Supporting Document Schedules

Satisfied - Item:	Public Rate Filing
Comments:	
Attachment(s):	SG_17-39_Revised_KHP_HMO_PublicRateFiling_Supporting_20170714-01.pdf SG_17-39_Revised_KHP_HMO_PublicRateFiling_Supporting_20170714-03.pdf SG_17-39_Revised_KHP_HMO_PublicRateFiling_Supporting_20170714-04.pdf SG_17-39_Revised_KHP_HMO_PublicRateFiling_Supporting_20170714-02.pdf SG_17-39_Revised_KHP_HMO_PublicRateFiling_Supporting_20170714-05.pdf
Item Status:	
Status Date:	

Capital BLUE

July 14, 2017

Ms. Johanna Fabian-Marks, Special Deputy & Acting Director
Bureau of Life, Accident and Health Insurance
Office of Insurance Product Regulation and Administration
Commonwealth of Pennsylvania Insurance Department
1311 Strawberry Square
Harrisburg, PA 17120

Re: **Keystone Health Plan Central**
Small Group Rates
Filing No 17-39
TOI Code: H15G Group Health – Hospital/Surgical/Medical Expense
Sub-TOI Code: H15G.003 Small Group Only
Filing Type: Rate

Dear Ms. Fabian-Marks:

By this filing Capital BlueCross, on behalf of its wholly owned subsidiary Keystone Health Plan Central, submits to the Department its Small Group Rates effective January 1, 2018.

The following is a summary of the rate filing:

- Company Name: Keystone Health Plan Central (KHPC)
- NAIC: 95199
- Market: Small Group
- On/Off Exchange: Off Exchange
- Effective Date: 1/1/2018
- Average Rate Change: -13.4%
- Range of Requested Rate Change: -20.5% to 11.3%
- Product: HMO
- Rating Areas: 6,7,9
- Metal Levels: Bronze
- Current Covered Lives and Policyholders: 965/619
- Number of Plans: 1
- Contract Form #: C18-KHPC-SPG
- Form Filing SERFF #: CABC-131039531
- Binder SERFF #: CABC-PA18-125072254
- HIOS Issuer ID: 53789
- HIOS Submission Tracking Number: 53789-956252511767933986

Health care benefit programs issued or administered by Capital BlueCross and/or its subsidiaries, Capital Advantage Insurance Company®, Capital Advantage Assurance Company® and Keystone Health Plan® Central. Independent licensees of the BlueCross BlueShield Association. Communications issued by Capital BlueCross in its capacity as administrator of programs and provider relations for all companies.

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

If you have any questions regarding this filing, please call me at [redacted] (or via email at [redacted]. Thank you for your assistance in this matter.

Sincerely,

[redacted]

[redacted], ASA, MAAA
Manager, Actuarial Services
Capital BlueCross

Enclosures

cc: [redacted]

Attachment 1

2018 ACA-Compliant
Health Insurance Rate Filing Guidance

Pennsylvania Insurance Department

March 14, 2017

Keystone Health Plan Central (KHPC) – Small Group Plans

Rate request filing ID # CABC-131022144- This document is prepared by the insurance company submitting the rate filing as a consumer tool to help explain the rate filing. It is not intended to describe or include all factors or information considered in the review process. For more information, see the filing at http://www.insurance.pa.gov/Consumers/ACARelatedFilings/

Overview

Initial requested average rate change:	8.2%
Revised requested average rate change:	-13.4%
Range of requested rate change:	-20.5% to 11.3%
Effective date:	1/1/2018
People impacted:	965
Available in:	Rating Area 6, Rating Area 7, and Rating Area 9

Key information

Jan. 2016-Dec. 2016 financial experience

Premiums	$3,499,031
Claims	$3,085,166
Administrative expenses	$636,884
Taxes & fees	$205,649
Company made (after taxes)	**$(428,668)**

The company expects its annual medical costs to increase **9.1%**.

How it plans to spend your premium
This is how the insurance company plans to spend the premium it collects in 2018:

Claims:	79.6%
Administrative:	13.8%
Taxes & fees:	4.6%
Profit:	2.0%

Explanation of requested rate change

Primary drivers of requested change

- Historical claim experience
- Projected 2016 risk adjustment results
- Reimplementation of Health Insurer Fee in 2018

Changes being requested are also 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

Unified Rate Review v4.1

Company Legal Name:	**Keystone Health Plan Central**	State:	**PA**
HIOS Issuer ID:	**53789**	Market:	**Small Group**
Effective Date of Rate Change(s):	**1/1/2018**		

Market Level Calculations (Same for all Plans)

Section I: Experience period data

Experience Period: 1/1/2016 to 12/31/2016

	Experience Period Aggregate Amount	PMPM	% of Prem
Premiums (net of MLR Rebate) in Experience Period:	$4,440,653	$415.05	100.00%
Incurred Claims in Experience Period	$3,085,166	288.36	69.48%
Allowed Claims:	$3,797,252	354.92	85.51%
Index Rate of Experience Period		$354.92	
Experience Period Member Months	10,699		

Section II: Allowed Claims, PMPM basis

Projection Period: 1/1/2018 to 12/31/2018 Mid-point to Mid-point, Experience to Projection: 24 months

	Experience Period on Actual Experience Allowed				Adj't. from Experience to Projection Period		Annualized Trend Factors		Projections, before credibility Adjustment			Credibility Manual		
Benefit Category	**Utilization Description**	**Utilization per 1,000**	**Average Cost/Service**	**PMPM**	**Pop'l risk Morbidity**	**Other**	**Cost**	**Util**	**Utilization per 1,000**	**Average Cost/Service**	**PMPM**	**Utilization per 1,000**	**Average Cost/Service**	**PMPM**
Inpatient Hospital	Admits	45.99	$16,718.01	$64.07	1.000	0.905	1.084	0.995	45.53	$17,762.12	$67.39	67.98	$18,547.27	$105.07
Outpatient Hospital	Visits	1,653.24	1,263.26	174.04	1.000	0.905	1.078	1.010	1,686.47	1,328.12	186.65	1833.95	1,191.65	182.12
Professional	Visits	5,985.98	144.25	71.96	1.000	0.905	1.056	1.010	6,106.30	145.54	74.06	6883.07	213.79	122.63
Other Medical	Services	346.57	296.73	8.57	1.000	1.289	1.078	1.010	353.54	444.58	13.10	430.68	531.30	19.07
Capitation	Benefit Period	1.12	189,558.80	17.72	1.000	1.000	1.030	1.000	1.12	201,102.93	18.80	0.02	201,102.93	0.27
Prescription Drug	Prescriptions	4,293.49	51.89	18.57	1.000	0.905	1.126	1.016	4,427.61	59.50	21.96	11430.71	104.56	99.60
Total				$354.92							$381.95			$528.76

Section III: Projected Experience:

			After Credibility	Projected Period Totals
Projected Allowed Claims PMPM (w/applied credibility if applicable)		0.00%	100.00%	$528.76	$970,801
Paid to Allowed Average Factor in Projection Period				0.573	
Projected Incurred Claims, before ACA rein & Risk Adj't, PMPM				$302.92	$556,168
Projected Risk Adjustments PMPM				-42.86	(78,699)
Projected Incurred Claims, before reinsurance recoveries, net of rein prem, PMPM				$345.79	$634,867
Projected ACA reinsurance recoveries, net of rein prem, PMPM				0.00	0
Projected Incurred Claims				$345.79	$634,867
Administrative Expense Load		13.79%		59.85	109,880
Profit & Risk Load		2.00%		8.68	15,939
Taxes & Fees		4.55%		19.75	36,265
Single Risk Pool Gross Premium Avg. Rate, PMPM				$434.07	$796,950
Index Rate for Projection Period				$550.82	
% increase over Experience Period				4.58%	
% Increase, annualized:				2.27%	
Projected Member Months					1,836

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.

Product-Plan Data Collection

Company Legal Name:	**Keystone Health Plan Central**	State:	**PA**
HIOS Issuer ID:	**53789**	Market:	**Small Group**
Effective Date of Rate Change(s):	**1/1/2018**		

Product/Plan Level Calculations

Section I: General Product and Plan Information

Product		HMO On Exchange			HMO Value											HMO Off					
Product ID:		53789PA007			53789PA008											53789					
Metal:		Silver	Gold	Gold	Bronze	Silver	Gold	Silver	Gold	Bronze	Silver	Gold	Gold	Gold	Gold	Silver	Bronze	Silver	Bronze	Gold	Gold
AV Metal Value		0.700	0.800	0.800	0.600	0.700	0.800	0.700	0.800	0.600	0.700	0.800	0.800	0.800	0.800	0.700	0.600	0.700	0.615	0.800	0.800
AV Pricing Value		0.700	0.800	0.800	0.600	0.700	0.800	0.700	0.800	0.600	0.700	0.800	0.800	0.800	0.800	0.700	0.600	0.700	0.573	0.800	0.800
Plan Category		Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Renewing	Terminated	Terminated
Plan Type:		HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO
Plan Name		Healthy Benefits HMO 0.50 EX	Healthy Benefits HMO 500.0 EX	Healthy Benefits HMO 2000.0 EX	Healthy Benefits Value HMO 4750.50 EX	Healthy Benefits Value HMO 0.50 EX	Healthy Benefits Value HMO 500.0 EX	Healthy Benefits Value HMO 0.50 EX	Healthy Benefits Value HMO 500.0 EX	Healthy Benefits Value HMO 4750.50 EX	Healthy Benefits Value HMO 0.50 EX	Healthy Benefits Value HMO 500.0 EX	Healthy Benefits Value HMO 2000.0 EX	Healthy Benefits Value HMO 2000.0 EX	Healthy Benefits Value HMO 2000.0 EX	Healthy Benefits HMO 0 . 0	Healthy Benefits HMO 6000 . 0	Healthy Benefits HMO 0 . 0 PD	Bronze HMO 7000/0/60	Healthy Benefits HMO 1000.0 PD . Rx $250	Healthy Benefits HMO 1000.0 PD . Rx $0
Plan ID (Standard Component ID):		53789PA0070002	53789PA0070003	53789PA0070004	53789PA0080001	53789PA0080002	53789PA0080003	53789PA0080005	53789PA0080006	53789PA0080007	53789PA0080008	53789PA0080009	53789PA0080010	53789PA0080011	53789PA0080012	53789PA0090001	53789PA0090002	53789PA0090003	53789PA0090004	53789PA0090005	53789PA0090006
Exchange Plan?		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Historical Rate Increase - Calendar Year - 2		6.40%			7.20%											12.3					
Historical Rate Increase - Calendar Year - 1		0.89%			-1.70%											-9.2					
Historical Rate Increase - Calendar Year 0		0.00%			0.00%											10.3					
Effective Date of Proposed Rates		1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018	1/1/2018
Rate Change % (over prior filing)		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.18%	0.00%	0.00%
Cum'tive Rate Change % (over 12 mos prior)		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	14.28%	0.00%	0.00%
Proj'd Per Rate Change % (over Exper. Period)		-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	10.06%	-100.00%	-100.00%
Product Rate Increase %		0.00%			0.00%											14.2					

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

Plan ID (Standard Component ID):	Total	53789PA0070002	53789PA0070003	53789PA0070004	53789PA0080001	53789PA0080002	53789PA0080003	53789PA0080005	53789PA0080006	53789PA0080007	53789PA0080008	53789PA0080009	53789PA0080010	53789PA0080011	53789PA0080012	53789PA0090001	53789PA0090002	53789PA0090003	53789PA0090004	53789PA0090005	53789PA0090006
Inpatient	$0.29	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$8.95	$0.00	$0.00
Outpatient	$0.79	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$24.30	$0.00	$0.00
Professional	$0.32	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$10.05	$0.00	$0.00
Prescription Drug	$0.08	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$2.59	$0.00	$0.00
Other	$0.04	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1.20	$0.00	$0.00
Capitation	$0.08	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$2.47	$0.00	$0.00
Administration	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Taxes & Fees	$0.48	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$14.86	$0.00	$0.00
Risk & Profit Charge	$0.25	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$7.82	$0.00	$0.00
Total Rate Increase	$2.34	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$72.24	$0.00	$0.00
Member Cost Share Increase	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

Average Current Rate PMPM	$391.16	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$391.16	$0.00	$0.00
Projected Member Months	1,836	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,836	0	0

:tion III: Experience Period Information

Plan ID (Standard Component ID):	Total	53789PA0070002	53789PA0070003	53789PA0070004	53789PA0080001	53789PA0080002	53789PA0080003	53789PA0080005	53789PA0080006	53789PA0080007	53789PA0080008	53789PA0080009	53789PA0080010	53789PA0080011	53789PA0080012	53789PA0090001	53789PA0090002	53789PA0090003	53789PA0090004	53789PA0090005	53789PA0090006
Plan Adjusted Index Rate	$418.38	$363.29	$642.08	$469.11	$259.74	$504.19	$518.08	$315.70	$429.69	$349.88	$441.61	$1,198.63	$3,245.47	$433.13	$387.01	$677.91	$393.38	$578.14	$421.06	$1,306.21	$557.71
Member Months	10,699	45	103	117	83	51	409	91	359	9	10	47	1	98	306	22	375	516	346	108	325
Total Premium (TP)	$4,476,219	$16,348	$66,134	$54,886	$21,558	$25,714	$211,895	$28,729	$154,259	$3,149	$4,416	$56,336	$3,245	$42,447	$118,425	$14,914	$147,518	$298,320	$145,687	$141,071	$181,256
EHB Percent of TP, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	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%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	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%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Allowed Claims (TAC)	$3,797,252	$13,844	$53,192	$34,437	$1,782	$2,725	$102,634	$16,545	$104,807	$187	$10,715	$27,143	$0	$13,515	$24,938	$6,618	$316,765	$280,640	$120,431	$31,569	$184,117
EHB Percent of TAC, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	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%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	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%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Allowed Claims which are not the issuer's obligation:	$712,751	$6,567	$8,212	$6,420	$1,360	$1,158	$18,950	$8,094	$11,783	$100	$5,353	$10,443	$0	$4,089	$6,086	$1,430	$62,088	$45,247	$34,268	$8,336	$21,123
Portion of above payable by HHS's funds on behalf of insured person, in dollars	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Portion of above payable by HHS on behalf of insured person, as %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	#DIV/0!	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Incurred claims, payable with issuer funds	$3,084,501	$7,276	$44,980	$28,017	$422	$1,568	$83,684	$8,451	$93,025	$87	$5,362	$16,700	$0	$9,426	$18,851	$5,188	$254,677	$235,393	$86,163	$23,233	$162,994
Net Amt of Rein	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Net Amt of Risk Adj	-$941,621.98	-$11,800.83	-$15,012.94	-$14,455.48	-$24,274.36	-$21,434.45	-$88,090.80	-$32,353.62	-$118,039.37	-$3,069.48	-$2,994.77	-$38,983.73	-$3,027.80	-$33,165.96	-$26,863.39	-$6,360.39	$122,324.96	$50,522.45	-$87,450.24	-$91,468.99	-$53,793.02

Incurred Claims PMPM	$288.30	$161.69	$436.70	$239.46	$5.08	$30.74	$204.61	$92.87	$259.12	$9.67	$536.21	$355.31	$0.00	$96.18	$61.61	$235.82	$679.14	$456.19	$249.02	$215.12	$501.52
Allowed Claims PMPM	$354.92	$307.63	$516.43	$294.33	$21.47	$53.44	$250.94	$181.81	$291.94	$20.78	$1,071.51	$577.50	$0.00	$137.90	$81.50	$300.83	$844.71	$543.88	$348.07	$292.31	$566.51
EHB portion of Allowed Claims, PMPM	$354.92	$307.63	$516.43	$294.33	$21.47	$53.44	$250.94	$181.81	$291.94	$20.78	$1,071.51	$577.50	$0.00	$137.90	$81.50	$300.83	$844.71	$543.88	$348.07	$292.31	$566.51

:tion IV: Projected (12 months following effective date)

Plan ID (Standard Component ID):	Total	53789PA0070002	53789PA0070003	53789PA0070004	53789PA0080001	53789PA0080002	53789PA0080003	53789PA0080005	53789PA0080006	53789PA0080007	53789PA0080008	53789PA0080009	53789PA0080010	53789PA0080011	53789PA0080012	53789PA0090001	53789PA0090002	53789PA0090003	53789PA0090004	53789PA0090005	53789PA0090006
Plan Adjusted Index Rate	$463.40	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$463.40	$0.00	$0.00
Member Months	1,836	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,836	-	-
Total Premium (TP)	$850,802	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$850,802	$0	$0
EHB Percent of TP, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	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%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	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%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Allowed Claims (TAC)	$970,801	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$970,801	$0	$0
EHB Percent of TAC, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	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%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	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%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Allowed Claims which are not the issuer's obligation	$332,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$332,000	$0	$0

Portion of above payable by HHS's funds on behalf of insured person, in dollars	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Portion of above payable by HHS on behalf of insured person, as %	0.00%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	#DIV/0!	#DIV/0!
Total Incurred claims, payable with issuer funds	$638,801	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$638,801	$0	$0
Net Amt of Rein	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Amt of Risk Adj	-$78,699	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	-$78,699	$0	$0

KEYSTONE HEALTH PLAN CENTRAL
RFJ Part II – Consumer Friendly Justification

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
- Reimplementation of the Health Insurer Fee in 2018

Health care benefit programs issued or administered by Capital BlueCross and/or its subsidiaries, Capital Advantage Insurance Company®, Capital Advantage Assurance Company® and Keystone Health Plan® Central. Independent licensees of the BlueCross BlueShield Association. Communications issued by Capital BlueCross in its capacity as administrator of programs and provider relations for all companies.

KEYSTONE HEALTH PLAN CENTRAL, INC.

ACTUARIAL MEMORANDUM
Small Group Rates
Effective January 1, 2018

General Information

Company Information

- Company Legal Name: Keystone Health Plan Central
- State: PA
- HIOS Issuer ID: 53789
- Market: Small Group
- Effective Date: 1/1/2018

PID Company Information

- Company Name: Keystone Health Plan Central (KHPC)
- NAIC: 95199
- Market: Small Group
- On/Off Exchange: Off Exchange
- Effective Date: 1/1/2018
- Average Rate Change: -13.4%
- Range of Requested Rate Change: -20.5% to 11.3%
- Product: HMO
- Rating Areas: 6,7,9
- Metal Levels: Bronze
- Current Covered Lives and Policyholders: 965/619
- Number of Plans: 1
- Contract Form #: C18-KHPC-SPG
- Form Filing SERFF #: CABC-131039531
- Binder SERFF #: CABC-PA18-125072254
- HIOS Issuer ID: 53789
- HIOS Submission Tracking Number: 53789-956252511767933986

Company Contact Information

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

Scope and Purpose

By this filing, Keystone Health Plan Central (KHPC), a subsidiary of Capital BlueCross (CBC), submits rates for products to be made available to all small groups effective January 1, 2018. KHPC will offer small group products off the federally-facilitated exchange.

Proposed Rate Increases

KHPC is proposing an aggregate annual increase of -13.4%. The rate change does vary by plan. The rate change is calculated in PA Rate Template Part III, Table 10, cell AC15.

Rate History and Proposed Variations in Rate Changes

Market	Company	Effective Date	SERFF #	Annual Increase
Small Group	KHPC	1/1/2014	CABC-129033971	0.00%
Small Group	KHPC	1/1/2015	CABC-129636213	7.00%
Small Group	KHPC	1/1/2016	CABC-130076082	-2.00%
Small Group	KHPC	1/1/2017	CABC-130539616	4.50%

Benefit Changes 2017-2018

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). Any plan with a benefit change that did not meet the uniform modification of coverage standard was terminated, and a new plan was created in its place. All terminated plans are listed in Exhibit R, and a summary of proposed 2017 benefits is included in Exhibit A.

Benefit changes by plan are listed in Exhibit A1, highlighted 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, 2016 and December 31, 2016.

Paid Through Date: Claims in the BEP are paid through February 28, 2017

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 KHPC 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:	$2,816,068	$3,403,750
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:	$79,539	$203,943

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 C for a description of benefits by benefit category.

Projection Factors

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

   This was 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 is described below.

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

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

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

1. List-Billed Adjustment: KHPC 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.

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. KHPC 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 2017

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

Year 2018

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

Total Annual Trend	92%

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. KHPC strives to mitigate the underwriting cycle by keeping trends consistent through times of increasing and decreasing claim cost and utilization.

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

Credibility Manual Rate Development

For the purpose of rate development, KHPC small group HMO products are combined with other product offerings (PPO, Traditional, Comprehensive, Drug) from CBC subsidiaries. KHPC has approximately 900 members, while CBC's total small group block is close to 60,000 members, making the combination of experience necessary according to credibility standards. Combining the experience is actuarially justifiable for several reasons:

1. The demographics of members buying HMO and other products are similar.
2. Cost and utilization between HMO and other products are similar.
3. Medical policy between HMO and other products are almost identical, with the exception of referrals and no out-of-network benefit on HMO. These two cost-saving features of HMO are valued in the projected claim costs (Paid-to-Allowed Ratio section below.)

The credibility manual PMPMs are the combination of Capital Advantage Insurance Company (CAIC) and Capital Advantage Assurance Company (CAAC) medical and drug claim experience, KHPC HMO data, and vendor pediatric vision data. All data is trended and benefit-adjusted in the same manner as the experience data (same projection factors and trend).

Credibility of Experience

Credibility Manual Rate Development: The credibility manual was given 100% credibility for reasons described in the section above.

Paid to Allowed Ratio

KHPC used the prescribed URRT allowed claim rate development methodology in conjunction with a paid and incurred rate development methodology to determine final premium rates. 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, KHPC projected paid and incurred claims, adjusted for benefits, to the experience period.

Projected Paid and Incurred Claims are calculated as follows:

1. Gather claims experience as described in the Data section above.
    a. Base Experience Period (BEP) Paid Claims
    b. BEP Member Months

2. Develop BEP *Paid and Incurred Claims*:

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

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

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

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

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

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

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

$$Projected\ Paid\ and\ Incurred\ Claims\ PMPM = [Trended\ Claim\ PMPM] \times [BenefitNetwork\ Adjustment] \times [Network\ Adjustment] \times [Morbidity\ Adjustment] \times [List - Billed\ Adjustment]$$

The *Benefit Adjustment*, *Network 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. KHPC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a $0 office visit copayment and a $25 ER copayment. Given a particular benefit design (for example, $20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on cumulative probability distributions (CPDs), where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
   b. This actuarial cost model derives a Manual Cost for each benefit design in the experience period, as well as plans being offered in the projection period. The average Manual Cost of the experience is compared to the Manual Cost of the base plan (Healthy Benefits HMO 500.0 EX). The projected experience period data is then adjusted to the base plan:

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

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

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

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

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

e. The Benefit Relativity developed in d. above is then used as a gauge to develop a final *Pricing Relativity*. This pricing relativity is developed using actuarial judgment including the following considerations:

   i. Final premium relativities must make sense based on benefits. For example, the annual cost difference between a HMO 2000 and HMO 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:

$$Projected\ Claims\ PMPM\ Benefit\ A = Projected\ Claims\ PMPM\ Base\ Plan \times Pricing\ Relativity\ A$$

b. And to arrive at the *Total Projected Claims PMPM*, KHPC assumes a distribution of members across the benefit plans being offered in 2016. The *Total Projected Claims PMPM* :

$$= Projected\ Claims\ PMPM\ Benefit\ A \times Expected\ Member\ Dist\ of\ Benefit\ A + Projected\ Claims\ PMPM\ Benefit\ B \times Expected\ Member\ Dis\ of\ Benefit\ B + \cdots$$

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

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

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

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. The pricing impact is:

$$[Net\ Projected\ Risk\ Adjustments\ PMPM] = [Projected\ CRA\ Transfer\ PMPM] - [Risk\ Adjustment\ Fee\ PMPM]$$

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 2017 and 2018
5. Projected 2016 risk adjustment results

2017/2018 projected risk adjustment is based on projections for 2016. CBC is estimating a higher PMPM payable amount for 2017/2018 due to market intelligence. The broker community has indicated that competitors plan to move low-risk small group business to ASO products, which will result in deterioration of the PPACA insured pool.

KHPC is using a credibility manual to derive premiums, as described in the Credibility Manual Rate Development section above. Likewise, KHPC is using combined risk adjustment results from CAAC, CAIC, and KHPC to project 2018. 2016 projected risk adjustment results by company can be found on Exhibit K.

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".

Projected ACA Reinsurance Recoveries:

$$[Net\ Projected\ ACA\ Reinsurance\ Recoveries\ PMPM] = [Projected\ ACA\ Reinsurance\ Recoveries\ PMPM] - [Reinsurance\ Contribution\ PMPM]$$

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 KHPC's finance department, and trended to the rating period. Costs are allocated according to results reported through a company-wide questionnaire. On an annual basis, each cost center within the company completes a questionnaire listing the distribution of costs (in percentage terms) by product as well as by market segment. For example, the questionnaire will ask what percentage of time is spent on PPO versus HMO versus Drug versus Medicare. And separately will ask what percentage of time is spent on large group, small group, individual, and government programs. Using those distributions, all costs needed to perform the business are allocated to the proper market segments and lines of business. The administrative expense applied in the rate development is the total expense allocated to KHPC small group products. This includes administrative fees incurred to administer Rx rebates. Administrative expenses are included in the URRT Worksheet 1, "Administrative Load".
2. Broker Expense: Calculated based on KHPC's explicit per contract broker fee. 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 KHPC'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:

1. Fee for Patient-Centered Outcomes Research Trust Fund (PCOR): 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 in $2 per member per year ($0.17 PMPM), trended annually. At an estimated trend of 4%, the 2016 projected fee is $0.18 PMPM. PCOR is included in the URRT Worksheet 1, "Taxes and Fees".
2. 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. See Exhibit H. The HIF is included in the URRT Worksheet 1, "Taxes and Fees".
3. Exchange Fee – KHPC is not offering any plans of the federally-facilitated exchange.
4. Federal Income Tax: The projected Federal Income Tax is included in the URRT Worksheet 1, "Taxes and Fees".

See Exhibit H for all KHPC 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 KHPC 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 KHPC 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 KHPC's allowed claims PMPM, set in accordance with the single risk pool provision. All KHPC covered benefits are categorized as Essential Health Benefits (EHBs), therefore no adjustment was made to the experience period index. 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 KHPC 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. Index 1 and Index 2 are taken from the annual filing. Index 3 (July – September) is calculated in step 2, and Index 4 (October – December) is (Index 3) x (1+Trend ^ (3/12)).
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 KHPC'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,

$$[Market\ Adjusted\ Index\ Rate] = [Index\ Rate] - [Net\ Projected\ ACA\ Reinsurace\ Recoveries] - [Net\ Projected\ Risk\ Adjustments\ PMPM] + [Exchange\ Fees\ PMPM]$$

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 KHPC's actuarial cost model. KHPC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a $0 office visit copayment and a $25 ER copayment. Given a particular benefit design (for example, $20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a claim PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on CPDs, where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
2. Provider Network: The Provider network is the same across plans.
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 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 calculated by taking the member-weighted average of current small group enrollment by age in KHPC, CAIC, and KHPC combined. Age factors are applied in accordance with CMS's Standard Age Curve. The average age factor is 1.524, equating to an average age of 46, according to the CMS Age Curve.

Geographic Factor Calibration: The projected average geographic factor is calculated by taking the member-weighted average of current small group enrollment by employer geographic location in KHPC, CAIC, and KHPC combined.

The calibration is:

$$[Calibrated\ Plan\ Adjusted\ Index\ Rate] = [Plan\ Adjusted\ Index\ Rate] \div ([Age\ Curve\ Calibration] \times [Geographic\ Factor\ Calibration])$$

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. Age and Geographic factors are displayed in Exhibits O.

Geographic Rating Factors and Network Analysis

Geographic Factors: CMS has approved nine geographical rating areas (GRA) in the state of Pennsylvania. KHPC operates in a 21-county area of Pennsylvania, encompassing three of the nine defined regions.

KHPC performed regional analysis to quantify the cost difference between the three regions in our service area. The analysis gathered allowed claims in a 12-month period by region, normalized for demographics. We then compared the claim cost for each of the three regions, and found cost differentials between the regions, mostly due to differences in hospital contracting between regions. The data from the analysis is found in Exhibit Q.

Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

$$[Member - Level\ Consumer\ Adjusted\ Premium\ Rate] = [Calibrated\ Plan\ Adjusted\ Index\ Rate] \times [Age\ Factor] \times [Geographic\ Factor]$$

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

Small Group Plan Premium Rates: KHPC 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 KHPC's actuarial cost model and actuarial judgment as 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 100 percent of current small group KHPC members will purchases coverage through KHPC. KHPC expects the remainder of small group members to obtain coverage through other CBC subsidiaries.

Terminated Products

See Exhibit R 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 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 – Regional Analysis
Exhibit R – 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. For any plan requiring an alternative method, the development of the actuarial value is based on one of the acceptable alternative methods outlined in 156.135(b)(2) or 156.135(b)(3) for benefits

that deviate substantially from the parameters of the AVC and have a material impact on the actuarial value.

a. The analysis was
    i. conducted by a member of the American Academy of Actuaries, and
    ii. performed in accordance with generally accepted actuarial principles and methods.

5. All factor, benefit and other changes from the prior approved filing have been disclosed in the actuarial memorandum.

6. New plans cannot be considered modifications of existing plans under the uniform modification standards in 45 CFR 147.106.

7. The information presented in the PA Actuarial Memorandum and PA Actuarial Memorandum Rate Exhibits is consistent with the information presented in the 2017 Rate Filing Justification.

[redacted]

[redacted], ASA, MAAA
Actuarial Associate
Capital BlueCross

KEYSTONE HEALTH PLAN CENTRAL, INC.

ACTUARIAL MEMORANDUM
Small Group Rates
Effective January 1, 2018

General Information

Company Information

- Company Legal Name: Keystone Health Plan Central
- State: PA
- HIOS Issuer ID: 53789
- Market: Small Group
- Effective Date: 1/1/2018

PID Company Information

- Company Name: Keystone Health Plan Central (KHPC)
- NAIC: 95199
- Market: Small Group
- On/Off Exchange: Off Exchange
- Effective Date: 1/1/2018
- Average Rate Change: -13.4%
- Range of Requested Rate Change: -20.5% to 11.3%
- Product: HMO
- Rating Areas: 6,7,9
- Metal Levels: Bronze
- Current Covered Lives and Policyholders: 965/619
- Number of Plans: 1
- Contract Form #: C18-KHPC-SPG
- Form Filing SERFF #: CABC-131039531
- Binder SERFF #: CABC-PA18-125072254
- HIOS Issuer ID: 53789
- HIOS Submission Tracking Number: 53789-956252511767933986

Company Contact Information

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

Scope and Purpose

By this filing, Keystone Health Plan Central (KHPC), a subsidiary of Capital BlueCross (CBC), submits rates for products to be made available to all small groups effective January 1, 2018. KHPC will offer small group products off the federally-facilitated exchange.

Proposed Rate Increases

KHPC is proposing an aggregate annual increase of -13.4%. The rate change does vary by plan. The rate change is calculated in PA Rate Template Part III, Table 10, cell AC15.

Rate History and Proposed Variations in Rate Changes

Market	Company	Effective Date	SERFF #	Annual Increase
Small Group	KHPC	1/1/2014	CABC-129033971	0.00%
Small Group	KHPC	1/1/2015	CABC-129636213	7.00%
Small Group	KHPC	1/1/2016	CABC-130076082	-2.00%
Small Group	KHPC	1/1/2017	CABC-130539616	4.50%

Benefit Changes 2017-2018

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). Any plan with a benefit change that did not meet the uniform modification of coverage standard was terminated, and a new plan was created in its place. All terminated plans are listed in Exhibit R, and a summary of proposed 2017 benefits is included in Exhibit A.

Benefit changes by plan are listed in Exhibit A1, highlighted 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, 2016 and December 31, 2016.

Paid Through Date: Claims in the BEP are paid through February 28, 2017

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 KHPC 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:	$2,816,068	$3,403,750
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:	$79,539	$203,943

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 C for a description of benefits by benefit category.

Projection Factors

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

   This was 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 is described below.

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

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

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

1. List-Billed Adjustment: KHPC 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.

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. KHPC 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 2017

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

Year 2018

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

Total Annual Trend	92%

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. KHPC strives to mitigate the underwriting cycle by keeping trends consistent through times of increasing and decreasing claim cost and utilization.

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

Credibility Manual Rate Development

For the purpose of rate development, KHPC small group HMO products are combined with other product offerings (PPO, Traditional, Comprehensive, Drug) from CBC subsidiaries. KHPC has approximately 900 members, while CBC's total small group block is close to 60,000 members, making the combination of experience necessary according to credibility standards. Combining the experience is actuarially justifiable for several reasons:

1. The demographics of members buying HMO and other products are similar.
2. Cost and utilization between HMO and other products are similar.
3. Medical policy between HMO and other products are almost identical, with the exception of referrals and no out-of-network benefit on HMO. These two cost-saving features of HMO are valued in the projected claim costs (Paid-to-Allowed Ratio section below.)

The credibility manual PMPMs are the combination of Capital Advantage Insurance Company (CAIC) and Capital Advantage Assurance Company (CAAC) medical and drug claim experience, KHPC HMO data, and vendor pediatric vision data. All data is trended and benefit-adjusted in the same manner as the experience data (same projection factors and trend).

Credibility of Experience

Credibility Manual Rate Development: The credibility manual was given 100% credibility for reasons described in the section above.

Paid to Allowed Ratio

KHPC used the prescribed URRT allowed claim rate development methodology in conjunction with a paid and incurred rate development methodology to determine final premium rates. 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, KHPC projected paid and incurred claims, adjusted for benefits, to the experience period.

Projected Paid and Incurred Claims are calculated as follows:

1. Gather claims experience as described in the Data section above.
    a. Base Experience Period (BEP) Paid Claims
    b. BEP Member Months

2. Develop BEP *Paid and Incurred Claims*:

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

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

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

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

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

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

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

$$Projected\ Paid\ and\ Incurred\ Claims\ PMPM = [Trended\ Claim\ PMPM] \times [BenefitNetwork\ Adjustment] \times [Network\ Adjustment] \times [Morbidity\ Adjustment] \times [List - Billed\ Adjustment]$$

The *Benefit Adjustment*, *Network 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. KHPC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a $0 office visit copayment and a $25 ER copayment. Given a particular benefit design (for example, $20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on cumulative probability distributions (CPDs), where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
   b. This actuarial cost model derives a Manual Cost for each benefit design in the experience period, as well as plans being offered in the projection period. The average Manual Cost of the experience is compared to the Manual Cost of the base plan (Healthy Benefits HMO 500.0 EX). The projected experience period data is then adjusted to the base plan:

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

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

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

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

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

e. The Benefit Relativity developed in d. above is then used as a gauge to develop a final *Pricing Relativity*. This pricing relativity is developed using actuarial judgment including the following considerations:

   i. Final premium relativities must make sense based on benefits. For example, the annual cost difference between a HMO 2000 and HMO 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:

$$Projected\ Claims\ PMPM\ Benefit\ A = Projected\ Claims\ PMPM\ Base\ Plan \times Pricing\ Relativity\ A$$

b. And to arrive at the *Total Projected Claims PMPM*, KHPC assumes a distribution of members across the benefit plans being offered in 2016. The *Total Projected Claims PMPM* :

$$= Projected\ Claims\ PMPM\ Benefit\ A \times Expected\ Member\ Dist\ of\ Benefit\ A + Projected\ Claims\ PMPM\ Benefit\ B \times Expected\ Member\ Dis\ of\ Benefit\ B + \cdots$$

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

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

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

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. The pricing impact is:

$$[Net\ Projected\ Risk\ Adjustments\ PMPM] = [Projected\ CRA\ Transfer\ PMPM] - [Risk\ Adjustment\ Fee\ PMPM]$$

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 2017 and 2018
5. Projected 2016 risk adjustment results

2017/2018 projected risk adjustment is based on projections for 2016. CBC is estimating a higher PMPM payable amount for 2017/2018 due to market intelligence. The broker community has indicated that competitors plan to move low-risk small group business to ASO products, which will result in deterioration of the PPACA insured pool.

KHPC is using a credibility manual to derive premiums, as described in the Credibility Manual Rate Development section above. Likewise, KHPC is using combined risk adjustment results from CAAC, CAIC, and KHPC to project 2018. 2016 projected risk adjustment results by company can be found on Exhibit K.

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".

Projected ACA Reinsurance Recoveries:

$$[Net\ Projected\ ACA\ Reinsurance\ Recoveries\ PMPM] = [Projected\ ACA\ Reinsurance\ Recoveries\ PMPM] - [Reinsurance\ Contribution\ PMPM]$$

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 KHPC's finance department, and trended to the rating period. Costs are allocated according to results reported through a company-wide questionnaire. On an annual basis, each cost center within the company completes a questionnaire listing the distribution of costs (in percentage terms) by product as well as by market segment. For example, the questionnaire will ask what percentage of time is spent on PPO versus HMO versus Drug versus Medicare. And separately will ask what percentage of time is spent on large group, small group, individual, and government programs. Using those distributions, all costs needed to perform the business are allocated to the proper market segments and lines of business. The administrative expense applied in the rate development is the total expense allocated to KHPC small group products. This includes administrative fees incurred to administer Rx rebates. Administrative expenses are included in the URRT Worksheet 1, "Administrative Load".
2. Broker Expense: Calculated based on KHPC's explicit per contract broker fee. 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 KHPC'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:

1. Fee for Patient-Centered Outcomes Research Trust Fund (PCOR): 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 in $2 per member per year ($0.17 PMPM), trended annually. At an estimated trend of 4%, the 2016 projected fee is $0.18 PMPM. PCOR is included in the URRT Worksheet 1, "Taxes and Fees".
2. 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. See Exhibit H. The HIF is included in the URRT Worksheet 1, "Taxes and Fees".
3. Exchange Fee – KHPC is not offering any plans of the federally-facilitated exchange.
4. Federal Income Tax: The projected Federal Income Tax is included in the URRT Worksheet 1, "Taxes and Fees".

See Exhibit H for all KHPC 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 KHPC 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 KHPC 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 KHPC's allowed claims PMPM, set in accordance with the single risk pool provision. All KHPC covered benefits are categorized as Essential Health Benefits (EHBs), therefore no adjustment was made to the experience period index. 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 KHPC 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. Index 1 and Index 2 are taken from the annual filing. Index 3 (July – September) is calculated in step 2, and Index 4 (October – December) is (Index 3) x (1+Trend ^ (3/12)).
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 KHPC'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,

$$[Market\ Adjusted\ Index\ Rate] = [Index\ Rate] - [Net\ Projected\ ACA\ Reinsurace\ Recoveries] - [Net\ Projected\ Risk\ Adjustments\ PMPM] + [Exchange\ Fees\ PMPM]$$

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 KHPC's actuarial cost model. KHPC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a $0 office visit copayment and a $25 ER copayment. Given a particular benefit design (for example, $20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a claim PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on CPDs, where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
2. Provider Network: The Provider network is the same across plans.
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 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 calculated by taking the member-weighted average of current small group enrollment by age in KHPC, CAIC, and KHPC combined. Age factors are applied in accordance with CMS's Standard Age Curve. The average age factor is 1.524, equating to an average age of 46, according to the CMS Age Curve.

Geographic Factor Calibration: The projected average geographic factor is calculated by taking the member-weighted average of current small group enrollment by employer geographic location in KHPC, CAIC, and KHPC combined.

The calibration is:

$$[Calibrated\ Plan\ Adjusted\ Index\ Rate] = [Plan\ Adjusted\ Index\ Rate] \div ([Age\ Curve\ Calibration] \times [Geographic\ Factor\ Calibration])$$

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. Age and Geographic factors are displayed in Exhibits O.

