

SERFF Tracking #:

CABC-130539615

State Tracking #:

CABC-130539615

Company Tracking #:

16-44

State: Pennsylvania

Filing Company:

Capital Advantage Insurance Company

TOI/Sub-TOI: H15G Group Health - Hospital/Surgical/Medical Expense/H15G.003 Small Group Only

Product Name: Rates - CAIC Small Group PPOG

Project Name/Number: /

## Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Federal Rate Template		New		SG_16-44_Revised_CAIC_PP O_FedRatesTemplate_ RateRule_20160816.p df, SG_16-44_Revised_CAIC_PP O_FedRatesTemplate_ RateRule_20160816.xl s,
2		Rates and PA Plan Design		New		SG_16-44_Revised_CAIC_PP O_PIDRates_RateRule_ _20160816.pdf, SG_16-44_Revised_CAIC_PP O_PIDRates_RateRule_ _20160816.xlsx,

State:	Pennsylvania	Filing Company:	Capital Advantage Insurance Company
TOI/Sub-TOI:	H15G Group Health - Hospital/Surgical/Medical Expense/H15G.003 Small Group Only		
Product Name:	Rates - CAIC Small Group PPOG		
Project Name/Number:	/		

***Attachment SG\_16-44\_Revised\_CAIC\_PPO\_FedRatesTemplate\_RateRule\_20160816.xls is not a PDF document and cannot be reproduced here.***

***Attachment SG\_16-44\_Revised\_CAIC\_PPO\_PIDRates\_RateRule\_20160816.xlsx is not a PDF document and cannot be reproduced here.***

2017 Rates Table Template v6.0		All fields with an asterisk ( * ) are required. To validate press Validate button or Ctrl + Shift + I. To finalize, press Finalize button or Ctrl + Shift + F.		
		If you are a community rating state, select Family Option under Age and fill in all columns.		
		If you are not community rating state, select 0-20 under Age and provide an Individual Rate for every age band.		
		If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.		
		To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.		
HIOS Issuer ID*	82795			
Federal TIN*	23-2195219			
Rate Effective Date*	1/1/2017			
Rate Expiration Date*	3/31/2017			
Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	Required: Select the Rating Area ID	Require: Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan	Required: Select the age of a subscriber eligible for the rate	Required: Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan
82795PA0110006	Rating Area 9	No Preference	0-20	222.33
82795PA0110006	Rating Area 9	No Preference	21	350.12
82795PA0110006	Rating Area 9	No Preference	22	350.12
82795PA0110006	Rating Area 9	No Preference	23	350.12
82795PA0110006	Rating Area 9	No Preference	24	350.12
82795PA0110006	Rating Area 9	No Preference	25	351.52
82795PA0110006	Rating Area 9	No Preference	26	358.52
82795PA0110006	Rating Area 9	No Preference	27	366.93
82795PA0110006	Rating Area 9	No Preference	28	380.58
82795PA0110006	Rating Area 9	No Preference	29	391.78
82795PA0110006	Rating Area 9	No Preference	30	397.39
82795PA0110006	Rating Area 9	No Preference	31	405.79
82795PA0110006	Rating Area 9	No Preference	32	414.19
82795PA0110006	Rating Area 9	No Preference	33	419.44
82795PA0110006	Rating Area 9	No Preference	34	425.05
82795PA0110006	Rating Area 9	No Preference	35	427.85
82795PA0110006	Rating Area 9	No Preference	36	430.65
82795PA0110006	Rating Area 9	No Preference	37	433.45
82795PA0110006	Rating Area 9	No Preference	38	436.25
82795PA0110006	Rating Area 9	No Preference	39	441.85
82795PA0110006	Rating Area 9	No Preference	40	447.45
82795PA0110006	Rating Area 9	No Preference	41	455.86
82795PA0110006	Rating Area 9	No Preference	42	463.91
82795PA0110006	Rating Area 9	No Preference	43	475.11
82795PA0110006	Rating Area 9	No Preference	44	489.12
82795PA0110006	Rating Area 9	No Preference	45	505.57
82795PA0110006	Rating Area 9	No Preference	46	525.18
82795PA0110006	Rating Area 9	No Preference	47	547.24
82795PA0110006	Rating Area 9	No Preference	48	572.45
82795PA0110006	Rating Area 9	No Preference	49	597.30
82795PA0110006	Rating Area 9	No Preference	50	625.31
82795PA0110006	Rating Area 9	No Preference	51	652.97
82795PA0110006	Rating Area 9	No Preference	52	683.43
82795PA0110006	Rating Area 9	No Preference	53	714.24
82795PA0110006	Rating Area 9	No Preference	54	747.51
82795PA0110006	Rating Area 9	No Preference	55	780.77
82795PA0110006	Rating Area 9	No Preference	56	816.83

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82795PA0110006	Rating Area 9	No Preference	57	853.24
82795PA0110006	Rating Area 9	No Preference	58	892.11
82795PA0110006	Rating Area 9	No Preference	59	911.36
82795PA0110006	Rating Area 9	No Preference	60	950.23
82795PA0110006	Rating Area 9	No Preference	61	983.84
82795PA0110006	Rating Area 9	No Preference	62	1005.89
82795PA0110006	Rating Area 9	No Preference	63	1033.55
82795PA0110006	Rating Area 9	No Preference	64	1050.35
82795PA0110006	Rating Area 9	No Preference	65 and over	1050.35
82795PA0110007	Rating Area 9	No Preference	0-20	187.81
82795PA0110007	Rating Area 9	No Preference	21	295.76
82795PA0110007	Rating Area 9	No Preference	22	295.76
82795PA0110007	Rating Area 9	No Preference	23	295.76
82795PA0110007	Rating Area 9	No Preference	24	295.76
82795PA0110007	Rating Area 9	No Preference	25	296.94
82795PA0110007	Rating Area 9	No Preference	26	302.86
82795PA0110007	Rating Area 9	No Preference	27	309.96
82795PA0110007	Rating Area 9	No Preference	28	321.49
82795PA0110007	Rating Area 9	No Preference	29	330.96
82795PA0110007	Rating Area 9	No Preference	30	335.69
82795PA0110007	Rating Area 9	No Preference	31	342.79
82795PA0110007	Rating Area 9	No Preference	32	349.88
82795PA0110007	Rating Area 9	No Preference	33	354.32
82795PA0110007	Rating Area 9	No Preference	34	359.05
82795PA0110007	Rating Area 9	No Preference	35	361.42
82795PA0110007	Rating Area 9	No Preference	36	363.78
82795PA0110007	Rating Area 9	No Preference	37	366.15
82795PA0110007	Rating Area 9	No Preference	38	368.52
82795PA0110007	Rating Area 9	No Preference	39	373.25
82795PA0110007	Rating Area 9	No Preference	40	377.98
82795PA0110007	Rating Area 9	No Preference	41	385.08
82795PA0110007	Rating Area 9	No Preference	42	391.88
82795PA0110007	Rating Area 9	No Preference	43	401.35
82795PA0110007	Rating Area 9	No Preference	44	413.18
82795PA0110007	Rating Area 9	No Preference	45	427.08
82795PA0110007	Rating Area 9	No Preference	46	443.64
82795PA0110007	Rating Area 9	No Preference	47	462.27
82795PA0110007	Rating Area 9	No Preference	48	483.57
82795PA0110007	Rating Area 9	No Preference	49	504.57
82795PA0110007	Rating Area 9	No Preference	50	528.23
82795PA0110007	Rating Area 9	No Preference	51	551.59
82795PA0110007	Rating Area 9	No Preference	52	577.32

HIOS Issuer ID* Federal TIN* Rate Effective Date* Rate Expiration Date*	82795			
	23-2195219			
	1/1/2017			
	3/31/2017			
Plan ID*Rating Area ID*Tobacco*Age*Individual Rate*				
Required:Required:Require:Required:Required: Enter the 14-character Plan IDSelect the Rating Area IDSelect if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a planSelect the age of a subscriber eligible for the rateEnter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan				
82795PA0110007	Rating Area 9	No Preference	53	603.35
	Rating Area 9	No Preference	54	631.45
	Rating Area 9	No Preference	55	659.54
	Rating Area 9	No Preference	56	690.01
	Rating Area 9	No Preference	57	720.77
	Rating Area 9	No Preference	58	753.60
	Rating Area 9	No Preference	59	769.86
	Rating Area 9	No Preference	60	802.69
	Rating Area 9	No Preference	61	831.09
	Rating Area 9	No Preference	62	849.72
	Rating Area 9	No Preference	63	873.08
	Rating Area 9	No Preference	64	887.27
	Rating Area 9	No Preference	65 and over	887.27

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HIOS Issuer ID*  Federal TIN* Rate Effective Date* Rate Expiration Date*	82795			
	23-2195219			
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Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	Required: Select the Rating Area ID	Require: Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan	Required: Select the age of a subscriber eligible for the rate	Required: Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan
82795PA0110006	Rating Area 9	No Preference	0-20	226.76
82795PA0110006	Rating Area 9	No Preference	21	357.11
82795PA0110006	Rating Area 9	No Preference	22	357.11
82795PA0110006	Rating Area 9	No Preference	23	357.11
82795PA0110006	Rating Area 9	No Preference	24	357.11
82795PA0110006	Rating Area 9	No Preference	25	358.54
82795PA0110006	Rating Area 9	No Preference	26	365.68
82795PA0110006	Rating Area 9	No Preference	27	374.25
82795PA0110006	Rating Area 9	No Preference	28	388.18
82795PA0110006	Rating Area 9	No Preference	29	399.61
82795PA0110006	Rating Area 9	No Preference	30	405.32
82795PA0110006	Rating Area 9	No Preference	31	413.89
82795PA0110006	Rating Area 9	No Preference	32	422.46
82795PA0110006	Rating Area 9	No Preference	33	427.82
82795PA0110006	Rating Area 9	No Preference	34	433.53
82795PA0110006	Rating Area 9	No Preference	35	436.39
82795PA0110006	Rating Area 9	No Preference	36	439.25
82795PA0110006	Rating Area 9	No Preference	37	442.10
82795PA0110006	Rating Area 9	No Preference	38	444.96
82795PA0110006	Rating Area 9	No Preference	39	450.67
82795PA0110006	Rating Area 9	No Preference	40	456.39
82795PA0110006	Rating Area 9	No Preference	41	464.96
82795PA0110006	Rating Area 9	No Preference	42	473.17
82795PA0110006	Rating Area 9	No Preference	43	484.60
82795PA0110006	Rating Area 9	No Preference	44	498.88
82795PA0110006	Rating Area 9	No Preference	45	515.67
82795PA0110006	Rating Area 9	No Preference	46	535.66
82795PA0110006	Rating Area 9	No Preference	47	558.16
82795PA0110006	Rating Area 9	No Preference	48	583.87
82795PA0110006	Rating Area 9	No Preference	49	609.23
82795PA0110006	Rating Area 9	No Preference	50	637.80
82795PA0110006	Rating Area 9	No Preference	51	666.01
82795PA0110006	Rating Area 9	No Preference	52	697.08
82795PA0110006	Rating Area 9	No Preference	53	728.50
82795PA0110006	Rating Area 9	No Preference	54	762.43
82795PA0110006	Rating Area 9	No Preference	55	796.36
82795PA0110006	Rating Area 9	No Preference	56	833.14



HIOS Issuer ID*	82795			
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82795PA0110006	Rating Area 9	No Preference	57	870.28
82795PA0110006	Rating Area 9	No Preference	58	909.92
82795PA0110006	Rating Area 9	No Preference	59	929.56
82795PA0110006	Rating Area 9	No Preference	60	969.20
82795PA0110006	Rating Area 9	No Preference	61	1003.48
82795PA0110006	Rating Area 9	No Preference	62	1025.98
82795PA0110006	Rating Area 9	No Preference	63	1054.19
82795PA0110006	Rating Area 9	No Preference	64	1071.32
82795PA0110006	Rating Area 9	No Preference	65 and over	1071.32
82795PA0110007	Rating Area 9	No Preference	0-20	191.55
82795PA0110007	Rating Area 9	No Preference	21	301.66
82795PA0110007	Rating Area 9	No Preference	22	301.66
82795PA0110007	Rating Area 9	No Preference	23	301.66
82795PA0110007	Rating Area 9	No Preference	24	301.66
82795PA0110007	Rating Area 9	No Preference	25	302.87
82795PA0110007	Rating Area 9	No Preference	26	308.90
82795PA0110007	Rating Area 9	No Preference	27	316.14
82795PA0110007	Rating Area 9	No Preference	28	327.90
82795PA0110007	Rating Area 9	No Preference	29	337.56
82795PA0110007	Rating Area 9	No Preference	30	342.38
82795PA0110007	Rating Area 9	No Preference	31	349.62
82795PA0110007	Rating Area 9	No Preference	32	356.86
82795PA0110007	Rating Area 9	No Preference	33	361.39
82795PA0110007	Rating Area 9	No Preference	34	366.22
82795PA0110007	Rating Area 9	No Preference	35	368.63
82795PA0110007	Rating Area 9	No Preference	36	371.04
82795PA0110007	Rating Area 9	No Preference	37	373.46
82795PA0110007	Rating Area 9	No Preference	38	375.87
82795PA0110007	Rating Area 9	No Preference	39	380.69
82795PA0110007	Rating Area 9	No Preference	40	385.52
82795PA0110007	Rating Area 9	No Preference	41	392.76
82795PA0110007	Rating Area 9	No Preference	42	399.70
82795PA0110007	Rating Area 9	No Preference	43	409.35
82795PA0110007	Rating Area 9	No Preference	44	421.42
82795PA0110007	Rating Area 9	No Preference	45	435.60
82795PA0110007	Rating Area 9	No Preference	46	452.49
82795PA0110007	Rating Area 9	No Preference	47	471.49
82795PA0110007	Rating Area 9	No Preference	48	493.21
82795PA0110007	Rating Area 9	No Preference	49	514.63
82795PA0110007	Rating Area 9	No Preference	50	538.76
82795PA0110007	Rating Area 9	No Preference	51	562.60
82795PA0110007	Rating Area 9	No Preference	52	588.84

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82795PA0110006	Rating Area 9	No Preference	0-20	231.29
82795PA0110006	Rating Area 9	No Preference	21	364.24
82795PA0110006	Rating Area 9	No Preference	22	364.24
82795PA0110006	Rating Area 9	No Preference	23	364.24
82795PA0110006	Rating Area 9	No Preference	24	364.24
82795PA0110006	Rating Area 9	No Preference	25	365.70
82795PA0110006	Rating Area 9	No Preference	26	372.98
82795PA0110006	Rating Area 9	No Preference	27	381.72
82795PA0110006	Rating Area 9	No Preference	28	395.93
82795PA0110006	Rating Area 9	No Preference	29	407.58
82795PA0110006	Rating Area 9	No Preference	30	413.41
82795PA0110006	Rating Area 9	No Preference	31	422.15
82795PA0110006	Rating Area 9	No Preference	32	430.90
82795PA0110006	Rating Area 9	No Preference	33	436.36
82795PA0110006	Rating Area 9	No Preference	34	442.19
82795PA0110006	Rating Area 9	No Preference	35	445.10
82795PA0110006	Rating Area 9	No Preference	36	448.02
82795PA0110006	Rating Area 9	No Preference	37	450.93
82795PA0110006	Rating Area 9	No Preference	38	453.84
82795PA0110006	Rating Area 9	No Preference	39	459.67
82795PA0110006	Rating Area 9	No Preference	40	465.50
82795PA0110006	Rating Area 9	No Preference	41	474.24
82795PA0110006	Rating Area 9	No Preference	42	482.62
82795PA0110006	Rating Area 9	No Preference	43	494.27
82795PA0110006	Rating Area 9	No Preference	44	508.84
82795PA0110006	Rating Area 9	No Preference	45	525.96
82795PA0110006	Rating Area 9	No Preference	46	546.36
82795PA0110006	Rating Area 9	No Preference	47	569.31
82795PA0110006	Rating Area 9	No Preference	48	595.53
82795PA0110006	Rating Area 9	No Preference	49	621.39
82795PA0110006	Rating Area 9	No Preference	50	650.53
82795PA0110006	Rating Area 9	No Preference	51	679.31
82795PA0110006	Rating Area 9	No Preference	52	711.00
82795PA0110006	Rating Area 9	No Preference	53	743.05
82795PA0110006	Rating Area 9	No Preference	54	777.65
82795PA0110006	Rating Area 9	No Preference	55	812.26
82795PA0110006	Rating Area 9	No Preference	56	849.77

HIOS Issuer ID*	82795			
	Federal TIN*	23-2195219		
	Rate Effective Date*	7/1/2017		
	Rate Expiration Date*	9/30/2017		
Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	Required: Select the Rating Area ID	Require: Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan	Required: Select the age of a subscriber eligible for the rate	Required: Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan
82795PA0110006	Rating Area 9	No Preference	57	887.65
82795PA0110006	Rating Area 9	No Preference	58	928.08
82795PA0110006	Rating Area 9	No Preference	59	948.12
82795PA0110006	Rating Area 9	No Preference	60	988.55
82795PA0110006	Rating Area 9	No Preference	61	1023.51
82795PA0110006	Rating Area 9	No Preference	62	1046.46
82795PA0110006	Rating Area 9	No Preference	63	1075.24
82795PA0110006	Rating Area 9	No Preference	64	1092.71
82795PA0110006	Rating Area 9	No Preference	65 and over	1092.71
82795PA0110007	Rating Area 9	No Preference	0-20	195.38
82795PA0110007	Rating Area 9	No Preference	21	307.68
82795PA0110007	Rating Area 9	No Preference	22	307.68
82795PA0110007	Rating Area 9	No Preference	23	307.68
82795PA0110007	Rating Area 9	No Preference	24	307.68
82795PA0110007	Rating Area 9	No Preference	25	308.91
82795PA0110007	Rating Area 9	No Preference	26	315.06
82795PA0110007	Rating Area 9	No Preference	27	322.45
82795PA0110007	Rating Area 9	No Preference	28	334.45
82795PA0110007	Rating Area 9	No Preference	29	344.29
82795PA0110007	Rating Area 9	No Preference	30	349.22
82795PA0110007	Rating Area 9	No Preference	31	356.60
82795PA0110007	Rating Area 9	No Preference	32	363.99
82795PA0110007	Rating Area 9	No Preference	33	368.60
82795PA0110007	Rating Area 9	No Preference	34	373.52
82795PA0110007	Rating Area 9	No Preference	35	375.98
82795PA0110007	Rating Area 9	No Preference	36	378.45
82795PA0110007	Rating Area 9	No Preference	37	380.91
82795PA0110007	Rating Area 9	No Preference	38	383.37
82795PA0110007	Rating Area 9	No Preference	39	388.29
82795PA0110007	Rating Area 9	No Preference	40	393.22
82795PA0110007	Rating Area 9	No Preference	41	400.60
82795PA0110007	Rating Area 9	No Preference	42	407.68
82795PA0110007	Rating Area 9	No Preference	43	417.52
82795PA0110007	Rating Area 9	No Preference	44	429.83
82795PA0110007	Rating Area 9	No Preference	45	444.29
82795PA0110007	Rating Area 9	No Preference	46	461.52
82795PA0110007	Rating Area 9	No Preference	47	480.90
82795PA0110007	Rating Area 9	No Preference	48	503.06
82795PA0110007	Rating Area 9	No Preference	49	524.90
82795PA0110007	Rating Area 9	No Preference	50	549.52
82795PA0110007	Rating Area 9	No Preference	51	573.82
82795PA0110007	Rating Area 9	No Preference	52	600.59

HIOS Issuer ID* Federal TIN* Rate Effective Date* Rate Expiration Date*	82795			
	23-2195219			
	7/1/2017			
	9/30/2017			
<div><div>Plan ID*</div><div>Required: Enter the 14-character Plan ID</div></div> <div><div>Rating Area ID*</div><div>Required: Select the Rating Area ID</div></div> <div><div>Tobacco*</div><div>Require: Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan</div></div> <div><div>Age*</div><div>Required: Select the age of a subscriber eligible for the rate</div></div> <div><div>Individual Rate*</div><div>Required: Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan</div></div>				
	82795PA0110007	Rating Area 9	No Preference	53627.67
	82795PA0110007	Rating Area 9	No Preference	54656.90
	82795PA0110007	Rating Area 9	No Preference	55686.13
	82795PA0110007	Rating Area 9	No Preference	56717.82
	82795PA0110007	Rating Area 9	No Preference	57749.82
	82795PA0110007	Rating Area 9	No Preference	58783.97
	82795PA0110007	Rating Area 9	No Preference	59800.89
	82795PA0110007	Rating Area 9	No Preference	60835.04
	82795PA0110007	Rating Area 9	No Preference	61864.58
	82795PA0110007	Rating Area 9	No Preference	62883.96
	82795PA0110007	Rating Area 9	No Preference	63908.27
	82795PA0110007	Rating Area 9	No Preference	64923.03
	82795PA0110007	Rating Area 9	No Preference	65 and over923.03
	82795PA0110007	Rating Area 9	No Preference	

