

May 17, 2023

Ms. Lindsi Swartz, Director Bureau of Life, Accident and Health Insurance Office of Insurance Product Regulation and Administration Commonwealth of Pennsylvania Insurance Department 1311 Strawberry Square Harrisburg, PA 17120

Re: Keystone Health Plan Central Small Group Rates Filing No 23-52 TOI Code: H15G Group Health – Hospital/Surgical/Medical Expense Sub-TOI Code: H15G.003 Small Group Only Filing Type: Rate

Dear Ms. Swartz:

By this filing Capital Blue Cross, on behalf of its wholly owned subsidiary Keystone Health Plan Central, submits to the Department Small Group Rates effective January 1, 2024.

The following is a summary of the rate filing:

- Company Name: Keystone Health Plan Central (KHPC)
- NAIC: 95199
- Market: Small Group
- On/Off Exchange: Off Exchange
- Effective Date: 1/1/2024
- Average Rate Change: 5.1%
- Range of Requested Rate Change: 5.1% to 5.1%
- Total additional annual revenue generated from the proposed rate change: \$29,596
- Product: HMO
- Rating Areas: 6,7,9
- Metal Levels: Bronze
- Current Covered Lives and Policyholders: 86/70
- 2024 Number of Plans/Change from 2023: 1/No Changes
- Contract Form #: C24-KHPC-SGP
- Form Filing SERFF #: CABC-133657256
- Binder SERFF #: CABC-PA24-125116273
- HIOS Issuer ID: 53789

In support of this filing, I have included an Actuarial Memorandum with supporting exhibits, URRT, Rates Table Template, and PA Plan Design Summary and Rate Tables.

Sincerely,



ASA, MAAA Director, Actuarial Services Capital Blue Cross

Enclosures

cc: , FSA, MAAA, Senior Director, Actuarial Services

KEYSTONE HEALTH PLAN CENTRAL

ACTUARIAL MEMORANDUM Small Group Rates Effective January 1, 2024

General Information

Company Information

- Company Legal Name: Keystone Health Plan Central
- State: PA
- HIOS Issuer ID: 53789
- Market: Small Group
- Effective Date: 1/1/2024

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Company Contact Information

- Primary Contact Name:
- Primary Contact Telephone Number:
- Primary Contact Email Address:

Scope and Purpose

By this filing, Keystone Health Plan Central (KHPC), a subsidiary of Capital Blue Cross (Capital), submits rates for products to be made available to all small groups effective January 1, 2024. KHPC will offer small group products off the federally-facilitated exchange.

Market	Company	Effective Date	SERFF #	Annual Increase
Small Group	КНРС	1/1/2020	CABC-131921815	1.2%
Small Group	КНРС	7/1/2020	CABC-132294841	-2.1%
Small Group	КНРС	1/1/2021	CABC-132352804	-8.7%
Small Group	КНРС	10/1/2021	CABC-132750972	-7.3%
Small Group	КНРС	1/1/2022	CABC-132795960	4.6%
Small Group	КНРС	1/1/2023	CABC-133252133	8.4%
Small Group	КНРС	7/1/2023	CABC-133583560	7.1%

Rate History and Proposed Variations in Rate Changes

Average Rate Change

KHPC is proposing an aggregate annual 5.1% rate change, which varies by plan. The rate change is calculated in PA Rate Exhibits Part IV, Table 11, cell AN13.

The key drivers of the rate change, and approximate impact, are as follows:

- Future cost and utilization: 6.3%
- Favorable manual data 2022 claims net risk adjustment experience: -1.2%

<u>Membership</u>

Membership is shown in PA Rate Template Part I, Table 1. The average age is 38.

Benefit Changes 2023-2024

A summary of proposed 2024 benefits is included in Exhibit A.

There are benefit changes being implemented in 2024. All benefit changes comply with the uniform modification of coverage standards described in 45 CFR 147.106(e). Any plan with a benefit change that did not meet the uniform modification of coverage standard was terminated, and

a new plan was created in its place. Benefit changes by plan are listed in Exhibit B, highlighted in yellow.

Experience Period Premium and Claims

Single Risk Pool: The data used to develop rates and shown in URRT and PA Rate Exhibits abides by 45 CFR part 156.80(d) single risk pool requirements. The single risk pool reflects all covered lives for every non-grandfathered, non-transitional product/plan combination for KHPC in the small group market.

Base Experience Period: The base experience period (BEP) includes completed fee-for-service paid and incurred claims and capitation for dates of service between January 1, 2022 and December 31, 2022.

Transitional membership is not included in PA Rate Exhibits Table 2 or URRT.

Paid Through Date: Claims in the BEP are paid through February 28, 2023

Premiums (net of MLR Rebate) in BEP: Premiums are calculated on an earned basis in the BEP. MLR rebate adjustments are equal to zero as KHPC does not expect to refund any MLR rebates in the BEP.

Allowed and Incurred Claims in BEP:

- Allowed claims are developed by combining paid claims with member cost-sharing. Allowed claims meet the definition in the URR instructions. They do not include provider quality incentive payments.
- Incurred claims are net of HHS CSR payments (CSR does not apply to Small Group).
- Capital only covers Essential Health benefits (EHBs).
- KHPC includes capitated PCP and mental health services.
- Allowed and Incurred claims are net of pharmacy rebates. BEP rebates are completed based on actual utilization of rebate-eligible drugs and rebate amounts.

Estimated Incurred but Not Paid Claims: Paid claims by date of service come directly from Capital's data warehouse. The method for calculating incurred claims in the BEP is as follows:

- 1. Historical fee-for-service claims are viewed by date of service and date of payment in a claims triangle.
- 2. The claims triangle payments are then accumulated by date of service to develop factors that represent the rate of accumulation or rate of "completion".
- 3. Historical rates of completion by duration are used to derive projected rates of completion. Some of the methods used to develop projected completion factors are averages (e.g. harmonic averages, time weighted averages, geometric averages) and regression methods. Numerous items are considered when viewing these averages or regression statistics, such as the impact of high claims on perceived completion patterns.

- 4. For durations that exhibit a projected completion factor greater than the Valuation Actuary's chosen threshold (e.g. 80% complete), cumulative paid and incurred claims are divided by the projected completion factor to arrive at ultimate incurred claims. For durations that are less than the chosen threshold, a projection methodology is used. Similar to completion factor development, projection methodologies are worthy of a lengthy discussion. In general, an ultimate incurred claims PMPM is derived by projecting a recent 12-month period to the current month(s) and seasonally adjusting.
- 5. With all months having both a cumulative paid amount and an estimated ultimate incurred amount, the completion factors used in pricing are calculated by taking the quotient of the two. Allowed completion and incurred completion are assumed to be identical.
- 6. Both allowed and paid claims in the BEP are completed by applying completion factors by incurred month developed in Step 6.

$$BEP Incurred Claims = \sum \frac{BEP Paid Claims by Incurred Month}{Completion by Incurred Month}$$

BEP Allowed Claims

$$= \sum \frac{BEP \ Paid \ Claims + BEP \ Member \ Cost \ Share \ by \ Incurred \ Month}{Completion \ by \ Incurred \ Month}$$

Risk Adjustment in BEP: Risk adjustment amounts in the BEP are equal to the amounts sent by the Department on 5/3/2023.

Loss Ratio in BEP: Loss ratio is 124.22%

Credibility of Data

For the purpose of rate development, KHPC small group products are combined with other product offerings (HMO, PPO) from Capital subsidiaries. Combining the experience is actuarially justifiable for several reasons:

- 1. The demographics of members buying PPO and other products are similar.
- 2. Cost and utilization between PPO and other products are similar.
- 3. Medical policy between PPO and other products are almost identical, with the exception of referrals and no out-of-network benefit on HMO.

The credibility manual is the combination of KHPC, Capital Advantage Assurance Company (CAAC), and Capital Advantage Insurance Company (CAIC) data. The credibility manual BEP includes completed fee-for-service paid and incurred claims and capitation for dates of service between January 1, 2022 and December 31, 2022. All data is trended and benefit-adjusted in the same manner as the experience data (same projection factors and trend).

Trend Identification

Trend: 6.27%

Trend levels reflect Capital's best estimate of changes in utilization, provider reimbursement contracts, the network of facilities and providers, disease management initiatives and the impact of utilization management.

The following is a description of considerations used to determine trend.

- 1. Base Cost/ Change in hospital and physician contracting: The contracted increase in reimbursements to hospitals and physicians is the basis of cost trends. Capital uses the following to project future costs:
 - a. Vendor Physician Cost Model and Internal Hospital Contracting Model
 - i. The medical cost models use best estimates of Capital Blue Cross (Capital)'s future contracting increases with physicians and hospitals. The models use cost estimates based on varying contract effective dates by physician and hospital. All facilities and providers are considered in this modeling effort (i.e. acute and non-acute, network and non-network, inpatient and outpatient, in- area and out-of-area). From there, a monthly anticipated cost (assuming static utilization) summary is produced which can be used in projecting future claims costs. Cost trends are determined at the Capital book of business level for all commercial business.
 - b. Internal Prescription Drug Trend Model
 - i. Price Inflation
 - ii. Contract Pricing
 - iii. Member Cost-Sharing
 - iv. Units per Script
 - v. Brand/Generic Mix
 - vi. Therapeutic Mix
 - vii. Cost per Script
 - viii. Pipeline (new drugs)
- 2. Utilization Considerations:
 - a. Intensity of medical services rendered
 - b. Changes in place of service (e.g. continued migration of inpatient stays to outpatient setting)
 - c. Further migration from brand prescription drugs to generic prescription drugs
 - d. Favorable impacts of value based benefits designs
 - e. Medical utilization estimates reviewed by Capital's Chief Medical Officer
- 3. Leveraging: The trend model is based on allowed cost increases. Paid claims trend at a higher rate than allowed due to leveraging. Leveraging is the impact of static cost-share, such as deductibles and copays, to the paid trend.
- 4. Intensity: Measure of cost increase due to change in treatment sophistication. An example is migration from x-rays to MRIs at significantly higher cost.

5. Underwriting Cycle: The underwriting cycle is defined as the tendency to swing between profitable and unprofitable periods over time. The underwriting cycle is exacerbated partly by pricing performed with incomplete information as to the level of current experience trends. A reaction delay occurs, as carriers tend to rely on measurements of past experience in developing current pricing assumptions. As a result, carriers are often increasing their pricing trends when actual experience trends have begun to decline, and decreasing their pricing trends actual trends are increasing. Capital strives to mitigate the underwriting cycle by keeping trends consistent through times of increasing and decreasing claim cost and utilization.

Historical Experience: Historical experience was not used to the develop trend.

Benefit Categories: Claims in the benefit categories displayed in URRT come directly from Capital's data warehouse. These same categories are used to develop category-level trend. See Exhibit C for a description of benefits by benefit category.

See Exhibit E for KHPC's pricing trend, as well as cost and utilization components of the pricing trend.

Rate Development & Change

Projection Factors

Changes in Morbidity: Found in URRT Worksheet 1, "Morbidity Adjustment", and PA Rate Exhibits, Table 5.

KHPC is applying a factor of 0.467 to reflect the difference is projected Plan Liability Risk Score (PLRS) between KHPC and its subsidiary, CAAC, which underwrites the vast majority of the BEP experience. This factor aligns the rates with similar benefits offered under CAAC.

The above factor is found in Exhibit Q, Morbidity Factor Calculation.

Changes in Benefits: Benefit changes are not applied to allowed claims as allowed should stay consistent from 2022 to 2024. Benefit changes are applied in the development of future incurred claims, due to changes in member cost-share. This calculation is shown in Exhibit D, and applied in Exhibit G. The manual cost PMPMs are developed from Capital's internal benefit relativity model, discussed in the Plan Adjusted Index Rate section below. The benefit change is equal to member-month weighted average projected manual PMPM divided by member-month weighted average manual PMPM in the BEP. This process is further discussed in the Paid-to-Allowed section below.

In addition to cost-sharing changes, Capital is also implementing two benefit coverage changes.

• Senate Bill 8: Coverage of mammographic examinations and diagnostic breast imaging at no cost share. This bill goes into effect for Small Group and Individual policies in 2025, but Capital is adopting early compliance and will cover the relevant services at no cost share starting in 2024.

- Claim PMPM is developed by pulling 2022 Group and Individual MRI and diagnostic breast imaging member cost share associated with the relevant diagnosis codes.
- Additional Claim Cost PMPM is equal to member cost share divided by Group and Individual membermonths.
- The Mental Health Parity and Addiction Equity Act (MHPAEA) has expanded definitions of mental health services to include Autism coverage. With this expansion, Capital will cover Autism services in the Small Group market starting in 2024.
 - Claim PMPM is developed by pulling 2022 Group and Individual denied Autism service claims.
 - Additional Claim Cost PMPM is equal to denied Autism claims divided by 2022 Group and Individual membermonths.

The additional claim cost PMPMs are shown on Exhibit D2 – Benefit Additions. Senate Bill 8 only impacts incurred claims (the change is to member cost share), and MHPAEA change impacts both allowed and incurred claims.

The PMPM calculations are included with this filing in the following supporting workbooks:

SG_23-52_Initial_KHP_HMO_AutismDefinition_Supporting_20230517.xls SG_23-52_Initial_KHP_HMO_SenateBill8_Supporting_20230517.xls

Changes in Demographics: KHPC does not expect changes in demographics in its small group population.

Changes in Network: A network adjustment is applied to show the value of changes in network from the BEP to the rating period. The value is calculated as:

Network Factor = ([Projected MM by Plan] × [Network Factor by Plan]) ÷ [Total Projected MM]

The network calculation is found on Exhibit D2 – Network Mix Changes.

Other Adjustments: No other adjustment is applied to the BEP.

Benefits, Demographics, Network and Other adjustments are found in URRT, Worksheet 1, and PA Rate Exhibits, Table 5.

Index Rate

The experience period index rate is KHPC's allowed claims PMPM, set in accordance with the single risk pool provision. All KHPC covered benefits are categorized as Essential Health Benefits (EHBs), therefore no adjustment was made to the experience period index.

Projected Allowed Claims: The KHPC experience period allowed claims, benefit-adjusted, trended to the projection period (See <u>Projection Factors</u> section above), and credibility adjusted, is the *Projected Allowed Claims at Current Benefits*. This number is reflected in Worksheet 1 of URRT ("Projected Allowed Experience Claims PMPM (w/ applied credibility if applicable)").

To calculate the projected index rate:

- 1. Start with Projected Allowed Claims at Current Benefits
- 2. The *Projected Allowed Claims at Current Benefits* reflect EHBs 100 percent, so no adjustment needs to be made to add EHBs and remove non-EHB claim cost. This is the index rate for individuals renewing January December.

See Exhibit J for the Index Rate.

Paid to Allowed Ratio

KHPC used the prescribed URRT allowed claim rate development methodology in conjunction with a paid and incurred rate development methodology to determine final premium rates. URRT projects allowed claims, and uses a paid-to-allowed ratio in order to adjust allowed claims to paid levels. This value is then used to develop premiums. In order to determine the paid-to-allowed ratio, KHPC projected paid and incurred claims, adjusted for benefits, to the experience period.

Projected Paid and Incurred Claims are calculated as follows:

- 1. Gather claims experience as described in the Data section above.
 - a. Base Experience Period (BEP) Paid Claims, Capitation, and Rx Rebates
 - b. BEP Member Months
- 2. Develop BEP Paid and Incurred Claims:

 $BEP \ Paid \ and \ Incurred \ Claims = \frac{BEP \ Paid \ Claims}{Completion \ Factor}$

The development of completion factors is described in <u>Experience Period Premium</u> <u>and Claims</u> above.

3. Develop the *BEP Paid and Incurred Claim PMPM*:

 $BEP Paid and Incurred Claim PMPM = \frac{BEP Paid and Incurred Claims}{BEP Member Months}$

4. Develop *Trended Claim PMPM*: Using the aggregate trend described in the <u>Projection</u> <u>Factors</u> section above, trend the BEP Paid and Incurred Claim PMPM from the midpoint of the experience period to the midpoint of the rating period.

Trended Claim PMPM

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= [BEP Paid and Incurred Claim PMPM] × (1 + [Trend\%])^{Trend Months/12}
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5. Develop *Projected Paid and Incurred Claim PMPM*:

Projected Paid and Incurred Claims PMPM = [Trended Claim PMPM] × [Benefit Adjustment] × [Morbidity Adjustment] + [Benefit Additions]

The *Benefit Adjustment*, *Morbidity Adjustment*, and *Benefit Additions* are discussed in the <u>Projections Factors</u> section above.

- 6. Develop *Projected Claims PMPM by Benefit* as follows:
 - a. KHPC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on cumulative probability distributions (CPDs), where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
 - b. This actuarial cost model derives a Manual Cost for each benefit design in the experience period, as well as plans being offered in the projection period. The average Manual Cost of the experience is compared to the Manual Cost of the base plan. The projected experience period data is then adjusted to the base plan:

 $Benefit \ Level \ Adjustment = \frac{Average \ Manual \ Cost \ in \ Projection \ Period}{Manual \ Cost \ of \ Base \ Plan}$

c. The *Projected Paid and Incurred Claim PMPM* (Step 5) is then adjusted to the Base Plan as follows:

 $Base Plan Paid and Incurred Claims PMPM = \frac{Benefit Adjusted Paid and Incurred Claims PMPM}{Benefit Level Adjustment}$

d. Each additional benefit design has its own unique Manual Cost, which can then be compared to the Base Plan to develop a Benefit Relativity:

 $Benefit Relativity A = \frac{Manual Cost of Benefit A}{Manual Cost of Base Plan}$

- e. The Benefit Relativity developed in d. above is then used as a gauge to develop a final *Pricing Relativity*. This pricing relativity is developed using actuarial judgment including the following considerations:
 - i. Final premium relativities must make sense based on benefits. For example, the annual cost difference between a 2000 plan and 1000 plan must be less than \$1000.
 - ii. Adjustments for plan designs that fall outside of the actuarial cost model.
- a. So the Projected Claims PMPM by Benefit is:

Projected Claims PMPM Benefit A = Projected Claims PMPM Base Plan × Pricing Relativity A

- b. And to arrive at the *Total Projected Claims PMPM*, KHPC assumes a distribution of members across the benefit plans being offered in the projection period. The *Total Projected Claims PMPM* :
- = Projected Claims PMPM Benefit A × Expected Member Dist of Benefit A + Projected Claims PMPM Benefit B × Expected Member Dis of Benefit B + …
- 7. The Paid-To-Allowed Ratio is then:

 $Paid to Allowed Ratio = \frac{Total Projected Claims PMPM}{Projected Allowed Claims at Current Benefits}$

See Exhibit G for the development of the *Paid-to-Allowed Ratio*. And see Exhibit L for the plan-level projected incurred amount development.

Market Adjusted Index Rate

The Market Adjusted Index Rate is calculated as the Index Rate adjusted for all allowable marketwide modifiers defined in the market rating rules, 45 CFR Part 156.80(d)(1). So,

[Market Adjusted Index Rate]

- = ([Index Rate] x [Paid to Allowed Ratio]
- [Projected Incurred Reinsurace Recoveries]
- [Projected Incurred Risk Adjustment PMPM]
- + [Exchange Fees PMPM]) ÷ [Paid to Allowed Ratio]

Projected Incurred Risk Adjustments PMPM:

Relevant to 2024 pricing is the impact of Commercial Risk Adjustment (CRA) payment transfers that are expected to be earned in 2024. The following items are those that we deem important in generating a CRA payment transfer adjustment:

- 1. Risk profile of the those enrolled in CRA eligible plans for the market or state (i.e. competitors) relative to risk profile of CRA eligible membership enrolled in our plans
- 2. Statewide average premiums
- 3. Current market penetration of this company and competitors in the market and in the state
- 4. 2021-2022 risk adjustment results
- 5. Market improvement in coding risk: Capital's ACA book of business has had a churn rate that makes a multi-year perspective of member diagnosis and risk very challenging. Because closing gaps in care and coding, and a myriad of other risk adjustment functions require more than a single year of data to facilitate an accurate depiction of risk, it is believed that Capital is disadvantaged in the market. This will drive Capital's relative risk to the market down over time.

The 2024 projected risk adjustment PMPM is set equal to the 2022 amount sent by the Department on 5/3/2023 adjusted for expected changes in statewide average premium.

Projected Incurred Reinsurance Recoveries:

Reinsurance does not apply to the small group market.

Exchange Fee PMPM:

KHPC only offers off-exchange plans in the small group market, so the exchange fee is \$0.

The exchange fee PMPM is calculated as:

Exchange Fee PMPM

= [Avg 2024 On – Exchange Premium PMPM] × [% Members On – Exchange]

Where

[Avg 2024 On – Exchange Premium PMPM = [Avg 2023 On – Exchange Premium PMPM × (1 + [Avg Proposed Rate Change])

See Exhibit K for the development of the Market Adjusted Index Rate.

Retention Items

Administrative Expense Load:

- Risk Adjustment User Fee: To fund the HHS-risk adjustment program, issuers will remit to HHS a fee of \$0.21 PMPM. The Risk Adjustment Fee PMPM is included in URRT Worksheet 1, URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.
- 2. Administrative Expense: Calculated using an allocation method from Capital's Finance department, and trended to the rating period. Costs are allocated according to results reported through a company-wide questionnaire. On an annual basis, each cost center within the company completes a questionnaire listing the distribution of costs (in percentage terms) by product as well as by market segment. For example, the questionnaire will ask what percentage of time is spent on PPO versus HMO versus Drug versus Medicare. And separately will ask what percentage of time is spent on large group, small group, individual, and government programs. Using those distributions, all costs needed to perform the business are allocated to the proper market segments and lines of business. The administrative expense applied in the rate development is the total expense allocated to Capital small group products. Administrative expenses are included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. Expense as a percentage of premium vary by plan because a fixed dollar admin PMPM is applied to each plan.
 - a. Value-Based Benefits (VBB): Standard with each plan, Capital Blue Cross includes wellness incentives to maximize the likelihood that consumers make positive behavioral changes, which lead to better health, and curbed health care costs for employers and employees alike. The incentive is as follows:
 - i. Complete biometric screening and receive a gift card.
 - ii. Meeting biometric measure or finish online coaching program and receive a gift card reward.
 - iii. The wellness program is administered through a vendor and costs are based on vendor fees, anticipated participation, and reward card amounts.
 - iv. Fees are included in overall administrative expense fee discussed above.
 - v. Included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.
- 3. Broker Expense: Calculated based on Capital's explicit per contract broker fee. Broker Expense is included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. Brokers are paid on new business and renewals the same commission rate for all geographic locations, enrollment dates, and metal levels. Attached please find the proposed 2024 broker agreements redacted versions. Files are as follows:
 - a. Redacted Standard Producer Master Agreement: "SG_23-52_Initial_KHP_HMO_SPMABrokerGroupRedacted_Supporting_20230517.pdf"
 - b. Redacted Preferred Producer Master Agreement: "SG_23-52 Initial KHP HMO PPMABrokerGroupRedacted Supporting 20230517.pdf"
- Additional Quality Improvement: Additional QI amounts applied in rating equal 0.0%. Included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.

Profit (or Contribution to Surplus) & Risk Margin:

5. Contingency: Contingency is included in URRT Worksheet 2, "Profit & Risk Load" and PA Rate Exhibits Table 6.

Taxes and Fees:

- 1. Fee for Patient-Centered Outcomes Research Trust Fund (PCORTF): As per the Notice of Proposed Rulemaking for Fees on Health Insurance Policies and Self-Insured Plans for the Patient-Centered Outcomes Research Trust Fund (REG-136008-11), 77 Fed. Reg. 22691: For policy years ending on or after October 1, 2022, and before October 1, 2023, the applicable dollar amount is \$3 per member per year (\$0.25 PMPM). Capital assumes the 2024 projected fee will be trended at 0%.
- 2. Exchange Fee: N/A
- 3. Federal Income Tax: Federal Income Tax will be collected on the 2% contingency built into the premium. The projected Federal Income Tax is included in URRT Worksheet 2, "Taxes and Fees", and PA Rate Exhibits, Table 6.

See Exhibit H as well as PA Rate Exhibits Table 6 for all retention values.

Plan Rate Development

The Plan Adjusted Index Rates are included in Worksheet 2, Section IV of URRT.

The following adjustments were used to derive the Plan Adjusted Index Rate:

- 1. Actuarial Value and Cost Sharing adjustment: The Actuarial Value and Cost Sharing Adjustment is determined using KHPC's actuarial cost model. KHPC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a claim PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on CPDs, where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
- 2. Induced Demand: Induced Demand: Induced Demand: Please see Table 8. Induced Demand is calculated as:

 $[Pricing AV]^2 - [Pricing AV] + 1.24$

Where *Pricing AV* is adjusted by the Non-Funding of CSR factor: PA Rate Exhibits, Table 10, column K x column P.

- 3. Provider Network: The Provider network is the same across all HMO plans.
- 4. Adjustment for benefits in addition to EHBs: No benefits other than EHBs are included in the plans, so no adjustment is necessary.

- 5. Adjustment for distribution and administrative costs: Described in <u>Retention Items</u> section above.
- 6. Tobacco Adjustment: Not applied to Small Group plans.

The development of the Plan Adjusted Index rate is found in Exhibit L, and summarized in Exhibit M.

