# Independence 👨

August 8, 2017

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

# **SUBMITTED VIA SERFF**

RE: Keystone Health Plan East
Individual HMO Rate Filing effective 1/1/2018
INAC-131145975

Dear Ms. Fabian-Marks:

Attached is a revised 2018 annual rate filing for HMO plans of Keystone Health Plan East (KHPE) in the Individual (non-group) marketplace in the Commonwealth of Pennsylvania. Rates for new and renewing plans are being filed and satisfy market reform requirements of the Affordable Care Act (ACA).

This rate filing includes rates for these plans and specifies compliance with rating requirements of the ACA. The enclosed is for rating periods effective from January 1, 2018 through December 31, 2018.

Per the guidance provided by the Pennsylvania Insurance Department, we adjusted the morbidity factor in consideration of changes to the individual mandate penalties. We also included a component for the impact of non-payment of CSR costs per our discussions with the department.

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# Independence 👨

Note that we are planning to update the binder filings (INBC-PA18-125071522) to include the rates included with this submission unless we receive guidance to otherwise prior to the September 1, 2017 binder filing deadline.

The proposed rates represent a 21.7% increase over the previously approved 2017 rates.

Information for the Pennsylvania Bulletin:

1.	Company Name and NAIC Number:	Keystone Health Plan East 95056
2.	Market	Individual
3.	On or Off Exchange	On and Off
4.	Effective Date of Coverage	January 1, 2018
5.	Average Rate Change Requested	21.7%
6.	Range of Rate Changes Requested	7.9% - 24.5%
7.	Products	НМО
8.	Rating Areas and Change from 2017	Rating Area 8
		No Change from 2017
9.	Metal Levels and Catastrophic Plans	Platinum, Gold, Silver, Bronze
10.	Current covered lives and policyholders	151,360 lives
	as of February 1, 2017	100,172 policyholders
11.	Number of plans offered in 2018 and change from 2017	12 plans in 2018; 12 plans in 2017
12.	Corresponding contract form number,	SERFF # INBC-130996377, INBC-
	SERFF, and binder numbers	131145729, INBC-PA18-125075056
		See appendix for form numbers
13.	HIOS Issuer ID # and submission tracking	HIOS Issuer ID # 33871; Filing #
	Number	33871-963513410203478027

Please contact with any questions regarding this filing.

Sincerely,

# Independence 💩

Director and Actuary, Commercial Pricing

cc:

# Independence 🍇

## **APPENDIX**

# Form Numbers

KE 650 IND FC EXC-ON Rev. 1.18, KE 650 IND FTC EXC-ON Rev. 1.18, KE 650 IND FTDED EXC-ON Rev. 1.18, KE 650 IND FC EXC-OFF Rev. 1.18, KE 650 IND FDED EXC-OFF Rev. 1.18, KE 650 IND FTC EXC-OFF Rev. 1.18, KE 650 IND FTDED EXC-OFF Rev. 1.18, KE 680 IND FC EXC.OC-ON Rev. 1.18, KE 680 IND FTC EXC.OC-ON Rev. 1.18, KE 680 IND FTDED EXC.OC-ON Rev. 1.18, KE 680 IND FC EXC.OC-OFF Rev. 1.18, KE 680 IND FDED EXC.OC-OFF Rev. 1.18, KE 680 IND FTC EXC.OC-OFF Rev. 1.18, KE 680 IND FTDED EXC.OC-OFF Rev. 1.18, KE 680 IND FTDED EXC.OC-OFF Rev. 1.18, KE 680 IND FTDED EXC.OC-OFF II Rev. 1.18, KE 680 IND FTDED EXC.OFF II Rev. 1.18, KE 680 IND FTDED EXC.OFF II Rev. 1.18, KE 680 IND FTDED EXC.OFF II Rev. 1.18

# PENNSYLVANIA ACTUARIAL MEMORANDUM

# **PURPOSES**

This Actuarial Memorandum is provided along with the Unified Rate Review Template (URRT) and PA Actuarial Memorandum Rate Exhibits to provide certain information to support the gross premium for the single risk pool for individual market health care insurance underwritten by Keystone Health Plan East in the Commonwealth of Pennsylvania. It is provided as a component of a state rate filing. This submission may not be appropriate for other purposes.