2017 Rates Table Template v6.0		All fields with an asterisk ( * ) are required. To validate press Validate button or Ctrl + Shift + I. To finalize, press Finalize button or Ctrl + Shift + F.		
		If you are a community rating state, select Family Option under Age and fill in all columns.		
		If you are not community rating state, select 0-20 under Age and provide an Individual Rate for every age band.		
		If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.		
		To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.		
HIOS Issuer ID*  Federal TIN* Rate Effective Date* Rate Expiration Date*	82795			
	23-2195219			
	10/1/2017			
	12/31/2017			
Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	Required: Select the Rating Area ID	Require: Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan	Required: Select the age of a subscriber eligible for the rate	Required: Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan
82795PA0110006	Rating Area 9	No Preference	0-20	235.92
82795PA0110006	Rating Area 9	No Preference	21	371.52
82795PA0110006	Rating Area 9	No Preference	22	371.52
82795PA0110006	Rating Area 9	No Preference	23	371.52
82795PA0110006	Rating Area 9	No Preference	24	371.52
82795PA0110006	Rating Area 9	No Preference	25	373.01
82795PA0110006	Rating Area 9	No Preference	26	380.44
82795PA0110006	Rating Area 9	No Preference	27	389.35
82795PA0110006	Rating Area 9	No Preference	28	403.84
82795PA0110006	Rating Area 9	No Preference	29	415.73
82795PA0110006	Rating Area 9	No Preference	30	421.68
82795PA0110006	Rating Area 9	No Preference	31	430.59
82795PA0110006	Rating Area 9	No Preference	32	439.51
82795PA0110006	Rating Area 9	No Preference	33	445.08
82795PA0110006	Rating Area 9	No Preference	34	451.03
82795PA0110006	Rating Area 9	No Preference	35	454.00
82795PA0110006	Rating Area 9	No Preference	36	456.97
82795PA0110006	Rating Area 9	No Preference	37	459.94
82795PA0110006	Rating Area 9	No Preference	38	462.91
82795PA0110006	Rating Area 9	No Preference	39	468.86
82795PA0110006	Rating Area 9	No Preference	40	474.80
82795PA0110006	Rating Area 9	No Preference	41	483.72
82795PA0110006	Rating Area 9	No Preference	42	492.26
82795PA0110006	Rating Area 9	No Preference	43	504.15
82795PA0110006	Rating Area 9	No Preference	44	519.01
82795PA0110006	Rating Area 9	No Preference	45	536.47
82795PA0110006	Rating Area 9	No Preference	46	557.28
82795PA0110006	Rating Area 9	No Preference	47	580.69
82795PA0110006	Rating Area 9	No Preference	48	607.44
82795PA0110006	Rating Area 9	No Preference	49	633.81
82795PA0110006	Rating Area 9	No Preference	50	663.53
82795PA0110006	Rating Area 9	No Preference	51	692.88
82795PA0110006	Rating Area 9	No Preference	52	725.21
82795PA0110006	Rating Area 9	No Preference	53	757.90
82795PA0110006	Rating Area 9	No Preference	54	793.20
82795PA0110006	Rating Area 9	No Preference	55	828.49
82795PA0110006	Rating Area 9	No Preference	56	866.76

HIOS Issuer ID*	82795			
Federal TIN*	23-2195219			
Rate Effective Date*	10/1/2017			
Rate Expiration Date*	12/31/2017			
Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	Required: Select the Rating Area ID	Require: Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan	Required: Select the age of a subscriber eligible for the rate	Required: Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan
82795PA0110006	Rating Area 9	No Preference	57	905.39
82795PA0110006	Rating Area 9	No Preference	58	946.63
82795PA0110006	Rating Area 9	No Preference	59	967.07
82795PA0110006	Rating Area 9	No Preference	60	1008.31
82795PA0110006	Rating Area 9	No Preference	61	1043.97
82795PA0110006	Rating Area 9	No Preference	62	1067.38
82795PA0110006	Rating Area 9	No Preference	63	1096.73
82795PA0110006	Rating Area 9	No Preference	64	1114.55
82795PA0110006	Rating Area 9	No Preference	65 and over	1114.55
82795PA0110007	Rating Area 9	No Preference	0-20	199.28
82795PA0110007	Rating Area 9	No Preference	21	313.82
82795PA0110007	Rating Area 9	No Preference	22	313.82
82795PA0110007	Rating Area 9	No Preference	23	313.82
82795PA0110007	Rating Area 9	No Preference	24	313.82
82795PA0110007	Rating Area 9	No Preference	25	315.08
82795PA0110007	Rating Area 9	No Preference	26	321.35
82795PA0110007	Rating Area 9	No Preference	27	328.88
82795PA0110007	Rating Area 9	No Preference	28	341.12
82795PA0110007	Rating Area 9	No Preference	29	351.16
82795PA0110007	Rating Area 9	No Preference	30	356.19
82795PA0110007	Rating Area 9	No Preference	31	363.72
82795PA0110007	Rating Area 9	No Preference	32	371.25
82795PA0110007	Rating Area 9	No Preference	33	375.96
82795PA0110007	Rating Area 9	No Preference	34	380.98
82795PA0110007	Rating Area 9	No Preference	35	383.49
82795PA0110007	Rating Area 9	No Preference	36	386.00
82795PA0110007	Rating Area 9	No Preference	37	388.51
82795PA0110007	Rating Area 9	No Preference	38	391.02
82795PA0110007	Rating Area 9	No Preference	39	396.04
82795PA0110007	Rating Area 9	No Preference	40	401.06
82795PA0110007	Rating Area 9	No Preference	41	408.59
82795PA0110007	Rating Area 9	No Preference	42	415.81
82795PA0110007	Rating Area 9	No Preference	43	425.85
82795PA0110007	Rating Area 9	No Preference	44	438.41
82795PA0110007	Rating Area 9	No Preference	45	453.16
82795PA0110007	Rating Area 9	No Preference	46	470.73
82795PA0110007	Rating Area 9	No Preference	47	490.50
82795PA0110007	Rating Area 9	No Preference	48	513.10
82795PA0110007	Rating Area 9	No Preference	49	535.38
82795PA0110007	Rating Area 9	No Preference	50	560.48
82795PA0110007	Rating Area 9	No Preference	51	585.27
82795PA0110007	Rating Area 9	No Preference	52	612.58



HIOS Issuer ID* Federal TIN* Rate Effective Date* Rate Expiration Date*	82795			
	23-2195219			
	10/1/2017			
	12/31/2017			
Plan ID*Rating Area ID*Tobacco*Age*Individual Rate*				
Required:Required:Require:Required:Required: Enter the 14-character Plan IDSelect the Rating Area IDSelect if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a planSelect the age of a subscriber eligible for the rateEnter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan				
82795PA0110007	Rating Area 9	No Preference	53	640.19
	Rating Area 9	No Preference	54	670.01
	Rating Area 9	No Preference	55	699.82
	Rating Area 9	No Preference	56	732.14
	Rating Area 9	No Preference	57	764.78
	Rating Area 9	No Preference	58	799.61
	Rating Area 9	No Preference	59	816.87
	Rating Area 9	No Preference	60	851.71
	Rating Area 9	No Preference	61	881.83
	Rating Area 9	No Preference	62	901.60
	Rating Area 9	No Preference	63	926.40
	Rating Area 9	No Preference	64	941.45
	Rating Area 9	No Preference	65 and over	941.45



2017 Rates Table Template v6.0	All fields with an asterisk ( * ) are required. To validate press Validate button or Ctrl + Shift + I. To finalize, press Finalize button or Ctrl + Shift + F.				
	If you are a community rating state, select Family Option under Age and fill in all columns.				
	If you are not community rating state, select 0-20 under Age and provide an Individual Rate for every age band.				
	If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.				
	To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.				
HIOS Issuer ID* Federal TIN* Rate Effective Date* Rate Expiration Date*	82795				
	23-2195219				
	1/1/2017				
	12/31/2017				
<div><div>Plan ID*</div><div>Required: Enter the 14-character Plan ID</div></div> <div><div>Rating Area ID*</div><div>Required: Select the Rating Area ID</div></div> <div><div>Tobacco*</div><div>Require: Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan</div></div> <div><div>Age*</div><div>Required: Select the age of a subscriber eligible for the rate</div></div> <div><div>Individual Rate*</div><div>Required: Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan</div></div> <div><div>Individual Tobacco Rate*</div><div>Required: Enter the rate of an Individual tobacco enrollee on a plan</div></div>					
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	0-20	197.86	197.86
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	21	311.59	319.38
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	22	311.59	319.38
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	23	311.59	319.38
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	24	311.59	319.38
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	25	312.84	320.66
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	26	319.07	327.05
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	27	326.55	334.71
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	28	338.7	347.17
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	29	348.67	357.39
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	30	353.66	362.5
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	31	361.13	370.16
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	32	368.61	377.83
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	33	373.29	382.62
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	34	378.27	387.73
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	35	380.76	390.28
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	36	383.26	392.84
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	37	385.75	395.39
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	38	388.24	397.95
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	39	393.23	403.06
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	40	398.21	428.08
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	41	405.69	436.12
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	42	412.86	443.82
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	43	422.83	454.54
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	44	435.29	467.94
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	45	449.94	494.93
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	46	467.39	514.12
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	47	487.02	535.72
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	48	509.45	560.4
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	49	531.57	584.73
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	50	556.5	639.98
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	51	581.12	668.28
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	52	608.22	699.46
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	53	635.64	730.99
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	54	665.25	765.03

HIOS Issuer ID* Federal TIN* Rate Effective Date* Rate Expiration Date*	82795				
	23-2195219				
	1/1/2017				
	12/31/2017				
<div><div>Plan ID*</div><div>Rating Area ID*</div><div>Tobacco*</div><div>Age*</div><div>Individual Rate*</div><div>Individual Tobacco Rate*</div></div>					
<div><div>Required: Enter the 14-character Plan ID</div><div>Required: Select the Rating Area ID</div><div>Require: Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan</div><div>Required: Select the age of a subscriber eligible for the rate</div><div>Required: Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan</div><div>Required: Enter the rate of an Individual tobacco enrollee on a plan</div></div>					
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	55	694.85	833.82
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	56	726.94	872.33
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	57	759.35	911.22
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	58	793.93	952.72
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	59	811.07	973.28
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	60	845.66	1057.07
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	61	875.57	1094.46
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	62	895.2	1119
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	63	919.82	1149.77
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	64	934.76	1168.46
82795PA0120001	Rating Area 9	Tobacco User/Non-Tobacco User	65 and over	934.76	1168.46

**Capital Advantage Insurance Company  
Small Group  
Plan Design Summary**

HIOS Plan ID	On/Off Exchange	Product	Metal	Plan Design Marketing Name	Network	Rating Area	Counties Excluded
82795PA0110006	Off	PPO	Gold	Gold CareConnect PinnacleHealth 1000/0/10   CareConnect Rx	PPO	9	Franklin, Fulton, Juniata, Lebanon
82795PA0110007	Off	PPO	Silver	Silver CareConnect PinnacleHealth 3000/0/35   CareConnect Rx	PPO	9	Franklin, Fulton, Juniata, Lebanon

Company Name:		Capital Advantage Insurance Company									
Market:		Small Group									
Product:		PPO									
Effective Date of Rates:		January 1, 2017					Ending date of Rates:				
							March 31, 2017				
HIOS Plan ID (On Exchange)=>		82795PA0110006					82795PA0110007				
HIOS Plan ID (Off Exchange)=>		82795PA0110006					82795PA0110007				
Form # =>		C17-CAIC-SPG					C17-CAIC-SPG				
Rating Area =>		9					9				
Counties Excluded in Rating Area =>		Franklin, Fulton, Juniata, Lebanon					Franklin, Fulton, Juniata, Lebanon				
Network =>		PPO					PPO				
Metal =>		Gold					Silver				
Plan Name =>		Gold CareConnect PinnacleHealth 1000/0/10   CareConnect Rx					Silver CareConnect PinnacleHealth 3000/0/35   CareConnect Rx				
Deductible =>		\$1000 /\$0 Med/Rx					\$3000 /\$0 Med/Rx				
Coinsurance =>		0%					0%				
Copays =>		\$10/\$30/\$200 PCP/SPC/ER					\$35/\$65/\$300 PCP/SPC/ER				
OOP Maximum =>		\$6350 Med/Rx Combined					\$6550 Med/Rx Combined				
Pediatric Dental (Yes/No) =>		Yes					Yes				
Age Band		Non-Tobacco		Tobacco		Non-Tobacco		Tobacco			
0	0 - 20		\$222.33		\$222.33		\$187.81		\$187.81		
21	21		\$350.12		\$350.12		\$295.76		\$295.76		
22	22		\$350.12		\$350.12		\$295.76		\$295.76		
23	23		\$350.12		\$350.12		\$295.76		\$295.76		
24	24		\$350.12		\$350.12		\$295.76		\$295.76		
25	25		\$351.52		\$351.52		\$296.94		\$296.94		
26	26		\$358.52		\$358.52		\$302.86		\$302.86		
27	27		\$366.93		\$366.93		\$309.96		\$309.96		
28	28		\$380.58		\$380.58		\$321.49		\$321.49		
29	29		\$391.78		\$391.78		\$330.96		\$330.96		
30	30		\$397.39		\$397.39		\$335.69		\$335.69		
31	31		\$405.79		\$405.79		\$342.79		\$342.79		
32	32		\$414.19		\$414.19		\$349.88		\$349.88		
33	33		\$419.44		\$419.44		\$354.32		\$354.32		
34	34		\$425.05		\$425.05		\$359.05		\$359.05		
35	35		\$427.85		\$427.85		\$361.42		\$361.42		
36	36		\$430.65		\$430.65		\$363.78		\$363.78		
37	37		\$433.45		\$433.45		\$366.15		\$366.15		
38	38		\$436.25		\$436.25		\$368.52		\$368.52		
39	39		\$441.85		\$441.85		\$373.25		\$373.25		
40	40		\$447.45		\$447.45		\$377.98		\$377.98		
41	41		\$455.86		\$455.86		\$385.08		\$385.08		
42	42		\$463.91		\$463.91		\$391.88		\$391.88		
43	43		\$475.11		\$475.11		\$401.35		\$401.35		
44	44		\$489.12		\$489.12		\$413.18		\$413.18		
45	45		\$505.57		\$505.57		\$427.08		\$427.08		
46	46		\$525.18		\$525.18		\$443.64		\$443.64		
47	47		\$547.24		\$547.24		\$462.27		\$462.27		
48	48		\$572.45		\$572.45		\$483.57		\$483.57		
49	49		\$597.30		\$597.30		\$504.57		\$504.57		
50	50		\$625.31		\$625.31		\$528.23		\$528.23		
51	51		\$652.97		\$652.97		\$551.59		\$551.59		
52	52		\$683.43		\$683.43		\$577.32		\$577.32		
53	53		\$714.24		\$714.24		\$603.35		\$603.35		
54	54		\$747.51		\$747.51		\$631.45		\$631.45		
55	55		\$780.77		\$780.77		\$659.54		\$659.54		
56	56		\$816.83		\$816.83		\$690.01		\$690.01		
57	57		\$853.24		\$853.24		\$720.77		\$720.77		
58	58		\$892.11		\$892.11		\$753.60		\$753.60		
59	59		\$911.36		\$911.36		\$769.86		\$769.86		
60	60		\$950.23		\$950.23		\$802.69		\$802.69		
61	61		\$983.84		\$983.84		\$831.09		\$831.09		
62	62		\$1,005.89		\$1,005.89		\$849.72		\$849.72		
63	63		\$1,033.55		\$1,033.55		\$873.08		\$873.08		
64+	64+		\$1,050.35		\$1,050.35		\$887.27		\$887.27		

Company Name: Capital Advantage Insurance Company  
Market: Small Group  
Product: PPO

Effective Date of Rates: April 1, 2017 Ending date of Rates: June 30, 2017

HIOS Plan ID (On Exchange)=>	82795PA0110006		82795PA0110007					
HIOS Plan ID (Off Exchange)=>	82795PA0110006		82795PA0110007					
Form # =>	C17-CAIC-SPG		C17-CAIC-SPG					
Rating Area =>	9		9					
Counties Excluded in Rating Area =>	Franklin, Fulton, Juniata, Lebanon		Franklin, Fulton, Juniata, Lebanon					
Network =>	PPO		PPO					
Metal =>	Gold		Silver					
Plan Name =>	Gold CareConnect PinnacleHealth 1000/0/10   CareConnect Rx		Silver CareConnect PinnacleHealth 3000/0/35   CareConnect Rx					
Deductible =>	\$1000 /\$0 Med/Rx		\$3000 /\$0 Med/Rx					
Coinsurance =>	0%		0%					
Copays =>	\$10/\$30/\$200 PCP/SPC/ER		\$35/\$65/\$300 PCP/SPC/ER					
OOP Maximum =>	\$6350 Med/Rx Combined		\$6550 Med/Rx Combined					
Pediatric Dental (Yes/No) =>	Yes		Yes					
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco				
0	0 - 20	\$226.76	\$226.76	\$191.55	\$191.55			
21	21	\$357.11	\$357.11	\$301.66	\$301.66			
22	22	\$357.11	\$357.11	\$301.66	\$301.66			
23	23	\$357.11	\$357.11	\$301.66	\$301.66			
24	24	\$357.11	\$357.11	\$301.66	\$301.66			
25	25	\$358.54	\$358.54	\$302.87	\$302.87			
26	26	\$365.68	\$365.68	\$308.90	\$308.90			
27	27	\$374.25	\$374.25	\$316.14	\$316.14			
28	28	\$388.18	\$388.18	\$327.90	\$327.90			
29	29	\$399.61	\$399.61	\$337.56	\$337.56			
30	30	\$405.32	\$405.32	\$342.38	\$342.38			
31	31	\$413.89	\$413.89	\$349.62	\$349.62			
32	32	\$422.46	\$422.46	\$356.86	\$356.86			
33	33	\$427.82	\$427.82	\$361.39	\$361.39			
34	34	\$433.53	\$433.53	\$366.22	\$366.22			
35	35	\$436.39	\$436.39	\$368.63	\$368.63			
36	36	\$439.25	\$439.25	\$371.04	\$371.04			
37	37	\$442.10	\$442.10	\$373.46	\$373.46			
38	38	\$444.96	\$444.96	\$375.87	\$375.87			
39	39	\$450.67	\$450.67	\$380.69	\$380.69			
40	40	\$456.39	\$456.39	\$385.52	\$385.52			
41	41	\$464.96	\$464.96	\$392.76	\$392.76			
42	42	\$473.17	\$473.17	\$399.70	\$399.70			
43	43	\$484.60	\$484.60	\$409.35	\$409.35			
44	44	\$498.88	\$498.88	\$421.42	\$421.42			
45	45	\$515.67	\$515.67	\$435.60	\$435.60			
46	46	\$535.66	\$535.66	\$452.49	\$452.49			
47	47	\$558.16	\$558.16	\$471.49	\$471.49			
48	48	\$583.87	\$583.87	\$493.21	\$493.21			
49	49	\$609.23	\$609.23	\$514.63	\$514.63			
50	50	\$637.80	\$637.80	\$538.76	\$538.76			
51	51	\$666.01	\$666.01	\$562.60	\$562.60			
52	52	\$697.08	\$697.08	\$588.84	\$588.84			
53	53	\$728.50	\$728.50	\$615.39	\$615.39			
54	54	\$762.43	\$762.43	\$644.04	\$644.04			
55	55	\$796.36	\$796.36	\$672.70	\$672.70			
56	56	\$833.14	\$833.14	\$703.77	\$703.77			
57	57	\$870.28	\$870.28	\$735.15	\$735.15			
58	58	\$909.92	\$909.92	\$768.63	\$768.63			
59	59	\$929.56	\$929.56	\$785.22	\$785.22			
60	60	\$969.20	\$969.20	\$818.71	\$818.71			
61	61	\$1,003.48	\$1,003.48	\$847.66	\$847.66			
62	62	\$1,025.98	\$1,025.98	\$866.67	\$866.67			
63	63	\$1,054.19	\$1,054.19	\$890.50	\$890.50			
64+	64+	\$1,071.32	\$1,071.32	\$904.97	\$904.97			

Company Name: Capital Advantage Insurance Company  
Market: Small Group  
Product: PPO  
Effective Date of Rates: July 1, 2017