Calibrated Plan Adjusted Index Rates

Age Curve Calibration: The average age factor is calculated by taking the member-weighted average of current small group enrollment by age in Capital. Age factors are applied in accordance with CMS's Standard Age Curve. The age calibration factor is adjusted for contracts with greater than three children under the age of 21. Please see file SG_23-52_Initial_KHP_HMO_List-Billed_Supporting_20230517.xlsb for the calculation.

Geographic Factor Calibration: The average geographic rating factor is calculated by taking the Capital member-weighted average by region.

Geographic factors are unchanged from 2023.

Tobacco Factor Calibration: Tobacco factor not applied.

The calibration is:

[Calibrated Plan Adjusted Index Rate] = [Plan Adjusted Index Rate] ÷ ([Age Curve Calibration] × [Geographic Factor Calibration] x [Tobacco Factor])

Calibrated Plan Adjusted Index Rates are found on PA Rate Exhibits Table 10.

The calibration factors and development are found on Exhibit N.

Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

[Member – Level Consumer Adjusted Premium Rate] = [Calibrated Plan Adjusted Index Rate] × [Age Factor] × [Geographic Factor] × [Tobacco Factor]

 2. [Family Consumer Adjusted Premium Rate] = ∑[Member – Level Consumer Adjusted Premium Rate] With no more than three child dependents under age 21 taken into account All consumer-level adjustments are applied uniformly to all plans in the Single Risk Pool. These adjustments do not vary by plan. Age and Geographic factors are displayed in Exhibits O.

Base Rates, i.e. Calibrated Plan Adjusted Index Rates, are found on Exhibit P.

AV Metal Values

Plans: 53789PA0090004 use alternative method 156.135(b)(2) to establish AV. SG_23-52_Initial_KHP_HMO_UniquePlanDesign_Supporting_20230517 includes a detailed explanation of the approach.

See AV Screenshots included with the submission: SG_23-52_Initial_KHP_HMO_AVScreenPrints_Supporting_CONF_20230517

AV Pricing Values

All AV Pricing values were developed using Capital's actuarial cost model and actuarial judgment as described in section <u>Paid to Allowed</u> above. Differences in health status are not included.

Projected Loss Ratio

See Exhibit I for the projected loss ratio calculation. The projected loss ratio is calculated using the federally prescribed MLR methodology.

Membership Projection

The membership projections found in Worksheet 2 of URRT were developed by assuming that moderate decline in enrollment and similar distribution to current.

Projected versus Actual MLR

Exhibit R shows a history of projected versus actual MLR and Member Months. Projected comes from the 2019-2021 filings. Actual comes from Table 4.

	MLR		Member	Months
Calendar Year	Actual	Pricing	Actual	Pricing
2019	89.27%	81.67%	1,145	1,514
2020	86.92%	80.33%	888	1,140
2021	62.60%	80.92%	1,183	766

Claim Cost Projection

Exhibit S shows a history of claim cost projection versus actual from 2019-2022 filings.

Attachments and Examples

The following is a list of Exhibits and Data to support this filing:

PA Rate Exhibits Part I through Part VI

Table B

Exhibit A – Benefit Summary Exhibit B – Benefit Change Summary Exhibit C – Benefit Categories Exhibit D – Benefit Mix Exhibit D1 – Network Mix Exhibit D2 – Benefit Additions Exhibit E – Trend Exhibit F – URRT Exhibit G – Paid-to-Allowed Development Exhibit H – Retention Exhibit I – Projected Loss Ratio Exhibit J – Index Rate Exhibit K – Market Adjusted Index Rate Exhibit L – Rate Development by Plan Exhibit M – Plan Adjusted Index Rates Exhibit N – Calibration Exhibit O – Rating Factors Exhibit P – Quarterly Base Rates Exhibit Q – Morbidity Factor Exhibit R – MLR Exhibit Exhibit S - Claim Cost Projection

Broker Contracts Actuarial Value Screenshots List-Billed Data Benefit Additions Calculation Workbooks Standard Questions

<u>Actuarial Statement</u>

I, ASA, MAAA, am of the opinion that this filing is in compliance with the applicable Federal and State Laws and Regulations concerning the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010.

- , ASA, MAAA, do hereby certify that:
- 1. This filing has been prepared in accordance with the following:
 - a. Actuarial Standard of Practice No. 5, "Health and Disability Claims"
 - b. Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans"
 - c. Actuarial Standard of Practice No. 12, "Risk Classification"
 - d. Actuarial Standard of Practice No. 23, "Data Quality"
 - e. Actuarial Standard of Practice No. 25, "Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverage"
 - f. Actuarial Standard of Practice No. 26, "Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health Benefit Plans"
 - g. Actuarial Standard of Practice No. 41, "Actuarial Communications".
- 2. The index rate is:

I,

- a. Projected in compliance with all applicable state and federal statutes and regulations (45 CFR 156.80(d) (1)).
- b. Developed in compliance with the applicable Actuarial Standards of Practice.
- c. Reasonable in relation to the benefits provided and the population anticipated to be covered.
- d. Neither excessive nor deficient.
- e. Adjusted by only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) to generate plan level rates.
- 3. The percent of total premium that represents essential health benefits were calculated in accordance with actuarial standards of practice.
- 4. The AV Calculator was used to determine the AV Metal Values shown in Worksheet 2 of the Part I Unified Rate Review Template for all plans, and in accordance with CFR 156.135(b)(2) as necessary. For any plan requiring an alternative method, the development of the actuarial value is based on one of the acceptable alternative methods outlined in 156.135(b)(2) or 156.135(b)(3) for benefits that deviate substantially from the parameters of the AVC and have a material impact on the actuarial value.
 - a. The analysis was
 - i. conducted by a member of the American Academy of Actuaries, and
 - ii. performed in accordance with generally accepted actuarial principles and methods.
- 5. Geographic area rating factors reflect only differences in the costs of delivery and not differences due to population morbidity.
- 6. All factor, benefit and other changes from the prior approved filing have been disclosed in the actuarial memorandum.

- 7. New plans are not considered modifications of existing plans under the uniform modification standards in 45 CFR 147.106.
- 8. The information presented in the PA Actuarial Memorandum and PA Actuarial Memorandum Rate Exhibits is consistent with the information presented in the 2023 Rate Filing Justification.



Actuarial Associate Capital Blue Cross

PA Rate Template Part I

Data Relevant to the Rate Filing

Table 0. Identifying Information

Carrier Name:	Keystone Health Plan Central
Product(s):	НМО
Aarket Segment:	Small Group
Rate Effective Date:	1/1/2024
Base Period Start Date:	1/1/2022
Date of Most Recent Membership:	2/1/2023

Table 1. Number of Members

	Member-months	Members	Member-months
	Experience Period	Current Period (as of 02-01-2023)	Projected Rating Period
Average Age	37.8	37.9	37.9
Total	1,345	95	1,124
<18	92	6	71
18-24	134	10	118
25-29	130	11	130
30-34	161	12	142
35-39	105	10	118
40-44	148	5	59
45-49	119	8	95
50-54	152	9	106
55-59	151	14	166
60-63	90	6	71
64+	63	4	47

Table 2. Experience Period Claims and Premiums

Earned Premium	Paid Claims	Ultimate Incurred Claims	Member Months	Estimated Cost Sharing (Member & HHS)	Allowed Claims (Non-Capitated)	Non-EHB portion of Allowed Claims	Total Prescription Drug Rebates*	Total EHB Capitation	Total Non-EHB Capitation	Estimated Risk Adjustment	Estimated Reinsurance Recoveries
\$614,841.04	\$442,315.14	\$448,796.75	1,345	\$140,427.45	\$589,224.20	\$0.00	(\$20,482.95)	\$2,149.78	\$0.00	(\$268,315.00)	
Experience Period Total Allowed EH	B Claims + EHB Capitation PMPM (net of prescription drug rebates)									\$ 424.45
Loss Ratio							124.22%				
*Express Prescription Drug Rebates as	a negative number										

Table 3. Trend Components

Service Category	Cost*	Utilization*	Induced Demand*	Composite Trend	Weight*
Inpatient Hospital	4.75%	0.50%	0.00%	5.27%	16.93%
Outpatient Hospital	4.90%	1.00%	0.00%	5.95%	40.06%
Professional	4.65%	1.00%	0.00%	5.70%	21.66%
Other Medical	4.90%	0.50%	0.00%	5.42%	2.48%
Capitation				3.00%	0.00%
Prescription Drugs	7.45%	1.05%	0.00%	8.58%	18.88%
Total Annual Trend				6.27%	100.00%
Months of Trend				24	
Total Applied Trend Projection Factor				1.129	

* Express Cost, Utilization, Induced Utilization and Weight as percentages

** Should equal URRT Trend

Table 4. Historical Experience

Month-Year	Total Annual Premium	Incurred Claims	Completion Factors*	Ultimate Incurred Claims	Members	Ultimate Incurred PMPM	Estimated Annual Cost Sharing (Member + HHS)	Prescription Drug Rebates**	Allowed Claims (Net of Prescription Drug Rebates)	Allowed PMPM
Jan-19		\$105,524.78	1.0000	\$ 105,524.78	118	\$ 894.28		(\$2,549.73)	\$106,280.55	900.68
Feb-19		\$69,202.35	1.0000	\$ 69,202.35	110	\$ 629.11		(\$499.91)	\$80,202.89	729.12
Mar-19		\$34,618.93	1.0000	\$ 34,618.93	104	\$ 332.87		(\$832.03)	\$42,548.85	409.12
Apr-19		\$17,960.58	1.0000	\$ 17,960.58	105	\$ 171.05		(\$1,078.60)	\$21,651.71 \$	206.21
May-19		\$18,466.08	1.0000	\$ 18,466.08	90			(\$318.17)	\$21,510.59 <u>\$</u>	239.01
Jun-19		\$8,911.60	1.0000		87	•		(\$259.88)	\$24,054.15	276.48
Jul-19		\$25,552.67	1.0000		93			(\$754.19)	\$37,296.74 \$	401.04
Aug-19		\$19,491.61	1.0000	· · /	91	•		(\$167.74)	\$25,809.73 \$	283.62
Sep-19		\$11,139.80	1.0000	· , ,	92	•	_	(\$62.06)	\$17,832.44 \$	193.83
Oct-19		\$13,438.38	1.0000	· , ,	91	-	_	(\$328.53)	\$17,493.26	192.23
Nov-19		\$19,676.93	1.0000	-	88		-	(\$123.85)	\$28,108.09	319.41
Dec-19	\$558,086.51	\$28,184.36	1.0000	. ,	76	•	\$93,154.79	(\$312.97)	\$35,246.20 \$	463.77
Jan-20		\$17,237.38	1.0000	. ,	69			(\$354.48)	\$31,576.31 \$	457.63
Feb-20		\$15,177.60	0.9998	· / /	69	•		(\$209.95)	\$19,678.40 \$	285.19
Mar-20		\$8,549.49	1.0000	· · /	69			(\$28.30)	\$12,138.60 \$	175.92
Apr-20		\$88,864.42	1.0000	\$ 88,864.42	69			(\$947.23)	\$95,567.36	1,385.03
May-20		\$2,636.05	1.0000	· · /	67			(\$225.14)	\$10,640.07	158.81
Jun-20		\$35,074.85	1.0000		63	•		\$0.00	\$47,393.04	752.27
Jul-20		\$3,738.90	1.0000	\$ 3,738.90	69			(\$595.55)	\$13,124.04	190.20
Aug-20		\$19,008.53	1.0000	\$ 19,008.53	85			\$0.00	\$25,030.03	294.47
Sep-20		\$63,348.20	1.0000	\$ 63,348.20	84	\$ 754.15		(\$194.90)	\$70,414.38	838.27
Oct-20		\$11,849.35	1.0000		82			(\$344.72)	\$18,795.32	229.21
Nov-20		\$14,306.02	1.0000	\$ 14,306.56	80			(\$1,130.37)	\$26,465.21	330.82
Dec-20	\$424,699.05	\$23,400.85	1.0000	\$ 23,401.40	82	\$ 285.38	\$108,172.30	\$0.00	\$36,514.45	445.30
Jan-21		\$10,105.99	1.0000	\$ 10,106.15	89	\$ 113.55		(\$432.59)	\$12,375.86	139.05
Feb-21		\$32,907.99	1.0000	· · · · · · · · · · · · · · · · · · ·	90	•		(\$1,427.96)	\$38,869.62	431.88
Mar-21		\$18,490.11	1.0000	\$ 18,490.80	95			(\$660.96)	\$21,925.58 <u>\$</u>	230.80
Apr-21		\$19,324.75	0.9999	\$ 19,327.42	98			\$0.00	\$33,134.75	338.11
May-21		\$33,414.58	0.9998		101			(\$1,658.19)	\$43,674.47	432.42
Jun-21		\$17,651.59	0.9998	· · · · · · · · · · · · · · · · · · ·	94			(\$1,490.41)	\$30,342.08	322.79
Jul-21		\$12,840.91	0.9997		98			(\$388.69)	\$26,610.00	271.53
Aug-21		\$22,520.86	0.9997		103			(\$2,247.54)	\$36,249.73	351.94
Sep-21		\$11,643.28	0.9999		103			(\$814.37)	\$20,139.39	195.53
Oct-21		\$9,058.11	0.9999	· · · · · · · · · · · · · · · · · · ·	106			\$0.00	\$14,106.28	133.08
Nov-21		\$21,712.02	0.9997		106	-		(\$1,501.16)	\$27,796.91	262.24
Dec-21	\$521,868.89	\$20,481.59	0.9998		100			(\$1,981.30)	\$25,342.58	253.43
Jan-22		\$37,737.64	0.9994		103	•		(\$1,160.79)	\$47,980.21 \$	465.83
Feb-22		\$42,639.68	0.9994		111			(\$3,517.67)	\$41,055.94 \$	369.87
Mar-22		\$40,238.94	0.9992		114		-	(\$2,579.27)	\$50,611.65 \$	443.96
Apr-22		\$38,463.30	0.9889		114			(\$2,357.03)	\$48,925.62 \$	429.17
May-22		\$69,897.13	0.9944		114	-	-	(\$2,590.18)	\$90,260.61	791.76
Jun-22		\$17,687.36	0.9977		115		-	(\$2,321.27)	\$21,341.60	185.58
Jul-22		\$39,608.37	0.9913		114			(\$2,659.36)	\$46,876.78	411.20
Aug-22		\$69,103.20	0.9769		117			(\$2,727.49)	\$81,293.80 \$	694.82
Sep-22		\$25,815.58	0.9731		112	•		(\$191.06)	\$31,824.80 \$	284.15
Oct-22		\$30,590.61	0.9319		111		-	(\$108.18)	\$51,586.88 \$	464.75
Nov-22		\$26,377.39	0.9252		112		-	\$0.00	\$42,977.44	383.73
Dec-22	\$614,841.04	\$4,155.97	0.8694	\$ 4,780.12	108	\$ 44.26	\$140,427.45	(\$270.65)	\$16,155.73	149.59

* Express Completion Factor as a percentage

**Express Prescription Drug Rebates as a negative number

Carrier Name:	Keystone Health Plan Central
Product(s):	НМО
Market Segment:	Small Group
Rate Effective Date:	1/1/2024

Table 2b. Manual Experience Period Claims and Premiums

Earned Premium	Paid Claims	Ultimate Incurred Claims	Member Months	Estimated Cost Sharing (Member & HHS)	Allowed Claims (Non-Capitated)	Non-EHB portion of Allowed Claims	Total Prescription Drug Rebates*	Total EHB Capitation	Total Non-EHB Capitation	Estimated Risk Adjustment	Estimated Reinsurance Recoveries
\$288,220,944.40	\$278,305,791.86	\$286,112,528.71	449,368	\$48,668,105.07	\$334,780,633.78		(\$18,807,849.48)	\$2,149.78	\$0.00	\$12,836,176.00	
Experience Period Total Allowed EHE	xperience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)							\$ 703.15			
Loss Ratio								88.79%			

*Express Prescription Drug Rebates as a negative number

Table 3b. Manual Trend Components

Service Category	Cost*	Utilization*	Induced Demand*	Composite Trend	Weight*
Inpatient Hospital	4.75%	0.50%	0.00%	5.27%	16.93%
Outpatient Hospital	4.90%	1.00%	0.00%	5.95%	40.06%
Professional	4.65%	1.00%	0.00%	5.70%	21.66%
Other Medical	4.90%	0.50%	0.00%	5.42%	2.48%
Capitation				3.00%	0.00%
Prescription Drugs	7.45%	1.05%	0.00%	8.58%	18.88%
Total Annual Trend				6.27%	100.00%
Months of Trend				24	
Total Applied Trend Projection Factor				1.129	

* Express Cost, Utilization, Induced Utilization and Weight as percentages

Table 4b. Historical Manual Experience

Month-Year	Total Annual Premium	Incurred Claims	Completion Factors*	Ultimate Incurred Claims	Members	Ultimate Incurred PMPM	Estimated Annual Cost Sharing (Member + HHS)	Prescription Drug Rebates**	Allowed Claims (Net of Prescription Drug Rebates)	Allowed PMPM
Jan-19		\$24,344,820.58	1.0000	24,344,820.58	45,072	540.13		(\$1,159,886.58)	\$28,380,195.11	\$ 629.66
Feb-19		\$22,714,811.78	1.0000	22,714,811.78	44,460	510.90		(\$1,177,318.37)	\$25,805,224.73	\$ 580.41
Mar-19		\$23,166,686.04	1.0000	23,166,686.04	43,740	529.65		(\$1,220,957.27)	\$26,307,941.13	\$ 601.46
Apr-19		\$21,980,745.91	1.0000	21,980,745.91	43,129	509.65		(\$1,347,937.76)	\$24,850,987.04	\$ 576.20
May-19		\$23,400,289.10	1.0000	\$ 23,400,289.10	42,846	546.15		(\$1,403,801.81)	\$25,873,901.01	\$ 603.88
Jun-19		\$19,876,254.17	1.0000 \$	5 19,876,254.17	42,349	\$ 469.34		(\$1,282,578.29)	\$22,089,711.24	
Jul-19		\$24,341,276.41	<u>1.0000</u> \$	5 24,341,276.41	41,964			(\$1,228,751.52)	\$26,913,032.72	
Aug-19		\$22,545,774.02	<u>1.0000</u> \$		41,466			(\$1,154,286.04)	\$24,902,339.18	
Sep-19		\$21,053,189.15	<u> </u>	21,053,189.15	41,020			(\$1,179,269.12)	\$23,140,263.61	
Oct-19		\$23,600,544.28	<u> </u>	23,600,544.28	40,723			(\$1,204,661.37)	\$26,092,099.53	
Nov-19		\$20,744,843.09	1.0000	20,744,843.09	40,359			(\$1,175,894.55)	\$22,743,760.59	
Dec-19	\$315,455,818.22	\$20,765,062.72	1.0000	20,765,062.72	39,582		\$46,818,383.76	(\$1,176,472.72)	\$23,541,409.72	
Jan-20		\$18,241,801.81	1.0000	18,241,801.81	35,008	521.08		(\$750,603.51)	\$21,387,542.03	\$ 610.93
Feb-20	_	\$19,816,749.17	<u> </u>	19,819,617.89	34,111	581.03		(\$892,226.92)	\$22,419,551.76	\$ 657.25
Mar-20	_	\$16,543,548.73	1.0000 \$	16,543,548.73	33,409			(\$972,966.27)	\$18,261,223.41	-
Apr-20		\$12,836,324.74	1.0000 \$	12,836,324.74	32,395			(\$1,040,936.38)	\$13,341,549.21	
May-20		\$13,937,837.00	1.0000 \$	13,937,837.00	31,482			(\$915,806.32)	\$15,139,583.59	•
Jun-20	_	\$16,894,291.19	1.0000 \$	16,894,291.19	30,750			(\$958,449.17)	\$18,448,251.04	•
Jul-20		\$18,557,801.94	1.0000 \$	18,557,801.94	30,167			(\$990,357.31)	\$20,256,031.73	•
Aug-20		\$18,675,693.46	1.0000 \$	18,675,693.46	29,896			(\$987,213.70)	\$20,397,780.39	\$ 682.29
Sep-20		\$16,750,944.21	1.0000 \$	5 <u>16,750,944.21</u>	29,336	571.00		(\$926,414.73)	\$18,344,630.27	•
Oct-20	-	\$16,304,750.65	1.0000 \$	5 16,305,334.68	28,647			(\$929,307.08)	\$17,808,996.53	-
Nov-20	¢2.42.052.250.05	\$16,541,855.34	1.0000	5 16,542,401.17 16,542,401.17	28,079		¢21 570 120 00	(\$932,923.48)	\$17,907,411.17	
Dec-20	\$242,962,350.95	\$16,777,894.49	1.0000	5 16,778,413.28	26,538		\$31,578,129.90	(\$969,723.46)	\$18,482,660.54	
Jan-21	-	\$17,275,029.35	1.0000	5 17,275,532.52	27,753	622.47		(\$967,857.07)	\$19,416,735.37	
Feb-21	-	\$15,869,136.55 \$18,582,425.92	1.0000 \$ 0.9999 \$	5 15,869,608.49	27,765 28,041			(\$932,822.65)	\$17,558,789.67	
Mar-21		\$18,582,425.92	0.9999	5 18,583,545.66 5 18,242,880.96	28,041			(\$1,117,793.20) (\$1,095,084.07)	\$20,526,098.03 \$19,958,809.19	
Apr-21 May-21	-	\$18,240,750.97	0.9999	5 16,135,091.31	28,233			(\$1,095,084.07)	\$19,958,809.19	
Jun-21		\$18,675,448.81	0.9998	5 18,679,212.66	28,538			(\$1,045,436.66)	\$20,366,835.19	
Jul-21		\$18,073,448.81	0.9997		28,338			(\$1,045,458.00)	\$19,028,633.46	
		\$17,549,106.53	0.9997		28,932			(\$1,074,903.58)	\$19,028,033.40	-
Aug-21 Sep-21	-	\$17,866,667.71	0.9996		29,227			(\$1,074,210.84)		·
Oct-21	-	\$17,800,007.71	0.9996	5 19,331,110.63	29,975			(\$1,132,682.14)	\$19,480,540.57	
Nov-21	-	\$20,308,534.69	0.9996		30,648			(\$1,127,598.74)	\$22,102,147.85	
Nov 21 Dec-21	\$228,181,082.66	\$23,041,923.55	0.9995		35,214		\$34,768,854.63	(\$1,295,624.30)	\$25,834,839.86	
Jan-22	\$220,101,002.00	\$22,193,000.31	0.9994		36,897		\$34,700,034.03	(\$1,371,123.86)		
Feb-22	-	\$20,327,461.25	0.9992		36,963			(\$1,330,866.57)	\$23,143,423.53	
Nar-22	-	\$26,482,538.82	0.9990		36,838			(\$1,680,002.61)	\$29,269,949.68	•
Apr-22		\$22,350,086.74	0.9869		37,198			(\$1,499,816.92)	\$25,084,910.99	
May-22		\$22,841,981.01	0.9948		37,292			(\$1,622,524.34)		
Jun-22		\$22,521,959.37	0.9928		37,625			(\$1,649,245.14)	\$24,836,783.21	
Jul-22		\$22,341,151.59	0.9895		37,733			(\$1,564,172.69)	\$24,481,369.66	
Aug-22		\$25,081,410.29	0.9780		37,884			(\$1,665,954.98)	\$27,985,283.33	
Sep-22		\$23,874,872.04	0.9792		38,052			(\$1,749,885.44)	\$26,386,246.34	-
Oct-22		\$23,281,044.96	0.9466		37,907			(\$1,591,007.19)	\$27,099,057.62	
Nov-22		\$24,606,434.94	0.9400		37,876			(\$1,611,404.81)	\$28,506,056.26	
Dec-22	\$288,220,944.40	\$22,403,850.56	0.8825		37,245		\$48,668,105.07	(\$1,471,844.93)	\$28,814,216.13	

* Express Completion Factor as a percentage

**Express Prescription Drug Rebates as a negative number

PA Rate Template Part II

Rate Development and Change								
Carrier Name:	Keystone Health Plan Central							
Product(s):	НМО							
Market Segment:	Small Group							
Rate Effective Date:	1/1/2024							

Table 5. Development of the Projected Index Rate, Market-Adjusted Index Rate, and Total Allowed Claims