# 1. BASIC INFORMATION AND DATA

## A. COMPANY INFORMATION

Company Legal Name: Keystone Health Plan East ("KHPE")

State: Pennsylvania

NAIC #: 95056
Market: Individual

Marketplace: On and Off Exchange

Effective Date(s): 1/1/2018 – 12/31/2018

**Average Rate Change:** 21.7%

**Range of Rate Changes:** 7.9% - 24.5%

**Products:** HMO

Rating Areas: Rating Area 8

Metal Levels: Platinum, Gold, Silver, Bronze

Current Members: 151,360
Current Policyholders: 100,172
Number of 2018 Plans: 12
HIOS Issuer ID (5-digit): 33871

Worksheet 1 of the accompanying URRT contains experience period data and development of the projected Single Risk Pool Gross Premium Average Rate PMPM for the individual market for KHPE. Worksheet 2 contains experience period data and projections by product for the single risk pool for the same entities. This memorandum pertains only to plans denoted in Worksheet 2 by Plan IDs starting with the sequence 33871.

## **COMPANY CONTACT INFORMATION**

**Primary Contact Name:** 

**Primary Contact Telephone Number:** 

**Primary Contact Email Address:** 



#### B. RATE HISTORY AND PROPOSED VARIATIONS IN RATE CHANGES

January 1, 2015	14.90%	INAC- 129626130
January 1, 2016	1.91%	INAC- 129936718
January 1, 2017	27.97%	INAC- 130539671

The historical rate changes varied by metallic tier based on plan benefits as illustrated via the Pricing AV.

Proposed rate changes may vary by metallic tier and plan based on plan benefit changes.

#### C. AVERAGE RATE CHANGE

The average proposed rate change shown in Cell AC15 of Table 10 is 21.7%. The changes to the single risk pool gross premium average rate per member per month (PMPM) from calendar year 2016 to calendar year 2018 are incorporated into the pricing and reflected in the Unified Rate Review Template.

The change in 21-year-old Non-Tobacco Premium PMPM calculated in Table 11, Cell AN13 is 21.7%. The change shown in Cell V45 of Worksheet 1 of URRT Part I is 52.09%. The change shown in Cell V46 of Worksheet 1 of URRT Part I is 23.33%.

#### D. MEMBERSHIP COUNT

Table 1 illustrates the Experience Period member-months, Current Period members as of February 1, 2017, and Projected Rating Period Member-months by ages.

## **E. BENEFIT CHANGES**

Benefit changes were made to the following plans to assure compliance with Actuarial Value Requirements, including differences that resulted from changes to the AV Calculator. The basis for pricing changes was our internal pricing model.

### F. EXPERIENCE PERIOD CLAIMS AND PREMIUMS

Table 2 illustrates the experience period claims and premiums using calendar year data. The data is consistent with the data reported in Section 1 of Worksheet I of the URRT.

Experience period premium, claims, and member months are obtained from the company's internal data warehouse. The claims data is collected for incurred dates from January through December 2016 and paid through January 2017. Earned premiums and member months are for January through December 2016. The data are for all direct-written individual business of KHPE in the Commonwealth of Pennsylvania, including out-of-network claims written by KHPE but paid by QCC for POS plans. No private reinsurance was applicable.

# **Projected Risk Adjustment PMPM**

Non-EHB benefits are illustrated separately in cell H36 of Table 2. Capitation is uniform by age for the experience period. Net pharmacy rebates are illustrated in cell I36 of Table 2.

Projected Risk Adjustment is accounted for in Projected Incurred Claims before ACA Reinsurance and Risk Adjustment to reflect anticipated risk adjustment transfer amounts for the projection period. The amount reflects the projected morbidity for the single risk pool for IBCFOC in the projection period.

The estimated risk adjustment revenue for all of the plans in the risk pool is developed using the following methodology. We recognize that the HHS payment transfer formula implies that the projected incurred claims based solely on the experience period single risk pool claims need to be adjusted by the ratio of the current statewide market's risk relative to allowable rating factor (ARF) for age compared to the single risk pool's risk relative to ARF presented during the experience period. This adjustment, together with the assumed future changes in population risk morbidity, results in the issuer's pricing being consistent with the anticipated morbidity level of the future statewide market.