Ending date of Rates: September 30, 2017

HIOS Plan ID (On Exchange)=>	82795PA0110006		82795PA0110007					
HIOS Plan ID (Off Exchange)=>	82795PA0110006		82795PA0110007					
Form # =>	C17-CAIC-SPG		C17-CAIC-SPG					
Rating Area =>	9		9					
Counties Excluded in Rating Area =>	Franklin, Fulton, Juniata, Lebanon		Franklin, Fulton, Juniata, Lebanon					
Network =>	PPO		PPO					
Metal =>	Gold		Silver					
Plan Name =>	Gold CareConnect PinnacleHealth 1000/0/10   CareConnect Rx		Silver CareConnect PinnacleHealth 3000/0/35   CareConnect Rx					
Deductible =>	\$1000 /\$0 Med/Rx		\$3000 /\$0 Med/Rx					
Coinsurance =>	0%		0%					
Copays =>	\$10/\$30/\$200 PCP/SPC/ER		\$35/\$65/\$300 PCP/SPC/ER					
OOP Maximum =>	\$6350 Med/Rx Combined		\$6550 Med/Rx Combined					
Pediatric Dental (Yes/No) =>	Yes		Yes					
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco				
0	0 - 20	\$231.29	\$231.29	\$195.38	\$195.38			
21	21	\$364.24	\$364.24	\$307.68	\$307.68			
22	22	\$364.24	\$364.24	\$307.68	\$307.68			
23	23	\$364.24	\$364.24	\$307.68	\$307.68			
24	24	\$364.24	\$364.24	\$307.68	\$307.68			
25	25	\$365.70	\$365.70	\$308.91	\$308.91			
26	26	\$372.98	\$372.98	\$315.06	\$315.06			
27	27	\$381.72	\$381.72	\$322.45	\$322.45			
28	28	\$395.93	\$395.93	\$334.45	\$334.45			
29	29	\$407.58	\$407.58	\$344.29	\$344.29			
30	30	\$413.41	\$413.41	\$349.22	\$349.22			
31	31	\$422.15	\$422.15	\$356.60	\$356.60			
32	32	\$430.90	\$430.90	\$363.99	\$363.99			
33	33	\$436.36	\$436.36	\$368.60	\$368.60			
34	34	\$442.19	\$442.19	\$373.52	\$373.52			
35	35	\$445.10	\$445.10	\$375.98	\$375.98			
36	36	\$448.02	\$448.02	\$378.45	\$378.45			
37	37	\$450.93	\$450.93	\$380.91	\$380.91			
38	38	\$453.84	\$453.84	\$383.37	\$383.37			
39	39	\$459.67	\$459.67	\$388.29	\$388.29			
40	40	\$465.50	\$465.50	\$393.22	\$393.22			
41	41	\$474.24	\$474.24	\$400.60	\$400.60			
42	42	\$482.62	\$482.62	\$407.68	\$407.68			
43	43	\$494.27	\$494.27	\$417.52	\$417.52			
44	44	\$508.84	\$508.84	\$429.83	\$429.83			
45	45	\$525.96	\$525.96	\$444.29	\$444.29			
46	46	\$546.36	\$546.36	\$461.52	\$461.52			
47	47	\$569.31	\$569.31	\$480.90	\$480.90			
48	48	\$595.53	\$595.53	\$503.06	\$503.06			
49	49	\$621.39	\$621.39	\$524.90	\$524.90			
50	50	\$650.53	\$650.53	\$549.52	\$549.52			
51	51	\$679.31	\$679.31	\$573.82	\$573.82			
52	52	\$711.00	\$711.00	\$600.59	\$600.59			
53	53	\$743.05	\$743.05	\$627.67	\$627.67			
54	54	\$777.65	\$777.65	\$656.90	\$656.90			
55	55	\$812.26	\$812.26	\$686.13	\$686.13			
56	56	\$849.77	\$849.77	\$717.82	\$717.82			
57	57	\$887.65	\$887.65	\$749.82	\$749.82			
58	58	\$928.08	\$928.08	\$783.97	\$783.97			
59	59	\$948.12	\$948.12	\$800.89	\$800.89			
60	60	\$988.55	\$988.55	\$835.04	\$835.04			
61	61	\$1,023.51	\$1,023.51	\$864.58	\$864.58			
62	62	\$1,046.46	\$1,046.46	\$883.96	\$883.96			
63	63	\$1,075.24	\$1,075.24	\$908.27	\$908.27			
64+	64+	\$1,092.71	\$1,092.71	\$923.03	\$923.03			



Company Name: Capital Advantage Insurance Company  
Market: Small Group  
Product: PPO  
Effective Date of Rates:

October 1, 2017

Ending date of Rates:

December 31, 2017

	HIOS Plan ID (On Exchange)=>	82795PA0110006		82795PA0110007					
	HIOS Plan ID (Off Exchange)=>	82795PA0110006		82795PA0110007					
	Form # =>	C17-CAIC-SPG		C17-CAIC-SPG					
	Rating Area =>	9		9					
	Counties Excluded in Rating Area =>	Franklin, Fulton, Juniata, Lebanon		Franklin, Fulton, Juniata, Lebanon					
	Network =>	PPO		PPO					
	Metal =>	Gold		Silver					
	Plan Name =>	Gold CareConnect PinnacleHealth 1000/0/10   CareConnect Rx		Silver CareConnect PinnacleHealth 3000/0/35   CareConnect Rx					
	Deductible =>	\$1000 /\$0 Med/Rx		\$3000 /\$0 Med/Rx					
	Coinsurance =>	0%		0%					
	Copays =>	\$10/\$30/\$200 PCP/SPC/ER		\$35/\$65/\$300 PCP/SPC/ER					
	OOP Maximum =>	\$6350 Med/Rx Combined		\$6550 Med/Rx Combined					
	Pediatric Dental (Yes/No) =>	Yes		Yes					
	Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco				
0	0 - 20	\$235.92	\$235.92	\$199.28	\$199.28				
21	21	\$371.52	\$371.52	\$313.82	\$313.82				
22	22	\$371.52	\$371.52	\$313.82	\$313.82				
23	23	\$371.52	\$371.52	\$313.82	\$313.82				
24	24	\$371.52	\$371.52	\$313.82	\$313.82				
25	25	\$373.01	\$373.01	\$315.08	\$315.08				
26	26	\$380.44	\$380.44	\$321.35	\$321.35				
27	27	\$389.35	\$389.35	\$328.88	\$328.88				
28	28	\$403.84	\$403.84	\$341.12	\$341.12				
29	29	\$415.73	\$415.73	\$351.16	\$351.16				
30	30	\$421.68	\$421.68	\$356.19	\$356.19				
31	31	\$430.59	\$430.59	\$363.72	\$363.72				
32	32	\$439.51	\$439.51	\$371.25	\$371.25				
33	33	\$445.08	\$445.08	\$375.96	\$375.96				
34	34	\$451.03	\$451.03	\$380.98	\$380.98				
35	35	\$454.00	\$454.00	\$383.49	\$383.49				
36	36	\$456.97	\$456.97	\$386.00	\$386.00				
37	37	\$459.94	\$459.94	\$388.51	\$388.51				
38	38	\$462.91	\$462.91	\$391.02	\$391.02				
39	39	\$468.86	\$468.86	\$396.04	\$396.04				
40	40	\$474.80	\$474.80	\$401.06	\$401.06				
41	41	\$483.72	\$483.72	\$408.59	\$408.59				
42	42	\$492.26	\$492.26	\$415.81	\$415.81				
43	43	\$504.15	\$504.15	\$425.85	\$425.85				
44	44	\$519.01	\$519.01	\$438.41	\$438.41				
45	45	\$536.47	\$536.47	\$453.16	\$453.16				
46	46	\$557.28	\$557.28	\$470.73	\$470.73				
47	47	\$580.69	\$580.69	\$490.50	\$490.50				
48	48	\$607.44	\$607.44	\$513.10	\$513.10				
49	49	\$633.81	\$633.81	\$535.38	\$535.38				
50	50	\$663.53	\$663.53	\$560.48	\$560.48				
51	51	\$692.88	\$692.88	\$585.27	\$585.27				
52	52	\$725.21	\$725.21	\$612.58	\$612.58				
53	53	\$757.90	\$757.90	\$640.19	\$640.19				
54	54	\$793.20	\$793.20	\$670.01	\$670.01				
55	55	\$828.49	\$828.49	\$699.82	\$699.82				
56	56	\$866.76	\$866.76	\$732.14	\$732.14				
57	57	\$905.39	\$905.39	\$764.78	\$764.78				
58	58	\$946.63	\$946.63	\$799.61	\$799.61				
59	59	\$967.07	\$967.07	\$816.87	\$816.87				
60	60	\$1,008.31	\$1,008.31	\$851.71	\$851.71				
61	61	\$1,043.97	\$1,043.97	\$881.83	\$881.83				
62	62	\$1,067.38	\$1,067.38	\$901.60	\$901.60				
63	63	\$1,096.73	\$1,096.73	\$926.40	\$926.40				
64+	64+	\$1,114.55	\$1,114.55	\$941.45	\$941.45				

## Silver Plan Rates for Age 21 Non-Smoker, by Geographic Area and Exchange Status

[illegible]

## Silver Plan Rates for Age 21 Non-Smoker, by Geographic Area and Exchange Status

[illegible]

<b>State:</b>	Pennsylvania	<b>Filing Company:</b>	Capital Advantage Insurance Company
<b>TOI/Sub-TOI:</b>	H15G Group Health - Hospital/Surgical/Medical Expense/H15G.003 Small Group Only		
<b>Product Name:</b>	Rates - CAIC Small Group PPOG		
<b>Project Name/Number:</b>	/		

## Supporting Document Schedules

<b>Satisfied - Item:</b>	CFJ
<b>Comments:</b>	
<b>Attachment(s):</b>	SG_16-44_Initial_CAIC_PPO_CFJ_Supporting_20160509.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Rate Exhibits
<b>Comments:</b>	
<b>Attachment(s):</b>	SG_16-44_Revised_CAIC_PPO_PIDRateExhibits_Supporting_20160816.pdf SG_16-44_Revised_CAIC_PPO_PIDRateExhibits_Supporting_20160816.xlsx
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Redacted Actuarial Memos
<b>Comments:</b>	
<b>Attachment(s):</b>	SG_16-44_Initial_CAIC_PPO_FedActMemoRedacted_Supporting_20160607.pdf SG_16-44_Revised_CAIC_PPO_PIDActMemoRedacted_Supporting_20160816.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	URRT pdf
<b>Comments:</b>	
<b>Attachment(s):</b>	SG_16-44_Initial_CAIC_PPO_URRT_Supporting_20160615.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>SERFF Tracking #:</b>	CABC-130539615	<b>State Tracking #:</b>	CABC-130539615	<b>Company Tracking #:</b>	16-44
<hr/>					
<b>State:</b>	Pennsylvania		<b>Filing Company:</b>	Capital Advantage Insurance Company	
<b>TOI/Sub-TOI:</b>	H15G Group Health - Hospital/Surgical/Medical Expense/H15G.003 Small Group Only				
<b>Product Name:</b>	Rates - CAIC Small Group PPOG				
<b>Project Name/Number:</b>	/				

***Attachment SG\_16-44\_Revised\_CAIC\_PPO\_PIDRateExhibits\_Supporting\_20160816.xlsx is not a PDF document and cannot be reproduced here.***



**CAPITAL ADVANTAGE INSURANCE COMPANY, INC.  
RFJ Part II – Consumer Friendly Justification**

1. Company Name & NAIC #: Capital Advantage Insurance Company (CAIC), NAIC #41203
2. Market: Small Group
3. Product: PPO
4. Average Rate Change (% and \$) and Range: 4.5%/\$291.86 PMPY, 4.4% to 5.8%
5. Current Covered Lives and Policyholders: 46/44
6. Financial Information:

<b>Jan. 2015-Dec. 2015 financial experience</b>	
Premiums	\$1,677,126
Claims	\$848,725
Administrative expenses	\$263,353
Company made (before taxes)	<b>\$565,049</b>

7. Rate Increase Considerations: Changes being requested are based upon consideration of the factors that influence future period cost structures. The primary drivers of change in future costs are:
  - Anticipated increase in facility and physician unit costs
  - Anticipated changes in prescription drug unit costs
  - Continuing change in utilization such as
    - Intensity of medical services rendered
    - Changes in place of service (e.g. continued migration of inpatient stays to outpatient setting)
    - Further migration from brand prescription drugs to generic prescription drugs
    - Favorable impacts of value based benefits designs
  - Prescription drug patent expirations and new to market brand drugs
  - Leveraging associated with unchanged cost share components such as deductible and copays
  - Inflation adjustment to administrative expenses



PA Rate Template Part I  
Data Relevant to the Rate Filing

Table 1. Number of Members

	Member-months		Member months	
	Experience Period	Current Period (as of Feb. 1, 2016)	Projected Rating Period	
Total	4,018	42	46	
<18	652	-	-	
18-24	401	3	2	
25-29	490	12	13	
30-34	244	3	3	
35-39	186	7	8	
40-44	269	1	1	
45-49	147	3	3	
50-54	424	4	5	
55-59	594	6	6	
60-63	259	3	3	
64+	181	-	-	

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-EB portion of Allowed Claims	Total Prescription Drug Rebates*	Total DRB Capitation	Total Non-EB Capitation	Estimated Risk Adjustor	Estimated Reinsurance Recoveries
\$ 1,394,933.20	\$ 675,776.73	\$ 696,142.67	4,018	\$ 208,993.10	\$ 965,135.77	\$ -	\$ (5,352.04)	\$ -	\$ -	\$ 89,322.66	\$ -
\$ 2015 Total Allowed EBH Claims + EBH Capitation PMPM (net of prescription drug rebates)											\$ 238.87
Loss Ratio											46.54%

\*Express Prescription Drug Rebates as a negative number

Table 3. Trend Components

Service Category	Cost*	Utilization*	Composite	Weight*
Inpatient Hospital	6.00%	1.90%	7.00%	18.62%
Outpatient Hospital	5.00%	1.90%	7.00%	31.96%
Professional	5.00%	1.90%	7.00%	21.15%
Other Medical	5.00%	1.90%	7.00%	2.48%
Capitation	-	-	1.00%	0.13%
Prescription Drugs	13.50%	0.05%	13.50%	19.67%
Total Annual Trend	-	-	8.29%	100.00%

\* Express Cost, Utilization, and Weight as percentages

< - Annualized Trend Factors on UHRT

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-11	\$ 20,491,404.29	1,000	\$ 20,491,439.32	54,235	377.83	\$ 143,698.96	\$ (205,544.28)	\$ 23,057,794.47	\$ 436.21	
Feb-11	\$ 15,707,474.35	1,000	\$ 15,707,515.64	50,076	313.67	\$ 156,698.96	\$ (227,374.01)	\$ 18,081,939.81	\$ 361.09	
Mar-11	\$ 16,482,141.27	1,000	\$ 16,482,192.11	45,511	340.10	\$ 143,698.96	\$ (213,913.79)	\$ 17,693,405.00	\$ 397.87	
Apr-11	\$ 13,670,285.63	1,000	\$ 13,670,336.78	41,000	333.42	\$ 143,698.96	\$ (197,598.10)	\$ 15,693,426.17	\$ 381.72	
May-11	\$ 13,871,603.07	1,000	\$ 13,871,653.77	35,059	361.26	\$ 143,698.96	\$ (206,361.70)	\$ 15,273,813.06	\$ 414.45	
Jun-11	\$ 11,021,802.84	1,000	\$ 11,021,838.46	29,491	373.74	\$ 143,698.96	\$ (143,929.02)	\$ 12,393,281.50	\$ 417.19	
Jul-11	\$ 9,031,680.43	1,000	\$ 9,031,711.18	23,362	379.33	\$ 143,698.96	\$ (115,783.39)	\$ 10,087,002.53	\$ 422.82	
Aug-11	\$ 7,349,725.14	1,000	\$ 7,349,758.18	20,090	365.84	\$ 143,698.96	\$ (122,635.90)	\$ 8,174,924.86	\$ 406.52	
Sep-11	\$ 5,224,507.80	1,000	\$ 5,224,526.02	14,255	386.50	\$ 143,698.96	\$ (80,484.47)	\$ 5,844,147.36	\$ 408.57	
Oct-11	\$ 3,081,208.30	1,000	\$ 3,081,218.17	6,444	478.15	\$ 143,698.96	\$ (60,482.01)	\$ 3,388,960.78	\$ 527.46	
Nov-11	\$ 1,371,047.67	1,000	\$ 1,371,090.60	4,028	340.39	\$ 143,698.96	\$ (17,837.81)	\$ 1,535,533.87	\$ 383.21	
Dec-11	\$ 121,402,440.85	1,000	\$ 121,402,440.85	901	202.41	\$ 143,698.96	\$ (1,932.38)	\$ 120,734,843.1	\$ 252.11	
Jan-12	\$ 191,078.99	1,000	\$ 191,088.33	749	257.79	\$ 143,698.96	\$ (2,613.53)	\$ 211,581.50	\$ 309.19	
Feb-12	\$ 113,603.16	1,000	\$ 113,608.96	703	183.52	\$ 143,698.96	\$ (882.49)	\$ 112,682.22	\$ 158.93	
Mar-12	\$ 145,911.64	1,000	\$ 145,927.32	601	219.86	\$ 143,698.96	\$ (721.04)	\$ 145,667.27	\$ 264.25	
Apr-12	\$ 131,245.86	1,000	\$ 131,270.40	631	208.04	\$ 143,698.96	\$ (1,501.12)	\$ 145,500.13	\$ 262.28	
May-12	\$ 144,098.16	1,000	\$ 144,127.10	517	279.78	\$ 143,698.96	\$ (841.92)	\$ 143,834.35	\$ 344.30	
Jun-12	\$ 118,087.29	1,000	\$ 118,121.17	468	252.40	\$ 143,698.96	\$ (841.88)	\$ 134,707.59	\$ 287.84	
Jul-12	\$ 134,911.37	1,000	\$ 134,955.48	472	243.95	\$ 143,698.96	\$ (1,034.40)	\$ 128,479.71	\$ 272.20	
Aug-12	\$ 149,559.46	1,000	\$ 149,645.43	532	281.29	\$ 143,698.96	\$ (4,232.01)	\$ 148,244.58	\$ 316.25	
Sep-12	\$ 135,519.19	1,000	\$ 135,621.94	537	252.15	\$ 143,698.96	\$ (819.89)	\$ 134,673.27	\$ 288.64	
Oct-12	\$ 104,295.67	1,000	\$ 104,467.08	601	323.57	\$ 143,698.96	\$ (1,736.90)	\$ 210,935.82	\$ 350.97	
Nov-12	\$ 98,210.85	1,000	\$ 98,318.20	594	165.52	\$ 143,698.96	\$ (726.70)	\$ 121,692.27	\$ 204.87	
Dec-12	\$ 2,215,330.11	1,000	\$ 2,215,330.11	608	117.08	\$ 143,698.96	\$ (1,931.76)	\$ 65,452.06	\$ 147.80	
Jan-13	\$ 39,982.95	1,000	\$ 39,982.95	371	107.42	\$ 143,698.96	\$ (1,160.17)	\$ 66,799.22	\$ 163.00	
Feb-13	\$ 50,238.41	1,000	\$ 50,238.41	371	148.64	\$ 143,698.96	\$ (436.79)	\$ 98,566.74	\$ 266.71	
Mar-13	\$ 34,661.50	1,000	\$ 34,794.05	368	94.55	\$ 143,698.96	\$ (351.51)	\$ 32,093.87	\$ 141.55	
Apr-13	\$ 72,610.70	1,000	\$ 73,173.44	339	197.77	\$ 143,698.96	\$ (734.88)	\$ 69,097.04	\$ 245.64	
May-13	\$ 59,622.95	1,000	\$ 61,093.64	364	167.84	\$ 143,698.96	\$ (448.35)	\$ 55,567.93	\$ 262.60	
Jun-13	\$ 47,561.52	1,000	\$ 47,639.14	361	132.06	\$ 143,698.96	\$ (157.67)	\$ 66,026.43	\$ 181.90	
Jul-13	\$ 70,240.00	1,000	\$ 70,087.10	362	218.36	\$ 143,698.96	\$ (316.61)	\$ 107,241.56	\$ 296.25	
Aug-13	\$ 91,871.49	1,000	\$ 91,048.94	357	264.84	\$ 143,698.96	\$ (383.64)	\$ 112,077.77	\$ 318.40	
Sep-13	\$ 40,108.13	1,000	\$ 41,065.51	369	117.07	\$ 143,698.96	\$ (330.87)	\$ 67,773.52	\$ 179.87	
Oct-13	\$ 33,240.43	1,000	\$ 33,983.95	314	108.23	\$ 143,698.96	\$ (354.83)	\$ 48,765.04	\$ 155.80	
Nov-13	\$ 105,665.21	1,000	\$ 110,105.35	369	261.38	\$ 143,698.96	\$ (124.47)	\$ 121,496.38	\$ 433.87	
Dec-13	\$ 1,394,933.20	1,000	\$ 26,717.21	128	207.11	\$ 143,698.96	\$ (374.25)	\$ 12,819.07	\$ 255.19	