Development of the Projected Index Rate	Actual Experience Data	Manual Data					
Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates) PMPM	\$ 424.45	\$ 703.15 <- Actual Experience PMPM should be consistent with the	e Index Rate for Experience Period on URRT				
Two year trend projection Factor	1.129	1.129					
Inadjusted Projected Allowed EHB Claims PMPM	\$ 479.34	\$ 794.08	For Informational Purposes only - No input r	equired.			
ingle Risk Pool Adjustment Factors							
Change in Morbidity - Impact of Reinsurance Program	1.000	1.000	Blended Base Period Unadjusted Claims before Normalizati	on	\$ 703.15	<- Index Rate of Experience Period on L	URRT
Change in Morbidity - All Other	0.467	0.467 <- See URRT Instructions	Blended Earned Premium		\$ 288,220,944.40		
Total Non-Morbidity Changes	0.983	0.983	Blended Loss Ratio		88.79%		
Change in Demographics	1.000	1.000 <- See URRT Instructions					
Change in Network	0.982	0.982					
Change in Benefits	1.001	1.001 <- See URRT Instructions					
Change in Other	1.000	1.000 <- See URRT Instructions					
Total Adjusted Projected Allowed EHB Claims PMPM	\$ 220.04	\$ 364.53					
Credibility Factors	0%	100% <- See Instructions					
Blended Projected EHB Claims PMPM		\$ 364.53 <- Projected Index Rate					
Development of the Market-Adjusted Index Rate and Total Allowed Claims			Table 5A. Small Group Projected Index Rate	with Quarterly Trend			
Adjusted Projected Allowed EHB Claims PMPM	\$ 364.53 <	<- Index Rate for Projection Period on URRT		_			
Projected Paid to Allowed Ratio	0.558		Effective Date	1/1/2024	4/1/2024	7/1/2024 10/1/2024	Tota
Projected Incurred EHB Claims PMPM	\$ 203.48		# of Member Months Renewing in Quarter	330	145	167 4	482
•						\$ 364.53 \$ 364	54.53 \$
Market-wide Adjustments	4040.04		Adjusted Projected Allowed EHB Claims PMPM	\$ 364.53	\$ 364.53	¢ 301.33 ¢ 30	
Market-wide Adjustments Projected Incurred Risk Adjustment PMPM	-\$219.94		Months of Trend	-	3	6	9
Market-wide Adjustments Projected Incurred Risk Adjustment PMPM Projected Incurred Exchange User Fees PMPM	\$0.00		Months of Trend Annual Trend	6.27%	3 6.27%	6 6.27% 6.1	9 <mark>5.27%</mark> 21 54 \$
Market-wide Adjustments Projected Incurred Risk Adjustment PMPM Projected Incurred Exchange User Fees PMPM Projected Incurred Reinsurance Recoveries PMPM	\$0.00 \$0.00		Months of Trend Annual Trend Single Risk Pool Projected Allowed Claims	-	3 6.27% \$ 370.11	6 6.27% 6.3 \$ 375.78 \$ 381	31.54 \$
Market-wide Adjustments Projected Incurred Risk Adjustment PMPM Projected Incurred Exchange User Fees PMPM	\$0.00		Months of Trend Annual Trend	- 6.27% \$364.53	3 6.27% \$ 370.11	6 6.27% 6.3 \$ 375.78 \$ 381	
Market-wide Adjustments Projected Incurred Risk Adjustment PMPM Projected Incurred Exchange User Fees PMPM Projected Incurred Reinsurance Recoveries PMPM	\$0.00 \$0.00 \$423.42	<- Market-Adjusted Index Rate	Months of Trend Annual Trend Single Risk Pool Projected Allowed Claims	- 6.27% \$364.53	3 6.27% \$ 370.11	6 6.27% 6.3 \$ 375.78 \$ 381	31.54 \$
Market-wide Adjustments Projected Incurred Risk Adjustment PMPM Projected Incurred Exchange User Fees PMPM Projected Incurred Reinsurance Recoveries PMPM Market-Adjusted Projected Incurred EHB Claims PMPM	\$0.00 \$0.00 \$423.42	:- Market-Adjusted Index Rate	Months of Trend Annual Trend Single Risk Pool Projected Allowed Claims	- 6.27% \$364.53	3 6.27% \$ 370.11	6 6.27% 6.3 \$ 375.78 \$ 381	31.54 \$
Market-wide Adjustments Projected Incurred Risk Adjustment PMPM Projected Incurred Exchange User Fees PMPM Projected Incurred Reinsurance Recoveries PMPM Market-Adjusted Projected Incurred EHB Claims PMPM Market-Adjusted Projected Allowed EHB Claims PMPM	\$0.00 \$0.00 \$ 423.42 \$ 758.55 <	፡- Market-Adjusted Index Rate	Months of Trend Annual Trend Single Risk Pool Projected Allowed Claims	- 6.27% \$364.53	3 6.27% \$ 370.11	6 6.27% 6.3 \$ 375.78 \$ 381	31.54 \$

Effective Date	1/1/2024	4/1/2024	7/1/2024	10/1/2024	Total Si	ngle Risk Pool
# of Member Months Renewing in Quarter	330	145	167	482		1,124
Adjusted Projected Allowed EHB Claims PMPM	\$ 364.53	\$ 364.53	\$ 364.53	\$ 364.53	\$	364.53
Months of Trend	-	3	6	9		
Annual Trend	6.27%	6.27%	6.27%	6.27%		
Single Risk Pool Projected Allowed Claims	\$ 364.53	\$ 370.11	\$ 375.78	\$ 381.54	\$	374.21
Quarterly Trend Factor	1.000	1.015	1.031	1.047		1.027

Table 6. Retention

14.73 10.73 4.01 0.00 0.62 0.04 0.05	% \$54.96 % \$20.52 % \$0.00 % \$3.18 % \$0.21
4.01 0.00 0.62 0.04	<mark>%</mark> \$20.52 %\$0.00 %\$3.18 <mark>%</mark> \$0.21
0.00 0.62 0.04	<mark>%</mark> \$0.00 %\$3.18 <mark>%</mark> \$0.21
0.62 0.04	% \$3.18 <mark>%</mark> \$0.21
0.04	<mark>%</mark> \$0.21
0.05	<mark>%</mark> \$0.25
0.00	<mark>%</mark> \$0.00
0.53	<mark>%</mark> \$2.72
0.00	<mark>%</mark> \$0.00
2.00	% \$10.25
17.35	% \$88.91
\$ 512.3	2
-	0.53 0.00 2.00 17.35

Table 7. Normalized Market-Adjusted Projected Allowed Total Claims

Normalization Factors	2023	2024
Average Age Factor	1.552	1.552
Average Geographic Factor	1.029	1.030
Average Tobacco Factor	1.000	1.000
Average Benefit Richness (induced demand)	1.000	1.000
Average Network Factor	1.000	1.000
Market-Adjusted Projected Allowed Total Claims PMPM	\$774.10	\$ 758.55
Normalized Market-Adjusted Projected Allowed Total Claims PMPM	\$ 484.72	\$ 474.44

Table 8. Components of Rate Change

Rate Components		2023		2024		fference	Percent Change
A. Calibrated Plan Adjusted Index Rate (PMPM)	\$	304.87	\$	320.44	\$	15.57	5.1%
B. Base period allowed claims before normalization	\$	686.42		703.15		16.73	5.5%
C. Normalization factor component of change	\$	(256.60)	\$	(263.36)	\$	(6.75)	-2.2%
D. Change in Normalized Allowed Claims Adjustment Components							
D1. Base period allowed claims after normalization	ć	429.82	\$	439.80	Ś	9.98	3.3%
D2. URRT Trend	с	429.82		439.80 56.87	\$ \$	9.98 1.43	0.5%
D3. URRT Morbidity	Ś	(184.40)		(264.73)	•	(80.33)	
D4. URRT Other	Ś	(3.01)	-	(3.95)	-	(0.94)	-0.3%
D5. Normalized URRT Risk Adjustment on an allowed basis	Ś	186.75	Ś	246.44		59.69	19.6%
D6. Normalized Exchange User Fee on an allowed basis	Ś	-	Ś		Ś	-	0.0%
D7. Normalized Reinsurance Recoveries on an allowed basis	Ś	-	Ś	-	Ś	-	0.0%
D8. Subtotal - Sum(D1:D7)	\$	484.61	Ś	474.44	Ś	(10.17)	
E. Change in Allowable Plan Adjusted Level Components						(-)	
E1. Network	\$	-	\$	-	\$	-	0.0%
E2. Pricing AV	\$	(233.10)	\$	(209.61)	\$	23.49	7.7%
E3. Benefit Richness	\$	-	\$	0.00	\$	0.00	0.0%
E4. Catastrophic Eligibility	\$	-	\$	-	\$	-	0.0%
E5. Subtotal - Sum(E1:E4)	\$	(233.10)	\$	(209.61)	\$	23.49	7.7%
F. Change in Retention Components							
F1. Administrative Expenses	\$	45.61	\$	47.21	\$	1.60	0.5%
F2. Taxes and Fees	\$	1.89	\$	1.99	\$	0.10	0.0%
F3. Profit and/or Contingency	\$	6.10	\$	6.41	\$	0.31	0.1%
F4. Subtotal - Sum(F1:F3)	\$	53.60	\$	55.61	\$	2.01	0.7%
G. Change in Miscellaneous Items		\$0.00			\$	-	0.0%
H. Sum of Components of Rate Change (should approximate the change shown in line A)	\$	305.11	\$	320.44	\$	15.33	5.0%

Table 9. Year-over-Year Data to Support Table 8

	2023	2024	
Paid-to-Allowed	0.519	0.558	
URRT Trend (Total Applied Trend Factor)	1.129	1.129	<- URRT W1, S2
URRT Morbidity	0.620	0.467	<- URRT W1, S2
URRT "Other"	0.990	0.983	<- URRT W1, S2
Risk Adjustment	\$ 154.79	\$ 219.94	<- URRT W1, S3
Exchange User Fee	<u>\$</u> -		<- URRT W1, S3
Reinsurance Recoveries	<mark>\$</mark> -	\$-	<- URRT W1, S3
Capitation	<mark>\$ 0.30</mark>	\$0.30	<- URRT W1, S2
Network	1.000	1.000	
Pricing AV	0.519		<- For 2023 in cell J81, please include a factor equal to the product of the average Pricing AV and the Non-Funding of CSR Adjustment
Benefit Richness	1.000		
Catastrophic Eligibility	1.000	1.000	
Administrative Expenses	14.96%	14.73%	
Taxes and Fees	0.62%	0.62%	
Profit and/or Contingency	2.00%	2.00%	

	emplate Pa	art III									
Table 10. Pla Carrier Name: Product(s): Market Segmen	t:	Keystone Health Plan Central HMO Small Group					CalibrationAge Calibration Factor1.552Geographic Calibration Factor1.030Tobacco Calibration Factor1.000Aggregate Calibration Factor1.599	Total Covered Lives @ 02-01-2023 95			
Rate Effective D Base Period Sta Date of Most Re Market Adjuste	rt Date ecent Membership:	1/1/2024 1/1/2022 2/1/2023 \$ 758.55				45 CFR Part 156.8 (d) (2) Allow	vable Factors				02-01-2023 Number of Covered Lives by Rating Area
Plan Number	HIOS Plan ID (Standard Component)	Product Type (HMO, POS, PPO, EPO, 1/1/2023 Plan Indemnity, Other) Marketing Name	Existing, Modified, New, Discontinued & Mapped, Discontinued & Not Mapped (E,M,N,DM, DNM) for 2024 Mapped)		or determined (induced addition to Pro	ovider Catastrophic of CSR etwork Eligibility Adjustment	g Taxes & Fees (not including Profit or t Pure Premium Admin Costs Exchange fees) Contingency	TotalCovered LivesMapped into2024 Plans @ 02-01-2023Lives	2023 Calibrated Plan Adjusted Index Rate PMPM Rate PMPM	Proposed Rate Change Compared to % of Total Prior 12 months Covered Lives	123456789TotalIndicatorContinued/ Discontinued Check
Totals - Current N				0.648 0.648	0.558 1.000 1.000	1.000 1.000 1.000	0 \$ 423.42 14.7% 0.6% 2.0%	86 94	\$ 304.87 \$ 320.44	5.1%	<u> 41 39 - 6 86</u>
Total - Projected					0.558 1.000 1.000		0 \$ 423.42 14.7% 0.6% 2.0%				
Transitional Plans	TRANSITIONAL		DNM TRANSITIONAL	N/A N/A N/A 0.64761638 Approach 1 Off	N/A N/A N/A N/A N/A	N/A N/A	N/A N/A N/A 00 \$423.42 14.7% 0.6% 2.0%	- 01	N/A N/A \$304.87 \$ 320.44	N/A N/A 5.1% 100.0%	
Plan 1 Plan 2	53789PA0090004			0.64761638 Approach 1 Off	0.558 1.000 1.000	1.000 1.000 1.00	JU \$423.42 14.7% 0.6% 2.0% \$0.00 \$0.00 \$100 <t< td=""><td>8694</td><td>\$304.87 \$320.44 \$</td><td>5.1%100.0%0.0%0.0%</td><td></td></t<>	8694	\$304.87 \$320.44 \$	5.1%100.0%0.0%0.0%	
Plan 3							\$0.00 \$0.00 \$0.00	-	<u> </u>	0.0% 0.0%	
Plan 4							\$0.00	-	\$ -	0.0% 0.0%	
Plan 5							\$0.00 \$0.00 \$0.00	-	\$ -	0.0% 0.0%	- 0
Plan 6							\$0.00	-	\$ -	0.0% 0.0%	
Plan 7							\$0.00	-	\$ -	0.0% 0.0%	<u> </u>
Plan 8							\$0.00 \$0.00 \$0.00	-	\$ -	0.0% 0.0%	<u> </u>
Plan 9							\$0.00	-	\$ -	0.0% 0.0%	O
Plan 10							\$0.00	-	\$ -	0.0% 0.0%	O
Plan 11							\$0.00	-	<u>\$</u> -	0.0% 0.0%	
Plan 12							\$0.00	-	<u> </u>	0.0% 0.0%	
Plan 13							\$0.00	-	<u> </u>	0.0% 0.0%	
Plan 14 Plan 15									<u> </u>	0.0% 0.0% 0.0% 0.0%	
Plan 16							\$0.00		<u> </u>	0.0% 0.0%	
Plan 17							\$0.00	-	<u> </u>	0.0% 0.0%	
Plan 18							\$0.00	-	\$ -	0.0% 0.0%	
Plan 19							\$0.00	-	\$ -	0.0% 0.0%	
Plan 20							\$0.00	-	\$ -	0.0% 0.0%	
Plan 21							\$0.00	-	\$ -	0.0% 0.0%	
Plan 22							\$0.00	-	\$ -	0.0% 0.0%	
Plan 23							\$0.00	-	\$ -	0.0% 0.0%	
Plan 24							\$0.00	-	\$ -	0.0% 0.0%	
Plan 25							\$0.00	-	<u> </u>	0.0% 0.0%	
Plan 26								-	\$ -	0.0% 0.0%	
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Plan 30							\$0.00	-	<u> </u>	0.0% 0.0%	
Plan 31							\$0.00		\$ -	0.0% 0.0%	
Plan 32							\$0.00	-	\$ -	0.0% 0.0%	
Plan 33							\$0.00	-	\$ -	0.0% 0.0%	- 0
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Plan 35							\$0.00	-	\$ -	0.0% 0.0%	
Plan 36							\$0.00	-	\$ -	0.0% 0.0%	
Plan 37							\$0.00	-	\$ -	0.0% 0.0%	<u> </u>
Plan 38							\$0.00	-	\$ -	0.0% 0.0%	
Plan 39							\$0.00	-	\$ -	0.0% 0.0%	
Plan 40							\$0.00	-	\$ -	0.0% 0.0%	
Plan 41							\$0.00	-	\$ -	0.0% 0.0%	

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Plan 41	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 42		-	\$ -	0.0%	0.0%		- 0
Plan 43	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 44 Plan 44PPlan 44 _	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 45	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 46	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 47	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 48	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 49	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 50 M M M M M M M M M M M M M M M M M M	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 51 A Plan 51 Plan	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 52 A Plan 52 Plan	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 53	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 54	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 55	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 56	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 57 M M M M M M M M M M M M M M M M M M	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 58	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 59 A Plan 59	\$0.00	-	\$ -	0.0%	0.0%		- 0
Plan 60	\$0.00		\$ -	0.0%	0.0%		- 0

Plan 1 53789PA0090004 Bronze HMO 8000/0/50 M 0 0 Off	\$304.87 \$329.26 \$310.97 \$ 316.36	\$ - \$ - \$ - \$ - \$ 320.44 \$ 346.07 \$ - \$ 326.85 \$ 332.51	5.1% 5.1% 5.1% 5.1%	\$ - \$ - \$ - \$ - \$ - \$ 325.35 \$ 351.38 \$ - \$ 331.85 \$ 337.61	\$ - \$ - \$ - \$ - \$ - \$ 330.33 \$ 356.76 \$ - \$ 336.94 \$ 342.78	\$ - \$ - \$ - \$ - \$ - \$ 335.39 \$ 362.22 \$ - \$ 342.10 \$ 348.03
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Plan 28 0 0 0 0 0 0	<u> </u>	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -		\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -
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Plan 30 0 0 0 0 0	<u> </u>	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -		\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -
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		Quarter 1 2023, 21-year-old Non-Tobacco Premium PMPM		Quarter 1 2	024, 21-year-old Non-Tobacco Premium PMPM	Change in Quarter 1, 21-year-old Non-Tobacco Premium PN	M	Quarter 2 2024, 21	1-year-old Non-Tobacco Premium PMPM	Quarter 3 2024, 21-year-old Non-Tobacco Premium PMPM		Quarter 4 2024, 21-year-old Non-Tobacco Premium PMPM
Plan Number Component) Marketing Name Discontinued Plan Number Component) Marketing Name 2024	, d, 1/1/2024 HIOS Plan ID (If 1/1/2023 Plan Discontinued & Mapped) Metallic Tier Off 1	2 3 4 5 6 7 8	Average (weighted by enrollment by rating 9 area)	1 2 3	456789Average (weighted by enrollment by rating	1 2 3 4 5 6 7	8 9 Average (weighted by enrollment by rating	1 2 3 4	56789Average (weighted by enrollment by rating	123456789are	g g	Average (weighted by enrollment by rating3456789area)
Totals These cells auto-fill using the data	entered in Table 10. \$ -	\$ - \$ - \$ - \$ 304.87 \$ 329.26 \$ -	\$ 310.97 \$ 316.36	\$ - \$ - \$ - \$	- \$ - \$ 320.44 \$ 346.07 \$ - \$ 326.85 \$ 332.51	0.0% 0.0% 0.0% 0.0% 5.1% 5.1%	0.0% 5.1% 5.1%	\$ - \$ - \$ -	\$ - \$ 325.35 \$ 351.38 \$ - \$ 331.85 \$ 337.61	\$ - \$ - \$ - \$ - \$ 330.33 \$ 356.76 \$ - \$ 336.94 \$ 34	78 \$ - \$ -	\$ - \$ - \$ 335.39 \$ 362.22 \$ - \$ 342.10 \$ 348.03



PA Rate Template Part IV B - Small Group Annual Table 11. Plan Premium Development for 21-Year-Old Non-Tobacco User

Clarion Crawford	Erie Forest McKean Mercer Venango Warren 1 Camer	ron Elk Potter 2 Bradford	Carbon Clinton Lackawanna Luzerne Lycoming Monroe	Pike Sullivan Susquehanna Tioga Wayne Wyoming 3 Allegheny Armstrong B	eaver Butler Fayette Greene Indiana Lawrence Washington Westmoreland 4	Bedford Blair Cambria Clearfield Huntingdon Jefferson	Somerset 5 Centre Columbia Lehigh Mifflin Montour	n Northumberland Schuylkill Snyder Union 6 Adams	s Berks Lancaster York 7 Bucks Chester Dela	ware Montgomery Philadelphia 8 Cumberland Dauphin Franklin	n Fulton Juniata Lebanon Perry 9
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02-01-2023 Number of Covered Lives by County

PA Rate Quarterly Template Part V Consumer Factors

Carrier Name:	Keystone Health Plan Central
Product(s):	НМО
Market Segment:	Small Group
Rate Effective Date:	1/1/2024

Table 12. Age and Tobacco Factors

Projection Period Age and Tobacco Factors									
Age	Age	Tobacco		Age	Age	Tobacco			
Band	Factor	Factor		Band	Factor	Factor			
0-14	0.765			40	1.278	1.000			
15	0.833			41	1.302	1.000			
16	0.859			42	1.325	1.000			
17	0.885			43	1.357	1.000			
18	0.913			44	1.397	1.000			
19	0.941			45	1.444	1.000			
20	0.970			46	1.500	1.000			
21	1.000	1.000		47	1.563	1.000			
22	1.000	1.000		48	1.635	1.000			
23	1.000	1.000		49	1.706	1.000			
24	1.000	1.000		50	1.786	1.000			
25	1.004	1.000		51	1.865	1.000			
26	1.024	1.000		52	1.952	1.000			
27	1.048	1.000		53	2.040	1.000			
28	1.087	1.000		54	2.135	1.000			
29	1.119	1.000		55	2.230	1.000			
30	1.135	1.000		56	2.333	1.000			
31	1.159	1.000		57	2.437	1.000			
32	1.183	1.000		58	2.548	1.000			
33	1.198	1.000		59	2.603	1.000			
34	1.214	1.000		60	2.714	1.000			
35	1.222	1.000		61	2.810	1.000			
36	1.230	1.000		62	2.873	1.000			
37	1.238	1.000		63	2.952	1.000			
38	1.246	1.000		64+	3.000	1.000			
39	1.262	1.000							

*PA follows the federal default age curve.

Table 13. Geographic Factors

Geographic Area Factors							
Area	Counties	Current Factor	Proposed Factor				
Rating Area 1							
Rating Area 2							
Rating Area 3							
Rating Area 4							
Rating Area 5							
Rating Area 6	Centre, Columbia, Lehigh, Mifflin, Montour, Northampton, Northumberland, Schutlkill, Snyder, Union	1.000	1.000				
Rating Area 7	Adams, Berks, Lancaster, York	1.080	1.080				
Rating Area 8							
Rating Area 9	Cumberland, Dauphin, Franklin, Fulton, Juniata, Lebanon, Perry	1.020	1.020				

Table 14. Network Factors

Projection Period Network Factors							
Network Name	Rating Area	Current Factor	Proposed Factor	Approval Date			
НМО	All	1.000	1.000				

PA Rate Template Part VI - Rate Change Summary

Table 15. Rate Change Summary Information

Overview

Initial Requested Average Rate Change:	0.051063728
Revised Requested Average Rate Change:	5.11%
Minimum Requested Rate Change:	5.11%
Maximum Requested Rate Change:	5.11%
Mapped Members:	86
Available in Rating Areas:	Rating Areas 6, 7, and 9

Key Information

Jan. 2022 - Dec. 2022 Financial Experience	
Premium	\$346,526.04
Claims	\$430,463.58
Administrative Expenses	\$2,265.00
Taxes & Fees	\$10,229.00
Company Made After Taxes	\$ (96,431.54)

The company expects its annual medical costs to increase:

Future cost and utilization: 6.3%
Favorable manual data 2022 claims net risk adjustment experience: -1.2%

Explanation of requested rate change:

Carrier Name:Keystone Health PlanProduct(s):HMOMarket Segment:Small GroupRate Effective Date:1/1/2024

How It Plans to Spend Your Premium

This is how the company plans to spend the premium it
collects in 2024:Claims:83%Administrative Expenses:15%Taxes & Fees:1%Profit:2%

6.27%

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Table B

				Projected Member	Projected Allowed	Projected Paid	Paid to Allowed	Average Tobacco	AV and Cost	(8)/(6*7) Induced	Induced Demand
	<u>Plan ID</u>	<u>Plan Name</u>	Metal Level	<u>Months</u>	<u>Claims</u>	<u>Claims</u>	Factor	Factor	Sharing Factor	Utilization	Table 10
	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
4	53789PA0090004	Bronze HMO 8000/0/50	Bronze	1,124	\$852,604	\$475,919	0.56	1.000	0.56	1.00	1.00
	Total			1,124	852,604	475,919	0.558	1.00	0.558	1.00	1.00
	PMPM				758.54	423.42					
	Rate Dev II				758.54	423.42					

	Keystone Health Plan Central
Company Name:	(КНРС)
Market:	Small Group
Product:	НМО
Effective Date of Rates:	January 1, 2024