Geographic Rating Factors and Network Analysis

Geographic Factors: CMS has approved nine geographical rating areas (GRA) in the state of Pennsylvania. KHPC operates in a 21-county area of Pennsylvania, encompassing three of the nine defined regions.

KHPC performed regional analysis to quantify the cost difference between the three regions in our service area. The analysis gathered allowed claims in a 12-month period by region, normalized for demographics. We then compared the claim cost for each of the three regions, and found cost differentials between the regions, mostly due to differences in hospital contracting between regions. The data from the analysis is found in Exhibit Q.

Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

$$[Member - Level\ Consumer\ Adjusted\ Premium\ Rate] = [Calibrated\ Plan\ Adjusted\ Index\ Rate] \times [Age\ Factor] \times [Geographic\ Factor]$$

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

Small Group Plan Premium Rates: KHPC 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 KHPC's actuarial cost model and actuarial judgment as 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 100 percent of current small group KHPC members will purchases coverage through KHPC. KHPC expects the remainder of small group members to obtain coverage through other CBC subsidiaries.

Terminated Products

See Exhibit R 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 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 – Regional Analysis
Exhibit R – 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. For any plan requiring an alternative method, the development of the actuarial value is based on one of the acceptable alternative methods outlined in 156.135(b)(2) or 156.135(b)(3) for benefits

that deviate substantially from the parameters of the AVC and have a material impact on the actuarial value.

a. The analysis was
    i. conducted by a member of the American Academy of Actuaries, and
    ii. performed in accordance with generally accepted actuarial principles and methods.

5. All factor, benefit and other changes from the prior approved filing have been disclosed in the actuarial memorandum.

6. New plans cannot be considered modifications of existing plans under the uniform modification standards in 45 CFR 147.106.

7. The information presented in the PA Actuarial Memorandum and PA Actuarial Memorandum Rate Exhibits is consistent with the information presented in the 2017 Rate Filing Justification.

[redacted]

[redacted], ASA, MAAA
Actuarial Associate
Capital BlueCross

PA Rate Template Part III

Table 10. Plan Rates

Carrier Name:	Keystone Health Plan Central
Product(s):	HMO
Market Segment:	Small Group
Rate Effective Date:	1/1/2018
Base Period Start Date	1/1/2016
Date of Most Recent Membership	2/1/2017
Market Adjusted Index Rate	$ 625.63

Calibration	
Age Calibration Factor	1.524
Geographic Calibration Factor	1.034
Aggregate Calibration Factor	1.576

Total Covered Lives @ 02-01-2017
#DIV/0!

Plan Number	HIOS Plan ID (Standard Component)	Plan Type (HMO, POS, PPO, EPO, Indemnity, Other)	Plan Marketing Name	Existing, Modified, New, Discontinued & Mapped, Discontinued & Not Mapped (E,M,N,DM, DNM) for 2018	1/1/18 Plan HIOS Plan ID (If 1/1/17 Plan Discontinued & Mapped)	Metallic Tier	Metallic Tier Actuarial Value	Standard AV, Approach (1), Approach (2)	Exchange On/Off or Off	45 CFR Part 156.8 (d) (2) Allowable Factors: 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 Mapped into 2018 Plans @ 02-01-2017	Total Policyholders @ 02-01-2017	2017 Calibrated Plan Adjusted Index Rate PMPM	2018 Calibrated Plan Adjusted Index Rate PMPM	Proposed Rate Change Compared to Prior 12 months	% of Total Covered Lives	02-01-2017 Number of Covered Lives by Rating Area: 1	2	3	4	5	6	7	8	9	Total	2018 Continued/ Discontined Plans Indicator
Totals							**0.615**			**0.573**	**1.000**	**1.000**	**1.000**	**1.000**	**1.000**	**$ 358.42**	**13.8%**	**4.6%**	**2.0%**	**965**	**562**	**$ 329.60**	**$ 285.46**	**-13.39%**		-	-	-	-	-	391	434	-	140	**965**	
Plan 1	53789PA0090007	HMO	Healthy Benefits HMO 2000.0 PD . Rx $250	DM	53789PA0090004	Gold	0.61531807	Standard	Off	0.573	1.000	1.000	1.000	1.000	1.000	$358.42	13.8%	4.6%	2.0%	181	109	$ 353.01	$ 285.46	-19.1%	18.8%	-	-	-	-	-	83	82	-	16	181	1
Plan 2	53789PA0090008	HMO	Healthy Benefits HMO 2000.0 PD . Rx $0	DM	53789PA0090004	Gold	0.61531807	Standard	Off	0.573	1.000	1.000	1.000	1.000	1.000	$358.42	13.8%	4.6%	2.0%	194	99	$ 359.16	$ 285.46	-20.5%	20.1%	-	-	-	-	-	65	81	-	48	194	1
Plan 3	53789PA0090011	HMO	Healthy Benefits HMO 4000.0 PD . Rx $250	DM	53789PA0090004	Silver	0.61531807	Standard	Off	0.573	1.000	1.000	1.000	1.000	1.000	$358.42	13.8%	4.6%	2.0%	79	50	$ 313.62	$ 285.46	-9.0%	8.2%	-	-	-	-	-	41	32	-	6	79	1
Plan 4	53789PA0090012	HMO	Healthy Benefits HMO 4000.0 PD . Rx $0	DM	53789PA0090004	Silver	0.61531807	Standard	Off	0.573	1.000	1.000	1.000	1.000	1.000	$358.42	13.8%	4.6%	2.0%	117	70	$ 319.74	$ 285.46	-10.7%	12.1%	-	-	-	-	-	31	74	-	12	117	1
Plan 5	53789PA0090004	HMO	Bronze HMO 7000/0/60	M	53789PA0090004	Bronze	0.61531807	Standard	Off	0.573	1.000	1.000	1.000	1.000	1.000	$358.42	13.8%	4.6%	2.0%	159	111	$ 256.48	$ 285.46	11.3%	16.5%	-	-	-	-	-	43	85	-	31	159	1
Plan 6	53789PA0070002	HMO	Healthy Benefits HMO 0.50 EX	DM	53789PA0090004	Silver	0.61531807	Standard	Off	0.573	1.000	1.000	1.000	1.000	1.000	$358.42	13.8%	4.6%	2.0%	-	-	$ 359.16	$ 285.46	-20.5%	0.0%	-	-	-	-	-	-	-	-	-	-	1
Plan 7	53789PA0090003	HMO	Healthy Benefits HMO 0.0 PD	DM	53789PA0090004	Silver	0.61531807	Standard	Off	0.573	1.000	1.000	1.000	1.000	1.000	$358.42	13.8%	4.6%	2.0%	88	62	$ 359.16	$ 285.46	-20.5%	9.1%	-	-	-	-	-	25	59	-	4	88	1
Plan 8	53789PA0090005	HMO	Healthy Benefits HMO 1000.0 PD . Rx $2	DM	53789PA0090004	Gold	0.61531807	Standard	Off	0.573	1.000	1.000	1.000	1.000	1.000	$358.42	13.8%	4.6%	2.0%	69	24	$ 353.01	$ 285.46	-19.1%	7.2%	-	-	-	-	-	68	-	-	1	69	1
Plan 9	53789PA0090006	HMO	Healthy Benefits HMO 1000.0 PD . Rx $0	DM	53789PA0090004	Gold	0.61531807	Standard	Off	0.573	1.000	1.000	1.000	1.000	1.000	$358.42	13.8%	4.6%	2.0%	20	6	$ 359.16	$ 285.46	-20.5%	2.1%	-	-	-	-	-	8	-	-	12	20	1
Plan 10	53789PA0090009	HMO	Healthy Benefits HMO 3000.0 PD . Rx $2	DM	53789PA0090004	Silver	0.61531807	Standard	Off	0.573	1.000	1.000	1.000	1.000	1.000	$358.42	13.8%	4.6%	2.0%	28	14	$ 313.62	$ 285.46	-9.0%	2.9%	-	-	-	-	-	18	10	-	-	28	1
Plan 11	53789PA0090010	HMO	Healthy Benefits HMO 3000.0 PD . Rx $0	DM	53789PA0090004	Silver	0.61531807	Standard	Off	0.573	1.000	1.000	1.000	1.000	1.000	$358.42	13.8%	4.6%	2.0%	30	15	$ 319.74	$ 285.46	-10.7%	3.1%	-	-	-	-	-	9	11	-	10	30	1
Plan 12																$0.00				-	-		$ -	0.0%	0.0%											-	0
Plan 13																$0.00				-			$ -	0.0%	0.0%											-	0
Plan 14																$0.00				-			$ -	0.0%	0.0%											-	0
Plan 15																$0.00				-			$ -	0.0%	0.0%											-	0

PA Rate Template Part IV B - Small Group Annual

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

Carrier Name:	Keystone Health Plan Central
Product(s):	HMO
Market Segment:	Small Group
Rate Effective Date:	1/1/2018

Plan Number	HIOS Plan ID (Standard Component)	1/1/17 Plan Marketing Name	Discontinued, New, Modified, Existing (D,N,M,E) for 2018	1/1/18 Plan HIOS PLAN ID (If 1/1/17 Plan Discontinued)	Metallic Tier	Exchange On/Off or Off	Quarter 1 2017, 21-year-old Non-Tobacco Premium PMPM									
							1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)
Totals	These cells auto-fill using the data entered in Table 10.						$ -	$ -	$ -	$ -	$ -	$ 26.38	$ 47.45	$ -	$ 52.59	$ 39.66
Plan 1	53789PA0090007	Healthy Benefits HMO 20	DM	53789PA0090004	Gold	Off										$ -
Plan 2	53789PA0090008	Healthy Benefits HMO 20	DM	53789PA0090004	Gold	Off										$ -
Plan 3	53789PA0090011	Healthy Benefits HMO 40	DM	53789PA0090004	Silver	Off										$ -
Plan 4	53789PA0090012	Healthy Benefits HMO 40	DM	53789PA0090004	Silver	Off										$ -
Plan 5	53789PA0090004	Bronze HMO 7000/0/60	M	53789PA0090004	Bronze	Off	$ -	$ -	$ -	$ -	$ -	$ 239.89	$ 242.29	$ -	$ 237.49	$ 240.71
Plan 6	53789PA0070002	Healthy Benefits HMO 0.5	DM	53789PA0090004	Silver	Off										$ -
Plan 7	53789PA0090003	Healthy Benefits HMO 0.0	DM	53789PA0090004	Silver	Off										$ -
Plan 8	53789PA0090005	Healthy Benefits HMO 10	DM	53789PA0090004	Gold	Off										$ -
Plan 9	53789PA0090006	Healthy Benefits HMO 10	DM	53789PA0090004	Gold	Off										$ -

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

Carrier Name:	Keystone Health Plan Central
Product(s):	HMO
Market Segment:	Small Group
Rate Effective Date:	1/1/2018

Plan Number	HIOS Plan ID (Standard Component)	1/1/17 Plan Marketing Name	Discontinued, New, Modified, Existing (D,N,M,E) for 2018	1/1/18 Plan HIOS PLAN ID (If 1/1/17 Plan Discontinued)	Metallic Tier	Exchange On/Off or Off	Quarter 1 2018, 21-year-old Non-Tobacco Premium PMPM										Change in Quarter 1, 21-year-old Non-Tobacco Premium PMPM									
							1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)	1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)
Totals	These cells auto-fill using the data entered in Table 10.						$ -	$ -	$ -	$ -	$ -	$ 274.02	$ 282.24	$ -	$ 295.95	$ 280.90	0.0%	0.0%	0.0%	0.0%	0.0%	1.6%	3.2%	0.0%	5.5%	2.9%
Plan 1	53789PA0090007	Healthy Benefits HMO 20	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 274.02	$ 282.24	$ -	$ 295.95	$ 279.69										
Plan 2	53789PA0090008	Healthy Benefits HMO 20	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 274.02	$ 282.24	$ -	$ 295.95	$ 282.88										
Plan 3	53789PA0090011	Healthy Benefits HMO 40	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 274.02	$ 282.24	$ -	$ 295.95	$ 279.02										
Plan 4	53789PA0090012	Healthy Benefits HMO 40	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 274.02	$ 282.24	$ -	$ 295.95	$ 281.47										
Plan 5	53789PA0090004	Bronze HMO 7000/0/60	M	53789PA0090004	Bronze	Off	$ -	$ -	$ -	$ -	$ -	$ 274.02	$ 282.24	$ -	$ 295.95	$ 282.69						14.2%	16.5%		24.6%	17.4%
Plan 6	53789PA0070002	Healthy Benefits HMO 0.5	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 274.02	$ 282.24	$ -	$ 295.95	$ -										
Plan 7	53789PA0090003	Healthy Benefits HMO 0.0	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 274.02	$ 282.24	$ -	$ 295.95	$ 280.53										
Plan 8	53789PA0090005	Healthy Benefits HMO 10	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 274.02	$ 282.24	$ -	$ 295.95	$ 274.34										
Plan 9	53789PA0090006	Healthy Benefits HMO 10	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 274.02	$ 282.24	$ -	$ 295.95	$ 287.18										

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

Carrier Name:	Keystone Health Plan Central
Product(s):	HMO
Market Segment:	Small Group
Rate Effective Date:	1/1/2018

Plan Number	HIOS Plan ID (Standard Component)	1/1/17 Plan Marketing Name	Discontinued, New, Modified, Existing (D,N,M,E) for 2018	1/1/18 Plan HIOS PLAN ID (If 1/1/17 Plan Discontinued)	Metallic Tier	Exchange On/Off or Off	Quarter 2 2018, 21-year-old Non-Tobacco Premium PMPM										Quarter 3 2018, 21-year-old Non-Tobacco Premium PMPM									
							1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)	1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)
Totals	These cells auto-fill using the data entered in Table 10.						$ -	$ -	$ -	$ -	$ -	$ 280.04	$ 288.44	$ -	$ 302.44	$ 287.07	$ -	$ -	$ -	$ -	$ -	$ 286.18	$ 294.77	$ -	$ 309.08	$ 293.37
Plan 1	53789PA0090007	Healthy Benefits HMO 20	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 280.04	$ 288.44	$ -	$ 302.44	$ 285.82	$ -	$ -	$ -	$ -	$ -	$ 286.18	$ 294.77	$ -	$ 309.08	$ 292.10
Plan 2	53789PA0090008	Healthy Benefits HMO 20	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 280.04	$ 288.44	$ -	$ 302.44	$ 289.09	$ -	$ -	$ -	$ -	$ -	$ 286.18	$ 294.77	$ -	$ 309.08	$ 295.43
Plan 3	53789PA0090011	Healthy Benefits HMO 40	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 280.04	$ 288.44	$ -	$ 302.44	$ 285.14	$ -	$ -	$ -	$ -	$ -	$ 286.18	$ 294.77	$ -	$ 309.08	$ 291.40
Plan 4	53789PA0090012	Healthy Benefits HMO 40	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 280.04	$ 288.44	$ -	$ 302.44	$ 287.65	$ -	$ -	$ -	$ -	$ -	$ 286.18	$ 294.77	$ -	$ 309.08	$ 293.96
Plan 5	53789PA0090004	Bronze HMO 7000/0/60	M	53789PA0090004	Bronze	Off	$ -	$ -	$ -	$ -	$ -	$ 280.04	$ 288.44	$ -	$ 302.44	$ 288.90	$ -	$ -	$ -	$ -	$ -	$ 286.18	$ 294.77	$ -	$ 309.08	$ 295.24
Plan 6	53789PA0070002	Healthy Benefits HMO 0.5	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 280.04	$ 288.44	$ -	$ 302.44	$ -	$ -	$ -	$ -	$ -	$ -	$ 286.18	$ 294.77	$ -	$ 309.08	$ -
Plan 7	53789PA0090003	Healthy Benefits HMO 0.0	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 280.04	$ 288.44	$ -	$ 302.44	$ 286.69	$ -	$ -	$ -	$ -	$ -	$ 286.18	$ 294.77	$ -	$ 309.08	$ 292.98
Plan 8	53789PA0090005	Healthy Benefits HMO 10	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 280.04	$ 288.44	$ -	$ 302.44	$ 280.36	$ -	$ -	$ -	$ -	$ -	$ 286.18	$ 294.77	$ -	$ 309.08	$ 286.52
Plan 9	53789PA0090006	Healthy Benefits HMO 10	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 280.04	$ 288.44	$ -	$ 302.44	$ 293.48	$ -	$ -	$ -	$ -	$ -	$ 286.18	$ 294.77	$ -	$ 309.08	$ 299.92

PA Rate Template Part IV B - Small Group Annual

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

Carrier Name: Keystone Health Plan Central
Product(s): HMO
Market Segment: Small Group
Rate Effective Date: 1/1/2018

Plan Number	HIOS Plan ID (Standard Component)	1/1/17 Plan Marketing Name	Discontinued, New, Modified, Existing (D,N,M,E) for 2018	1/1/18 Plan HIOS PLAN ID (If 1/1/17 Plan Discontinued)	Metallic Tier	Exchange On/Off or Off	Quarter 4 2018, 21-year-old Non-Tobacco Premium PMPM									
							1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)
Totals	These cells auto-fill using the data entered in Table 10.						$ -	$ -	$ -	$ -	$ -	$ 292.46	$ 301.24	$ -	$ 315.86	$ 299.80
Plan 1	53789PA0090007	Healthy Benefits HMO 20	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 292.46	$ 301.24	$ -	$ 315.86	$ 298.51
Plan 2	53789PA0090008	Healthy Benefits HMO 20	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 292.46	$ 301.24	$ -	$ 315.86	$ 301.92
Plan 3	53789PA0090011	Healthy Benefits HMO 40	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 292.46	$ 301.24	$ -	$ 315.86	$ 297.80
Plan 4	53789PA0090012	Healthy Benefits HMO 40	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 292.46	$ 301.24	$ -	$ 315.86	$ 300.41
Plan 5	53789PA0090004	Bronze HMO 7000/0/60	M	53789PA0090004	Bronze	Off	$ -	$ -	$ -	$ -	$ -	$ 292.46	$ 301.24	$ -	$ 315.86	$ 301.72
Plan 6	53789PA0070002	Healthy Benefits HMO 0.5	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 292.46	$ 301.24	$ -	$ 315.86	$ -
Plan 7	53789PA0090003	Healthy Benefits HMO 0.0	DM	53789PA0090004	Silver	Off	$ -	$ -	$ -	$ -	$ -	$ 292.46	$ 301.24	$ -	$ 315.86	$ 299.41
Plan 8	53789PA0090005	Healthy Benefits HMO 10	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 292.46	$ 301.24	$ -	$ 315.86	$ 292.80
Plan 9	53789PA0090006	Healthy Benefits HMO 10	DM	53789PA0090004	Gold	Off	$ -	$ -	$ -	$ -	$ -	$ 292.46	$ 301.24	$ -	$ 315.86	$ 306.50

PA Rate Quarterly Template Part V
Consumer Factors

Carrier Name:	**Keystone Health Plan Central**
Product(s):	**HMO**
Market Segment:	**Small Group**
Rate Effective Date:	**1/1/2018**

Table 12. Age and Tobacco Factors

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

*PA follows the federal default age curve.

Table 13. Geographic Factors

Geographic Area Factors			
Area	Counties	Current Factor	Proposed Factor
Rating Area 1			
Rating Area 2			
Rating Area 3			
Rating Area 4			
Rating Area 5			
Rating Area 6	Centre, Columbia, Lehigh, Mifflin, Montour, Northampton, Northumberland, Schutlkill, Snyder, Union	1.000	1.000
Rating Area 7	Adams, Berks, Lancaster, York	1.010	1.030
Rating Area 8			
Rating Area 9	Cumberland, Dauphin, Franklin, Fulton, Juniata, Lebanon, Perry	0.990	1.080

Table 14. Network Factors

Projecion Period Network Factors				
Network Name	Rating Area	Current Factor	Proposed Factor	DOH Approval Date
PPO	All	1.000	1	

Keystone Health Plan Central
Small Group
Plan Design Summary

HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Network	Rating Area	Counties Covered
53789PA0090004	Bronze HMO 7000/0/60 | Combined	HMO	Bronze	Off	HMO	6,7,9	All

Company Name: Keystone Health Plan Central
Market: Small Group
Product: HMO
Effective Date of Rates: January 1, 2018 **Ending date of Rates:** March 31, 2018

HIOS Plan ID (On Exchange)=>						
HIOS Plan ID (Off Exchange)=>	53789PA0090004		53789PA0090004		53789PA0090004	
Plan Marketing Name =>	Bronze HMO 7000/0/60 | Combined		Bronze HMO 7000/0/60 | Combined		Bronze HMO 7000/0/60 | Combined	
Form # =>	C18-KHPC-SPG		C18-KHPC-SPG		C18-KHPC-SPG	
Rating Area =>	6		7		9	
Network =>	HMO		HMO		HMO	
Metal =>	Bronze		Bronze		Bronze	
Deductible =>	$7000 Med/Rx Combined		$7000 Med/Rx Combined		$7000 Med/Rx Combined	
Coinsurance =>	0%		0%		0%	
Copays =>	$60/$0/$0 PCP/SPC/ER		$60/$0/$0 PCP/SPC/ER		$60/$0/$0 PCP/SPC/ER	
OOP Maximum =>	$7350 Med/Rx Combined		$7350 Med/Rx Combined		$7350 Med/Rx Combined	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	$209.63	$209.63	$215.91	$215.91	$226.40	$226.40
15	$228.26	$228.26	$235.11	$235.11	$246.52	$246.52
16	$235.38	$235.38	$242.44	$242.44	$254.21	$254.21
17	$242.51	$242.51	$249.78	$249.78	$261.91	$261.91
18	$250.18	$250.18	$257.69	$257.69	$270.19	$270.19
19	$257.85	$257.85	$265.59	$265.59	$278.48	$278.48
20	$265.80	$265.80	$273.77	$273.77	$287.06	$287.06
21	$274.02	$274.02	$282.24	$282.24	$295.94	$295.94
22	$274.02	$274.02	$282.24	$282.24	$295.94	$295.94
23	$274.02	$274.02	$282.24	$282.24	$295.94	$295.94
24	$274.02	$274.02	$282.24	$282.24	$295.94	$295.94
25	$275.12	$275.12	$283.37	$283.37	$297.13	$297.13
26	$280.60	$280.60	$289.01	$289.01	$303.04	$303.04
27	$287.17	$287.17	$295.79	$295.79	$310.15	$310.15
28	$297.86	$297.86	$306.80	$306.80	$321.69	$321.69
29	$306.63	$306.63	$315.83	$315.83	$331.16	$331.16
30	$311.01	$311.01	$320.34	$320.34	$335.89	$335.89
31	$317.59	$317.59	$327.12	$327.12	$343.00	$343.00
32	$324.17	$324.17	$333.89	$333.89	$350.10	$350.10
33	$328.28	$328.28	$338.12	$338.12	$354.54	$354.54
34	$332.66	$332.66	$342.64	$342.64	$359.27	$359.27
35	$334.85	$334.85	$344.90	$344.90	$361.64	$361.64
36	$337.04	$337.04	$347.16	$347.16	$364.01	$364.01
37	$339.24	$339.24	$349.41	$349.41	$366.38	$366.38
38	$341.43	$341.43	$351.67	$351.67	$368.74	$368.74
39	$345.81	$345.81	$356.19	$356.19	$373.48	$373.48
40	$350.20	$350.20	$360.70	$360.70	$378.21	$378.21
41	$356.77	$356.77	$367.48	$367.48	$385.32	$385.32
42	$363.08	$363.08	$373.97	$373.97	$392.12	$392.12
43	$371.85	$371.85	$383.00	$383.00	$401.59	$401.59
44	$382.81	$382.81	$394.29	$394.29	$413.43	$413.43
45	$395.68	$395.68	$407.56	$407.56	$427.34	$427.34
46	$411.03	$411.03	$423.36	$423.36	$443.91	$443.91
47	$428.29	$428.29	$441.14	$441.14	$462.56	$462.56
48	$448.02	$448.02	$461.46	$461.46	$483.86	$483.86
49	$467.48	$467.48	$481.50	$481.50	$504.88	$504.88
50	$489.40	$489.40	$504.08	$504.08	$528.55	$528.55
51	$511.05	$511.05	$526.38	$526.38	$551.93	$551.93
52	$534.89	$534.89	$550.93	$550.93	$577.68	$577.68
53	$559.00	$559.00	$575.77	$575.77	$603.72	$603.72
54	$585.03	$585.03	$602.58	$602.58	$631.84	$631.84
55	$611.06	$611.06	$629.40	$629.40	$659.95	$659.95
56	$639.29	$639.29	$658.47	$658.47	$690.43	$690.43
57	$667.79	$667.79	$687.82	$687.82	$721.21	$721.21
58	$698.20	$698.20	$719.15	$719.15	$754.06	$754.06
59	$713.27	$713.27	$734.67	$734.67	$770.34	$770.34
60	$743.69	$743.69	$766.00	$766.00	$803.19	$803.19
61	$770.00	$770.00	$793.10	$793.10	$831.60	$831.60
62	$787.26	$787.26	$810.88	$810.88	$850.24	$850.24
63	$808.91	$808.91	$833.17	$833.17	$873.62	$873.62
64+	$822.05	$822.05	$846.71	$846.71	$887.81	$887.81

Company Name: Keystone Health Plan Central
Market: Small Group
Product: HMO
Effective Date of Rates: April 1, 2018 **Ending date of Rates:** June 30, 2018

HIOS Plan ID (On Exchange)=>						
HIOS Plan ID (Off Exchange)=>	53789PA0090004		53789PA0090004		53789PA0090004	
Plan Marketing Name =>	Bronze HMO 7000/0/60 | Combined		Bronze HMO 7000/0/60 | Combined		Bronze HMO 7000/0/60 | Combined	
Form # =>	C18-KHPC-SPG		C18-KHPC-SPG		C18-KHPC-SPG	
Rating Area =>	6		7		9	
Network =>	HMO		HMO		HMO	
Metal =>	Bronze		Bronze		Bronze	
Deductible =>	$7000 Med/Rx Combined		$7000 Med/Rx Combined		$7000 Med/Rx Combined	
Coinsurance =>	0%		0%		0%	
Copays =>	$60/$0/$0 PCP/SPC/ER		$60/$0/$0 PCP/SPC/ER		$60/$0/$0 PCP/SPC/ER	
OOP Maximum =>	$7350 Med/Rx Combined		$7350 Med/Rx Combined		$7350 Med/Rx Combined	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	$214.23	$214.23	$220.66	$220.66	$231.37	$231.37
15	$233.27	$233.27	$240.27	$240.27	$251.94	$251.94
16	$240.55	$240.55	$247.77	$247.77	$259.80	$259.80
17	$247.84	$247.84	$255.27	$255.27	$267.66	$267.66
18	$255.68	$255.68	$263.35	$263.35	$276.13	$276.13
19	$263.52	$263.52	$271.42	$271.42	$284.60	$284.60
20	$271.64	$271.64	$279.79	$279.79	$293.37	$293.37
21	$280.04	$280.04	$288.44	$288.44	$302.44	$302.44
22	$280.04	$280.04	$288.44	$288.44	$302.44	$302.44
23	$280.04	$280.04	$288.44	$288.44	$302.44	$302.44
24	$280.04	$280.04	$288.44	$288.44	$302.44	$302.44
25	$281.16	$281.16	$289.59	$289.59	$303.65	$303.65
26	$286.76	$286.76	$295.36	$295.36	$309.70	$309.70
27	$293.48	$293.48	$302.29	$302.29	$316.96	$316.96
28	$304.40	$304.40	$313.54	$313.54	$328.76	$328.76
29	$313.36	$313.36	$322.77	$322.77	$338.43	$338.43
30	$317.85	$317.85	$327.38	$327.38	$343.27	$343.27
31	$324.57	$324.57	$334.30	$334.30	$350.53	$350.53
32	$331.29	$331.29	$341.23	$341.23	$357.79	$357.79
33	$335.49	$335.49	$345.55	$345.55	$362.33	$362.33
34	$339.97	$339.97	$350.17	$350.17	$367.17	$367.17
35	$342.21	$342.21	$352.48	$352.48	$369.59	$369.59
36	$344.45	$344.45	$354.78	$354.78	$372.01	$372.01
37	$346.69	$346.69	$357.09	$357.09	$374.42	$374.42
38	$348.93	$348.93	$359.40	$359.40	$376.84	$376.84
39	$353.41	$353.41	$364.01	$364.01	$381.68	$381.68
40	$357.89	$357.89	$368.63	$368.63	$386.52	$386.52
41	$364.61	$364.61	$375.55	$375.55	$393.78	$393.78
42	$371.05	$371.05	$382.18	$382.18	$400.74	$400.74
43	$380.01	$380.01	$391.41	$391.41	$410.42	$410.42
44	$391.22	$391.22	$402.95	$402.95	$422.51	$422.51
45	$404.38	$404.38	$416.51	$416.51	$436.73	$436.73
46	$420.06	$420.06	$432.66	$432.66	$453.66	$453.66
47	$437.70	$437.70	$450.83	$450.83	$472.72	$472.72
48	$457.87	$457.87	$471.60	$471.60	$494.49	$494.49
49	$477.75	$477.75	$492.08	$492.08	$515.97	$515.97
50	$500.15	$500.15	$515.16	$515.16	$540.16	$540.16
51	$522.27	$522.27	$537.94	$537.94	$564.06	$564.06
52	$546.64	$546.64	$563.04	$563.04	$590.37	$590.37
53	$571.28	$571.28	$588.42	$588.42	$616.98	$616.98
54	$597.89	$597.89	$615.82	$615.82	$645.72	$645.72
55	$624.49	$624.49	$643.22	$643.22	$674.45	$674.45
56	$653.33	$653.33	$672.93	$672.93	$705.60	$705.60
57	$682.46	$682.46	$702.93	$702.93	$737.05	$737.05
58	$713.54	$713.54	$734.95	$734.95	$770.63	$770.63
59	$728.94	$728.94	$750.81	$750.81	$787.26	$787.26
60	$760.03	$760.03	$782.83	$782.83	$820.83	$820.83
61	$786.91	$786.91	$810.52	$810.52	$849.87	$849.87
62	$804.55	$804.55	$828.69	$828.69	$868.92	$868.92
63	$826.68	$826.68	$851.48	$851.48	$892.81	$892.81
64+	$840.11	$840.11	$865.31	$865.31	$907.32	$907.32

Company Name: Keystone Health Plan Central
Market: Small Group
Product: HMO
Effective Date of Rates: July 1, 2018 **Ending date of Rates:** September 30, 2018

HIOS Plan ID (On Exchange)=>						
HIOS Plan ID (Off Exchange)=>	53789PA0090004		53789PA0090004		53789PA0090004	
Plan Marketing Name =>	Bronze HMO 7000/0/60 | Combined		Bronze HMO 7000/0/60 | Combined		Bronze HMO 7000/0/60 | Combined	
Form # =>	C18-KHPC-SPG		C18-KHPC-SPG		C18-KHPC-SPG	
Rating Area =>	6		7		9	
Network =>	HMO		HMO		HMO	
Metal =>	Bronze		Bronze		Bronze	
Deductible =>	$7000 Med/Rx Combined		$7000 Med/Rx Combined		$7000 Med/Rx Combined	
Coinsurance =>	0%		0%		0%	
Copays =>	$60/$0/$0 PCP/SPC/ER		$60/$0/$0 PCP/SPC/ER		$60/$0/$0 PCP/SPC/ER	
OOP Maximum =>	$7350 Med/Rx Combined		$7350 Med/Rx Combined		$7350 Med/Rx Combined	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	$218.93	$218.93	$225.50	$225.50	$236.44	$236.44
15	$238.39	$238.39	$245.54	$245.54	$257.46	$257.46
16	$245.83	$245.83	$253.20	$253.20	$265.49	$265.49
17	$253.27	$253.27	$260.87	$260.87	$273.53	$273.53
18	$261.28	$261.28	$269.12	$269.12	$282.18	$282.18
19	$269.30	$269.30	$277.37	$277.37	$290.84	$290.84
20	$277.59	$277.59	$285.92	$285.92	$299.80	$299.80
21	$286.18	$286.18	$294.77	$294.77	$309.07	$309.07
22	$286.18	$286.18	$294.77	$294.77	$309.07	$309.07
23	$286.18	$286.18	$294.77	$294.77	$309.07	$309.07
24	$286.18	$286.18	$294.77	$294.77	$309.07	$309.07
25	$287.32	$287.32	$295.94	$295.94	$310.31	$310.31
26	$293.05	$293.05	$301.84	$301.84	$316.49	$316.49
27	$299.92	$299.92	$308.91	$308.91	$323.91	$323.91
28	$311.08	$311.08	$320.41	$320.41	$335.96	$335.96
29	$320.24	$320.24	$329.84	$329.84	$345.85	$345.85
30	$324.81	$324.81	$334.56	$334.56	$350.80	$350.80
31	$331.68	$331.68	$341.63	$341.63	$358.22	$358.22
32	$338.55	$338.55	$348.71	$348.71	$365.64	$365.64
33	$342.84	$342.84	$353.13	$353.13	$370.27	$370.27
34	$347.42	$347.42	$357.85	$357.85	$375.22	$375.22
35	$349.71	$349.71	$360.20	$360.20	$377.69	$377.69
36	$352.00	$352.00	$362.56	$362.56	$380.16	$380.16
37	$354.29	$354.29	$364.92	$364.92	$382.63	$382.63
38	$356.58	$356.58	$367.28	$367.28	$385.11	$385.11
39	$361.16	$361.16	$371.99	$371.99	$390.05	$390.05
40	$365.74	$365.74	$376.71	$376.71	$395.00	$395.00
41	$372.61	$372.61	$383.78	$383.78	$402.41	$402.41
42	$379.19	$379.19	$390.56	$390.56	$409.52	$409.52
43	$388.35	$388.35	$400.00	$400.00	$419.41	$419.41
44	$399.79	$399.79	$411.79	$411.79	$431.78	$431.78
45	$413.24	$413.24	$425.64	$425.64	$446.30	$446.30
46	$429.27	$429.27	$442.15	$442.15	$463.61	$463.61
47	$447.30	$447.30	$460.72	$460.72	$483.08	$483.08
48	$467.90	$467.90	$481.94	$481.94	$505.34	$505.34
49	$488.22	$488.22	$502.87	$502.87	$527.28	$527.28
50	$511.12	$511.12	$526.45	$526.45	$552.01	$552.01
51	$533.73	$533.73	$549.74	$549.74	$576.42	$576.42
52	$558.62	$558.62	$575.38	$575.38	$603.31	$603.31
53	$583.81	$583.81	$601.32	$601.32	$630.51	$630.51
54	$610.99	$610.99	$629.32	$629.32	$659.87	$659.87
55	$638.18	$638.18	$657.33	$657.33	$689.24	$689.24
56	$667.66	$667.66	$687.69	$687.69	$721.07	$721.07
57	$697.42	$697.42	$718.34	$718.34	$753.21	$753.21
58	$729.19	$729.19	$751.06	$751.06	$787.52	$787.52
59	$744.93	$744.93	$767.27	$767.27	$804.52	$804.52
60	$776.69	$776.69	$799.99	$799.99	$838.83	$838.83
61	$804.17	$804.17	$828.29	$828.29	$868.50	$868.50
62	$822.20	$822.20	$846.86	$846.86	$887.97	$887.97
63	$844.80	$844.80	$870.15	$870.15	$912.39	$912.39
64+	$858.53	$858.53	$884.30	$884.30	$927.21	$927.21

Company Name: Keystone Health Plan Central
Market: Small Group
Product: HMO
Effective Date of Rates: October 1, 2018 **Ending date of Rates:** December 31, 2018

HIOS Plan ID (On Exchange)=>						
HIOS Plan ID (Off Exchange)=>	53789PA0090004		53789PA0090004		53789PA0090004	
Plan Marketing Name =>	Bronze HMO 7000/0/60 | Combined		Bronze HMO 7000/0/60 | Combined		Bronze HMO 7000/0/60 | Combined	
Form # =>	C18-KHPC-SPG		C18-KHPC-SPG		C18-KHPC-SPG	
Rating Area =>	6		7		9	
Network =>	HMO		HMO		HMO	
Metal =>	Bronze		Bronze		Bronze	
Deductible =>	$7000 Med/Rx Combined		$7000 Med/Rx Combined		$7000 Med/Rx Combined	
Coinsurance =>	0%		0%		0%	
Copays =>	$60/$0/$0 PCP/SPC/ER		$60/$0/$0 PCP/SPC/ER		$60/$0/$0 PCP/SPC/ER	
OOP Maximum =>	$7350 Med/Rx Combined		$7350 Med/Rx Combined		$7350 Med/Rx Combined	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	$223.73	$223.73	$230.44	$230.44	$241.63	$241.63
15	$243.62	$243.62	$250.93	$250.93	$263.11	$263.11
16	$251.22	$251.22	$258.76	$258.76	$271.32	$271.32
17	$258.83	$258.83	$266.59	$266.59	$279.53	$279.53
18	$267.02	$267.02	$275.03	$275.03	$288.38	$288.38
19	$275.20	$275.20	$283.46	$283.46	$297.22	$297.22
20	$283.69	$283.69	$292.20	$292.20	$306.38	$306.38
21	$292.46	$292.46	$301.23	$301.23	$315.86	$315.86
22	$292.46	$292.46	$301.23	$301.23	$315.86	$315.86
23	$292.46	$292.46	$301.23	$301.23	$315.86	$315.86
24	$292.46	$292.46	$301.23	$301.23	$315.86	$315.86
25	$293.63	$293.63	$302.44	$302.44	$317.12	$317.12
26	$299.48	$299.48	$308.46	$308.46	$323.44	$323.44
27	$306.50	$306.50	$315.69	$315.69	$331.02	$331.02
28	$317.90	$317.90	$327.44	$327.44	$343.34	$343.34
29	$327.26	$327.26	$337.08	$337.08	$353.44	$353.44
30	$331.94	$331.94	$341.90	$341.90	$358.50	$358.50
31	$338.96	$338.96	$349.13	$349.13	$366.08	$366.08
32	$345.98	$345.98	$356.36	$356.36	$373.66	$373.66
33	$350.37	$350.37	$360.88	$360.88	$378.40	$378.40
34	$355.05	$355.05	$365.70	$365.70	$383.45	$383.45
35	$357.39	$357.39	$368.11	$368.11	$385.98	$385.98
36	$359.73	$359.73	$370.52	$370.52	$388.50	$388.50
37	$362.07	$362.07	$372.93	$372.93	$391.03	$391.03
38	$364.41	$364.41	$375.34	$375.34	$393.56	$393.56
39	$369.08	$369.08	$380.16	$380.16	$398.61	$398.61
40	$373.76	$373.76	$384.98	$384.98	$403.66	$403.66
41	$380.78	$380.78	$392.21	$392.21	$411.25	$411.25
42	$387.51	$387.51	$399.13	$399.13	$418.51	$418.51
43	$396.87	$396.87	$408.77	$408.77	$428.62	$428.62
44	$408.57	$408.57	$420.82	$420.82	$441.25	$441.25
45	$422.31	$422.31	$434.98	$434.98	$456.10	$456.10
46	$438.69	$438.69	$451.85	$451.85	$473.79	$473.79
47	$457.11	$457.11	$470.83	$470.83	$493.68	$493.68
48	$478.17	$478.17	$492.52	$492.52	$516.43	$516.43
49	$498.94	$498.94	$513.90	$513.90	$538.85	$538.85
50	$522.33	$522.33	$538.00	$538.00	$564.12	$564.12
51	$545.44	$545.44	$561.80	$561.80	$589.07	$589.07
52	$570.88	$570.88	$588.01	$588.01	$616.55	$616.55
53	$596.62	$596.62	$614.52	$614.52	$644.35	$644.35
54	$624.40	$624.40	$643.13	$643.13	$674.35	$674.35
55	$652.19	$652.19	$671.75	$671.75	$704.36	$704.36
56	$682.31	$682.31	$702.78	$702.78	$736.89	$736.89
57	$712.73	$712.73	$734.11	$734.11	$769.74	$769.74
58	$745.19	$745.19	$767.54	$767.54	$804.80	$804.80
59	$761.27	$761.27	$784.11	$784.11	$822.18	$822.18
60	$793.74	$793.74	$817.55	$817.55	$857.24	$857.24
61	$821.81	$821.81	$846.47	$846.47	$887.56	$887.56
62	$840.24	$840.24	$865.44	$865.44	$907.46	$907.46
63	$863.34	$863.34	$889.24	$889.24	$932.41	$932.41
64+	$877.37	$877.37	$903.69	$903.69	$947.57	$947.57

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

					RATING AREA 6									
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Centre	Columbia	Lehigh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union
53789PA0090004	Bronze HMO 7000/0/60 | Combined	HMO	Bronze	Off	$274.02	$274.02	$274.02	$274.02	$274.02	$274.02	$274.02	$274.02	$274.02	$274.02

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

					RATING AREA 7				RATING AREA 9					
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Adams	Berks	Lancaster	York	Cumberland	Dauphin	Franklin	Fulton	Juniata	Lebanon
53789PA0090004	Bronze HMO 7000/0/60 | Combined	HMO	Bronze	Off	$282.24	$282.24	$282.24	$282.24	$295.94	$295.94	$295.94	$295.94	$295.94	$295.94

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

HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Perry
53789PA0090004	Bronze HMO 7000/0/60 | Combined	HMO	Bronze	Off	$295.94

2018 Rates Table Template v7.1

*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 in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.

