

Attachment I

Rate Change Summary

UPMC Health Options, Inc. – Small Group Plans

Rate request filing ID UPMC-132801371 - This document is prepared by the insurance company submitting the rate filing as a consumer tool to help explain the rate filing. It is not intended to describe or include all factors or information considered in the review process. For more information, see the filing at <https://www.insurance.pa.gov/Consumers/HealthInsuranceFilings/Pages/ACA-Health-Rate-Filings.aspx>

Overview

Initial requested average rate change:	8.75% ¹
Revised requested average rate change:	N/A ¹
Range of requested rate change:	6.73% to 11.36%
Effective date:	1/1/2022
Mapped Members:	127,073
Available in:	Rating Areas 1, 2, 3, 4, 5, 6, 7, 9

Key information

Jan. 2020-Dec. 2020 financial experience

Premiums	\$582,097,496
Claims	\$612,573,475
Administrative expenses	\$ 49,692,394
Taxes & fees	\$ 10,683,912
Company made (after taxes)	\$ (90,852,285)

How it plans to spend your premium

This is how the insurance company plans to spend the premium it collects in 2022:

Claims:	89.93%
Administrative:	9.97%
Taxes & fees:	0.10%
Profit:	0.00%

The company expects its annual medical costs to increase **5.01%**.

Explanation of requested rate change

Increasing cost and utilization trends; Less favorable anticipated Risk Adjustment transfer relative to the prior year.

¹ Note that the Initial requested average rate change reflects the insurer's rate change request, in July, after they have received updated information about the impact of a federal program called risk adjustment and finalization of the reinsurance program parameters.