March 31, 2024

HIOS Plan ID (On Exchange)=>							
HIOS Plan ID (Off Exchange)=>	53789PA0090004		53789PA	0090004	53789PA0090004		
Plan Marketing Name =>	Bronze HMC		Bronze HMO 8000/0/50		Bronze HMO 8000/0/50		
Form # =>	С24-КН		C24-KHPC-SGP		C24-KHPC-SGP		
Rating Area =>	e	5	7		9		
Network =>	HN	10	НМО		HN	/IO	
Metal =>	Bro		Bronze			nze	
Deductible =>	\$8000 Med/I			Rx Combined		Rx Combined	
Coinsurance =>	0			%		%	
Copays =>	\$50/\$85/\$0 PCP/SPC/ER \$8700 Med/Rx Combined			PCP/SPC/ER		PCP/SPC/ER	
OOP Maximum => Pediatric Dental (Yes/No) =>	\$8700 ivied/i			Rx Combined es		Rx Combined es	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	
0 - 14	\$245.14	\$245.14	\$264.75	\$264.75	\$250.04	\$250.04	
15	\$266.93	\$266.93	\$288.28	\$288.28	\$272.27	\$272.27	
16	\$275.26	\$275.26	\$297.28	\$297.28	\$280.76	\$280.76	
17	\$283.59	\$283.59	\$306.28	\$306.28	\$289.26	\$289.26	
18	\$292.56	\$292.56	\$315.97	\$315.97	\$298.41	\$298.41	
19	\$301.53	\$301.53	\$325.66	\$325.66	\$307.56	\$307.56	
20	\$310.83	\$310.83	\$335.69	\$335.69	\$317.04	\$317.04	
21	\$320.44	\$320.44	\$346.08	\$346.08	\$326.85	\$326.85	
22	\$320.44	\$320.44	\$346.08	\$346.08	\$326.85	\$326.85	
23 24	\$320.44 \$320.44	\$320.44 \$320.44	\$346.08 \$346.08	\$346.08 \$346.08	\$326.85 \$326.85	\$326.85 \$326.85	
24 25	\$320.44 \$321.72	\$320.44 \$321.72	\$346.08 \$347.46	\$346.08 \$347.46	\$328.16	\$328.85	
26	\$328.13	\$328.13	\$354.38	\$354.38	\$334.69	\$334.69	
27	\$335.82	\$335.82	\$362.69	\$362.69	\$342.54	\$342.54	
28	\$348.32	\$348.32	\$376.18	\$376.18	\$355.28	\$355.28	
29	\$358.57	\$358.57	\$387.26	\$387.26	\$365.74	\$365.74	
30	\$363.70	\$363.70	\$392.80	\$392.80	\$370.97	\$370.97	
31	\$371.39	\$371.39	\$401.10	\$401.10	\$378.82	\$378.82	
32	\$379.08	\$379.08	\$409.41	\$409.41	\$386.66	\$386.66	
33	\$383.89	\$383.89	\$414.60	\$414.60	\$391.56	\$391.56	
34	\$389.01	\$389.01	\$420.14	\$420.14	\$396.79	\$396.79	
35	\$391.58	\$391.58	\$422.90	\$422.90	\$399.41	\$399.41	
36 37	\$394.14	\$394.14	\$425.67 \$428.44	\$425.67 \$428.44	\$402.02	\$402.02 \$404.64	
37	\$396.70 \$399.27	\$396.70 \$399.27	\$428.44 \$431.21	\$428.44 \$431.21	\$404.64 \$407.25	\$404.64 \$407.25	
39	\$404.40	\$404.40	\$436.75	\$436.75	\$412.48	\$412.48	
40	\$409.52	\$409.52	\$442.28	\$442.28	\$417.71	\$417.71	
41	\$417.21	\$417.21	\$450.59	\$450.59	\$425.56	, \$425.56	
42	\$424.58	\$424.58	\$458.55	\$458.55	\$433.07	\$433.07	
43	\$434.84	\$434.84	\$469.62	\$469.62	\$443.53	\$443.53	
44	\$447.65	\$447.65	\$483.47	\$483.47	\$456.61	\$456.61	
45	\$462.72	\$462.72	\$499.73	\$499.73	\$471.97	\$471.97	
46	\$480.66	\$480.66	\$519.11	\$519.11	\$490.27	\$490.27	
47	\$500.85	\$500.85	\$540.92	\$540.92	\$510.86	\$510.86	
48	\$523.92	\$523.92	\$565.83	\$565.83	\$534.40	\$534.40	
49 50	\$546.67 \$572.31	\$546.67 \$572.31	\$590.40 \$618.09	\$590.40 \$618.09	\$557.60 \$583.75	\$557.60 \$583.75	
50	\$572.31 \$597.62	\$572.31 \$597.62	\$645.43	\$645.43	\$583.75 \$609.57	\$583.75 \$609.57	
52	\$625.50	\$625.50	\$675.54	\$675.54	\$638.01	\$638.01	
53	\$653.70	\$653.70	\$705.99	\$705.99	\$666.77	\$666.77	
54	\$684.14	\$684.14	\$738.87	\$738.87	\$697.82	\$697.82	
55	\$714.58	\$714.58	\$771.75	\$771.75	\$728.87	\$728.87	
56	\$747.59	\$747.59	\$807.39	\$807.39	\$762.54	\$762.54	
57	\$780.91	\$780.91	\$843.39	\$843.39	\$796.53	\$796.53	
58	\$816.48	\$816.48	\$881.80	\$881.80	\$832.81	\$832.81	
59	\$834.11	\$834.11	\$900.83	\$900.83	\$850.79	\$850.79	
60	\$869.67	\$869.67	\$939.25	\$939.25	\$887.07	\$887.07	
61	\$900.44	\$900.44	\$972.47	\$972.47	\$918.45	\$918.45	
62	\$920.62 \$945.94	\$920.62 \$945.94	\$994.27 \$1,021.61	\$994.27 \$1.021.61	\$939.04 \$964.86	\$939.04 \$964.86	
63 64+	\$945.94 \$961.31	\$945.94 \$961.31	\$1,021.61 \$1,038.23	\$1,021.61 \$1,038.23	\$964.86 \$980.54	\$964.86 \$980.54	
04+	2201.31	2201.31	,U38.23	\$1,038.23	ə980.54	2980.54	

	Keystone Health Plan Central
Company Name:	(KHPC)
Market:	Small Group
Product:	НМО
Effective Date of Rates:	April 1, 2024

June 30, 2024

HIOS Plan ID (On Exchange)=>	53789PA0090004		F3780DA	0000004	E2780DA000004		
HIOS Plan ID (Off Exchange)=> Plan Marketing Name =>		0090004	53789PA0090004 Bronze HMO 8000/0/50		53789PA0090004 Bronze HMO 8000/0/50		
Form # =>	C24-KH		C24-KHPC-SGP		C24-KHPC-SGP		
Rating Area =>		5	7		9		
Network =>	HN		НМО			/0	
Metal =>	Bro	nze	Bronze		Bronze		
Deductible =>	\$8000 Med/I	Rx Combined	\$8000 Med/Rx Combined		\$8000 Med/	Rx Combined	
Coinsurance =>	0			%	0		
Copays =>	\$50/\$85/\$0		\$50/\$85/\$0 PCP/SPC/ER			PCP/SPC/ER	
OOP Maximum =>	\$8700 Med/Rx Combined Yes			Rx Combined		Rx Combined	
Pediatric Dental (Yes/No) => Age Band	Non-Tobacco	es Tobacco	Yes Non-Tobacco Tobacco		Non-Tobacco	es Tobacco	
0 - 14	\$248.89	\$248.89	\$268.80	\$268.80	\$253.87	\$253.87	
15	\$271.02	\$271.02	\$292.70	\$292.70	\$276.44	\$276.44	
16	\$279.48	\$279.48	\$301.83	\$301.83	\$285.07	\$285.07	
17	\$287.93	\$287.93	\$310.97	\$310.97	\$293.69	\$293.69	
18	\$297.04	\$297.04	\$320.81	\$320.81	\$302.99	\$302.99	
19	\$306.15	\$306.15	\$330.65	\$330.65	\$312.28	\$312.28	
20	\$315.59	\$315.59	\$340.84	\$340.84	\$321.90	\$321.90	
21	\$325.35	\$325.35	\$351.38	\$351.38	\$331.86	\$331.86	
22	\$325.35	\$325.35	\$351.38	\$351.38	\$331.86	\$331.86	
23	\$325.35	\$325.35	\$351.38	\$351.38	\$331.86	\$331.86	
24 25	\$325.35 \$326.65	\$325.35 \$326.65	\$351.38 \$352.78	\$351.38 \$352.78	\$331.86 \$333.18	\$331.86 \$333.18	
25	\$333.16	\$333.16	\$359.81	\$359.81	\$339.82	\$339.82	
20	\$340.97	\$340.97	\$368.24	\$368.24	\$339.82	\$335.82	
28	\$353.66	\$353.66	\$381.95	\$381.95	\$360.73	\$360.73	
29	\$364.07	\$364.07	\$393.19	\$393.19	\$371.35	\$371.35	
30	\$369.27	\$369.27	\$398.81	\$398.81	\$376.66	\$376.66	
31	\$377.08	\$377.08	\$407.25	\$407.25	\$384.62	\$384.62	
32	\$384.89	\$384.89	\$415.68	\$415.68	\$392.59	\$392.59	
33	\$389.77	\$389.77	\$420.95	\$420.95	\$397.56	\$397.56	
34	\$394.97	\$394.97	\$426.57	\$426.57	\$402.87	\$402.87	
35	\$397.58	\$397.58	\$429.38	\$429.38	\$405.53	\$405.53	
36 37	\$400.18 \$402.78	\$400.18 \$402.78	\$432.19 \$435.01	\$432.19 \$435.01	\$408.18 \$410.84	\$408.18 \$410.84	
37	\$402.78	\$402.78	\$435.01	\$435.01	\$410.84	\$410.84 \$413.49	
39	\$405.59	\$410.59	\$443.44	\$443.44	\$418.80	\$418.80	
40	\$415.80	\$415.80	\$449.06	\$449.06	\$424.11	\$424.11	
41	\$423.61	\$423.61	\$457.49	\$457.49	\$432.08	\$432.08	
42	\$431.09	\$431.09	\$465.58	\$465.58	\$439.71	\$439.71	
43	\$441.50	\$441.50	\$476.82	\$476.82	\$450.33	\$450.33	
44	\$454.51	\$454.51	\$490.88	\$490.88	\$463.60	\$463.60	
45	\$469.81	\$469.81	\$507.39	\$507.39	\$479.20	\$479.20	
46	\$488.02	\$488.02	\$527.07	\$527.07	\$497.79	\$497.79	
47	\$508.52	\$508.52	\$549.20	\$549.20	\$518.69	\$518.69	
48 49	\$531.95	\$531.95 \$555.05	\$574.50 \$599.45	\$574.50	\$542.59	\$542.59 \$566.15	
49 50	\$555.05 \$581.08	\$555.05 \$581.08	\$599.45 \$627.56	\$599.45 \$627.56	\$566.15 \$592.70	\$566.15 \$592.70	
50	\$581.08	\$581.08	\$655.32	\$655.32	\$592.70	\$592.70 \$618.91	
52	\$635.08	\$635.08	\$685.89	\$685.89	\$647.78	\$647.78	
53	\$663.71	\$663.71	\$716.81	\$716.81	\$676.99	\$676.99	
54	\$694.62	\$694.62	\$750.19	\$750.19	\$708.51	\$708.51	
55	\$725.53	\$725.53	\$783.57	\$783.57	\$740.04	\$740.04	
56	\$759.04	\$759.04	\$819.76	\$819.76	\$774.22	\$774.22	
57	\$792.88	\$792.88	\$856.31	\$856.31	\$808.74	\$808.74	
58	\$828.99	\$828.99	\$895.31	\$895.31	\$845.57	\$845.57	
59	\$846.89	\$846.89	\$914.64	\$914.64	\$863.82	\$863.82	
60	\$883.00	\$883.00	\$953.64	\$953.64	\$900.66	\$900.66	
61	\$914.23	\$914.23	\$987.37	\$987.37	\$932.52	\$932.52	
62 63	\$934.73 \$960.43	\$934.73 \$960.43	\$1,009.51 \$1,037.27	\$1,009.51 \$1,037.27	\$953.43 \$979.64	\$953.43 \$979.64	
63	\$960.43 \$976.04	\$960.43 \$976.04	\$1,037.27 \$1,054.13	\$1,037.27 \$1,054.13	\$979.64 \$995.57	\$979.64 \$995.57	
047	<i>,970.0</i> 4	<i>2970.</i> 04	4.15-4.15, £Ç	,15+10,17	از.رووې	/د.دووپ	

	Keystone Health Plan Central
Company Name:	(КНРС)
Market:	Small Group
Product:	НМО
Effective Date of Rates:	July 1, 2024

September 30, 2024

HIOS Plan ID (On Exchange)=>			[
HIOS Plan ID (Off Exchange)=>	53789PA	0090004	53789PA	0090004	53789PA0090004		
Plan Marketing Name =>	Bronze HMC	8000/0/50	Bronze HMO 8000/0/50		Bronze HMO 8000/0/50		
Form # =>	С24-КН	PC-SGP	C24-KHPC-SGP		C24-KHPC-SGP		
Rating Area =>	6	6		7	9		
Network =>	НМО		HN		HN		
Metal =>	Bro		Bro			nze	
Deductible =>	\$8000 Med/I		\$8000 Med/I 0		\$8000 Med/I	Rx Combined %	
Coinsurance => Copays =>	\$50/\$85/\$0		\$50/\$85/\$0			⁷⁰ PCP/SPC/ER	
OOP Maximum =>	\$8700 Med/I	<u> </u>			\$8700 Med/		
Pediatric Dental (Yes/No) =>	Ye		\$8700 Med/Rx Combined Yes			es	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	
0 - 14	\$252.70	\$252.70	\$272.92	\$272.92	\$257.76	\$257.76	
15	\$275.16	\$275.16	\$297.18	\$297.18	\$280.67	\$280.67	
16	\$283.75	\$283.75	\$306.45	\$306.45	\$289.43	\$289.43	
17	\$292.34	\$292.34	\$315.73	\$315.73	\$298.19	\$298.19	
18	\$301.59	\$301.59	\$325.72	\$325.72	\$307.62	\$307.62	
19	\$310.84	\$310.84	\$335.71	\$335.71	\$317.06	\$317.06	
20 21	\$320.42 \$330.33	\$320.42 \$330.33	\$346.05 \$356.76	\$346.05 \$356.76	\$326.83 \$336.94	\$326.83 \$336.94	
21	\$330.33	\$330.33	\$356.76	\$356.76	\$336.94	\$336.94	
23	\$330.33	\$330.33	\$356.76	\$356.76	\$336.94	\$336.94	
24	\$330.33	\$330.33	\$356.76	\$356.76	\$336.94	\$336.94	
25	\$331.65	\$331.65	\$358.18	\$358.18	\$338.28	\$338.28	
26	\$338.26	\$338.26	\$365.32	\$365.32	\$345.02	\$345.02	
27	\$346.19	\$346.19	\$373.88	\$373.88	\$353.11	\$353.11	
28	\$359.07	\$359.07	\$387.79	\$387.79	\$366.25	\$366.25	
29	\$369.64	\$369.64	\$399.21	\$399.21	\$377.03	\$377.03	
30	\$374.92	\$374.92	\$404.92	\$404.92	\$382.42	\$382.42	
31	\$382.85	\$382.85	\$413.48	\$413.48	\$390.51	\$390.51	
32	\$390.78	\$390.78	\$422.04	\$422.04	\$398.60	\$398.60	
33 34	\$395.74 \$401.02	\$395.74 \$401.02	\$427.39 \$433.10	\$427.39 \$433.10	\$403.65 \$409.04	\$403.65 \$409.04	
34	\$403.66	\$401.02	\$435.96	\$435.96	\$409.04 \$411.74	\$411.74	
36	\$406.31	\$406.31	\$438.81	\$438.81	\$414.43	\$414.43	
37	\$408.95	\$408.95	\$441.66	\$441.66	\$417.13	\$417.13	
38	\$411.59	\$411.59	\$444.52	\$444.52	\$419.82	\$419.82	
39	\$416.88	\$416.88	\$450.23	\$450.23	\$425.21	\$425.21	
40	\$422.16	\$422.16	\$455.93	\$455.93	\$430.60	\$430.60	
41	\$430.09	\$430.09	\$464.50	\$464.50	\$438.69	\$438.69	
42	\$437.69	\$437.69	\$472.70	\$472.70	\$446.44	\$446.44	
43	\$448.26	\$448.26	\$484.12	\$484.12	\$457.22	\$457.22	
44	\$461.47	\$461.47 \$477.00	\$498.39	\$498.39	\$470.70 \$486 F4	\$470.70 \$486.54	
45 46	\$477.00 \$495.50	\$477.00 \$495.50	\$515.16 \$535.13	\$515.16 \$535.13	\$486.54 \$505.40	\$486.54 \$505.40	
40	\$495.50	\$495.50	\$5557.61	\$5557.61	\$526.63	\$526.63	
48	\$540.09	\$540.09	\$583.30	\$583.30	\$550.89	\$550.89	
49	\$563.54	\$563.54	\$608.63	\$608.63	\$574.81	\$574.81	
50	\$589.97	\$589.97	\$637.17	\$637.17	\$601.77	\$601.77	
51	\$616.07	\$616.07	\$665.35	\$665.35	\$628.39	\$628.39	
52	\$644.80	\$644.80	\$696.39	\$696.39	\$657.70	\$657.70	
53	\$673.87	\$673.87	\$727.78	\$727.78	\$687.35	\$687.35	
54	\$705.25	\$705.25	\$761.67	\$761.67	\$719.36	\$719.36	
55	\$736.64	\$736.64	\$795.57	\$795.57	\$751.37	\$751.37	
56	\$770.66	\$770.66	\$832.31	\$832.31	\$786.07	\$786.07	
57	\$805.01	\$805.01	\$869.42	\$869.42	\$821.11	\$821.11	
58 59	\$841.68	\$841.68 \$850.85	\$909.02	\$909.02	\$858.51 \$877.05	\$858.51 \$877.05	
59 60	\$859.85 \$896.52	\$859.85 \$896.52	\$928.64 \$968.24	\$928.64 \$968.24	\$877.05 \$914.45	\$877.05 \$914.45	
61	\$928.23	\$896.52 \$928.23	\$968.24 \$1,002.49	\$968.24 \$1,002.49	\$914.45 \$946.79	\$914.45 \$946.79	
62	\$928.23	\$928.25 \$949.04	\$1,002.49	\$1,002.49	\$968.02	\$968.02	
63	\$975.13	\$975.13	\$1,053.14	\$1,053.14	\$994.64	\$994.64	
64+	\$990.98	\$990.98	\$1,070.27	\$1,070.27	\$1,010.81	\$1,010.81	

	Keystone Health Plan Central
Company Name:	(КНРС)
Market:	Small Group
Product:	НМО
Effective Date of Rates:	October 1, 2024

December 31, 2024

HIOS Plan ID (On Exchange)=>									
HIOS Plan ID (Off Exchange)=>	53789PA	0090004	53789PA	.0090004	53789PA0090004				
Plan Marketing Name =>		D 8000/0/50		0 8000/0/50	Bronze HMO 8000/0/50				
Form # =>		IPC-SGP		PC-SGP	C24-KHPC-SGP				
Rating Area =>		6		7	9				
Network =>	HN	NO	HN	10	HN	ЛО			
Metal =>	Bro	nze	Bro	nze	Bro	nze			
Deductible =>	\$8000 Med/	Rx Combined	\$8000 Med/	Rx Combined	\$8000 Med/	Rx Combined			
Coinsurance =>	0	%	0	%	0	%			
Copays =>	\$50/\$85/\$0	PCP/SPC/ER	\$50/\$85/\$0	PCP/SPC/ER	\$50/\$85/\$0	PCP/SPC/ER			
OOP Maximum =>		Rx Combined	\$8700 Med/		\$8700 Med/				
Pediatric Dental (Yes/No) =>		es .		es — ·		es			
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco			
0 - 14	\$256.57	\$256.57	\$277.10	\$277.10	\$261.70	\$261.70			
15 16	\$279.38	\$279.38	\$301.73	\$301.73 \$311.15	\$284.97	\$284.97 \$293.86			
16	\$288.10 \$296.82	\$288.10 \$296.82	\$311.15 \$320.57	\$311.15	\$293.86 \$302.76	\$293.86 \$302.76			
17	\$296.82	\$306.21	\$320.57	\$320.57	\$302.76	\$302.76			
19	\$315.60	\$315.60	\$340.85	\$340.85	\$321.91	\$321.91			
20	\$325.33	\$325.33	\$351.35	\$351.35	\$331.83	\$331.83			
21	\$335.39	\$335.39	\$362.22	\$362.22	\$342.10	\$342.10			
22	\$335.39	\$335.39	\$362.22	\$362.22	\$342.10	\$342.10			
23	\$335.39	\$335.39	\$362.22	\$362.22	\$342.10	\$342.10			
24	\$335.39	\$335.39	\$362.22	\$362.22	\$342.10	\$342.10			
25	\$336.73	\$336.73	\$363.67	\$363.67	\$343.47	\$343.47			
26	\$343.44	\$343.44	\$370.91	\$370.91	\$350.31	\$350.31			
27	\$351.49	\$351.49	\$379.61	\$379.61	\$358.52	\$358.52			
28	\$364.57	\$364.57	\$393.73	\$393.73	\$371.86	\$371.86			
29	\$375.30	\$375.30	\$405.33	\$405.33	\$382.81	\$382.81			
30	\$380.67	\$380.67	\$411.12	\$411.12	\$388.28	\$388.28			
31 32	\$388.72 \$396.77	\$388.72 \$396.77	\$419.81 \$428.51	\$419.81 \$428.51	\$396.49 \$404.70	\$396.49 \$404.70			
32	\$396.77 \$401.80	\$401.80	\$428.51 \$433.94	\$428.51 \$433.94	\$404.70	\$404.70 \$409.83			
34	\$401.80	\$401.80	\$439.74	\$439.74	\$409.85	\$409.85			
35	\$409.85	\$409.85	\$442.63	\$442.63	\$418.04	\$418.04			
36	\$412.53	\$412.53	\$445.53	\$445.53	\$420.78	\$420.78			
37	\$415.21	\$415.21	\$448.43	\$448.43	\$423.52	\$423.52			
38	\$417.90	\$417.90	\$451.33	\$451.33	\$426.25	\$426.25			
39	\$423.26	\$423.26	\$457.12	\$457.12	\$431.73	\$431.73			
40	\$428.63	\$428.63	\$462.92	\$462.92	\$437.20	\$437.20			
41	\$436.68	\$436.68	\$471.61	\$471.61	\$445.41	\$445.41			
42	\$444.39	\$444.39	\$479.94	\$479.94	\$453.28	\$453.28			
43	\$455.12	\$455.12	\$491.53	\$491.53	\$464.23	\$464.23			
44	\$468.54	\$468.54	\$506.02	\$506.02	\$477.91	\$477.91			
45	\$484.30	\$484.30	\$523.05	\$523.05	\$493.99	\$493.99			
46	\$503.08	\$503.08	\$543.33	\$543.33	\$513.15	\$513.15			
47 48	\$524.21 \$548.36	\$524.21 \$548.36	\$566.15 \$592.23	\$566.15 \$592.23	\$534.70	\$534.70 \$559.33			
48 49	\$548.36 \$572.18	\$548.36 \$572.18	\$592.23 \$617.95	\$592.23 \$617.95	\$559.33 \$583.62	\$559.33 \$583.62			
49 50	\$599.01	\$599.01	\$646.93	\$646.93	\$610.99	\$5610.99			
51	\$625.50	\$625.50	\$675.54	\$675.54	\$638.01	\$638.01			
52	\$654.68	\$654.68	\$707.06	\$707.06	\$667.77	\$667.77			
53	\$684.20	\$684.20	\$738.93	\$738.93	\$697.88	\$697.88			
54	\$716.06	\$716.06	\$773.34	\$773.34	\$730.38	\$730.38			
55	\$747.92	\$747.92	\$807.75	\$807.75	\$762.88	\$762.88			
56	\$782.46	\$782.46	\$845.06	\$845.06	\$798.11	\$798.11			
57	\$817.35	\$817.35	\$882.73	\$882.73	\$833.69	\$833.69			
58	\$854.57	\$854.57	\$922.94	\$922.94	\$871.67	\$871.67			
59	\$873.02	\$873.02	\$942.86	\$942.86	\$890.48	\$890.48			
60	\$910.25	\$910.25	\$983.07	\$983.07	\$928.45	\$928.45			
61	\$942.45	\$942.45	\$1,017.84	\$1,017.84	\$961.29	\$961.29			
62	\$963.58	\$963.58	\$1,040.66	\$1,040.66	\$982.85	\$982.85			
63	\$990.07	\$990.07 \$1.006.16	\$1,069.28	\$1,069.28	\$1,009.87	\$1,009.87			
64+	\$1,006.16	\$1,006.16	\$1,086.65	\$1,086.65	\$1,026.29	\$1,026.29			

Keystone Health Plan Central (KHPC) Small Group Plan Design Summary

				On/Off			
HIOS Plan ID	Plan Marketing Name	Product	Metal	Exchange	Network	Rating Area	Counties Covered
53789PA0090004	Bronze HMO 8000/0/50	HMO	Bronze	Off	HMO	6,7,9	All
1					I	I	I I

Company Name Keystone Health Plan Central (KHPC) Market Small Group RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

					RATING AR	EA 6									RATING AR	EA 7			RATING AREA 9						
	02-01-2023 Number of Cove	red Lives by Ra	ting County		963	268	5,593	150	147	5,356	663	2,086	226	367	775	2,810	5,118	2,429	2,853	2,965	1,104	244	94	1,299	151
				On/Off																					
HIOS Plan ID	Plan Marketing Name	Product	Metal	Exchange	Centre	Columbia	Lehigh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union	Adams	Berks	Lancaster	York	Cumberland	Dauphin	Franklin	Fulton	Juniata	Lebanon	Perry
53789PA0090004	Bronze HMO 8000/0/50	HMO	Bronze	Off	\$320.44	\$320.44	\$320.44	\$320.44	\$320.44	\$320.44	\$320.44	\$320.44	\$320.44	\$320.44	\$346.08	\$346.08	\$346.08	\$346.08	\$326.85	\$326.85	\$326.85	\$326.85	\$326.85	\$326.85	326.85

	А	В	С	D	E	F	G
1		Unified Rate Review v6.0					
2							
3		Company Legal Name:	Keystone Health Plan Central				
4		HIOS Issuer ID:	53789	State:	РА		
5		Effective Date of Rate Change(s):	1/1/2024	Market:	Small Group	-	
		Effective Date of Rate Change(s).	1/1/2024			1	
6 7							
8		Market Level Calculations (Same for a					
0 0			iii ridiisj				
9 10							
11		Section I: Experience Period Data					
		Experience Period:		1/1/2022	to	12/31/2022	
12 13 14 15					<u>Total</u>	<u>PMPM</u>	
14		Allowed Claims			\$570,891.03	\$424.45	
15		Reinsurance			\$0.00	\$0.00	
16		Incurred Claims in Experience Period			\$430,463.58	\$320.05	
17		Risk Adjustment			-\$268,315.00		
18		Experience Period Premium			\$614,841.04		
19		Experience Period Member Months			1,345		
20 21							
		Section II: Projections		No on A	Turned	Veer 2 T	
22			Function on Deviad Index	Year 1	Trend	Year 2 T	rend
23		Benefit Category	Experience Period Index Rate PMPM	Cost	Utilization	Cost	Utilization
		Inpatient Hospital	\$0.00				Otilization
24 25		Outpatient Hospital	\$286.42				
26		Professional	\$62.26				
27		Other Medical	\$1.91		1.005		
28		Capitation	\$1.60	1.030	1.000	1.030	
29		Prescription Drug	<u>\$72.26</u>	1.079	1.011	1.070	
30		Total	\$424.45				
31							
32		Morbidity Adjustment				0.467	
33		Demographic Shift				1.000	
34		Plan Design Changes				1.001	
35	_	Other	DMDN4 for	1/1/2024		0.982	
30 31 32 33 34 35 36 37		Adjusted Trended EHB Allowed Claims		1/1/2024		\$220.38	
38		Manual EHB Allowed Claims PMPM				\$364.53	
38 39 40		Applied Credibility %				0.00%	
40							
41							Projected Period
41 42 43 44		Projected Index Rate for		1/1/2024		\$364.53	
43		Reinsurance				\$0.00	
		Risk Adjustment Payment/Charge				-\$394.02	-5
45		Exchange User Fees				<u>0.00%</u>	
46		Market Adjusted Index Rate				\$758.55	ç
47	_						
48		Projected Member Months				1,124	
49	-						
		Information Not Releasable to th	e Public Unless Authorized by	y Law: This information has not bee	n publically disclosed and may be p	rivileged and confidential. It is for inte	-
50 51	_					prosecution to the	full extent of the law.
51							

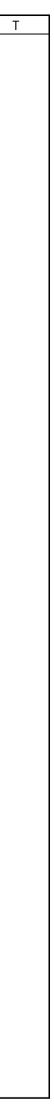
G	Н	I	J	K	L	М	Ν	0	Р	Q	R	S	
				To add a p	roduct to W	/orksheet 2	- Plan Prod	luct Info, se	lect the Add	d Product b	utton or Ct	rl + Shift + P	
		_		To add a p	lan to Work	ksheet 2 - Pl	lan Product	Info, select	t the Add Pl	an button c	or Ctrl + Shij	ft + L.	
				To validate	e, select the	Validate bu	utton or Ctr	l + Shift + I.					
		-		To finalize,	select the H	Finalize but	ton or Ctrl -	+ Shift + F.					