If you are not in a community rating state, select Age-Based Rates under Rating Method 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*	53789
Federal TIN*	23-2399845
Rate Effective Date*	1/1/2018
Rate Expiration Date*	12/31/2018
Rating Method*	Age-Based Rates

Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*	Individual Tobacco Rate*
Required: Enter the 14-character Plan ID	**Required:** Select the Rating Area ID	**Required:** Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a 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	**Required:** Enter the rate of an Individual tobacco enrollee on a plan
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	0-14	261.83	261.83
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	15	285.11	285.11
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	16	294.01	294.01
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	17	302.91	302.91
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	18	312.49	312.49
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	19	322.07	322.07
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	20	332.00	332.00
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	21	342.27	350.82
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	22	342.27	350.82
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	23	342.27	350.82
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	24	342.27	350.82
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	25	343.64	352.23
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	26	350.48	359.24
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	27	358.70	367.66
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	28	372.04	381.35
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	29	383.00	392.57
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	30	388.47	398.19
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	31	396.69	406.61
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	32	404.90	415.03
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	33	410.04	420.29
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	34	415.51	425.90
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	35	418.25	428.71
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	36	420.99	431.51
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	37	423.73	434.32
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	38	426.47	437.13
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	39	431.94	442.74
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	40	437.42	470.22
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	41	445.63	479.05
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	42	453.50	487.52
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	43	464.46	499.29
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	44	478.15	514.01
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	45	494.23	543.66
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	46	513.40	564.74
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	47	534.96	588.46
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	48	559.61	615.57
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	49	583.91	642.30
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	50	611.29	702.98
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	51	638.33	734.08
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	52	668.11	768.32
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	53	698.23	802.96
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	54	730.74	840.35
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	55	763.26	915.91
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	56	798.51	958.21
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	57	834.11	1000.93
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	58	872.10	1046.52
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	59	890.92	1069.11
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	60	928.91	1161.14
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	61	961.77	1202.22
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	62	983.34	1229.17
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	63	1010.37	1262.97
53789PA0100008	Rating Area 6	Tobacco User/Non-Tobacco User	64 and over	1026.80	1283.50
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	0-14	269.69	269.69
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	15	293.66	293.66
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	16	302.83	302.83
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	17	311.99	311.99
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	18	321.87	321.87
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	19	331.74	331.74
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	20	341.96	341.96
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	21	352.54	361.35
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	22	352.54	361.35
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	23	352.54	361.35
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	24	352.54	361.35
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	25	353.95	362.79
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	26	361.00	370.02
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	27	369.46	378.69
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	28	383.21	392.79
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	29	394.49	404.35
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	30	400.13	410.13
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	31	408.59	418.80
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	32	417.05	427.48
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	33	422.34	432.90
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	34	427.98	438.68
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	35	430.80	441.57
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	36	433.62	444.46
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	37	436.44	447.35
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	38	439.26	450.24
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	39	444.90	456.02
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	40	450.54	484.33
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	41	459.00	493.43
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	42	467.11	502.14
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	43	478.39	514.27
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	44	492.49	529.43
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	45	509.06	559.97
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	46	528.80	581.68
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	47	551.01	606.11
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	48	576.40	634.04
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	49	601.43	661.57
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	50	629.63	724.07
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	51	657.48	756.10
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	52	688.15	791.37
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	53	719.17	827.05
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	54	752.66	865.56
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	55	786.15	943.39
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	56	822.47	986.96
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	57	859.13	1030.96
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	58	898.26	1077.91
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	59	917.65	1101.18
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	60	956.78	1195.98
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	61	990.63	1238.28
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	62	1012.84	1266.04
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	63	1040.69	1300.86
53789PA0100008	Rating Area 7	Tobacco User/Non-Tobacco User	64 and over	1057.61	1322.01
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	0-14	282.78	282.78
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	15	307.92	307.92
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	16	317.53	317.53
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	17	327.14	327.14
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	18	337.49	337.49
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	19	347.84	347.84

53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	20	358.56	358.56
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	21	369.65	378.89
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	22	369.65	378.89
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	23	369.65	378.89
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	24	369.65	378.89
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	25	371.13	380.41
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	26	378.52	387.98
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	27	387.39	397.08
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	28	401.81	411.85
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	29	413.64	423.98
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	30	419.55	430.04
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	31	428.42	439.13
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	32	437.29	448.23
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	33	442.84	453.91
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	34	448.75	459.97
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	35	451.71	463.00
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	36	454.67	466.04
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	37	457.63	469.07
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	38	460.58	472.10
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	39	466.50	478.16
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	40	472.41	507.84
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	41	481.28	517.38
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	42	489.79	526.52
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	43	501.61	539.23
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	44	516.40	555.13
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	45	533.77	587.15
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	46	554.47	609.92
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	47	577.76	635.54
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	48	604.38	664.81
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	49	630.62	693.68
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	50	660.19	759.22
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	51	689.40	792.80
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	52	721.56	829.79
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	53	754.08	867.20
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	54	789.20	907.58
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	55	824.32	989.18
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	56	862.39	1034.87
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	57	900.83	1081.00
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	58	941.87	1130.24
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	59	962.20	1154.64
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	60	1003.23	1254.03
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	61	1038.71	1298.39
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	62	1062.00	1327.50
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	63	1091.20	1364.01
53789PA0100008	Rating Area 9	Tobacco User/Non-Tobacco User	64 and over	1108.94	1386.18
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	0-14	162.87	162.87
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	15	177.34	177.34
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	16	182.88	182.88
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	17	188.41	188.41
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	18	194.37	194.37
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	19	200.34	200.34
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	20	206.51	206.51
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	21	212.90	218.22
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	22	212.90	218.22
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	23	212.90	218.22
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	24	212.90	218.22
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	25	213.75	219.09
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	26	218.01	223.46
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	27	223.12	228.69
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	28	231.42	237.20
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	29	238.23	244.19
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	30	241.64	247.68
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	31	246.75	252.92
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	32	251.86	258.15
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	33	255.05	261.43
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	34	258.46	264.92
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	35	260.16	266.66
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	36	261.86	268.41
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	37	263.57	270.16
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	38	265.27	271.90
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	39	268.68	275.39
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	40	272.08	292.49
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	41	277.19	297.98
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	42	282.09	303.25
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	43	288.90	310.57
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	44	297.42	319.72
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	45	307.42	338.17
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	46	319.35	351.28
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	47	332.76	366.03
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	48	348.09	382.90
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	49	363.20	399.52
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	50	380.23	437.27
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	51	397.05	456.61
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	52	415.57	477.91
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	53	434.31	499.46
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	54	454.54	522.72
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	55	474.76	569.71
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	56	496.69	596.03
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	57	518.83	622.60
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	58	542.46	650.95
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	59	554.17	665.01
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	60	577.80	722.25
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	61	598.24	747.80
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	62	611.65	764.57
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	63	628.47	785.59
53789PA0100004	Rating Area 6	Tobacco User/Non-Tobacco User	64 and over	638.69	798.36
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	0-14	167.75	167.75
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	15	182.66	182.66
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	16	188.36	188.36
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	17	194.07	194.07
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	18	200.21	200.21
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	19	206.35	206.35
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	20	212.71	212.71
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	21	219.28	224.77
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	22	219.28	224.77
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	23	219.28	224.77
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	24	219.28	224.77
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	25	220.16	225.67
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	26	224.55	230.16
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	27	229.81	235.55
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	28	238.36	244.32
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	29	245.38	251.51
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	30	248.89	255.11
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	31	254.15	260.50
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	32	259.41	265.90
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	33	262.70	269.27
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	34	266.21	272.87
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	35	267.96	274.66
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	36	269.72	276.46
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	37	271.47	278.26
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	38	273.23	280.06
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	39	276.74	283.65
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	40	280.24	301.26
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	41	285.51	306.92
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	42	290.55	312.34
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	43	297.57	319.89
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	44	306.34	329.32
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	45	316.65	348.31
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	46	328.93	361.82
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	47	342.74	377.01

53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	48	358.53	394.38
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	49	374.10	411.51
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	50	391.64	450.39
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	51	408.96	470.31
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	52	428.04	492.25
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	53	447.34	514.44
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	54	468.17	538.40
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	55	489.00	586.80
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	56	511.59	613.91
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	57	534.39	641.27
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	58	558.74	670.48
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	59	570.80	684.96
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	60	595.14	743.92
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	61	616.19	770.23
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	62	630.00	787.50
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	63	647.33	809.16
53789PA0100004	Rating Area 7	Tobacco User/Non-Tobacco User	64 and over	657.84	822.31
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	0-14	175.90	175.90
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	15	191.53	191.53
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	16	197.51	197.51
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	17	203.49	203.49
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	18	209.92	209.92
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	19	216.36	216.36
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	20	223.03	223.03
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	21	229.93	235.68
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	22	229.93	235.68
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	23	229.93	235.68
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	24	229.93	235.68
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	25	230.85	236.62
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	26	235.45	241.33
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	27	240.97	246.99
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	28	249.93	256.18
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	29	257.29	263.72
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	30	260.97	267.49
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	31	266.49	273.15
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	32	272.01	278.81
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	33	275.45	282.34
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	34	279.13	286.11
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	35	280.97	288.00
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	36	282.81	289.88
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	37	284.65	291.77
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	38	286.49	293.65
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	39	290.17	297.42
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	40	293.85	315.89
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	41	299.37	321.82
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	42	304.66	327.50
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	43	312.01	335.41
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	44	321.21	345.30
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	45	332.02	365.22
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	46	344.89	379.38
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	47	359.38	395.32
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	48	375.93	413.53
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	49	392.26	431.48
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	50	410.65	472.25
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	51	428.82	493.14
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	52	448.82	516.14
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	53	469.05	539.41
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	54	490.90	564.53
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	55	512.74	615.29
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	56	536.42	643.71
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	57	560.34	672.40
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	58	585.86	703.03
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	59	598.50	718.21
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	60	624.03	780.03
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	61	646.10	807.62
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	62	660.59	825.73
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	63	678.75	848.44
53789PA0100004	Rating Area 9	Tobacco User/Non-Tobacco User	64 and over	689.78	862.23

2018 Rates Table Template v7.1	*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 in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.			
	If you are not in a community rating state, select Age-Based Rates under Rating Method 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*	53789			
Federal TIN*	23-2399845			
Rate Effective Date*	1/1/2018			
Rate Expiration Date*	3/31/2018			
Rating Method*	Age-Based Rates			

Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	**Required:** Select the Rating Area ID	**Required:** Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a 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
53789PA0090004	Rating Area 6	No Preference	0-14	209.63
53789PA0090004	Rating Area 6	No Preference	15	228.26
53789PA0090004	Rating Area 6	No Preference	16	235.38
53789PA0090004	Rating Area 6	No Preference	17	242.51
53789PA0090004	Rating Area 6	No Preference	18	250.18
53789PA0090004	Rating Area 6	No Preference	19	257.85
53789PA0090004	Rating Area 6	No Preference	20	265.80
53789PA0090004	Rating Area 6	No Preference	21	274.02
53789PA0090004	Rating Area 6	No Preference	22	274.02
53789PA0090004	Rating Area 6	No Preference	23	274.02
53789PA0090004	Rating Area 6	No Preference	24	274.02
53789PA0090004	Rating Area 6	No Preference	25	275.12
53789PA0090004	Rating Area 6	No Preference	26	280.60
53789PA0090004	Rating Area 6	No Preference	27	287.17
53789PA0090004	Rating Area 6	No Preference	28	297.86
53789PA0090004	Rating Area 6	No Preference	29	306.63
53789PA0090004	Rating Area 6	No Preference	30	311.01
53789PA0090004	Rating Area 6	No Preference	31	317.59
53789PA0090004	Rating Area 6	No Preference	32	324.17
53789PA0090004	Rating Area 6	No Preference	33	328.28
53789PA0090004	Rating Area 6	No Preference	34	332.66
53789PA0090004	Rating Area 6	No Preference	35	334.85
53789PA0090004	Rating Area 6	No Preference	36	337.04
53789PA0090004	Rating Area 6	No Preference	37	339.24
53789PA0090004	Rating Area 6	No Preference	38	341.43
53789PA0090004	Rating Area 6	No Preference	39	345.81
53789PA0090004	Rating Area 6	No Preference	40	350.20
53789PA0090004	Rating Area 6	No Preference	41	356.77
53789PA0090004	Rating Area 6	No Preference	42	363.08
53789PA0090004	Rating Area 6	No Preference	43	371.85
53789PA0090004	Rating Area 6	No Preference	44	382.81
53789PA0090004	Rating Area 6	No Preference	45	395.68
53789PA0090004	Rating Area 6	No Preference	46	411.03
53789PA0090004	Rating Area 6	No Preference	47	428.29
53789PA0090004	Rating Area 6	No Preference	48	448.02
53789PA0090004	Rating Area 6	No Preference	49	467.48
53789PA0090004	Rating Area 6	No Preference	50	489.40
53789PA0090004	Rating Area 6	No Preference	51	511.05
53789PA0090004	Rating Area 6	No Preference	52	534.89
53789PA0090004	Rating Area 6	No Preference	53	559.00
53789PA0090004	Rating Area 6	No Preference	54	585.03
53789PA0090004	Rating Area 6	No Preference	55	611.06
53789PA0090004	Rating Area 6	No Preference	56	639.29
53789PA0090004	Rating Area 6	No Preference	57	667.79
53789PA0090004	Rating Area 6	No Preference	58	698.20
53789PA0090004	Rating Area 6	No Preference	59	713.27
53789PA0090004	Rating Area 6	No Preference	60	743.69
53789PA0090004	Rating Area 6	No Preference	61	770.00
53789PA0090004	Rating Area 6	No Preference	62	787.26
53789PA0090004	Rating Area 6	No Preference	63	808.91
53789PA0090004	Rating Area 6	No Preference	64 and over	822.05
53789PA0090004	Rating Area 7	No Preference	0-14	215.91
53789PA0090004	Rating Area 7	No Preference	15	235.11
53789PA0090004	Rating Area 7	No Preference	16	242.44
53789PA0090004	Rating Area 7	No Preference	17	249.78
53789PA0090004	Rating Area 7	No Preference	18	257.69
53789PA0090004	Rating Area 7	No Preference	19	265.59
53789PA0090004	Rating Area 7	No Preference	20	273.77
53789PA0090004	Rating Area 7	No Preference	21	282.24
53789PA0090004	Rating Area 7	No Preference	22	282.24
53789PA0090004	Rating Area 7	No Preference	23	282.24
53789PA0090004	Rating Area 7	No Preference	24	282.24
53789PA0090004	Rating Area 7	No Preference	25	283.37
53789PA0090004	Rating Area 7	No Preference	26	289.01
53789PA0090004	Rating Area 7	No Preference	27	295.79
53789PA0090004	Rating Area 7	No Preference	28	306.80
53789PA0090004	Rating Area 7	No Preference	29	315.83
53789PA0090004	Rating Area 7	No Preference	30	320.34
53789PA0090004	Rating Area 7	No Preference	31	327.12
53789PA0090004	Rating Area 7	No Preference	32	333.89
53789PA0090004	Rating Area 7	No Preference	33	338.12
53789PA0090004	Rating Area 7	No Preference	34	342.64
53789PA0090004	Rating Area 7	No Preference	35	344.90
53789PA0090004	Rating Area 7	No Preference	36	347.16
53789PA0090004	Rating Area 7	No Preference	37	349.41
53789PA0090004	Rating Area 7	No Preference	38	351.67
53789PA0090004	Rating Area 7	No Preference	39	356.19
53789PA0090004	Rating Area 7	No Preference	40	360.70
53789PA0090004	Rating Area 7	No Preference	41	367.48
53789PA0090004	Rating Area 7	No Preference	42	373.97
53789PA0090004	Rating Area 7	No Preference	43	383.00
53789PA0090004	Rating Area 7	No Preference	44	394.29
53789PA0090004	Rating Area 7	No Preference	45	407.56
53789PA0090004	Rating Area 7	No Preference	46	423.36
53789PA0090004	Rating Area 7	No Preference	47	441.14
53789PA0090004	Rating Area 7	No Preference	48	461.46
53789PA0090004	Rating Area 7	No Preference	49	481.50

53789PA0090004	Rating Area 7	No Preference	50	504.08
53789PA0090004	Rating Area 7	No Preference	51	526.38
53789PA0090004	Rating Area 7	No Preference	52	550.93
53789PA0090004	Rating Area 7	No Preference	53	575.77
53789PA0090004	Rating Area 7	No Preference	54	602.58
53789PA0090004	Rating Area 7	No Preference	55	629.40
53789PA0090004	Rating Area 7	No Preference	56	658.47
53789PA0090004	Rating Area 7	No Preference	57	687.82
53789PA0090004	Rating Area 7	No Preference	58	719.15
53789PA0090004	Rating Area 7	No Preference	59	734.67
53789PA0090004	Rating Area 7	No Preference	60	766.00
53789PA0090004	Rating Area 7	No Preference	61	793.10
53789PA0090004	Rating Area 7	No Preference	62	810.88
53789PA0090004	Rating Area 7	No Preference	63	833.17
53789PA0090004	Rating Area 7	No Preference	64 and over	846.71
53789PA0090004	Rating Area 9	No Preference	0-14	226.40
53789PA0090004	Rating Area 9	No Preference	15	246.52
53789PA0090004	Rating Area 9	No Preference	16	254.21
53789PA0090004	Rating Area 9	No Preference	17	261.91
53789PA0090004	Rating Area 9	No Preference	18	270.19
53789PA0090004	Rating Area 9	No Preference	19	278.48
53789PA0090004	Rating Area 9	No Preference	20	287.06
53789PA0090004	Rating Area 9	No Preference	21	295.94
53789PA0090004	Rating Area 9	No Preference	22	295.94
53789PA0090004	Rating Area 9	No Preference	23	295.94
53789PA0090004	Rating Area 9	No Preference	24	295.94
53789PA0090004	Rating Area 9	No Preference	25	297.13
53789PA0090004	Rating Area 9	No Preference	26	303.04
53789PA0090004	Rating Area 9	No Preference	27	310.15
53789PA0090004	Rating Area 9	No Preference	28	321.69
53789PA0090004	Rating Area 9	No Preference	29	331.16
53789PA0090004	Rating Area 9	No Preference	30	335.89
53789PA0090004	Rating Area 9	No Preference	31	343.00
53789PA0090004	Rating Area 9	No Preference	32	350.10
53789PA0090004	Rating Area 9	No Preference	33	354.54
53789PA0090004	Rating Area 9	No Preference	34	359.27
53789PA0090004	Rating Area 9	No Preference	35	361.64
53789PA0090004	Rating Area 9	No Preference	36	364.01
53789PA0090004	Rating Area 9	No Preference	37	366.38
53789PA0090004	Rating Area 9	No Preference	38	368.74
53789PA0090004	Rating Area 9	No Preference	39	373.48
53789PA0090004	Rating Area 9	No Preference	40	378.21
53789PA0090004	Rating Area 9	No Preference	41	385.32
53789PA0090004	Rating Area 9	No Preference	42	392.12
53789PA0090004	Rating Area 9	No Preference	43	401.59
53789PA0090004	Rating Area 9	No Preference	44	413.43
53789PA0090004	Rating Area 9	No Preference	45	427.34
53789PA0090004	Rating Area 9	No Preference	46	443.91
53789PA0090004	Rating Area 9	No Preference	47	462.56
53789PA0090004	Rating Area 9	No Preference	48	483.86
53789PA0090004	Rating Area 9	No Preference	49	504.88
53789PA0090004	Rating Area 9	No Preference	50	528.55
53789PA0090004	Rating Area 9	No Preference	51	551.93
53789PA0090004	Rating Area 9	No Preference	52	577.68
53789PA0090004	Rating Area 9	No Preference	53	603.72
53789PA0090004	Rating Area 9	No Preference	54	631.84
53789PA0090004	Rating Area 9	No Preference	55	659.95
53789PA0090004	Rating Area 9	No Preference	56	690.43
53789PA0090004	Rating Area 9	No Preference	57	721.21
53789PA0090004	Rating Area 9	No Preference	58	754.06
53789PA0090004	Rating Area 9	No Preference	59	770.34
53789PA0090004	Rating Area 9	No Preference	60	803.19
53789PA0090004	Rating Area 9	No Preference	61	831.60
53789PA0090004	Rating Area 9	No Preference	62	850.24
53789PA0090004	Rating Area 9	No Preference	63	873.62
53789PA0090004	Rating Area 9	No Preference	64 and over	887.81

2018 Rates Table Template v7.1	*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 in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.			
	If you are not in a community rating state, select Age-Based Rates under Rating Method 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*	53789			
Federal TIN*	23-2399845			
Rate Effective Date*	4/1/2018			
Rate Expiration Date*	6/30/2018			
Rating Method*	Age-Based Rates			

Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	**Required:** Select the Rating Area ID	**Required:** Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a 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
53789PA0090004	Rating Area 6	No Preference	0-14	214.23
53789PA0090004	Rating Area 6	No Preference	15	233.27
53789PA0090004	Rating Area 6	No Preference	16	240.55
53789PA0090004	Rating Area 6	No Preference	17	247.84
53789PA0090004	Rating Area 6	No Preference	18	255.68
53789PA0090004	Rating Area 6	No Preference	19	263.52
53789PA0090004	Rating Area 6	No Preference	20	271.64
53789PA0090004	Rating Area 6	No Preference	21	280.04
53789PA0090004	Rating Area 6	No Preference	22	280.04
53789PA0090004	Rating Area 6	No Preference	23	280.04
53789PA0090004	Rating Area 6	No Preference	24	280.04
53789PA0090004	Rating Area 6	No Preference	25	281.16
53789PA0090004	Rating Area 6	No Preference	26	286.76
53789PA0090004	Rating Area 6	No Preference	27	293.48
53789PA0090004	Rating Area 6	No Preference	28	304.40
53789PA0090004	Rating Area 6	No Preference	29	313.36
53789PA0090004	Rating Area 6	No Preference	30	317.85
53789PA0090004	Rating Area 6	No Preference	31	324.57
53789PA0090004	Rating Area 6	No Preference	32	331.29
53789PA0090004	Rating Area 6	No Preference	33	335.49
53789PA0090004	Rating Area 6	No Preference	34	339.97
53789PA0090004	Rating Area 6	No Preference	35	342.21
53789PA0090004	Rating Area 6	No Preference	36	344.45
53789PA0090004	Rating Area 6	No Preference	37	346.69
53789PA0090004	Rating Area 6	No Preference	38	348.93
53789PA0090004	Rating Area 6	No Preference	39	353.41
53789PA0090004	Rating Area 6	No Preference	40	357.89
53789PA0090004	Rating Area 6	No Preference	41	364.61
53789PA0090004	Rating Area 6	No Preference	42	371.05
53789PA0090004	Rating Area 6	No Preference	43	380.01
53789PA0090004	Rating Area 6	No Preference	44	391.22
53789PA0090004	Rating Area 6	No Preference	45	404.38
53789PA0090004	Rating Area 6	No Preference	46	420.06
53789PA0090004	Rating Area 6	No Preference	47	437.70
53789PA0090004	Rating Area 6	No Preference	48	457.87
53789PA0090004	Rating Area 6	No Preference	49	477.75
53789PA0090004	Rating Area 6	No Preference	50	500.15
53789PA0090004	Rating Area 6	No Preference	51	522.27
53789PA0090004	Rating Area 6	No Preference	52	546.64
53789PA0090004	Rating Area 6	No Preference	53	571.28
53789PA0090004	Rating Area 6	No Preference	54	597.89
53789PA0090004	Rating Area 6	No Preference	55	624.49
53789PA0090004	Rating Area 6	No Preference	56	653.33
53789PA0090004	Rating Area 6	No Preference	57	682.46
53789PA0090004	Rating Area 6	No Preference	58	713.54
53789PA0090004	Rating Area 6	No Preference	59	728.94
53789PA0090004	Rating Area 6	No Preference	60	760.03
53789PA0090004	Rating Area 6	No Preference	61	786.91
53789PA0090004	Rating Area 6	No Preference	62	804.55
53789PA0090004	Rating Area 6	No Preference	63	826.68
53789PA0090004	Rating Area 6	No Preference	64 and over	840.11
53789PA0090004	Rating Area 7	No Preference	0-14	220.66
53789PA0090004	Rating Area 7	No Preference	15	240.27
53789PA0090004	Rating Area 7	No Preference	16	247.77
53789PA0090004	Rating Area 7	No Preference	17	255.27
53789PA0090004	Rating Area 7	No Preference	18	263.35
53789PA0090004	Rating Area 7	No Preference	19	271.42
53789PA0090004	Rating Area 7	No Preference	20	279.79
53789PA0090004	Rating Area 7	No Preference	21	288.44
53789PA0090004	Rating Area 7	No Preference	22	288.44
53789PA0090004	Rating Area 7	No Preference	23	288.44
53789PA0090004	Rating Area 7	No Preference	24	288.44
53789PA0090004	Rating Area 7	No Preference	25	289.59
53789PA0090004	Rating Area 7	No Preference	26	295.36
53789PA0090004	Rating Area 7	No Preference	27	302.29
53789PA0090004	Rating Area 7	No Preference	28	313.54
53789PA0090004	Rating Area 7	No Preference	29	322.77
53789PA0090004	Rating Area 7	No Preference	30	327.38
53789PA0090004	Rating Area 7	No Preference	31	334.30
53789PA0090004	Rating Area 7	No Preference	32	341.23
53789PA0090004	Rating Area 7	No Preference	33	345.55
53789PA0090004	Rating Area 7	No Preference	34	350.17
53789PA0090004	Rating Area 7	No Preference	35	352.48
53789PA0090004	Rating Area 7	No Preference	36	354.78
53789PA0090004	Rating Area 7	No Preference	37	357.09
53789PA0090004	Rating Area 7	No Preference	38	359.40
53789PA0090004	Rating Area 7	No Preference	39	364.01
53789PA0090004	Rating Area 7	No Preference	40	368.63
53789PA0090004	Rating Area 7	No Preference	41	375.55
53789PA0090004	Rating Area 7	No Preference	42	382.18
53789PA0090004	Rating Area 7	No Preference	43	391.41
53789PA0090004	Rating Area 7	No Preference	44	402.95
53789PA0090004	Rating Area 7	No Preference	45	416.51
53789PA0090004	Rating Area 7	No Preference	46	432.66
53789PA0090004	Rating Area 7	No Preference	47	450.83
53789PA0090004	Rating Area 7	No Preference	48	471.60
53789PA0090004	Rating Area 7	No Preference	49	492.08

53789PA0090004	Rating Area 7	No Preference	50	515.16
53789PA0090004	Rating Area 7	No Preference	51	537.94
53789PA0090004	Rating Area 7	No Preference	52	563.04
53789PA0090004	Rating Area 7	No Preference	53	588.42
53789PA0090004	Rating Area 7	No Preference	54	615.82
53789PA0090004	Rating Area 7	No Preference	55	643.22
53789PA0090004	Rating Area 7	No Preference	56	672.93
53789PA0090004	Rating Area 7	No Preference	57	702.93
53789PA0090004	Rating Area 7	No Preference	58	734.95
53789PA0090004	Rating Area 7	No Preference	59	750.81
53789PA0090004	Rating Area 7	No Preference	60	782.83
53789PA0090004	Rating Area 7	No Preference	61	810.52
53789PA0090004	Rating Area 7	No Preference	62	828.69
53789PA0090004	Rating Area 7	No Preference	63	851.48
53789PA0090004	Rating Area 7	No Preference	64 and over	865.31
53789PA0090004	Rating Area 9	No Preference	0-14	231.37
53789PA0090004	Rating Area 9	No Preference	15	251.94
53789PA0090004	Rating Area 9	No Preference	16	259.80
53789PA0090004	Rating Area 9	No Preference	17	267.66
53789PA0090004	Rating Area 9	No Preference	18	276.13
53789PA0090004	Rating Area 9	No Preference	19	284.60
53789PA0090004	Rating Area 9	No Preference	20	293.37
53789PA0090004	Rating Area 9	No Preference	21	302.44
53789PA0090004	Rating Area 9	No Preference	22	302.44
53789PA0090004	Rating Area 9	No Preference	23	302.44
53789PA0090004	Rating Area 9	No Preference	24	302.44
53789PA0090004	Rating Area 9	No Preference	25	303.65
53789PA0090004	Rating Area 9	No Preference	26	309.70
53789PA0090004	Rating Area 9	No Preference	27	316.96
53789PA0090004	Rating Area 9	No Preference	28	328.76
53789PA0090004	Rating Area 9	No Preference	29	338.43
53789PA0090004	Rating Area 9	No Preference	30	343.27
53789PA0090004	Rating Area 9	No Preference	31	350.53
53789PA0090004	Rating Area 9	No Preference	32	357.79
53789PA0090004	Rating Area 9	No Preference	33	362.33
53789PA0090004	Rating Area 9	No Preference	34	367.17
53789PA0090004	Rating Area 9	No Preference	35	369.59
53789PA0090004	Rating Area 9	No Preference	36	372.01
53789PA0090004	Rating Area 9	No Preference	37	374.42
53789PA0090004	Rating Area 9	No Preference	38	376.84
53789PA0090004	Rating Area 9	No Preference	39	381.68
53789PA0090004	Rating Area 9	No Preference	40	386.52
53789PA0090004	Rating Area 9	No Preference	41	393.78
53789PA0090004	Rating Area 9	No Preference	42	400.74
53789PA0090004	Rating Area 9	No Preference	43	410.42
53789PA0090004	Rating Area 9	No Preference	44	422.51
53789PA0090004	Rating Area 9	No Preference	45	436.73
53789PA0090004	Rating Area 9	No Preference	46	453.66
53789PA0090004	Rating Area 9	No Preference	47	472.72
53789PA0090004	Rating Area 9	No Preference	48	494.49
53789PA0090004	Rating Area 9	No Preference	49	515.97
53789PA0090004	Rating Area 9	No Preference	50	540.16
53789PA0090004	Rating Area 9	No Preference	51	564.06
53789PA0090004	Rating Area 9	No Preference	52	590.37
53789PA0090004	Rating Area 9	No Preference	53	616.98
53789PA0090004	Rating Area 9	No Preference	54	645.72
53789PA0090004	Rating Area 9	No Preference	55	674.45
53789PA0090004	Rating Area 9	No Preference	56	705.60
53789PA0090004	Rating Area 9	No Preference	57	737.05
53789PA0090004	Rating Area 9	No Preference	58	770.63
53789PA0090004	Rating Area 9	No Preference	59	787.26
53789PA0090004	Rating Area 9	No Preference	60	820.83
53789PA0090004	Rating Area 9	No Preference	61	849.87
53789PA0090004	Rating Area 9	No Preference	62	868.92
53789PA0090004	Rating Area 9	No Preference	63	892.81
53789PA0090004	Rating Area 9	No Preference	64 and over	907.32

2018 Rates Table Template v7.1	*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 in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.			
	If you are not in a community rating state, select Age-Based Rates under Rating Method 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*	53789			
Federal TIN*	23-2399845			
Rate Effective Date*	7/1/2018			
Rate Expiration Date*	9/30/2018			
Rating Method*	Age-Based Rates			

Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	**Required:** Select the Rating Area ID	**Required:** Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a 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
53789PA0090004	Rating Area 6	No Preference	0-14	218.93
53789PA0090004	Rating Area 6	No Preference	15	238.39
53789PA0090004	Rating Area 6	No Preference	16	245.83
53789PA0090004	Rating Area 6	No Preference	17	253.27
53789PA0090004	Rating Area 6	No Preference	18	261.28
53789PA0090004	Rating Area 6	No Preference	19	269.30
53789PA0090004	Rating Area 6	No Preference	20	277.59
53789PA0090004	Rating Area 6	No Preference	21	286.18
53789PA0090004	Rating Area 6	No Preference	22	286.18
53789PA0090004	Rating Area 6	No Preference	23	286.18
53789PA0090004	Rating Area 6	No Preference	24	286.18
53789PA0090004	Rating Area 6	No Preference	25	287.32
53789PA0090004	Rating Area 6	No Preference	26	293.05
53789PA0090004	Rating Area 6	No Preference	27	299.92
53789PA0090004	Rating Area 6	No Preference	28	311.08
53789PA0090004	Rating Area 6	No Preference	29	320.24
53789PA0090004	Rating Area 6	No Preference	30	324.81
53789PA0090004	Rating Area 6	No Preference	31	331.68
53789PA0090004	Rating Area 6	No Preference	32	338.55
53789PA0090004	Rating Area 6	No Preference	33	342.84
53789PA0090004	Rating Area 6	No Preference	34	347.42
53789PA0090004	Rating Area 6	No Preference	35	349.71
53789PA0090004	Rating Area 6	No Preference	36	352.00
53789PA0090004	Rating Area 6	No Preference	37	354.29
53789PA0090004	Rating Area 6	No Preference	38	356.58
53789PA0090004	Rating Area 6	No Preference	39	361.16
53789PA0090004	Rating Area 6	No Preference	40	365.74
53789PA0090004	Rating Area 6	No Preference	41	372.61
53789PA0090004	Rating Area 6	No Preference	42	379.19
53789PA0090004	Rating Area 6	No Preference	43	388.35
53789PA0090004	Rating Area 6	No Preference	44	399.79
53789PA0090004	Rating Area 6	No Preference	45	413.24
53789PA0090004	Rating Area 6	No Preference	46	429.27
53789PA0090004	Rating Area 6	No Preference	47	447.30
53789PA0090004	Rating Area 6	No Preference	48	467.90
53789PA0090004	Rating Area 6	No Preference	49	488.22
53789PA0090004	Rating Area 6	No Preference	50	511.12
53789PA0090004	Rating Area 6	No Preference	51	533.73
53789PA0090004	Rating Area 6	No Preference	52	558.62
53789PA0090004	Rating Area 6	No Preference	53	583.81
53789PA0090004	Rating Area 6	No Preference	54	610.99
53789PA0090004	Rating Area 6	No Preference	55	638.18
53789PA0090004	Rating Area 6	No Preference	56	667.66
53789PA0090004	Rating Area 6	No Preference	57	697.42
53789PA0090004	Rating Area 6	No Preference	58	729.19
53789PA0090004	Rating Area 6	No Preference	59	744.93
53789PA0090004	Rating Area 6	No Preference	60	776.69
53789PA0090004	Rating Area 6	No Preference	61	804.17
53789PA0090004	Rating Area 6	No Preference	62	822.20
53789PA0090004	Rating Area 6	No Preference	63	844.80
53789PA0090004	Rating Area 6	No Preference	64 and over	858.53
53789PA0090004	Rating Area 7	No Preference	0-14	225.50
53789PA0090004	Rating Area 7	No Preference	15	245.54
53789PA0090004	Rating Area 7	No Preference	16	253.20
53789PA0090004	Rating Area 7	No Preference	17	260.87
53789PA0090004	Rating Area 7	No Preference	18	269.12
53789PA0090004	Rating Area 7	No Preference	19	277.37
53789PA0090004	Rating Area 7	No Preference	20	285.92
53789PA0090004	Rating Area 7	No Preference	21	294.77
53789PA0090004	Rating Area 7	No Preference	22	294.77
53789PA0090004	Rating Area 7	No Preference	23	294.77
53789PA0090004	Rating Area 7	No Preference	24	294.77
53789PA0090004	Rating Area 7	No Preference	25	295.94
53789PA0090004	Rating Area 7	No Preference	26	301.84
53789PA0090004	Rating Area 7	No Preference	27	308.91
53789PA0090004	Rating Area 7	No Preference	28	320.41
53789PA0090004	Rating Area 7	No Preference	29	329.84
53789PA0090004	Rating Area 7	No Preference	30	334.56
53789PA0090004	Rating Area 7	No Preference	31	341.63
53789PA0090004	Rating Area 7	No Preference	32	348.71
53789PA0090004	Rating Area 7	No Preference	33	353.13
53789PA0090004	Rating Area 7	No Preference	34	357.85
53789PA0090004	Rating Area 7	No Preference	35	360.20
53789PA0090004	Rating Area 7	No Preference	36	362.56
53789PA0090004	Rating Area 7	No Preference	37	364.92
53789PA0090004	Rating Area 7	No Preference	38	367.28
53789PA0090004	Rating Area 7	No Preference	39	371.99
53789PA0090004	Rating Area 7	No Preference	40	376.71
53789PA0090004	Rating Area 7	No Preference	41	383.78
53789PA0090004	Rating Area 7	No Preference	42	390.56
53789PA0090004	Rating Area 7	No Preference	43	400.00
53789PA0090004	Rating Area 7	No Preference	44	411.79
53789PA0090004	Rating Area 7	No Preference	45	425.64
53789PA0090004	Rating Area 7	No Preference	46	442.15
53789PA0090004	Rating Area 7	No Preference	47	460.72
53789PA0090004	Rating Area 7	No Preference	48	481.94
53789PA0090004	Rating Area 7	No Preference	49	502.87