The anticipated risk adjustment transfer revenue is allocated proportionally based on plan premium. The Projected Risk Adjustment is subtracted from Projected Incurred Claims before ACA Risk Adjustment to reflect anticipated receipt of risk adjustment transfer amounts for the projection period.

When the projected risk adjustment amounts for KHPE and Independence Blue Cross (QCC) are combined, the result is consistent with the projection made in our submission. We also considered preliminary 2016 risk transfer results.

# **G. CREDIBILITY OF DATA**

The experience period data is considered 100% credible.

## H. TREND IDENTIFICATION

Table 3 identifies the proposed annual medical and prescription drug allowed claims cost and utilization trends. These data match the data illustrated in Section 2 of Worksheet I of the URRT. Additional discussion is provided in Section I, Historical Experience.

#### I. HISTORICAL EXPERIENCE

Table 4 illustrates historical experience from 2014 through 2016 for the product line.

# a. Annualized Cost Trend

Annual cost trend reflects changes in costs of medical treatment due to medical inflation and changes in the distribution of services across network providers. The trend value is developed by reviewing historical medical costs for the single risk pool and adjusting them for anticipated future provider contracting reimbursement levels. The data is normalized for changes in age, benefit changes during the

experience period, changes to provider contracts, and prescription drug formulary, and new drugs brought to market.

## b. Annualized Utilization Trend

Annual utilization trend reflects the change in the number of units per 1,000 members for a fixed level of illness burden and includes changes due to the mix and intensity of services provided and changes related to shifts in product mix. It also includes effects of selection, if any, since this cannot be reflected in the relative cost of the various products and plans offered.

## J. TERMINATED PLANS

The following plans are being terminated during 2018:

HIOS ID Plan Name

33871PA0040003 Keystone HMO Silver (On-Exchange)

#### K. HIOS ID CHANGES

HIOS ID numbers are changed for Off-Exchange Plans to distinguish them from On-Exchange Plans effective January 1, 2018. They are shown in the Experience Period section of the URRT Worksheet 2 using the 2018 HIOS ID numbers.

		-1
2017 HIOS ID	2018 HIOS ID	Plan Name
33871PA0040020	33871PA0120001	Keystone HMO Platinum
33871PA0040021	33871PA0120002	Keystone HMO Gold
33871PA0040022	33871PA0120003	Keystone HMO Silver
33871PA0040023	33871PA0120004	Keystone HMO Bronze
33871PA0040024	33871PA0120005	Keystone HMO Gold Proactive
33871PA0040025	33871PA0120006	Keystone HMO Silver Proactive
33871PA0040026	33871PA0120007	Keystone HMO Silver Proactive Value

## 2. RATE DEVELOPMENT AND CHANGE

# A. DEVELOPMENT OF PROJECTED INDEX RATE, MARKET-ADJUSTED INDEX RATE, & TOTAL ALLOWED CLAIMS

Table 5 illustrates the development of the Projected Index Rate and Market-Adjusted Index Rate beginning with the Experience Period Index Rate. Exhibit A provides additional information about the adjustment factors.

## **Changes in Population Risk Morbidity**

Experience period allowed claims are adjusted to account for differences in the average morbidity of the single risk pool population underlying the experience and the anticipated population in the projection period. This adjustment reflects changes in the individual market-wide morbidity.

# **Changes in Other Factors**

Experience period allowed claims are adjusted to account for differences in the single risk pool population underlying the experience and the anticipated population in the projection period pertaining to several factors not due to changes in morbidity or the costs and utilization of medical care. This adjustment reflects: additional benefits required to be covered as essential health benefits; recently mandated benefits required by state law that are not reflected in the experience period data; benefits in the experience that are removed for the projection period; anticipated changes in the average utilization of services due to differences in average cost sharing requirements during the experience period and average cost sharing requirements in the projection period; changes in demographic characteristics of the single risk pool experience period population and the projection period population (including age, gender, region, and tobacco use); changes in the provider network (adding or removing a provider system or introducing a limited network option); and anticipated changes in pharmacy rebates.

