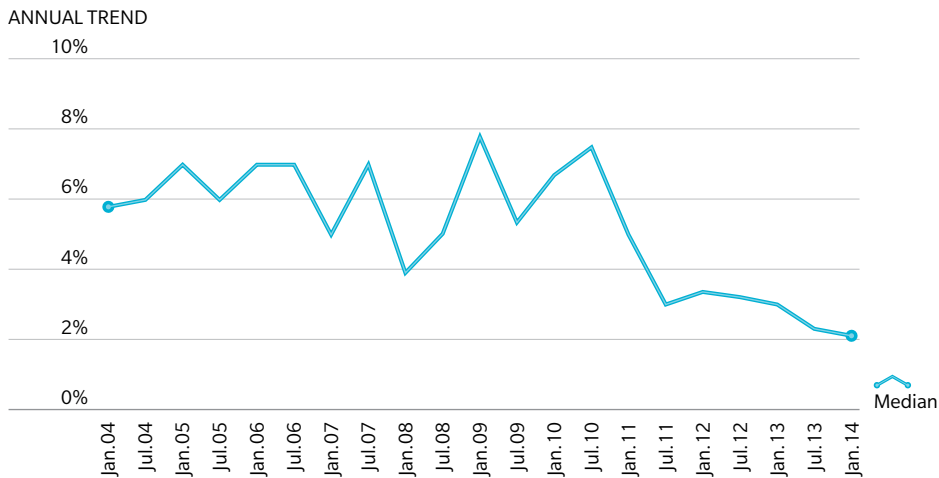
The median trends for all individual medical products decreased from the July 2013 survey. The median trend for individual HMO products shows the highest median trend among all non-HDHP individual products at 9.20%.

**EXHIBIT 17: MEDIAN SPECIFIC STOP LOSS TRENDS**



The stop loss median trends have remained relatively stable since January 2008. The median trend for the \$50,000 Stop Loss increased from the July 2013 survey, while the median trend for the \$150,000 Stop Loss remained constant.

**EXHIBIT 18: MEDIAN MEDICAID TREND**

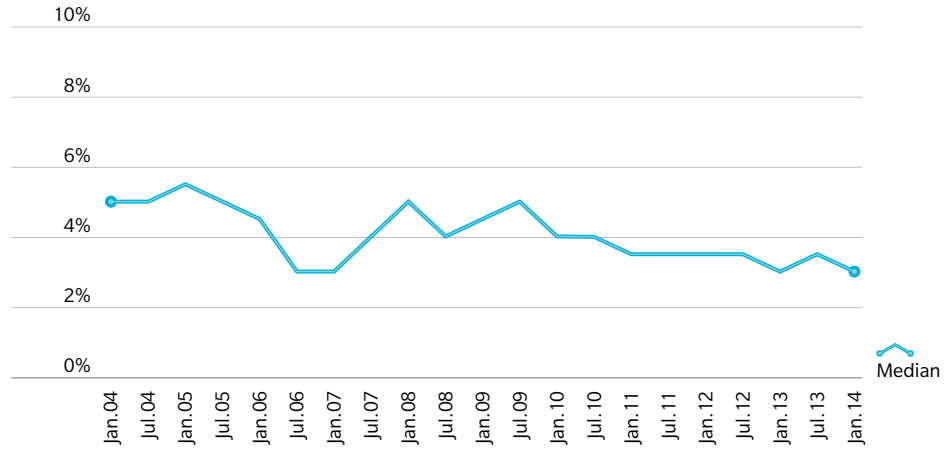


The median Medicaid trend decreased from the July 2013 survey to 2.10%. The fluctuation in historical median trend for Medicaid products could be due to the small number of respondents, rather than actual pricing trends.

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## EXHIBIT 19: MEDIAN ASO FEES TREND

### ANNUAL TREND



The median trend for ASO fees decreased from 3.50% to 3.00%. The median trend has been relatively stable since July 2009.

