

Highmark Coverage Advantage – Small Group Plans

Rate request filing ID # **HGHM-130535903** - 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 <http://www.insurance.pa.gov/Consumers/ACARelatedFilings/>

Overview

Requested average rate change:	-3.83%
Range of requested rate change:	-12.6% to -1.6%
Effective date:	January 1, 2017
People impacted:	1,927
Available in:	1, 2, 4, 5, 6 (Western, PA Regions)

Key information

Jan. 2015-Dec. 2015 financial experience

Premiums	\$10,926,860
Claims	\$8,148,283
Administrative expenses	\$792,908
Company made (before taxes)	\$1,985,669

The company expects its annual medical costs to increase **10.2%**.

How it plans to spend your premium

This is how the insurance company plans to spend the premium it collects in 2017:

Claims:	87.6%
Administrative:	8.0%
Taxes & fees:	1.4%
Profit:	3.0%

Explanation of requested rate change

The primary driver of the rate decrease was a decrease in the projected claim costs for 2017 versus 2016.