

Capital Advantage Assurance Company (CAAC) – Individual Plans

Rate request filing ID # CAB-133647313 – This document is prepared by the insurance company submitting the rate filing as a consumer tool to help explain the rate filing. It is not intended to describe or include all factors or information considered in the review process. For more information, see the filing at <https://www.insurance.pa.gov/Consumers/HealthInsuranceFilings/Pages/ACA-Health-Rate-Filings.aspx>

Overview

Initial request average rate change:	13.7%
Revised requested average rate change: ¹	13.7%
Range of requested:	4.0% to 21.5%
Effective date:	January 1st, 2024
Mapped members:	50,651
Available in:	Rating Areas 6, 7, and 9

Key Information

Jan. 2022 – Dec. 2022 financial experience

Premiums	\$441,264,057
Claims	\$413,969,715
Administrative Expenses	\$4,906,543
Taxes & Fees	\$7,339,322
Insurer made (after taxes)	\$15,048,477

How insurer plans to spend your premium

This is how the insurance company plans to spend the premium it collects in 2024

Claims:	89%
Administrative:	8%
Taxes & Fees:	1%
Profit:	2%

The insurer expects its annual medical costs to increase 6.2%.

Explanation of Requested Rate Change:

- Future cost and utilization: 6.2%
- 2022 Claims net risk adjustment: 1.9%
- Initial filing reinsurance assumption (no reinsurance program): 5.6%

¹ Note that insurers will have the opportunity to revise their rate change request in July, after they are scheduled to receive updated information about the impact of a federal program called risk adjustment. This document will be updated accordingly at that time.