## 5. PARTICIPATING PROVIDERS

Aetna	Harvard Pilgrim Health Care
Altius Health Plans	Health America
American Enterprise	Health Care Service Corporation
Ameritas Life Insurance Corp.	Health Net of California, Inc.
Anthem Blue Cross and Blue Shield (Colorado)	HealthAmerica Pennsylvania, Inc.
Anthem Blue Cross and Blue Shield (Connecticut)	Highmark Blue Cross Blue Shield
Anthem Blue Cross and Blue Shield (Maine)	Highmark Blue Cross Blue Shield of Delaware
Anthem Blue Cross and Blue Shield (Nevada)	Highmark Blue Cross Blue Shield of West Virginia
Anthem Blue Cross and Blue Shield (New Hampshire)	Highmark Blue Shield
Anthem Blue Cross and Blue Shield of Indiana	HM Insurance Group
Anthem Blue Cross and Blue Shield of Kentucky	Horizon Blue Cross Blue Shield New Jersey
Anthem Blue Cross and Blue Shield of Missouri	Humana
Anthem Blue Cross and Blue Shield of Ohio	HumanaOne
Anthem Blue Cross and Blue Shield of Virginia	Humana Specialty Benefits
Anthem Blue Cross and Blue Shield United of Wisconsin	Independence Blue Cross
Blue Care Network of Michigan	ING Reliastar
Blue Cross and Blue Shield of Florida, Inc.	Kaiser Permanente
Blue Cross and Blue Shield of Georgia	KPS Health Plans
Blue Cross and Blue Shield of Kansas City	Medical Mutual of Ohio
Blue Cross and Blue Shield of Nebraska	Moda Health
Blue Cross and Blue Shield of North Carolina	Network Health Plan
Blue Cross Blue Shield of Arizona	Nippon Life Insurance Company of America
Blue Cross and Blue Shield of Idaho	Northeast Delta Dental
Blue Cross Blue Shield of Illinois	Optima Health
Blue Cross Blue Shield of Louisiana	PacificSource Health Plans
Blue Cross Blue Shield of Massachusetts	Paramount Health Care
Blue Cross Blue Shield of Michigan	Personal Care
Blue Cross Blue Shield of New Mexico	Physicians Health Plan of Northern Indiana, Inc.
Blue Cross Blue Shield of Oklahoma	Preferred Health Systems
Blue Cross Blue Shield of Texas	Premera Blue Cross of Alaska
Blue Cross of Northeastern Pennsylvania	Premera Blue Cross of Washington
Blue Cross of California	Priority Health
Blue Shield of California	Providence Health Plan
BlueCross BlueShield of Tennessee	Regence Blue Cross Blue Shield of Oregon
BlueCross BlueShield of Vermont	Regence Blue Cross Blue Shield of Utah
Capital Blue Cross	Regence Blue Shield of Idaho
CareFirst BlueCross BlueShield	Regence Blue Shield of Washington
Carelink	Security Health
CIGNA Health Care	SelectHealth
Coventry	Sentry Life Insurance Company
Davis Vision, Inc.	Southern Health
Dean Health Plan	The Health Plan of the Upper Ohio Valley/THP Insurance
Delta Dental of Iowa	The Union Labor Life Insurance Company
Delta Dental of Kansas	Transamerica Life Insurance Company
Delta Dental of Wisconsin	Trustmark Life Insurance Company
Empire Blue Cross and Blue Shield (New York)	Tufts Health Plan
EPIC Life Insurance Company	United Concordia Dental
Everence	UnitedHealthcare
Excellus BlueCross BlueShield (Central New York)	Unity Health Plans Insurance Corporation
Excellus BlueCross BlueShield (Rochester)	Universal American
Excellus BlueCross BlueShield (Utica)	Vermont HealthPlan
Group Health Cooperative	WEA Insurance Corporation
Group Health Options, Incorporated	Wellmark Blue Cross and Blue Shield of Iowa
Guarantee Trust Life Insurance Company	Wellmark Blue Cross and Blue Shield of South Dakota