\*Express Completion Factor as a percentage

\*\*Express Prescription Drug Rebates as a negative number

Table 2b. 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
#####	#####	#####	552,687	\$ 39,173,571.74	#####	\$ -	#####	\$279,945.74	\$ -	\$ 290,412.39	\$ -
2015 Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)											\$ 449.13
Loss Ratio											76.91%

\*Express Prescription Drug Rebates as a negative number

Table 2c. 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
#####	#####	#####	552,687	#####	#####	\$ -	#####	\$ 279,945.74	\$ -	\$ 290,412.39	\$ -
2015 Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)											\$ 449.13
Loss Ratio											76.91%

\*Express Prescription Drug Rebates as a negative number

Table 3b. Trend Components

Service Category	Cost*	Utilization*	Composite	Weight*
Inpatient Hospital	5.00%	1.90%	7.00%	18.62%
Outpatient Hospital	5.00%	1.90%	7.00%	33.96%
Professional	5.00%	1.90%	7.00%	25.15%
Other Medical	5.00%	1.90%	7.00%	2.48%
Capitation			3.00%	0.11%
Prescription Drugs	13.50%	0.05%	13.56%	19.67%
Total Annual Trend			8.29%	100.00%
2 Year Trend Projection			1.173	

\* Express Cost, Utilization, and Weight as percentages

<- Annualized Trend Factors on URRT

Table 4b. 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-13		#####	1.0000	\$ 25,694,935.99	69,258	\$ 371.00		#####	#####	\$ 434.42
Feb-13		#####	1.0000	\$ 22,429,297.05	69,077	\$ 324.70		#####	#####	\$ 378.11
Mar-13		#####	1.0000	\$ 22,058,947.02	68,833	\$ 320.47		#####	#####	\$ 375.93
Apr-13		#####	1.0000	\$ 22,934,264.92	68,110	\$ 336.72		#####	#####	\$ 393.76
May-13		#####	1.0000	\$ 23,964,539.35	67,301	\$ 356.08		#####	#####	\$ 411.82
Jun-13		#####	1.0000	\$ 22,219,690.69	66,138	\$ 335.96		#####	#####	\$ 389.24
Jul-13		#####	1.0000	\$ 24,011,020.33	64,855	\$ 370.23		#####	#####	\$ 424.56
Aug-13		#####	1.0000	\$ 22,054,406.01	64,454	\$ 342.17		#####	#####	\$ 394.94
Sep-13		#####	1.0000	\$ 20,664,164.05	63,687	\$ 324.46		#####	#####	\$ 376.07
Oct-13		#####	1.0000	\$ 24,556,788.18	63,296	\$ 387.97		#####	#####	\$ 447.61
Nov-13		#####	1.0000	\$ 20,788,930.94	62,892	\$ 330.55		#####	#####	\$ 382.68
Dec-13	#####	#####	1.0000	\$ 22,224,577.46	64,213	\$ 346.11	#####	#####	#####	\$ 396.75
Jan-14		#####	1.0000	\$ 23,889,643.62	63,050	\$ 378.90		#####	#####	\$ 447.17
Feb-14		#####	0.9920	\$ 22,893,928.36	63,082	\$ 362.92		#####	#####	\$ 422.03
Mar-14		#####	0.9999	\$ 23,326,046.76	62,087	\$ 375.70		#####	#####	\$ 440.58
Apr-14		#####	0.9998	\$ 22,775,399.46	60,691	\$ 375.27		#####	#####	\$ 434.17
May-14		#####	0.9998	\$ 22,652,333.84	58,941	\$ 384.32		#####	#####	\$ 439.71
Jun-14		#####	0.9997	\$ 21,093,055.65	57,458	\$ 367.10		#####	#####	\$ 419.56
Jul-14		#####	0.9996	\$ 21,889,366.76	55,931	\$ 391.36		#####	#####	\$ 444.75
Aug-14		#####	0.9995	\$ 19,822,915.11	55,060	\$ 360.02		#####	#####	\$ 409.92
Sep-14		#####	0.9993	\$ 21,040,805.21	53,815	\$ 390.98		#####	#####	\$ 440.93
Oct-14		#####	0.9992	\$ 22,996,620.84	51,949	\$ 442.68		#####	#####	\$ 497.23
Nov-14		#####	0.9990	\$ 21,444,873.81	51,119	\$ 419.51		#####	#####	\$ 464.30
Dec-14	#####	#####	0.9987	\$ 18,190,125.06	47,229	\$ 385.15	#####	#####	#####	\$ 445.29
Jan-15		#####	0.9982	\$ 16,352,523.34	47,310	\$ 345.65		#####	#####	\$ 419.07
Feb-15		#####	0.9263	\$ 17,370,874.33	46,776	\$ 371.36		#####	#####	\$ 440.52
Mar-15		#####	0.9968	\$ 19,327,943.58	46,184	\$ 418.50		#####	#####	\$ 483.68
Apr-15		#####	0.9959	\$ 19,102,689.34	45,944	\$ 415.78		#####	#####	\$ 477.62
May-15		#####	0.9806	\$ 17,338,563.82	45,538	\$ 380.75		#####	#####	\$ 436.82
Jun-15		#####	0.9936	\$ 17,784,054.66	44,988	\$ 395.31		#####	#####	\$ 453.52
Jul-15		#####	0.9917	\$ 17,743,115.12	44,561	\$ 398.18		#####	#####	\$ 459.00
Aug-15		#####	0.9898	\$ 17,633,140.16	44,111	\$ 399.74		#####	#####	\$ 458.60
Sep-15		#####	0.9865	\$ 17,671,216.80	43,905	\$ 402.49		#####	#####	\$ 459.71
Oct-15		#####	0.9817	\$ 18,504,411.13	44,876	\$ 412.35		#####	#####	\$ 480.53
Nov-15		#####	0.9666	\$ 18,157,797.67	45,528	\$ 398.83		#####	#####	\$ 458.48
Dec-15	#####	#####	0.9612	\$ 20,119,244.17	52,966	\$ 379.85	#####	#####	#####	\$ 458.58

\* Express Completion Factor as a percentage

\*\*Express Prescription Drug Rebates as a negative number



PA Rate Template Part II  
Rate Development and Change

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

2015 Total Allowed EHB Claims PMPM + EHB Capitation PMPM (net of prescription drug rebates)	\$449.13	<- Index Rate of Experience Period on URRT
2 Year Trend Projection Factor	1.173	
Unadjusted Projected Allowed EHB Claims PMPM	\$ 526.64	
Single Risk Pool Adjustment Factors		<- Adj't. from Experience to Projection Period - Pop'l risk Morbidity on URRT
Change in Morbidity	1.000	<- Adj't. from Experience to Projection Period - Other on URRT
Change in Other	0.928	
Change in Demographics	1.000	
Change in Network	0.910	
Change in Benefits	1.015	
Change in Other	1.005	
Adjusted Projected Allowed EHB Claims PMPM	\$ 488.70	<- Index Rate for Projection Period on URRT - Individual (Small Group 1st Qtr)
Adjusted Projected Allowed EHB Claims PMPM [will only populate for small group filings]	\$ 509.51	<- Index Rate for Projection Period on URRT - Small Group
Projected Paid to Allowed Ratio	0.86871634	<- Paid to Allowed Average Factor in Projection Period on URRT
Projected Paid EHB Claims PMPM	442.6195548	
Market-wide Adjustments		
Projected Paid Net Risk Adjustment PMPM	\$ 0.13	
Projected Paid Exchange User Fees PMPM	\$ -	
Market-Adjusted Projected Paid EHB Claims PMPM	\$ 442.75	
Market-Adjusted Projected Allowed EHB Claims PMPM	\$ 509.66	<- Market-Adjusted Index Rate
Projected Allowed Non-EHB Claims PMPM	\$ -	
Market-Adjusted Projected Paid Total Claims PMPM	\$ 442.75	
Market-Adjusted Projected Allowed Total Claims PMPM	\$ 509.66	

Table 6. Retention

Retention Items - Express in percentages		
Administrative Expenses	12%	
General and Claims	7.63%	
Agent/Broker Fees and Commissions	3.81%	
Quality Improvement Initiatives	0.30%	
Taxes and Fees	4.62%	
PCORI Fees (Enter \$ amount here: \$_____ )	0.04%	
Pa Premium Tax (if applicable)		
Federal Income Tax	0.70%	
Health Insurance Providers Fee (only for small group market, prorated for coverage in 2018)	1.88%	
Profit/Contingency	0%	
Total Retention	16%	
Projected Required Revenue PMPM	\$ 529.39	<- Single Pool Gross Premium Avg. Rate, PMPM on URRT

Table 8. Components of Rate Change

Rate Components	2016	2017	Difference	Percent Change
A. Calibrated Plan Adjusted Index Rate (PMPM)	348.276175	356.2556568	\$7.98	2.3%
B. Base period allowed claims before normalization	\$ 437.83	\$ 449.13	\$11.30	3%
C. Normalization factor component of change	\$ (109.01)	-122.6792462	-\$13.67	-\$0.04
D. Change in Normalized Allowed Claims Adjustment Components				
D1. Base period allowed claims after normalization	\$ 328.82	\$ 326.45	\$ (2.37)	-1%
D2. URRT Trend	\$ 54.17	\$ 56.33	\$ 2.17	1%
D3. URRT Morbidity	\$ 10.64	\$ -	\$ (10.64)	-3%
D4. URRT Other	\$ (28.34)	\$ (27.57)	\$ 0.77	0%
D5. Normalized URRT RA/RI on an allowed basis	\$ 2.41	\$ 0.11	\$ (2.30)	-1%
D6. Normalized Exchange User Fee on an allowed basis	\$ -	\$ -	\$ -	0%
D7. Subtotal - Sum(D1:D6)	\$ 367.70	\$ 355.32	\$ (12.38)	-4%
E. Change in Allowable Plan Adjusted Level Components				
E1. Network	\$ (33.09)	-24.87272288	\$ 8.22	2%
E2. Pricing AV	\$ (75.29)	\$ (44.57)	\$ 30.72	9%
E3. Benefit Richness	\$ -	\$ -	\$ -	0%
E4. Catastrophic Eligibility	\$ -	\$ -	\$ -	0%
E5. Subtotal - Sum(E1:E4)	\$ (108.38)	\$ (69.44)	\$ 38.94	11%
F. Change in Retention Components				
F1. Administrative Expenses	\$ 41.10	\$ 41.84	\$ 0.74	0%
F2. Taxes and Fees	\$ 20.08	\$ 9.33	\$ (10.75)	-3%
F3. Profit and/or Contingency	\$ 6.97	\$ -	\$ (6.97)	-2%
F4. Subtotal - Sum(F1:F3)	\$ 68.14	\$ 51.16	\$ (16.98)	-5%
G. Change in Miscellaneous Items	\$ -	\$ -	\$ -	0%
H. Sum of Components of Rate Change (should approximate the change shown in line A)	\$ 327.46	\$ 337.05	\$ 9.59	3%

Table 5A. Small Group Projected Index Rate with Quarterly Trend

	January	April	July	October	Total Single Risk Pool
# of Member Months Renewing in Quarter	145,949	53,966	87,531	401,210	688,656.00
Percent of Members Months Renewing in Quarter	21%	8%	13%	58%	100%
Base Allowed Claims	\$ 488.70	\$ 488.70	\$ 488.70	\$ 488.70	\$ 488.70
Months of Trend	-	3	6	9	6
Annual Trend	8.29%	8.29%	8.29%	8.29%	8.29%
Single Risk Pool Projected Allowed Claims	\$ 488.70	\$ 498.53	\$ 508.55	\$ 518.77	\$ 509.51

Table 7. Normalized Market-Adjusted Projected Allowed Total Claims

Normalization Factors	2016	2017
Average Age Factor	1.463	1.479
Average Geographic Factor	1.000	1.000
Average Tobacco Factor	1.000	1.000
Average Benefit Richness (induced demand)	1.000	1.000
Average Network Factor	0.910	0.930
Market-Adjusted Projected Allowed Total Claims PMPM	\$ 493.04	\$ 509.66
Normalized Market-Adjusted Projected Allowed Total Claims PMPM	\$ 370.29	\$ 370.45

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

	2016	2017
Paid-to-Allowed	0.747349467	0.86871634
URRT Trend (2-Year Trend Factor)	1.164730222	1.17
URRT Morbidity	1.027777778	1.000
URRT "Other"	0.928	0.928
Risk Adjustment	\$ 0.15	\$ 0.13
Reinsurance	\$ 2.25	\$ -
Exchange User Fee	\$ -	\$ -
Capitation	\$ 0.60	\$ 0.54
Network	0.910	0.93
Pricing AV	0.775	0.865134735
Benefit Richness	1.000	1
Catastrophic Eligibility	1.000	1
Administrative Expenses	11.80%	11.74%
Taxes and Fees	5.77%	2.62%
Profit and/or Contingency	2.00%	0.00%

**PA Rate Template Part III**  
**Table 10. Plan Rates**

Carrier Name:	Capital Advantage Assurance Company
Plan Type(s):	PPO
Market Segment:	Small Group
Rate Effective Date:	1/1/2017
Market Adjusted Index Rate	\$ 509.66

Calibration	
Age Calibration Factor	1.47934739
Geographic Calibration Factor	1.000
Aggregate Calibration Factor	1.479

Market Effective Date: 1/1/2017 Market Adjusted Index Rate: \$ 509.66										45 CFR Part 156.8 (d) (2) Allowable Factors																
		Plan Type (HMO, POS, PPO, EPO, Indemnity, Other)	1/1/16 Plan Marketing Name	Discontinued, New, Modified, Existing (D,N,M,E) for 2017	1/1/17 Plan Marketing Name (If 1/1/16 Plan Discontinued)	Metallic Tier	Metallic Tier Actuarial Value	Standard AV, Approach (1), Approach (2)	Exchange On/Off or Off	Pricing AV (company- determined AV)	Benefit Richness (induced demand)	Benefits in addition to EHB	Provider Network	Catastrophic Eligibility	Tobacco Surcharge Adjustment	Pure Premium	Admin Costs	Taxes & Fees (not including Exchange fees)	Profit or Contingency	Total Covered Lives @ 2/1/2016	Total Policyholders @ 2/1/2016	2016 Calibrated Plan Adjusted Index Rate PMPM	2017 Calibrated Plan Adjusted Index Rate PMPM	Change Compared to Prior 12 Months	% of Total Covered Lives	
Plan Number	HIOS Plan ID (Standard Component)																									
Totals							0.808			0.865	1.000	1.000	1.000	1.000	1.000	1.000	\$ 440.92	11.7%	4.6%	0.0%	42	39	\$ 348.28	\$ 356.26	2.29%	
Plan 1	82795PA0110006	PPO	CareConnect 1000.0 PD PH AM			Gold	0.81691358	Standard	Off	0.880	1.000	1.000	1.000	1.000	1.000	\$448.54	11.5%	4.6%	0.0%	38	35	\$ 353.94	\$361.66	2.2%	90.5%	
Plan 2	82795PA0110007	PPO	CareConnect 3000.0 PD PH AM			Silver	0.71893123	Standard	Off	0.723	1.000	1.000	1.000	1.000	1.000	\$368.55	13.7%	4.6%	0.0%	4	4	\$ 294.50	\$304.90	3.5%	9.5%	
Plan 3																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 4																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 5																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 6																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 7																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 8																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 9																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 10																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 11																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 12																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 13																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 14																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 15																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 16																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 17																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 18																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 19																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 20																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 21																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 22																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 23																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 24																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 25																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 26																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 27																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 28																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 29																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 30																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 31																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 32																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 33																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 34																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 35																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 36																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 37																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 38																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 39																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 40																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 41																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 42																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 43																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 44																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 45																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 46																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 47																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 48																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 49																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 50																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 51																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 52																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 53																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 54																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 55																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 56																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 57																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 58																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 59																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 60																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 61																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 62																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 63																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 64																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 65																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 66																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 67																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 68																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 69																\$0.00				-	-		\$0.00	#DIV/0!	0.0%	
Plan 70										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 71										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 72										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 73										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 74										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 75										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 76										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 77										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 78										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 79										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 80										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 81										1.000	1.000	1.000	1.000	1.000	1.000	\$509.66				-	-		\$344.52	#DIV/0!	0.0%	
Plan 82										1.000	1.000	1.000														



**Table 11. Plan Premium Development for 21-Year-Old Non-Tobacco User**

Plan 2	82795PA01.10006	CareConnect 1000.0 PD	M	0	Gold	Off
Plan 3	82795PA01.10007	CareConnect 3000.0 PD	M	0	Silver	Off
Plan 4	0	0	0	0		0
Plan 5	0	0	0	0		0
Plan 6	0	0	0	0		0
Plan 7	0	0	0	0		0
Plan 8	0	0	0	0		0
Plan 9	0	0	0	0		0
Plan 10	0	0	0	0		0
Plan 11	0	0	0	0		0
Plan 12	0	0	0	0		0
Plan 13	0	0	0	0		0
Plan 14	0	0	0	0		0
Plan 15	0	0	0	0		0
Plan 16	0	0	0	0		0
Plan 17	0	0	0	0		0
Plan 18	0	0	0	0		0
Plan 19	0	0	0	0		0
Plan 20	0	0	0	0		0
Plan 21	0	0	0	0		0
Plan 22	0	0	0	0		0
Plan 23	0	0	0	0		0
Plan 24	0	0	0	0		0
Plan 25	0	0	0	0		0
Plan 26	0	0	0	0		0
Plan 27	0	0	0	0		0
Plan 28	0	0	0	0		0
Plan 29	0	0	0	0		0
Plan 30	0	0	0	0		Off
Plan 31	0	0	0	0		0
Plan 32	0	0	0	0		0
Plan 33	0	0	0	0		0
Plan 34	0	0	0	0		0
Plan 35	0	0	0	0		0
Plan 36	0	0	0	0		0
Plan 37	0	0	0	0		0
Plan 38	0	0	0	0		0
Plan 39	0	0	0	0		0
Plan 40	0	0	0	0		0
Plan 41	0	0	0	0		0
Plan 42	0	0	0	0		0
Plan 43	0	0	0	0		0
Plan 44	0	0	0	0		0
Plan 45	0	0	0	0		0
Plan 46	0	0	0	0		0
Plan 47	0	0	0	0		0
Plan 48	0	0	0	0		0
Plan 49	0	0	0	0		0
Plan 50	0	0	0	0		0
Plan 51	0	0	0	0		0
Plan 52	0	0	0	0		0
Plan 53	0	0	0	0		0
Plan 54	0	0	0	0		0
Plan 55	0	0	0	0		0
Plan 56	0	0	0	0		0
Plan 57	0	0	0	0		0
Plan 58	0	0	0	0		0
Plan 59	0	0	0	0		0
Plan 60	0	0	0	0		0
Plan 61	0	0	0	0		0
Plan 62	0	0	0	0		0
Plan 63	0	0	0	0		0
Plan 64	0	0	0	0		0
Plan 65	0	0	0	0		0
Plan 66	0	0	0	0		0
Plan 67	0	0	0	0		0
Plan 68	0	0	0	0		0
Plan 69	0	0	0	0		0
Plan 70	0	0	0	0		0
Plan 71	0	0	0	0		0
Plan 72	0	0	0	0		0
Plan 73	0	0	0	0		0
Plan 74	0	0	0	0		0
Plan 75	0	0	0	0		0
Plan 76	0	0	0	0		0
Plan 77	0	0	0	0		0
Plan 78	0	0	0	0		0
Plan 79	0	0	0	0		0
Plan 80	0	0	0	0		0
Plan 81	0	0	0	0		0
Plan 82	0	0	0	0		0
Plan 83	0	0	0	0		0
Plan 84	0	0	0	0		0
Plan 85	0	0	0	0		0
Plan 86	0	0	0	0		0
Plan 87	0	0	0	0		0
Plan 88	0	0	0	0		0
Plan 89	0	0	0	0		0
Plan 90	0	0	0	0		0
Plan 91	0	0	0	0		0
Plan 92	0	0	0	0		0
Plan 93	0	0	0	0		0
Plan 94	0	0	0	0		0
Plan 95	0	0	0	0		0
Plan 96	0	0	0	0		0
Plan 97	0	0	0	0		0
Plan 98	0	0	0	0		0
Plan 99	0	0	0	0		0
Plan 100	0	0	0	0		0

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80																				

[illegible][illegible][illegible]

## PA Rate Template Part V Consumer Factors

### Table 12. Age and Tobacco Factors

2017 Age and Tobacco Factors						
Age Band	Age Factor	Tobacco Factor		Age Band	Age Factor	Tobacco Factor
0-20	0.635			43	1.357	1
21	1.000	1		44	1.397	1
22	1.000	1		45	1.444	1
23	1.000	1		46	1.500	1
24	1.000	1		47	1.563	1
25	1.004	1		48	1.635	1
26	1.024	1		49	1.706	1
27	1.048	1		50	1.786	1
28	1.087	1		51	1.865	1
29	1.119	1		52	1.952	1
30	1.135	1		53	2.040	1
31	1.159	1		54	2.135	1
32	1.183	1		55	2.230	1
33	1.198	1		56	2.333	1
34	1.214	1		57	2.437	1
35	1.222	1		58	2.548	1
36	1.230	1		59	2.603	1
37	1.238	1		60	2.714	1
38	1.246	1		61	2.810	1
39	1.262	1		62	2.873	1
40	1.278	1		63	2.952	1
41	1.302	1		64+	3.000	1
42	1.325	1				

\*PA follows the federal default age curve.

