

**EXHIBIT 3  
NARRATIVE SUMMARY**

Company Name:	<b>CDPHP</b>
NAIC Code:	<b>95491</b>
SERFF Tracking #:	<b>CAPD-133649833</b>
Market Segment:	<b>Large Group</b>

Capital District Physicians’ Health Plan, Inc. (CDPHP®) offers a health maintenance organization (HMO) product on a community-rated basis to employer groups with 101 or more full-time employees.

CDPHP has filed a request for approval by the New York State Department of Financial Services for a change to the premium for this product. Policyholders will receive rate adjustments upon their renewal in 2024. The weighted average premium rate increase is 8.3%. 50,539 members and 24,890 policyholders are affected by this request.

Large group HMO policyholders will receive the rate adjustments on the policyholder’s next anniversary, on or after January 1, 2024.

2024	Renewals Effective			
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Proposed Rate Adjustment*	7.6%	15.5%	12.6%	16.6%
Groups	58	5	35	4
Policyholder Affected	21,922	922	1,799	247
Members Affected	44,635	1,602	3,956	346

*\*Based on current benefits*

As a not-for-profit health plan, CDPHP takes seriously its responsibility to control rising health care costs and be a good steward of your premium dollars. However, we cannot ignore the fact that CDPHP and its competitors are facing difficult financial headwinds, due in large part to rising hospital consolidation and staffing shortages, rapidly rising drug prices, particularly in the specialty drug market, as well as lingering effects from the COVID-19 crisis and pent-up demand for medical services put on hold during the pandemic.

CDPHP is working hard to alleviate these cost increases in a variety of ways, such as:

***Enhanced CDPHP Pharmacy Strategy***

- A new pharmacy benefit manager, CapitalRx, which catapults the CDPHP pharmacy strategy ahead of its competitors, ensuring quality, cost, access, and transparency for patients, providers, and small and large businesses.
- Expansion of our popular Rx for Less prescription drug savings program which offers members access to dozens of generic medications for as low as a penny a pill. In 2023, the program doubled in size with the addition of many new national, supermarket, and independent pharmacies offering this money-saving program.

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- The opening of two independent retail pharmacies, CDPHP ConnectRx, which offers high-touch customer service and free at-home delivery services.
- CDPHP ConnectRx, On the Go, a pharmacy app that gives members the power to switch pharmacies and find prescription savings from the palm of their hand.

***Partnering with Provider Community***

- An innovative partnership with Community Care Physicians, which will decrease the administrative burden on physicians and result in more coordinated, comprehensive, and cost-effective care for patients.
- Paying providers for quality, not quantity, through our nationally recognized Enhanced Primary Care program, which has not only reduced the costs, but increased the quality of care our members receive.
- Our innovative Hospital to Home program, designed to improve our members' experience of inpatient hospital care, all while reducing costs and avoiding unnecessary readmissions.

***Innovation***

- Expansion of no and low-cost telemedicine options to improve speed to medical and behavioral health care services.
- The addition of new virtual behavioral health care platforms that provide members with quick and affordable access to mental health and substance use services.
- CDPHP Price Check, an innovative cost transparency tools that provide members estimated costs on a range of health care services and prescription drugs.
- Movement of services to more cost-effective outpatient settings, such as freestanding surgical centers.
- Establishment of a virtual cardiac rehabilitation program that significantly reduces the likelihood of a subsequent cardiac event and costly hospital readmission.
- Case management and medication therapy management services, available at no out-of-pocket cost.

The 2024 expected change in medical and pharmacy costs due to trends is +8.2%.

CDPHP is required by New York state insurance law to meet a minimum medical loss ratio (MLR) standard of 85%. This means that 85% of premiums must be used to cover health care costs. CDPHP expects an MLR of 85.0% for 2024.