53789PA0090004	Rating Area 7	No Preference	50	526.45
53789PA0090004	Rating Area 7	No Preference	51	549.74
53789PA0090004	Rating Area 7	No Preference	52	575.38
53789PA0090004	Rating Area 7	No Preference	53	601.32
53789PA0090004	Rating Area 7	No Preference	54	629.32
53789PA0090004	Rating Area 7	No Preference	55	657.33
53789PA0090004	Rating Area 7	No Preference	56	687.69
53789PA0090004	Rating Area 7	No Preference	57	718.34
53789PA0090004	Rating Area 7	No Preference	58	751.06
53789PA0090004	Rating Area 7	No Preference	59	767.27
53789PA0090004	Rating Area 7	No Preference	60	799.99
53789PA0090004	Rating Area 7	No Preference	61	828.29
53789PA0090004	Rating Area 7	No Preference	62	846.86
53789PA0090004	Rating Area 7	No Preference	63	870.15
53789PA0090004	Rating Area 7	No Preference	64 and over	884.30
53789PA0090004	Rating Area 9	No Preference	0-14	236.44
53789PA0090004	Rating Area 9	No Preference	15	257.46
53789PA0090004	Rating Area 9	No Preference	16	265.49
53789PA0090004	Rating Area 9	No Preference	17	273.53
53789PA0090004	Rating Area 9	No Preference	18	282.18
53789PA0090004	Rating Area 9	No Preference	19	290.84
53789PA0090004	Rating Area 9	No Preference	20	299.80
53789PA0090004	Rating Area 9	No Preference	21	309.07
53789PA0090004	Rating Area 9	No Preference	22	309.07
53789PA0090004	Rating Area 9	No Preference	23	309.07
53789PA0090004	Rating Area 9	No Preference	24	309.07
53789PA0090004	Rating Area 9	No Preference	25	310.31
53789PA0090004	Rating Area 9	No Preference	26	316.49
53789PA0090004	Rating Area 9	No Preference	27	323.91
53789PA0090004	Rating Area 9	No Preference	28	335.96
53789PA0090004	Rating Area 9	No Preference	29	345.85
53789PA0090004	Rating Area 9	No Preference	30	350.80
53789PA0090004	Rating Area 9	No Preference	31	358.22
53789PA0090004	Rating Area 9	No Preference	32	365.64
53789PA0090004	Rating Area 9	No Preference	33	370.27
53789PA0090004	Rating Area 9	No Preference	34	375.22
53789PA0090004	Rating Area 9	No Preference	35	377.69
53789PA0090004	Rating Area 9	No Preference	36	380.16
53789PA0090004	Rating Area 9	No Preference	37	382.63
53789PA0090004	Rating Area 9	No Preference	38	385.11
53789PA0090004	Rating Area 9	No Preference	39	390.05
53789PA0090004	Rating Area 9	No Preference	40	395.00
53789PA0090004	Rating Area 9	No Preference	41	402.41
53789PA0090004	Rating Area 9	No Preference	42	409.52
53789PA0090004	Rating Area 9	No Preference	43	419.41
53789PA0090004	Rating Area 9	No Preference	44	431.78
53789PA0090004	Rating Area 9	No Preference	45	446.30
53789PA0090004	Rating Area 9	No Preference	46	463.61
53789PA0090004	Rating Area 9	No Preference	47	483.08
53789PA0090004	Rating Area 9	No Preference	48	505.34
53789PA0090004	Rating Area 9	No Preference	49	527.28
53789PA0090004	Rating Area 9	No Preference	50	552.01
53789PA0090004	Rating Area 9	No Preference	51	576.42
53789PA0090004	Rating Area 9	No Preference	52	603.31
53789PA0090004	Rating Area 9	No Preference	53	630.51
53789PA0090004	Rating Area 9	No Preference	54	659.87
53789PA0090004	Rating Area 9	No Preference	55	689.24
53789PA0090004	Rating Area 9	No Preference	56	721.07
53789PA0090004	Rating Area 9	No Preference	57	753.21
53789PA0090004	Rating Area 9	No Preference	58	787.52
53789PA0090004	Rating Area 9	No Preference	59	804.52
53789PA0090004	Rating Area 9	No Preference	60	838.83
53789PA0090004	Rating Area 9	No Preference	61	868.50
53789PA0090004	Rating Area 9	No Preference	62	887.97
53789PA0090004	Rating Area 9	No Preference	63	912.39
53789PA0090004	Rating Area 9	No Preference	64 and over	927.21

2018 Rates Table Template v7.1	*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 in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.			
	If you are not in a community rating state, select Age-Based Rates under Rating Method 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*	53789			
Federal TIN*	23-2399845			
Rate Effective Date*	10/1/2018			
Rate Expiration Date*	12/31/2018			
Rating Method*	Age-Based Rates			

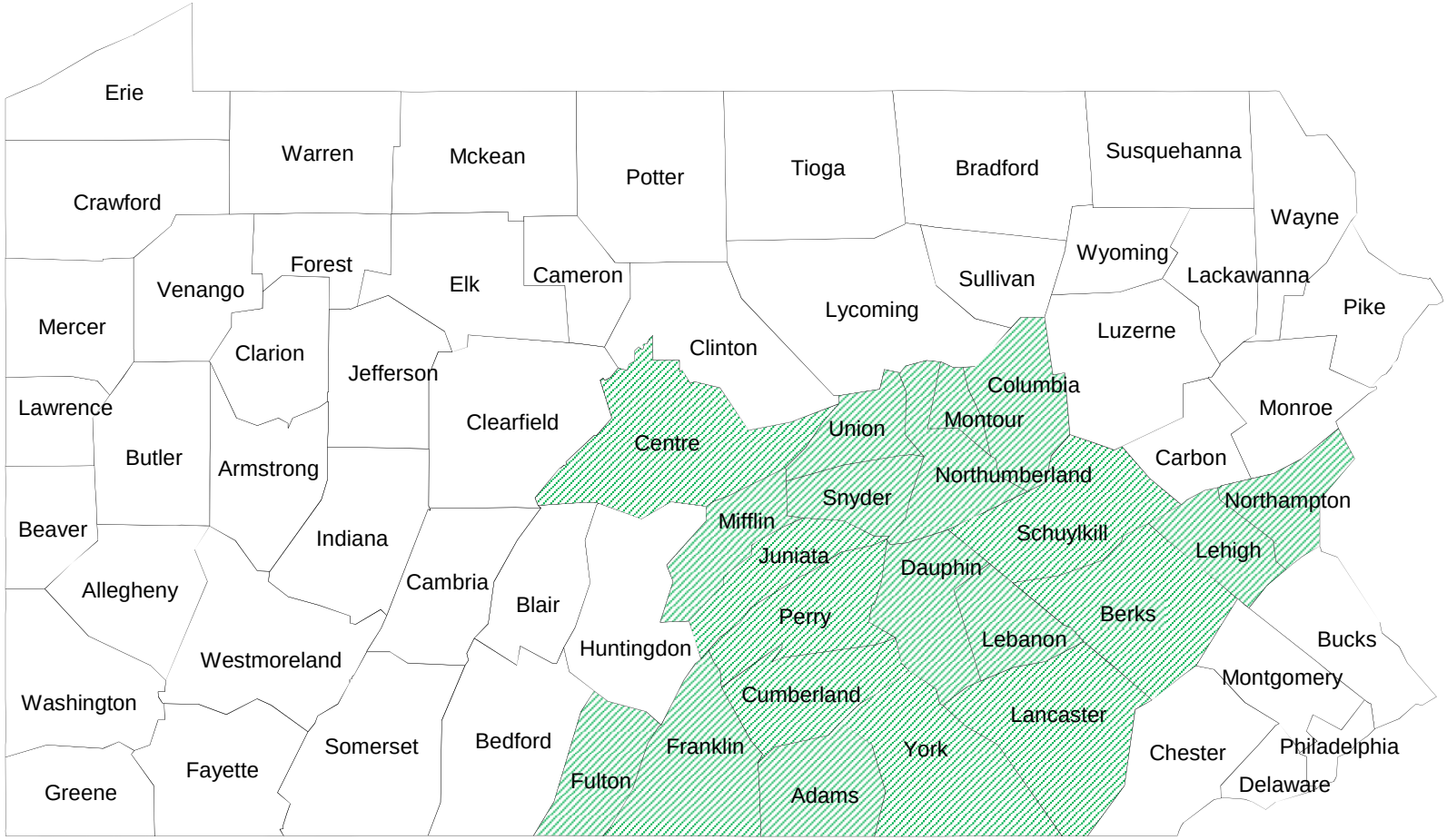
Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	**Required:** Select the Rating Area ID	**Required:** Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan	**Required:** Select the age of a subscriber eligible for the rate	**Required:** Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan
53789PA0090004	Rating Area 6	No Preference	0-14	223.73
53789PA0090004	Rating Area 6	No Preference	15	243.62
53789PA0090004	Rating Area 6	No Preference	16	251.22
53789PA0090004	Rating Area 6	No Preference	17	258.83
53789PA0090004	Rating Area 6	No Preference	18	267.02
53789PA0090004	Rating Area 6	No Preference	19	275.20
53789PA0090004	Rating Area 6	No Preference	20	283.69
53789PA0090004	Rating Area 6	No Preference	21	292.46
53789PA0090004	Rating Area 6	No Preference	22	292.46
53789PA0090004	Rating Area 6	No Preference	23	292.46
53789PA0090004	Rating Area 6	No Preference	24	292.46
53789PA0090004	Rating Area 6	No Preference	25	293.63
53789PA0090004	Rating Area 6	No Preference	26	299.48
53789PA0090004	Rating Area 6	No Preference	27	306.50
53789PA0090004	Rating Area 6	No Preference	28	317.90
53789PA0090004	Rating Area 6	No Preference	29	327.26
53789PA0090004	Rating Area 6	No Preference	30	331.94
53789PA0090004	Rating Area 6	No Preference	31	338.96
53789PA0090004	Rating Area 6	No Preference	32	345.98
53789PA0090004	Rating Area 6	No Preference	33	350.37
53789PA0090004	Rating Area 6	No Preference	34	355.05
53789PA0090004	Rating Area 6	No Preference	35	357.39
53789PA0090004	Rating Area 6	No Preference	36	359.73
53789PA0090004	Rating Area 6	No Preference	37	362.07
53789PA0090004	Rating Area 6	No Preference	38	364.41
53789PA0090004	Rating Area 6	No Preference	39	369.08
53789PA0090004	Rating Area 6	No Preference	40	373.76
53789PA0090004	Rating Area 6	No Preference	41	380.78
53789PA0090004	Rating Area 6	No Preference	42	387.51
53789PA0090004	Rating Area 6	No Preference	43	396.87
53789PA0090004	Rating Area 6	No Preference	44	408.57
53789PA0090004	Rating Area 6	No Preference	45	422.31
53789PA0090004	Rating Area 6	No Preference	46	438.69
53789PA0090004	Rating Area 6	No Preference	47	457.11
53789PA0090004	Rating Area 6	No Preference	48	478.17
53789PA0090004	Rating Area 6	No Preference	49	498.94
53789PA0090004	Rating Area 6	No Preference	50	522.33
53789PA0090004	Rating Area 6	No Preference	51	545.44
53789PA0090004	Rating Area 6	No Preference	52	570.88
53789PA0090004	Rating Area 6	No Preference	53	596.62
53789PA0090004	Rating Area 6	No Preference	54	624.40
53789PA0090004	Rating Area 6	No Preference	55	652.19
53789PA0090004	Rating Area 6	No Preference	56	682.31
53789PA0090004	Rating Area 6	No Preference	57	712.73
53789PA0090004	Rating Area 6	No Preference	58	745.19
53789PA0090004	Rating Area 6	No Preference	59	761.27
53789PA0090004	Rating Area 6	No Preference	60	793.74
53789PA0090004	Rating Area 6	No Preference	61	821.81
53789PA0090004	Rating Area 6	No Preference	62	840.24
53789PA0090004	Rating Area 6	No Preference	63	863.34
53789PA0090004	Rating Area 6	No Preference	64 and over	877.37
53789PA0090004	Rating Area 7	No Preference	0-14	230.44
53789PA0090004	Rating Area 7	No Preference	15	250.93
53789PA0090004	Rating Area 7	No Preference	16	258.76
53789PA0090004	Rating Area 7	No Preference	17	266.59
53789PA0090004	Rating Area 7	No Preference	18	275.03
53789PA0090004	Rating Area 7	No Preference	19	283.46
53789PA0090004	Rating Area 7	No Preference	20	292.20
53789PA0090004	Rating Area 7	No Preference	21	301.23
53789PA0090004	Rating Area 7	No Preference	22	301.23
53789PA0090004	Rating Area 7	No Preference	23	301.23
53789PA0090004	Rating Area 7	No Preference	24	301.23
53789PA0090004	Rating Area 7	No Preference	25	302.44
53789PA0090004	Rating Area 7	No Preference	26	308.46
53789PA0090004	Rating Area 7	No Preference	27	315.69
53789PA0090004	Rating Area 7	No Preference	28	327.44
53789PA0090004	Rating Area 7	No Preference	29	337.08
53789PA0090004	Rating Area 7	No Preference	30	341.90
53789PA0090004	Rating Area 7	No Preference	31	349.13
53789PA0090004	Rating Area 7	No Preference	32	356.36
53789PA0090004	Rating Area 7	No Preference	33	360.88
53789PA0090004	Rating Area 7	No Preference	34	365.70
53789PA0090004	Rating Area 7	No Preference	35	368.11
53789PA0090004	Rating Area 7	No Preference	36	370.52
53789PA0090004	Rating Area 7	No Preference	37	372.93
53789PA0090004	Rating Area 7	No Preference	38	375.34
53789PA0090004	Rating Area 7	No Preference	39	380.16
53789PA0090004	Rating Area 7	No Preference	40	384.98
53789PA0090004	Rating Area 7	No Preference	41	392.21
53789PA0090004	Rating Area 7	No Preference	42	399.13
53789PA0090004	Rating Area 7	No Preference	43	408.77
53789PA0090004	Rating Area 7	No Preference	44	420.82
53789PA0090004	Rating Area 7	No Preference	45	434.98
53789PA0090004	Rating Area 7	No Preference	46	451.85
53789PA0090004	Rating Area 7	No Preference	47	470.83
53789PA0090004	Rating Area 7	No Preference	48	492.52
53789PA0090004	Rating Area 7	No Preference	49	513.90

53789PA0090004	Rating Area 7	No Preference	50	538.00
53789PA0090004	Rating Area 7	No Preference	51	561.80
53789PA0090004	Rating Area 7	No Preference	52	588.01
53789PA0090004	Rating Area 7	No Preference	53	614.52
53789PA0090004	Rating Area 7	No Preference	54	643.13
53789PA0090004	Rating Area 7	No Preference	55	671.75
53789PA0090004	Rating Area 7	No Preference	56	702.78
53789PA0090004	Rating Area 7	No Preference	57	734.11
53789PA0090004	Rating Area 7	No Preference	58	767.54
53789PA0090004	Rating Area 7	No Preference	59	784.11
53789PA0090004	Rating Area 7	No Preference	60	817.55
53789PA0090004	Rating Area 7	No Preference	61	846.47
53789PA0090004	Rating Area 7	No Preference	62	865.44
53789PA0090004	Rating Area 7	No Preference	63	889.24
53789PA0090004	Rating Area 7	No Preference	64 and over	903.69
53789PA0090004	Rating Area 9	No Preference	0-14	241.63
53789PA0090004	Rating Area 9	No Preference	15	263.11
53789PA0090004	Rating Area 9	No Preference	16	271.32
53789PA0090004	Rating Area 9	No Preference	17	279.53
53789PA0090004	Rating Area 9	No Preference	18	288.38
53789PA0090004	Rating Area 9	No Preference	19	297.22
53789PA0090004	Rating Area 9	No Preference	20	306.38
53789PA0090004	Rating Area 9	No Preference	21	315.86
53789PA0090004	Rating Area 9	No Preference	22	315.86
53789PA0090004	Rating Area 9	No Preference	23	315.86
53789PA0090004	Rating Area 9	No Preference	24	315.86
53789PA0090004	Rating Area 9	No Preference	25	317.12
53789PA0090004	Rating Area 9	No Preference	26	323.44
53789PA0090004	Rating Area 9	No Preference	27	331.02
53789PA0090004	Rating Area 9	No Preference	28	343.34
53789PA0090004	Rating Area 9	No Preference	29	353.44
53789PA0090004	Rating Area 9	No Preference	30	358.50
53789PA0090004	Rating Area 9	No Preference	31	366.08
53789PA0090004	Rating Area 9	No Preference	32	373.66
53789PA0090004	Rating Area 9	No Preference	33	378.40
53789PA0090004	Rating Area 9	No Preference	34	383.45
53789PA0090004	Rating Area 9	No Preference	35	385.98
53789PA0090004	Rating Area 9	No Preference	36	388.50
53789PA0090004	Rating Area 9	No Preference	37	391.03
53789PA0090004	Rating Area 9	No Preference	38	393.56
53789PA0090004	Rating Area 9	No Preference	39	398.61
53789PA0090004	Rating Area 9	No Preference	40	403.66
53789PA0090004	Rating Area 9	No Preference	41	411.25
53789PA0090004	Rating Area 9	No Preference	42	418.51
53789PA0090004	Rating Area 9	No Preference	43	428.62
53789PA0090004	Rating Area 9	No Preference	44	441.25
53789PA0090004	Rating Area 9	No Preference	45	456.10
53789PA0090004	Rating Area 9	No Preference	46	473.79
53789PA0090004	Rating Area 9	No Preference	47	493.68
53789PA0090004	Rating Area 9	No Preference	48	516.43
53789PA0090004	Rating Area 9	No Preference	49	538.85
53789PA0090004	Rating Area 9	No Preference	50	564.12
53789PA0090004	Rating Area 9	No Preference	51	589.07
53789PA0090004	Rating Area 9	No Preference	52	616.55
53789PA0090004	Rating Area 9	No Preference	53	644.35
53789PA0090004	Rating Area 9	No Preference	54	674.35
53789PA0090004	Rating Area 9	No Preference	55	704.36
53789PA0090004	Rating Area 9	No Preference	56	736.89
53789PA0090004	Rating Area 9	No Preference	57	769.74
53789PA0090004	Rating Area 9	No Preference	58	804.80
53789PA0090004	Rating Area 9	No Preference	59	822.18
53789PA0090004	Rating Area 9	No Preference	60	857.24
53789PA0090004	Rating Area 9	No Preference	61	887.56
53789PA0090004	Rating Area 9	No Preference	62	907.46
53789PA0090004	Rating Area 9	No Preference	63	932.41
53789PA0090004	Rating Area 9	No Preference	64 and over	947.57

2017 Service Area

Issuer: 53789

Market: Small Group



Key *(modify as needed)*

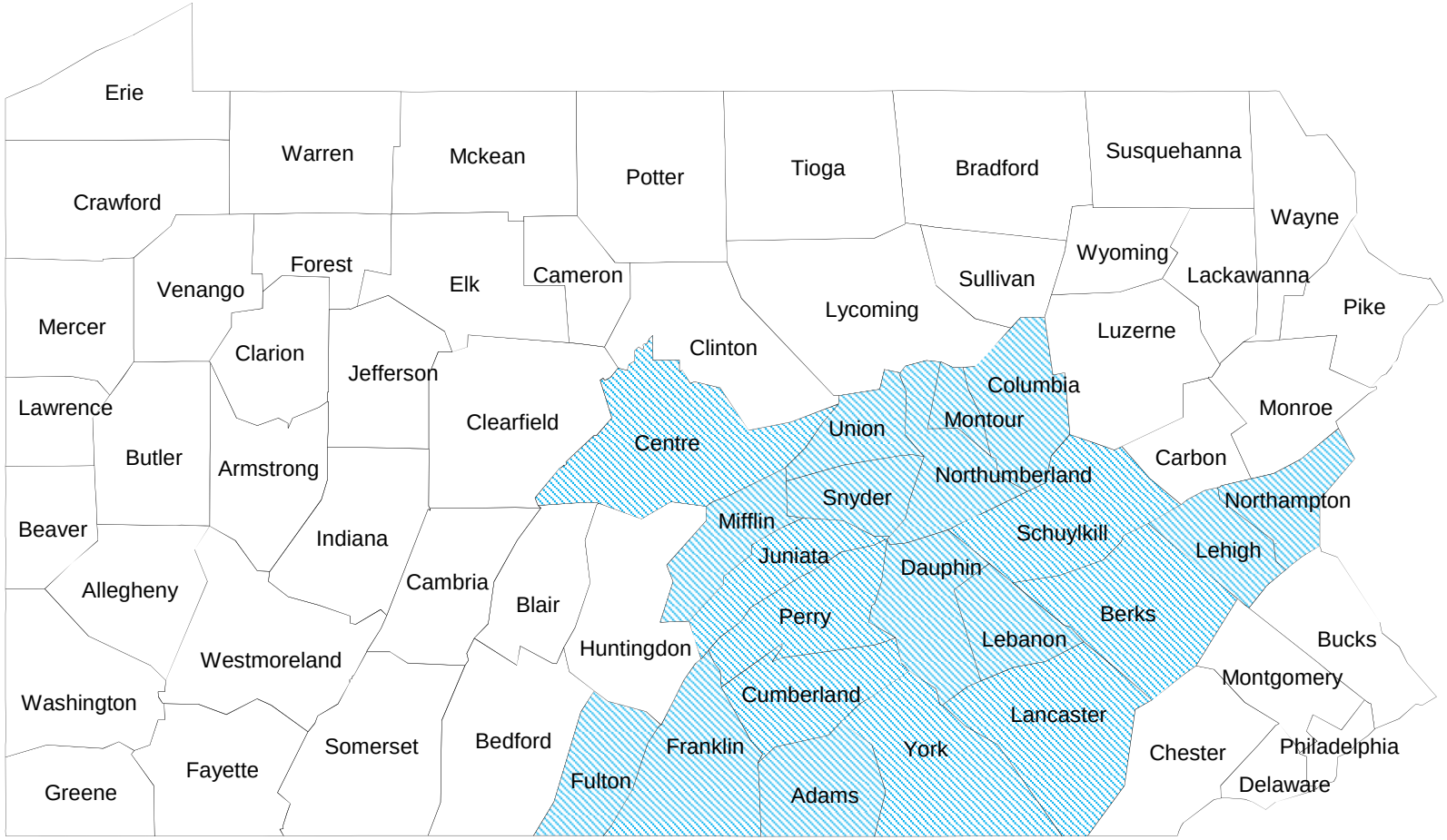
: 2017 on-exchange service area

: 2017 off-exchange only service area

2018 Service Area

Issuer: 53789

Market: Small Group



Key *(modify as needed)*

: 2018 on-exchange service area

: 2018 off-exchange only service area

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Q&A Exhibit 1

Market	Company	Type	Date	Med Paid	Rx Paid	Completion	Incurred	Med Premium	Rx Premium	Total Premium	Members
Small Group	KHP	Transitional	201601	$101,424	$0	1.00	$101,618	$227,815	$0	$227,815	530
Small Group	KHP	Transitional	201602	$110,814	$0	1.00	$111,026	$219,849	$0	$219,849	534
Small Group	KHP	Transitional	201603	$116,848	$0	1.00	$117,152	$231,269	$0	$231,269	535
Small Group	KHP	Transitional	201604	$199,983	$0	1.00	$200,696	$229,686	$0	$229,686	533
Small Group	KHP	Transitional	201605	$174,627	$0	1.00	$175,351	$230,749	$0	$230,749	534
Small Group	KHP	Transitional	201606	$104,747	$0	0.99	$105,406	$211,594	$0	$211,594	512
Small Group	KHP	Transitional	201607	$163,466	$0	0.99	$164,739	$193,300	$0	$193,300	467
Small Group	KHP	Transitional	201608	$76,903	$0	0.98	$78,511	$147,419	$0	$147,419	317
Small Group	KHP	Transitional	201609	$200,578	$0	0.98	$203,634	$68,276	$0	$68,276	160
Small Group	KHP	Transitional	201610	$20,100	$0	0.94	$21,444	$44,747	$0	$44,747	116
Small Group	KHP	Transitional	201611	$22,482	$0	0.97	$23,246	$42,999	$0	$42,999	106
Small Group	KHP	Transitional	201612	$0	$0	0.93	$0	$0	$0	$0	0
Total				$1,291,970	$0		$1,302,823	$1,847,703	$0	$1,847,703	4,344

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Benefit Summary

SMALL GROUP 1-50 PORTFOLIO

	Changes	2018 Plan Name	Deductible (2x Family)	Coinsurance	Out-of-Pocket Maximum	PCP	Specialist	Emergency Room	Urgent Care	IP Hospital per day, maximum of 5 days	Rx $0	Rx $250 (brand only deductible)
			In-Network	In-Network	In-Network	In-Network	In-Network	In-Network	In-Network	In-Network		
20	Changes	Bronze HMO 7000/0/60	$7,000	0%	$7,350	$60	D/$0	D/$0	D/$0	D/$0	Deductible combined with Medical | no copays after deductible	

[1] *Drug copays listed are Preferred Generic/Non-Preferred Generic/Preferred Brand/Non-Preferred Brand*

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

[3] *Tiered Lab benefits. Independent labs | Hospital based labs*

[4] *D = Deductible D/$ = Deductible applies first then a copay*

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

[6] *CareConnect copays listed are for PCP directed care*

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Benefit Change Summary

						AV		Metal Level		HRA Amount		Deductible(2x Family)		Coinsurance		MOOP	
Line	**On/Off Exchange**	**New/Existing**	**HIOS**	**Med Description**	**Rx Description**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**
27	Off-Exchange	Existing	53789PA0090004	Bronze HMO 7000/0/60	Combined	61.9%	61.5%	Bronze	Bronze	0	0	7,000	7,000	0%	0%	7,150	7,350

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Benefit Change Summary

						ACA PCP		Non-ACA PCP		SPC		ER		UC		IP Hosp Copay Per Day		Hi-Tech Imaging		Low End Imaging		Lab Independent		Lab Hospital-Based		OP Surg ASC	
Line	**On/Off Exchange**	**New/Existing**	**HIOS**	**Med Description**	**Rx Description**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**
27	Off-Exchange	Existing	53789PA0090004	Bronze HMO 7000/0/60	Combined	60	60	60	60	D/0	D/0	D/0	D/0	D/0	D/0	N/A	N/A	D/0	D/0	D/0	D/0	D/0	D/60	D/0	D/100	D/0	D/0

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Benefit Change Summary

						OP Surg AHC		Rx Ded		Rx Gen - Ded Applies?		Rx Gen Pref		Rx Gen Non-Pref		Rx Brand Pref		Rx Brand Non-Pref		Rx Specialty Coin		Rx Specialty Max		Rx Gen Pref Coins		Rx Gen Non-Pref Coins	
Line	**On/Off Exchange**	**New/Existing**	**HIOS**	**Med Description**	**Rx Description**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**
27	Off-Exchange	Existing	53789PA0090004	Bronze HMO 7000/0/60	Combined	D/0	D/0	Combined	Combined	Y	Y	0	0	0	0	0	0	0	0	0%	0%	0	0	0%	0%	0%	0%

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Benefit Change Summary

						Rx Brand Pref Coin		Rx Brand Non-Pref Coins		Rx Gen Pref Mail Copay		Rx Gen Non-Pref Mail Copay		Rx Brand Pref Mail Copay		Rx Brand Non-Pref Mail Copay	
Line	**On/Off Exchange**	**New/Existing**	**HIOS**	**Med Description**	**Rx Description**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**
27	Off-Exchange	Existing	53789PA0090004	Bronze HMO 7000/0/60	Combined	0%	0%	0%	0%	0	0	0	0	0	0	0	0

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Benefit Categories

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

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Pediatric Dental and Vision Rate Development

	Pediatric Dental	Pediatric Vision
Projected Claims PMPM *	3.42	0.44
Admin PMPM	$0.60	$0.09
Broker PMPM	$0.00	$0.00
Reinsurance Contribution	$0.00	$0.00
Patient-Centered Outcomes Research Trust Fund:	$0.00	$0.00
Risk Adjustment Fee	$0.00	$0.00
Exchange Fee	$0.00	$0.00
Change HealthCare	$0.00	$0.00
Value Based Benefits	$0.00	$0.00
Federal Income Tax	0.7%	0.7%
Premium Tax	0.0%	0.0%
Contingency	2.0%	2.0%
Insurer Tax	3.8%	3.8%
Premium Neutrality	1.58	1.58
Conversion Factor	1.005	1.005
Premium Single Rate	$2.74	$0.37

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Benefit Mix Changes

	Total
Average Manual Claim PMPM in Experience Period	386.40
Expected Manual Claim PMPM in Rating Period	238.75
Benefit Mix Adjustment	0.62

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Trend

Trend by Service Category

Category	Cost	Util	Total	Weights	Total Weights
Inpatient Hospital	8.4%	-0.5%	7.8%	25%	21%
Outpatient Hospital	7.8%	1.0%	8.9%	42%	35%
Professional	5.6%	1.0%	6.7%	30%	25%
Other Medical	7.8%	1.0%	8.9%	3%	3%
Capitation	3.0%	0.0%	3.0%	0%	0%
Prescription Drug	12.6%	1.6%	14.3%	100%	17%
Dental & Vision	1.0%	2.0%	3.0%	100%	100%

Aggregate Pricing Trend	
Total	9.1%
Medical	8.0%
Drug	14.3%
Agg Med + Rx Trend	9.1%
Dental and Vision	3.0%

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Credibility Manual Development for URRT

Section II: Allowed Claims, PMPM basis

	Experience Period				Adj't. from Experience to Projection Period		Annualized Trend Factors		Projections		
		Allowed									
Benefit Category	**Utilization Description**	**Utilization per 1,000**	**Average Cost/Service**	**PMPM**	**Pop'l risk Morbidity**	**Other**	**Cost**	**Util**	**Utilization per 1,000**	**Average Cost/Service**	**PMPM**
Inpatient Hospital	Admits	68.67	17,457.00	99.89	1.000	0.905	1.084	0.995	67.98	18,547.27	105.07
Outpatient Hospital	Visits	1,797.82	1,133.45	169.81	1.000	0.905	1.078	1.010	1,833.95	1,191.65	182.12
Professional	Visits	6,747.44	211.89	119.15	1.000	0.905	1.056	1.010	6,883.07	213.79	122.63
Other Medical	Services	422.19	354.61	12.48	1.000	1.289	1.078	1.010	430.68	531.30	19.07
Capitation	Benefit Period	0.02	189,558.80	0.26	1.000	1.000	1.030	1.000	0.02	201,102.93	0.27
Prescription Drug	Prescriptions	11,084.43	91.18	84.22	1.000	0.905	1.126	1.016	11,430.71	104.56	99.60
Total				**$485.81**							**$528.76**

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

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Paid to Allowed Ratio Development

Medical Claims Rate Development

Base Experience Period:	1/1/2016-12/31/2016
Data as of	2/28/2017
Rating Period:	1/1/2018 - 12/31/2018
Trend Months:	24
Trend:	8.0%

1	Medical Paid and Incurred Claims	242,303,148
2	Completion Factor	0.97
3	BEP Completed Claims (1) / (2)	249,895,811
4	BEP Member Months	738,516
5	BEP Completed Claim PMPM (3) / (4)	338.38
6	Trend Factor	1.17
7	Trended Claim PMPM (5) x (6)	394.46
8	Benefit Change Factor	0.62
9	Adjustment for Adverse Selection Caused by Transitional Policy	1.00
10	Capitation	189,559
11	Capitation PMPM	0.26
12	Adjustment for Maximum 3 Children	1.005
13	Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) + (11)] x (12)	245.20

	Expected Claim PMPM in Rating Period
Medical	245.20
Drug	53.85
Pediatric Dental	3.42
Pediatric Vision	0.44
Expected Distribution of Embedded Dental Benefit	100%
Total Expected Incurred in Rating Period	302.92
Total Expected Incurred in Rating Period Net RA	345.79

Projected Allowed*	528.76
Paid to Allowed Ratio	0.573

*From Unified Rate Review Template

Drug Claims Rate Development

Base Experience Period:	1/1/2016-12/31/2016
Data as of	2/28/2017
Rating Period:	1/1/2018 - 12/31/2018
Trend Months:	24
Trend:	14.3%

1	BEP Paid and Incurred Claims	56,333,339
2	Completion Factor	1.000
3	BEP Completed Claims (1) / (2)	56,340,873
4	BEP Member Months	738,502
5	BEP Completed Claim PMPM (3) / (4)	76.29
6	Trend Factor	1.31
7	Trended Claim PMPM (5) x (6)	99.74
8	Benefit Change Factor	0.62
9	Adjustment for Adverse Selection Caused by Transitional Policy	1.00
10	Rx Rebates	-5,941,801
11	Rx Rebates PMPM	-8.05
12	Adjustment for Maximum 3 Children	1.005
13	Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) + (11)] x (12)	53.85

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Retention

	Medical + Rx	Dental	Vision	Total	% of Premium
Reinsurance Contribution	$0.00	$0.00	$0.00	$0.00	0.0%
Risk Adjustment Fee	$0.13	$0.00	$0.00	$0.13	0.0%
Admin PMPM	$38.32	$0.60	$0.09	$39.02	9.0%
Broker PMPM	$19.35	$0.00	$0.00	$19.35	4.5%
Member OOP and Ways to Save	$0.25	$0.00	$0.00	$0.25	0.1%
Value Based Benefits	$1.25	$0.00	$0.00	$1.25	0.3%
BCBSA Identity Theft Protection	$0.02	$0.00	$0.00	$0.02	0.0%
Contingency	2.0%	2.0%	2.0%	2.0%	2.0%
HRA Admin Fee PMPM *	$2.56	$0.00	$0.00	$2.56	0.6%
Patient-Centered Outcomes Research Trust Fund:	$0.20	$0.00	$0.00	$0.20	0.0%
Insurer Tax	3.8%	3.8%	3.8%	3.8%	3.8%
Exchange Fee	$0.00	$0.00	$0.00	$0.00	0.0%
Federal Income Tax	0.7%	0.7%	0.7%	0.7%	0.7%
Premium Tax	0.0%	0.0%	0.0%	0.0%	0.0%

* HRA Admin fee in charged to HRA plans only

Insurer Tax Calc		
Applied HIF to All Quarters		3.8%
Quarter	% of Enrollees	HIF
1	26%	3.8%
2	12%	3.8%
3	12%	3.8%
4	50%	3.8%

	Admin	Profit	Taxes
	13.8%	2.0%	4.6%
Claims	9.0%		
Broker	4.5%		
Quality Improvement	0.4%		

Expected Incurred	302.92

	Bronze HMO
Plan	7000/0/60
Deductible	
Manual PMPM	238.75
Expected Claim Cost	299.05
Expected Premium PMPM *	$434.13
Allowed Adjustments to Premium for MLR	
Reinsurance Contribution	0.00
Patient-Centered Outcomes Research Trust Fund:	0.20
Risk Adjustment	42.86
Premium Tax	0.00
Insurer Tax	16.52
Exchange Fee	0.00
Quality Improvement	4.34
Federal Income Tax**	3.04
MLR Adjusted Premium	$367.17
Expected Member Distribution	100.0%

Claims	$299.05
Unadjusted Premium	$434.13
Expected MLR Adjusted Premium	$367.17

MLR	**82.5%**

* From Exhibit L
**35% of profit or contingency (assumed to be 2%)

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Projected Index Rate

Projected Index Rate Index Rate	$528.76

Effective Date	Total Index Rate	Trend	Distribution of Members
January - March 2018 (Index 1)	$528.76		26%
April - June 2018 (Index 2)	$540.37	9.1%	12%
July - September 2018 (Index 3)	$552.23	9.1%	12%
October - December 2018 (Index 4)	$564.35	9.1%	50%

Average for Projection Period	$550.82

* From URRT and Exhibit B

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Market Adjusted Index Rate

Development of Market Adjusted Index Rate

Index Rate	528.76
Paid to Allowed	0.57
Projected Claims	302.92
Net Projected ACA Reinsurace Recoveries	0.00
Net Projected Risk Adjustments PMPM	42.86
Exchange User Fee Adjustment	0.00
Market-Adjusted Projected Paid EHB Claims PMPM	345.79
Market Adjusted Index Rate	603.58

Development of Exchange User Fee

Average SHOP Premium	$0.00
Average Exchange Fee	$0.00
Percentage of Membership on SHOP	0%
Exchange Fee to Add to Market Index Rate	$0.00

Development of Risk Adjustment Projection

Projected 2018 Risk Adjustment Payment	$42.73

Projected 2016 SW Average Premium	$471.10	
Projected 2017 and 2018 Rate Increase	14%	* 6.8% annually
Change to Premium to Remove Admin from RA Calculation	0.86	
Projected 2018 SW Premium	$462.92	
2016 RA % of Premium	3.2%	
% Change for Transitional movement to ACA	4.0%	
% Change for Market Improvement in Coding	2.0%	
Projected 2018 RA % of Premium	9.2%	

Projected 2016 Risk Adjustment Payment Payable	$7,211,920
2016 MemberMonths	473,736
Projected 2016 Risk Adjustment Payment PMPM	$15.22
Capital Advantage Assurance Company	$6,125,098
Keystone Health Plan Central	$946,155
Capital Advantage Insurance Company	$140,667

Adjust Base Experience Period to Base Plan

	Medical	Rx	Total
Expected Claim PMPM in Rating Period	245.20	53.85	299.05
Adjustment to Base Plan			1.00
Adjustment for Induced Demand			1.00
Expected Claim Base Plan			299.05

Rate Development by Benefit Option	Off-Exchange
Level of Coverage	**Bronze**
Plan Name:	**Bronze HMO 7000/0/60**
Market Adjusted Index Rate	603.58
AV and Cost-Sharing Adjustment	
W Embedded Ped Dental	
Combined	0.57
Provider Network	1.000
Induced Demand	1.000
Plan Pricing Relativities:	
Deductible Combined	Y
HRA	N
Manual PMPM	238.75
Medical Manual Relativity	1.000
Pricing Relativity	1.000
Medical Projected Claims PMPM	299.05
Medical + Rx Projected Claims PMPM + Market Level Adjustments:	
Combined	341.92
Retention	
Admin PMPM	$38.32
Broker PMPM	$19.35
Patient-Centered Outcomes Research Trust Fund:	$0.20
HRA Admin Fee	$0.00
Member OOP and Ways to Save	$0.25
Value-Based Benefits	$1.25
BCBSA Identity Theft	$0.02
Premium Tax	0.0%
Federal Income Tax	0.7%
Contingency	2.0%
Insurer Tax	3.8%
Premium Neutrality	1.58
Medical + Rx Premium Single Rate:	
Combined	$272.30
Pediatric Dental - High PMPM	$2.74
Pediatric Vision PMPM	$0.37
Medical + Rx + Pediatric Premium Single Rate:	
With Embedded Pediatric Dental:	
Combined	$275.41
Tobacco Adjustment	1.00
Plan Adjusted Index Rates	
With Embedded Pediatric Dental:	
Combined	$434.13
Average Per Member Per Month Rate (Including Dental and Vision) and including Average Rating Factor	$434.13
Expected Member Distribution	100.0%
Relativity Checks	
Claims	1.00
Premium	1.00
Admin	$59.89
Combined	14%
Taxes	
Combined	4.6%

Benefit Plans

#	Combo Description	Plan ID	On/Off Exchange	Metal Level	Metal Value	Pricing Value	Induced Demand	Average Plan Adj Index Rate	Q1 Plan Adj Index Rate	Q2 Plan Adj Index Rate	Q3 Plan Adj Index Rate	Q4 Plan Adj Index Rate	Annual Trend Medical & Rx
								449.97	431.95				
1	Bronze HMO 7000/0/60	53789PA0090004	Off Exchange	Bronze	61.5%	57.3%	1.00	$449.97	$431.95	$441.43	$451.12	$461.03	9.07%

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Calibration

Expected Average Age Factor:	1.524
Expected Average Region Factor:	1.03
Cumulative Rating Factors (Premium Neutrality):	1.576

Age Factors

Age	Distribution of Poplulation	Age Factor
0-14	13.9%	0.7650
15	1.2%	0.8330
16	1.1%	0.8590
17	1.2%	0.8850
18	1.2%	0.9130
19	1.3%	0.9410
20	1.3%	0.9700
21	1.4%	1.0000
22	1.5%	1.0000
23	1.4%	1.0000
24	1.4%	1.0000
25	1.6%	1.0040
26	1.6%	1.0240
27	1.5%	1.0480
28	1.6%	1.0870
29	1.6%	1.1190
30	1.6%	1.1350
31	1.6%	1.1590
32	1.6%	1.1830
33	1.6%	1.1980
34	1.6%	1.2140
35	1.6%	1.2220
36	1.5%	1.2300
37	1.6%	1.2380
38	1.6%	1.2460
39	1.6%	1.2620
40	1.7%	1.2780
41	1.5%	1.3020
42	1.6%	1.3250
43	1.7%	1.3570
44	1.6%	1.3970
45	1.8%	1.4440
46	2.0%	1.5000
47	1.9%	1.5630
48	1.8%	1.6350
49	2.0%	1.7060
50	2.0%	1.7860
51	2.0%	1.8650
52	2.3%	1.9520
53	2.2%	2.0400
54	2.2%	2.1350
55	2.2%	2.2300
56	2.2%	2.3330
57	2.2%	2.4370
58	2.2%	2.5480
59	2.2%	2.6030
60	2.1%	2.7140
61	1.9%	2.8100
62	1.8%	2.8730
63	1.6%	2.9520
64+	2.7%	3.0000