### Table 13. Geographic Factors

Geographic Area Factors			
Area	Counties	Current Factor	Proposed Factor
Rating Area 1		1.000	1.000
Rating Area 2		1.000	1.000
Rating Area 3		1.000	1.000
Rating Area 4		1.000	1.000
Rating Area 5		1.000	1.000
Rating Area 6		1.000	1.000
Rating Area 7		1.000	1.000
Rating Area 8		1.000	1.000
Rating Area 9	Cumberland, Dauphin, Perry	1.000	1.000

### Table 14. Network Factors

[illegible]



# **CAPITAL ADVANTAGE INSURANCE COMPANY, INC.**

## **ACTUARIAL MEMORANDUM**

### **Small Group Rates Effective January 1, 2017**

#### **General Information**

##### **Company Information**

- Company Legal Name: Capital Advantage Insurance Company – CAIC
- State: PA
- HIOS Issuer ID: 82795
- Market: Small Group
- Effective Date: 1/1/2017

##### **PID Company Information**

- Company Name: Capital Advantage Insurance Company (CAIC)
- NAIC: 41203
- Market: Small Group
- On/Off Exchange: Off Exchange
- Effective Date: 1/1/2017
- Average Rate Change: 4.5%
- Range of Requested Rate Change: 4.4% to 5.8%
- Product: PPO
- Rating Areas: 9
- Metal Levels: Gold, Silver
- Current Covered Lives and Policyholders: 46/44
- Number of Plans: 2
- Contract Form #: C17-CAIC-SPG
- Form Filing SERFF #: CABC-130534718
- Binder SERFF #: CABC-PA17-125060094
- HIOS Issuer ID: 82795
- HIOS Submission Tracking Number: 82795-687332328753654816

### **Company Contact Information**

- Primary Contact Name: [REDACTED]
- Primary Contact Telephone Number: [REDACTED]
- Primary Contact Email Address: [REDACTED]

### **Scope and Purpose**

By this filing, Capital Advantage Insurance Company (CAIC), a subsidiary of Capital BlueCross (CBC), submits rates for products to be made available to all small groups effective January 1, 2017. CAIC will only offer small group products off the federally-facilitated exchange.

CAIC is continuing to offer its CareConnect Gatekeeper PPO. CareConnect Gatekeeper PPO is a managed care arrangement product with the Pinnacle Health System. It is available to small groups located in Cumberland, Dauphin or Perry County.

A summary of proposed 2017 benefits is included in Exhibit A.

### **Rate History and Proposed Variations in Rate Changes**

Market	Company	Effective Date	SERFF #	Annual Increase
Small Group	CAIC	1/1/2014	CABC-129034005	0.00%
Small Group	CAIC	1/1/2015	CABC-129649362	0.00%
Small Group	CAIC	1/1/2016	CABC-130079821	-2.00%

### **Proposed Rate Increases**

CAIC is proposing an aggregate annual increase of 4.5%. The rate change does vary by plan. The rate change is calculated in PA Rate Template Part IV, Table 11, cell AZ13.

### **Rate Change Summary**

The Rate Change Summary submitted with this filing contains 2015 small group (1-50 employees) financial information. Please note this exhibit does not match CAIC's Supplemental Health Care Exhibit (SHCE), as the SHCE submitted for 2015 applies to employer size of 1-100 employees.

Please note that prior to the enactment of the Protecting Affordable Coverage for Employees ("PACE") Act, H.R. 1624, which was signed into law on October 7, 2015, a small employer was defined using a "1-100 employees" test, with an available state election to us a "1-50 employees"

test for plan years beginning before January 1, 2016. PHSA §2791(e)(2)(4)(2014), ACA § 1304(b)(1)-(3) (2014).

Based on the absence of an explicit election on the part of the Commonwealth to use the “1-50 employees” test, as well as other factors, CBC received confirmation from the Pennsylvania Insurance Department that CBC and its subsidiaries could use the “1-100 employees” test until January 1, 2016. Accordingly, CBC and its subsidiaries used a small group size of “1-100 employees” for MLR and related financial reporting for years ending on or before December 31, 2015. Beginning with January 1, 2016, in accordance with the PACE Act, CBC and its subsidiaries began using the “1-50 employees” test for all purposes. For these reasons, certain information including the premiums, claims and administrative expense amounts used in this filing, and which appear in the Rate Change Request Summary (Attachment 1), do not match amounts shown in the Supplemental Health Care Reporting Exhibit included in the 2015 Annual Financial Statement for the market.

It is important to note, that to the best of our knowledge, the use of the “1-100 employees” test as opposed to the “1-50 employees” test did not affect the requirement that CAIC provide a rebate to customers based upon its MLR for the year 2015.

## **Membership**

Membership is shown in PA Rate Template Part I, Table 1.

## **Benefit Changes 2016-2017**

There are several benefit changes being implemented in 2017. All benefit changes comply with the uniform modification of coverage standards described in 45 CFR 147.106(e). A summary of proposed 2017 benefits is included in Exhibit A.

Benefit changes by plan are listed in Exhibit A1, highlight in yellow.

## **Experience Period Premium and Claims**

**Base Experience Period:** The base experience period (BEP) includes completed fee-for-service paid and incurred claims for dates of service between January 1, 2015 and December 31, 2015.

**Paid Through Date:** Claims in the BEP are paid through March 31, 2016

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

**Allowed and Incurred Claims during the Experience Period:**

	Incurred	Allowed
Amount of claims processed through the issuer's claim system:	\$674,425	\$936,038
Amount of claims processed outside of the issuer's claim system:	0	0
Amount of claims that represent best estimate of incurred but not paid:	\$16,366	\$23,745

Allowed claims are developed by combining paid claims with member cost-sharing.

**Estimated Incurred but Not Paid Claims:** Paid claims by date of service come directly from CBC'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.

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

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

## **Benefit Categories**

Claims in the benefit categories displayed in the URRT come directly from CBC's data warehouse. See Exhibit B for a description of benefits by benefit category.

## **Projection Factors**

**Changes in Morbidity of the Population Insured:** CAIC expects changes in morbidity in its small group population from the experience period. This is a direct impact of the transitional policy. The transitional policy, which was first released in November 2013 and extended by a letter released in March 2014, allows small groups to keep their current coverage through 2016. For CAIC, this policy impacts groups renewing June through December, with December being CAIC's largest renewal month. The transitional policy will allow groups to select the lowest premium, with the lowest morbidity groups keeping their current coverage and the highest morbidity groups opting for ACA-compliant coverage. CAIC's transitional selection impact estimate is found in the URRT, Worksheet 1, "Pop'l Risk Morbidity".

### **Changes in Benefits:**

1. Pediatric Dental and Pediatric Vision: The following PMPM allowed charges are added to the projection period allowed claims PMPM:
  - Pediatric dental coverage: 5.01
  - Pediatric vision coverage 0.46

These were added to the projected allowed claims in Exhibit B by applying a factor to the experience period, "Other Medical" claims. The development of pediatric dental and vision projected claims are described below.

See Exhibit C for the pediatric dental and vision rate development.

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

**Other Adjustments:** Found in URRT, Worksheet 1, "Other".

1. List-Billed Adjustment: CAIC is adjusting the claim experience for the impact of the list-billing rating methodology required under CFR Part 147.102. This section requires that family rates are calculated by summing the premiums for each individual family member, provided at most three child dependents under age 21 are taken into account. This rating rule requires an adjustment to premium.
2. Network Adjustment: CAIC is adjusting the claim experience for the impact of the CareConnect network. The CareConnect Gatekeeper PPO product is a managed care arrangement product with the Pinnacle Health System. The contracted rates with Pinnacle will produce a cost-savings over a standard PPO product.

**Trend Factors:** Trend levels reflect our 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. CAIC uses a hospital and physician contracting model to determine future trends. This model contains all known contracted payment increases, as well as estimated increases in provider payments.
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
3. Intensity: Intensity is defined as the amount of inputs used to provide each unit of service. This can best be seen in an example:

Year 2012		
Type of Service	Units	Cost per Unit
X-Ray	1	\$200
MRI	1	\$5,000
Total	2	\$5,200

Year 2013		
Type of Service	Units	Cost per Unit
X-Ray	0	\$200
MRI	2	\$5,000
Total	2	\$10,000

Total Annual Trend	92%
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2. 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. CAIC strives to mitigate the

underwriting cycle by keeping trends consistent through times of increasing and decreasing claim costs and utilization.

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

## **Credibility Manual Rate Development**

**Background:** CAIC subsidiary, Capital Advantage Assurance Company (CAAC), is a new CBC company effective January 1, 2013. On that date, upon renewal, all small group PPO and Drug products were moved from CAIC to CAAC. And effective 7/1/2013, all Traditional and Comprehensive products (on renewal) were moved from CAIC to CAAC. Given the 2013 inception date of CAAC, CAIC has shrinking enrollment in 2013-2015. Effective 1/1/2015, CAIC began offering the CareConnect Pinnacle product. This product continues to have small, non-credible enrollment. Because of this, it is reasonable to use combined data from CAAC, Keystone Health Plan Central (KHPC), and CAIC in the experience period.

The Credibility Manual is developed in the same manner (using the same projection factors and trend) as the experience period data. Exhibit F shows the calculation of the credibility manual data entered into the URRT.

## **Credibility of Experience**

**Credibility Manual Rate Development:** As seen in the URRT, the CAIC experience data and the credibility manual are very closely aligned. The credibility manual was given 100% credibility because it encompasses all small group membership.

## **Paid to Allowed Ratio**

CAIC used the prescribed URRT allowed claims rate development methodology in conjunction with a paid and incurred rate development methodology to determine final premium rates. The 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, CAIC 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
  - b. BEP Member Months
2. Develop BEP *Paid and Incurred Claims*:

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

The development of completion factors is described in Experience Period Premium and Claims above.

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

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

4. Develop *Trended Claim PMPM*: Using the aggregate trend described in the Projection Factors 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*

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

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

$$\begin{aligned} & \textit{Projected Paid and Incurred Claims PMPM} \\ &= [Trended \text{ Claim PMPM}] \times [Benefit \text{ Adjustment}] \\ &\times [Morbidity \text{ Adjustment}] \times [List - Billed \text{ Adjustment}] \end{aligned}$$

The *Benefit Adjustment*, *Morbidity Adjustment*, and *List-Billed Adjustment* are discussed in the Projections Factors section above.

6. Develop *Projected Claims PMPM by Benefit* as follows:

- a. CAIC 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:

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

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

$$\begin{aligned} &\text{Base Plan Paid and Incurred Claims PMPM} \\ &= \frac{\text{Benefit Adjusted Paid and Incurred Claims PMPM}}{\text{Benefit Level Adjustment}} \end{aligned}$$

- 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:

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

- 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 PPO 2000 and PPO 1000 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:

$$\begin{aligned} &\text{Projected Claims PMPM Benefit A} \\ &= \text{Projected Claims PMPM Base Plan} \\ &\times \text{Pricing Relativity A} \end{aligned}$$

- b. And to arrive at the *Total Projected Claims PMPM*, CAIC assumes a distribution of members across the benefit plans being offered in 2015. The *Total Projected Claims PMPM* :

$$\begin{aligned} &= \text{Projected Claims PMPM Benefit A} \times \text{Expected Member Dist of Benefit A} \\ &+ \text{Projected Claims PMPM Benefit B} \\ &\times \text{Expected Member Dis of Benefit B} + \dots \end{aligned}$$

7. The Paid-To-Allowed Ratio is then:

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

See Exhibit G for the development of the *Paid-to-Allowed Ratio*.

## **Risk Adjustment and Reinsurance**

### **Projected Risk Adjustments PMPM:**

Relevant to 2017 pricing is the impact of Commercial Risk Adjustment (CRA) payment transfers that are expected to be earned in 2017. The 2017 pricing impact is:

$$\begin{aligned} & [\text{Net Projected Risk Adjustments PMPM}] \\ & = [\text{Projected CRA Transfer PMPM}] - [\text{Risk Adjustment Fee PMPM}] \end{aligned}$$

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. The impact of transitional policies throughout the remainder of 2016 and 2017

Given the uncertainty of the five bullets above, it is difficult to determine whether the impact of 2017 earned CRA payment transfers will be positive or negative. Therefore, an appropriate estimate of [Projected CRA Transfer PMPM] is \$0.

To fund the HHS-risk adjustment program, issuers will remit to HHS a fee of \$0.13 PMPM. The Risk Adjustment Fee PMPM is included in the URRT Worksheet 1, “Projected Risk Adjustments PMPM”.

$$[\text{Net Projected Risk Adjustments PMPM}] = 0 - 0.13 = -0.13 \text{ PMPM}$$

### **Projected ACA Reinsurance Recoveries:**

$$\begin{aligned} & [\text{Net Projected ACA Reinsurance Recoveries PMPM}] \\ & = [\text{Projected ACA Reinsurance Recoveries PMPM}] \\ & - [\text{Reinsurance Contribution PMPM}] \end{aligned}$$

Reinsurance recoveries are equal to \$0 in the small group market, as shown in the URRT Worksheet 1, “Projected ACA reinsurance recoveries, net of rein prem, PMPM”.

## **Non-Benefit Expenses and Profit & Risk**

## **Administrative Expense Load:**

1. **Administrative Expense:** Calculated using an allocation method from CAIC'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 for the percentage of time spent on PPO versus HMO versus Drug versus Medicare. And separately will ask for the percentage of time 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 CAIC small group products. Administrative expenses are included in the URRT Worksheet 1, "Administrative Load".
2. **Broker Expense:** Calculated based on CAIC's explicit per contract broker fee. See Exhibit E for historical CBC broker PMPMs in the small group market. Broker Expense is included in the URRT Worksheet 1, "Administrative Load".
3. **Member Out-Of-Pocket (OOP) and Ways to Save:**
  - a. **Description:** These products offer enhanced transparency to cost savings potential both prospectively and retrospectively. These are new services included in each of CAIC's small group plans that work to decrease costs by engaging members in their health care decisions. The Member OOP program will show a member, prospectively, the value of a service and the impact of member cost-sharing when that service is incurred. It allows a member to shop for the best price while introducing transparency related to the member's expected cost share at the time of service. The "Ways to Save" program allows members to receive alerts, retrospectively, informing them of cost savings that could have been incurred had they have known about competing medical providers in the area. The alerts are retrospective and offer transparency around member's healthcare options.
  - b. **Costs:** The vendor of these products charge both per contract per year (PCPY) user fees as well as initial implementation fees and annual subscription fees. The PCPY user fees are \$0.115 and \$1.7955 for "Member Out of Pocket" and "Way to Save" respectively. The vendor also charges a 25% administrative load, annual subscription fee, and a \$100,000 implementation fee. The implementation fee is amortized over 5 years across several hundred thousand members. Using book of business member-to-contract ratios and converting to a per member per month (PMPM), in conjunction with the administrative load and implementation fee yields a PMPM charge of \$0.0128 and \$.20 for Member Out of Pocket and Ways to Save respectively. Annual subscription fees charged yields another \$0.04 PMPM. All of these items combined allow us to arrive at a requested \$0.25 PMPM. These programs are included in the URRT Worksheet 1, "Administrative Load".
4. **Value-Based Benefits (VBB):** Standard with each plan, Capital BlueCross 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:

- a. Complete CBC Personal Profile and receive a gift card reward.
  - b. Complete one online coaching program and receive a gift card reward.
  - c. The wellness program is administered through a vendor and costs are based on vendor fees.
5. Identity Theft Coverage: Identity protection offering will include the following components:
- a. Credit monitoring – Monitors activity that may affect credit
  - b. Fraud detection – Identifies potentially fraudulent use of identity or credit
  - c. Fraud resolution support – Assists members in addressing issues that arise in relation to credit monitoring and fraud detection

### **Profit (or Contribution to Surplus) & Risk Margin:**

6. Contingency: Contingency is included in the URRT Worksheet 1, “Profit and Risk”.

### **Taxes and Fees:**

7. 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, 2013, and before October 1, 2014, the applicable dollar amount is \$2 per member per year (\$0.17 PMPM), trended annually. At an estimated trend of 4%, the 2017 projected fee is \$0.18 PMPM. PCORTF is included in the URRT Worksheet 1, “Taxes and Fees”.
8. Health Insurer Fee (HIF) – Section 9010 of PPACA and Section 1406 of the Reconciliation Act (which modified PPACA) refer to HIF. The fee is a fixed-dollar amount distributed across health insurance providers: \$8 billion in 2014, \$11.3 billion in 2015-2016, suspended in 2017, and \$14.3 billion in 2018. After 2018, HIF rises according to an index based on net premium growth. In 2017, CBC subsidiaries will pay an estimated 1.9% of insured premium as a result of HIF. 1.9% is calculated by averaging enrollment and expected HIF by rating quarter. See Exhibit H. The HIF is included in the URRT Worksheet 1, “Taxes and Fees”.
9. Exchange Fee – CAIC is not offering any plans of the federally-facilitated exchange.
10. Premium Tax: Included in the URRT Worksheet 1, “Taxes and Fees”.
11. Federal Income Tax: Projected that Federal Income Tax will be collected on the 2% contingency built into the premium. The projected Federal Income Tax is included in the URRT Worksheet 1, “Taxes and Fees”.

See Exhibit H for all CAIC small group retention values.

### **Projected Loss Ratio**

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

## **Single Risk Pool**

The data used to develop rates and shown in the URRT abides by 45 CFR part 156.80(d) single risk pool requirements. The single risk pool reflects all covered lives for every non-grandfathered product/plan combination for CAIC in the small group market segment. The single risk pool includes transitional products/plans for purposes of base rate experience. The projection period reflects experience of transitional policies to the extent that CAIC anticipates the members in those policies to be enrolled in fully ACA-complaint plans during the projection period. The impact of transitional policies is discussed in Projection Factors section above.

## **Index Rate**

The experience period index rate is CAIC's allowed claims PMPM, set in accordance with the single risk pool provision. All CAIC covered benefits are categorized as Essential Health Benefits (EHBs), therefore no adjustment was made to the experience period index. Only two EHB categories are not included in the experience period: pediatric dental and pediatric vision. Pediatric dental and pediatric vision claim PMPMs are added to the projected index rate as described in the Projection Factors section above.

**Projected Allowed Claims:** The CAIC experience period allowed claims, benefit-adjusted, trended to the projection period (See Projection Factors section above), and credibility adjusted, is the *Projected Allowed Claims at Current Benefits*. This number is reflected in Worksheet 1 of the 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 groups renewing January – March (Index 1).
3. Trend Index 1 quarterly for the remainder of 2017. This results in Index 2 (April – June), Index 3 (July – September), and Index 4 (October – December).
4. The final projected index rate is the member weighted average of Index 1, Index 2, Index 3, and Index 4. Member distribution is based on CAIC's current enrollment by renewal month.

See Exhibit J for the calculation of the Index Rate.

## **Market Adjusted Index Rate**

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

$$\begin{aligned}
& [\text{Market Adjusted Index Rate}] \\
&= [\text{Index Rate}] - [\text{Net Projected ACA Reinsurance Recoveries}] \\
&\quad - [\text{Net Projected Risk Adjustments PMPM}] + [\text{Exchange Fees PMPM}]
\end{aligned}$$

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

## **Plan Adjusted Index Rate**

The Plan Adjusted Index Rates are included in Worksheet 2, Section IV of the 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 CAIC's actuarial cost model. CAIC 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. Provider Network: The Provider network is the same across all CareConnect Plans. This is the adjustment to reflect the Pinnacle managed care arrangement, as well as the referral requirements associated with a Gatekeeper PPO product.
3. Adjustment for benefits in addition to EHBs: No benefits other than EHBs are included in the plans, so no adjustment is necessary.
4. Catastrophic Plans: Does not apply to the small group market.
5. Adjustment for distribution and administrative costs: Described in Non-Benefit Expenses and Profit & Risk section above.
6. Tobacco Adjustment: No tobacco factor is applied, so no adjustment is necessary.