	Trended EHB Allowed Claims
Utilization	PMPM
1.005	\$0.00
1.010	\$321.50
1.010	\$69.56
1.005	\$2.12
1.000	\$1.70
1.010	<u>\$85.19</u>
	\$480.07

rojected Period Totals

\$409,731.72
\$0.00
-\$442,878.48
<u>\$0.00</u>
\$852,610.20

government use only and must not be disseminated, distributed, or copied to persons not authorized to receive the information. Unauthorized disclosure may result in



Product-Plan Data Collection

Company Legal Name:
HIOS Issuer ID:
Effective Date of Rate Change(s):

Keystone Health Plan Central 53789 1/1/2024

PA Small Group

\$320.44

State:

Market:

Product/Plan Level Calculations

Field # Section I: General Product and Plan Information	
1.1 Product Name	НМО
1.2 Product ID	53789PA009
1.3 Plan Name	Bronze HMO
1.4 Plan ID (Standard Component ID)	53789PA0090004
1.5 Metal	Bronze
1.6 AV Metal Value	0.648
1.7 Plan Category	Renewing
1.8 Plan Type	НМО
1.9 Exchange Plan?	No
1.10 Effective Date of Proposed Rates	1/1/2024
1.11 Cumulative Rate Change % (over 12 mos prior)	5.11%
1.12 Product Rate Increase %	5.11%
1.13 Submission Level Rate Increase %	5.11%

Worksheet 1 Totals	Section II: Experience Period and Current Plan	Level Information	
	2.1 Plan ID (Standard Component ID)	Total	53789PA0090004
\$570,891	2.2 Allowed Claims	\$570,891	\$570,891
\$0	2.3 Reinsurance	\$0	\$0
	2.4 Member Cost Sharing	\$140,427	\$140,427
	2.5 Cost Sharing Reduction	\$0	\$0
\$430,464	2.6 Incurred Claims	\$430,464	\$430,464
-\$268,315	2.7 Risk Adjustment Transfer Amount	-\$268,315	-\$268,315
\$614,841	2.8 Premium	\$614,841	\$614,841
1,345	2.9 Experience Period Member Months	1,345	1,345
	2.10 Current Enrollment	86	86
	2.11 Current Premium PMPM	\$499.86	\$499.86
	2.12 Loss Ratio	124.22%	124.22%
	Per Member Per Month		
	2.13 Allowed Claims	\$424.45	\$424.45
	2.14 Reinsurance	\$0.00	\$0.00
	2.15 Member Cost Sharing	\$104.41	\$104.41
	2.16 Cost Sharing Reduction	\$0.00	\$0.00
	2.17 Incurred Claims	\$320.05	\$320.05
	2.18 Risk Adjustment Transfer Amount	-\$199.49	-\$199.49
	2.19 Premium	\$457.13	\$457.13

Section III: Plan Adjustment Factors		
3.1 Plan ID (Standard Component ID)		53789PA0090004
3.2 Market Adjusted Index Rate		\$758.55
3.3 AV and Cost Sharing Design of Plan		0.5582
3.4 Provider Network Adjustment		1.0000
3.5 Benefits in Addition to EHB		1.0000
Administrative Costs		
3.6 Administrative Expense		14.73%
3.7 Taxes and Fees		0.62%
3.8 Profit & Risk Load		2.00%
3.9 Catastrophic Adjustment		1.0000
3.10 Plan Adjusted Index Rate		\$512.31
3.11 Age Calibration Factor	0.6443	0.6443
3.12 Geographic Calibration Factor	0.9708	0.9708
3.13 Tobacco Calibration Factor	1.0000	1.0000

3.14 Calibrated Plan Adjusted Index Rate

4.1 Plan ID (Standard Component ID)	Total	53789PA0090004
4.2 Allowed Claims	\$409,728	\$409,728
4.3 Reinsurance	\$0	\$0
4.4 Member Cost Sharing	\$181,020	\$181,020
4.5 Cost Sharing Reduction	\$0	\$(
4.6 Incurred Claims	\$228,708	\$228,708
4.7 Risk Adjustment Transfer Amount	-\$247,211	-\$247,211
4.8 Premium	\$575,850	\$575,850
4.9 Projected Member Months	1,124	1,124
4.10 Loss Ratio	69.59%	69.59%
Per Member Per Month		
4.11 Allowed Claims	\$364.53	\$364.53
4.12 Reinsurance	\$0.00	\$0.0
4.13 Member Cost Sharing	\$161.05	\$161.0
4.14 Cost Sharing Reduction	\$0.00	\$0.0
4.15 Incurred Claims	\$203.48	\$203.4
4.16 Risk Adjustment Transfer Amount	-\$219.94	-\$219.94
4.17 Premium	\$512.32	\$512.32

To add a product to Worksheet 2 - Plan Product Info, select the Add Product button or Ctrl + Shift + P. To add a plan to Worksheet 2 - Plan Product Info, select the Add Plan button or Ctrl + Shift + L. To validate, select the Validate button or Ctrl + Shift + I. To finalize, select the Finalize button or Ctrl + Shift + F. To remove a product, navigate to the corresponding Product Name/Product ID field and select the Remove Product button or Ctrl + Shift + Q. To remove a plan, navigate to the corresponding Plan Name/Plan ID field and select the Remove Plan button or Ctrl + Shift + A.

Rating Area Data Collection

Specify the total number of Rating Select only the Rating Areas you ar To validate, select the Validate but To finalize, select the Finalize buttc

Rating Area	Rating Factor
Rating Area 6	1.0000
Rating Area 7	1.0800
Rating Area 9	1.0200

KEYSTONE HEALTH PLAN CENTRAL

ACTUARIAL MEMORANDUM Small Group Rates Effective January 1, 2024

General Information

Company Information

- Company Legal Name: Keystone Health Plan Central
- State: PA
- HIOS Issuer ID: 53789
- Market: Small Group
- Effective Date: 1/1/2024

<u>PID Company Information</u>

- Company Name: Keystone Health Plan Central (KHPC)
- NAIC: 95199
- Market: Small Group
- On/Off Exchange: Off Exchange
- Effective Date: 1/1/2024
- Average Rate Change: 5.1%
- Range of Requested Rate Change: 5.1% to 5.1%
- Total additional annual revenue generated from the proposed rate change: \$29,596
- Product: HMO
- Rating Areas: 6,7,9
- Metal Levels: Bronze
- Current Covered Lives and Policyholders: 86/70
- 2024 Number of Plans/Change from 2023: 1/No Changes
- Contract Form #: C24-KHPC-SGP
- Form Filing SERFF #: CABC-133657256
- Binder SERFF #: CABC-PA24-125116273
- HIOS Issuer ID: 53789

Company Contact Information

- Primary Contact Name:
- Primary Contact Telephone Number:
- Primary Contact Email Address:

Scope and Purpose

By this filing, Keystone Health Plan Central (KHPC), a subsidiary of Capital Blue Cross (Capital), submits rates for products to be made available to all small groups effective January 1, 2024. KHPC will offer small group products off the federally-facilitated exchange.

Market	Company	Effective Date	SERFF #	Annual Increase
Small Group	КНРС	1/1/2020	CABC-131921815	1.2%
Small Group	КНРС	7/1/2020	CABC-132294841	-2.1%
Small Group	КНРС	1/1/2021	CABC-132352804	-8.7%
Small Group	КНРС	10/1/2021	CABC-132750972	-7.3%
Small Group	КНРС	1/1/2022	CABC-132795960	4.6%
Small Group	КНРС	1/1/2023	CABC-133252133	8.4%
Small Group	КНРС	7/1/2023	CABC-133583560	7.1%

Rate History and Proposed Variations in Rate Changes

Average Rate Change

KHPC is proposing an aggregate annual 5.1% rate change, which varies by plan. The rate change is calculated in PA Rate Exhibits Part IV, Table 11, cell AN13.

The key drivers of the rate change, and approximate impact, are as follows:

- Future cost and utilization: 6.3%
- Favorable manual data 2022 claims net risk adjustment experience: -1.2%

<u>Membership</u>

Membership is shown in PA Rate Template Part I, Table 1. The average age is 38.

Benefit Changes 2023-2024

A summary of proposed 2024 benefits is included in Exhibit A.

There are benefit changes being implemented in 2024. All benefit changes comply with the uniform modification of coverage standards described in 45 CFR 147.106(e). Any plan with a benefit change that did not meet the uniform modification of coverage standard was terminated, and

a new plan was created in its place. Benefit changes by plan are listed in Exhibit B, highlighted in yellow.

Experience Period Premium and Claims

Single Risk Pool: The data used to develop rates and shown in URRT and PA Rate Exhibits abides by 45 CFR part 156.80(d) single risk pool requirements. The single risk pool reflects all covered lives for every non-grandfathered, non-transitional product/plan combination for KHPC in the small group market.

Base Experience Period: The base experience period (BEP) includes completed fee-for-service paid and incurred claims and capitation for dates of service between January 1, 2022 and December 31, 2022.

Transitional membership is not included in PA Rate Exhibits Table 2 or URRT.

Paid Through Date: Claims in the BEP are paid through February 28, 2023

Premiums (net of MLR Rebate) in BEP: Premiums are calculated on an earned basis in the BEP. MLR rebate adjustments are equal to zero as KHPC does not expect to refund any MLR rebates in the BEP.

Allowed and Incurred Claims in BEP:

- Allowed claims are developed by combining paid claims with member cost-sharing. Allowed claims meet the definition in the URR instructions. They do not include provider quality incentive payments.
- Incurred claims are net of HHS CSR payments (CSR does not apply to Small Group).
- Capital only covers Essential Health benefits (EHBs).
- KHPC includes capitated PCP and mental health services.
- Allowed and Incurred claims are net of pharmacy rebates. BEP rebates are completed based on actual utilization of rebate-eligible drugs and rebate amounts.

Estimated Incurred but Not Paid Claims: Paid claims by date of service come directly from Capital's data warehouse. The method for calculating incurred claims in the BEP is as follows:

- 1. Historical fee-for-service claims are viewed by date of service and date of payment in a claims triangle.
- 2. The claims triangle payments are then accumulated by date of service to develop factors that represent the rate of accumulation or rate of "completion".
- 3. Historical rates of completion by duration are used to derive projected rates of completion. Some of the methods used to develop projected completion factors are averages (e.g. harmonic averages, time weighted averages, geometric averages) and regression methods. Numerous items are considered when viewing these averages or regression statistics, such as the impact of high claims on perceived completion patterns.

- 4. For durations that exhibit a projected completion factor greater than the Valuation Actuary's chosen threshold (e.g. 80% complete), cumulative paid and incurred claims are divided by the projected completion factor to arrive at ultimate incurred claims. For durations that are less than the chosen threshold, a projection methodology is used. Similar to completion factor development, projection methodologies are worthy of a lengthy discussion. In general, an ultimate incurred claims PMPM is derived by projecting a recent 12-month period to the current month(s) and seasonally adjusting.
- 5. With all months having both a cumulative paid amount and an estimated ultimate incurred amount, the completion factors used in pricing are calculated by taking the quotient of the two. Allowed completion and incurred completion are assumed to be identical.
- 6. Both allowed and paid claims in the BEP are completed by applying completion factors by incurred month developed in Step 6.

$$BEP Incurred Claims = \sum \frac{BEP Paid Claims by Incurred Month}{Completion by Incurred Month}$$

BEP Allowed Claims

$$= \sum \frac{BEP \ Paid \ Claims + BEP \ Member \ Cost \ Share \ by \ Incurred \ Month}{Completion \ by \ Incurred \ Month}$$

Risk Adjustment in BEP: Risk adjustment amounts in the BEP are equal to the amounts sent by the Department on 5/3/2023.

Loss Ratio in BEP: Loss ratio is 124.22%

Credibility of Data

For the purpose of rate development, KHPC small group products are combined with other product offerings (HMO, PPO) from Capital subsidiaries. Combining the experience is actuarially justifiable for several reasons:

- 1. The demographics of members buying PPO and other products are similar.
- 2. Cost and utilization between PPO and other products are similar.
- 3. Medical policy between PPO and other products are almost identical, with the exception of referrals and no out-of-network benefit on HMO.

The credibility manual is the combination of KHPC, Capital Advantage Assurance Company (CAAC), and Capital Advantage Insurance Company (CAIC) data. The credibility manual BEP includes completed fee-for-service paid and incurred claims and capitation for dates of service between January 1, 2022 and December 31, 2022. All data is trended and benefit-adjusted in the same manner as the experience data (same projection factors and trend).

Trend Identification

Trend: 6.27%

Trend levels reflect Capital's best estimate of changes in utilization, provider reimbursement contracts, the network of facilities and providers, disease management initiatives and the impact of utilization management.

The following is a description of considerations used to determine trend.

- 1. Base Cost/ Change in hospital and physician contracting: The contracted increase in reimbursements to hospitals and physicians is the basis of cost trends. Capital uses the following to project future costs:
 - a. Vendor Physician Cost Model and Internal Hospital Contracting Model
 - i. The medical cost models use best estimates of Capital Blue Cross (Capital)'s future contracting increases with physicians and hospitals. The models use cost estimates based on varying contract effective dates by physician and hospital. All facilities and providers are considered in this modeling effort (i.e. acute and non-acute, network and non-network, inpatient and outpatient, in- area and out-of-area). From there, a monthly anticipated cost (assuming static utilization) summary is produced which can be used in projecting future claims costs. Cost trends are determined at the Capital book of business level for all commercial business.
 - b. Internal Prescription Drug Trend Model
 - i. Price Inflation
 - ii. Contract Pricing
 - iii. Member Cost-Sharing
 - iv. Units per Script
 - v. Brand/Generic Mix
 - vi. Therapeutic Mix
 - vii. Cost per Script
 - viii. Pipeline (new drugs)
- 2. Utilization Considerations:
 - a. Intensity of medical services rendered
 - b. Changes in place of service (e.g. continued migration of inpatient stays to outpatient setting)
 - c. Further migration from brand prescription drugs to generic prescription drugs
 - d. Favorable impacts of value based benefits designs
 - e. Medical utilization estimates reviewed by Capital's Chief Medical Officer
- 3. Leveraging: The trend model is based on allowed cost increases. Paid claims trend at a higher rate than allowed due to leveraging. Leveraging is the impact of static cost-share, such as deductibles and copays, to the paid trend.
- 4. Intensity: Measure of cost increase due to change in treatment sophistication. An example is migration from x-rays to MRIs at significantly higher cost.

5. Underwriting Cycle: The underwriting cycle is defined as the tendency to swing between profitable and unprofitable periods over time. The underwriting cycle is exacerbated partly by pricing performed with incomplete information as to the level of current experience trends. A reaction delay occurs, as carriers tend to rely on measurements of past experience in developing current pricing assumptions. As a result, carriers are often increasing their pricing trends when actual experience trends have begun to decline, and decreasing their pricing trends actual trends are increasing. Capital strives to mitigate the underwriting cycle by keeping trends consistent through times of increasing and decreasing claim cost and utilization.

Historical Experience: Historical experience was not used to the develop trend.

Benefit Categories: Claims in the benefit categories displayed in URRT come directly from Capital's data warehouse. These same categories are used to develop category-level trend. See Exhibit C for a description of benefits by benefit category.

See Exhibit E for KHPC's pricing trend, as well as cost and utilization components of the pricing trend.

Rate Development & Change

Projection Factors

Changes in Morbidity: Found in URRT Worksheet 1, "Morbidity Adjustment", and PA Rate Exhibits, Table 5.

KHPC is applying a factor of 0.467 to reflect the difference is projected Plan Liability Risk Score (PLRS) between KHPC and its subsidiary, CAAC, which underwrites the vast majority of the BEP experience. This factor aligns the rates with similar benefits offered under CAAC.

The above factor is found in Exhibit Q, Morbidity Factor Calculation.

Changes in Benefits: Benefit changes are not applied to allowed claims as allowed should stay consistent from 2022 to 2024. Benefit changes are applied in the development of future incurred claims, due to changes in member cost-share. This calculation is shown in Exhibit D, and applied in Exhibit G. The manual cost PMPMs are developed from Capital's internal benefit relativity model, discussed in the Plan Adjusted Index Rate section below. The benefit change is equal to member-month weighted average projected manual PMPM divided by member-month weighted average manual PMPM in the BEP. This process is further discussed in the Paid-to-Allowed section below.

In addition to cost-sharing changes, Capital is also implementing two benefit coverage changes.

• Senate Bill 8: Coverage of mammographic examinations and diagnostic breast imaging at no cost share. This bill goes into effect for Small Group and Individual policies in 2025, but Capital is adopting early compliance and will cover the relevant services at no cost share starting in 2024.

- Claim PMPM is developed by pulling 2022 Group and Individual MRI and diagnostic breast imaging member cost share associated with the relevant diagnosis codes.
- Additional Claim Cost PMPM is equal to member cost share divided by Group and Individual membermonths.
- The Mental Health Parity and Addiction Equity Act (MHPAEA) has expanded definitions of mental health services to include Autism coverage. With this expansion, Capital will cover Autism services in the Small Group market starting in 2024.
 - Claim PMPM is developed by pulling 2022 Group and Individual denied Autism service claims.
 - Additional Claim Cost PMPM is equal to denied Autism claims divided by 2022 Group and Individual membermonths.

The additional claim cost PMPMs are shown on Exhibit D2 – Benefit Additions. Senate Bill 8 only impacts incurred claims (the change is to member cost share), and MHPAEA change impacts both allowed and incurred claims.

The PMPM calculations are included with this filing in the following supporting workbooks:

SG_23-52_Initial_KHP_HMO_AutismDefinition_Supporting_20230517.xls SG_23-52_Initial_KHP_HMO_SenateBill8_Supporting_20230517.xls

Changes in Demographics: KHPC does not expect changes in demographics in its small group population.

Changes in Network: A network adjustment is applied to show the value of changes in network from the BEP to the rating period. The value is calculated as:

Network Factor = ([Projected MM by Plan] × [Network Factor by Plan]) ÷ [Total Projected MM]

The network calculation is found on Exhibit D2 – Network Mix Changes.

Other Adjustments: No other adjustment is applied to the BEP.

Benefits, Demographics, Network and Other adjustments are found in URRT, Worksheet 1, and PA Rate Exhibits, Table 5.

Index Rate

The experience period index rate is KHPC's allowed claims PMPM, set in accordance with the single risk pool provision. All KHPC covered benefits are categorized as Essential Health Benefits (EHBs), therefore no adjustment was made to the experience period index.

Projected Allowed Claims: The KHPC experience period allowed claims, benefit-adjusted, trended to the projection period (See <u>Projection Factors</u> section above), and credibility adjusted, is the *Projected Allowed Claims at Current Benefits*. This number is reflected in Worksheet 1 of URRT ("Projected Allowed Experience Claims PMPM (w/ applied credibility if applicable)").

To calculate the projected index rate:

- 1. Start with Projected Allowed Claims at Current Benefits
- 2. The *Projected Allowed Claims at Current Benefits* reflect EHBs 100 percent, so no adjustment needs to be made to add EHBs and remove non-EHB claim cost. This is the index rate for individuals renewing January December.

See Exhibit J for the Index Rate.

Paid to Allowed Ratio

KHPC used the prescribed URRT allowed claim rate development methodology in conjunction with a paid and incurred rate development methodology to determine final premium rates. URRT projects allowed claims, and uses a paid-to-allowed ratio in order to adjust allowed claims to paid levels. This value is then used to develop premiums. In order to determine the paid-to-allowed ratio, KHPC projected paid and incurred claims, adjusted for benefits, to the experience period.

Projected Paid and Incurred Claims are calculated as follows:

- 1. Gather claims experience as described in the Data section above.
 - a. Base Experience Period (BEP) Paid Claims, Capitation, and Rx Rebates
 - b. BEP Member Months
- 2. Develop BEP Paid and Incurred Claims:

 $BEP \ Paid \ and \ Incurred \ Claims = \frac{BEP \ Paid \ Claims}{Completion \ Factor}$

The development of completion factors is described in <u>Experience Period Premium</u> <u>and Claims</u> above.

3. Develop the *BEP Paid and Incurred Claim PMPM*:

 $BEP Paid and Incurred Claim PMPM = \frac{BEP Paid and Incurred Claims}{BEP Member Months}$

4. Develop *Trended Claim PMPM*: Using the aggregate trend described in the <u>Projection</u> <u>Factors</u> section above, trend the BEP Paid and Incurred Claim PMPM from the midpoint of the experience period to the midpoint of the rating period.

Trended Claim PMPM

```
= [BEP Paid and Incurred Claim PMPM] × (1 + [Trend\%])^{Trend Months/12}
```

5. Develop *Projected Paid and Incurred Claim PMPM*:

Projected Paid and Incurred Claims PMPM = [Trended Claim PMPM] × [Benefit Adjustment] × [Morbidity Adjustment] + [Benefit Additions]

The *Benefit Adjustment*, *Morbidity Adjustment*, and *Benefit Additions* are discussed in the <u>Projections Factors</u> section above.

- 6. Develop *Projected Claims PMPM by Benefit* as follows:
 - a. KHPC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on cumulative probability distributions (CPDs), where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
 - b. This actuarial cost model derives a Manual Cost for each benefit design in the experience period, as well as plans being offered in the projection period. The average Manual Cost of the experience is compared to the Manual Cost of the base plan. The projected experience period data is then adjusted to the base plan:

 $Benefit \ Level \ Adjustment = \frac{Average \ Manual \ Cost \ in \ Projection \ Period}{Manual \ Cost \ of \ Base \ Plan}$

c. The *Projected Paid and Incurred Claim PMPM* (Step 5) is then adjusted to the Base Plan as follows:

 $Base Plan Paid and Incurred Claims PMPM = \frac{Benefit Adjusted Paid and Incurred Claims PMPM}{Benefit Level Adjustment}$

d. Each additional benefit design has its own unique Manual Cost, which can then be compared to the Base Plan to develop a Benefit Relativity:

 $Benefit Relativity A = \frac{Manual Cost of Benefit A}{Manual Cost of Base Plan}$

- e. The Benefit Relativity developed in d. above is then used as a gauge to develop a final *Pricing Relativity*. This pricing relativity is developed using actuarial judgment including the following considerations:
 - i. Final premium relativities must make sense based on benefits. For example, the annual cost difference between a 2000 plan and 1000 plan must be less than \$1000.
 - ii. Adjustments for plan designs that fall outside of the actuarial cost model.
- a. So the Projected Claims PMPM by Benefit is:

Projected Claims PMPM Benefit A = Projected Claims PMPM Base Plan × Pricing Relativity A

- b. And to arrive at the *Total Projected Claims PMPM*, KHPC assumes a distribution of members across the benefit plans being offered in the projection period. The *Total Projected Claims PMPM* :
- = Projected Claims PMPM Benefit A × Expected Member Dist of Benefit A + Projected Claims PMPM Benefit B × Expected Member Dis of Benefit B + …
- 7. The Paid-To-Allowed Ratio is then:

 $Paid to Allowed Ratio = \frac{Total Projected Claims PMPM}{Projected Allowed Claims at Current Benefits}$

See Exhibit G for the development of the *Paid-to-Allowed Ratio*. And see Exhibit L for the plan-level projected incurred amount development.