Region Factors

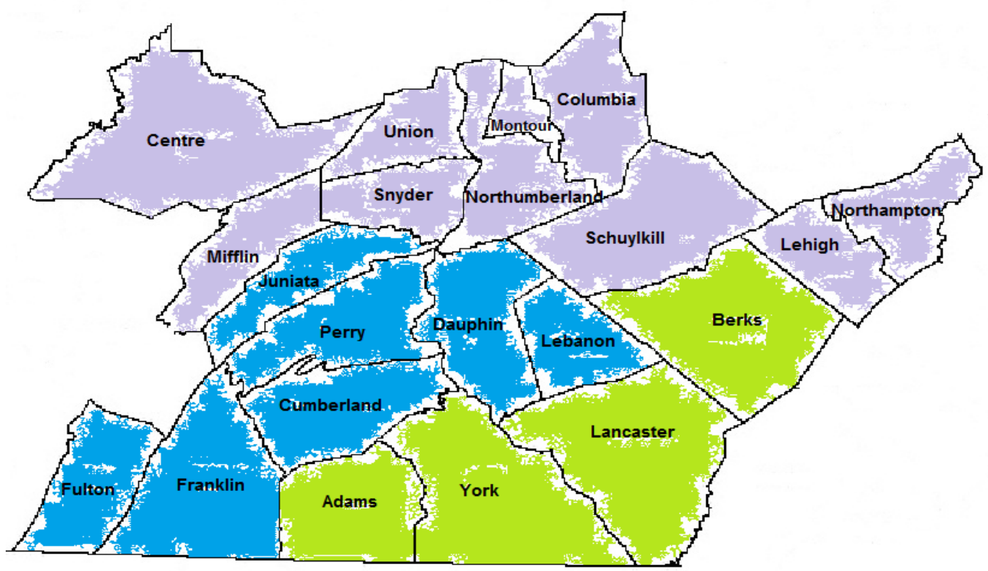
Region	Distribution of Population	Factor
6	31.9%	1.00
7	40.8%	1.03
9	27.3%	1.08

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Rating Factors

Age Factors

Age	Premium Ratio	Age	Premium Ratio	Age	Premium Ratio
0-14	0.765	24	1.000	34	1.214
15	0.833	25	1.004	35	1.222
16	0.859	26	1.024	36	1.230
17	0.885	27	1.048	37	1.238
18	0.913	28	1.087	38	1.246
19	0.941	29	1.119	39	1.262
20	0.970	30	1.135	40	1.278
21	1.000	31	1.159	41	1.302
22	1.000	32	1.183	42	1.325
23	1.000	33	1.198	43	1.357

Region



| | | | | | | | Benefit Plans | | | | | | |

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Regional Analysis

Results

Region	DemoUnits	MemberMonths	AdjustedPaid	AllowedAmount	Adjusted Allowed	Allowed PMPM	Demo	Relative Demo	Normalized Allowed	Relative Value Normalized	Rating Factor
6	368,356	296,531	90,261,766	107,236,316	116,957,368	394.42	1.2422	1.00	393.16	-3.2%	**1.00**
7	362,378	294,970	89,289,240	107,114,203	118,932,154	403.20	1.2285	0.99	406.39	0.1%	**1.03**
9	248,747	199,516	64,263,901	75,473,210	85,405,208	428.06	1.2468	1.01	425.14	4.7%	**1.08**
						406.18	1.24	1.00	406.16	0.0%	

Data - Claims and Enrollment for 12 Months Ending December 2016 and Hospital and Physician Contracting thru 2018

Total		979,481	791,017	243,814,906	289,823,729	1.11	321,294,730	366.39	1.2383	1.00	405.98	
Region	Group County Name	DemoUnits	MemberMonths	AdjustedPaid	AllowedAmount	Contracted Increase	Adjusted Allowed	Allowed PMPM w Increase	Demo	Relative Demo	Normalized Allowed	Relative Value Normalized
7	ADAMS	13,679	10,443	3,394,184	3,973,174	1.14	4,512,605	432.12	1.3099	1.06	408.48	100.6%
7	BERKS	125,887	100,900	32,916,422	39,021,187	1.10	43,051,624	426.68	1.2476	1.01	423.47	104.3%
6	CENTRE	19,922	17,590	5,658,648	6,477,963	1.10	7,109,452	404.18	1.1326	0.91	441.89	108.8%
6	COLUMBIA	5,415	4,139	1,163,209	1,406,248	1.11	1,555,268	375.76	1.3082	1.06	355.67	87.6%
9	CUMBERLAND	74,534	61,189	19,135,213	22,553,892	1.11	25,078,821	409.86	1.2181	0.98	416.64	102.6%
9	DAUPHIN	95,161	75,619	26,105,853	30,417,196	1.13	34,369,550	454.51	1.2584	1.02	447.22	110.2%
9	FRANKLIN	39,366	31,689	8,899,778	10,555,168	1.15	12,097,676	381.76	1.2423	1.00	380.53	93.7%
9	FULTON	4,396	3,536	1,268,027	1,403,703	1.16	1,624,041	459.29	1.2431	1.00	457.49	112.7%
9	JUNIATA	2,419	1,763	1,007,291	1,112,588	1.03	1,145,491	649.74	1.3721	1.11	586.35	144.4%
7	LANCASTER	135,437	114,895	31,644,795	38,454,128	1.10	42,405,854	369.08	1.1788	0.95	387.70	95.5%
9	LEBANON	28,061	22,155	6,645,000	8,007,213	1.20	9,624,084	434.40	1.2666	1.02	424.68	104.6%
6	LEHIGH	155,388	125,195	36,288,278	43,695,605	1.09	47,444,604	378.97	1.2412	1.00	378.08	93.1%
6	MIFFLIN	4,933	4,057	1,125,642	1,281,771	1.11	1,420,226	350.07	1.2159	0.98	356.51	87.8%
6	MONTOUR	1,354	1,070	523,520	606,126	1.12	680,642	636.11	1.2650	1.02	622.65	153.4%
6	NORTHAMPTON	122,092	97,609	28,885,496	34,516,080	1.09	37,718,646	386.43	1.2508	1.01	382.54	94.2%
6	NORTHUMBERLAND	12,764	9,899	4,070,566	4,622,745	1.10	5,093,158	514.51	1.2894	1.04	494.09	121.7%
9	PERRY	4,810	3,565	1,202,738	1,423,449	1.03	1,465,544	411.09	1.3492	1.09	377.29	92.9%
6	SCHUYLKILL	34,409	27,296	9,431,239	11,009,074	1.10	12,089,177	442.89	1.2606	1.02	435.04	107.2%
6	SNYDER	7,182	5,779	2,054,579	2,351,995	1.03	2,421,549	419.03	1.2427	1.00	417.51	102.8%
6	UNION	4,898	3,897	1,060,590	1,268,710	1.12	1,424,644	365.57	1.2570	1.02	360.13	88.7%
7	YORK	87,375	68,732	21,333,839	25,665,715	1.13	28,962,071	421.38	1.2712	1.03	410.44	101.1%

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Terminated Products/Plans

HIOS	Description
53789PA0070002	Healthy Benefits HMO 0.50 EX
53789PA0070003	Healthy Benefits HMO 500.0 EX
53789PA0070004	Healthy Benefits HMO 2000.0 EX
53789PA0080001	Healthy Benefits Value HMO 4750.50 EX
53789PA0080002	Healthy Benefits Value HMO 0.50 EX
53789PA0080003	Healthy Benefits Value HMO 500.0 EX
53789PA0080005	Healthy Benefits Value HMO 0.50 EX
53789PA0080006	Healthy Benefits Value HMO 500.0 EX
53789PA0080007	Healthy Benefits Value HMO 4750.50 EX
53789PA0080008	Healthy Benefits Value HMO 0.50 EX
53789PA0080009	Healthy Benefits Value HMO 500.0 EX
53789PA0080010	Healthy Benefits Value HMO 2000.0 EX
53789PA0080011	Healthy Benefits Value HMO 2000.0 EX
53789PA0080012	Healthy Benefits Value HMO 2000.0 EX
53789PA0090001	Healthy Benefits HMO 0 . 0
53789PA0090002	Healthy Benefits HMO 6000 . 0
53789PA0090003	Healthy Benefits HMO 0 . 0 PD
53789PA0090005	Healthy Benefits HMO 1000.0 PD . Rx $250
53789PA0090006	Healthy Benefits HMO 1000.0 PD . Rx $0
53789PA0090007	Gold HMO 2000/0/30 Rx 250
53789PA0090008	Healthy Benefits HMO 2000.0 PD . Rx $0
53789PA0090009	Healthy Benefits HMO 3000.0 PD . Rx $250
53789PA0090010	Healthy Benefits HMO 3000.0 PD . Rx $0
53789PA0090011	Silver HMO 4000/0/35 Rx 250
53789PA0090012	Healthy Benefits HMO 4000.0 PD . Rx $0

Adjust Base Experience Period to Base Plan

	Medical	Rx	Total
Expected Claim PMPM in Rating Period	245.20	53.85	299.05
Adjustment to Base Plan			1.00
Adjustment for Induced Demand			1.00
Expected Claim Base Plan			299.05

Rate Development by Benefit Option	Off-Exchange
Level of Coverage	**Bronze**
Plan Name:	**Bronze HMO 7000/0/60**
Market Adjusted Index Rate	603.58
AV and Cost-Sharing Adjustment	
W Embedded Ped Dental	
Combined	0.57
Provider Network	1.000
Induced Demand	1.000
Plan Pricing Relativities:	
Deductible Combined	Y
HRA	N
Manual PMPM	238.75
Medical Manual Relativity	1.000
Pricing Relativity	1.000
Medical Projected Claims PMPM	299.05
Medical + Rx Projected Claims PMPM + Market Level Adjustments:	
Combined	341.92
Retention	
Admin PMPM	$38.32
Broker PMPM	$19.35
Patient-Centered Outcomes Research Trust Fund:	$0.20
HRA Admin Fee	$0.00
Member OOP and Ways to Save	$0.25
Value-Based Benefits	$1.25
BCBSA Identity Theft	$0.02
Premium Tax	0.0%
Federal Income Tax	0.7%
Contingency	2.0%
Insurer Tax	3.8%
Premium Neutrality	1.58
Medical + Rx Premium Single Rate:	
Combined	$272.30
Pediatric Dental - High PMPM	$2.74
Pediatric Vision PMPM	$0.37
Medical + Rx + Pediatric Premium Single Rate:	
With Embedded Pediatric Dental:	
Combined	$275.41
Tobacco Adjustment	1.00
Plan Adjusted Index Rates	
With Embedded Pediatric Dental:	
Combined	$434.13
Average Per Member Per Month Rate (Including Dental and Vision) and including Average Rating Factor	$434.13
Expected Member Distribution	100.0%
Relativity Checks	
Claims	1.00
Premium	1.00
Admin	$59.89
Combined	14%
Taxes	
Combined	4.6%

Benefit Plans

#	Combo Description	Plan ID	On/Off Exchange	Metal Level	Metal Value	Pricing Value	Induced Demand	Average Plan Adj Index Rate	Q1 Plan Adj Index Rate	Q2 Plan Adj Index Rate	Q3 Plan Adj Index Rate	Q4 Plan Adj Index Rate	Annual Trend Medical & Rx
								449.97	431.95				
1	Bronze HMO 7000/0/60	53789PA0090004	Off Exchange	Bronze	61.5%	57.3%	1.00	$449.97	$431.95	$441.43	$451.12	$461.03	9.07%

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Calibration

Expected Average Age Factor:	1.524
Expected Average Region Factor:	1.03
Cumulative Rating Factors (Premium Neutrality):	1.576

Age Factors

Age	Distribution of Poplulation	Age Factor
0-14	13.9%	0.7650
15	1.2%	0.8330
16	1.1%	0.8590
17	1.2%	0.8850
18	1.2%	0.9130
19	1.3%	0.9410
20	1.3%	0.9700
21	1.4%	1.0000
22	1.5%	1.0000
23	1.4%	1.0000
24	1.4%	1.0000
25	1.6%	1.0040
26	1.6%	1.0240
27	1.5%	1.0480
28	1.6%	1.0870
29	1.6%	1.1190
30	1.6%	1.1350
31	1.6%	1.1590
32	1.6%	1.1830
33	1.6%	1.1980
34	1.6%	1.2140
35	1.6%	1.2220
36	1.5%	1.2300
37	1.6%	1.2380
38	1.6%	1.2460
39	1.6%	1.2620
40	1.7%	1.2780
41	1.5%	1.3020
42	1.6%	1.3250
43	1.7%	1.3570
44	1.6%	1.3970
45	1.8%	1.4440
46	2.0%	1.5000
47	1.9%	1.5630
48	1.8%	1.6350
49	2.0%	1.7060
50	2.0%	1.7860
51	2.0%	1.8650
52	2.3%	1.9520
53	2.2%	2.0400
54	2.2%	2.1350
55	2.2%	2.2300
56	2.2%	2.3330
57	2.2%	2.4370
58	2.2%	2.5480
59	2.2%	2.6030
60	2.1%	2.7140
61	1.9%	2.8100
62	1.8%	2.8730
63	1.6%	2.9520
64+	2.7%	3.0000

Region Factors

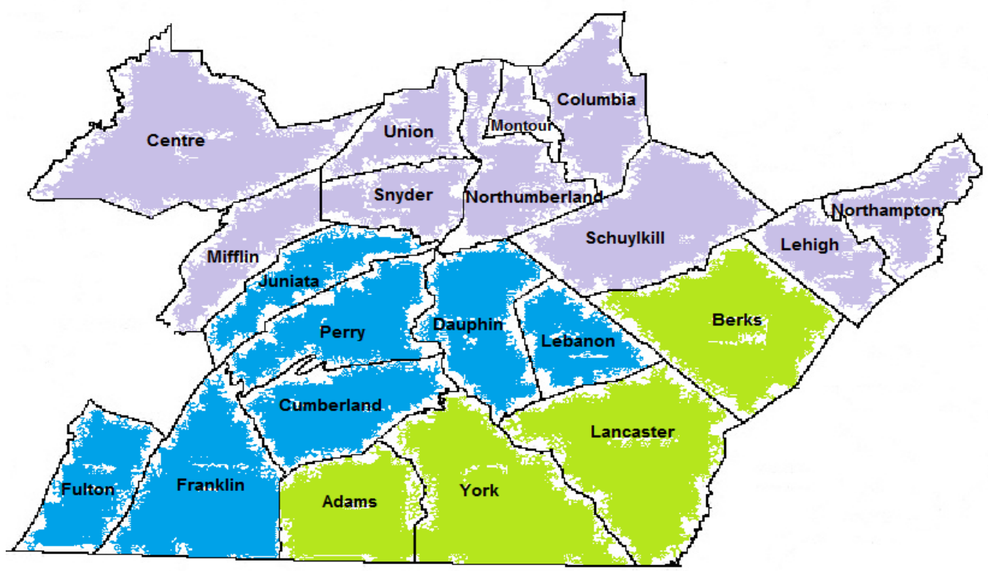
Region	Distribution of Population	Factor
6	31.9%	1.00
7	40.8%	1.03
9	27.3%	1.08

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Rating Factors

Age Factors

Age	Premium Ratio	Age	Premium Ratio	Age	Premium Ratio
0-14	0.765	24	1.000	34	1.214
15	0.833	25	1.004	35	1.222
16	0.859	26	1.024	36	1.230
17	0.885	27	1.048	37	1.238
18	0.913	28	1.087	38	1.246
19	0.941	29	1.119	39	1.262
20	0.970	30	1.135	40	1.278
21	1.000	31	1.159	41	1.302
22	1.000	32	1.183	42	1.325
23	1.000	33	1.198	43	1.357

Region



							Benefit Plans											Base Rates						Base Rates						Base Rates						Base Rates					
																		1/1/2018 - 3/31/2018						4/1/2018 - 6/30/2018						7/1/2018 - 9/30/2018						10/1/2018 - 12/31/2018				Annual Trend	
#	Combo Description	Projected Membership	Prod MM	New or Existing	Product ID	Plan ID	On/Off Exchange	Metal Level	Metal Value	Pricing Value	Induced Demand	Product	Medical Plan Description	Deductible	Drug Plan Desc	Pediatric Dental	Pediatric Vision	Medical + Rx	Medical	Rx	Pediatric Dental	Pediatric Vision	Total	Medical + Rx	Pediatric Dental	Pediatric Vision	Total	Medical + Rx	Pediatric Dental	Pediatric Vision	Total	Medical + Rx	Pediatric Dental	Pediatric Vision	Total	Medical + Rx	Pediatric Dental	Pediatric Vision	Total	Medical & Rx	Dental & Vision
1	Bronze HMO 7000/0/60	100.0%	1,836	Renewing	53708PA009	53708PA0090004	Off Exchange	Bronze	61.5%	57.3%	1.00	HMO	Bronze HMO 7000/0/60	0	0	Embedded	Embedded	$270.91	$222.15	$46.76	$2.74	$0.37	$274.02	$276.91	$2.76	$0.37	$280.04	$283.03	$2.78	$0.37	$286.18	$289.29	$2.80	$0.37	$292.46	9.07%	3.0%

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Regional Analysis

Results

Region	DemoUnits	MemberMonths	AdjustedPaid	AllowedAmount	Adjusted Allowed	Allowed PMPM	Demo	Relative Demo	Normalized Allowed	Relative Value Normalized	**Rating Factor**
6	368,356	296,531	90,261,766	107,236,316	116,957,368	394.42	1.2422	1.00	393.16	-3.2%	**1.00**
7	362,378	294,970	89,289,240	107,114,203	118,932,154	403.20	1.2285	0.99	406.39	0.1%	**1.03**
9	248,747	199,516	64,263,901	75,473,210	85,405,208	428.06	1.2468	1.01	425.14	4.7%	**1.08**
						406.18	1.24	1.00	406.16	0.0%	

Data - Claims and Enrollment for 12 Months Ending December 2016 and Hospital and Physician Contracting thru 2018

Total	979,481	791,017	243,814,906	289,823,729	1.11	321,294,730	366.39	1.2383	1.00	405.98	
R[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Terminated Products/Plans

HIOS	Description
53789PA0070002	Healthy Benefits HMO 0.50 EX
53789PA0070003	Healthy Benefits HMO 500.0 EX
53789PA0070004	Healthy Benefits HMO 2000.0 EX
53789PA0080001	Healthy Benefits Value HMO 4750.50 EX
53789PA0080002	Healthy Benefits Value HMO 0.50 EX
53789PA0080003	Healthy Benefits Value HMO 500.0 EX
53789PA0080005	Healthy Benefits Value HMO 0.50 EX
53789PA0080006	Healthy Benefits Value HMO 500.0 EX
53789PA0080007	Healthy Benefits Value HMO 4750.50 EX
53789PA0080008	Healthy Benefits Value HMO 0.50 EX
53789PA0080009	Healthy Benefits Value HMO 500.0 EX
53789PA0080010	Healthy Benefits Value HMO 2000.0 EX
53789PA0080011	Healthy Benefits Value HMO 2000.0 EX
53789PA0080012	Healthy Benefits Value HMO 2000.0 EX
53789PA0090001	Healthy Benefits HMO 0 . 0
53789PA0090002	Healthy Benefits HMO 6000 . 0
53789PA0090003	Healthy Benefits HMO 0 . 0 PD
53789PA0090005	Healthy Benefits HMO 1000.0 PD . Rx $250
53789PA0090006	Healthy Benefits HMO 1000.0 PD . Rx $0
53789PA0090007	Gold HMO 2000/0/30 Rx 250
53789PA0090008	Healthy Benefits HMO 2000.0 PD . Rx $0
53789PA0090009	Healthy Benefits HMO 3000.0 PD . Rx $250
53789PA0090010	Healthy Benefits HMO 3000.0 PD . Rx $0
53789PA0090011	Silver HMO 4000/0/35 Rx 250
53789PA0090012	Healthy Benefits HMO 4000.0 PD . Rx $0

PA Rate Template Part I
Data Relevant to the Rate Filing

Table 0. Identifying Information

Carrier Name:	Keystone Health Plan Central		
Product(s):	HMO		
Market Segment:	Small Group		
Rate Effective Date:	1/1/2018	to	12/31/2018
Base Period Start Date	1/1/2016	to	12/31/2016
Date of Most Recent Membership	2/1/2017		

Table 1. Number of Members

	Member-months	Members	Member-months
	Experience Period	**Current Period (as of 02-01-2017)**	**Projected Rating Period**
Average Age	39	38	38
Total	10,699	965	11,580
<18	1,403	130	1,560
18-24	935	83	996
25-29	942	74	888
30-34	969	96	1152
35-39	1,041	90	1080
40-44	981	89	1068
45-49	975	92	1104
50-54	1,074	104	1248
55-59	1,113	112	1344
60-63	877	81	972
64+	389	14	168

*Tables 1, 2 and 4 must include data for all non-grandfathered business (ACA compliant and Transitional)

Table 2. Experience Period Claims and Premiums

Earned Premium	Paid Claims	Ultimate Incurred Claims	Member Months	Estimated Cost Sharing (Member & HHS)	Allowed Claims (Non-Capitated)	Non-EHB portion of Allowed Claims	Total Prescription Drug Rebates*	Total EHB Capitation	Total Non-EHB Capitation	Estimated Risk Adjustment	Estimated Reinsurance Recoveries
$ 4,440,652.52	$ 2,833,343.39	$ 2,912,881.94	10,699	$ 712,086.12	$ 3,624,968.06	$ -	$ (17,275.17)	$ 189,558.80	$ -	$ (941,621.98)	$ -
Experience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)											**$ 354.92**
Loss Ratio											**88.17%**

**Express Prescription Drug Rebates as a negative number*

Table 3. Trend Components

Service Category	Cost*	Utilization*	Induced Demand*	Composite URRT Trend **	Weight*
Inpatient Hospital	8.38%	-0.50%	0.00%	7.84%	20.56%
Outpatient Hospital	7.81%	1.00%	0.00%	8.89%	34.95%
Professional	5.62%	1.00%	0.00%	6.67%	24.53%
Other Medical	7.81%	1.00%	0.00%	8.89%	2.57%
Capitation				3.00%	0.05%
Prescription Drugs	12.60%	1.55%	0.00%	14.34%	17.34%
Total Annual Trend				9.07%	100.00%
Months of Trend				24	
Total Applied Trend Projection Factor				1.190	

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

*** Should = URRT Trend*

Table 4. Historical Experience

Month-Year	Total Annual Premium	Incurred Claims	Completion Factors*	Ultimate Incurred Claims	Members	Ultimate Incurred PMPM	Estimated Annual Cost Sharing (Member + HHS)	Prescription Drug Rebates**	Allowed Claims (Net of Prescription Drug Rebates)	Allowed PMPM
Jan-14		$ 874,939.65	1.0000	$ 874,939.60	3,090	$ 283.15		$ -	$ 1,002,872.01	$ 324.55
Feb-14		$ 919,802.63	1.0000	$ 919,802.58	3,044	$ 302.17		$ (211.48)	$ 1,029,945.45	$ 338.35
Mar-14		$ 1,072,147.38	1.0000	$ 1,072,147.38	2,946	$ 363.93		$ (227.93)	$ 1,206,502.72	$ 409.54
Apr-14		$ 793,151.61	1.0000	$ 793,151.56	2,709	$ 292.78		$ 52.86	$ 893,784.11	$ 329.93
May-14		$ 772,983.88	1.0000	$ 772,983.84	2,637	$ 293.13		$ (68.95)	$ 869,044.77	$ 329.56
Jun-14		$ 780,909.27	1.0000	$ 780,909.26	2,440	$ 320.04		$ (381.31)	$ 866,142.30	$ 354.98
Jul-14		$ 538,041.46	1.0000	$ 538,041.49	2,292	$ 234.75		$ (380.49)	$ 608,998.75	$ 265.71
Aug-14		$ 752,358.22	1.0000	$ 752,358.29	2,183	$ 344.64		$ (744.09)	$ 825,247.77	$ 378.03
Sep-14		$ 628,530.41	1.0000	$ 628,544.54	2,048	$ 306.91		$ (1,836.21)	$ 696,432.36	$ 340.05
Oct-14		$ 650,991.13	1.0000	$ 651,022.50	1,925	$ 338.19		$ (394.98)	$ 721,280.17	$ 374.69
Nov-14		$ 534,970.73	0.9999	$ 534,999.06	1,913	$ 279.66		$ (464.48)	$ 599,243.77	$ 313.25
Dec-14	$ 12,453,923.63	$ 477,180.58	0.9999	$ 477,213.47	1,651	$ 289.05	$ 1,066,424.48	$ (708.34)	$ 537,678.47	$ 325.67
Jan-15		$ 480,834.73	0.9998	$ 480,953.64	1,641	$ 293.09		$ (357.78)	$ 546,422.10	$ 332.98
Feb-15		$ 459,398.77	0.9997	$ 459,514.35	1,644	$ 279.51		$ (232.22)	$ 517,248.24	$ 314.63
Mar-15		$ 727,618.22	0.9996	$ 727,907.04	1,629	$ 446.84		$ (1,757.07)	$ 794,216.44	$ 487.55
Apr-15		$ 611,478.74	0.9995	$ 611,757.96	1,613	$ 379.27		$ (14,263.99)	$ 671,038.84	$ 416.02
May-15		$ 421,183.37	0.9800	$ 429,789.20	1,565	$ 274.63		$ (13,956.96)	$ 468,812.85	$ 299.56
Jun-15		$ 749,360.90	0.9994	$ 749,812.21	1,543	$ 485.94		$ (1,958.90)	$ 804,374.83	$ 521.31
Jul-15		$ 558,108.16	0.9992	$ 558,536.71	1,497	$ 373.10		$ (789.72)	$ 623,749.80	$ 416.67
Aug-15		$ 422,934.35	0.9991	$ 423,305.51	1,472	$ 287.57		$ (17.36)	$ 466,093.52	$ 316.64
Sep-15		$ 780,868.60	0.9989	$ 781,752.34	1,386	$ 564.03		$ (1,791.58)	$ 821,793.76	$ 592.92
Oct-15		$ 457,167.17	0.9984	$ 457,880.61	1,194	$ 383.48		$ (292.31)	$ 493,179.55	$ 413.05
Nov-15		$ 504,547.17	0.9858	$ 511,822.96	1,200	$ 426.52		$ (146.64)	$ 563,618.10	$ 469.68
Dec-15	$ 7,925,694.01	$ 674,176.34	0.9971	$ 676,163.91	982	$ 688.56	$ 647,753.97	$ (2,466.43)	$ 708,371.42	$ 721.36
Jan-16		$ 155,882.72	0.9232	$ 168,857.78	924	$ 182.75		$ (835.25)	$ 214,500.22	$ 232.14
Feb-16		$ 150,182.49	0.9977	$ 150,530.42	857	$ 175.65		$ (831.31)	$ 185,209.05	$ 216.11
Mar-16		$ 286,990.73	0.9969	$ 287,878.43	877	$ 328.25		$ (3,548.03)	$ 351,572.82	$ 400.88
Apr-16		$ 309,930.88	0.9957	$ 311,267.99	909	$ 342.43		$ (2,724.36)	$ 355,813.69	$ 391.43
May-16		$ 251,433.86	0.9950	$ 252,688.96	936	$ 269.97		$ (872.44)	$ 304,331.24	$ 325.14
Jun-16		$ 184,196.48	0.9927	$ 185,546.03	939	$ 197.60		$ (952.51)	$ 221,910.59	$ 236.33
Jul-16		$ 293,715.89	0.9908	$ 296,435.17	999	$ 296.73		$ (1,014.74)	$ 347,711.64	$ 348.06
Aug-16		$ 173,013.77	0.9777	$ 176,952.92	882	$ 200.63		$ (672.11)	$ 218,421.96	$ 247.64
Sep-16		$ 330,341.50	0.9826	$ 336,205.69	798	$ 421.31		$ (826.14)	$ 378,782.80	$ 474.67
Oct-16		$ 227,824.03	0.9296	$ 245,084.94	796	$ 307.90		$ (866.92)	$ 298,084.64	$ 374.48
Nov-16		$ 181,135.15	0.9643	$ 187,847.06	819	$ 229.36		$ (1,382.59)	$ 236,625.02	$ 288.92
Dec-16	$ 4,440,652.52	$ 288,695.89	0.9206	$ 313,586.54	963	$ 325.64	$ 604,934.72	$ (2,748.77)	$ 387,577.81	$ 402.47

** Express Completion Factor as a percentage*

Carrier Name:	Keystone Health Plan Central
Product(s):	HMO
Market Segment:	Small Group
Rate Effective Date:	1/1/2018

Table 2b. Manual Experience Period Claims and Premiums

Earned Premium	Paid Claims	Ultimate Incurred Claims	Member Months	Estimated Cost Sharing (Member & HHS)	Allowed Claims (Non-Capitated)	Non-EHB portion of Allowed Claims	Total Prescription Drug Rebates*	Total EHB Capitation	Total Non-EHB Capitation	Estimated Risk Adjustment	Estimated Reinsurance Recoveries
$ 360,791,806.18	$ 298,000,968.33	$ 305,592,314.31	738,516	$ 58,936,659.89	$ 364,528,974.21	$ -	$ (5,941,800.96)	$ 189,558.80	$ -	$ (5,263,307.16)	$ -
Experience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)											**$ 485.81**
Loss Ratio											**84.34%**

**Express Prescription Drug Rebates as a negative number*

Table 3b. Manual Trend Components

Service Category	Cost*	Utilization*	Induced Utilization*	Composite URRT Trend**	Weight*
Inpatient Hospital	8.38%	-0.50%	0.00%	7.84%	20.56%
Outpatient Hospital	7.81%	1.00%	0.00%	8.89%	34.95%
Professional	5.62%	1.00%	0.00%	6.67%	24.53%
Other Medical	7.81%	1.00%	0.00%	8.89%	2.57%
Capitation				3.00%	0.05%
Prescription Drugs	12.60%	1.55%	0.00%	14.34%	17.34%
Total Annual Trend				9.07%	100.00%
Months of Trend				24	
Total Applied Trend Projection Factor				1.190	

** Express Cost, Utilization, Induced Utilization and Weight as percentages*
*** Should = URRT Trend*

Table 4b. Historical Manual Experience

Month-Year	Total Annual Premium	Incurred Claims	Completion Factors*	Ultimate Incurred Claims	Members	Ultimate Incurred PMPM	Estimated Annual Cost Sharing (Member + HHS)	Prescription Drug Rebates**	Allowed Claims (Net of Prescription Drug Rebates)	Allowed PMPM
Jan-14		$ 23,464,713.20	1.0000	$ 23,464,712.33	62,867	$ 373.24		$ (611,410.55)	$ 27,757,568.45	$ 441.53
Feb-14		$ 22,649,721.43	1.0000	$ 22,649,720.15	62,937	$ 359.88		$ (198,253.09)	$ 26,349,225.42	$ 418.66
Mar-14		$ 23,324,209.84	1.0000	$ 23,324,209.93	61,857	$ 377.07		$ (217,679.18)	$ 27,346,998.01	$ 442.10
Apr-14		$ 22,767,300.74	1.0000	$ 22,767,299.97	60,471	$ 376.50		$ (352,901.21)	$ 26,327,073.66	$ 435.37
May-14		$ 22,641,058.54	1.0000	$ 22,641,057.78	58,729	$ 385.52		$ (367,831.75)	$ 25,899,531.75	$ 441.00
Jun-14		$ 21,038,632.83	1.0000	$ 21,038,631.96	57,356	$ 366.81		$ (338,516.75)	$ 24,052,299.53	$ 419.35
Jul-14		$ 21,876,240.76	1.0000	$ 21,876,241.68	55,850	$ 391.70		$ (388,471.12)	$ 24,857,067.45	$ 445.07
Aug-14		$ 19,808,901.51	1.0000	$ 19,808,902.65	54,979	$ 360.30		$ (418,529.23)	$ 22,551,102.08	$ 410.18
Sep-14		$ 21,026,586.17	1.0000	$ 21,026,974.64	53,810	$ 390.76		$ (393,499.49)	$ 23,711,460.76	$ 440.65
Oct-14		$ 22,987,939.00	1.0000	$ 22,988,877.05	51,944	$ 442.57		$ (421,737.68)	$ 25,824,124.39	$ 497.15
Nov-14		$ 21,585,564.45	1.0000	$ 21,586,533.34	51,114	$ 422.32		$ (376,990.49)	$ 23,873,644.73	$ 467.07
Dec-14	$ 300,494,261.72	$ 18,173,201.64	0.9999	$ 18,174,201.32	47,224	$ 384.85	$ 42,695,742.66	$ (388,553.80)	$ 21,018,634.88	$ 445.08
Jan-15		$ 16,155,218.40	0.9998	$ 16,158,423.77	44,817	$ 360.54		$ (409,966.16)	$ 19,331,723.89	$ 431.35
Feb-15		$ 15,539,882.83	0.9998	$ 15,543,030.65	44,264	$ 351.14		$ (376,295.32)	$ 18,328,812.61	$ 414.08
Mar-15		$ 19,424,071.27	0.9997	$ 19,430,704.66	43,721	$ 444.42		$ (379,739.98)	$ 22,189,528.60	$ 507.53
Apr-15		$ 18,498,294.66	0.9996	$ 18,505,408.76	43,507	$ 425.34		$ (439,185.67)	$ 21,079,528.24	$ 484.51
May-15		$ 16,892,696.23	0.9828	$ 17,187,527.86	43,437	$ 395.69		$ (420,938.82)	$ 19,545,199.94	$ 449.97
Jun-15		$ 17,329,245.08	0.9995	$ 17,337,549.18	43,224	$ 401.11		$ (421,261.71)	$ 19,740,400.32	$ 456.70
Jul-15		$ 17,407,362.79	0.9994	$ 17,417,938.74	43,011	$ 404.96		$ (550,635.44)	$ 19,621,944.18	$ 456.21
Aug-15		$ 17,145,624.37	0.9993	$ 17,157,636.17	42,831	$ 400.59		$ (481,463.61)	$ 19,270,281.32	$ 449.91
Sep-15		$ 17,603,786.03	0.9991	$ 17,619,910.09	42,860	$ 411.10		$ (465,593.62)	$ 19,770,192.61	$ 461.27
Oct-15		$ 18,241,183.93	0.9987	$ 18,264,309.74	43,749	$ 417.48		$ (513,974.68)	$ 20,786,005.68	$ 475.12
Nov-15		$ 17,710,668.64	0.9884	$ 17,918,629.36	44,439	$ 403.22		$ (517,781.07)	$ 20,160,656.01	$ 453.67
Dec-15	$ 265,808,945.96	$ 19,886,285.10	0.9977	$ 19,932,808.58	52,484	$ 379.79	$ 36,398,754.96	$ (601,767.26)	$ 23,469,755.78	$ 447.18
Jan-16		$ 19,479,488.07	0.9357	$ 20,818,051.25	55,879	$ 372.56		$ (585,531.04)	$ 25,614,990.29	$ 458.40
Feb-16		$ 20,911,851.88	0.9981	$ 20,951,926.47	56,414	$ 371.40		$ (673,570.70)	$ 25,154,866.63	$ 445.90
Mar-16		$ 26,508,690.70	0.9974	$ 26,577,915.11	57,341	$ 463.51		$ (750,649.25)	$ 30,912,342.04	$ 539.10
Apr-16		$ 23,236,592.01	0.9964	$ 23,319,691.15	58,555	$ 398.25		$ (695,379.95)	$ 27,126,750.53	$ 463.27
May-16		$ 24,172,934.66	0.9959	$ 24,273,275.50	60,132	$ 403.67		$ (603,308.56)	$ 28,133,783.27	$ 467.87
Jun-16		$ 25,509,283.49	0.9937	$ 25,670,009.88	61,716	$ 415.94		$ (723,037.56)	$ 29,466,384.56	$ 477.45
Jul-16		$ 24,434,294.76	0.9923	$ 24,625,082.40	62,242	$ 395.63		$ (385,516.05)	$ 28,337,132.48	$ 455.27
Aug-16		$ 28,626,445.70	0.9795	$ 29,225,437.00	62,546	$ 467.26		$ (437,954.16)	$ 33,435,719.22	$ 534.58
Sep-16		$ 26,459,719.15	0.9850	$ 26,863,845.69	63,515	$ 422.95		$ (375,095.25)	$ 30,899,677.36	$ 486.49
Oct-16		$ 25,974,680.32	0.9372	$ 27,714,472.37	64,710	$ 428.29		$ (238,625.36)	$ 32,414,029.03	$ 500.91
Nov-16		$ 27,153,978.74	0.9671	$ 28,077,653.29	65,714	$ 427.27		$ (233,943.42)	$ 32,663,698.40	$ 497.06
Dec-16	$ 360,791,806.18	$ 26,168,528.43	0.9306	$ 28,119,324.35	69,752	$ 403.13	$ 58,132,011.70	$ (239,189.66)	$ 34,267,521.39	$ 491.28

** Express Completion Factor as a percentage*

PA Rate Template Part II

Rate Development and Change

Carrier Name:	**Keystone Health Plan Central**
Product(s):	**HMO**
Market Segment:	**Small Group**
Rate Effective Date:	**1/1/2018**

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

Development of the Projected Index Rate	Actual Experience Data	Manual Data	
Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates) PMPM	$ 354.92	$ 485.81	<- Actual Experience PMPM should be consistent with the Index Rate for Experience Period on URRT
Two year trend projection Factor	1.190	1.190	
Unadjusted Projected Allowed EHB Claims PMPM	$ 422.23	$ 577.95	
Single Risk Pool Adjustment Factors			
Change in Morbidity	1.000	1.000	<- See URRT Instructions
Change in Other	0.905	0.915	
Change in Demographics	1.000	1.000	<- See URRT Instructions
Change in Network	1.000	0.965	<- See URRT Instructions
Change in Benefits	0.900	0.943	<- See URRT Instructions
Change in Other	1.005	1.005	<- See URRT Instructions
Total Adjusted Projected Allowed EHB Claims PMPM	$ 381.91	$ 528.76	
Credibidility Factors	0%	100%	<- See Instructions
Blended Projected EHB Claims PMPM		**$ 528.76**	**<- Projected Index Rate**
Development of the Market-Adjusted Index Rate and Total Allowed Claims			
Adjusted Projected Allowed EHB Claims PMPM	$ 528.76	<- Index Rate for Projection Period on URRT - Individual or First Quarter Small Group	
Adjusted Projected Allowed EHB Claims PMPM [will only populate for small group filings]	$ 550.81	<- Index Rate for Projection Period on URRT - Small Group	
Projected Paid to Allowed Ratio	0.573	<- Paid to Allowed Average Factor in Projection Period on URRT	
Projected Paid EHB Claims PMPM	$ 315.56		
Market-wide Adjustments			
Projected Risk Adjustment PMPM	$ (42.86)		
Projected Paid Exchange User Fees PMPM	$ -		
Market-Adjusted Projected Paid EHB Claims PMPM	$ 358.42		
Market-Adjusted Projected Allowed EHB Claims PMPM	$ 625.63	<- Market-Adjusted Index Rate	
Projected Allowed Non-EHB Claims PMPM	$ -		
Market-Adjusted Projected Paid Total Claims PMPM	$ 358.42		
Market-Adjusted Projected Allowed Total Claims PMPM	$ 625.63		

For Informational Purposes only - No input required.