The development of the Plan Adjusted Index rate is found in Exhibit L. The average projected 2017 Plan Adjusted Index Rate is found in Exhibit M.

## **Calibration**

A calibration must be performed in order to apply the allowable rating factors (age and geography) to the Plan Adjusted Rate in order to calculate the Consumer Adjusted Premium Rates.

**Age Curve Calibration:** The projected average age factor is 1.48. This is calculated by taking the member-weighted average of current small group enrollment by age in CAIC, CAAC, and KHPC combined. Age factors are applied in accordance with CMS's Standard Age Curve.

**Geographic Factor Calibration:** CAIC CareConnect Gatekeeper PPO plan is only offered in region 9, therefore no regional rating factor is applied.

The calibration is:

$$[\text{Calibrated Plan Adjusted Index Rate}] = [\text{Plan Adjusted Index Rate}] \div ([\text{Age Curve Calibration}])$$

All consumer-level adjustments are applied uniformly to all plans in the Single Risk Pool. These adjustments do not vary by plan. The calibration factors and development are found on Exhibit N and Exhibit O.

### **Consumer Adjusted Premium Rate Development**

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

$$\begin{aligned} [\text{Member} - \text{Level Consumer Adjusted Premium Rate}] \\ = [\text{Calibrated Plan Adjusted Index Rate}] \times [\text{Age Factor}] \\ \times [\text{Geographic Factor}] \end{aligned}$$

2.  $[\text{Family Consumer Adjusted Premium Rate}] = \sum [\text{Member} - \text{Level Consumer Adjusted Premium Rate}]$   
With no more than three child dependents under age 21 taken into account

**Small Group Plan Premium Rates:** CAIC is filing quarterly small group rates with trend. Therefore, the Index Rate, Market Adjusted Index Rate, and Plan Adjusted Index Rate reflect the member-weighted average premium of the calendar year. The trend used to develop the quarterly rates is shown in Exhibit M.

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

### **AV Metal Values**

The AV Metal Values included in Worksheet 2 of the URRT were entirely based on the federally issued AV Calculator.

### **AV Pricing Values**



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

## **Membership Projection**

The membership projections found in Worksheet 2 of the URRT were developed by assuming that membership in CAIC will stay equal to current. CAIC expects most membership to stay in CAAC PPO plans.

## **Terminated Products**

See Exhibit Q for a list of terminated products.

## **Attachments and Examples**

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

Exhibit A – Benefit Summary  
Exhibit A1 – Benefit Change Summary  
Exhibit B – Benefit Categories  
Exhibit C – Pediatric Dental and Vision Rate Development  
Exhibit D – Benefit Mix Changes  
Exhibit E – Trend  
Exhibit F – Credibility Manual Development  
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 – Terminated Products

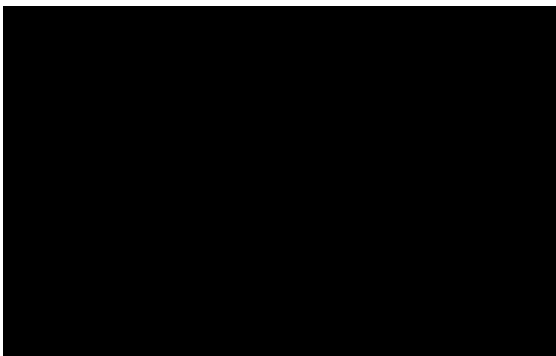
PA Rate Template Part I through Part V

## **Actuarial Statement**

I, [REDACTED], 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.

I, [REDACTED], 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:
  - 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 included in Worksheet 2, Sections III and IV 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 except those specified in the certification.



# **CAPITAL ADVANTAGE INSURANCE COMPANY, INC.**

## **ACTUARIAL MEMORANDUM**

### **Small Group Rates Effective January 1, 2017**

#### **General Information**

##### **Company Information**

- Company Legal Name: Capital Advantage Insurance Company – CAIC
- State: PA
- HIOS Issuer ID: 82795
- Market: Small Group
- Effective Date: 1/1/2017

##### **PID Company Information**

- Company Name: Capital Advantage Insurance Company (CAIC)
- NAIC: 41203
- Market: Small Group
- On/Off Exchange: Off Exchange
- Effective Date: 1/1/2017
- Average Rate Change: 2.3%
- Range of Requested Rate Change: 2.2% to 3.5%
- Product: PPO
- Rating Areas: 9
- Metal Levels: Gold, Silver
- Current Covered Lives and Policyholders: 46/44
- Number of Plans: 2
- Contract Form #: C17-CAIC-SPG
- Form Filing SERFF #: CABC-130534718
- Binder SERFF #: CABC-PA17-125060094
- HIOS Issuer ID: 82795
- HIOS Submission Tracking Number: 82795-687332328753654816

### **Company Contact Information**

- Primary Contact Name: [REDACTED]
- Primary Contact Telephone Number: [REDACTED]
- Primary Contact Email Address: [REDACTED]

### **Scope and Purpose**

By this filing, Capital Advantage Insurance Company (CAIC), a subsidiary of Capital BlueCross (CBC), submits rates for products to be made available to all small groups effective January 1, 2017. CAIC will only offer small group products off the federally-facilitated exchange.

CAIC is continuing to offer its CareConnect Gatekeeper PPO. CareConnect Gatekeeper PPO is a managed care arrangement product with the Pinnacle Health System. It is available to small groups located in Cumberland, Dauphin or Perry County.

A summary of proposed 2017 benefits is included in Exhibit A.

### **Rate History and Proposed Variations in Rate Changes**

Market	Company	Effective Date	SERFF #	Annual Increase
Small Group	CAIC	1/1/2014	CABC-129034005	0.00%
Small Group	CAIC	1/1/2015	CABC-129649362	0.00%
Small Group	CAIC	1/1/2016	CABC-130079821	-2.00%

### **Proposed Rate Increases**

CAIC is proposing an aggregate annual increase of 2.3%. The rate change does vary by plan. The rate change is calculated in PA Rate Template Part IV, Table 11, cell AZ13.

### **Rate Change Summary**

The Rate Change Summary submitted with this filing contains 2015 small group (1-50 employees) financial information. Please note this exhibit does not match CAIC's Supplemental Health Care Exhibit (SHCE), as the SHCE submitted for 2015 applies to employer size of 1-100 employees.

Please note that prior to the enactment of the Protecting Affordable Coverage for Employees ("PACE") Act, H.R. 1624, which was signed into law on October 7, 2015, a small employer was defined using a "1-100 employees" test, with an available state election to use a "1-50 employees"

test for plan years beginning before January 1, 2016. PHSA §2791(e)(2)(4)(2014), ACA § 1304(b)(1)-(3) (2014).

Based on the absence of an explicit election on the part of the Commonwealth to use the “1-50 employees” test, as well as other factors, CBC received confirmation from the Pennsylvania Insurance Department that CBC and its subsidiaries could use the “1-100 employees” test until January 1, 2016. Accordingly, CBC and its subsidiaries used a small group size of “1-100 employees” for MLR and related financial reporting for years ending on or before December 31, 2015. Beginning with January 1, 2016, in accordance with the PACE Act, CBC and its subsidiaries began using the “1-50 employees” test for all purposes. For these reasons, certain information including the premiums, claims and administrative expense amounts used in this filing, and which appear in the Rate Change Request Summary (Attachment 1), do not match amounts shown in the Supplemental Health Care Reporting Exhibit included in the 2015 Annual Financial Statement for the market.

It is important to note, that to the best of our knowledge, the use of the “1-100 employees” test as opposed to the “1-50 employees” test did not affect the requirement that CAIC provide a rebate to customers based upon its MLR for the year 2015.

## **Membership**

Membership is shown in PA Rate Template Part I, Table 1.

## **Benefit Changes 2016-2017**

There are several benefit changes being implemented in 2017. All benefit changes comply with the uniform modification of coverage standards described in 45 CFR 147.106(e). A summary of proposed 2017 benefits is included in Exhibit A.

Benefit changes by plan are listed in Exhibit A1, highlight in yellow.

## **Experience Period Premium and Claims**

**Base Experience Period:** The base experience period (BEP) includes completed fee-for-service paid and incurred claims for dates of service between January 1, 2015 and December 31, 2015.

**Paid Through Date:** Claims in the BEP are paid through March 31, 2016

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

**Allowed and Incurred Claims during the Experience Period:**

	Incurred	Allowed
Amount of claims processed through the issuer's claim system:	\$674,425	\$936,038
Amount of claims processed outside of the issuer's claim system:	0	0
Amount of claims that represent best estimate of incurred but not paid:	\$16,366	\$23,745

Allowed claims are developed by combining paid claims with member cost-sharing.

**Estimated Incurred but Not Paid Claims:** Paid claims by date of service come directly from CBC'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.

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

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

## **Benefit Categories**

Claims in the benefit categories displayed in the URRT come directly from CBC's data warehouse. See Exhibit B for a description of benefits by benefit category.

## **Projection Factors**

**Changes in Morbidity of the Population Insured:** CAIC expects changes in morbidity in its small group population from the experience period. This is a direct impact of the transitional policy. The transitional policy, which was first released in November 2013 and extended by a letter released in March 2014, allows small groups to keep their current coverage through 2016. For CAIC, this policy impacts groups renewing June through December, with December being CAIC's largest renewal month. The transitional policy will allow groups to select the lowest premium, with the lowest morbidity groups keeping their current coverage and the highest morbidity groups opting for ACA-compliant coverage. CAIC's transitional selection impact estimate is found in the URRT, Worksheet 1, "Pop'l Risk Morbidity".

### **Changes in Benefits:**

1. Pediatric Dental and Pediatric Vision: The following PMPM allowed charges are added to the projection period allowed claims PMPM:
  - Pediatric dental coverage: 5.01
  - Pediatric vision coverage 0.46

These were added to the projected allowed claims in Exhibit B by applying a factor to the experience period, "Other Medical" claims. The development of pediatric dental and vision projected claims are described below.

See Exhibit C for the pediatric dental and vision rate development.

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

**Other Adjustments:** Found in URRT, Worksheet 1, "Other".

1. List-Billed Adjustment: CAIC is adjusting the claim experience for the impact of the list-billing rating methodology required under CFR Part 147.102. This section requires that family rates are calculated by summing the premiums for each individual family member, provided at most three child dependents under age 21 are taken into account. This rating rule requires an adjustment to premium.
2. Network Adjustment: CAIC is adjusting the claim experience for the impact of the CareConnect network. The CareConnect Gatekeeper PPO product is a managed care arrangement product with the Pinnacle Health System. The contracted rates with Pinnacle will produce a cost-savings over a standard PPO product.

**Trend Factors:** Trend levels reflect our 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. CAIC uses a hospital and physician contracting model to determine future trends. This model contains all known contracted payment increases, as well as estimated increases in provider payments.
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
3. Intensity: Intensity is defined as the amount of inputs used to provide each unit of service. This can best be seen in an example:

Year 2012		
Type of Service	Units	Cost per Unit
X-Ray	1	\$200
MRI	1	\$5,000
Total	2	\$5,200

Year 2013		
Type of Service	Units	Cost per Unit
X-Ray	0	\$200
MRI	2	\$5,000
Total	2	\$10,000

Total Annual Trend	92%
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2. 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. CAIC strives to mitigate the



underwriting cycle by keeping trends consistent through times of increasing and decreasing claim costs and utilization.

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

## **Credibility Manual Rate Development**

**Background:** CAIC subsidiary, Capital Advantage Assurance Company (CAAC), is a new CBC company effective January 1, 2013. On that date, upon renewal, all small group PPO and Drug products were moved from CAIC to CAAC. And effective 7/1/2013, all Traditional and Comprehensive products (on renewal) were moved from CAIC to CAAC. Given the 2013 inception date of CAAC, CAIC has shrinking enrollment in 2013-2015. Effective 1/1/2015, CAIC began offering the CareConnect Pinnacle product. This product continues to have small, non-credible enrollment. Because of this, it is reasonable to use combined data from CAAC, Keystone Health Plan Central (KHPC), and CAIC in the experience period.

The Credibility Manual is developed in the same manner (using the same projection factors and trend) as the experience period data. Exhibit F shows the calculation of the credibility manual data entered into the URRT.

## **Credibility of Experience**

**Credibility Manual Rate Development:** As seen in the URRT, the CAIC experience data and the credibility manual are very closely aligned. The credibility manual was given 100% credibility because it encompasses all small group membership.

## **Paid to Allowed Ratio**

CAIC used the prescribed URRT allowed claims rate development methodology in conjunction with a paid and incurred rate development methodology to determine final premium rates. The 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, CAIC 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
  - b. BEP Member Months
2. Develop BEP *Paid and Incurred Claims*:

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

The development of completion factors is described in Experience Period Premium and Claims above.

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

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

4. Develop *Trended Claim PMPM*: Using the aggregate trend described in the Projection Factors 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*

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

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

$$\begin{aligned} & \text{Projected Paid and Incurred Claims PMPM} \\ &= [Trended \text{ Claim PMPM}] \times [Benefit \text{ Adjustment}] \\ &\times [Morbidity \text{ Adjustment}] \times [List - Billed \text{ Adjustment}] \end{aligned}$$

The *Benefit Adjustment*, *Morbidity Adjustment*, and *List-Billed Adjustment* are discussed in the Projections Factors section above.

6. Develop *Projected Claims PMPM by Benefit* as follows:

- a. CAIC 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:

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

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

$$\begin{aligned} &\text{Base Plan Paid and Incurred Claims PMPM} \\ &= \frac{\text{Benefit Adjusted Paid and Incurred Claims PMPM}}{\text{Benefit Level Adjustment}} \end{aligned}$$

- 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:

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

- 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 PPO 2000 and PPO 1000 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:

$$\begin{aligned} &\text{Projected Claims PMPM Benefit A} \\ &= \text{Projected Claims PMPM Base Plan} \\ &\times \text{Pricing Relativity A} \end{aligned}$$

- b. And to arrive at the *Total Projected Claims PMPM*, CAIC assumes a distribution of members across the benefit plans being offered in 2015. The *Total Projected Claims PMPM* :

$$\begin{aligned} &= \text{Projected Claims PMPM Benefit A} \times \text{Expected Member Dist of Benefit A} \\ &+ \text{Projected Claims PMPM Benefit B} \\ &\times \text{Expected Member Dis of Benefit B} + \dots \end{aligned}$$

7. The Paid-To-Allowed Ratio is then:

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

See Exhibit G for the development of the *Paid-to-Allowed Ratio*.

## **Risk Adjustment and Reinsurance**

### **Projected Risk Adjustments PMPM:**

Relevant to 2017 pricing is the impact of Commercial Risk Adjustment (CRA) payment transfers that are expected to be earned in 2017. The 2017 pricing impact is:

$$\begin{aligned} & [\text{Net Projected Risk Adjustments PMPM}] \\ & = [\text{Projected CRA Transfer PMPM}] - [\text{Risk Adjustment Fee PMPM}] \end{aligned}$$

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. The impact of transitional policies throughout the remainder of 2016 and 2017

Given the uncertainty of the five bullets above, it is difficult to determine whether the impact of 2017 earned CRA payment transfers will be positive or negative. Therefore, an appropriate estimate of [Projected CRA Transfer PMPM] is \$0.

To fund the HHS-risk adjustment program, issuers will remit to HHS a fee of \$0.13 PMPM. The Risk Adjustment Fee PMPM is included in the URRT Worksheet 1, “Projected Risk Adjustments PMPM”.

$$[\text{Net Projected Risk Adjustments PMPM}] = 0 - 0.13 = -0.13 \text{ PMPM}$$

### **Projected ACA Reinsurance Recoveries:**

$$\begin{aligned} & [\text{Net Projected ACA Reinsurance Recoveries PMPM}] \\ & = [\text{Projected ACA Reinsurance Recoveries PMPM}] \\ & - [\text{Reinsurance Contribution PMPM}] \end{aligned}$$

Reinsurance recoveries are equal to \$0 in the small group market, as shown in the URRT Worksheet 1, “Projected ACA reinsurance recoveries, net of rein prem, PMPM”.

## **Non-Benefit Expenses and Profit & Risk**

## **Administrative Expense Load:**

1. **Administrative Expense:** Calculated using an allocation method from CAIC'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 for the percentage of time spent on PPO versus HMO versus Drug versus Medicare. And separately will ask for the percentage of time 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 CAIC small group products. Administrative expenses are included in the URRT Worksheet 1, "Administrative Load".
2. **Broker Expense:** Calculated based on CAIC's explicit per contract broker fee. See Exhibit E for historical CBC broker PMPMs in the small group market. Broker Expense is included in the URRT Worksheet 1, "Administrative Load".
3. **Member Out-Of-Pocket (OOP) and Ways to Save:**
  - a. **Description:** These products offer enhanced transparency to cost savings potential both prospectively and retrospectively. These are new services included in each of CAIC's small group plans that work to decrease costs by engaging members in their health care decisions. The Member OOP program will show a member, prospectively, the value of a service and the impact of member cost-sharing when that service is incurred. It allows a member to shop for the best price while introducing transparency related to the member's expected cost share at the time of service. The "Ways to Save" program allows members to receive alerts, retrospectively, informing them of cost savings that could have been incurred had they have known about competing medical providers in the area. The alerts are retrospective and offer transparency around member's healthcare options.
  - b. **Costs:** The vendor of these products charge both per contract per year (PCPY) user fees as well as initial implementation fees and annual subscription fees. The PCPY user fees are \$0.115 and \$1.7955 for "Member Out of Pocket" and "Way to Save" respectively. The vendor also charges a 25% administrative load, annual subscription fee, and a \$100,000 implementation fee. The implementation fee is amortized over 5 years across several hundred thousand members. Using book of business member-to-contract ratios and converting to a per member per month (PMPM), in conjunction with the administrative load and implementation fee yields a PMPM charge of \$0.0128 and \$.20 for Member Out of Pocket and Ways to Save respectively. Annual subscription fees charged yields another \$0.04 PMPM. All of these items combined allow us to arrive at a requested \$0.25 PMPM. These programs are included in the URRT Worksheet 1, "Administrative Load".
4. **Value-Based Benefits (VBB):** Standard with each plan, Capital BlueCross 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:

- a. Complete CBC Personal Profile and receive a gift card reward.
  - b. Complete one online coaching program and receive a gift card reward.
  - c. The wellness program is administered through a vendor and costs are based on vendor fees.
5. Identity Theft Coverage: Identity protection offering will include the following components:
- a. Credit monitoring – Monitors activity that may affect credit
  - b. Fraud detection – Identifies potentially fraudulent use of identity or credit
  - c. Fraud resolution support – Assists members in addressing issues that arise in relation to credit monitoring and fraud detection

### **Profit (or Contribution to Surplus) & Risk Margin:**

6. Contingency: Contingency is included in the URRT Worksheet 1, “Profit and Risk”.

### **Taxes and Fees:**

7. 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, 2013, and before October 1, 2014, the applicable dollar amount is \$2 per member per year (\$0.17 PMPM), trended annually. At an estimated trend of 4%, the 2017 projected fee is \$0.18 PMPM. PCORTF is included in the URRT Worksheet 1, “Taxes and Fees”.
8. Health Insurer Fee (HIF) – Section 9010 of PPACA and Section 1406 of the Reconciliation Act (which modified PPACA) refer to HIF. The fee is a fixed-dollar amount distributed across health insurance providers: \$8 billion in 2014, \$11.3 billion in 2015-2016, suspended in 2017, and \$14.3 billion in 2018. After 2018, HIF rises according to an index based on net premium growth. In 2017, CBC subsidiaries will pay an estimated 1.9% of insured premium as a result of HIF. 1.9% is calculated by averaging enrollment and expected HIF by rating quarter. See Exhibit H. The HIF is included in the URRT Worksheet 1, “Taxes and Fees”.
9. Exchange Fee – CAIC is not offering any plans of the federally-facilitated exchange.
10. Premium Tax: Included in the URRT Worksheet 1, “Taxes and Fees”.
11. Federal Income Tax: Projected that Federal Income Tax will be collected on the 2% contingency built into the premium. The projected Federal Income Tax is included in the URRT Worksheet 1, “Taxes and Fees”.

See Exhibit H for all CAIC small group retention values.