CSR payments are funded through premiums in this filing. The additional cost to provide the CSRs is recognized in Column O of Table 10 of the Actuarial Memorandum Rate Exhibit. In URRT Part I, the cost is reflected in the Paid to Allowed factor. The Paid to Allowed factor in the URRT Part 1 is equal to the Paid to Allowed factor in Table 5 multiplied by the value in cell O13 of Table 10 of the Actuarial Memorandum Rate Exhibit.

Please note that the final marketing plan name shown in Table 10 of the Actuarial Memorandum Rate Exhibit for the Off-Exchange Silver plan that was added in this filing is not yet finalized at the time of this submission.

#### **B. RETENTION ITEMS**

Administrative Evpenses

Table 6 illustrates the retention items, expressed as percentages of premium. Consistent with conversations with our State regulator, no Pricing load was applied for the Managed Care Assessment levied pursuant to Article VIII-I of the Pennsylvania Code, as it will be separately reimbursed.

11 020/

Administrative Expenses		11.93%
General and Claims	10.04%	
Agent/Broker Fees and Commissions	1.50%	
Quality Improvement Initiatives	0.39%	
Taxes and Fees		3.69%
PCORI Fees	0.04%	
PA Premium Tax	0.00%	
Federal Income Tax	1.51%	
Health Insurance Providers Fee	2.15%	
Profit/Contingency		2.00%
Total Retention		17.62%
INAC-131145975 KHPE Consumer	5	PA Actuarial Memorandum August 8, 2017

## C. NORMALIZED MARKET-ADJUSTED PROJECTED ALLOWED TOTAL CLAIMS

Table 7 compares the normalization factors used in this filing to those used in the 2017 filing. The changes in the factors reflect small differences from the projected populations in 2017 and 2018.

#### D. COMPONENTS OF RATE CHANGE

Table 8 illustrates the components of rate change, based on inputs form other sections of the Rate Exhibits. The results in Row H are similar to the values in Row A of Table 8.

Data in Table 9 was taken from the 2017 URRT with the exceptions of Risk Adjustment and Reinsurance which were revised to project company-specific values.

## 3. PLAN RATE DEVELOPMENT

Table 10 is populated with plan information consistent with entries in the 2018 URRT. Plan mappings, where applicable, are illustrated in Column F of Table 10.

Attached to this actuarial memorandum are exhibits providing actuarial certifications for the use of alternate methods of calculating the Actuarial Value, where applicable, as well as required support for the calculations.

## 4. PLAN PREMIUM DEVELOPMENT FOR 21-YEAR OLD NON-TOBACCO USER

Table 11 is populated from other sections of the Rate Exhibits, along with the population by age and rating area for the Projection Period.

#### 5. PLAN FACTORS

Tables 12, 13, and 14 illustrate the factors used in pricing for age, tobacco, geographic rating area, and network. The tobacco factors match the previously approved tobacco factors from the 2017 filing.

#### 6. ACTUARIAL CERTIFICATION

I, am Director & Actuary of Commercial Markets for the Independence Blue Cross Family of Companies. I am a member of the Society of Actuaries and the American Academy of Actuaries with the education and experience necessary to perform the work necessary and meet the Qualification Standards of the American Academy of Actuaries to render the qualified actuarial opinion contained herein. The developed rates and memorandum have been prepared in conformity with appropriate Actuarial Standards of Practice and the Academy's Code of Professional Conduct.