## 6. EXPOSURES BY LINE OF BUSINESS

	NUMBER OF CARRIERS RESPONDING	NUMBER OF RESPONSES	TOTAL REPORTED EXPOSURE
<b>GROUP MEDICAL</b>			
Indemnity	35	45	2,514,885
PPO	55	91	55,250,109
POS	40	61	17,284,546
HMO	46	83	18,621,788
			<b>93,671,328</b>
<b>INDIVIDUAL MEDICAL</b>			
Indemnity	23	29	144,458
PPO	33	48	2,963,536
POS	8	8	57,486
HMO	29	37	290,123
			<b>3,455,603</b>
<b>HIGH DEDUCTIBLE HEALTH PLANS</b>			
Group Medical HSA with Rx	43	55	5,676,192
Group Medical HSA without Rx	19	24	4,935,021
Individual Medical HSA with Rx	28	38	525,868
Individual Medical HSA without Rx	6	11	280,613
			<b>11,417,694</b>
<b>PRESCRIPTION DRUG</b>			
	58	103	<b>60,387,697</b>
<b>MEDICARE SUPPLEMENT</b>			
Products with Rx benefits	24	30	422,685
Products without Rx benefits	37	48	1,431,941
			<b>1,854,626</b>
<b>MEDICARE ADVANTAGE</b>			
Products with Rx benefits	27	33	2,075,787
Products without Rx benefits	18	24	879,914
			<b>2,955,701</b>
<b>MEDICARE PART D STANDARD PLAN</b>			
	17	24	<b>2,690,494</b>
<b>MEDICAID</b>			
	10	14	<b>2,260,261</b>
<b>GROUP DENTAL</b>			
Indemnity	27	40	6,078,173
PPO	37	46	37,729,033
DHMO	13	13	4,231,059
			<b>48,038,265</b>
<b>GROUP VISION</b>			
Indemnity	15	21	4,266,048
PPO	22	26	35,581,653
Prepaid	3	7	728,164
			<b>40,575,865</b>
<b>SPECIFIC STOP-LOSS</b>			
\$50,000	14	16	320,761
\$150,000	13	15	1,044,963
			<b>1,365,724</b>
<b>ASO FEES</b>			
	27	34	<b>19,424,709</b>

This table shows the number of responses and the exposure by type of coverage. Not all carriers provide the entire range of products surveyed. Some carriers returned more than one response to distinguish trends by region.

The “Number of Responses” and “Total Reported Exposure” columns match the first and second summary rows of the graphs named “# of Responses” and “Exposures” found in Section 3 of the report. The exposure numbers shown are those reported. No attempt has been made to account for any “double counting” resulting from dual coverage.

## 7. ABOUT US

Oliver Wyman is an international management consulting firm. With more than 3,000 professionals in over 50 cities around the globe, Oliver Wyman combines deep industry knowledge with specialized expertise in strategy, operations, risk management, organizational transformation leadership development. The firm helps clients optimize their businesses, improve their operations and risk profile, and accelerate their organizational performance to seize the most attractive opportunities. As part of Marsh & McLennan Companies (NYSE: MMC), Oliver Wyman is also able to draw on experts from our sister companies in the areas of brand and identity management, microeconomics, human capital strategies, insurance security.

The actuarial consulting practice of Oliver Wyman employs over 90 credentialed actuaries in North America across 16 offices. The firm's actuaries provide independent, objective advice by combining a broad range of expertise with specialized knowledge of specific risks. Oliver Wyman is committed to unparalleled mastery in actuarial and risk sciences, continually renewed by the breadth of each consultant's experiences and independent research. The actuarial practice continuously researches methods for evaluating, measuring reporting on risk and provides clear, timely communications in the three primary areas of risk for organizations: property and casualty, life and annuities, and healthcare.

Oliver Wyman's team of health actuaries are the leaders in innovative solutions to the ever changing healthcare environment. As the trusted advisors to insurers, healthcare providers, government agencies, law firms and regulators, clients turn to Oliver Wyman for high-level strategic advice, and the ability to model proposed reforms and respond to changes in regulations on both the state and federal levels. In addition to traditional actuarial services, such as the estimation of premium rates and claim liabilities, Oliver Wyman's health actuarial services include product pricing, rating models, annual statement certification, product feasibility, due diligence, reserve certifications, Medicare Advantage and Medicare Part D pricing and attestations, expert witness testimony and provider contracting models.

## DISCLAIMER

The trends and exposures in the Carrier Trend Report are the trends and exposures that carriers provided in the Carrier Trend Survey. No audit was performed on the trends and exposures reported to ensure accuracy. We did follow up with a few carriers that had responses outside the normal range of replies.

Oliver Wyman is providing this Carrier Trend Report as a sample of current carrier pricing trends without endorsing, certifying, or recommending these trends for specific application.

For more information about this report or if you would like to participate in future surveys, please contact Karen K. Bender, FCA, ASA, MAAA or Beth R. Fritchen, FSA, MAAA.

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