Blended Base Period Unadjusted Claims before Normalization	$ 485.81	**<- Index Rate of Experience Period on URRT**
Blended Earned Premium	**$ 360,791,806.18**	
Blended Loss Ratio	**84.34%**	

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

Effective Date	1/1/2018	4/1/2018	7/1/2018	10/1/2018	Total Single Risk Pool
# of Member Months Renewing in Quarter	241,620	106,884	111,996	465,108	925,608
Adjusted Projected Allowed EHB Claims PMPM Q1	$ 528.76	$ 528.76	$ 528.76	$ 528.76	$ 528.76
Months of Trend	-	3	6	9	
Annual Trend	9.07%	9.07%	9.07%	9.07%	
Single Risk Pool Projected Allowed Claims	$ 528.76	$ 540.36	$ 552.22	$ 564.34	$ 550.81
Quarterly Trend Factor	100.0%	102.2%	104.4%	106.7%	104.2%
2018 Trend Factors by Quarter	0.959951872	0.981019657	1.002549811	1.024552481	

Table 6. Retention

Retention Items - *Express in percentages*	
Administrative Expenses	13.79%
General and Claims	8.98%
Agent/Broker Fees and Commissions	4.46%
Quality Improvement Initiatives	0.35%
Taxes and Fees	4.55%
PCORI Fees (Enter $ amount here: $____0.20_____)	0.05%
Pa Premium Tax (if applicable)	0.00%
Federal Income Tax	0.70%
Health Insurance Providers Fee	3.80%
Profit/Contingency (after tax)	2.00%
Total Retention	20.35%
Projected Required Revenue PMPM	$ 449.97 <- **Single Pool Gross Premium Avg. Rate, PMPM on URRT**

Table 7. Normalized Market-Adjusted Projected Allowed Total Claims

Normalization Factors	2017	2018
Average Age Factor	1.479	1.524
Average Geographic Factor	1.001	1.034
Average Tobacco Factor	1.000	1.000
Average Benefit Richness (induced demand)	1.000	1.000
Average Network Factor	1.000	1.000
Market-Adjusted Projected Allowed Total Claims PMPM	$ 585.61	$ 625.63
Normalized Market-Adjusted Projected Allowed Total Claims PMPM	$ 395.43	$ 396.90

Table 8. Components of Rate Change

Rate Components	2017	2018	Difference	Percent Change
A. Calibrated Plan Adjusted Index Rate (PMPM)	329.598719	285.4556506	-$44.14	-13.4%
B. Base period allowed claims before normalization	$ 485.30	$ 485.81	$0.51	0%
C. Normalization factor component of change	$ (157.61)	-177.6170371	-$20.01	-$0.06
D. Change in Normalized Allowed Claims Adjustment Components				
D1. Base period allowed claims after normalization	$ 327.69	$ 308.19	$ (19.50)	-6%
D2. URRT Trend	$ 51.07	$ 58.45	$ 7.39	2%
D3. URRT Morbidity	$ -	$ -	$ -	0%
D4. URRT Other	$ (7.68)	$ (31.21)	$ (23.53)	-7%
D5. Normalized URRT RA/RI on an allowed basis	-13.99542546	47.46514928	$ 61.46	19%
D6. Normalized Exchange User Fee on an allowed basis	$ -	$ -	$ -	0%
D7. Subtotal - Sum(D1:D6)	$ 357.08	$ 382.90	$ 25.82	8%
E. Change in Allowable Plan Adjusted Level Components				
E1. Network	$ -	0	$ -	0%
E2. Pricing AV	$ (102.59)	$ (163.54)	$ (60.95)	-18%
E3. Benefit Richness	$ -	$ -	$ -	0%
E4. Catastrophic Eligibility	$ -	$ -	$ -	0%
E5. Subtotal - Sum(E1:E4)	$ (102.59)	$ (163.54)	$ (60.95)	-18%
F. Change in Retention Components				
F1. Administrative Expenses	$ 42.76	$ 39.38	$ (3.38)	-1%
F2. Taxes and Fees	$ 11.31	$ 12.99	$ 1.68	1%
F3. Profit and/or Contingency	$ -	$ 5.71	$ 5.71	2%
F4. Subtotal - Sum(F1:F3)	$ 54.07	$ 58.08	$ 4.01	1%
G. Change in Miscellaneous Items			$ -	0%
H. Sum of Components of Rate Change (should approximate the change shown in line A)	$ 308.56	$ 277.44	$ (31.12)	-9%

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

	2017	2018	
Paid-to-Allowed	0.734	0.573	
URRT Trend (Total Applied Trend Factor)	1.156	1.190	<- URRT W1, S2
URRT Morbidity	1.000	1.000	<- URRT W1, S2
URRT "Other"	0.980	0.915	<- URRT W1, S2
Risk Adjustment	$ (15.21)	$ 42.86	<- URRT W1, S3
Exchange User Fee	$ -	$ -	<- URRT W1, S3
Capitation	$ 0.27	$ 0.26	<- URRT W1, S2
Network	1.000	1.000	
Pricing AV	0.713	0.573	
Benefit Richness	1.000	1.000	
Catastrophic Eligibility	1.000	1.000	
Administrative Expenses	12.97%	13.79%	
Taxes and Fees	3.43%	4.55%	
Profit and/or Contingency	0.00%	2.00%	

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Q&A Exhibit 2

Total Medical - Trend Model and Market Adjustments

		2017	2018	Average
		8%	**8%**	**8%**

Commerical Medical Trend

Cost	Total	5.3%	4.7%	5.0%
	Facility	5.9%	5.7%	5.8%
	Professional	4.0%	2.7%	3.4%
Utilization		0.6%	0.6%	0.6%

Total Drug- Trend Model and Market Adjustments

	2017	2018	Average
	14%	**15%**	**14%**

Commercial Drug Trend

Cost	12.2%	13.0%	12.6%
Utilization	1.4%	1.7%	1.6%

Adjustment Specific to Market Segment

Induced Utilization	0.0%	0.0%	0.0%
Leveraging (Applied Medical Only)	1.1%	1.1%	1.1%
Intensity (Applied Medical Only)	1.1%	1.1%	1.1%

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Q&A Exhibit 2a

Capital BlueCross Monthly Medical Trend Report

Capital BlueCross Monthly Medical Trend Report

For 12 Month Periods Ended

Small Group Total

	12 Months Ended:			% Change	
Allowed PMPM	201705	201605	201505	2017/2016	2016/2015
Inpatient	$ 104.38	$ 90.70	$ 92.20	15.1%	-1.6%
Outpatient	173.52	157.72	150.67	10.0%	4.7%
Professional	125.63	121.79	118.62	3.1%	2.7%
Medical Total	**$ 403.53**	**$ 370.22**	**$ 361.50**	9.0%	2.4%
Non-Specialty Drug	61.47	60.53	57.73	1.5%	4.9%
Specialty Drug	32.68	30.45	27.84	7.3%	9.4%
Pharmacy Total	**$ 94.14**	**$ 90.97**	**$ 85.57**	3.5%	6.3%
Grand Total	**$ 497.67**	**$ 461.19**	**$ 447.06**	7.9%	3.2%
Incurred/Paid PMPM					
Inpatient	$ 101.15	$ 87.49	$ 89.49	15.6%	-2.2%
Outpatient	141.59	129.27	125.93	9.5%	2.7%
Professional	92.97	90.67	90.54	2.5%	0.1%
Medical Total	**$ 335.70**	**$ 307.43**	**$ 305.96**	9.2%	0.5%
Non-Specialty Drug	47.15	45.33	41.44	4.0%	9.4%
Specialty Drug	31.44	29.53	27.03	6.5%	9.2%
Pharmacy Total	**$ 78.59**	**$ 74.86**	**$ 68.47**	5.0%	9.3%
Grand Total	**$ 414.30**	**$ 382.29**	**$ 374.43**	8.4%	2.1%
Utilization Metrics					
Admissions/1000 Members	63.9	63.9	65.8	0.0%	-2.9%
Average Length of Stay	4.76	4.55	4.75	4.7%	-4.2%
Days/1000 Members	304	291	312	4.7%	-7.0%
Outpatient Visits/1000 Members	2,346	2,311	2,323	1.6%	-0.5%
Professional Visits/1000 Members	8,819	8,716	8,823	1.2%	-1.2%
Non-Specialty Prescriptions PMPY	10.81	10.99	11.05	-1.6%	-0.6%
Specialty Prescriptions PMPY	0.068	0.064	0.084	6.8%	-24.2%
Unit Cost (Allowed)					
Cost per Inpatient Admission	$ 19,609.28	$ 17,035.95	$ 16,813.69	15.1%	1.3%
Cost per Outpatient Visit	887.46	819.15	778.44	8.3%	5.2%
Cost per Professional Visit	170.94	167.68	161.33	1.9%	3.9%
Cost per Non-Specilaty Prescription	68.21	66.11	62.70	3.2%	5.4%
Cost per Specialty Prescription	5,771.74	5,744.26	3,979.03	0.5%	44.4%
Unit Cost (Incurred/Paid)					
Cost per Inpatient Admission	$ 19,002.03	$ 16,433.16	$ 16,318.82	15.6%	0.7%
Cost per Outpatient Visit	724.14	671.37	650.60	7.9%	3.2%
Cost per Professional Visit	126.49	124.84	123.14	1.3%	1.4%
Cost per Non-Specilaty Prescription	52.32	49.51	45.01	5.7%	10.0%
Cost per Specialty Prescription	5,554.04	5,571.62	3,863.43	-0.3%	44.2%

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Q&A Exhibit 3

Plan ID	Metal Level	Projected Membership	Projected Allowed Claims	Projected Paid Claims	Paid to Allowed Factor	Average Tobacco Factor	AV and Cost Sharing Factor	(8)/(6*7) Induced Utilization
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
53789PA0090004	Bronze	1,836	1,445,776	828,853	0.57	1.000	0.57	1.00
Total		1,836	1,445,776	828,853	0.57	1.00	0.57	1.00

KEYSTONE HEALTH PLAN CENTRAL, INC.

Question and Answer
Small Group Rates
Effective January 1, 2018

With this response, please find corresponding Q&A Exhibits in "SG_17-39_Initial_KHP_HMO_Q&AExhibits_Supporting_20170626.xlsm"

Question 1. As we discussed, please revise the PA AM and all supporting documents as well as the SERFF Rate/Rule Schedule tab to show the average and range of rate increase from Table 10 as directed in the 2018 Guidance.

Answer 1. I have revised the Actuarial Memo and all supporting documents to use Table 10.

Question 2. Worksheet II cell G29 of the URR shows a projected product rate increase of 15.44% while Tables 11 shows 17.8%. Please reconcile.

Answer 2. I have updated Worksheet II with a correction to the annual increase, but it now shows 14.9%. For the small group market, Worksheet II projected product increase will not match Table 11. This is because Table 11 measures January 2018 over January 2017 rate increase, while the URRT measures member-weighted average by renewal quarter 2018 over 2017. Because KHPC filed a rate increase Q3 2017 and Q4 2017, the average 2018 over 2017 rate change is less than the January 2018 over January 2017 rate change.

Question 3. Please review the mapping directions on pages 12 – 13 of the Department 2018 Rate Guidance and update Table 10 columns AG – AO, as necessary. When revising, please remain cognizant that the total covered lives in cell V15 must equal Table 1 cell D18. If the mapping is correct, please explain why Table 10 cell V15 is not equivalent to Table 1 Cell D18.

Answer 3. I have updated Table 10 to include Include 2016 plans discontinued in 2017, but still have membership as of 2/1/17. Because these members are not mapped on Table 10, cell V15 does not match Table 1. But Table 10, cell AP15 does match Table 1.

Question 4. The Rate/Rule Schedule tab in SERFF shows 619 as the number of policy holders, rate change request summary and Table 1 cell D18 shows 965, and Table 10 cell V15 shows 141. These numbers should all be the same. Be advised that the 2018 Guidance, consistent with the 2017 guidance, states that the policy holders in the Rate/Rule Schedule tab should show data for the number of covered lives. Please review and revise for consistency.

Answer 4. The Rate/Rule Schedule tab previously used subscribers as policyholders. As requested, this has been updated to reflect covered lives and matches Table 1.

Question 5. The cover letter indicates off exchange while other documents show on/off exchange. Please review and revise for consistency.

Answer 5. I have updated all memos and exhibits to show off-exchange only.

Question 6. Please confirm that you have tested to ensure that the PID rate exhibits the Federal rates template included in this filing and the binder are the same.

Answer 6. I confirm that I have tested to ensure the PID rate exhibits and the federal rates template included in this filing and the binder are the same.

Question 7. Does data in Tables 2 and 4 include transitional business? If so, please provide total claims amount, the total premium and the number of transitional members.

Answer 7. Tables 2 and 4 do include transitional business. Please see Q&A Exhibit 1 for the requested data.

Question 8. Please provide the quantitative development of the trend factors shown in Exhibit E for Cost and Utilization.

Answer 8. Pricing trend data is found in Q&A Exhibit 2. Trend is calculated using:

- Vendor Physician Cost Model
- Internal Hospital Contracting Model
- Internal Prescription Drug Trend Model
- Medical utilization estimates reviewed by CBC's Chief Medical Officer

The medical cost models use best estimates of Capital BlueCross (CBC)'s future contracting increases with physicians and hospitals. The models use cost estimates based on varying contract effective dates by physician and hospital. All facilities and providers are considered in this modeling effort (i.e. acute and non-acute, network and non-network, inpatient and outpatient, in- area and out-of-area). From there, a monthly anticipated cost (assuming static utilization) summary is produced which can be used in projecting future claims costs. Cost trends are determined at the CBC book of business level for all commercial business.

Contracting increases are adjusted for the following factors:

- Intensity: Intensity is defined as the amount of inputs used to provide each unit of service. This is the measure of additional trend for technological changes, moving from less to more expensive treatments (i.e. shift from x-rays to MRIs or more expensive pharmaceutical drug treatments).
- Leveraging: The trend model is based on allowed cost increases. Paid claims trend at a higher rate than allowed due to leveraging. Leveraging is the impact of static cost-share, such as deductibles, to the paid trend. Leveraging can be seen in historical trend reports as described below and see in Exhibit 2a (difference between incurred and allowed trends).

Utilization trend also takes into account the historical data. Please refer to Q&A Exhibit 2a for small group (CAAC, KHPC, and CAIC combined) trend summary.

The Prescription Drug model considers the following trend components:

- Price Inflation
- Contract Pricing
- Member Cost-Sharing
- Units per Script
- Brand/Generic Mix
- Therapeutic Mix
- Cost per Script
- Utilization

Question 9. Please explain why there is no induced utilization factor included in the utilization trend while there is one included in the individual filing.

Answer 9. Induced utilization is CBC's best estimate for increased utilization in the individual market due to unknown future regulatory changes. CBC predicts that consumers will use more services in 2018 due to unknown coverage status in 2019. CBC does not expect this same behavior in the small group market, as small employers are likely to continue to offer similar coverage even with regulatory changes.

Question 10. Please provide the development and explain the purpose of the 1.289 factor shown in the other projection factor in the URRT for "Other Medical" in Exhibit F.

Answer 10. 1.289 factor in "Other Medical" is to adjust the base data to include pediatric dental and vision claims. Due to data constraints, the pediatric dental and vision claims are not included in the base data. Pediatric dental and vision is underwritten by CAAC, but embedded with medical/Rx products underwritten by CAAC, CAIC, and KHPC. Because of this, data is difficult to allocate to each company. I hope to be able to provide this data split by company in the near future. But for this filing the rate development is performed as follows:

- Pediatric Dental: The pediatric dental calculation is taken directly from CAAC Stand-Alone Dental Filing CABC-130539624. The per-child-per month rate from the filing is converted to a PMPM in an embedded plan, since every member pays, but only children receive the benefit.
- Pediatric Vision: Rating begins with starting cost and utilization by procedure code. Separate in-network and out-of-network cost and utilization are used in the rating methodology. Starting cost and utilization are then adjusted based on the selected plan designs. Utilization is adjusted based on the chosen benefit period (12 months), copay, and the maximum allowance levels. Starting cost is adjusted based on copays, coinsurance, and maximums. Final cost per service is calculated as the minimum of the max for that service category and the starting cost, minus the copay, and multiplied by the coinsurance. The per-child-per-month rate is converted to a PMPM in an embedded plan, since every member pays, but only children receive the benefit.

- Please note that this factor is an estimate of allowed claims. Incurred claims are estimated separately as described in the above bullets. The "Other Medical" factor in the URRT only impacts the allowed calculation, which ultimately impacts the paid-to-allowed ratio. Premiums are not impacted.

Question 11. Please explain why there is no adjustment for the distribution of transitional policies when projecting the paid claims in Exhibit G, as page 12 of the Actuarial Memorandum states transitional policies are part of the single risk pool experience.

Answer 11. The impact of transitional policies differs significantly from the individual to the small group market. Transitional small group members do not have significantly different experience than ACA (net risk adjustment). This is because both transitional and ACA members have typically been covered by health insurance. Coverage gaps in the individual market are a significant driver to increased utilization (pent-up demand) and cost (conditions worsening from lack of treatment over uninsured period). Coverage gaps are more likely to occur with individual ACA members than small group ACA members. New small employers did not enter the market after the ACA, instead, the small group population has remained fairly stable. So while small group transitional members may be slightly healthier than small group ACA members, risk adjustment should account for these differences, and small group ACA members do not have the same cost drivers such as pent-up demand and worsening conditions due to being uninsured. Given these factors, I did not make an explicit adjustment for transitional members.

Question 12. Please provide an explanation for the development of the plan Total PMPM amounts on the "PMPM" tab.

Answer 12. The amounts in the PMPM column of the PMPM tab are from CAAC's actuarial cost model. CAAC 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.

The Final PMPMs are adjusted for market reasons. Adjustments were made in order to create premium relativities similar to 2017. Competitors have wider pricing relativities than CBC's actuarial cost model would indicate. Because of competitive pressure in the small group market, CBC has widened the deductible pricing slope to give less credit for low deductibles and more credit for higher deductibles. Please also note that CBC applies admin on a PMPM basis instead of as a flat percent of premium. This drive up the cost of low-cost, high-deductible plans as a flat percent of premium would drive up costs of high-premium, low deductible plans and drive

down the cost of low-premium, high-deductible plans. So adjustments to manual cost mitigate that impact.

Question 13. Please explain the development of the Benefit Mix Adjustment shown in Exhibit D. Specifically, please provide the source for the Medical PMPM of $386.40.

Answer 13. CAAC 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. This actuarial cost model derives a Manual Cost for each benefit design in the experience period. The member-month weighted average of the Manual Cost PMPMs equals "Average Manual Claim PMPM in Experience Period".

Question 14. Please answer the following questions about the development of the risk adjustment transfer amount shown in Exhibit K:

a. How was the statewide premium increase of 12% per year determined?
b. Please provide the justification for using the statewide average premium in calculating the risk adjustment percentage instead of Capital's own average premium.
c. How are you accounting for the 2018 risk adjustment calculation change to remove the impact of administrative expenses? In other words, where is the adjustment to reduce the statewide average premium by 14%?
d. Please explain and provide the development for the 2.0% adjustment for transitional movement to ACA.
e. Please explain and provide the development for the 2.0% adjustment for market improvement in coding.

Answer 14.

a. The 12% average annual premium increase, is intended to represent anticipated increases due to allowance trend of roughly 5% - 8%, leveraging of roughly 3% - 5%, and the impact of continued migration of transitional policies into the ACA market. Since the aggregate 12% is truly an unknown, as it is impacted by things outside of CBC control, the estimate delivered was reviewed for reasonability and was deemed appropriate.
b. Since the statewide average premiums are normalized for AV of the state, then carrier specific AV applied back to get to an AV adjusted carrier premium, there is a need for an estimate of both the statewide AV as well as the carrier specific AV. Speculating that the state AV and the carrier AV are markedly different requires knowledge that we don't currently possess since history is limited. Since at the time of filing 2016 was still unknown, speculating what will occur in 2016, 2017 and ultimately 2018 requires

simplifying assumptions. One of those simplifying assumptions is that the statewide AV, GCF and other complex components of the RA payment transfer formula are identical and remain unchanged.

c. Similar to b) above, there is so much uncertainty in anticipating 2016 RA payment transfers as of the time of filing, exacerbating the difficulty in estimating 2018. While it is reasonable to think that the 14% administrative expense reduction mentioned in statutory guidance will have an impact, all of the moving parts of the RA payment transfer formula along with market and regulatory dynamics make speculation of impact a challenge for industry actuaries. Ultimately, after all of the assumptions are applied to the formula, total net impact was seen to be within a reasonable level of expectation, so the 14% AE was implicit and not explicitly stated.
d. Prior to 2014 payers had initiated a marketing initiative to aid small groups in attaining the lowest rates possible. Ultimately, healthy groups were marketed transitional policies and less healthy groups were marketed ACA policies (since healthy groups would be favorably impacted by disallowing of risk in premium rating). As transitional policies migrate to ACA, the overall health status of the CBC's ACA population will improve, driving up CBC's payment transfer. The amount is ultimately unknown, but it is estimated that it will certainly have an unfavorable impact. 2% was reviewed for reasonability and was deemed appropriate.
e. Internal coding represents the fact that CBC's ACA book of business has had a churn rate that makes a multi-year perspective of member diagnosis and risk very challenging. The churn rate for SG business is upwards of 30%. Since risk adjustment, closing gaps in care and coding, and a myriad of other risk adjustment functions require more than a single year of data to facilitate an accurate depiction of risk, it is believe that CBC is disadvantaged in the market. The amount is ultimately unknown, but it is estimated that it will have an unfavorable impact. 2% was reviewed for reasonability and was deemed appropriate.

Question 15. Please explain why only four discontinued plans are shown in the "III Plan Rates" exhibit but Exhibit R shows 25 terminated plans.

Answer 15. The terminated plans on Exhibit R are transitional plans. I have updated Table 10 to include a line for transitional plans.

Question 16. Please indicate if the pricing AV shown in Exhibit L, row 23, includes induced demand.

a. If induced utilization is included, please provide the induced utilization amount for each plan as well as an explanation about how the amount was determined.
b. If induced utilization is not included, please provide an explanation for where in the rate calculation it is included and an explanation about how the amount was determined.

Answer 16. The pricing AV on Exhibit L, row 23 does not include induced demand. For the small group market, induced utilization is only added to platinum plans, as other metal levels do drive over-utilization like is seen in the individual market.

Question 17. On page 14 of the 2018 Guidance, the department requested data regarding the development of the Pricing Avs in Table 10. Please provide this data in Excel.

Answer 17. Please see Q&A Exhibit 3 for the data requested.

Question 18. In Table 14, you have proposed changes to your geographic factors for rating areas 7 and 9. Please provide analysis of the data in exhibit Q in your supporting Excel exhibits. Explain and show the development of columns C, E, F, G and J in this exhibit. Additionally:

a. Please provide an explanation for what "Demo Units" represent and how they are calculated.
b. Please provide an explanation for how the impact of morbidity differences between regions was removed when developing the geographic factors.
c. Please provide information on the development of the Contracted Increase values; specifically the wide variance of the factors even within a region.
d. Please provide additional explanation around the magnitude and direction of the geographic factor changes as compared with the 2017 factors.

Answer 18. CMS has approved nine geographical rating areas (GRA) in the state of Pennsylvania. CAAC operates in a 21-county area of Pennsylvania, encompassing three of the nine defined regions. CAAC performed regional analysis to quantify the cost difference between the three regions in our service area. The analysis gathered allowed claims for the 2016 calendar year by region, normalized for demographics/risk. Demographics were normalized by gathering demo-units for the CY 2016. Demo-units are Milliman Health Cost Guidelines demographic factors x member-months. So demo-units divided by member-months is the average demographic factor in this population. The 2016 experience was adjusted for future contracting changes in order to project results to 2018. We then compared the claim cost for each of the three regions, and calculated cost differentials between the regions, mostly due to differences in hospital contracting between regions.

a) Demo-units are Milliman Health Cost Guidelines demographic factors x member-months. So demo-units divided by member-months is the average demographic factor in this population.
b) In credible populations, normalizing for demographics is synonymous with normalizing for risk/morbidity. The claim PMPMS by county are normalized for demographics.
c) The contracted increases come from CBC's provider contracting area. Provider contacting provides actuarial with contracted hospital and physician increases in 2017 and 2018. These increases are used to adjust claims by county from the 2016 base experience period to the 2018 projection period. The calculation is found in Q&A Exhibits 4a-4c.
    a. Exhibit 4a: Summary of increases two-year contracted increases by hospital, also summarized by county.
        i. Note that Hershey hospital contracted increase of 18% was mitigated to 10% in order mitigate further adverse impact to region 9. Hershey handles severe cases and patients come from all regions to be treated, so the cost is distributed across all regions.
    b. Exhibit 4b: Provider contracting IP hospital contracting increases by month

c. Exhibit 4c: Provider contracting OP hospital contracting increases by month
d. For this exercise, professional contracting increases were assumed to be the same across all providers/counties.

d) CBC has seen a change in the experience attributed to region 9 as well as future contracted increases in relation to region 6 and 7. Pinnacle accounts for a large portion of region 9 claims and their 2-year contracted increase of 21% is significant in comparison to the average.

Question 19. Page 16 of the PA AM reference Exhibits Q1 and Q2 but are not provided. Please provide if relevant to this filing. If not, please remove this language from the actuarial memorandum.

Answer 19. I have updated the PA AM to remove language around Exhibits Q1 and Q2.

Question 20. In the supporting Excel exhibits, Exhibit A and A1 lists plan designs which are not proposed in 2018. Please update this exhibit as well as the actuarial memorandum.

Answer 20. I have updated Exhibit A and A1 to only include one plan offered by KHPC in 2018.

Question 21. Table 6, cell B54, indicates the PCORI fee is $018. The 2018 PCORI pmpm amount should be $0.20 or $0.21. Please revise. Also review the percent of premium in cell C54 to ensure the yielding amount is consistent with $0.20.

Answer 21. I have updated PCORI fee to $0.20 and revised the percent of premium in Table 6.

Question 22. Table 6 cell C63 indicates the Single Risk Pool pmpm is $449.78, while the Single risk pool in the URRT in cell V43 indicates $435.67. Please reconcile.

Answer 22. For the small group market, Table 6 Single Risk Pool PMPM will not match URRT cell V43. This is because Table 6 uses a quarterly trended amount, while the URRT uses Q1 amount.

Question 23. The administrative expense load shown in Table 6 is 13.46% while the URRT indicates 13.75%. Please reconcile.

Answer 23. I have updated the URRT administrative expense load to match Table 6.

Question 24. Modify PA AM to include the average age factor. Also include the associated age according to the CMS default curve. Please note Table 1 should show the SRP true average age unlike the calibrated average age.

Answer 24. I have updated the PA AM, Calibration section, to include the average age factor and the associated average age according to the CMS age curve.

Question 25. Show development of the federal income tax in cell C56 of Table 6.

Answer 25. The federal income tax is estimated to be 35 percent of the 2 percent risk/contingency, or 35% x 2% = 0.7%.

Question 26. The change in the "Other" factor in cell D16 in Table 5 is .915 while the pmpm weighted average calculated in the URRT .919. Please explain.

Answer 26. The PMPM weighted average is an estimate, but is not precise. The Other factor is equal to
[Blended Projected EHB PMPM] / [Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates) PMPM] / [Two year trend projection Factor] / [Morbidity Factor] = 0.915.

Question 27. Please show the development of the Health Insurance Industry Fee of 3.8% as shown in Table 6 cell C57.

Answer 27. CBC's finance department estimated our 2016 HIF fee to be 3.62%. The HIF assessment has risen from $11.3 billion in 2016 to $14.3 billion in 2018 (25% increase). If premiums, on average, have risen 20% in 2 years, the assessment needs to increase 5%. CBC trended the 3.62% at 4% over two years to arrive at 3.78%. The same 2018 HIF percentage is applied in rate development across all market segments.

But for the small group market only, for groups renewing starting in Q2 2018, a portion of their HIF assessment will be at the 2019 level. For this reason, the assessment is trended at 3% in 2019 and the final 2018 filing assessment is the member-weighted average by renewal quarter.

Question 28. In the taxes in fees section, number 5, of the PA AM you indicate that State Income Tax is included. Please remove and update all necessary documents and tables.

Answer 28. State income tax was not included in the rates. I have removed this bullet from the PA AM.

Question 29. Please show the development of the average commission and circumstances in which broker commissions will be paid and if they will vary based on geographic location, metal level, plan, open enrollment vs SEP enrollment, etc. Additionally, the current and 2018 broker agreements should be included and used to develop the percent shown in Table 6 as well as the associated pmpm.

Answer 29. Brokers are paid the same commission rate for all geographic locations, enrollment dates, and metal levels. The broker commission applied in rating is taken directly from CBC's Finance Department's line of business report for small group YTD 2017. The 2018 broker commission schedule is yet to be finalized. Attached please find the 1/1/2017 copy of the broker agreement – redacted version. Files are as follows:

a. Redacted Agent Agreement: "SG_17-39_Initial_KHP_HMO_BrokerRedacted_Supporting_20170626.pdf"

b. Redacted Preferred Producer Master Agreement: "SG_17-39_Initial_KHP_HMO_PPMABrokerRedacted_Supporting_20170626.pdf"

If you have any further questions regarding this filing, please call me at [redacted] (or via email at [redacted]. Thank you for your assistance in this matter.

Sincerely,

[redacted]

[redacted], ASA, MAAA
Manager, Actuarial Services
Capital BlueCross

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Q&A Exhibit 1

Capital BlueCross Monthly Medical Trend Report

Capital BlueCross Monthly Medical Trend Report

For 12 Month Periods Ended

Small Group Total

	12 Months Ended:			% Change	
Allowed PMPM	201705	201605	201505	2017/2016	2016/2015
Inpatient	$ 104.38	$ 90.70	$ 92.20	15.1%	-1.6%
Outpatient	173.52	157.72	150.67	10.0%	4.7%
Professional	125.63	121.79	118.62	3.1%	2.7%
Medical Total	**$ 403.53**	**$ 370.22**	**$ 361.50**	9.0%	2.4%
Non-Specialty Dru	61.47	60.53	57.73	1.5%	4.9%
Specialty Drug	32.68	30.45	27.84	7.3%	9.4%
Pharmacy Total	**$ 94.14**	**$ 90.97**	**$ 85.57**	3.5%	6.3%
Grand Total	**$ 497.67**	**$ 461.19**	**$ 447.06**	7.9%	3.2%
Incurred/Paid PMPM					
Inpatient	$ 101.15	$ 87.49	$ 89.49	15.6%	-2.2%
Outpatient	141.59	129.27	125.93	9.5%	2.7%
Professional	92.97	90.67	90.54	2.5%	0.1%
Medical Total	**$ 335.70**	**$ 307.43**	**$ 305.96**	9.2%	0.5%
Non-Specialty Dru	47.15	45.33	41.44	4.0%	9.4%
Specialty Drug	31.44	29.53	27.03	6.5%	9.2%
Pharmacy Total	**$ 78.59**	**$ 74.86**	**$ 68.47**	5.0%	9.3%
Grand Total	**$ 414.30**	**$ 382.29**	**$ 374.43**	8.4%	2.1%

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Q&A Exhibit 2

Without Adjustment for Pediatric Dental and Vision

	Experience Period				Adj't. from Experience to Projection Period		Annualized Trend Factors		Projections		
		Allowed									
Benefit Category	Utilization Description	Utilization per 1,000	Average Cost/Service	PMPM	Pop'l risk Morbidity	Other	Cost	Util	Utilization per 1,000	Average Cost/Service	PMPM
Other Medical	Services	422.19	354.61	12.48	1.000	1.005	1.078	1.010	430.68	414.24	14.87

With Adjustment for Pediatric Dental and Vision

	Experience Period				Adj't. from Experience to Projection Period		Annualized Trend Factors		Projections		
		Allowed									
Benefit Category	Utilization Description	Utilization per 1,000	Average Cost/Service	PMPM	Pop'l risk Morbidity	Other	Cost	Util	Utilization per 1,000	Average Cost/Service	PMPM
Other Medical	Services	422.19	354.61	12.48	1.000	1.289	1.078	1.010	430.68	531.47	19.07

Estimated Allowed PMPM	4.21
Estimated Incurred PMPM	3.87

Pediatric Dental Rate Development *

Total Annual Claims	280.44
Value of Deductible	19.64
Value of OOP	68.43
Dominion Annual Claims	192.37
Monthly Claims	16.03
Adverse Selection	0.143
Risk Adjusted Claims per Child	18.32
% of Members Age 0-18 **	18.7%
Projected Claims PMPM	**$3.42**

* Claim details are found in 2018 Stand-Alone Dental Filing CABC-131022099
** From Small Group data

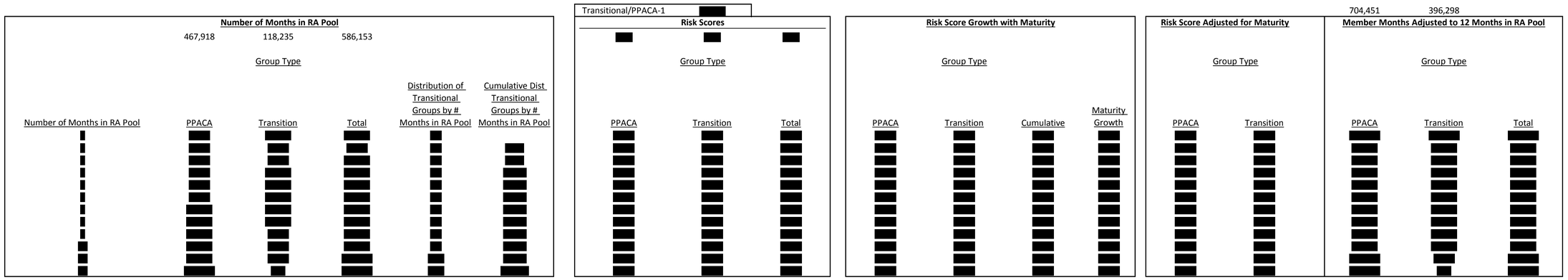
Pediatric Vision Rate Development *

	Claim Cost per Child per Month	
Category	In-Network	OON
Exam	$ 1.35	$ 0.04
Contact Lens Eval/Fitting	$ -	$ -
Frame	$ 0.41	$ 0.05
Eyeglass Lenses	$ 0.81	$ 0.05
Contact Lenses	$ 0.58	$ 0.02
Lens Option	$ -	$ -
Value Added Benefits	$ 0.00	$ -
Value of Combined Max	$ 0.00	
Total	$ 3.15	$ 0.16
CBC Adjustment	72%	0.72
Voluntary Adjustment	45%	1.00
Low Vision Aid Adj		1.00
Estimated Claims Cost per Child		$2.38
% of Members Age 0-18 **		18.7%
Projected Claims PMPM		**$0.44**

* From CBC's internal vision quote model
** From Small Group data

Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Q&A Exhibit 3

Results	PPACA	Transitional	Total
2016 Risk Score	1.59	1.10	1.49
Adjusted for Transitional Migration	1.64	1.06	1.43
Impact to Risk Score			-4.1%



Keystone Health Plan Central
Small Group Rates
Effective 1/1/2018
Q&A Exhibit 4

			Reinsurance			Individual RA			Small Group RA		
Company Name	HIOS ID	STATE	2014	2015	2016	2014	2015	2016	2014	2015	2016
Aetna Health Inc. (a PA corp.)	64844	PA	$1,280,386	$6,956,216	$12,886,104	-$1,144,737	-$25,852,345	-$31,760,033	-$3,059,493	-$1,628,025	-$5,577,918
Aetna HealthAssurance Pennsylvania, Inc.	18939	PA	$0	$0	$0	$0	$0	$0	$0	$0	-$4,892,978
Aetna Life Insurance Company	33906	PA	$2,951,626	$4,645,171	$0	-$67,222	-$9,332,073	-$64	-$382,153	-$361,487	-$835,762
Capital Advantage Assurance Company	45127	PA	$276,428	$4,544,340	$13,180,606	$395,777	$6,863,660	$13,226,705	$5,977,678	-$3,297,708	-$6,125,098
Capital Advantage Insurance Company CAIC	82795	PA	$4,230,863	$0	$0	$3,395,486	$0	-$52,068	-$38,117	$84,422	-$140,667
Celtic Insurance Company	10842	PA	$0	$0	$0	-$6,141	-$2,443	$0	$0	$0	$0
Coventry Health and Life Insurance Co.	16072	PA	$0	$0	$0	$0	$0	$0	$0	-$101,342	-$104,427
Federated Mutual Insurance Company	80148	PA	$0	$0	$0	$0	$0	$0	-$405,353	-$2,549,616	-$2,016,941
First Priority Life Insurance Company, Inc.	55957	PA	$19,949,106	$22,703,971	$10,257,016	$585,146	-$3,237,217	-$6,653,750	$1,050,495	-$305,361	$3,259,788
Geisinger Health Plan	22444	PA	$14,765,963	$9,309,344	$5,014,141	$1,759,835	$11,417,707	$2,695,563	-$6,627,592	-$2,139,259	-$2,263,960
Geisinger Quality Options	75729	PA	$2,772,467	$1,545,945	$2,364,122	$490,533	$1,142,253	$7,409,434	-$2,827,499	-$1,613,340	-$584,164
HealthAmerica Pennsylvania, Inc.	91303	PA	$2,150,141	$2,390,671	$0		-$2,527,672	$0	$0	$0	$0
HealthAssurance PA, Inc	93838	PA	$0	$0	$0	$0	$0	$0	-$1,641,283	-$58,719	-$4,558,706
Highmark Benefits Group Inc.	79962	PA	$0	$0	$0	$0	$0	$0	$0	-$984,207	$989,557
Highmark Coverage Advantage Inc.	79279	PA	$0	$0	$0	$0	$0	$0	$0	$220,268	$165,131
Highmark Health Insurance Company	70194	PA	$59,657,177	$37,247,106	$19,268,231	$42,359,592	$51,852,280	$49,750,020	$5,446,786	$777,889	-$437,220
Highmark Inc.	33709	PA	$97,340,297	$106,751,487	$8,120,536	-$44,238,595	-$46,784,130	-$3,929,580	-$4,503,418	-$7,096,865	-$2,657,962
Highmark Select Resources Inc.	36247	PA	$0	$0	$5,266,381	$0	$0	$3,930,304	$0	$0	$0
Independence Blue Cross (QCC Ins. Co.)	31609	PA	$67,630,617	$43,116,918	$23,746,837	$50,795,146	$64,851,297	$74,118,153	$13,315,932	$24,985,337	$32,747,626
Inter-County Hospital Plan	48788	PA	$0	$0	$0	$0	$0	$0	-$818,248	-$508,919	-$455,848
John Alden Life Insurance Company	58819	PA	$0	$0	$0	$0	$0	$0	-$78,134	-$101,659	$0
Keystone Health Plan Central	53789	PA	$1,122,657	$1,234,236	$5,430,423	$238,390	$298,017	-$35,510,815	-$78,245	$5,269	-$946,155
Keystone Health Plan East, Inc.	33871	PA	$56,237,854	$49,277,760	$23,860,952	-$61,020,486	-$12,386,831	-$53,397,058	-$7,900,230	-$4,106,694	#########
Keystone Health Plan West	38949	PA	$304,443	$81,905	$0	$223,700	$63,116	$232,540	-$59,934	-$7,981	-$18,946
Time Insurance Company	19068	PA	$4,662,824	$3,983,204	$0	$1,461,480	$3,948,940	$0	-$220,046	-$394,254	$0
UnitedHealthcare Insurance Company	23489	PA	$0	$0	$0	$0	$0	$0	-$2,928,220	-$5,371,432	-$6,368,539
UnitedHealthcare Life Insurance Company	45404	PA	$1,124,050	$1,101,471	$264,047	$798,351	$1,720,001	-$300,893	$0	$0	$0
UnitedHealthcare of Pennsylvania, Inc.	24872	PA	$0	$6,773,389	$3,711,026	$0	-$39,114,322	-$14,547,161	$0	$0	$0
UPMC Health Coverage, Inc.	62560	PA	$2,326,234	$0	$0	$2,366,388	-$11,718	$0	$480,494	-$317,613	-$1,157,499
UPMC Health Network, Inc.	16481	PA	$921,884	$0	$0	$541,632	$0	$0	$1,137,930	-$1,036,677	$0
UPMC Health Options, Inc.	16322	PA	$24,575	$17,827,409	$18,516,908	-$3,587	-$3,105,783	-$5,211,297	$3,575,646	$5,913,428	$12,239,314
UPMC Health Plan, Inc.	52899	PA	$2,040,378	$32,872	$0	$2,322,777	$197,264	$0	$583,004	-$5,456	$0

KEYSTONE HEALTH PLAN CENTRAL, INC.