The Part I Unified Rate Review Template does not demonstrate the process used by the issuer to develop the premium rates and allowable rating factors. Rather, it represents information required by Federal regulation to be provided in support of the review of gross premium rate increases, for certification of qualified health plans for Federally facilitated exchanges, and for certification that the

index rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

I hereby certify that, to the best of my knowledge and judgment, the following:

- The projected index rate is:
  - —In compliance with all applicable State and Federal Statutes and Regulations (45 CFR 156.08(d)(1) and 147.106);
  - —Developed in compliance with applicable Actuarial Standards of Practice;
  - Reasonable in relation to the benefits provided and the population anticipated to be covered; and
  - -Neither excessive nor deficient.
- The index rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan level rates.
- 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.
- The AV Calculator was used to determine the AV Metal Values illustrated in Worksheet 2 of the Part I Unified Rate Review Template for all plans, unless an alternate methodology was required. If an alternate methodology was used to calculate the AV Metal Value for at least one plan offered, a copy of the actuarial certification required by 45 CFR Part 156, §156.135 will be included.
- All factor, benefit, and other changes from the prior approved filing have been disclosed in the actuarial memorandum.
- New plans cannot be considered modifications of existing plans under the uniform modification standards in 45 CFR 147.106.
- The information presented in the PA Actuarial Memorandum and PA Actuarial
   Memorandum Rate Exhibits is consistent with the information presented in the 2018 Rate
   Filing Justification.

August 8, 2017

# **Cover Page**

**HIOS Issuer ID:** 33871

**HIOS Product IDs:** 33871PA004, 33871PA012

This single PDF file contains <u>two</u> separate actuarial certifications for the unique plan designs under Issuer ID 33871. Please refer to all of the pages contained herein.

# Unique Plan Design Supporting Documentation and Justification

## ACTUARIAL MEMORANDUM

**HIOS Issuer ID:** 33871

**HIOS Product IDs:** 33871PA004, 33871PA012

**Applicable HIOS Plan IDs (Standard Component):** 33871PA0040002, 33871PA0120002, 33871PA0120004, 33871PA0040005, 33871PA0120005, 33871PA0040006, 33871PA0120007

# **Purpose of document:**

The purpose of this document is to provide CMS with a justification of the methods used in calculating the actuarial value for unique plan designs offered in the individual or small group market for the plan year beginning 1/1/2018. As prescribed by law, the AV calculation was based on the AV calculator to the full extent possible. The AV is meant to represent the average percent of costs paid by the insurer for a standard population, and may vary from actual member experience. The resulting AV was based on prescribed methodology and, therefore, may not reasonably reflect the actuary's estimate of the portion of allowed costs covered by the health insurance plan. The AV was determined based on the plan's benefits and coverage data, the standard population, and utilization and continuance tables published by HHS for purposes of the valuation of AV. This actuarial analysis is not appropriate for any other purposes.

# Reasons the plan design is unique (benefits that are not compatible with the parameters of the AV calculator and the materiality of those benefits):

The cost sharing of inpatient hospital services for these plans is a combination of copays for facility claims and coinsurance for professional claims. Inpatient hospital services account for about 21% of allowed costs in the AV calculation.

The following plans have three in-network tiers: 33871PA0040005, 33871PA0120005, 33871PA0040006, 33871PA0120006, and 33871PA0120007.

33871PA0040005 and 33871PA0120005 have expected utilization of 38% in the third tier. 33871PA0040006, 33871PA0120006, and 33871PA0120007 have expected utilization of 42% in the third tier.

# Acceptable alternate method used per 156.135(b)(2) or 156.135(b)(3):

Method 156.135(b)(2) was used for the inpatient hospital cost sharing.

Method 156.135(b)(3) was used to accommodate the three tier design.

# Confirmation that only in-network cost sharing, including multitier networks, was considered:

I confirm that only in-network cost sharing was considered.

# Description of the standardized plan population data used:

We used our commercial PPO and HMO data incurred between August 2014 and July 2015.

# If the method described in 156.135(b)(2) was used, a description of how the benefits were modified to fit the parameters of the AV calculator:

# Combination of Copays and Coinsurance for IP Hospital

The copays for inpatient hospital facility claims were combined with the coinsurance on professional claims to calculate equivalent copays for inpatient claims.

First we took the allowed PMPY inpatient costs and divided that by the utilization by admit PMPY to calculate the average cost per admit. We also took the utilization by day PMPY and divided that by the utilization by admit PMPY to calculate the average length of stay.

The average cost per admit was divided by the average length of stay to calculate the average cost per day. Based on our data, we assumed that 84% of the cost was from facility claims and the remaining 16% was from professional claims.