### **Projected Loss Ratio**

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

## **Single Risk Pool**

The data used to develop rates and shown in the URRT abides by 45 CFR part 156.80(d) single risk pool requirements. The single risk pool reflects all covered lives for every non-grandfathered product/plan combination for CAIC in the small group market segment. The single risk pool includes transitional products/plans for purposes of base rate experience. The projection period reflects experience of transitional policies to the extent that CAIC anticipates the members in those policies to be enrolled in fully ACA-complaint plans during the projection period. The impact of transitional policies is discussed in Projection Factors section above.

## **Index Rate**

The experience period index rate is CAIC's allowed claims PMPM, set in accordance with the single risk pool provision. All CAIC covered benefits are categorized as Essential Health Benefits (EHBs), therefore no adjustment was made to the experience period index. Only two EHB categories are not included in the experience period: pediatric dental and pediatric vision. Pediatric dental and pediatric vision claim PMPMs are added to the projected index rate as described in the Projection Factors section above.

**Projected Allowed Claims:** The CAIC experience period allowed claims, benefit-adjusted, trended to the projection period (See Projection Factors section above), and credibility adjusted, is the *Projected Allowed Claims at Current Benefits*. This number is reflected in Worksheet 1 of the 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 groups renewing January – March (Index 1).
3. Trend Index 1 quarterly for the remainder of 2017. This results in Index 2 (April – June), Index 3 (July – September), and Index 4 (October – December).
4. The final projected index rate is the member weighted average of Index 1, Index 2, Index 3, and Index 4. Member distribution is based on CAIC's current enrollment by renewal month.

See Exhibit J for the calculation of the Index Rate.

## **Market Adjusted Index Rate**

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



$$\begin{aligned}
& [\text{Market Adjusted Index Rate}] \\
&= [\text{Index Rate}] - [\text{Net Projected ACA Reinsurance Recoveries}] \\
&\quad - [\text{Net Projected Risk Adjustments PMPM}] + [\text{Exchange Fees PMPM}]
\end{aligned}$$

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

## **Plan Adjusted Index Rate**

The Plan Adjusted Index Rates are included in Worksheet 2, Section IV of the 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 CAIC's actuarial cost model. CAIC 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. Provider Network: The Provider network is the same across all CareConnect Plans. This is the adjustment to reflect the Pinnacle managed care arrangement, as well as the referral requirements associated with a Gatekeeper PPO product.
3. Adjustment for benefits in addition to EHBs: No benefits other than EHBs are included in the plans, so no adjustment is necessary.
4. Catastrophic Plans: Does not apply to the small group market.
5. Adjustment for distribution and administrative costs: Described in Non-Benefit Expenses and Profit & Risk section above.
6. Tobacco Adjustment: No tobacco factor is applied, so no adjustment is necessary.

The development of the Plan Adjusted Index rate is found in Exhibit L. The average projected 2017 Plan Adjusted Index Rate is found in Exhibit M.

## **Calibration**

A calibration must be performed in order to apply the allowable rating factors (age and geography) to the Plan Adjusted Rate in order to calculate the Consumer Adjusted Premium Rates.



**Age Curve Calibration:** The projected average age factor is 1.48. This is calculated by taking the member-weighted average of current small group enrollment by age in CAIC, CAAC, and KHPC combined. Age factors are applied in accordance with CMS's Standard Age Curve.

**Geographic Factor Calibration:** CAIC CareConnect Gatekeeper PPO plan is only offered in region 9, therefore no regional rating factor is applied.

The calibration is:

$$[\text{Calibrated Plan Adjusted Index Rate}] = [\text{Plan Adjusted Index Rate}] \div ([\text{Age Curve Calibration}])$$

All consumer-level adjustments are applied uniformly to all plans in the Single Risk Pool. These adjustments do not vary by plan. The calibration factors and development are found on Exhibit N and Exhibit O.

### **Consumer Adjusted Premium Rate Development**

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

$$\begin{aligned} [\text{Member} - \text{Level Consumer Adjusted Premium Rate}] \\ = [\text{Calibrated Plan Adjusted Index Rate}] \times [\text{Age Factor}] \\ \times [\text{Geographic Factor}] \end{aligned}$$

2.  $[\text{Family Consumer Adjusted Premium Rate}] = \sum [\text{Member} - \text{Level Consumer Adjusted Premium Rate}]$   
With no more than three child dependents under age 21 taken into account

**Small Group Plan Premium Rates:** CAIC is filing quarterly small group rates with trend. Therefore, the Index Rate, Market Adjusted Index Rate, and Plan Adjusted Index Rate reflect the member-weighted average premium of the calendar year. The trend used to develop the quarterly rates is shown in Exhibit M.

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

### **AV Metal Values**

The AV Metal Values included in Worksheet 2 of the URRT were entirely based on the federally issued AV Calculator.

### **AV Pricing Values**

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

## **Membership Projection**

The membership projections found in Worksheet 2 of the URRT were developed by assuming that membership in CAIC will stay equal to current. CAIC expects most membership to stay in CAAC PPO plans.

## **Terminated Products**

See Exhibit Q for a list of terminated products.

## **Attachments and Examples**

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

Exhibit A – Benefit Summary  
Exhibit A1 – Benefit Change Summary  
Exhibit B – Benefit Categories  
Exhibit C – Pediatric Dental and Vision Rate Development  
Exhibit D – Benefit Mix Changes  
Exhibit E – Trend  
Exhibit F – Credibility Manual Development  
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 – Terminated Products

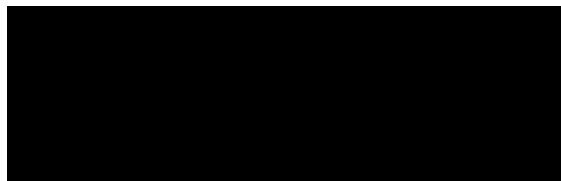
PA Rate Template Part I through Part V

## **Actuarial Statement**

I, [REDACTED], 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.

I, [REDACTED], 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:
  - 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 included in Worksheet 2, Sections III and IV 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 except those specified in the certification.



██████████, ASA, MAAA  
Actuarial Associate  
Capital BlueCross

1	Unified Rate Review v3.3																										
2																											
3	Company Legal Name:		Capital Advantage Insurance (State:										PA														
4	HIOS Issuer ID:		82795										Market:		Small Group												
5	Effective Date of Rate Change(s): 1/1/2017																										
6																											
7																											
8	Market Level Calculations (Same for all Plans)																										
9																											
10																											
11	Section I: Experience period data																										
12	Experience Period:		1/1/2015		to		12/31/2015																				
13							Experience Period																				
14							Aggregate Amount																				
15							PMPM																				
16							% of Prem																				
17	Premiums (net of MLR Rebate) in Experience Period:		\$1,394,933		\$347.17		100.00%																				
18	Incurred Claims in Experience Period		\$690,791		171.92		49.52%																				
19	Allowed Claims:		\$959,784		238.87		68.80%																				
20	Index Rate of Experience Period				\$238.87																						
21	Experience Period Member Months		4,018																								
22																											
23	Section II: Allowed Claims, PMPM basis																										
24																											
25																											
26																											
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49	Information Not Releasable to the Public Unless Authorized by Law: This information has not been publically disclosed and may be privileged and confidential. It is for internal government use only and must not be disseminated, distributed, or copied to persons not authorized to receive the information. Unauthorized disclosure may result in prosecution to the full extent of the law.																										
50																											

Product-Plan Data Collection

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

Capital Advantage Insurance Company  
82795  
1/1/2017

State:  
Market:

PA  
Small Group

Product/Plan Level Calculations

Section I: General Product and Plan Information

Product		PPO	PPO CareConnect		erminated Products
Product ID:		82795PA006	82795PA011		82795PA999
Metal:		Gold	Gold	Silver	Not Applicable
AV Metal Value		0.800	0.817	0.719	0.000
AV Pricing Value		0.800	0.880	0.723	1.000
Plan Category		Terminated	Renewing	Renewing	Terminated
Plan Type:		PPO	PPO	PPO	PPO
Plan Name		Healthy Benefits PPO 1000 . 0 EX	PinnacleHealth 1000/0/10   CareConnect Rx	PinnacleHealth 3000/0/35   CareConnect Rx	2015 Experience
Plan ID (Standard Component ID):		82795PA0060002	82795PA0110006	82795PA0110007	82795PA9999999
Exchange Plan?		No	No	No	No
Historical Rate Increase - Calendar Year - 2		0.00%	0.00%		0.00%
Historical Rate Increase - Calendar Year - 1		0.00%	0.00%		0.00%
Historical Rate Increase - Calendar Year 0		0.00%	-0.20%		0.00%
Effective Date of Proposed Rates		1/1/2017	1/1/2017	1/1/2017	1/1/2017
Rate Change % (over prior filing)		8.00%	-0.69%	0.82%	0.00%
Cum'tive Rate Change % (over 12 mos prior)		8.00%	5.32%	6.91%	0.00%
Proj'd Per Rate Change % (over Exper. Period)		-100.00%	33.63%	48.65%	-100.00%
Product Rate Increase %		0.00%	5.48%		0.00%

Section II: Components of Premium Increase (PMPM Dollar Amount above Current Average Rate PMPM)

Plan ID (Standard Component ID):	Total	82795PA0060002	82795PA0110006	82795PA0110007	82795PA9999999
Inpatient	\$0.04	\$0.00	\$2.81	\$3.76	\$0.00
Outpatient	\$0.12	\$0.00	\$9.21	\$12.32	\$0.00
Professional	\$0.09	\$0.00	\$6.88	\$9.21	\$0.00
Prescription Drug	\$0.01	\$0.00	\$0.42	\$0.56	\$0.00
Other	\$0.01	\$0.00	\$0.39	\$0.52	\$0.00
Capitation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Administration	\$0.05	\$0.00	\$4.00	\$4.00	\$0.00
Taxes & Fees	-\$0.14	\$0.00	-\$10.69	-\$9.27	\$0.00
Risk & Profit Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Rate Increase	\$0.18	\$0.00	\$13.02	\$21.09	\$0.00
Member Cost Share Increase	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Average Current Rate PMPM	\$516.41	\$0.00	\$527.69	\$439.06	\$0.00
Projected Member Months	660	0	576	84	0

tion III: Experience Period Information

Plan ID (Standard Component ID):	Total	82795PA0060002	82795PA0110006	82795PA0110007	82795PA9999999
Plan Adjusted Index Rate	\$347.18	\$579.48	\$404.63	\$309.55	\$340.20
Member Months	4,018	106	45	7	3,860
Total Premium (TP)	\$1,394,972	\$61,425	\$18,208	\$2,167	\$1,313,172
EHB Percent of TP, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%
state mandated benefits portion of TP that are other than EHB	0.00%	0.00%	0.00%	0.00%	0.00%
Other benefits portion of TP	0.00%	0.00%	0.00%	0.00%	0.00%
Total Allowed Claims (TAC)	\$959,784	\$74,047	\$16,497	\$143	\$869,098
EHB Percent of TAC, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%
state mandated benefits portion of TAC that are other than EHB	0.00%	0.00%	0.00%	0.00%	0.00%
Other benefits portion of TAC	0.00%	0.00%	0.00%	0.00%	0.00%
Allowed Claims which are not the issuer's obligation:	\$268,993	\$7,059	\$5,176	\$98	\$256,660
Portion of above payable by HHS's funds on behalf of insured person, in dollars	\$0		\$0	\$0	\$0
Portion of above payable by HHS on behalf of insured person, as %	0.00%		0.00%	0.00%	0.00%
Total Incurred claims, payable with issuer funds	\$690,791	\$66,988	\$11,320	\$45	\$612,437
Net Amt of Rein	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Amt of Risk Adj	\$89,322.66	\$95,682.98	-\$4,639.84	-\$1,720.48	\$0.00

Incurred Claims PMPM	\$171.92	\$631.96	\$251.56	\$6.43	\$158.66
Allowed Claims PMPM	\$238.87	\$698.55	\$366.59	\$20.39	\$225.15
EHB portion of Allowed Claims, PMPM	\$238.87	\$698.55	\$366.59	\$20.39	\$225.15

tion IV: Projected (12 months following effective date)

Plan ID (Standard Component ID):	Total	82795PA0060002	82795PA0110006	82795PA0110007	82795PA9999999
Plan Adjusted Index Rate	\$530.46	\$0.00	\$540.71	\$460.15	\$0.00
Member Months	660	-	576	84	-
Total Premium (TP)	\$350,103	\$0	\$311,450	\$38,653	\$0
EHB Percent of TP, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%
state mandated benefits portion of TP that are other than EHB	0.00%	0.00%	0.00%	0.00%	0.00%
Other benefits portion of TP	0.00%	0.00%	0.00%	0.00%	0.00%
Total Allowed Claims (TAC)	\$322,544	\$0	\$281,493	\$41,051	\$0
EHB Percent of TAC, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%
state mandated benefits portion of TAC that are other than EHB	0.00%	0.00%	0.00%	0.00%	0.00%
Other benefits portion of TAC	0.00%	0.00%	0.00%	0.00%	0.00%
Allowed Claims which are not the issuer's obligation	\$42,345	\$0	\$36,955	\$5,389	\$0
Portion of above payable by HHS's funds on behalf of insured person, in dollars	\$0		\$0	\$0	\$0
Portion of above payable by HHS on behalf of insured person, as %	0.00%		0.00%	0.00%	#DIV/0!
Total Incurred claims, payable with issuer funds	\$280,199	\$0	\$244,538	\$35,662	\$0
Net Amt of Rein	\$0	\$0	\$0	\$0	\$0
Net Amt of Risk Adj	-\$86	\$0	-\$75	-\$11	\$0

Incurred Claims PMPM	\$424.54	#DIV/0!	\$424.54	\$424.54	#DIV/0!
Allowed Claims PMPM	\$488.70	#DIV/0!	\$488.70	\$488.70	#DIV/0!
EHB portion of Allowed Claims, PMPM	\$488.70	#DIV/0!	\$488.70	\$488.70	#DIV/0!



PA Rate Template Part I  
Data Relevant to the Rate Filing

Table 1. Number of Members

	Member-months		Member months	
	Experience Period	Members	Current Period	Projected Rating Period
	(as of Feb. 1, 2016)			
Total		4,018	42	46
<18		652	-	-
18-24		401	3	2
25-29		490	12	13
30-34		244	3	3
35-39		186	7	8
40-44		268	1	1
45-49		147	3	3
50-54		424	4	5
55-59		528	6	6
60-63		259	3	3
64+		187	-	-

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-HIB portion of Allowed Claims	Total Prescription Drug Rebates*	Total HIB Capitation	Total Non-HIB Capitation	Estimated Risk Adjustment	Estimated Reinsurance Recoveries
\$ 1,384,933.20	\$ 675,776.73	\$ 696,142.67	4,018	\$ 208,993.10	\$ 965,135.77	\$ -	\$ (5,352,040)	\$ -	\$ -	\$ 89,322.65	\$ -
2015 Total Allowed HIB Claims + HIB Capitation PMPM (net of prescription drug rebates)											\$ 238.87
Loss Ratio											46.54%

\*Express Prescription Drug Rebates as a negative number

Table 3. Trend Components

Service Category	Cost*	Utilization*	Composite	Weight*
Inpatient Hospital	5.00%	1.95%	7.00%	18.62%
Outpatient Hospital	5.00%	1.95%	7.00%	11.96%
Professional	5.00%	1.95%	7.00%	21.11%
Other Medical	5.00%	1.95%	7.00%	2.48%
Capitation				0.11%
Prescription Drugs	13.51%	0.95%	13.56%	19.67%
Total Annual Trend			8.39%	100.00%

\* Express Cost, Utilization, and Weight as percentages

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-11		\$ 20,491,404.29	1.0000	\$ 20,491,439.32	54,235	\$ 377.83		\$ (205,544.28)	\$ 23,057,794.47	\$ 436.21
Feb-11		\$ 15,707,474.35	1.0000	\$ 15,707,515.64	50,076	\$ 313.67		\$ (227,374.01)	\$ 15,081,939.81	\$ 361.09
Mar-11		\$ 16,482,141.27	1.0000	\$ 16,482,192.11	45,511	\$ 360.10		\$ (213,913.79)	\$ 17,695,405.00	\$ 397.87
Apr-11		\$ 13,670,285.63	1.0000	\$ 13,670,336.78	41,000	\$ 333.42		\$ (197,598.10)	\$ 15,669,426.17	\$ 381.72
May-11		\$ 11,871,600.07	1.0000	\$ 11,871,511.77	35,059	\$ 362.26		\$ (206,361.70)	\$ 14,572,811.06	\$ 414.45
Jun-11		\$ 11,021,802.84	1.0000	\$ 11,021,838.46	29,491	\$ 373.74		\$ (142,929.02)	\$ 12,393,291.50	\$ 417.19
Jul-11		\$ 9,013,680.43	1.0000	\$ 9,013,711.18	23,749	\$ 379.33		\$ (135,793.29)	\$ 10,047,002.53	\$ 422.82
Aug-11		\$ 7,945,725.14	1.0000	\$ 7,945,758.18	20,090	\$ 395.84		\$ (122,635.90)	\$ 8,174,624.86	\$ 406.52
Sep-11		\$ 5,224,507.80	1.0000	\$ 5,224,526.62	14,255	\$ 366.50		\$ (80,484.47)	\$ 5,844,147.36	\$ 408.57
Oct-11		\$ 3,081,208.30	1.0000	\$ 3,081,218.17	6,444	\$ 478.15		\$ (80,842.01)	\$ 3,969,950.78	\$ 517.46
Nov-11		\$ 1,371,047.67	1.0000	\$ 1,371,090.60	4,028	\$ 340.39		\$ (17,837.81)	\$ 1,535,532.87	\$ 383.21
Dec-11	\$ 121,402,440.85	\$ 152,476.01	0.9991	\$ 152,488.89	901	\$ 202.41	\$ 17,268,371.86	\$ (3,392.38)	\$ 207,734.83	\$ 232.11
Jan-12		\$ 191,078.89	1.0000	\$ 191,088.33	749	\$ 257.79		\$ (2,613.53)	\$ 211,581.50	\$ 309.19
Feb-12		\$ 111,603.16	0.9999	\$ 110,659.96	703	\$ 161.55		\$ (882,491)	\$ 135,643.32	\$ 193.50
Mar-12		\$ 145,311.64	0.9999	\$ 145,327.32	601	\$ 219.86		\$ (721.04)	\$ 174,667.57	\$ 264.25
Apr-12		\$ 133,249.86	0.9998	\$ 131,270.40	631	\$ 208.04		\$ (1,501.12)	\$ 165,505.11	\$ 262.20
May-12		\$ 144,098.16	0.9999	\$ 144,122.10	517	\$ 279.78		\$ (841.92)	\$ 172,834.35	\$ 344.30
Jun-12		\$ 118,087.29	0.9997	\$ 118,111.17	488	\$ 252.40		\$ (841.68)	\$ 138,707.59	\$ 287.61
Jul-12		\$ 114,911.17	0.9999	\$ 114,955.48	472	\$ 243.95		\$ (1,014.40)	\$ 128,479.71	\$ 272.30
Aug-12		\$ 149,559.46	0.9994	\$ 149,645.43	537	\$ 281.29		\$ (4,232.01)	\$ 168,244.58	\$ 316.25
Sep-12		\$ 155,519.19	0.9999	\$ 155,621.84	539	\$ 294.95		\$ (819.89)	\$ 154,678.77	\$ 288.64
Oct-12		\$ 194,295.67	0.9991	\$ 194,467.08	601	\$ 323.57		\$ (1,736.90)	\$ 210,935.82	\$ 350.97
Nov-12		\$ 98,210.85	0.9989	\$ 98,118.20	594	\$ 165.52		\$ (726.70)	\$ 121,692.27	\$ 204.87
Dec-12	\$ 2,215,130.71	\$ 70,251.14	0.9981	\$ 70,186.18	608	\$ 117.08	\$ 297,221.22	\$ (1,301.76)	\$ 65,452.06	\$ 147.30
Jan-13		\$ 39,982.95	0.9979	\$ 40,068.25	371	\$ 107.42		\$ (1,160.17)	\$ 60,799.22	\$ 163.60
Feb-13		\$ 91,258.41	0.9120	\$ 91,106.67	371	\$ 148.64		\$ (439.79)	\$ 90,509.74	\$ 206.71
Mar-13		\$ 34,661.50	0.9962	\$ 34,794.05	368	\$ 94.55		\$ (351.51)	\$ 32,091.87	\$ 141.55
Apr-13		\$ 22,810.70	0.9958	\$ 23,173.44	330	\$ 197.77		\$ (738.88)	\$ 50,097.04	\$ 245.84
May-13		\$ 59,622.85	0.9758	\$ 61,093.64	304	\$ 167.84		\$ (448.35)	\$ 65,587.03	\$ 262.60
Jun-13		\$ 47,561.52	0.9921	\$ 47,639.14	301	\$ 132.06		\$ (157.67)	\$ 66,026.41	\$ 181.90
Jul-13		\$ 70,240.00	0.9805	\$ 70,087.10	302	\$ 231.36		\$ (316.41)	\$ 107,241.56	\$ 296.25
Aug-13		\$ 91,871.49	0.9873	\$ 91,048.94	357	\$ 264.34		\$ (183.64)	\$ 112,077.77	\$ 318.40
Sep-13		\$ 40,108.13	0.9810	\$ 41,085.51	309	\$ 117.07		\$ (500.87)	\$ 67,773.52	\$ 179.87
Oct-13		\$ 33,240.43	0.9780	\$ 33,983.95	314	\$ 108.23		\$ (358.83)	\$ 48,765.04	\$ 155.30
Nov-13		\$ 105,605.11	0.9959	\$ 110,109.15	309	\$ 361.18		\$ (124.67)	\$ 121,494.18	\$ 433.97
Dec-13	\$ 1,384,933.20	\$ 25,454.24	0.9522	\$ 26,717.21	128	\$ 207.11	\$ 268,949.95	\$ (374.25)	\$ 12,819.07	\$ 255.19