Question and Answer
Small Group Rates
Effective January 1, 2018

With this response, please find corresponding Q&A Exhibits in "SG_17-39_Initial_KHP_HMO_Q&AExhibits2_Supporting_20170714.xlsm"

Question 1. In response to question #3, please discus why the enrollees in discontinued 2016 plans where not mapped. Page 13 of the guidance indicates, if the 2016 plan has not been continued in 2017, then the 2016 enrollees should be mapped to the 2017 plan that will be offered to them for renewal. Please review and revise or explain. When revising, please remain cognizant that the total covered lives in cell V15 must equal Table 1 cell D18. If the mapping is correct, please explain why Table 10 cell V15 is not equivalent to Table 1 Cell D18.

Answer 1. I have corrected Table 10 to map all of the terminated plans to the Bronze plan offered in 2018. This has changed the rate increase significantly as members are being mapped from Gold and Silver plans to Bronze.

Question 2. The Rate/Rule Schedule tab in SERFF and the rate change request summary shows 965 as the number of covered lives while Table 10 cell V15 shows 159. These numbers should be the same. Please review and revise for consistency.

Answer 2. I have mapped all member to the current Bronze plan, which has resolved the covered lives discrepancy.

Question 3. In response to Answer 8, please provide quantitative support for the leveraging assumption of 1.1% annually considering the projected decrease in the average paid-to-allowed ratio from 2016 to 2018.

Answer 3. Please see Q&A Exhibit 1 for small group total trend data used to estimate adjustments to trend. 2017 over 2016 allowed trend is 8.4% and incurred trend is 7.9% - a difference of 0.5%. 1.1% is only applied to medical trend – making the aggregate leveraging adjustment 0.011 x 0.8 (in general, 80% of cost is medical) = 0.9%. We can assume that benefits play a role in reducing the difference between allowed and incurred trend (incurred trends include benefit differences while allowed trend does a better job of netting out those differences). It is reasonable to assume that benefits could be netted out of the incurred trend to make up the additional 0.4% needed to support leveraging of 0.9% (aggregate medical + Rx).

Please note that the difference in paid-to-allowed ratio between 2016 and 2018 is accounted for separately (outside of trend) in rate development. Differences in benefits between the BEP and projection period are handled in the Exhibit D (Benefit Mix). This calculation measures the

average manual cost in the BEP and the projected manual cost in the projection period and adjusts claim projections accordingly.

Question 4. Please reconcile the 1.289 "Other Medical" factor described in Answer 10 to the Exhibit C information, which lists the paid claims for pediatric dental and vision to be a combined $4.08. Additionally, show the development of the 1.289 factor.

Answer 4. The other medical factor is applied to the URRT to estimate the allowed pediatric dental and vision amounts. Q&A Exhibit 2 shows the impact of the Other Medical factor. Please note that this factor has no impact on the final rates – it is only an estimate of allowed. Incurred claims used in rating are developed separately.

Please also note with this submission, I have corrected an error made on the pediatric dental and vision projected incurred claims PMPM. The pediatric dental incurred claim PMPM now matches the 2018 CAAC stand-alone pediatric dental filing CABC-131022099. And the pediatric vision projected incurred claims PMPM is updated to correctly adjust for the current distribution of members under age 19. Both calculations are also included in Q&A Exhibit 2.

Question 5. Please answer the following questions about risk adjustment and the responses to Question 14:

a) The 0.860 statewide average premium adjustment is intended to remove administrative costs from the statewide average premium utilized in the risk adjustment transfer calculation. This factor should be included in the calculation as a multiplication to the statewide premium amount as outlined in the 2018 Notice of Benefit and Payment Parameters. Please update your calculation to include this adjustment.
b) Please provide more explanation for the 2.0% adjustment that accounts for "Transitional Movement to ACA." How was it determined that the movement of transitional policies would impact CBC more adversely than the market in total?
c) Please provide more explanation for the 2.0% adjustment that accounts for "Adjustment for Market Improvement in Coding." How was it determined that the churn of small group business would impact CBC more adversely than the market in total?
d) If you wish to make adjustments to the projected RA amount included in this rate submission and the URRT, based on the June 30, 2017 Summary Report on Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers, please do so. Provide narrative and an Excel spreadsheet demonstrating the development and assumptions.

Answer 5.

a) The 0.86 adjustment is now explicitly reflected in the RA projection calculation in Exhibit K. Please note, as explained in the first Q&A Answer 14, the application of 0.86 was implicit to the original calculation as there are numerous moving parts to projecting RA. The projected 2018 statewide average premium is the same as the original submission. In order to explicitly account for the 14% reduction, I made a change to the 2-year expected rate increase. Competitive intelligence shows that small group competitor rates rose about 25% 2017 over 2016. The total 2-year increase assumes premiums will rise 17% 2018 over 2016. The 2-year increase is similar to what is expected in the individual market. A few factors were considered when estimating the increase –

a. The small group product portfolio does not experience the same decreased benefit structure as what is seen in the individual market. In 2017, most carriers stopped offering Platinum plans in the individual market. And each year, cost-share increases within the metal levels. Also, the change in AV range in 2018 from -2%/+2% to -4%/+2% has an impact on the individual market as carriers do not want to have the richest benefits available in that market in order to protect themselves from adverse selection. This change does not have the same impact on the small group market, as carriers generally offer plans based on sales feedback and are not eager to change group benefits.
b. Buy-downs are also not as significant in the small group market, as most groups continue to purchase plans in the Gold metal level range.

b) Please see Q&A Exhibit 3 for data to support the 2% adjustment for transitional policies. The rationale is as follows:
   a. CBC continues to move small group transitional groups into the PPACA pool throughout 2016.
   b. Transitional groups have a significantly lower risk score than PPACA groups.
   c. While 2016 data partially reflects the impact of transitional policies to RA, the full impact is not yet realized. Transitional groups moved risk pools throughout 2016, so many groups did not reside in the PPACA pool for 12 months. In 2018, we would expect each of these groups to have a full 12 months in the PPACA pool, increasing their impact to RA.
   d. Market intelligence has shown that CBC is moving transitional groups to PPACA at a faster rate than competitors, adversely impacting our RA results. CBC has learned that competitors are actively moving low risk groups to small group ASO products, keeping these groups out of the RA risk pool.
   e. Q&A Exhibit 3 shows 2016 small group PPACA and transitional member months and HHS risk score by number of months in PPACA pool.
      i. You can see that transitional groups have a significantly lower risk score than PPACA (1.1 versus 1.59).
      ii. Risk score also grows over time – members with 1 month of data show a risk score approximately 21% lower than members with 12 months of data.
      iii. If we take every PPACA and transitional group and adjust their member months to reflect 12 months in the PPACA pool and adjust the risk score for maturity, the total 2016 risk score changes from 1.49 to 1.43, which is a difference of 4%. 2% was an estimate applied in rating, but we could justify up to 4%.

c) As discussed in our previous response on market improvement in coding, Capital BlueCross is a small plan with limited resources. The industry has commercially available services to improve coding efforts through exhaustive use of data and provider outreach programs. While CBC is engaged in the efforts of accurate, timely submission of RA data, we feel that the industry will outpace CBC in its ability to maximize value. This dynamic is readily apparent by looking at a summary of PA issuers RA payment transfer over time. Not only are large plans able to apply greater resource intensity to the coding gap closure efforts, they are also able to invest in greater analysis through the use

of consulting firms like Wakely and Milliman. Note in Q&A Exhibit 4, for all three years of 2014, 2015 and 2016 that Independence BlueCross was not only in the minority of plans receiving payment transfer in the Small Group and Individual market, but the magnitude of receipt far outpaced other plans. This is due to resource intensity dedicated to gap closure efforts as well as years of history performing the same function in the Medicare Advantage space, which has many similarities to the Commercial market.

d) CBC will not make changes to its projected RA amount based on the June 30, 2017 report.

Question 6. In response to question #15, you indicate that a line was added to Table 10 to show Transitional Plans. This was not done. Please revise.

Answer 6. My response to question 15 was inaccurate, as upon further review, no current members are in HMO transitional plans. Table 10 accurately reflects all current KHP small group membership.

Question 7. The following questions are in response to Answer 18:

a) Please provide an explanation for how the impact of large claims was removed in the development of the geographic factors.
b) Please provide an explanation for how the allowed amounts in Exhibit Q ($290 million), which represent calendar year 2016 data based on your response, compare to the allowed amount in Table 2 ($365 million), which also represent calendar year 2016 data.

Answer 7.

a) Large claims were not removed from the analysis. For this analysis, a credible population was used to compare results across regions (see answer b) below). CBC does not expect large claims to distort cost differences when compiling data at the regional level. Additionally, as was explained in the June Q&A, the analysis tempered the impact of Hershey Medical Center, so not to skew region 9 results, since Hershey is a unique treatment facility that handles high-cost, complicated procedures for patients who reside in all counties. Additionally, large claims drive cost differences between providers, so CBC deemed it appropriate to keep large claims in the analysis.
b) The regional analysis was preformed using CBC's Small Group and MidMarket data. MidMarket is defined as groups with less than 100 employees. The combined market data in Exhibit Q is medical only, while Table 2 is medical and Rx small group data. The combined market data was used to gain credibility at the regional level. Also, these market segments do not experience the same volatility as the individual market, further adding credibility. The factors derived from the calculation are used in all filings in both market segments.

Question 8. Answer 27 indicates that the HIF assessment needs to increase 5% from 2016 to 2018. However, a 4% annual trend (8.16% in total) is applied. Please explain this discrepancy.

Answer 8. The 4 percent trend referenced in June's Q&A is total over 2 year, not annual. 3.62% x 1.05 = 3.8%, slightly higher than 3.78% used in rate development. 3.78% was an

estimate based on premium increases across multiple markets and the 25% increase in HIF assessment between 2016 and 2018.

Question 9. Please provide an itemized build-up of the 8.2% rate change. This will likely include items such as trend, morbidity, and benefit changes.

Answer 9. The components of the rate change are found on Table 8 of PA Rate Template Part II.

Question 10. In response to question 29, you have provided only the redacted 2017 commission schedule. Please provide the unredated agreement and provide the tentative 2018 agreement. Using these schedules please show the development of the average commission used to develop the percent shown in Table 6 as well as the associated pmpm.

Answer 10. The 2018 broker commission schedule is yet to be finalized. CBC does not anticipate any changes to small group broker commissions in 2018. Attached please find the 1/1/2017 copy of the broker agreement – unredacted version. Files are as follows:

a. Agent Agreement: "SG_17-39_Initial_KHP_HMO_Broker_Supporting_CONF_20170714"
b. Preferred Producer Master Agreement: "SG_17-39_Initial_KHP_HMO_PPMABroker_Supporting_CONF_20170714.pdf"

The broker commission applied in rating is taken directly from CBC's Finance Department's line of business report for small group YTD 2017.

Question 11. Please ensure that all revisions are reflected in this resubmission.

Answer 11. I have checked the exhibits and memos for consistency and accuracy, including all revisions noted in this Q&A.

Question 12. Please provide a PDF file for public review (Public Rate Filing PDF) in SERFF to show the updated rate request. The following updated supporting items must be included:

- Cover Letter
- Rate Change Request Summary (Attachment 1)
- Part 1 - Unified Rate Review Template (URRT)
- Part II – Consumer Friendly Justification
- Part III – Federal Actuarial Memorandum (redacted)
- PA Actuarial Memorandum (redacted)
- PA Actuarial Memorandum Rate Exhibits
- PA Plan Design Summary and Rate Tables
- Federal Rates Templates
- Service Area Maps
- Correspondence – Q&A's

Answer 12. I have included the Public Rate Filing PDF with this submission.

If you have any further questions regarding this filing, please call me at [redacted] (or via email at [redacted]. Thank you for your assistance in this matter.

Sincerely,

[redacted]

[redacted], ASA, MAAA
Manager, Actuarial Services
Capital BlueCross

Small Group Insured

Row Labels	Member Months	Demo Factor	Allowed Amount	Allowed PMPM	3 Month Allowed PMPM	12 Month Allowed PMPM	1 Month Allowed Trend	3 Month Allowed Trend	12 Month Allowed Trend	Paid Amount	Paid PMPM	3 Month Paid PMPM	12 Month Paid PMPM	1 Month Paid Trend	3 Month Paid Trend	12 Month Paid Trend
IP, OP, PROF																
201406	108,439	1.197	$36,427,146	$335.92	$352.33	$350.27	-8.68%	-1.42%		$31,019,822	$286.06	$300.22	$297.55	-9.49%	1.43%	
201407	107,287	1.196	$38,530,404	$359.13	$354.34	$350.04	6.91%	1.70%		$32,833,478	$306.03	$302.75	$297.15	6.98%	3.70%	
201408	107,477	1.196	$35,386,302	$329.25	$341.41	$348.45	-8.32%	-5.27%		$30,278,756	$281.72	$291.25	$295.70	-7.94%	-4.44%	
201409	106,222	1.197	$38,735,052	$364.66	$350.96	$350.67	10.76%	-0.39%		$33,331,976	$313.80	$300.46	$297.65	11.38%	0.08%	
201410	104,374	1.195	$41,027,475	$393.08	$362.02	$351.94	7.79%	2.17%		$35,301,022	$338.22	$310.97	$298.79	7.78%	2.72%	
201411	104,076	1.194	$37,535,796	$360.66	$372.76	$354.76	-8.25%	9.18%		$32,848,231	$315.62	$322.50	$301.68	-6.68%	10.73%	
201412	102,270	1.193	$35,824,637	$350.29	$368.14	$357.09	-2.87%	4.90%		$30,059,291	$293.92	$316.07	$302.96	-6.87%	5.19%	
201501	101,044	1.195	$35,218,300	$348.54	$353.23	$354.41	-0.50%	-2.43%		$27,916,352	$276.28	$295.47	$300.20	-6.00%	-4.99%	
201502	100,154	1.196	$37,208,777	$371.52	$356.72	$357.76	6.59%	-4.31%		$31,007,376	$309.60	$293.22	$302.97	12.06%	-9.08%	
201503	100,043	1.197	$38,533,171	$385.17	$368.34	$359.69	3.67%	0.06%		$32,119,587	$321.06	$302.23	$304.66	3.70%	-4.38%	
201504	99,386	1.198	$37,260,067	$374.90	$377.20	$361.50	-2.66%	6.79%	3.91%	$31,206,965	$314.00	$314.88	$305.96	-2.20%	6.57%	3.58%
201505	99,217	1.199	$33,668,163	$339.34	$366.53	$359.16	-9.49%	2.75%	2.74%	$28,336,199	$285.60	$306.93	$303.44	-9.04%	4.67%	2.15%
201506	100,146	1.199	$34,767,905	$347.17	$353.80	$360.23	2.31%	-3.95%	2.84%	$29,226,847	$291.84	$297.14	$304.02	2.19%	-1.68%	2.18%
201507	99,352	1.201	$34,738,209	$349.65	$345.39	$359.47	0.71%	-8.43%	2.69%	$29,236,558	$294.27	$290.58	$303.06	0.83%	-7.72%	1.99%
201508	98,688	1.204	$34,108,779	$345.62	$347.48	$361.02	-1.15%	-5.20%	3.61%	$28,986,036	$293.71	$293.27	$304.19	-0.19%	-4.45%	2.87%
201509	99,112	1.205	$36,397,907	$367.24	$354.18	$361.21	6.25%	0.11%	3.01%	$30,956,052	$312.33	$300.11	$304.01	6.34%	1.00%	2.14%
201510	99,817	1.209	$37,727,900	$377.97	$363.67	$359.83	2.92%	5.29%	2.24%	$31,715,056	$317.73	$307.97	$302.18	1.73%	5.99%	1.13%
201511	100,923	1.209	$36,306,994	$359.75	$368.29	$359.76	-4.82%	5.99%	1.41%	$30,996,306	$307.13	$312.38	$301.43	-3.34%	6.52%	-0.08%
201512	110,518	1.209	$41,075,198	$371.66	$369.82	$361.64	3.31%	4.42%	1.27%	$33,767,676	$305.54	$309.96	$302.44	-0.52%	3.28%	-0.17%
201601	112,322	1.204	$43,813,695	$390.07	$374.34	$365.35	4.95%	2.93%	3.09%	$34,898,236	$310.70	$307.82	$305.37	1.69%	-0.05%	1.72%
201602	112,151	1.205	$41,965,049	$374.18	$378.68	$365.65	-4.07%	2.82%	2.21%	$33,738,742	$300.83	$305.69	$304.61	-3.18%	-2.14%	0.54%
201603	112,709	1.205	$48,405,677	$429.47	$397.96	$369.86	14.78%	7.61%	2.83%	$39,691,446	$352.16	$321.28	$307.60	17.06%	3.65%	0.96%
201604	113,204	1.207	$42,814,736	$378.21	$393.97	$370.22	-11.94%	5.24%	2.41%	$35,246,278	$311.35	$321.47	$307.43	-11.59%	4.43%	0.48%
201605	114,465	1.207	$44,596,585	$389.61	$399.02	$374.36	3.01%	5.37%	4.23%	$37,423,418	$326.94	$330.11	$310.88	5.01%	7.99%	2.45%
201606	115,170	1.208	$44,822,143	$389.18	$385.70	$377.80	-0.11%	-3.08%	4.88%	$37,579,594	$326.30	$321.58	$313.74	-0.20%	0.09%	3.20%
201607	115,109	1.208	$43,238,842	$375.63	$384.80	$379.76	-3.48%	-2.33%	5.64%	$36,630,582	$318.23	$323.82	$315.62	-2.47%	0.73%	4.15%
201608	114,701	1.211	$49,548,869	$431.98	$398.89	$386.85	15.00%	-0.03%	7.15%	$42,339,934	$369.13	$337.85	$321.91	16.00%	2.34%	5.83%
201609	114,993	1.214	$45,926,196	$399.38	$402.30	$389.38	-7.55%	4.30%	7.80%	$38,994,454	$339.10	$342.12	$324.10	-8.14%	6.39%	6.61%
201610	115,509	1.215	$46,615,909	$403.57	$411.62	$391.43	1.05%	6.97%	8.78%	$39,432,214	$341.38	$349.84	$326.04	0.67%	8.04%	7.90%
201611	116,339	1.217	$46,823,406	$402.47	$401.81	$394.71	-0.27%	0.73%	9.72%	$39,829,140	$342.35	$340.95	$328.83	0.29%	0.92%	9.09%
201612	120,879	1.217	$47,033,233	$389.09	$398.25	$396.07	-3.32%	-1.01%	9.52%	$38,287,461	$316.74	$333.26	$329.64	-7.48%	-2.59%	8.99%
201701	113,504	1.216	$45,555,285	$401.35	$397.50	$396.99	3.15%	-3.43%	8.66%	$35,879,543	$316.11	$325.03	$330.07	-0.20%	-7.09%	8.09%
201702	113,374	1.218	$43,444,866	$383.20	$391.17	$397.71	-4.52%	-2.65%	8.77%	$34,918,842	$308.00	$313.68	$330.63	-2.57%	-8.00%	8.54%
201703	112,004	1.220	$50,221,140	$448.39	$410.83	$399.23	17.01%	3.16%	7.94%	$41,214,490	$367.97	$330.54	$331.90	19.47%	-0.82%	7.90%
201704	111,336	1.221	$47,990,926	$431.05	$420.70	$403.53	-3.87%	5.84%	9.00%	$39,861,691	$358.03	$344.49	$335.70	-2.70%	5.99%	9.20%
201705	109,685	1.220	$47,338,015	$431.58	$437.05	$406.93	0.12%	11.73%	8.70%	$37,491,121	$341.81	$356.03	$336.92	-4.53%	13.50%	8.38%

Small Group Insured

Row Labels	Member Months	Demo Factor	Allowed Amount	Allowed PMPM	3 Month Allowed PMPM	12 Month Allowed PMPM	1 Month Allowed Trend	3 Month Allowed Trend	12 Month Allowed Trend	Paid Amount	Paid PMPM	3 Month Paid PMPM	12 Month Paid PMPM	1 Month Paid Trend	3 Month Paid Trend	12 Month Paid Trend
Inpatient																
201406	108,439	1.197	$9,015,896	$83.14	$91.43	$92.01	-20.68%	-7.05%		$8,783,163	$81.00	$89.00	$89.01	-20.66%	-5.38%	
201407	107,287	1.196	$9,519,900	$88.73	$92.29	$90.80	6.72%	0.24%		$9,263,790	$86.35	$89.87	$87.87	6.60%	1.51%	
201408	107,477	1.196	$7,899,906	$73.50	$81.79	$89.49	-17.16%	-13.81%		$7,661,851	$71.29	$79.54	$86.57	-17.44%	-13.40%	
201409	106,222	1.197	$9,966,152	$93.82	$85.32	$90.31	27.65%	-6.69%		$9,707,629	$91.39	$82.97	$87.39	28.20%	-6.77%	
201410	104,374	1.195	$9,498,313	$91.00	$86.03	$90.05	-3.01%	-6.78%		$9,227,439	$88.41	$83.62	$87.17	-3.26%	-6.95%	
201411	104,076	1.194	$10,401,096	$99.94	$94.91	$91.90	9.82%	16.04%		$10,135,201	$97.38	$92.38	$89.01	10.15%	16.14%	
201412	102,270	1.193	$8,407,391	$82.21	$91.10	$91.65	-17.74%	6.78%		$8,081,327	$79.02	$88.32	$88.67	-18.86%	6.45%	
201501	101,044	1.195	$8,513,090	$84.25	$88.88	$89.88	2.49%	3.31%		$8,107,106	$80.23	$85.64	$86.97	1.54%	2.41%	
201502	100,154	1.196	$11,256,978	$112.40	$92.85	$91.10	33.41%	-2.17%		$10,971,427	$109.55	$89.50	$88.31	36.53%	-3.12%	
201503	100,043	1.197	$10,296,750	$102.92	$99.81	$91.80	-8.43%	9.56%		$10,026,085	$100.22	$96.62	$89.12	-8.52%	9.39%	
201504	99,386	1.198	$9,023,005	$90.79	$102.06	$92.20	-11.79%	14.83%	1.45%	$8,740,186	$87.94	$99.26	$89.49	-12.25%	15.91%	1.90%
201505	99,217	1.199	$7,707,920	$77.69	$90.50	$89.93	-14.43%	-2.53%	-2.50%	$7,412,667	$74.71	$87.66	$87.19	-15.04%	-2.06%	-2.24%
201506	100,146	1.199	$8,164,990	$81.53	$83.33	$89.84	4.95%	-16.51%	-2.36%	$7,898,653	$78.87	$80.51	$87.06	5.57%	-16.67%	-2.19%
201507	99,352	1.201	$7,729,363	$77.80	$79.01	$88.96	-4.58%	-22.59%	-2.03%	$7,508,097	$75.57	$76.39	$86.19	-4.18%	-23.04%	-1.91%
201508	98,688	1.204	$8,298,687	$84.09	$81.13	$89.93	8.09%	-10.35%	0.49%	$8,043,481	$81.50	$78.64	$87.13	7.85%	-10.29%	0.65%
201509	99,112	1.205	$8,807,939	$88.87	$83.58	$89.50	5.68%	0.30%	-0.90%	$8,452,959	$85.29	$80.78	$86.60	4.64%	0.34%	-0.90%
201510	99,817	1.209	$8,862,400	$88.79	$87.26	$89.31	-0.09%	10.43%	-0.82%	$8,511,365	$85.27	$84.03	$86.34	-0.02%	9.99%	-0.95%
201511	100,923	1.209	$8,071,369	$79.98	$85.85	$87.61	-9.92%	5.81%	-4.67%	$7,837,211	$77.66	$82.71	$84.65	-8.93%	5.17%	-4.90%
201512	110,518	1.209	$9,464,089	$85.63	$84.81	$87.88	7.08%	1.47%	-4.11%	$9,137,545	$82.68	$81.88	$84.94	6.47%	1.36%	-4.20%
201601	112,322	1.204	$13,106,528	$116.69	$94.64	$90.84	36.26%	8.47%	1.07%	$12,499,597	$111.28	$91.04	$87.76	34.60%	8.34%	0.91%
201602	112,151	1.205	$10,150,695	$90.51	$97.68	$89.05	-22.43%	13.78%	-2.24%	$9,770,147	$87.12	$93.76	$85.93	-21.72%	13.35%	-2.69%
201603	112,709	1.205	$13,462,345	$119.44	$108.90	$90.69	31.97%	28.41%	-1.20%	$13,067,764	$115.94	$104.80	$87.50	33.09%	27.99%	-1.82%
201604	113,204	1.207	$10,286,966	$90.87	$100.28	$90.70	-23.92%	5.95%	-1.63%	$9,936,108	$87.77	$96.95	$87.49	-24.30%	6.49%	-2.23%
201605	114,465	1.207	$11,471,344	$100.22	$103.48	$92.57	10.28%	5.93%	2.94%	$11,158,859	$97.49	$100.37	$89.38	11.07%	7.05%	2.51%
201606	115,170	1.208	$10,472,879	$90.93	$94.01	$93.28	-9.26%	-13.67%	3.83%	$10,104,515	$87.74	$91.00	$90.05	-10.00%	-13.17%	3.44%
201607	115,109	1.208	$11,207,532	$97.36	$96.16	$94.82	7.07%	-4.10%	6.59%	$10,823,966	$94.03	$93.08	$91.51	7.18%	-3.99%	6.17%
201608	114,701	1.211	$14,168,885	$123.53	$103.92	$98.12	26.87%	0.43%	9.10%	$13,757,460	$119.94	$100.54	$94.73	27.55%	0.18%	8.72%
201609	114,993	1.214	$11,970,412	$104.10	$108.31	$99.32	-15.73%	15.21%	10.97%	$11,644,382	$101.26	$105.06	$95.99	-15.57%	15.45%	10.84%
201610	115,509	1.215	$12,808,259	$110.89	$112.83	$101.08	6.52%	17.33%	13.18%	$12,466,931	$107.93	$109.70	$97.80	6.59%	17.86%	13.28%
201611	116,339	1.217	$10,666,753	$91.69	$102.20	$101.84	-17.31%	-1.66%	16.25%	$10,369,587	$89.13	$99.41	$98.55	-17.42%	-1.12%	16.42%
201612	120,879	1.217	$11,095,481	$91.79	$98.01	$102.26	0.11%	-9.51%	16.36%	$10,682,425	$88.37	$95.03	$98.93	-0.85%	-9.55%	16.46%
201701	113,504	1.216	$11,352,367	$100.02	$94.42	$100.90	8.96%	-16.31%	11.08%	$10,884,522	$95.90	$91.06	$97.67	8.51%	-16.99%	11.30%
201702	113,374	1.218	$10,600,342	$93.50	$95.03	$101.14	-6.52%	-7.01%	13.57%	$10,196,724	$89.94	$91.34	$97.90	-6.21%	-8.12%	13.93%
201703	112,004	1.220	$13,830,361	$123.48	$105.59	$101.45	32.07%	7.74%	11.87%	$13,452,140	$120.10	$101.90	$98.23	33.54%	7.24%	12.26%
201704	111,336	1.221	$14,125,263	$126.87	$114.51	$104.38	2.75%	21.28%	15.08%	$13,776,203	$123.74	$111.15	$101.15	3.02%	22.06%	15.61%
201705	109,685	1.220	$11,598,008	$105.74	$118.77	$104.83	-16.66%	24.98%	13.25%	$11,058,114	$100.82	$114.97	$101.43	-18.52%	25.87%	13.47%

Small Group Insured

Row Labels	Member Months	Demo Factor	Allowed Amount	Allowed PMPM	3 Month Allowed PMPM	12 Month Allowed PMPM	1 Month Allowed Trend	3 Month Allowed Trend	12 Month Allowed Trend	Paid Amount	Paid PMPM	3 Month Paid PMPM	12 Month Paid PMPM	1 Month Paid Trend	3 Month Paid Trend	12 Month Paid Trend
Outpatient																
201406	108,439	1.197	$15,175,736	$139.95	$143.39	$142.47	-2.46%	-0.25%		$12,826,714	$118.29	$120.99	$119.87	-2.46%	3.22%	
201407	107,287	1.196	$16,292,638	$151.86	$145.07	$143.35	8.51%	1.87%		$13,702,607	$127.72	$122.40	$120.55	7.98%	3.60%	
201408	107,477	1.196	$15,330,741	$142.64	$144.80	$143.44	-6.07%	-1.01%		$13,048,327	$121.41	$122.45	$120.61	-4.94%	0.08%	
201409	106,222	1.197	$16,155,619	$152.09	$148.85	$144.49	6.63%	3.81%		$13,771,460	$129.65	$126.24	$121.51	6.79%	4.34%	
201410	104,374	1.195	$17,540,904	$168.06	$154.14	$145.45	10.50%	6.25%		$15,011,976	$143.83	$131.52	$122.32	10.94%	7.45%	
201411	104,076	1.194	$15,334,947	$147.34	$155.82	$146.23	-12.33%	7.61%		$13,301,120	$127.80	$133.74	$123.11	-11.14%	9.22%	
201412	102,270	1.193	$15,308,368	$149.69	$155.07	$147.62	1.59%	4.18%		$12,735,904	$124.53	$132.11	$123.95	-2.56%	4.65%	
201501	101,044	1.195	$14,992,158	$148.37	$148.46	$147.41	-0.88%	-3.68%		$11,686,426	$115.66	$122.72	$123.61	-7.13%	-6.69%	
201502	100,154	1.196	$14,805,549	$147.83	$148.64	$148.81	-0.37%	-4.61%		$11,978,039	$119.60	$119.95	$124.61	3.41%	-10.31%	
201503	100,043	1.197	$15,825,204	$158.18	$151.45	$149.58	7.01%	-2.34%		$12,900,281	$128.95	$121.38	$125.15	7.82%	-8.12%	
201504	99,386	1.198	$15,910,198	$160.08	$155.35	$150.67	1.20%	4.64%	6.38%	$13,202,830	$132.84	$127.11	$125.93	3.02%	3.58%	5.59%
201505	99,217	1.199	$14,599,368	$147.15	$155.15	$151.03	-8.08%	4.38%	6.39%	$12,306,186	$124.03	$128.61	$126.19	-6.63%	7.22%	5.60%
201506	100,146	1.199	$14,644,794	$146.23	$151.14	$151.61	-0.62%	-0.20%	6.42%	$12,211,863	$121.94	$126.26	$126.54	-1.69%	4.02%	5.56%
201507	99,352	1.201	$15,111,510	$152.10	$148.49	$151.63	4.01%	-4.42%	5.78%	$12,593,490	$126.76	$124.24	$126.45	3.95%	-2.26%	4.89%
201508	98,688	1.204	$14,437,991	$146.30	$148.21	$151.99	-3.81%	-4.47%	5.97%	$12,163,769	$123.25	$123.98	$126.64	-2.76%	-3.60%	5.00%
201509	99,112	1.205	$15,757,823	$158.99	$152.47	$152.56	8.67%	0.88%	5.58%	$13,350,928	$134.71	$128.24	$127.04	9.29%	1.57%	4.55%
201510	99,817	1.209	$16,085,819	$161.15	$155.51	$151.93	1.36%	4.73%	4.45%	$13,394,808	$134.19	$130.74	$126.17	-0.38%	5.23%	3.15%
201511	100,923	1.209	$16,069,034	$159.22	$159.79	$152.94	-1.20%	7.81%	4.58%	$13,695,486	$135.70	$134.87	$126.83	1.12%	8.78%	3.02%
201512	110,518	1.209	$17,996,317	$162.84	$161.12	$154.12	2.27%	5.67%	4.40%	$14,616,074	$132.25	$133.99	$127.52	-2.54%	4.48%	2.88%
201601	112,322	1.204	$17,448,443	$155.34	$159.11	$154.71	-4.60%	2.32%	4.95%	$13,401,020	$119.31	$128.84	$127.75	-9.79%	-1.45%	3.35%
201602	112,151	1.205	$17,905,870	$159.66	$159.26	$155.72	2.78%	-0.33%	4.64%	$14,152,858	$126.19	$125.88	$128.27	5.77%	-6.66%	2.93%
201603	112,709	1.205	$19,899,734	$176.56	$163.87	$157.41	10.59%	1.70%	5.23%	$15,812,097	$140.29	$128.61	$129.31	11.17%	-4.02%	3.32%
201604	113,204	1.207	$18,483,451	$163.28	$166.50	$157.72	-7.52%	4.65%	4.68%	$14,940,119	$131.98	$132.83	$129.27	-5.93%	3.10%	2.65%
201605	114,465	1.207	$18,824,492	$164.46	$168.07	$159.15	0.72%	5.53%	5.38%	$15,594,007	$136.23	$136.16	$130.30	3.23%	8.16%	3.26%
201606	115,170	1.208	$19,810,874	$172.01	$166.61	$161.31	4.60%	1.67%	6.39%	$16,622,977	$144.33	$137.55	$132.21	5.95%	6.95%	4.48%
201607	115,109	1.208	$18,790,727	$163.24	$166.58	$162.18	-5.10%	0.04%	6.96%	$15,693,006	$136.33	$138.97	$132.98	-5.54%	4.62%	5.17%
201608	114,701	1.211	$20,318,851	$177.15	$170.79	$164.67	8.52%	1.62%	8.34%	$17,060,161	$148.74	$143.13	$135.08	9.10%	5.12%	6.67%
201609	114,993	1.214	$19,510,419	$169.67	$170.01	$165.52	-4.22%	2.04%	8.49%	$16,330,616	$142.01	$142.35	$135.71	-4.52%	3.49%	6.82%
201610	115,509	1.215	$19,049,848	$164.92	$170.56	$165.79	-2.80%	2.39%	9.12%	$15,732,288	$136.20	$142.30	$135.86	-4.09%	2.40%	7.68%
201611	116,339	1.217	$21,072,286	$181.13	$171.93	$167.58	9.83%	0.67%	9.57%	$17,795,961	$152.97	$143.75	$137.33	12.31%	0.44%	8.27%
201612	120,879	1.217	$21,349,577	$176.62	$174.28	$168.75	-2.49%	2.51%	9.50%	$17,076,318	$141.27	$143.47	$138.08	-7.65%	0.78%	8.28%
201701	113,504	1.216	$19,930,898	$175.60	$177.78	$170.41	-0.58%	4.23%	10.15%	$15,233,681	$134.21	$142.87	$139.29	-4.99%	0.40%	9.03%
201702	113,374	1.218	$19,304,388	$170.27	$174.22	$171.27	-3.03%	1.33%	9.99%	$15,200,601	$134.07	$136.62	$139.93	-0.10%	-4.96%	9.09%
201703	112,004	1.220	$21,187,325	$189.17	$178.30	$172.29	11.10%	2.31%	9.46%	$16,853,756	$150.47	$139.54	$140.75	12.23%	-2.74%	8.85%
201704	111,336	1.221	$19,858,511	$178.37	$179.23	$173.52	-5.71%	0.81%	10.02%	$15,830,783	$142.19	$142.21	$141.59	-5.51%	-0.46%	9.53%
201705	109,685	1.220	$19,781,794	$180.35	$182.65	$174.83	1.11%	4.84%	9.85%	$15,258,032	$139.11	$143.96	$141.84	-2.17%	5.37%	8.85%