The professional coinsurance was multiplied by the professional portion of the daily inpatient cost to calculate equivalent daily copay for that piece. Because there is a 5-day maximum on our plans' inpatient copays, an effective copay factor was calculated by dividing the PMPY cost sharing from a \$100 per day inpatient copay with a 5-day maximum by the PMPY cost sharing from a \$100 per day inpatient copay without any maximum. The equivalent daily professional copay amount was then divided by this factor in order to determine the final professional copay reflecting a 5-day maximum.

The final professional copay was then added onto the facility copay in order to determine the equivalent overall IP hospital copay amount. The exhibit below details this calculation.

					33871PA0040006,	33871PA0040006,
	33871PA0040002,		33871PA0040005,	33871PA0040005,	33871PA0120006,	33871PA0120006,
HIOS IDs	33871PA0120002	33871PA0120004	33871PA0120005	33871PA0120005	33871PA0120007	33871PA0120007
IP Cost Sharing						
Facility	\$750	\$700	\$700	\$1,100	\$900	\$1,300
Professional	20%	50%	20%	30%	5%	10%
AVC Continuance Table	Gold	Bronze	Gold	Gold	Silver	Silver
PMPY for IP	\$1,140	\$1,082	\$1,140	\$1,140	\$1,129	\$1,129
Admit PMPY	0.06	0.05	0.06	0.06	0.06	0.06
Claim per Admit	\$19,709	\$20,013	\$19,709	\$19,709	\$19,876	\$19,876
Average LOS (days) Effective Copay Factor	4.5	4.2	4.5	4.5	4.3	4.3
for 5 days	0.46	0.50	0.46	0.46	0.49	0.49
Assumption from Data						
% Facility Cost	84%	84%	84%	84%	84%	84%
% Professional Cost	16%	16%	16%	16%	16%	16%
Calculations						
Professional Claim per Admit Professional Claim per	\$3,153	\$3,202	\$3,153	\$3,153	\$3,180	\$3,180
Day Equiv. Copay per Day no	\$705	\$764	\$705	\$705	\$746	\$746
max Equiv. Copay per Day,	\$141	\$382	\$141	\$211	\$37	\$75
5-day max Total Copay per Day,	\$305	\$770	\$305	\$457	\$76	\$153
5-day max	\$1,055	\$1,470	\$1,005	\$1,557	\$976	\$1,453

# If the method described in 156.135(b)(3) was used, a description of the data and method used to develop the adjustments:

Using the AV calculator and the methods described above, we calculated the AV for each tier in each plan, as follows. Based on actual tier utilization experience incurred in 2015, we projected expected utilization by tier for the plans. The final AV for the plan was then calculated by taking the weighted average of the tier AVs using the utilization by tier. The following exhibits details this calculation.

Utilization	Tier 1	Tier 2	Tier 3	Total
33871PA0040005, 33871PA0120005	45%	17%	38%	100%
33871PA0040006, 33871PA0120006, 33871PA0040007	47%	11%	42%	100%

	Actuarial Value			
HIOS ID	Tier 1	Tier 2	Tier 3	Average
33871PA0040005, 33871PA0120005	77.94%	75.85%	74.46%	76.26%
33871PA0040006, 33871PA0120006	74.84%	69.52%	68.79%	71.72%
33871PA0040006-04	76.75%	72.01%	71.29%	73.93%
33871PA0040006-05	88.27%	85.73%	85.09%	86.66%
33871PA0040006-06	94.40%	93.06%	92.61%	93.50%
33871PA0120007	72.97%	69.52%	68.79%	70.84%

# **Certification Language:**

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 those benefits that deviate substantially from the parameters of the AV Calculator and have a material impact on the AV.

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 methodologies.

I am an employee of the issuer, I meet the *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States* promulgated by the American Academy of Actuaries, and I have the education and experience necessary to perform this work. All AVs herein were determined in accordance with the ASOPs established by the Actuarial Standards Board and comply with applicable laws and regulations; furthermore, all metal levels herein were appropriately assigned based on applicable law.

Actuary signa	ture:		
Actuary Print	ed Name:		
Date:	5/12/2017		

AV screenshots redacted.