Market Adjusted Index Rate

The Market Adjusted Index Rate is calculated as the Index Rate adjusted for all allowable marketwide modifiers defined in the market rating rules, 45 CFR Part 156.80(d)(1). So,

[Market Adjusted Index Rate]

- = ([Index Rate] x [Paid to Allowed Ratio]
- [Projected Incurred Reinsurace Recoveries]
- [Projected Incurred Risk Adjustment PMPM]
- + [Exchange Fees PMPM]) ÷ [Paid to Allowed Ratio]

Projected Incurred Risk Adjustments PMPM:

Relevant to 2024 pricing is the impact of Commercial Risk Adjustment (CRA) payment transfers that are expected to be earned in 2024. The following items are those that we deem important in generating a CRA payment transfer adjustment:

- 1. Risk profile of the those enrolled in CRA eligible plans for the market or state (i.e. competitors) relative to risk profile of CRA eligible membership enrolled in our plans
- 2. Statewide average premiums
- 3. Current market penetration of this company and competitors in the market and in the state
- 4. 2021-2022 risk adjustment results
- 5. Market improvement in coding risk: Capital's ACA book of business has had a churn rate that makes a multi-year perspective of member diagnosis and risk very challenging. Because closing gaps in care and coding, and a myriad of other risk adjustment functions require more than a single year of data to facilitate an accurate depiction of risk, it is believed that Capital is disadvantaged in the market. This will drive Capital's relative risk to the market down over time.

The 2024 projected risk adjustment PMPM is set equal to the 2022 amount sent by the Department on 5/3/2023 adjusted for expected changes in statewide average premium.

Projected Incurred Reinsurance Recoveries:

Reinsurance does not apply to the small group market.

Exchange Fee PMPM:

KHPC only offers off-exchange plans in the small group market, so the exchange fee is \$0.

The exchange fee PMPM is calculated as:

Exchange Fee PMPM

= [Avg 2024 On – Exchange Premium PMPM] × [% Members On – Exchange]

Where

[Avg 2024 On – Exchange Premium PMPM = [Avg 2023 On – Exchange Premium PMPM × (1 + [Avg Proposed Rate Change])

See Exhibit K for the development of the Market Adjusted Index Rate.

Retention Items

Administrative Expense Load:

- Risk Adjustment User Fee: To fund the HHS-risk adjustment program, issuers will remit to HHS a fee of \$0.21 PMPM. The Risk Adjustment Fee PMPM is included in URRT Worksheet 1, URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.
- 2. Administrative Expense: Calculated using an allocation method from Capital's Finance department, and trended to the rating period. Costs are allocated according to results reported through a company-wide questionnaire. On an annual basis, each cost center within the company completes a questionnaire listing the distribution of costs (in percentage terms) by product as well as by market segment. For example, the questionnaire will ask what percentage of time is spent on PPO versus HMO versus Drug versus Medicare. And separately will ask what percentage of time is spent on large group, small group, individual, and government programs. Using those distributions, all costs needed to perform the business are allocated to the proper market segments and lines of business. The administrative expense applied in the rate development is the total expense allocated to Capital small group products. Administrative expenses are included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. Expense as a percentage of premium vary by plan because a fixed dollar admin PMPM is applied to each plan.
 - a. Value-Based Benefits (VBB): Standard with each plan, Capital Blue Cross includes wellness incentives to maximize the likelihood that consumers make positive behavioral changes, which lead to better health, and curbed health care costs for employers and employees alike. The incentive is as follows:
 - i. Complete biometric screening and receive a gift card.
 - ii. Meeting biometric measure or finish online coaching program and receive a gift card reward.
 - iii. The wellness program is administered through a vendor and costs are based on vendor fees, anticipated participation, and reward card amounts.
 - iv. Fees are included in overall administrative expense fee discussed above.
 - v. Included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.
- 3. Broker Expense: Calculated based on Capital's explicit per contract broker fee. Broker Expense is included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. Brokers are paid on new business and renewals the same commission rate for all geographic locations, enrollment dates, and metal levels. Attached please find the proposed 2024 broker agreements redacted versions. Files are as follows:
 - a. Redacted Standard Producer Master Agreement: "SG_23-52_Initial_KHP_HMO_SPMABrokerGroupRedacted_Supporting_20230517.pdf"
 - b. Redacted Preferred Producer Master Agreement: "SG_23-52 Initial KHP HMO PPMABrokerGroupRedacted Supporting 20230517.pdf"
- Additional Quality Improvement: Additional QI amounts applied in rating equal 0.0%. Included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.

Profit (or Contribution to Surplus) & Risk Margin:

5. Contingency: Contingency is included in URRT Worksheet 2, "Profit & Risk Load" and PA Rate Exhibits Table 6.

Taxes and Fees:

- 1. Fee for Patient-Centered Outcomes Research Trust Fund (PCORTF): As per the Notice of Proposed Rulemaking for Fees on Health Insurance Policies and Self-Insured Plans for the Patient-Centered Outcomes Research Trust Fund (REG-136008-11), 77 Fed. Reg. 22691: For policy years ending on or after October 1, 2022, and before October 1, 2023, the applicable dollar amount is \$3 per member per year (\$0.25 PMPM). Capital assumes the 2024 projected fee will be trended at 0%.
- 2. Exchange Fee: N/A
- 3. Federal Income Tax: Federal Income Tax will be collected on the 2% contingency built into the premium. The projected Federal Income Tax is included in URRT Worksheet 2, "Taxes and Fees", and PA Rate Exhibits, Table 6.

See Exhibit H as well as PA Rate Exhibits Table 6 for all retention values.

Plan Rate Development

The Plan Adjusted Index Rates are included in Worksheet 2, Section IV of URRT.

The following adjustments were used to derive the Plan Adjusted Index Rate:

- 1. Actuarial Value and Cost Sharing adjustment: The Actuarial Value and Cost Sharing Adjustment is determined using KHPC's actuarial cost model. KHPC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a claim PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on CPDs, where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
- 2. Induced Demand: Induced Demand: Induced Demand: Please see Table 8. Induced Demand is calculated as:

 $[Pricing AV]^2 - [Pricing AV] + 1.24$

Where *Pricing AV* is adjusted by the Non-Funding of CSR factor: PA Rate Exhibits, Table 10, column K x column P.

- 3. Provider Network: The Provider network is the same across all HMO plans.
- 4. Adjustment for benefits in addition to EHBs: No benefits other than EHBs are included in the plans, so no adjustment is necessary.

- 5. Adjustment for distribution and administrative costs: Described in <u>Retention Items</u> section above.
- 6. Tobacco Adjustment: Not applied to Small Group plans.

The development of the Plan Adjusted Index rate is found in Exhibit L, and summarized in Exhibit M.

Calibrated Plan Adjusted Index Rates

Age Curve Calibration: The average age factor is calculated by taking the member-weighted average of current small group enrollment by age in Capital. Age factors are applied in accordance with CMS's Standard Age Curve. The age calibration factor is adjusted for contracts with greater than three children under the age of 21. Please see file SG_23-52_Initial_KHP_HMO_List-Billed_Supporting_20230517.xlsb for the calculation.

Geographic Factor Calibration: The average geographic rating factor is calculated by taking the Capital member-weighted average by region.

Geographic factors are unchanged from 2023.

Tobacco Factor Calibration: Tobacco factor not applied.

The calibration is:

[Calibrated Plan Adjusted Index Rate] = [Plan Adjusted Index Rate] ÷ ([Age Curve Calibration] × [Geographic Factor Calibration] x [Tobacco Factor])

Calibrated Plan Adjusted Index Rates are found on PA Rate Exhibits Table 10.

The calibration factors and development are found on Exhibit N.

Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

[Member – Level Consumer Adjusted Premium Rate] = [Calibrated Plan Adjusted Index Rate] × [Age Factor] × [Geographic Factor] × [Tobacco Factor]

 2. [Family Consumer Adjusted Premium Rate] = ∑[Member – Level Consumer Adjusted Premium Rate] With no more than three child dependents under age 21 taken into account All consumer-level adjustments are applied uniformly to all plans in the Single Risk Pool. These adjustments do not vary by plan. Age and Geographic factors are displayed in Exhibits O.

Base Rates, i.e. Calibrated Plan Adjusted Index Rates, are found on Exhibit P.

AV Metal Values

Plans: 53789PA0090004 use alternative method 156.135(b)(2) to establish AV. SG_23-52_Initial_KHP_HMO_UniquePlanDesign_Supporting_20230517 includes a detailed explanation of the approach.

See AV Screenshots included with the submission: SG_23-52_Initial_KHP_HMO_AVScreenPrints_Supporting_CONF_20230517

AV Pricing Values

All AV Pricing values were developed using Capital's actuarial cost model and actuarial judgment as described in section <u>Paid to Allowed</u> above. Differences in health status are not included.

Projected Loss Ratio

See Exhibit I for the projected loss ratio calculation. The projected loss ratio is calculated using the federally prescribed MLR methodology.

Membership Projection

The membership projections found in Worksheet 2 of URRT were developed by assuming that moderate decline in enrollment and similar distribution to current.

Projected versus Actual MLR

Exhibit R shows a history of projected versus actual MLR and Member Months. Projected comes from the 2019-2021 filings. Actual comes from Table 4.

	MLR	Member Months		
Calendar Year	Actual	Pricing	Actual	Pricing
2019	89.27%	81.67%	1,145	1,514
2020	86.92%	80.33%	888	1,140
2021	62.60%	80.92%	1,183	766

Claim Cost Projection

Exhibit S shows a history of claim cost projection versus actual from 2019-2022 filings.

Attachments and Examples

The following is a list of Exhibits and Data to support this filing:

PA Rate Exhibits Part I through Part VI

Table B

Exhibit A – Benefit Summary Exhibit B – Benefit Change Summary Exhibit C – Benefit Categories Exhibit D – Benefit Mix Exhibit D1 – Network Mix Exhibit D2 – Benefit Additions Exhibit E – Trend Exhibit F – URRT Exhibit G – Paid-to-Allowed Development Exhibit H – Retention Exhibit I – Projected Loss Ratio Exhibit J – Index Rate Exhibit K – Market Adjusted Index Rate Exhibit L – Rate Development by Plan Exhibit M – Plan Adjusted Index Rates Exhibit N – Calibration Exhibit O – Rating Factors Exhibit P – Quarterly Base Rates Exhibit Q – Morbidity Factor Exhibit R – MLR Exhibit Exhibit S - Claim Cost Projection

Broker Contracts Actuarial Value Screenshots List-Billed Data Benefit Additions Calculation Workbooks Standard Questions

<u>Actuarial Statement</u>

I, ASA, MAAA, am of the opinion that this filing is in compliance with the applicable Federal and State Laws and Regulations concerning the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010.

- , ASA, MAAA, do hereby certify that:
- 1. This filing has been prepared in accordance with the following:
 - a. Actuarial Standard of Practice No. 5, "Health and Disability Claims"
 - b. Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans"
 - c. Actuarial Standard of Practice No. 12, "Risk Classification"
 - d. Actuarial Standard of Practice No. 23, "Data Quality"
 - e. Actuarial Standard of Practice No. 25, "Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverage"
 - f. Actuarial Standard of Practice No. 26, "Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health Benefit Plans"
 - g. Actuarial Standard of Practice No. 41, "Actuarial Communications".
- 2. The index rate is:

I,

- a. Projected in compliance with all applicable state and federal statutes and regulations (45 CFR 156.80(d) (1)).
- b. Developed in compliance with the applicable Actuarial Standards of Practice.
- c. Reasonable in relation to the benefits provided and the population anticipated to be covered.
- d. Neither excessive nor deficient.
- e. Adjusted by only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) to generate plan level rates.
- 3. The percent of total premium that represents essential health benefits were calculated in accordance with actuarial standards of practice.
- 4. The AV Calculator was used to determine the AV Metal Values shown in Worksheet 2 of the Part I Unified Rate Review Template for all plans, and in accordance with CFR 156.135(b)(2) as necessary. For any plan requiring an alternative method, the development of the actuarial value is based on one of the acceptable alternative methods outlined in 156.135(b)(2) or 156.135(b)(3) for benefits that deviate substantially from the parameters of the AVC and have a material impact on the actuarial value.
 - a. The analysis was
 - i. conducted by a member of the American Academy of Actuaries, and
 - ii. performed in accordance with generally accepted actuarial principles and methods.
- 5. Geographic area rating factors reflect only differences in the costs of delivery and not differences due to population morbidity.
- 6. All factor, benefit and other changes from the prior approved filing have been disclosed in the actuarial memorandum.

- 7. New plans are not considered modifications of existing plans under the uniform modification standards in 45 CFR 147.106.
- 8. The information presented in the PA Actuarial Memorandum and PA Actuarial Memorandum Rate Exhibits is consistent with the information presented in the 2023 Rate Filing Justification.



Actuarial Associate Capital Blue Cross

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53789FA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	22	331.86
53789PA0090004 Rating Area 9	No Preference	23	331.86
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	24	333.18
53789PA0090004 Rating Area 9	No Preference	25	339.82
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	20	347.79
53789PA0090004 Rating Area 9	No Preference	28	360.73
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	28	371.35
53789PA0090004 Rating Area 9	No Preference	30	376.66
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	30	376.66
53789PA0090004 Rating Area 9	No Preference	31	392.59
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	33	392.59
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	33	402.87
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	35	402.87
53789PA0090004 Rating Area 9	No Preference	36	408.18
53789PA0090004 Rating Area 9	No Preference	37	410.84
53789PA0090004 Rating Area 9	No Preference	38	413.49
53789PA0090004 Rating Area 9	No Preference	39	418.80
53789PA0090004 Rating Area 9	No Preference	40	410.00
53789PA0090004 Rating Area 9	No Preference	40	432.08
53789PA0090004 Rating Area 9	No Preference	41	439.71
53789PA0090004 Rating Area 9	No Preference	43	450.33
53789PA0090004 Rating Area 9	No Preference	43	463.60
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	45	403.00
53789PA0090004 Rating Area 9	No Preference	45 46	479.20
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	40 47	518.69
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	47	518.69
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	48	566.15
53789PA0090004 Rating Area 9	No Preference	50	592.70
53789FA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	51	618.91
53789FA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	52	647.78
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	53	676.99
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	53	708.51
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	55	708.51
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	56	740.04
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	57	808.74
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	58	845.57
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	59	863.82
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	60 60	900.66
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	60	900.66 932.52
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	62	932.52
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	63	953.43
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	64 and over	979.64 995.57
55703FA0030004 Kalling Alea 3			995.57

	If you are in a community rating s If you are not in a community ratin	required. To validate press Validate button or tate, select Family-Tier Rates under Rating M ng state, select Age-Based Rates under Ratir Tobacco User, you must give a rate for Tobac	lethod and fill in all columns. Ing Method and provide an Individual Rate	
	To add a new sheet, press the Ac	Id Sheet button, or Ctrl + Shift + H. All plans r		
HIOS Issuer ID* Rate Effective Date*				
Rate Effective Date*				
Rating Method*	Age-Based Rates			
Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	Required: Select the Rating Area ID	Required: Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a	Required: Select the age of a subscriber eligible for the En	
53789PA0090004	Pating Area 6	plan No Preference	rate 0-14	No Preference enrollee on a p
53789PA0090004	Rating Area 6	No Preference	15	
53789PA0090004 53789PA0090004	U	No Preference No Preference	16 17	
53789PA0090004	0	No Preference	18	
53789PA0090004	U U	No Preference	19	
53789PA0090004 53789PA0090004	0	No Preference No Preference	20	
53789PA0090004	U	No Preference	22	
53789PA0090004 53789PA0090004	0	No Preference No Preference	23 24	
53789PA0090004 53789PA0090004	U U	No Preference	24	
53789PA0090004	Rating Area 6	No Preference	26	
53789PA0090004	0	No Preference	27	
53789PA0090004 53789PA0090004	U U	No Preference No Preference	28 29	
53789PA0090004	Rating Area 6	No Preference	30	
53789PA0090004 53789PA0090004	0	No Preference No Preference	31	
53789PA0090004 53789PA0090004	0	No Preference No Preference	32	
53789PA0090004	0	No Preference	34	
53789PA0090004 53789PA0090004	-	No Preference No Preference	35	
53789PA0090004	0	No Preference	30	
53789PA0090004	-	No Preference	38	
53789PA0090004 53789PA0090004		No Preference No Preference	<u>39</u> 40	
53789PA0090004	Rating Area 6	No Preference	41	
53789PA0090004	0	No Preference	42	
53789PA0090004 53789PA0090004	0	No Preference No Preference	43	
53789PA0090004	Rating Area 6	No Preference	45	
53789PA0090004 53789PA0090004	0	No Preference No Preference	46	
53789FA0090004	0	No Preference	47	
53789PA0090004		No Preference	49	
53789PA0090004 53789PA0090004		No Preference No Preference	50 51	
53789PA0090004		No Preference	52	
53789PA0090004		No Preference	53	
53789PA0090004 53789PA0090004		No Preference No Preference	54 55	
53789PA0090004	0	No Preference	56	
53789PA0090004	0	No Preference	57	
53789PA0090004 53789PA0090004	0	No Preference No Preference	<u> </u>	
53789PA0090004		No Preference	60	
53789PA0090004 53789PA0090004	0	No Preference No Preference	<u> 61</u> 62	
53789PA0090004		No Preference	63	
53789PA0090004	Rating Area 6	No Preference	64 and over	
53789PA0090004 53789PA0090004		No Preference No Preference	0-14	
53789PA0090004	Rating Area 7	No Preference	16	
53789PA0090004	Rating Area 7	No Preference	17	
53789PA0090004 53789PA0090004		No Preference No Preference	18 19	
53789PA0090004	Rating Area 7	No Preference	20	
53789PA0090004 53789PA0090004		No Preference No Preference	21 22	
53789PA0090004 53789PA0090004	0	No Preference	22	
53789PA0090004	Rating Area 7	No Preference	24	
53789PA0090004 53789PA0090004		No Preference No Preference	25 26	
53789PA0090004 53789PA0090004		No Preference	20	
53789PA0090004	Rating Area 7	No Preference	28	
53789PA0090004 53789PA0090004		No Preference No Preference	29 30	
53789PA0090004	Rating Area 7	No Preference	30	
53789PA0090004		No Preference	32	
53789PA0090004 53789PA0090004	0	No Preference No Preference	33	
53789PA0090004	Rating Area 7	No Preference	35	
53789PA0090004		No Preference	36	
53789PA0090004 53789PA0090004	0	No Preference No Preference	37	
53789PA0090004	Rating Area 7	No Preference	39	
53789PA0090004	0	No Preference	40	
53789PA0090004 53789PA0090004	0	No Preference No Preference	41	
53789PA0090004	Rating Area 7	No Preference	43	
53789PA0090004	0	No Preference	44	
53789PA0090004 53789PA0090004	0	No Preference No Preference	45 46	
53789PA0090004	Rating Area 7	No Preference	47	
53789PA0090004		No Preference	48	
53789PA0090004 53789PA0090004	0	No Preference No Preference	49 50	
53789PA0090004	Rating Area 7	No Preference	51	
53789PA0090004	Rating Area 7	No Preference	52	
53789PA0090004	Deting Area 7	No Preference	53	

53789PA0090004 Rating Area 7	No Preference	55	795.57
53789PA0090004 Rating Area 7	No Preference	56	832.31
53789PA0090004 Rating Area 7	No Preference	57	869.42
53789PA0090004 Rating Area 7	No Preference	58	909.02
53789PA0090004 Rating Area 7	No Preference	59	928.64
53789PA0090004 Rating Area 7	No Preference	60	968.24
53789PA0090004 Rating Area 7	No Preference	61	1002.49
53789PA0090004 Rating Area 7	No Preference	62	1024.96
53789PA0090004 Rating Area 7	No Preference	63	1024.00
53789PA0090004 Rating Area 7	No Preference	64 and over	1070.27
53789PA0090004 Rating Area 9	No Preference	0-14	257.76
53789PA0090004 Rating Area 9	No Preference	15	280.67
53789PA0090004 Rating Area 9	No Preference	16	289.43
53789PA0090004 Rating Area 9	No Preference	17	298.19
53789PA0090004 Rating Area 9	No Preference	18	307.62
53789PA0090004 Rating Area 9	No Preference	19	317.06
53789PA0090004 Rating Area 9	No Preference	20	326.83
53789PA0090004 Rating Area 9	No Preference	20	336.94
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	22	336.94
53789PA0090004 Rating Area 9	No Preference	23	336.94
53789PA0090004 Rating Area 9	No Preference	23	336.94
5			
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference No Preference	25	338.28 345.02
5		26	
53789PA0090004 Rating Area 9	No Preference	27	353.11
53789PA0090004 Rating Area 9 53789PA0090004 Rating Area 9	No Preference	28	366.25 377.03
	No Preference	29	
53789PA0090004 Rating Area 9	No Preference	30	382.42
53789PA0090004 Rating Area 9	No Preference	31	390.51
53789PA0090004 Rating Area 9	No Preference	32	398.60
53789PA0090004 Rating Area 9	No Preference	33	403.65
53789PA0090004 Rating Area 9	No Preference	34	409.04
53789PA0090004 Rating Area 9	No Preference	35	411.74
53789PA0090004 Rating Area 9	No Preference	36	414.43
53789PA0090004 Rating Area 9	No Preference	37	417.13
53789PA0090004 Rating Area 9	No Preference	38	419.82
53789PA0090004 Rating Area 9	No Preference	39	425.21
53789PA0090004 Rating Area 9	No Preference	40	430.60
53789PA0090004 Rating Area 9	No Preference	41	438.69
53789PA0090004 Rating Area 9	No Preference	42	446.44
53789PA0090004 Rating Area 9	No Preference	43	457.22
53789PA0090004 Rating Area 9	No Preference	44	470.70
53789PA0090004 Rating Area 9	No Preference	45	486.54
53789PA0090004 Rating Area 9	No Preference	46	505.40
53789PA0090004 Rating Area 9	No Preference	47	526.63
53789PA0090004 Rating Area 9	No Preference	48	550.89
53789PA0090004 Rating Area 9	No Preference	49	574.81
53789PA0090004 Rating Area 9	No Preference	50	601.77
53789PA0090004 Rating Area 9	No Preference	51	628.39
53789PA0090004 Rating Area 9	No Preference	52	657.70
53789PA0090004 Rating Area 9	No Preference	53	687.35
53789PA0090004 Rating Area 9	No Preference	54	719.36
53789PA0090004 Rating Area 9	No Preference	55	751.37
53789PA0090004 Rating Area 9	No Preference	56	786.07
53789PA0090004 Rating Area 9	No Preference	57	821.11
53789PA0090004 Rating Area 9	No Preference	58	858.51
53789PA0090004 Rating Area 9	No Preference	59	877.05
53789PA0090004 Rating Area 9	No Preference	60	914.45
53789PA0090004 Rating Area 9	No Preference	61	946.79
53789PA0090004 Rating Area 9	No Preference	62	968.02
53789PA0090004 Rating Area 9	No Preference	63	994.64
53789PA0090004 Rating Area 9	No Preference	64 and over	1010.81

		tate, select Family-Tier Rates under Rating M		e for evenu and hand
		ng state, select Age-Based Rates under Ratir Tobacco User, you must give a rate for Tobac	-	e ior every age band.
		ld Sheet button, or Ctrl + Shift + H. All plans i	must have the same dates on a sheet.	
HIOS Issuer ID* Rate Effective Date*				
Rate Expiration Date*	12/31/2024			
Rating Method*	Age-Based Rates			
Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	Required: Select the Rating Area ID	Required: Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a	Required: Select the age of a subscriber eligible for the E rate	Required: nter the rate of an Individual Non- No Preference enrollee on a
53789PA0090004	Rating Area 6	plan No Preference	0-14	
53789PA0090004 53789PA0090004	Rating Area 6	No Preference No Preference	15	
53789PA0090004		No Preference	17	
53789PA0090004 53789PA0090004	0	No Preference No Preference	18 19	
53789PA0090004	•	No Preference	20	
53789PA0090004 53789PA0090004	0	No Preference	21 22	
53789PA0090004 53789PA0090004	0	No Preference No Preference	22	
53789PA0090004	•	No Preference	24	
53789PA0090004 53789PA0090004	0	No Preference No Preference	25 26	
53789PA0090004	Rating Area 6	No Preference	27	
53789PA0090004 53789PA0090004	-	No Preference No Preference	28	
53789PA0090004	Rating Area 6	No Preference	30	
53789PA0090004 53789PA0090004	0	No Preference No Preference	31	
53789PA0090004	0	No Preference	33	
53789PA0090004 53789PA0090004	0	No Preference No Preference	34 35	
53789PA0090004	Rating Area 6	No Preference	36	
53789PA0090004	0	No Preference No Preference	37	
53789PA0090004 53789PA0090004	Rating Area 6	No Preference	38	
53789PA0090004	Rating Area 6	No Preference	40	
53789PA0090004 53789PA0090004		No Preference No Preference	41 42	
53789PA0090004	Rating Area 6	No Preference	43	
53789PA0090004 53789PA0090004		No Preference No Preference	44	
53789PA0090004	Rating Area 6	No Preference	46	
53789PA0090004 53789PA0090004	0	No Preference No Preference	47	
53789PA0090004	Rating Area 6	No Preference	49	
53789PA0090004 53789PA0090004		No Preference No Preference	50 51	
53789PA0090004	Rating Area 6	No Preference	52	
53789PA0090004 53789PA0090004		No Preference No Preference	53	
53789PA0090004	Rating Area 6	No Preference	55	
53789PA0090004 53789PA0090004	0	No Preference No Preference	56 57	
53789PA0090004	Rating Area 6	No Preference	58	
53789PA0090004 53789PA0090004		No Preference No Preference	59 60	
53789PA0090004 53789PA0090004		No Preference	60	
53789PA0090004	Rating Area 6	No Preference	62	
53789PA0090004 53789PA0090004		No Preference No Preference	63 64 and over	
53789PA0090004	Rating Area 7	No Preference	0-14	
53789PA0090004 53789PA0090004		No Preference No Preference	15 16	
53789PA0090004	Rating Area 7	No Preference	17	
53789PA0090004 53789PA0090004		No Preference No Preference	18 19	
53789PA0090004	Rating Area 7	No Preference	20	
53789PA0090004 53789PA0090004		No Preference No Preference	21	
53789PA0090004	Rating Area 7	No Preference	23	
53789PA0090004 53789PA0090004	Rating Area 7	No Preference No Preference	24 25	
53789PA0090004	Rating Area 7	No Preference	26	
53789PA0090004	Rating Area 7	No Preference	27	
53789PA0090004 53789PA0090004		No Preference No Preference	28 29	
53789PA0090004	Rating Area 7	No Preference	30	
53789PA0090004 53789PA0090004		No Preference No Preference	31	
53789PA0090004	Rating Area 7	No Preference	33	
53789PA0090004 53789PA0090004		No Preference No Preference	34	
53789PA0090004	Rating Area 7	No Preference	36	
53789PA0090004 53789PA0090004	0	No Preference No Preference	37	
53789PA0090004	Rating Area 7	No Preference	39	
53789PA0090004 53789PA0090004	Rating Area 7	No Preference No Preference	40	
53789PA0090004	Rating Area 7	No Preference No Preference	41 42	
53789PA0090004	Rating Area 7	No Preference	43	
53789PA0090004 53789PA0090004	0	No Preference No Preference	44	
53789PA0090004	Rating Area 7	No Preference	46	
53789PA0090004 53789PA0090004		No Preference No Preference	47	
53789PA0090004	Rating Area 7	No Preference	49	
53789PA0090004 53789PA0090004		No Preference No Preference	50 51	
53789PA0090004 53789PA0090004		No Preference	52	
	Rating Area 7	No Preference	53	