Small Group Insured

Row Labels	Member Months	Demo Factor	Allowed Amount	Allowed PMPM	3 Month Allowed PMPM	12 Month Allowed PMPM	1 Month Allowed Trend	3 Month Allowed Trend	12 Month Allowed Trend	Paid Amount	Paid PMPM	3 Month Paid PMPM	12 Month Paid PMPM	1 Month Paid Trend	3 Month Paid Trend	12 Month Paid Trend
Professional																
201406	108,439	1.197	$12,235,514	$112.83	$117.51	$115.79	-5.63%	1.93%		$9,409,944	$86.78	$90.23	$88.67	-6.38%	6.51%	
201407	107,287	1.196	$12,717,866	$118.54	$116.98	$115.89	5.06%	2.67%		$9,867,082	$91.97	$90.48	$88.72	5.98%	6.13%	
201408	107,477	1.196	$12,155,655	$113.10	$114.82	$115.53	-4.59%	-3.69%		$9,568,577	$89.03	$89.25	$88.52	-3.20%	-1.46%	
201409	106,222	1.197	$12,613,281	$118.74	$116.79	$115.87	4.99%	-0.61%		$9,852,888	$92.76	$91.25	$88.75	4.19%	1.12%	
201410	104,374	1.195	$13,988,258	$134.02	$121.85	$116.44	12.86%	4.16%		$11,061,607	$105.98	$95.84	$89.31	14.26%	5.92%	
201411	104,076	1.194	$11,799,752	$113.38	$122.04	$116.62	-15.40%	6.29%		$9,411,911	$90.43	$96.37	$89.56	-14.67%	7.98%	
201412	102,270	1.193	$12,108,878	$118.40	$121.96	$117.82	4.43%	4.43%		$9,242,061	$90.37	$95.63	$90.33	-0.07%	4.81%	
201501	101,044	1.195	$11,713,051	$115.92	$115.88	$117.12	-2.10%	-4.90%		$8,122,820	$80.39	$87.11	$89.63	-11.04%	-9.11%	
201502	100,154	1.196	$11,146,250	$111.29	$115.23	$117.85	-3.99%	-5.58%		$8,057,910	$80.46	$83.77	$90.05	0.08%	-13.07%	
201503	100,043	1.197	$12,411,217	$124.06	$117.08	$118.32	11.47%	-4.00%		$9,193,221	$91.89	$84.23	$90.39	14.22%	-11.92%	
201504	99,386	1.198	$12,326,864	$124.03	$119.78	$118.62	-0.02%	3.36%	2.83%	$9,263,948	$93.21	$88.51	$90.54	1.44%	1.60%	2.54%
201505	99,217	1.199	$11,360,876	$114.51	$120.88	$118.21	-7.68%	4.90%	2.43%	$8,617,346	$86.85	$90.66	$90.06	-6.82%	8.22%	1.91%
201506	100,146	1.199	$11,958,122	$119.41	$119.32	$118.78	4.28%	1.91%	2.58%	$9,116,330	$91.03	$90.37	$90.42	4.81%	7.29%	1.98%
201507	99,352	1.201	$11,897,335	$119.75	$117.89	$118.88	0.29%	-1.58%	2.58%	$9,134,972	$91.95	$89.95	$90.41	1.01%	1.63%	1.91%
201508	98,688	1.204	$11,372,100	$115.23	$118.14	$119.09	-3.77%	-2.26%	3.09%	$8,778,785	$88.95	$90.65	$90.42	-3.25%	-0.01%	2.14%
201509	99,112	1.205	$11,832,145	$119.38	$118.13	$119.15	3.60%	-1.00%	2.83%	$9,152,165	$92.34	$91.08	$90.37	3.81%	0.79%	1.82%
201510	99,817	1.209	$12,779,680	$128.03	$120.91	$118.60	7.25%	2.56%	1.85%	$9,808,882	$98.27	$93.21	$89.67	6.42%	3.62%	0.41%
201511	100,923	1.209	$12,166,591	$120.55	$122.66	$119.21	-5.84%	3.82%	2.22%	$9,463,608	$93.77	$94.80	$89.95	-4.58%	4.58%	0.43%
201512	110,518	1.209	$13,614,791	$123.19	$123.89	$119.65	2.19%	4.88%	1.55%	$10,014,057	$90.61	$94.09	$89.97	-3.37%	3.30%	-0.40%
201601	112,322	1.204	$13,258,724	$118.04	$120.58	$119.81	-4.18%	-0.27%	2.29%	$8,997,619	$80.11	$87.95	$89.86	-11.59%	-5.64%	0.26%
201602	112,151	1.205	$13,908,483	$124.02	$121.74	$120.88	5.06%	-0.75%	2.57%	$9,815,737	$87.52	$86.05	$90.41	9.26%	-9.22%	0.40%
201603	112,709	1.205	$15,043,597	$133.47	$125.19	$121.77	7.63%	1.05%	2.91%	$10,811,585	$95.92	$87.86	$90.79	9.60%	-6.62%	0.45%
201604	113,204	1.207	$14,044,319	$124.06	$127.18	$121.79	-7.05%	5.47%	2.67%	$10,370,051	$91.60	$91.69	$90.67	-4.50%	4.25%	0.15%
201605	114,465	1.207	$14,300,749	$124.94	$127.47	$122.64	0.70%	4.71%	3.75%	$10,670,553	$93.22	$93.58	$91.20	1.76%	8.74%	1.27%
201606	115,170	1.208	$14,538,391	$126.23	$125.08	$123.22	1.04%	-0.08%	3.74%	$10,852,102	$94.23	$93.03	$91.48	1.08%	5.88%	1.17%
201607	115,109	1.208	$13,240,582	$115.03	$122.06	$122.76	-8.88%	-4.03%	3.26%	$10,113,610	$87.86	$91.77	$91.13	-6.76%	0.08%	0.79%
201608	114,701	1.211	$15,061,133	$131.31	$124.18	$124.06	14.15%	-2.58%	4.17%	$11,522,313	$100.46	$94.17	$92.10	14.33%	0.64%	1.86%
201609	114,993	1.214	$14,445,366	$125.62	$123.98	$124.55	-4.33%	-0.89%	4.53%	$11,019,457	$95.83	$94.71	$92.40	-4.61%	1.81%	2.25%
201610	115,509	1.215	$14,757,801	$127.76	$128.23	$124.56	1.71%	5.05%	5.03%	$11,232,995	$97.25	$97.84	$92.39	1.48%	6.62%	3.03%
201611	116,339	1.217	$15,084,367	$129.66	$127.69	$125.29	1.48%	2.82%	5.10%	$11,663,591	$100.26	$97.79	$92.95	3.09%	3.84%	3.34%
201612	120,879	1.217	$14,588,174	$120.68	$125.96	$125.06	-6.92%	1.60%	4.52%	$10,528,717	$87.10	$94.76	$92.63	-13.12%	0.06%	2.95%
201701	113,504	1.216	$14,272,020	$125.74	$125.30	$125.68	4.19%	-2.28%	4.91%	$9,761,339	$86.00	$91.11	$93.10	-1.26%	-6.88%	3.61%
201702	113,374	1.218	$13,540,136	$119.43	$121.93	$125.31	-5.02%	-4.51%	3.66%	$9,521,517	$83.98	$85.73	$92.81	-2.35%	-12.33%	2.65%
201703	112,004	1.220	$15,203,454	$135.74	$126.93	$125.49	13.66%	0.77%	3.05%	$10,908,594	$97.39	$89.09	$92.92	15.97%	-5.98%	2.35%
201704	111,336	1.221	$14,007,152	$125.81	$126.96	$125.63	-7.32%	1.33%	3.15%	$10,254,705	$92.11	$91.13	$92.97	-5.43%	0.02%	2.53%
201705	109,685	1.220	$15,958,213	$145.49	$135.63	$127.27	15.64%	11.24%	3.77%	$11,174,976	$101.88	$97.10	$93.66	10.61%	13.27%	2.69%

Small Group Insure

Row Labels	Visits	Visits/ 1000	3 Month Visits/ 1000	12 Month Visits/ 1000	1 Month Visits Trend	3 Month Visits Trend	12 Month Visits Trend	Admits	Admits/ 1000	3 Month Admits/ 1000	12 Month Admits/ 1000	1 Month Admits Trend	3 Month Admits Trend	12 Month Admits Trend
IP, OP, PROF														
201406	98,228	10,870.04	11,266.52	11,106.59	-3.57%	2.68%		573	63.41	65.48	66.68	-11.26%	-4.47%	
201407	99,599	11,140.10	11,094.74	11,090.83	2.48%	0.87%		612	68.45	67.78	66.43	7.95%	5.27%	
201408	94,180	10,515.37	10,841.74	11,023.19	-5.61%	-5.49%		556	62.08	64.64	65.71	-9.31%	-3.25%	
201409	99,776	11,271.79	10,974.50	11,057.71	7.19%	-2.59%		605	68.35	66.28	65.84	10.10%	1.23%	
201410	109,018	12,533.93	11,430.36	11,073.41	11.20%	3.03%		583	67.03	65.80	65.94	-1.93%	-2.93%	
201411	92,151	10,625.04	11,476.52	11,063.81	-15.23%	5.85%		529	60.99	65.48	65.83	-9.00%	1.30%	
201412	94,044	11,034.79	11,401.12	11,149.76	3.86%	3.89%		549	64.42	64.15	66.16	5.62%	-3.22%	
201501	92,247	10,955.30	10,869.93	11,098.73	-0.72%	-4.90%		560	66.51	63.95	65.49	3.24%	-2.81%	
201502	87,955	10,538.42	10,844.50	11,164.12	-3.81%	-5.51%		515	61.71	64.22	65.32	-7.22%	-1.92%	
201503	95,514	11,456.85	10,983.26	11,157.83	8.72%	-3.67%		562	67.41	65.21	65.29	9.25%	1.66%	
201504	95,715	11,556.84	11,182.98	11,145.99	0.87%	2.88%	0.36%	560	67.62	65.57	65.81	0.30%	2.54%	-2.03%
201505	86,587	10,472.48	11,163.09	11,080.90	-9.38%	2.94%	0.05%	567	68.68	67.90	65.54	1.56%	5.73%	-2.28%
201506	92,091	11,034.83	11,021.73	11,095.72	5.37%	0.35%	-0.10%	488	58.48	64.91	65.15	-14.85%	-0.47%	-2.30%
201507	90,795	10,966.48	10,825.31	11,081.34	-0.62%	-3.20%	-0.09%	490	59.19	62.10	64.38	1.21%	-5.30%	-3.09%
201508	86,631	10,534.00	10,846.30	11,086.95	-3.94%	-2.84%	0.58%	489	59.46	59.04	64.18	0.47%	-13.05%	-2.33%
201509	89,939	10,889.48	10,797.16	11,054.49	3.37%	-2.04%	-0.03%	541	65.52	61.39	63.92	10.19%	-5.41%	-2.92%
201510	97,966	11,777.52	11,069.44	10,986.14	8.16%	2.26%	-0.79%	507	60.97	61.98	63.41	-6.95%	-0.19%	-3.84%
201511	91,546	10,885.12	11,183.63	11,008.96	-7.58%	3.11%	-0.50%	508	60.42	62.29	63.37	-0.89%	5.50%	-3.74%
201512	99,869	10,843.79	11,156.63	10,991.67	-0.38%	3.33%	-1.42%	560	60.85	60.75	63.05	0.71%	-1.04%	-4.70%
201601	98,623	10,536.49	10,750.06	10,952.76	-2.83%	-2.89%	-1.32%	755	80.73	67.62	64.39	32.67%	9.09%	-1.68%
201602	103,194	11,041.68	10,807.00	10,994.55	4.79%	-3.37%	-1.52%	583	62.45	68.06	64.43	-22.64%	9.26%	-1.36%
201603	114,731	12,215.37	11,265.72	11,067.96	10.63%	0.98%	-0.81%	622	66.32	69.84	64.36	6.20%	14.96%	-1.42%
201604	104,109	11,035.98	11,431.07	11,026.46	-9.65%	6.33%	-1.07%	584	61.93	63.57	63.89	-6.62%	-5.98%	-2.91%
201605	105,570	11,067.59	11,437.14	11,073.32	0.29%	5.83%	-0.07%	614	64.42	64.22	63.56	4.01%	-5.63%	-3.01%
201606	106,707	11,118.22	11,074.16	11,080.33	0.46%	-1.70%	-0.14%	595	62.09	62.81	63.83	-3.62%	-10.06%	-2.03%
201607	96,488	10,058.85	10,747.69	10,998.84	-9.53%	-5.98%	-0.74%	611	63.79	63.43	64.18	2.74%	-0.22%	-0.31%
201608	111,085	11,621.70	10,932.14	11,087.71	15.54%	-4.42%	0.01%	619	64.83	63.57	64.59	1.64%	-1.02%	0.63%
201609	106,857	11,151.00	10,942.98	11,107.86	-4.05%	-1.18%	0.48%	580	60.58	63.07	64.17	-6.56%	0.40%	0.39%
201610	110,591	11,489.15	11,420.55	11,090.99	3.03%	6.26%	0.95%	692	71.91	65.78	65.07	18.70%	3.71%	2.62%
201611	109,603	11,305.24	11,315.35	11,124.42	-1.60%	3.51%	1.05%	590	60.88	64.45	65.05	-15.34%	1.39%	2.66%
201612	107,530	10,674.84	11,149.43	11,107.48	-5.58%	1.89%	1.05%	571	56.74	63.07	64.66	-6.80%	0.01%	2.56%
201701	108,427	11,463.30	11,139.12	11,183.30	7.39%	-2.46%	2.10%	622	65.86	61.06	63.45	16.08%	-7.17%	-1.46%
201702	102,028	10,799.14	10,972.71	11,163.24	-5.79%	-3.03%	1.53%	524	55.52	59.32	62.88	-15.71%	-7.96%	-2.41%
201703	111,763	11,974.22	11,409.97	11,143.12	10.88%	2.34%	0.68%	649	69.58	63.63	63.14	25.34%	0.89%	-1.90%
201704	104,964	11,313.23	11,360.00	11,165.68	-5.52%	1.98%	1.26%	658	70.97	65.30	63.88	2.00%	6.95%	-0.02%
201705	124,764	13,649.75	12,305.09	11,372.36	20.65%	12.14%	2.70%	783	85.67	75.34	65.57	20.71%	27.02%	3.16%

Small Group Insure

Row Labels	Visits	Visits/ 1000	3 Month Visits/ 1000	12 Month Visits/ 1000	1 Month Visits Trend	3 Month Visits Trend	12 Month Visits Trend	Admits	Admits/ 1000	3 Month Admits/ 1000	12 Month Admits/ 1000	1 Month Admits Trend	3 Month Admits Trend	12 Month Admits Trend
Inpatient														
201406								573	63.41	65.48	66.68	-11.26%	-4.47%	
201407								612	68.45	67.78	66.43	7.95%	5.27%	
201408								556	62.08	64.64	65.71	-9.31%	-3.25%	
201409								605	68.35	66.28	65.84	10.10%	1.23%	
201410								583	67.03	65.80	65.94	-1.93%	-2.93%	
201411								529	60.99	65.48	65.83	-9.00%	1.30%	
201412								549	64.42	64.15	66.16	5.62%	-3.22%	
201501								560	66.51	63.95	65.49	3.24%	-2.81%	
201502								515	61.71	64.22	65.32	-7.22%	-1.92%	
201503								562	67.41	65.21	65.29	9.25%	1.66%	
201504								560	67.62	65.57	65.81	0.30%	2.54%	-2.03%
201505								567	68.68	67.90	65.54	1.56%	5.73%	-2.28%
201506								488	58.48	64.91	65.15	-14.85%	-0.47%	-2.30%
201507								490	59.19	62.10	64.38	1.21%	-5.30%	-3.09%
201508								489	59.46	59.04	64.18	0.47%	-13.05%	-2.33%
201509								541	65.52	61.39	63.92	10.19%	-5.41%	-2.92%
201510								507	60.97	61.98	63.41	-6.95%	-0.19%	-3.84%
201511								508	60.42	62.29	63.37	-0.89%	5.50%	-3.74%
201512								560	60.85	60.75	63.05	0.71%	-1.04%	-4.70%
201601								755	80.73	67.62	64.39	32.67%	9.09%	-1.68%
201602								583	62.45	68.06	64.43	-22.64%	9.26%	-1.36%
201603								622	66.32	69.84	64.36	6.20%	14.96%	-1.42%
201604								584	61.93	63.57	63.89	-6.62%	-5.98%	-2.91%
201605								614	64.42	64.22	63.56	4.01%	-5.63%	-3.01%
201606								595	62.09	62.81	63.83	-3.62%	-10.06%	-2.03%
201607								611	63.79	63.43	64.18	2.74%	-0.22%	-0.31%
201608								619	64.83	63.57	64.59	1.64%	-1.02%	0.63%
201609								580	60.58	63.07	64.17	-6.56%	0.40%	0.39%
201610								692	71.91	65.78	65.07	18.70%	3.71%	2.62%
201611								590	60.88	64.45	65.05	-15.34%	1.39%	2.66%
201612								571	56.74	63.07	64.66	-6.80%	0.01%	2.56%
201701								622	65.86	61.06	63.45	16.08%	-7.17%	-1.46%
201702								524	55.52	59.32	62.88	-15.71%	-7.96%	-2.41%
201703								649	69.58	63.63	63.14	25.34%	0.89%	-1.90%
201704								658	70.97	65.30	63.88	2.00%	6.95%	-0.02%
201705								783	85.67	75.34	65.57	20.71%	27.02%	3.16%

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Row Labels	Visits	Visits/ 1000	3 Month Visits/ 1000	12 Month Visits/ 1000	1 Month Visits Trend	3 Month Visits Trend	12 Month Visits Trend	Admits	Admits/ 1000	3 Month Admits/ 1000	12 Month Admits/ 1000	1 Month Admits Trend	3 Month Admits Trend	12 Month Admits Trend
Outpatient														
201406	20,544	2,273.43	2,357.90	2,304.06	-3.93%	4.07%								
201407	21,028	2,351.97	2,330.66	2,302.75	3.45%	1.77%								
201408	19,793	2,209.92	2,278.38	2,289.48	-6.04%	-4.75%								
201409	20,615	2,328.90	2,296.77	2,296.94	5.38%	-2.59%								
201410	22,134	2,544.77	2,359.53	2,302.47	9.27%	1.24%								
201411	19,303	2,225.64	2,366.35	2,300.34	-12.54%	3.86%								
201412	19,673	2,308.36	2,360.07	2,319.25	3.72%	2.76%								
201501	19,043	2,261.62	2,264.99	2,311.51	-2.02%	-4.01%								
201502	18,349	2,198.58	2,256.57	2,324.71	-2.79%	-4.64%								
201503	20,083	2,409.04	2,289.62	2,326.60	9.57%	-2.98%								
201504	19,836	2,395.12	2,334.06	2,322.68	-0.58%	3.05%	0.78%							
201505	18,369	2,221.79	2,342.20	2,310.74	-7.24%	3.79%	0.52%							
201506	19,308	2,313.67	2,310.25	2,314.26	4.14%	0.90%	0.44%							
201507	19,427	2,346.56	2,294.09	2,313.58	1.42%	-1.71%	0.47%							
201508	18,125	2,204.03	2,288.34	2,313.85	-6.07%	-2.30%	1.06%							
201509	18,727	2,267.45	2,272.84	2,308.72	2.88%	-1.62%	0.51%							
201510	20,153	2,422.80	2,298.53	2,297.71	6.85%	0.19%	-0.21%							
201511	19,299	2,294.72	2,328.34	2,303.70	-5.29%	1.75%	0.15%							
201512	21,004	2,280.68	2,330.81	2,301.20	-0.61%	2.55%	-0.78%							
201601	20,180	2,156.04	2,241.82	2,291.12	-5.47%	-2.47%	-0.88%							
201602	21,511	2,301.68	2,245.92	2,299.60	6.76%	-3.54%	-1.08%							
201603	24,195	2,576.04	2,344.88	2,315.84	11.92%	0.60%	-0.46%							
201604	21,945	2,326.26	2,401.38	2,310.52	-9.70%	7.12%	-0.52%							
201605	22,188	2,326.12	2,408.92	2,318.83	-0.01%	7.26%	0.35%							
201606	22,771	2,372.65	2,341.80	2,324.04	2.00%	-0.13%	0.42%							
201607	20,848	2,173.45	2,290.69	2,309.04	-8.40%	-4.61%	-0.20%							
201608	23,494	2,457.98	2,334.56	2,329.83	13.09%	-3.09%	0.69%							
201609	22,541	2,352.31	2,327.75	2,336.39	-4.30%	-0.60%	1.20%							
201610	22,568	2,344.56	2,384.83	2,330.71	-0.33%	4.11%	1.44%							
201611	22,555	2,326.54	2,341.09	2,333.01	-0.77%	0.28%	1.27%							
201612	22,700	2,253.56	2,307.43	2,330.24	-3.14%	-0.87%	1.26%							
201701	21,957	2,321.38	2,299.71	2,343.70	3.01%	-3.57%	2.30%							
201702	21,212	2,245.17	2,272.96	2,339.02	-3.28%	-2.91%	1.71%							
201703	23,420	2,509.29	2,357.99	2,333.48	11.76%	2.19%	0.76%							
201704	23,058	2,485.34	2,412.44	2,346.34	-0.95%	4.90%	1.55%							
201705	23,967	2,622.09	2,538.44	2,370.07	5.50%	11.68%	2.21%							

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Row Labels	Visits	Visits/ 1000	3 Month Visits/ 1000	12 Month Visits/ 1000	1 Month Visits Trend	3 Month Visits Trend	12 Month Visits Trend	Admits	Admits/ 1000	3 Month Admits/ 1000	12 Month Admits/ 1000	1 Month Admits Trend	3 Month Admits Trend	12 Month Admits Trend
Professional														
201406	77,684	8,596.61	8,908.62	8,802.53	-3.48%	2.32%								
201407	78,571	8,788.13	8,764.08	8,788.08	2.23%	0.64%								
201408	74,387	8,305.44	8,563.36	8,733.71	-5.49%	-5.68%								
201409	79,161	8,942.89	8,677.72	8,760.78	7.68%	-2.59%								
201410	86,884	9,989.15	9,070.82	8,770.94	11.70%	3.50%								
201411	72,848	8,399.40	9,110.17	8,763.47	-15.91%	6.39%								
201412	74,371	8,726.43	9,041.05	8,830.51	3.89%	4.19%								
201501	73,203	8,693.67	8,604.94	8,787.22	-0.38%	-5.14%								
201502	69,605	8,339.84	8,587.94	8,839.40	-4.07%	-5.73%								
201503	75,430	9,047.81	8,693.65	8,831.22	8.49%	-3.84%								
201504	75,878	9,161.71	8,848.92	8,823.31	1.26%	2.84%	0.25%							
201505	68,217	8,250.69	8,820.89	8,770.17	-9.94%	2.71%	-0.07%							
201506	72,782	8,721.17	8,711.47	8,781.46	5.70%	0.21%	-0.24%							
201507	71,367	8,619.92	8,531.22	8,767.76	-1.16%	-3.59%	-0.23%							
201508	68,505	8,329.97	8,557.96	8,773.10	-3.36%	-2.98%	0.45%							
201509	71,212	8,622.02	8,524.32	8,745.77	3.51%	-2.15%	-0.17%							
201510	77,813	9,354.72	8,770.92	8,688.43	8.50%	2.81%	-0.94%							
201511	72,247	8,590.40	8,855.29	8,705.25	-8.17%	3.47%	-0.66%							
201512	78,864	8,563.10	8,825.82	8,690.46	-0.32%	3.54%	-1.59%							
201601	78,442	8,380.44	8,508.24	8,661.64	-2.13%	-2.99%	-1.43%							
201602	81,683	8,739.99	8,561.08	8,694.95	4.29%	-3.32%	-1.63%							
201603	90,536	9,639.33	8,920.84	8,752.12	10.29%	1.08%	-0.90%							
201604	82,164	8,709.72	9,029.69	8,715.95	-9.64%	6.13%	-1.22%							
201605	83,382	8,741.47	9,028.22	8,754.49	0.36%	5.46%	-0.18%							
201606	83,935	8,745.57	8,732.36	8,756.28	0.05%	-2.11%	-0.29%							
201607	75,640	7,885.40	8,457.00	8,689.81	-9.84%	-6.34%	-0.89%							
201608	87,590	9,163.71	8,597.58	8,757.88	16.21%	-4.77%	-0.17%							
201609	84,315	8,798.69	8,615.23	8,771.47	-3.98%	-1.34%	0.29%							
201610	88,023	9,144.59	9,035.72	8,760.28	3.93%	6.84%	0.83%							
201611	87,047	8,978.70	8,974.26	8,791.41	-1.81%	4.38%	0.99%							
201612	84,829	8,421.29	8,842.00	8,777.25	-6.21%	2.63%	1.00%							
201701	86,470	9,141.92	8,839.41	8,839.60	8.56%	-2.17%	2.05%							
201702	80,816	8,553.96	8,699.75	8,824.23	-6.43%	-3.06%	1.49%							
201703	88,342	9,464.93	9,051.98	8,809.65	10.65%	2.37%	0.66%							
201704	81,905	8,827.88	8,947.56	8,819.33	-6.73%	1.22%	1.19%							
201705	100,797	11,027.66	9,766.65	9,002.29	24.92%	12.26%	2.83%							

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Row Labels	Days	Days/ 1000	3 Month Days/ 1000	12 Month Days/ 1000	1 Month Days Trend	3 Month Days Trend	12 Month Days Trend	ALOS	3 Month ALOS	12 Month ALOS	1 Month ALOS Trend	3 Month ALOS Trend	12 Month ALOS Trend
IP, OP, PROF													
201406	2,741	303.32	321.68	310.96	-15.51%	0.83%		4.78	4.91	4.66	-4.79%	5.55%	
201407	2,573	287.79	316.97	308.12	-5.12%	-0.02%		4.20	4.68	4.64	-12.11%	-5.02%	
201408	2,482	277.12	289.45	305.57	-3.71%	-12.70%		4.46	4.48	4.65	6.18%	-9.76%	
201409	2,946	332.81	299.12	308.25	20.10%	-7.01%		4.87	4.51	4.68	9.08%	-8.14%	
201410	2,977	342.27	317.10	310.40	2.84%	0.04%		5.11	4.82	4.71	4.87%	3.06%	
201411	2,505	288.83	321.40	312.02	-15.61%	11.04%		4.74	4.91	4.74	-7.27%	9.62%	
201412	2,319	272.12	301.28	310.55	-5.79%	0.72%		4.22	4.70	4.69	-10.80%	4.07%	
201501	2,596	308.32	289.67	310.51	13.30%	-8.65%		4.64	4.53	4.74	9.75%	-6.01%	
201502	3,016	361.38	313.63	314.12	17.21%	-2.42%		5.86	4.88	4.81	26.33%	-0.51%	
201503	2,628	315.24	328.26	312.49	-12.77%	8.95%		4.68	5.03	4.79	-20.15%	7.18%	
201504	2,493	301.02	325.95	312.44	-4.51%	12.52%	2.40%	4.45	4.97	4.75	-4.80%	9.73%	4.52%
201505	2,365	286.05	300.81	306.21	-4.97%	-4.09%	-0.66%	4.17	4.43	4.67	-6.44%	-9.29%	1.65%
201506	2,177	260.87	282.59	302.78	-8.80%	-13.91%	-2.63%	4.46	4.35	4.65	7.10%	-13.50%	-0.34%
201507	2,132	257.52	268.12	300.42	-1.28%	-17.74%	-2.50%	4.35	4.32	4.67	-2.47%	-13.14%	0.61%
201508	2,236	271.90	263.41	300.16	5.58%	-12.43%	-1.77%	4.57	4.46	4.68	5.09%	0.71%	0.57%
201509	2,293	277.58	268.99	295.44	2.09%	-4.81%	-4.16%	4.24	4.38	4.62	-7.35%	0.64%	-1.28%
201510	2,416	290.41	280.00	290.96	4.62%	4.43%	-6.26%	4.76	4.52	4.59	12.43%	4.63%	-2.52%
201511	2,263	269.05	278.98	289.30	-7.36%	5.91%	-7.28%	4.45	4.48	4.57	-6.52%	0.39%	-3.68%
201512	2,433	264.17	274.17	288.46	-1.81%	1.93%	-7.11%	4.34	4.51	4.58	-2.51%	3.00%	-2.53%
201601	3,410	364.32	300.44	293.80	37.91%	7.30%	-5.38%	4.51	4.44	4.56	3.95%	-1.64%	-3.77%
201602	2,958	316.45	315.25	290.37	-13.14%	13.00%	-7.56%	5.07	4.63	4.51	12.28%	3.43%	-6.29%
201603	3,206	341.32	340.71	292.98	7.86%	24.27%	-6.24%	5.15	4.88	4.55	1.57%	8.10%	-4.89%
201604	2,578	273.23	310.27	290.57	-19.95%	3.27%	-7.00%	4.41	4.88	4.55	-14.27%	9.85%	-4.21%
201605	2,824	296.02	303.44	291.41	8.34%	-3.75%	-4.83%	4.60	4.72	4.58	4.16%	2.00%	-1.88%
201606	2,940	306.36	291.97	295.12	3.49%	-14.31%	-2.53%	4.93	4.65	4.62	7.38%	-4.73%	-0.51%
201607	2,713	282.79	295.06	296.90	-7.69%	-4.90%	-1.17%	4.43	4.65	4.63	-10.15%	-4.69%	-0.86%
201608	3,235	338.46	309.17	302.38	19.68%	1.89%	0.74%	5.22	4.86	4.68	17.75%	2.94%	0.11%
201609	2,961	308.97	310.04	304.79	-8.71%	6.19%	3.16%	5.10	4.92	4.75	-2.30%	5.77%	2.76%
201610	3,353	348.33	331.94	309.57	12.74%	12.50%	6.40%	4.84	5.05	4.76	-5.02%	8.47%	3.68%
201611	2,720	280.56	312.55	310.09	-19.46%	1.09%	7.19%	4.61	4.85	4.77	-4.86%	-0.29%	4.40%
201612	2,656	263.65	296.95	309.70	-6.03%	-4.22%	7.36%	4.65	4.71	4.79	0.83%	-4.23%	4.68%
201701	3,153	333.32	291.80	307.19	26.43%	-12.09%	4.56%	5.06	4.78	4.84	8.91%	-5.30%	6.10%
201702	2,453	259.62	285.07	302.53	-22.11%	-8.79%	4.19%	4.68	4.81	4.81	-7.59%	-0.90%	6.76%
201703	3,119	334.21	308.96	301.94	28.73%	4.04%	3.06%	4.80	4.86	4.78	2.71%	3.13%	5.05%
201704	2,794	301.18	298.17	304.23	-9.88%	2.18%	4.70%	4.24	4.57	4.76	-11.65%	-4.45%	4.72%
201705	2,132	233.23	289.91	299.25	-22.56%	1.70%	2.69%	2.72	3.85	4.56	-35.85%	-19.94%	-0.46%

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Row Labels	Days	Days/ 1000	3 Month Days/ 1000	12 Month Days/ 1000	1 Month Days Trend	3 Month Days Trend	12 Month Days Trend	ALOS	3 Month ALOS	12 Month ALOS	1 Month ALOS Trend	3 Month ALOS Trend	12 Month ALOS Trend
Inpatient													
201406	2,741	303.32	321.68	310.96	-15.51%	0.83%		4.78	4.91	4.66	-4.79%	5.55%	
201407	2,573	287.79	316.97	308.12	-5.12%	-0.02%		4.20	4.68	4.64	-12.11%	-5.02%	
201408	2,482	277.12	289.45	305.57	-3.71%	-12.70%		4.46	4.48	4.65	6.18%	-9.76%	
201409	2,946	332.81	299.12	308.25	20.10%	-7.01%		4.87	4.51	4.68	9.08%	-8.14%	
201410	2,977	342.27	317.10	310.40	2.84%	0.04%		5.11	4.82	4.71	4.87%	3.06%	
201411	2,505	288.83	321.40	312.02	-15.61%	11.04%		4.74	4.91	4.74	-7.27%	9.62%	
201412	2,319	272.12	301.28	310.55	-5.79%	0.72%		4.22	4.70	4.69	-10.80%	4.07%	
201501	2,596	308.32	289.67	310.51	13.30%	-8.65%		4.64	4.53	4.74	9.75%	-6.01%	
201502	3,016	361.38	313.63	314.12	17.21%	-2.42%		5.86	4.88	4.81	26.33%	-0.51%	
201503	2,628	315.24	328.26	312.49	-12.77%	8.95%		4.68	5.03	4.79	-20.15%	7.18%	
201504	2,493	301.02	325.95	312.44	-4.51%	12.52%	2.40%	4.45	4.97	4.75	-4.80%	9.73%	4.52%
201505	2,365	286.05	300.81	306.21	-4.97%	-4.09%	-0.66%	4.17	4.43	4.67	-6.44%	-9.29%	1.65%
201506	2,177	260.87	282.59	302.78	-8.80%	-13.91%	-2.63%	4.46	4.35	4.65	7.10%	-13.50%	-0.34%
201507	2,132	257.52	268.12	300.42	-1.28%	-17.74%	-2.50%	4.35	4.32	4.67	-2.47%	-13.14%	0.61%
201508	2,236	271.90	263.41	300.16	5.58%	-12.43%	-1.77%	4.57	4.46	4.68	5.09%	0.71%	0.57%
201509	2,293	277.58	268.99	295.44	2.09%	-4.81%	-4.16%	4.24	4.38	4.62	-7.35%	0.64%	-1.28%
201510	2,416	290.41	280.00	290.96	4.62%	4.43%	-6.26%	4.76	4.52	4.59	12.43%	4.63%	-2.52%
201511	2,263	269.05	278.98	289.30	-7.36%	5.91%	-7.28%	4.45	4.48	4.57	-6.52%	0.39%	-3.68%
201512	2,433	264.17	274.17	288.46	-1.81%	1.93%	-7.11%	4.34	4.51	4.58	-2.51%	3.00%	-2.53%
201601	3,410	364.32	300.44	293.80	37.91%	7.30%	-5.38%	4.51	4.44	4.56	3.95%	-1.64%	-3.77%
201602	2,958	316.45	315.25	290.37	-13.14%	13.00%	-7.56%	5.07	4.63	4.51	12.28%	3.43%	-6.29%
201603	3,206	341.32	340.71	292.98	7.86%	24.27%	-6.24%	5.15	4.88	4.55	1.57%	8.10%	-4.89%
201604	2,578	273.23	310.27	290.57	-19.95%	3.27%	-7.00%	4.41	4.88	4.55	-14.27%	9.85%	-4.21%
201605	2,824	296.02	303.44	291.41	8.34%	-3.75%	-4.83%	4.60	4.72	4.58	4.16%	2.00%	-1.88%
201606	2,940	306.36	291.97	295.12	3.49%	-14.31%	-2.53%	4.93	4.65	4.62	7.38%	-4.73%	-0.51%
201607	2,713	282.79	295.06	296.90	-7.69%	-4.90%	-1.17%	4.43	4.65	4.63	-10.15%	-4.69%	-0.86%
201608	3,235	338.46	309.17	302.38	19.68%	1.89%	0.74%	5.22	4.86	4.68	17.75%	2.94%	0.11%
201609	2,961	308.97	310.04	304.79	-8.71%	6.19%	3.16%	5.10	4.92	4.75	-2.30%	5.77%	2.76%
201610	3,353	348.33	331.94	309.57	12.74%	12.50%	6.40%	4.84	5.05	4.76	-5.02%	8.47%	3.68%
201611	2,720	280.56	312.55	310.09	-19.46%	1.09%	7.19%	4.61	4.85	4.77	-4.86%	-0.29%	4.40%
201612	2,656	263.65	296.95	309.70	-6.03%	-4.22%	7.36%	4.65	4.71	4.79	0.83%	-4.23%	4.68%
201701	3,153	333.32	291.80	307.19	26.43%	-12.09%	4.56%	5.06	4.78	4.84	8.91%	-5.30%	6.10%
201702	2,453	259.62	285.07	302.53	-22.11%	-8.79%	4.19%	4.68	4.81	4.81	-7.59%	-0.90%	6.76%
201703	3,119	334.21	308.96	301.94	28.73%	4.04%	3.06%	4.80	4.86	4.78	2.71%	3.13%	5.05%
201704	2,794	301.18	298.17	304.23	-9.88%	2.18%	4.70%	4.24	4.57	4.76	-11.65%	-4.45%	4.72%
201705	2,132	233.23	289.91	299.25	-22.56%	1.70%	2.69%	2.72	3.85	4.56	-35.85%	-19.94%	-0.46%

Small Group Insure

Row Labels	Days	Days/ 1000	3 Month Days/ 1000	12 Month Days/ 1000	1 Month Days Trend	3 Month Days Trend	12 Month Days Trend	ALOS	3 Month ALOS	12 Month ALOS	1 Month ALOS Trend	3 Month ALOS Trend	12 Month ALOS Trend
Outpatient													
201406													
201407													
201408													
201409													
201410													
201411													
201412													
201501													
201502													
201503													
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201608													
201609													
201610													
201611													
201612													
201701													
201702													
201703													
201704													
201705													

Small Group Insure

Row Labels	Days	Days/ 1000	3 Month Days/ 1000	12 Month Days/ 1000	1 Month Days Trend	3 Month Days Trend	12 Month Days Trend	ALOS	3 Month ALOS	12 Month ALOS	1 Month ALOS Trend	3 Month ALOS Trend	12 Month ALOS Trend
Professional													
201406													
201407													
201408													
201409													
201410													
201411													
201412													
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201705													

KEYSTONE HEALTH PLAN CENTRAL, INC.

Question and Answer
Small Group Rates
Effective January 1, 2018

With this response, please find corresponding Q&A Exhibits in "SG_17-39_Initial_KHP_HMO_Q&AExhibits3_Supporting_20170720.xlsm"

Question 1. Please explain why the 2017 Calibrated Plan Adjusted Index Rate shown in Table 10 for Plan 5 changed from $263.76 to $256.48 between the exhibit sent on June 26 and the exhibit sent July 14.

Answer 1. The Plan 5 2017 Calibrated Plan Adjusted Index Rate of $263.76 was incorrect. $256.48 is the correct value. The 2017 Calibrated Plan Adjusted Index rates have been checked for accuracy.

Question 2. In response to Answer 3 from our 7/7/2017 objections, please answer the following questions regarding trend:

a. In the response to Question 3 it is stated that the leverage adjustment is only applied to medical claims. Please explain why only medical claims are therefore not used for the development of the assumption. The difference between the medical allowed and incurred claims is only 0.2%.
b. Please provide allowed and paid claim information for the experience periods used in the trend calculation normalized for demographic, geographic, benefit, risk, etc. differences.

Answer 2.

a. While leveraging was only applied to medical trend, the data shows that we could apply it to both medical and prescription drug. The point in answer 1 is to show that the aggregate impact of the leveraging adjustment is very close to historical differences between incurred and allowed in total.
b. While CBC refers to historical trends to evaluate changes in the market, morbidity and utilization, future hospital and physician contracting drives the pricing trend. The hospital, physician and prescription drug trend models were explained in the June Q&A response. As requested, I have included historical trend data in Q&A Exhibit 1, which is the detailed data behind the historical trend summaries sent in June and 7/7/17 Q&A. This data contains demographic factors, which are a proxy for risk in a credible population. The data does not contain benefit or geographic adjustments, as this data is not readily available within the timeframe requested.

Question 3. In response to Answer 5 from our 7/7/2017 objection, please answer the following questions regarding risk adjustment:

a. Please support the change in trend assumption between the prior exhibit and the current exhibit. The support should not be related the 0.86 factor as this trend represents the projected increase in premium.
b. Additionally, based on filed rate changes weighted on 2016 Supplemental Health Care Exhibit membership, the increase between 2016 and 2017 was calculated as 6%. Please reconcile the filed rates with the "competitive intelligence" that indicates 25% increases.
c. Please reconcile the transitional member months shown in Q&A Exhibit 3 with the transitional lives shown in Q&A Exhibit 1 from June 26th.
d. In your Answer 11 response on 6/26/2017 you state "Transitional small group members do not have significantly different experience than ACA (net risk adjustment)." Please provide an explanation for why a decrease in morbidity is not expected in the build-up of the projected index rate to mirror the decrease assumed in the risk score for the transitional plans.

Answer 3.

a. There is much uncertainty in anticipating 2018 RA payment transfers. As explained in the June Q&A, the 14% administrative fee adjustment was implicit to the SW average premium calculation rather than explicitly shown as a line item. The addition of the administrative fee line item adjustment resulted in a change in the explicit 2-year premium increase.
b. With this submission, I am making two revisions to the RA projection calculation, but the final RA projection is staying the same. Originally, CBC estimated the 2017 average rate increase to be 25% due to the fact that CBC filed a 3% increase in 2017, and CBC rates are 20%-25% lower than competitors. But given the Department's statewide information, we are revising this estimate to 6.8% annually. The second revision is to reflect data submitted in response to the 7/7/17. In the Q&A Exhibits 20170714, Exhibit 3, the calculated change in RA due to transitional policies is 4%. This is now being reflected in Exhibit K (changed from 2% to 4%).
c. The definition of transitional in Q&A Exhibit 3 is not the same as the definition used in the June Q&A Exhibit1. Q&A Exhibit 3 represents former transitional groups that have moved into the ACA-compliant/risk-adjusted pool. So these are groups that were transitional for part of 2016, but moved into the risk-adjusted pool during the year. For example, a group with a July renewal date has 6 months outside of the risk-adjusted pool and 6 months in the risk-adjusted pool – only the 6 months in the risk-adjusted pool is shown in Q&A Exhibit 3. The member months on the June Q&A Exhibit 1 are true transitional months (member months in a transitional plan).
d. Transitional group data is included in the BEP and the projection period, so the claim projection does not need to be adjusted for changes in morbidity. The RA transitional adjustment is due to the fact that transitional groups do not have 12 months of data in the ACA (risk-adjusted) pool in 2016, but will have a full 12 months in 2018.

Question 4. In response to Answer 7 from our 7/7/2017 objections please reconcile these two seemingly contradictory statements from your response:

a. "CBC does not expect large claims to distort cost differences when compiling data at the regional level."
b. "Additionally, large claims drive cost differences between providers, so CBC deemed it appropriate to keep large claims in the analysis."

Answer 4. By the first statement, I mean that the population used remains credible even when segmented into three regions. If CBC would be doing an analysis at the county level rather than the regional level, we would have more concerns about large claims skewing the relative cost across counties. But the regional split still allows for a credible number of members in each bucket so that one or two claims will not distort the relativity. By the second statement, I mean that expensive procedures highlight the difference in contracting. Large claims and/or complex procedures drive the differences in hospital contracting. For example, let's say hospital A and B only perform 2 procedure: 1 low cost and 1 high cost. If hospital A performs a low-cost OP surgery at 30% higher cost than hospital B, but performs high-cost IP surgery at 30% below hospital B, CBC wants to capture the impact of both. In total, hospital A is lower cost than hospital B.

If you have any further questions regarding this filing, please call me at [redacted] (or via email at [redacted]. Thank you for your assistance in this matter.

Sincerely,

[redacted]

[redacted], ASA, MAAA
Manager, Actuarial Services
Capital BlueCross