# Unique Plan Design Supporting Documentation and Justification

## ACTUARIAL MEMORANDUM

**HIOS Issuer ID:** 33871

HIOS Product IDs: 33871PA012

**Applicable HIOS Plan IDs (Standard Component):** 33871PA0120003

# **Purpose of document:**

The purpose of this document is to provide CMS with a justification of the methods used in calculating the actuarial value for unique plan designs offered in the individual or small group market for the plan year beginning 1/1/2018. As prescribed by law, the AV calculation was based on the AV calculator to the full extent possible. The AV is meant to represent the average percent of costs paid by the insurer for a standard population, and may vary from actual member experience. The resulting AV was based on prescribed methodology and, therefore, may not reasonably reflect the actuary's estimate of the portion of allowed costs covered by the health insurance plan. The AV was determined based on the plan's benefits and coverage data, the standard population, and utilization and continuance tables published by HHS for purposes of the valuation of AV. This actuarial analysis is not appropriate for any other purposes.

# Reasons the plan design is unique (benefits that are not compatible with the parameters of the AV calculator and the materiality of those benefits):

The cost sharing for outpatient facility fee varies by site of service. Services rendered at the office or a free standing facility have 70% coinsurance, and services rendered by a hospital have 50% coinsurance. Outpatient facility fee accounts for roughly 12% of allowed costs in the AV calculation.

# Acceptable alternate method used per 156.135(b)(2) or 156.135(b)(3):

Method 156.135(b)(2) was used for the outpatient facility site of service cost sharing.

# Confirmation that only in-network cost sharing, including multitier networks, was considered:

I confirm that only in-network cost sharing was considered.

# **Description of the standardized plan population data used:**

For the freestanding and hospital utilization data for outpatient facility, we used our commercial PPO and HMO data incurred between August 2014 and July 2015.

# If the method described in 156.135(b)(2) was used, a description of how the benefits were modified to fit the parameters of the AV calculator:

For the outpatient facility site of service cost sharing, our recent data indicated that 80% of outpatient facility claims came from the hospital setting.

The cost sharing entered into the AV calculator is a weighted average of the 50% coinsurance at the hospital and 70% coinsurance at an ambulatory surgery center. The final coinsurance entered was 54.00%.

If the method described in 156.135(b)(3) was used, a description of the data and method used to develop the adjustments:

Not applicable.

# **Certification Language:**

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 those benefits that deviate substantially from the parameters of the AV Calculator and have a material impact on the AV.

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 methodologies.

I am an employee of the issuer, I meet the *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States* promulgated by the American Academy of Actuaries, and I have the education and experience necessary to perform this work. All AVs herein were determined in accordance with the ASOPs established by the Actuarial Standards Board and comply with applicable laws and regulations; furthermore, all metal levels herein were appropriately assigned based on applicable law.

Actuary signa	ture:		
Actuary Print	ed Name:		
Date:	5/12/2017		

AV screenshots redacted.

# **Cover Page**

**HIOS Issuer ID:** 33871

**HIOS Product IDs:** 33871PA012

This single PDF file contains <u>one</u> actuarial certifications for the unique plan designs under Issuer ID 33871. Please refer to all of the pages contained herein.

# Unique Plan Design Supporting Documentation and Justification

# **ACTUARIAL MEMORANDUM**

**HIOS Issuer ID:** 33871

**HIOS Product IDs:** 33871PA012

Applicable HIOS Plan IDs (Standard Component): 33871PA0120008

# **Purpose of document:**

The purpose of this document is to provide CMS with a justification of the methods used in calculating the actuarial value for unique plan designs offered in the individual or small group market for the plan year beginning 1/1/2018. As prescribed by law, the AV calculation was based on the AV calculator to the full extent possible. The AV is meant to represent the average percent of costs paid by the insurer for a standard population, and may vary from actual member experience. The resulting AV was based on prescribed methodology and, therefore, may not reasonably reflect the actuary's estimate of the portion of allowed costs covered by the health insurance plan. The AV was determined based on the plan's benefits and coverage data, the standard population, and utilization and continuance tables published by HHS for purposes of the valuation of AV. This actuarial analysis is not appropriate for any other purposes.