\*Express Completion Factor as a percentage

\*\*Express Prescription Drug Rebates as a negative number

Table 2b. 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
\$ 271,542,040.14	\$ 208,033,247.21	\$ 212,124,522.77	552,687	\$ 39,173,571.74	\$ 251,298,094.51	\$ -	\$ (3,347,794.79)	\$ 279,945.74	\$ -	\$ 290,412.39	\$ -
2015 Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)											\$ 449.13
Loss Ratio											76.91%

\*Express Prescription Drug Rebates as a negative number

Table 3b. Trend Components

Service Category	Cost*	Utilization*	Composite	Weight*
Inpatient Hospital	5.00%	1.90%	7.00%	18.62%
Outpatient Hospital	5.00%	1.90%	7.00%	33.96%
Professional	5.00%	1.90%	7.00%	25.15%
Other Medical	5.00%	1.90%	7.00%	2.48%
Capitation			3.00%	0.11%
Prescription Drugs	13.50%	0.05%	13.56%	19.67%
Total Annual Trend			8.29%	100.00%
2 Year Trend Projection Factor			1.173	

<- Annualized Trend Factors on URRT

\* Express Cost, Utilization, and Weight as percentages

Table 4b. 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-13	\$ 317,776,715.05	\$ 25,694,894.36	1.0000	\$ 25,694,935.99	69,258	\$ 371.00	\$ 47,420,951.73	\$ (319,715.22)	\$ 30,086,891.41	\$ 434.42
Feb-13		\$ 22,429,243.36	1.0000	\$ 22,429,297.05	69,077	\$ 324.70		\$ (300,402.07)	\$ 26,118,698.88	\$ 378.11
Mar-13		\$ 22,058,869.47	1.0000	\$ 22,058,947.02	68,833	\$ 320.47		\$ (330,518.35)	\$ 25,876,283.99	\$ 375.93
Apr-13		\$ 22,394,185.57	1.0000	\$ 22,934,264.92	68,110	\$ 336.72		\$ (308,433.87)	\$ 26,819,251.16	\$ 393.76
May-13		\$ 23,964,463.51	1.0000	\$ 23,964,539.35	67,301	\$ 356.08		\$ (368,710.15)	\$ 27,715,611.62	\$ 411.82
Jun-13		\$ 22,219,618.48	1.0000	\$ 22,219,690.69	66,138	\$ 335.96		\$ (303,862.86)	\$ 25,743,316.65	\$ 389.24
Jul-13		\$ 24,010,945.79	1.0000	\$ 24,011,020.33	64,855	\$ 370.23		\$ (333,867.80)	\$ 27,535,092.03	\$ 424.56
Aug-13		\$ 22,054,331.32	1.0000	\$ 22,054,406.01	64,454	\$ 342.17		\$ (332,575.78)	\$ 25,455,693.05	\$ 394.94
Sep-13		\$ 20,664,094.39	1.0000	\$ 20,664,164.05	63,687	\$ 324.46		\$ (298,932.99)	\$ 23,950,802.47	\$ 376.07
Oct-13		\$ 24,556,712.41	1.0000	\$ 24,556,788.18	63,296	\$ 387.97		\$ (328,958.63)	\$ 28,331,978.70	\$ 447.61
Nov-13		\$ 20,788,274.69	1.0000	\$ 20,788,930.94	62,892	\$ 330.55		\$ (309,236.69)	\$ 24,067,644.40	\$ 382.68
Dec-13		\$ 22,223,542.81	1.0000	\$ 22,224,577.46	64,213	\$ 346.11		\$ (309,530.95)	\$ 25,476,504.02	\$ 396.75
Jan-14	\$ 300,719,194.83	\$ 23,888,592.97	1.0000	\$ 23,889,643.62	63,050	\$ 378.90	\$ 42,766,387.26	\$ (612,645.07)	\$ 28,193,861.31	\$ 447.17
Feb-14		\$ 22,711,351.97	0.9920	\$ 22,893,928.36	63,082	\$ 362.92		\$ (198,486.63)	\$ 26,622,364.01	\$ 422.03
Mar-14		\$ 23,323,725.68	0.9999	\$ 23,326,046.76	62,087	\$ 375.70		\$ (217,236.84)	\$ 27,354,463.91	\$ 440.58
Apr-14		\$ 22,771,852.55	0.9998	\$ 22,775,399.46	60,691	\$ 375.27		\$ (353,803.31)	\$ 26,350,173.75	\$ 434.17
May-14		\$ 22,647,759.70	0.9998	\$ 22,652,333.84	58,941	\$ 384.32		\$ (368,457.39)	\$ 25,917,077.15	\$ 439.71
Jun-14		\$ 21,087,224.87	0.9997	\$ 21,093,055.65	57,458	\$ 367.10		\$ (339,272.93)	\$ 24,106,794.10	\$ 419.56
Jul-14		\$ 21,881,506.46	0.9996	\$ 21,889,366.76	55,931	\$ 391.36		\$ (386,106.66)	\$ 24,875,302.68	\$ 444.75
Aug-14		\$ 19,812,550.62	0.9995	\$ 19,822,915.11	55,060	\$ 360.02		\$ (416,467.29)	\$ 22,570,456.51	\$ 409.92
Sep-14		\$ 21,026,517.82	0.9993	\$ 21,040,805.21	53,815	\$ 390.98		\$ (389,567.99)	\$ 22,728,651.95	\$ 440.93
Oct-14		\$ 22,878,427.92	0.9992	\$ 22,996,620.84	51,949	\$ 442.68		\$ (420,684.55)	\$ 25,830,422.53	\$ 497.23
Nov-14		\$ 21,423,735.84	0.9990	\$ 21,444,873.81	51,119	\$ 419.51		\$ (376,259.69)	\$ 23,734,772.30	\$ 464.30
Dec-14		\$ 18,166,339.18	0.9987	\$ 18,190,125.06	47,229	\$ 385.15		\$ (387,604.81)	\$ 21,030,568.37	\$ 445.29
Jan-15	\$ 271,542,040.14	\$ 16,323,296.27	0.9982	\$ 16,352,523.34	47,310	\$ 345.65	\$ 38,843,818.26	\$ (406,580.20)	\$ 19,826,177.85	\$ 419.07
Feb-15		\$ 16,090,685.75	0.9263	\$ 17,370,874.33	46,776	\$ 371.36		\$ (375,195.93)	\$ 20,605,679.10	\$ 440.52
Mar-15		\$ 19,266,592.63	0.9968	\$ 19,327,943.58	46,184	\$ 418.50		\$ (381,285.21)	\$ 22,338,069.78	\$ 483.68
Apr-15		\$ 19,024,552.66	0.9959	\$ 19,102,689.34	45,944	\$ 415.78		\$ (426,868.44)	\$ 21,943,728.07	\$ 477.62
May-15		\$ 17,001,661.41	0.9806	\$ 17,338,563.82	45,538	\$ 380.75		\$ (408,132.00)	\$ 19,891,988.44	\$ 436.82
Jun-15		\$ 17,670,238.40	0.9936	\$ 17,784,054.66	44,988	\$ 395.31		\$ (397,467.89)	\$ 20,402,985.25	\$ 453.52
Jul-15		\$ 17,596,105.82	0.9917	\$ 17,743,115.12	44,561	\$ 398.18		\$ (199,841.52)	\$ 20,453,576.35	\$ 459.00
Aug-15		\$ 17,452,706.37	0.9898	\$ 17,633,140.16	44,111	\$ 399.74		\$ (180,529.59)	\$ 20,229,118.74	\$ 458.60
Sep-15		\$ 17,433,186.16	0.9865	\$ 17,671,216.80	43,905	\$ 402.49		\$ (177,653.98)	\$ 20,183,533.88	\$ 459.71
Oct-15		\$ 18,165,481.98	0.9817	\$ 18,504,411.13	44,876	\$ 412.35		\$ (126,579.56)	\$ 21,564,212.58	\$ 480.53
Nov-15		\$ 17,551,865.04	0.9666	\$ 18,157,797.67	45,528	\$ 398.83		\$ (123,783.24)	\$ 20,873,496.58	\$ 458.48
Dec-15		\$ 19,339,377.35	0.9612	\$ 20,119,244.17	52,966	\$ 379.85		\$ (143,877.23)	\$ 24,289,030.97	\$ 458.58

\* Express Completion Factor as a percentage

\*\*Express Prescription Drug Rebates as a negative number

Table 2c. 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
\$ 271,542,040.14	\$ 208,033,247.21	\$ 212,124,522.77	552,687	\$ 39,173,571.74	\$ 251,298,094.51	\$ -	\$ (3,347,794.79)	\$ 279,945.74	\$ -	\$ 290,412.39	\$ -
2015 Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)											\$ 449.13
Loss Ratio											76.91%

\*Express Prescription Drug Rebates as a negative number



PA Rate Template Part II  
Rate Development and Change

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

2015 Total Allowed EHB Claims PMPM + EHB Capitation PMPM (net of prescription drug rebates)	\$449.13	<- Index Rate of Experience Period on URRT
2 Year Trend Projection Factor	1.173	
Unadjusted Projected Allowed EHB Claims PMPM	\$ 526.64	
Single Risk Pool Adjustment Factors		<- Adj't. from Experience to Projection Period - Pop'l risk Morbidity on URRT
Change in Morbidity	1.000	<- Adj't. from Experience to Projection Period - Other on URRT
Change in Other	0.928	
Change in Demographics	1.000	
Change in Network	0.910	
Change in Benefits	1.015	
Change in Other	1.005	
Adjusted Projected Allowed EHB Claims PMPM	\$ 488.70	<- Index Rate for Projection Period on URRT - Individual (Small Group 1st Qtr)
Adjusted Projected Allowed EHB Claims PMPM [will only populate for small group filings]	\$ 509.51	<- Index Rate for Projection Period on URRT - Small Group
Projected Paid to Allowed Ratio	0.86871634	<- Paid to Allowed Average Factor in Projection Period on URRT
Projected Paid EHB Claims PMPM	442.6195548	
Market-wide Adjustments		
Projected Paid Net Risk Adjustment PMPM	\$ 0.13	
Projected Paid Exchange User Fees PMPM	\$ -	
Market-Adjusted Projected Paid EHB Claims PMPM	\$ 442.75	
Market-Adjusted Projected Allowed EHB Claims PMPM	\$ 509.66	<- Market-Adjusted Index Rate
Projected Allowed Non-EHB Claims PMPM	\$ -	
Market-Adjusted Projected Paid Total Claims PMPM	\$ 442.75	
Market-Adjusted Projected Allowed Total Claims PMPM	\$ 509.66	

Table 6. Retention

Retention Items - Express in percentages		
Administrative Expenses	12%	
General and Claims	7.63%	
Agent/Broker Fees and Commissions	3.81%	
Quality Improvement Initiatives	0.30%	
Taxes and Fees	4.62%	
PCORI Fees (Enter \$ amount here: \$ )	0.04%	
Pa Premium Tax (if applicable)		
Federal Income Tax	0.70%	
Health Insurance Providers Fee (only for small group market, prorated for coverage in 2018)	1.88%	
Profit/Contingency	0%	
Total Retention	16%	
Projected Required Revenue PMPM	\$ 529.39	<- Single Pool Gross Premium Avg. Rate, PMPM on URRT

Table 8. Components of Rate Change

Rate Components	2016	2017	Difference	Percent Change
A. Calibrated Plan Adjusted Index Rate (PMPM)	348.276175	356.2556568	\$7.98	2.3%
B. Base period allowed claims before normalization	\$ 437.83	\$ 449.13	\$11.30	3%
C. Normalization factor component of change	\$ (109.01)	-122.6792462	-\$13.67	-\$0.04
D. Change in Normalized Allowed Claims Adjustment Components				
D1. Base period allowed claims after normalization	\$ 328.82	\$ 326.45	\$ (2.37)	-1%
D2. URRT Trend	\$ 54.17	\$ 56.33	\$ 2.17	1%
D3. URRT Morbidity	\$ 10.64	\$ -	\$ (10.64)	-3%
D4. URRT Other	\$ (28.34)	\$ (27.57)	\$ 0.77	0%
D5. Normalized URRT RA/RI on an allowed basis	\$ 2.41	\$ 0.11	\$ (2.30)	-1%
D6. Normalized Exchange User Fee on an allowed basis	\$ -	\$ -	\$ -	0%
D7. Subtotal - Sum(D1:D6)	\$ 367.70	\$ 355.32	\$ (12.38)	-4%
E. Change in Allowable Plan Adjusted Level Components				
E1. Network	\$ (33.09)	-24.87272288	\$ 8.22	2%
E2. Pricing AV	\$ (75.29)	\$ (44.57)	\$ 30.72	9%
E3. Benefit Richness	\$ -	\$ -	\$ -	0%
E4. Catastrophic Eligibility	\$ -	\$ -	\$ -	0%
E5. Subtotal - Sum(E1:E4)	\$ (108.38)	\$ (69.44)	\$ 38.94	11%
F. Change in Retention Components				
F1. Administrative Expenses	\$ 41.10	\$ 41.84	\$ 0.74	0%
F2. Taxes and Fees	\$ 20.08	\$ 9.33	\$ (10.75)	-3%
F3. Profit and/or Contingency	\$ 6.97	\$ -	\$ (6.97)	-2%
F4. Subtotal - Sum(F1:F3)	\$ 68.14	\$ 51.16	\$ (16.98)	-5%
G. Change in Miscellaneous Items	\$ -	\$ -	\$ -	0%
H. Sum of Components of Rate Change (should approximate the change shown in line A)	\$ 327.46	\$ 337.05	\$ 9.59	3%

Table 5A. Small Group Projected Index Rate with Quarterly Trend

	January	April	July	October	Total Single Risk Pool
# of Member Months Renewing in Quarter	145,949	53,966	87,531	401,210	688,656.00
Percent of Members Months Renewing in Quarter	21%	8%	13%	58%	100%
Base Allowed Claims	\$ 488.70	\$ 488.70	\$ 488.70	\$ 488.70	\$ 488.70
Months of Trend	-	3	6	9	6
Annual Trend	8.29%	8.29%	8.29%	8.29%	8.29%
Single Risk Pool Projected Allowed Claims	\$ 488.70	\$ 498.53	\$ 508.55	\$ 518.77	\$ 509.51

Table 7. Normalized Market-Adjusted Projected Allowed Total Claims

Normalization Factors	2016	2017
Average Age Factor	1.463	1.479
Average Geographic Factor	1.000	1.000
Average Tobacco Factor	1.000	1.000
Average Benefit Richness (induced demand)	1.000	1.000
Average Network Factor	0.910	0.930
Market-Adjusted Projected Allowed Total Claims PMPM	\$ 493.04	\$ 509.66
Normalized Market-Adjusted Projected Allowed Total Claims PMPM	\$ 370.29	\$ 370.45

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

	2016	2017
Paid-to-Allowed	0.747349467	0.86871634
URRT Trend (2-Year Trend Factor)	1.164730222	1.17 <- URRT W1, S2
URRT Morbidity	1.027777778	1.000 <- URRT W1, S2
URRT "Other"	0.928	0.928 <- URRT W1, S2
Risk Adjustment	\$ 0.15	\$ 0.13 <- URRT W1, S3
Reinsurance	\$ 2.25	\$ - <- URRT W1, S3
Exchange User Fee	\$ -	\$ - <- URRT W1, S3
Capitation	\$ 0.60	\$ 0.54 <- URRT W1, S2
Network	0.910	0.93
Pricing AV	0.775	0.865134735
Benefit Richness	1.000	1
Catastrophic Eligibility	1.000	1
Administrative Expenses	11.80%	11.74%
Taxes and Fees	5.77%	2.62%
Profit and/or Contingency	2.00%	0.00%

PA Rate Template Part III  
Table 10. Plan Rates

Carrier Name: Capital Advantage Assurance Company  
Plan Type(s): PPO  
Market Segment: Small Group  
Rate Effective Date: 1/1/2017  
Market Adjusted Index Rate: \$ 509.66

Calibration	
Age Calibration Factor	1.47934739
Geographic Calibration Factor	1.000
Aggregate Calibration Factor	1.479

Rate Effective Date:		1/1/2017		45 CFR Part 156.8 (d) (2) Allowable Factors																																			
Market Adjusted Index Rate		\$ 509.66																																					
		Plan Type (HMO, POS, PPO, EPO, Indemnity, Other)		1/1/16 Plan Marketing Name		Discontinued, New, Modified, Existing (D,N,M,E) for 2017		1/1/17 Plan Marketing Name (If 1/1/16 Plan Discontinued)		Metallic Tier		Metallic Tier Actuarial Value		Standard AV, Approach (1), Approach (2)		Exchange On/Off or Off		Pricing AV (company-determined AV)		Benefit Richness (Induced demand)		Benefits in addition to EHB		Provider Network		Catastrophic Eligibility		Tobacco Surcharge Adjustment		Pure Premium		Admin Costs		Taxes & Fees (not including Exchange fees)		Profit or Contingency			
Plan Number		HIOS Plan ID (Standard Component)																																					
Totals										0.808								0.865		1.000		1.000		1.000		1.000		1.000		1.000		\$ 440.92		11.7%		4.6%		0.0%	
Plan 1	82795PA0110006	PPO	CareConnect 1000.0 PD PH AM							Gold	0.81691358	Standard	Off				0.880	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	\$448.54	11.5%	4.6%	0.0%									
Plan 2	82795PA0110007	PPO	CareConnect 3000.0 PD PH AM							Silver	0.71893123	Standard	Off				0.723	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	\$368.55	13.7%	4.6%	0.0%									
Plan 3																											\$0.00												
Plan 4																											\$0.00												
Plan 5																											\$0.00												
Plan 6																											\$0.00												
Plan 7																											\$0.00												
Plan 8																											\$0.00												
Plan 9																											\$0.00												
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Plan 54																											\$0.00												
Plan 55																																							



## Table 11. Plan Premium Development for 21-Year-Old Non-Tobacco User

## PA Rate Template Part V Consumer Factors

### Table 12. Age and Tobacco Factors

2017 Age and Tobacco Factors						
Age Band	Age Factor	Tobacco Factor		Age Band	Age Factor	Tobacco Factor
0-20	0.635			43	1.357	1
21	1.000	1		44	1.397	1
22	1.000	1		45	1.444	1
23	1.000	1		46	1.500	1
24	1.000	1		47	1.563	1
25	1.004	1		48	1.635	1
26	1.024	1		49	1.706	1
27	1.048	1		50	1.786	1
28	1.087	1		51	1.865	1
29	1.119	1		52	1.952	1
30	1.135	1		53	2.040	1
31	1.159	1		54	2.135	1
32	1.183	1		55	2.230	1
33	1.198	1		56	2.333	1
34	1.214	1		57	2.437	1
35	1.222	1		58	2.548	1
36	1.230	1		59	2.603	1
37	1.238	1		60	2.714	1
38	1.246	1		61	2.810	1
39	1.262	1		62	2.873	1
40	1.278	1		63	2.952	1
41	1.302	1		64+	3.000	1
42	1.325	1				

\*PA follows the federal default age curve.

### Table 13. Geographic Factors

Geographic Area Factors			
Area	Counties	Current Factor	Proposed Factor
Rating Area 1		1.000	1.000
Rating Area 2		1.000	1.000
Rating Area 3		1.000	1.000
Rating Area 4		1.000	1.000
Rating Area 5		1.000	1.000
Rating Area 6		1.000	1.000
Rating Area 7		1.000	1.000
Rating Area 8		1.000	1.000
Rating Area 9	Cumberland, Dauphin, Perry	1.000	1.000

### Table 14. Network Factors

[illegible]