53789PA0090004 Rating Area 7	No Preference	55	807.75
53789PA0090004 Rating Area 7	No Preference	56	845.06
53789PA0090004 Rating Area 7	No Preference	57	882.73
53789PA0090004 Rating Area 7	No Preference	58	922.94
53789PA0090004 Rating Area 7	No Preference	59	942.86
53789PA0090004 Rating Area 7	No Preference	60	983.07
53789PA0090004 Rating Area 7	No Preference	61	1017.84
53789PA0090004 Rating Area 7	No Preference	62	1040.66
53789PA0090004 Rating Area 7	No Preference	63	1069.28
53789PA0090004 Rating Area 7	No Preference	64 and over	1086.65
53789PA0090004 Rating Area 9	No Preference	0-14	261.70
53789PA0090004 Rating Area 9	No Preference	15	284.97
53789PA0090004 Rating Area 9	No Preference	16	293.86
53789PA0090004 Rating Area 9	No Preference	17	302.76
53789PA0090004 Rating Area 9	No Preference	18	312.34
53789PA0090004 Rating Area 9	No Preference	19	321.91
53789PA0090004 Rating Area 9	No Preference	20	331.83
53789PA0090004 Rating Area 9	No Preference	21	342.10
53789PA0090004 Rating Area 9	No Preference	22	342.10
53789PA0090004 Rating Area 9	No Preference	23	342.10
53789PA0090004 Rating Area 9	No Preference	24	342.10
53789PA0090004 Rating Area 9	No Preference	25	343.47
53789PA0090004 Rating Area 9	No Preference	26	350.31
53789PA0090004 Rating Area 9	No Preference	27	358.52
53789PA0090004 Rating Area 9	No Preference	28	371.86
53789PA0090004 Rating Area 9	No Preference	29	382.81
53789PA0090004 Rating Area 9	No Preference	30	388.28
53789PA0090004 Rating Area 9	No Preference	31	396.49
53789PA0090004 Rating Area 9	No Preference	32	404.70
53789PA0090004 Rating Area 9	No Preference	33	409.83
53789PA0090004 Rating Area 9	No Preference	34	415.31
53789PA0090004 Rating Area 9	No Preference	35	418.04
53789PA0090004 Rating Area 9	No Preference	36	420.78
53789PA0090004 Rating Area 9	No Preference	37	423.52
53789PA0090004 Rating Area 9	No Preference	38	426.25
53789PA0090004 Rating Area 9	No Preference	39	431.73
53789PA0090004 Rating Area 9	No Preference	40	437.20
53789PA0090004 Rating Area 9	No Preference	41	445.41
53789PA0090004 Rating Area 9	No Preference	42	453.28
53789PA0090004 Rating Area 9	No Preference	43	464.23
53789PA0090004 Rating Area 9	No Preference	44	477.91
53789PA0090004 Rating Area 9	No Preference	45	493.99
53789PA0090004 Rating Area 9	No Preference	46	513.15
53789PA0090004 Rating Area 9	No Preference	47	534.70
53789PA0090004 Rating Area 9	No Preference	48	559.33
53789PA0090004 Rating Area 9	No Preference	49	583.62
53789PA0090004 Rating Area 9	No Preference	50	610.99
53789PA0090004 Rating Area 9	No Preference	51	638.01
53789PA0090004 Rating Area 9	No Preference	52	667.77
53789PA0090004 Rating Area 9	No Preference	53	697.88
53789PA0090004 Rating Area 9	No Preference	54	730.38
53789PA0090004 Rating Area 9	No Preference	55	762.88
53789PA0090004 Rating Area 9	No Preference	56	798.11
53789PA0090004 Rating Area 9	No Preference	57	833.69
53789PA0090004 Rating Area 9	No Preference	58	871.67
53789PA0090004 Rating Area 9	No Preference	59	890.48
53789PA0090004 Rating Area 9	No Preference	60	928.45
53789PA0090004 Rating Area 9	No Preference	61	961.29
53789PA0090004 Rating Area 9	No Preference	62	982.85
53789PA0090004 Rating Area 9	No Preference	63	1009.87
53789PA0090004 Rating Area 9	No Preference	64 and over	1026.29

Keystone Health Plan Central **Small Group Rates** Effective 1/1/2024 **Benefit Summary**

SMALL GROUP 1-50 PORTFOLIO

Changes	Plan Name	HIOS ID	Deductible	Coinsurance	Out-of-Pocket	PCP	Specialist	Emergency	Urgent	IP Hospital	Hi-Tech Imaging	Lab	OP Surgery	Small Group: Rx \$0	Small Group: Rx \$250 (brand only deductible)
			(2x Family)		Maximum			Room	Care	per day,		Ind Hos	ASC ACH	Individual: Rx	Individual: N/A
										maximum of 5 days					
		Small Group: Rx \$0 Small Group: Rx \$250													
		Individual: Rx (brand only deductible)													
		Individual: N/A	In-Network	In-Network	In-Network	In-Network	In-Network	In-Network	In-Network	In-Network	In-Network	In-Network	In-Network		
									BF	RONZE PRODUCTS					
Changes Bronze H	IMO 8000/0/50	53789PA0090004	\$8,000	0%	\$8,700	\$50	\$85	D/0	D/0	N/A	D/0	D/50 D/85	D/0 D/0	Rx Ded: Combined. Rx Gen - Ded	Applies? Y, Retail: 0/0/0/0, Mail: 0/0/0/0

1 Drug copays listed are Preferred Generic/Non-Preferred Generic/Preferred Brand/Non-Preferred Brand

2 Speciality drug coverage = 20% up to \$250 per fill/20% up to \$350 per fill/20% up to \$450 per fill

3 Tiered Lab benefits. Independent labs | Hospital based labs

4 D = Deductible D/\$ = Deductible applies first then a copay

5 Plan naming convention = Metal level, Plan type, Deductible/Coinsurance/Office Visit Copay - HRA funding

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Benefit Change Summary

Line	On/Off Exchange	New/Existing	HIOS	Med Description	Rx Description	Expanded Bronze
1	Off Exchange	Existing	53789PA0090004	Bronze HMO 8000/0/50	Combined	x
					-	

Expanded Bronze	Counties	Rx Formulary	AV 2023 2024	Pricing AV 2023 2024	Metal Level 2023 2024	HRA Amount 2023 2024	Deductible: Tier 1 2023 2024	Deductible: Tier 2 2023 2024	Coinsurance: Tier 1 2023 2024	Coinsurance: Tier 2 2023 2024	MOOP 2023 2024	PCP: Tier 1 2023 2024	PCP: Tier 2 2023 2024	SPC: Tier 1 2023 2024	SPC: Tier 2 2023 2024	ER 2023 2024	UC 2023 2024	IP Hosp Copay Per Day 2023 2024	Hi-Tech Imaging 2023 2024
	All	Advantage	64.2% 64.8%	51.9% 55.8%	Bronze Bronze	0 0	8,000 8,000	8,000 8,000	0% 0%	0% 0%	8,550 8,700	50 50	50 50	85 85	85 85	D/0 D/0	D/0 D/0	N/A N/A	D/0 D/0

11

Γ	Low End In 2023	naging 2024	Lab: T 2023	ïer 1 2024	Lab: 2023	Tier 2 2024	OP Surg 2023	g: Tier 1 2024	OP Surg 2023	g: Tier 2 2024	Rx 2023	Ded 2024	Rx Gen - D 2023	ed Applies? 2024	Rx Ge 2023	en Pref 2024	Rx Gen 2023	Non-Pref 2024	Rx Brai 2023	nd Pref 2024	Rx Brand 2023	Non-Pref 2024	Rx Specialty 2023	y Coin Tier 1 2024	Rx Specialty 2023	Max Tier 1 2024	Rx Specialty 2023	Coin Tier 2 2024	Rx Specialty I 2023	Max Tier 2 2024	Rx Gen Pr 2023	ef Coins 2024	Rx Gen Non- 2023	Pref Coins 2024	Rx Brand P 2023	Pref Coin 2024	Rx Brand Non 2023
	D/0	D/0	D/50	D/50	D/85	D/85	D/0	D/0	D/0	D/0	Combined	Combined	Y	Y	0	0	0	0	0	0	0	0	0%	0%	0	0	0%	0%	0	0	0%	0%	0%	0%	0%	0%	0%
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12

Brand No 2023	n-Pref Coins 2024	Rx Gen Pref 2023	f Mail Copay 2024	Rx Gen Non-P 2023	ref Mail Copay 2024	Rx Brand Pre 2023	f Mail Copay 2024	Rx Brand Non-P 2023	ref Mail Copay 2024
0%	0%	0	0	0	0	0	0	0	0

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Benefit Categories

IP OP Professional	
Inpatient Inpatient	
Inpatient Inpatient	
Inpatient	
Inpatient Inpatient	
Inpatient	
Inpatient Inpatient	
Inpatient	
Inpatient Inpatient	
Outpatient Outpatient	
Outpatient	
Outpatient Outpatient	
Outpatient	
Outpatient Outpatient	
Outpatient	
Outpatient Outpatient	
Outpatient Outpatient	
Outpatient	
Outpatient Outpatient	
Outpatient	
Professional Professional	
Professional	
Professional Professional	
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Type of Service IP - CABG IP - Cesarean Maternity Delivery IP - Major Joint Procedures of Lower Extremity IP - Maternity Non-delivery IP - Medical IP - Neonatal IP - Newborn IP - Normal maternity delivery IP - Other Cardiovascular Procedures IP - Other Surgical IP - Psychiatric IP - Substance Abuse IP - Ungroupable OP - Blood OP - Cardiac Rehab OP - Cardiovascular OP - Dialysis OP - Emergency Room OP - Maternity Non-delivery Care OP - Observation Room OP - Other OP Services OP - PT/OT/ST OP - Pathology/Lab OP - Pharmacy OP - Psychiatric OP - Radiology - CT/MRI/PET OP - Radiology - General OP - Substance Abuse OP - Surgery OP - Unmapped ADDL Benefits Other Hearing Aids IP Visits - IP Psychiatric IP Visits - IP Substance Abuse IP Visits - Medical Inpatient Surgery - Primary Surgeon Inpatient Surgery - Anesthesia Inpatient Surgery - Assistant Surgeon Maternity - Cesarean Deliveries Maternity - Non Deliveries Maternity - Normal Deliveries Office Administered Drugs Office/Misc - Allergy Immunotherapy Office/Misc - Allergy Testing Office/Misc - Misc. Medical Office/Misc - Office/Home Visits Office/Misc - Urgent Care Other Physician - Cardiovascular Other Physician - Chiropractor Other Physician - Consults Other Physician - Emergency Room Visits Other Physician - Physicial Therapy Pathology/Lab - IP Preventive care - Hearing/Speech Exams Preventive care - Immunization Preventive care - Other Preventive care - Physical Exams Preventive care - Well Baby Exams Radiology - IP Unmapped ADDL Benefits Other Hearing Aids IP Visits - Medical Independent Lab Maternity - Cesarean Deliveries Maternity - Non Deliveries Maternity - Normal Deliveries OP Visits - OP Psychiatric OP Visits - OP Substance Abuse Office Administered Drugs Office/Misc - Allergy Immunotherapy Office/Misc - Allergy Testing Office/Misc - Misc. Medical Office/Misc - Office/Home Visits Office/Misc - Urgent Care Other Physician - Cardiovascular Other Physician - Chiropractor Other Physician - Consults Other Physician - Emergency Room Visits Other Physician - Physicial Therapy Outpatient Surgery - Anesthesia Outpatient Surgery - Office Outpatient Surgery - Outpatient Facility Pathology/Lab - OP Pathology/Lab - Office Preventive care - Hearing/Speech Exams Preventive care - Immunization Preventive care - Other Preventive care - Physical Exams Preventive care - Well Baby Exams Radiology - OP - CT/MRI/PET Radiology - OP - General Radiology - Office - CT/MRI/PET Radiology - Office - General Unmapped Unmapped OP - Ambulance OP - DME OP - Home Health/PDN OP - Medical Surgical Supplies Dental Other - Ambulance Other - DME Other - Glassess/Contacts Other - PDN/Home Health Other - Prosthetics Preventive care - Vision Exams Dental Other - Ambulance Other - DME Other - Glassess/Contacts Other - PDN/Home Health Other - Prosthetics Preventive care - Vision Exams

Other Medical

13

5/15/2023

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Benefit Mix Changes

			8				
				449,510			
Benefit Mix Calculation		BEP Manual Cost Calcu		449,510	Projected 2024 Manual C	217.55	1,124
			Manual Cost				Proj Member
	Manual Cost PMPM	HIOS 14 Digit	<u>PMPM</u>	BEP MM	HIOS 14 Digit	Total	Dist
Average in Experience Period	330.84	45127PA0010054	392.45	9,024	53789PA0090004	217.55	1,124
Average in Rating Period	217.55	45127PA0010055	404.51	22,909			
		45127PA0010057	383.14	6,077			
Benefit Mix Adjustment	0.658	45127PA0010058	395.69	12,544			
		82795PA0130001	364.20	2,266			
		45127PA0010116	362.73	8,642			
		45127PA0010117	375.89	19,692			
		45127PA0010084	349.11	12,053			
		45127PA0010085	362.38	32,992			
		45127PA0010089	328.06	25,818			
		45127PA0010090	342.06	65,959			
		45127PA0010194	319.64	16,460			
		45127PA0010195	334.34	29,169			
		45127PA0010161	347.05	6,028			
		45127PA0130001	338.14	380			
		45127PA0130002	347.94	324			
		45127PA0010131	295.61	15,991			
		45127PA0010132	310.14	26,990			
		45127PA0010184	281.45	13,953			
		45127PA0010185	296.24	18,553			
		45127PA0010186	276.41	7,388			
		45127PA0010187	291.37	9,443			
		45127PA0010124	312.69	17,414			
		45127PA0010170	290.97	22,096			
		45127PA0130003	312.34	516			
		45127PA0130004	319.81	331			
		53789PA0090004	218.46	1,345			
		45127PA0010135	243.29	20,657			
		45127PA0010199	277.28	8,363			
		45127PA0010196	363.03	1,022			
		45127PA0010198	350.68	6,871			
		45127PA0010197	343.86	5,177			
		45127PA0130005	338.14	156			
		45127PA0130006	347.94	339			
		45127PA0130007	312.34	140			
		45127PA0130008	319.81	101			
		45127PA0010200	357.37	42			
		45127PA0010202	326.90	375			
		45127PA0010201	317.78	44			
		45127PA0010190	344.93	431			
		45127PA0010191	355.76	953			
		45127PA0010188	345.47	33			
		45127PA0010189	354.06	438			

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Network Mix Changes

Network Change			0.982
Projected MemberMonths	1,124	100.0%	0.980
НМО	1,124	100.0%	0.98
BEP	449,510	100.0%	0.998
PPO	433,369	96.4%	1.00
Valley Advantage EPO	1,551	0.3%	0.90
Capital Advantage EPO	736	0.2%	0.90
PPO Choice	12,048	2.7%	0.96
Performance PPO	461	0.1%	0.98
PPO Choice Select	-	0.0%	0.89
НМО	1,345	0.3%	0.98

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Benefit Additions

Senate Bill 8 - Coverage of mammographic examinations and diagnostic breast imaging at no cost share Additional Claim PMPM \$0.20

MHPAEA - Add Autism coverage to Small Group and Individual PlansAdditional Claim PMPM\$0.40Benefit Change Factor1.001

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Trend

					Trend	l					
	Trend by Service Category										
		<u>Year 1</u>			Year 2						
Category	Cost	<u>Util</u>	Induced Demand	Cost	<u>Util</u>	Induced Demand	Total Year 1	Total Year 2	Weights	Total Weights	
Inpatient Hospital	4.20%	0.50%	0.00%	5.30%	0.50%	0.0%	4.7%	5.8%	21%	17%	
Outpatient Hospital	4.40%	1.00%	0.00%	5.40%	1.00%	0.0%	5.4%	6.5%	49%	40%	
Professional	4.70%	1.00%	0.00%	4.60%	1.00%	0.0%	5.7%	5.6%	27%	22%	
Other Medical	4.40%	0.50%	0.00%	5.40%	0.50%	0.0%	4.9%	5.9%	3%	2%	
Capitation	3.00%	0.00%	0.00%	3.00%	0.00%	0.0%	3.0%	3.0%	0%	0%	
Prescription Drug	7.90%	1.10%	0.00%	7.00%	1.00%	0.0%	9.1%	8.1%	100%	19%	
Dental & Vision	1.00%	1.00%	0.00%	1.00%	1.00%	0.0%	2.0%	2.0%	100%	100%	
	Aggregate Pricing Trend Year 1			Aggregate Pricing Trend Year 2			Average Pricing Trend				
	Total	6.1%		Total	6.5%		Total	6.3%			
	Medical	5.4%		Medical	6.1%		Medical	5.7%			
	Drug	9.1%		Drug	8.1%		Drug	8.6%			
	Agg Med + Rx Trend	6.1%		Agg Med + Rx Trend	6.5%		Agg Med + Rx Trend	6.3%			
	Dental and Vision	2.0%		Dental and Vision	2.0%		Dental and Vision	2.0%			
r		<u>Year 1 R</u>	aw Trends*			Year 2 Ra	w Trends*				
URRT Categories	Cost	Utilization	Induced Demand	<u>Composite</u>	Cost	Utilization	Induced Demand	<u>Composite</u>			
Inpatient Hospital	4.2%	0.5%	0.0%	4.8%	5.3%	0.5%	0.0%	5.8%			
Outpatient Hospital	4.4%	1.0%	0.0%	5.5%	5.4%	1.0%	0.0%	6.5%			
Professional	4.7%	1.0%	0.0%	5.8%	4.6%	1.0%	0.0%	5.6%			
Other Medical	4.4%	0.5%	0.0%	4.9%	5.4%	0.5%	0.0%	6.0%			
Capitation	3.0%	0.0%	0.0%	3.0%	3.0%	0.0%	0.0%	3.0%			
Prescription Drugs	7.9%	1.1%	0.0%	9.1%	7.0%	1.0%	0.0%	8.1%			
Dental & Vision	1.0%	1.0%	0.0%	2.0%	1.0%	1.0%	0.0%	2.0%			
*From Hospital and Physic	cian Trend Models										

Adjustments to Pricing Trend

Me	dical	Drug	7
Intensity	0.0%	Contracting	0.0%
Leveraging	0.0%	Leveraging	0.0%
Demographics	0.0%	Demographics	0.0%
Buy-Downs	0.0%	Buy-Downs	0.0%
Other	0.0%	Pipeline	0.0%
Total	0.00%	Total	0.00%

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Credibility Manual Development for URRT

Experience Period Member Months

449,510

Section II: Projections			Year 1 Trend	Y	ear 2 Trend		_			_	
							Trended EHB				
	Experience Peri	od Index Rate					Allowed Claims				
Benefit Category	PMPM		Cost	Utilization	Cost	Utilization	РМРМ	Incurred	Allowed		PMPM
Inpatient Hospital	\$	119.00	1.042	1.005	1.053	1.005	131.88	\$ 52,201,500	\$ 53,489,564	\$	119.00
Outpatient Hospital	\$	281.56	1.044	1.010	1.054	1.010	316.05	\$ 104,397,173	\$ 126,563,801	\$	281.56
Professional	\$	152.24	1.047	1.010	1.046	1.010	170.08	\$ 51,709,510	\$ 68,433,287	\$	152.24
Other Medical	\$	17.45	1.044	1.005	1.054	1.005	19.39	\$ 6,411,005	\$ 7,845,797	\$	17.45
Capitation	\$	-	1.030	1.000	1.030	1.000	0.00	\$ 2,150	\$ 2,150	\$	-
Prescription Drug	\$	132.68	1.079	1.011	1.070	1.010	156.42	\$ 52,585,491	\$ 59,640,336	\$	132.68
Total	\$	702.93					793.82			\$	702.93

* All data experience is from CAAC, and other CBC subsidiaries - Capital Advantage Insurance Company (CAIC), and Keystone Health Plan Central (KHPC)

Morbidity	0.467
Other	
Change in Demographics	1.0000
Change in Network	0.9820
Change in Benefits	1.0010
Change in Other	1.0000
Projected Index Rate	364.40

Drug Rate J

Medical Rate Development				
1/1/2022-12/31/2022				
2/28/2023				
1/1/2024-12/31/2024				
24				
5.7%				

206,118,038
0.96
213,897,416
449,510
475.85
1.12
531.89
0.646
0.467
2,150
0.00
0.60
161.00
Expected Claim PMPM in
Rating Period
161.00
41.59
0.83
0.06
100%
203.48
423.42
423.42 364.53

Base Experience Period:	
Data as of	
Rating Period:	
Trend Months:	
Average 2 Yr Trend:	

2 Completion Factor

3 BEP Completed Claims (1) / (2)
4 BEP Member Months

5 BEP Completed Claim PMPM (3) / (4)

6 Trend Factor

7 Trended Claim PMPM (5) x (6)

8 Benefit and Network Change Factor

9 Morbidity

10 11

12 Other Adjustment

13 Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) + (

Keystone Health Plan Central **Small Group Rates** Effective 1/1/2024 Paid to Allowed Ratio Development

ate Development		Pediatric Dental Rate Developm	ent	Pediatric Vision Rate Development		
1/1/	/2022-12/31/2022	Base Experience Period:	1/1/2022-12/31/2022	Base Experience Period:	1/1/2022-12/31/2022	
	2/28/2023	Data as of	2/28/2023	Data as of	2/28/2023	
1/1/	/2024-12/31/2024	Rating Period:	1/1/2024-12/31/2024	Rating Period:	1/1/2024-12/31/2024	
	24	Trend Months:	24	Trend Months:	24	
	8.6%	Average 2 Yr Trend:	2.0%	Average 2 Yr Trend:	2.0%	
	52,585,491	1 BEP Paid and Incurred Claims	738,306	1 BEP Paid and Incurred Claims	53,957	
	1.000	2 Completion Factor	0.962	2 Completion Factor	0.993	
	52,585,491	3 BEP Completed Claims (1) / (2)	767,445	3 BEP Completed Claims (1) / (2)	54,328	
	449,510	4 BEP Member Months	449,510	4 BEP Member Months	449,510	
	116.98	5 BEP Completed Claim PMPM (3) / (4)	1.71	5 BEP Completed Claim PMPM (3) / (4)	0.12	
	1.18	6 Trend Factor	1.04	6 Trend Factor	1.04	
	137.92	7 Trended Claim PMPM (5) x (6)	1.78	7 Trended Claim PMPM (5) x (6)	0.13	
	0.646	8 Benefit and Network Change Factor	1.00	8 Benefit and Network Change Factor	1.00	
	0.467	9 Morbidity	0.467	9 Morbidity	0.467	
		10		10		
		11		11		
	1.000	12 Other Adjustment	1.000	12 Other Adjustment	1.000	
(11) + (11) x (12)	41.59	13 Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) + (11)] x (12)	0.83	13 Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) + (11)] x (12)	0.06	

Base Experience Period:	1/1/2022-12/31/2022	
Data as of	2/28/2023	
Rating Period:	1/1/2024-12/31/2024	
Trend Months:	24	
Average 2 Yr Trend:	2.0%	

Keystone Health Plan Central **Small Group Rates** Effective 1/1/2024 Retention

	Medical + Rx	Dental	Vision	<u>Total</u>	% of Premium
Reinsurance Contribution	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
Risk Adjustment Fee	\$0.21	\$0.00	\$0.00	\$0.21	0.0%
	¢54.07	#0.50	#0.00	\$5406	10.70/
Admin PMPM	\$54.27	\$0.60	\$0.09	\$54.96	10.7%
Broker PMPM	\$20.52	\$0.00	\$0.00	\$20.52	4.0%
Placeholder 1	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
Placeholder 2	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
Placeholder 3	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
Quality Improvement	0.0%	0.0%	0.0%	0.0%	0.0%
Contingency	2.0%	2.0%	2.0%	2.0%	2.0%
Patient-Centered Outcomes Research Trust Fund:	\$0.25	\$0.00	\$0.00	\$0.25	0.0%
Insurer Tax	0.0%	0.0%	0.0%	0.0%	0.0%
Exchange Fee	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
Federal Income Tax	0.5%	0.5%	0.5%	0.5%	0.5%
Premium Tax	0.0%	0.0%	0.0%	0.0%	0.0%

Insurer Tax and Admin Fee Calc

Applied HIF to All Quarters		0.00%				
Quarter	% of Enrollees	HIF		20)22 assessmen	2023 a
1	29%	0.00%		0	0.00%	0
2	13%	0.00%		3	0.00%	0
3	15%	0.00%		6	0.00%	0
4	43%	0.00%		9	0.00%	0
	Admin	<u>Profit</u>	Taxes			
	14.7%	2.0%	0.6%			
Claims	10.7%					
Broker	4.0%					
Quality Improvement	0.0%					

assessment 0.00% 0.00% 0.00% 0.00%

HIOS	53789PA0090004
	Bronze HMO
Med Plan	8000/0/50
Rx Plan	Combined
Deductible	8000
Expected Claim Cost	423.42
Expected Premium PMPM *	\$512.33
Allowed Adjustments to Premium for MLR	
Reinsurance Contribution	0.00
Patient-Centered Outcomes Research Trust Fund:	0.25
Risk Adjustment Fee	0.21
Premium Tax	0.00
Insurer Tax	0.00
Exchange Fee	0.00
Quality Improvement	0.00
Federal Income Tax**	2.15
MLR Adjusted Claims	\$423.42
MLR Adjusted Premium	\$509.71
Expected Member Distribution	100.0%

Unadjusted Premium	\$512.33
Expected MLR Adjusted Claims	\$423.42
Expected MLR Adjusted Premium	\$509.71

MLR	83.1%

* From Exhibit L **21% of profit or contingency (assumed to be 2%)

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Projected Index Rate

	Projected Index Rate	\$364.53	
_			
ſ	Effective Date	Total Index Rate	

	Effective Date	Total Index Rate	Trend	Distribution of Members	Projected Allowed	Market Adjusted Index Rate
	January - March (Index 1)	\$364.53		29%	\$364.53	\$758.54
	April - June (Index 2)	\$369.93	6.1%	13%	\$370.11	\$764.13
	July - September (Index 3)	\$375.41	6.1%	15%	\$375.78	\$769.80
	October - December (Index 4)	\$380.97	6.1%	43%	\$381.54	\$775.55
_						
	Average for Projection Period	\$373.89			\$374.21	\$768.23

* From URRT and Exhibit B

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Market Adjusted Index Rate

Development of Market Adjusted Index Rate

Q1 Index Rate	364.53
Paid to Allowed	0.56
Q1 Projected Claims	203.48
Net Projected ACA Reinsurace Recoveries	0.00
Net Projected Risk Adjustments PMPM	-219.94
Exchange User Fee Adjustment	0.00
Q1 Market-Adjusted Projected Paid EHB Claims PMPM	423.42
Q1 Market Adjusted Index Rate	758.55
Development of Exchange User Fee	
Average SHOP Premium	\$0.00
Average Exchange Fee	\$0.00
Percentage of Membership on SHOP	0%
Exchange Fee to Add to Market Index Rate	\$0.00

Development of Risk Adjustment Projection

Projected 2024 Risk Adjustment Transfer	-\$219.94
Projected 2022 Risk Adjustment Transfer	-\$268,315
2022 MemberMonths	1,345
Projected 2022 Risk Adjustment Payment PMPM	-\$199.49
Change in Statewide Average Premium 2024 over 2022	10.3%

Adjustment for Network	1.000
Adjustment for Induced Demand	1.000
Rate Development by Benefit Option	Off Exchange
Level of Coverage	Bronze
HIOS	53789PA0090004
Med Plan Name:	Bronze HMO 8000/0/5
Rx:	Combined
Network:	НМО
HRA	N
Q1 Market Adjusted Index Rate	758.55
AV and Cost Sharing Adjustment	0.56
Network	1.000
Induced Demand	1.000
Total Projected Claims PMPM + Market Level Adjustments:	423.42
Retention	
Admin PMPM	\$54.96
Broker PMPM	\$20.52
Risk Adjustment User Fee	\$0.21
PCORTF	\$0.25
Placeholder1	\$0.00
Placeholder2	\$0.00
Premium Tax	0.0%
Federal Income Tax	0.5%
Insurer Tax	0.0%
Contingency	2.0%
Quality Improvement	0.0%
Premium Neutrality	1.60
Total Premium Single Rate:	\$320.44
Plan Adjusted Index Rates	\$512.33
Expected Member Distribution	100.0%
	\$75.48
Admin	14.7%
Taxes	0.6%

24

5/15/2023

Bronze HMO 8000/0/50

 Projected Membership
 Proj MM
 New or Existing
 Product ID
 Plan ID
 On/Off Exchange

100%

100.0%

1,124

1,124 Existing 53789PA009 53789PA0090004 Off Exchange

Benefit Plans

<u>ge</u>	<u>Metal Level</u>	<u>Metal Value</u>	Pricing Value	<u>Network</u>	<u>Induced</u> Demand	Product	Med Plan Description	Deductible	<u>Drug Plan</u>	Ī
	Bronze	64.8%	55.8%	1.00	1.00	НМО	Bronze HMO 8000/0/50	8000	Combined	

<u>Annual Trend</u> 1.000 1.015 1.031 1.047 Calibrated

<u>Average Plan Adj</u> <u>Q1 Plan Adj</u> Pediatric Dental Pediatric Vision Index Rate Embedded Embedded \$512.32 \$512.32

Index Rate

<u>Q2 Plan Adj</u>

<u>Q3 Plan Adj</u>

<u>Q4 Plan Adj</u>

Q1 Calibrated Q2 Calibrated Q3 Calibrated Q4 Calibrated Index from PA Index RateIndex RateMedical & RxPlan IndexPlan IndexPlan IndexPlan IndexMedical & RxPlan Index\$519.92\$527.62\$535.446.06%\$320.44\$325.35\$330.33\$335.39320.4414.7%0.6%

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Calibration

Expected Average Age Factor:	1.563
List-Billed Adjustment for Max 3 Children	1.007
Adjusted Average Age Factor	1.552
Expected Average Region Factor:	1.03
Expected Average Tobacco Factor	1.00
Cumulative Rating Factors (Premium Neutrality):	1.599

	Age Factors	
Age	Distribution of Poplulation	Age Factor
0-14	12.4%	0.7650
15	1.1%	0.8330
16	1.0%	0.8590
17	1.0%	0.8850
18	1.0%	0.9130
10	1.1%	0.9410
20	1.2%	0.9700
20 21	1.2%	1.0000
21	1.2%	1.0000
22	1.3 %	1.0000
23		
	1.5%	1.0000
25	1.5%	1.0040
26	1.6%	1.0240
27	1.6%	1.0480
28	1.7%	1.0870
29	1.6%	1.1190
30	1.6%	1.1350
31	1.7%	1.1590
32	1.9%	1.1830
33	1.9%	1.1980
34	1.8%	1.2140
35	1.8%	1.2220
36	1.7%	1.2300
37	1.7%	1.2380
38	1.7%	1.2460
39	1.7%	1.2620
40	1.8%	1.2780
41	1.8%	1.3020
42	1.9%	1.3250
43	1.8%	1.3570
44	1.7%	1.3970
45	1.7%	1.4440
46	1.7%	1.5000
47	1.5%	1.5630
48	1.8%	1.6350
49	1.8%	1.7060
50	1.9%	1.7860
51	1.9%	1.8650
52	2.0%	1.9520
53	2.1%	2.0400
54	2.0%	2.1350
55	2.1%	2.2300
56	2.1%	2.3330
57	2.1%	2.4370
58	2.2%	2.5480
58 59	2.2%	2.6030
59 60		
	2.2%	2.7140
61	2.2%	2.8100
62	2.1%	2.8730
63	2.0%	2.9520
64+	3.7%	3.0000
Filing 23-52		

Region Factors							
Distribution of Population	Factor						
44.4%	1.0000						
31.6%	1.0800						
24.0%	1.0200						
	Distribution of Population 44.4% 31.6%						

26

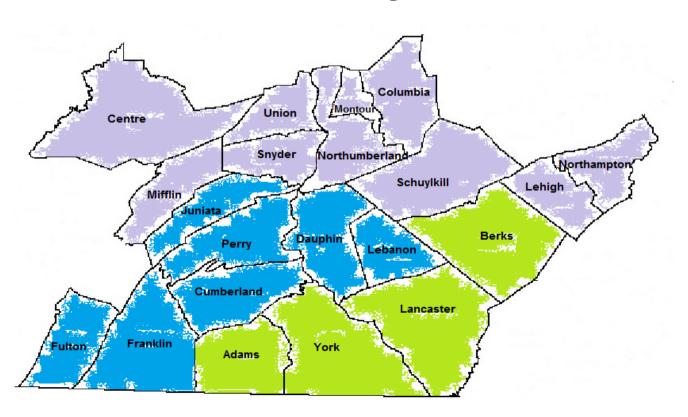
Exhibit N_Calibration

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Rating Factors

Age Factors

Age	Premium Ratio	Age	Premium Ratio	Age	Premium Ratio	Age	Premium Ratio	Age	Premium Ratio
0-14	0.765	24	1.000	34	1.214	44	1.397	54	2.135
15	0.833	25	1.004	35	1.222	45	1.444	55	2.230
16	0.859	26	1.024	36	1.230	46	1.500	56	2.333
17	0.885	27	1.048	37	1.238	47	1.563	57	2.437
18	0.913	28	1.087	38	1.246	48	1.635	58	2.548
19	0.941	29	1.119	39	1.262	49	1.706	59	2.603
20	0.970	30	1.135	40	1.278	50	1.786	60	2.714
21	1.000	31	1.159	41	1.302	51	1.865	61	2.810
22	1.000	32	1.183	42	1.325	52	1.952	62	2.873
23	1.000	33	1.198	43	1.357	53	2.040	63	2.952
								64+	3.000





Region	Factor
6	1.0000
7	1.0800
9	1.0200

Network	Factor
НМО	1.00

Plan IDOn/Off ExchangeMetal LevelMetal ValuePricing ValueInduced DemandProduct53789PA0090004Off ExchangeBronze64.8%55.8%1.00HMO Combo Description Bronze HMO 8000/0/50

1

		<u>1/</u>	Base Rates 1/2024 - 3/31/2024			<u>4/1/2024</u>	e Rates - 6/30/2024				7/1/2024	e Rates - 9/30/2024
Medical Plan Description Bronze HMO 8000/0/50	Deductible 8000Drug Plan Desc CombinedPediatric Dental EmbeddedPediatric Vision EmbeddedMedical + Rx8000CombinedEmbedded\$319.43	MedicalRx\$255.55\$63.88	<u>Pediatric Dental</u> \$0.91	Pedatric Vision \$0.09	 Iedical + Rx Medic \$324.32 \$259.4		Pediatric Dental \$0.93	Pedatric Vision \$0.10	Total Medica \$325.35 \$329	al + Rx Medical 9.29 \$263.43	<u>Rx</u> \$65.86	Pediatric Dental \$0.94

28

Base Rates <u>10/1/2024 - 12/31/2024</u>

				<u>10/1/2024</u>	- 12/31/2024	Annual Trend			
Pedatric Vision	<u>Total</u>	<u>Medical + Rx</u>	<u>Medical</u>	<u>Rx</u>	Pediatric Dental	<u>Pedatric Vision</u>	<u>Total</u>	<u>Medical & Rx</u>	<u>Dental & Vision</u>
\$0.10	\$330.33	\$334.34	\$267.47	\$66.87	\$0.95	\$0.10	\$335.39	6.27%	6.27%

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Morbidity Factor Calculation

Morbidity Factor Applied 0.467

*Applied to KHPC to align rates with CAAC

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 MLR Exhibit

	MLR	Member Months			
Calendar Year	Actual	Pricing	Actual	Pricing	
2019	89.27%	81.67%	1,145	1,514	
2020	86.49%	80.33%	888	1,140	
2021	61.43%	80.92%	1,183	766	

Keystone Health Plan Central Small Group Rates Effective 1/1/2024 Claim Cost Projection

	Paid		Risk Adjustment		Exhange L	lser Fees	Market Adjusted Paid		
Year	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	
2019	\$378.14	\$318.67	-\$10.13	-\$130.44	\$0.00	\$0.00	\$388.27	\$449.12	
2020	\$166.72	\$336.90	-\$222.18	-\$88.75	\$0.00	\$0.00	\$388.90	\$425.65	
2021	\$211.31	\$183.93	-\$138.16	-\$141.75	\$0.00	\$0.00	\$349.47	\$325.68	
2022	\$279.26	\$320.05	-\$88.75	-\$199.49	\$0.00	\$0.00	\$368.01	\$519.54	

KEYSTONE HEALTH PLAN CENTRAL

Standard Questions Small Group Rates Effective January 1, 2024

Question 1 – Membership. If the projected membership for plan year 2024 significantly differs from the current 2/1/2023 membership, please explain why.

Answer 1. The projected membership for plan year 2024 does not significantly differ from the current 2/1/2023 membership.

Question 2 – Experience Period Claims.

- a. Please confirm that all claims which are capitated have been removed from the experience period claims.
- b. Please confirm that all non-EHB claims have been removed from the experience period claims.
- c. How are drug rebates projected to change from the base period to the rating period? How has this change been reflected in the rate development?

Answer 2.

- a. I confirm that all claims which are capitated have been removed from the experience period claims.
- b. I confirm that all non-EHB claims have been removed from the experience period claims.
- c. Drug rebates are projected to be trended at the drug trend. This change has been reflected in the rate development in Exhibit G_PdtoAll. Paid and allowed claims are net of rebates similar to the URRT.

Question 3 – COVID.

- a. Please confirm that Tables 2-4 of the PAAM Exhibits do not have any COVID adjustment. Additionally, please confirm that any COVID adjustment factor in the filing is reflected in Table 5 of the PAAM Exhibits.
- b. If there is a COVID adjustment other than 1.0, please provide a quantitative exhibit supporting the factor.

Answer 3.

- a. I confirm that Tables 2-4 of the PAAM Exhibits do not have any COVID adjustment. I also confirm that any COVID adjustment factor in the filing is reflected in Table 5 of the PAAM Exhibits.
- b. There are no adjustments in the rate dev due to COVID.

Question 4 – Trend.

a. [SG Only] If the Total Annual Trend in Table 3 (weighted by credibility) and the Annual Trend used to calculate quarterly rates in Table 5A differ, please provide an explanation and exhibit in support of the variation.

b. [SG Only] In Table 5A, if cells K32:M32 are left to equal J32, please explain why that is a reasonable assumption.

Answer 4.

- a. The Total Annual Trend in Table 3 (weighted by credibility) and the Annual Trend used to calculate the quarterly rates in Table 5A do not differ.
- Because the year 1 and year 2 trends are almost identical, Capital assumes the year 3 trend will be similar to the year 1 and year 2 trends. Therefore, the trend amounts in cells K32:M32 of Table 5A can reasonably remain equal to J32.

Question 5 – Retention.

- a. Please confirm that the federal income tax is calculated using a Federal Income Tax Rate of 21%. If other adjustments were made in Table 6, cell C57, please provide a demonstration of how this number was calculated and an explanation of the other adjustments included in the calculation.
- b. Please confirm that the Risk Adjustment User Fee PMPM is consistent with HHS Final Notice of Benefit and Payment Parameters for plan year 2024.
- c. Please provide an exhibit showing the commission PMPM amount to be paid to brokers in the following situations: Open-Enrollment Enrollee – Renewing, Open Enrollment Enrollee – New, Special Enrollment Period Enrollee – New, Special Enrollment Enrollee – Renewing. If the commission PMPM is not consistent between the four options above, please provide a detailed explanation as to the reason for the difference.

Answer 5.

- a. I confirm that the federal income tax in calculated using a Federal Income Tax Rate of 21%.
- b. I confirm that the Risk Adjustment User Fee PMPM is consistent with the HHS Final Notice of Benefit and Payment Parameters for plan year 2024.
- c. N/A for Small Group

Question 6 – Pricing AVs.

- a. Please confirm that the Pricing AVs were calculated using a single risk pool (i.e., claims experience is not separated by metal level).
- b. Please identify and support any differences between the company's metallic AV calculator results and the corresponding Pricing AVs.

Answer 6.

- a. I confirm that the Pricing AVs were calculated using a single risk pool.
- b. Capital uses Milliman, Inc. Health Cost Guidelines Commercial Rating Structures (for active employees) to develop benefit relativities, which translate into pricing AVs. Below, I am pulling from Milliman's methodology description. Anything in quotations is directly from Milliman, Inc.

"Milliman utilizes an enrollment and utilization database of full medical and prescription drug claims experience for over 78 million lives, of which approximately 41 million lives were selected and used as the primary source in developing the [model]. Other sources

include a database of inpatient admission representing a large percentage of all admissions nationwide, retail pharmacy information, and other reference data sources." CBC adjusts nationwide data to CBC's average costs and contracting in our service area.

Capital uses the actuarial cost model noted above to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on cumulative probability distributions (CPDs), where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.

The reference to actuarial judgment in the memorandum is a general statement to show that the model is evaluated regularly to ensure pricing relativities are reasonable. For this filing, all pricing AVs are developed in the Milliman model.

The pricing AV is calculated relative to the paid-to-allowed ratio. It is important to note that the average pricing AV in Table 10 matches the pricing AV calculated in Exhibit G, so rates are not inflated. Relativities are developed from Capital's manual cost model.

Question 7 – Expanded Bronze Plans. Please provide an exhibit which demonstrates that the criteria for expanded bronze plans have been met.

Answer 7. Please see the following file for an exhibit which demonstrates that expanded bronze plans have been met.

"SG_23-52_Initial_KHP_HMO_ExpandedBronze_Supporting_20230517.xlsx"

Question 8 – PAAM Exhibits – Consumer Factors.

- a. Please provide quantitative and qualitative support for the proposed geographic rating area factors, if different from the previous year.
- b. Please provide quantitative and qualitative support for the proposed network factors, if different from the previous year.

Answer 8.

- a. The proposed 2024 geographic rating area factors are unchanged from the 2023 factors.
- b. The proposed 2024 network factors are unchanged from the 2023 factors.

Question 9 – Public Health Emergency.

a. With the Public Health Emergency expected to end on May 11th, how has the rate development been affected? Please provide support for any adjustments, or support for making no adjustments, if applicable.

- b. Furthermore, with the Public Health Emergency scheduled to end on May 11th, has any adjustment been made specifically to the morbidity assumption for Plan Year 2024?
- c. Please provide commentary on how the Company believes services such as COVID vaccinations and COVID testing will be handled in PY24. Within your response please clarify if these services will be considered preventative and covered at 100%.

Answer 9.

- a. The rate development has no adjustments due to the Public Health Emergency ending. The ending of the Public Health Emergency is expected to not impact Small Group.
- b. No adjustments were made to the morbidity assumption for Plan Year 2024.
- c. Beginning with the end of the PHE, Capital will revert to handling COVID testing by application of normal benefits and cost sharing. Coverage for OTC COVID tests will be discontinued. COVID vaccinations will be covered as part of the preventive benefit at 100%.

Question 10 – MLR Exhibit.

- a. Please complete table below which summarizes the most recent three years of complete MLR information.
 - i. Actual is the final information which was filed for the specified calendar year
 - ii. Pricing is the information which was projected in the final annual filing for the given year (i.e., 2020 pricing information is from the plan year 2020 annual filing submitted in 2019)
- b. Are the MLRs and Member Months between Actual and Pricing comparable? If not, explain.
- c. Does the insurer expect to pay MLR rebates for the 3-year period above?

Answer 10.

a. The MLR Exhibit is below:

	MLR	Member Months			
Calendar Year	Actual	Pricing	Actual	Pricing	
2019	89.27%	81.67%	1,145	1,514	
2020	86.92%	80.33%	888	1,140	
2021	62.60%	80.92%	1,183	766	

- b. Most of the difference between actual and pricing is due to the small enrollment in KHP. For example, in 2021, KHP saw an unexpected increase in membership of approximately 50% causing a better than projected MLR.
- c. KHPC does not expect to refund any MLR rebates in the BEP.

Question 11 – Plan of Withdrawal.

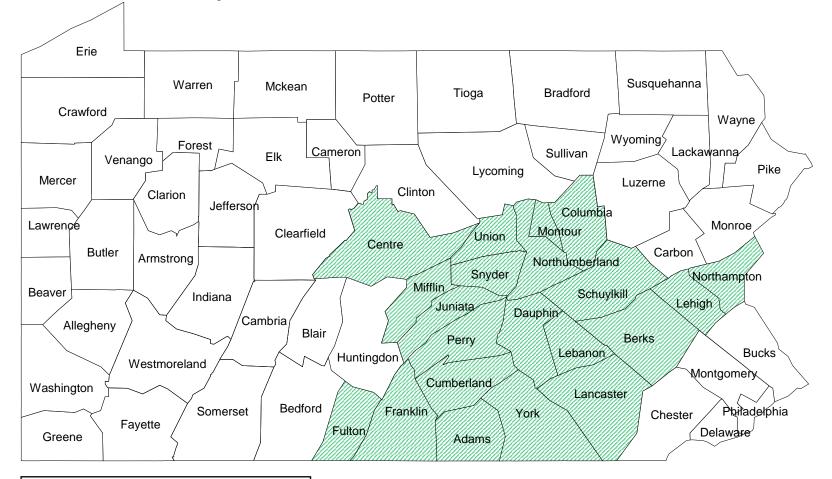
a. Please confirm that a Plan of Withdrawal has been submitted if any plans are being discontinued. For further information regarding the Plan of Withdrawal process, click here. Please send all Plan of Withdrawals to Jeffery Rohaly, wrohaly@pa.gov.

Answer 11.

a. I confirm that a Plan of Withdrawal has been submitted for discontinued plans.

2023 Service Area

Issuer: 53789 Market: Small Group



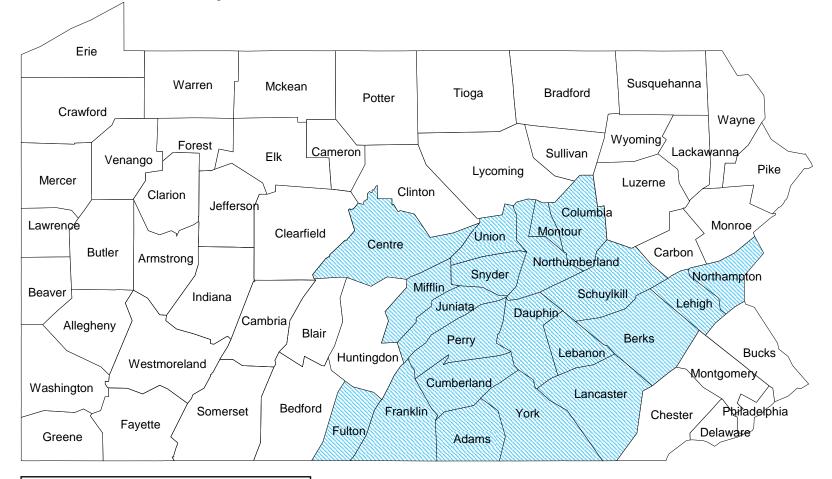
Key (modify as needed)

: 2023 on-exchange service area

: 2023 off-exchange only service area

2024 Service Area

Issuer: 53789 Market: Small Group



Key (modify as needed)

: 2024 on-exchange service area

: 2024 off-exchange only service area