# Reasons the plan design is unique (benefits that are not compatible with the parameters of the AV calculator and the materiality of those benefits):

The cost sharing of inpatient hospital services for these plans is a combination of copays for facility claims and coinsurance for professional claims. Inpatient hospital services account for about 21% of allowed costs in the AV calculation.

The following plans have three in-network tiers: 33871PA0120008.

33871PA0120008 has expected utilization of 42% in the third tier.

# Acceptable alternate method used per 156.135(b)(2) or 156.135(b)(3):

Method 156.135(b)(2) was used for the inpatient hospital cost sharing.

Method 156.135(b)(3) was used to accommodate the three tier design.

# Confirmation that only in-network cost sharing, including multitier networks, was considered:

I confirm that only in-network cost sharing was considered.

# Description of the standardized plan population data used:

We used our commercial PPO and HMO data incurred between August 2014 and July 2015.

If the method described in 156.135(b)(2) was used, a description of how the benefits were modified to fit the parameters of the AV calculator:

# Combination of Copays and Coinsurance for IP Hospital

The copays for inpatient hospital facility claims were combined with the coinsurance on professional claims to calculate equivalent copays for inpatient claims.

First we took the allowed PMPY inpatient costs and divided that by the utilization by admit PMPY to calculate the average cost per admit. We also took the utilization by day PMPY and divided that by the utilization by admit PMPY to calculate the average length of stay.

The average cost per admit was divided by the average length of stay to calculate the average cost per day. Based on our data, we assumed that 84% of the cost was from facility claims and the remaining 16% was from professional claims.

The professional coinsurance was multiplied by the professional portion of the daily inpatient cost to calculate equivalent daily copay for that piece. Because there is a 5-day maximum on our plans' inpatient copays, an effective copay factor was calculated by dividing the PMPY cost sharing from a \$100 per day inpatient copay with a 5-day maximum by the PMPY cost sharing from a \$100 per day inpatient copay without any maximum. The equivalent daily professional copay amount was then divided by this factor in order to determine the final professional copay reflecting a 5-day maximum.

The final professional copay was then added onto the facility copay in order to determine the equivalent overall IP hospital copay amount. The exhibit below details this calculation.

HIOS IDs	33871PA0120008	33871PA0120008
IP Cost Sharing		
Facility	\$900	\$1,300
Professional	5%	10%

AVC Continuance Table	Silver		Silver	
PMPY for IP		\$1,129		\$1,129
Admit PMPY		0.06		0.06
Claim per Admit		\$19,876		\$19,876
Average LOS (days) Effective Copay Factor		4.3		4.3
for 5 days		0.49		0.49

Assumption from Data		
% Facility Cost	84%	84%
% Professional Cost	16%	16%

Calculations Professional Claim per		
Admit	\$3,180	\$3,180
Professional Claim per Day	\$746	\$746
Equiv. Copay per Day no	, -	, -
max Equiv. Copay per Day,	\$37	\$75
5-day max	\$76	\$153
Total Copay per Day, 5-day max	\$976	\$1,453

# If the method described in 156.135(b)(3) was used, a description of the data and method used to develop the adjustments:

Using the AV calculator and the methods described above, we calculated the AV for each tier in each plan, as follows. Based on actual tier utilization experience incurred in 2015, we projected expected utilization by tier for the plans. The final AV for the plan was then calculated by taking the weighted average of the tier AVs using the utilization by tier. The following exhibits details this calculation.

Utilization	Tier 1	Tier 2	Tier 3	Total
33871PA0120008	47%	11%	42%	100%

	Actuarial Value			
HIOS ID	Tier 1	Tier 2	Tier 3	Average
33871PA0120008	74.90%	69.60%	68.88%	71.79%

# **Certification Language:**

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 those benefits that deviate substantially from the parameters of the AV Calculator and have a material impact on the AV.

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 methodologies.

I am an employee of the issuer, I meet the *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States* promulgated by the American Academy of Actuaries, and I have the education and experience necessary to perform this work. All AVs herein were determined in accordance with the ASOPs established by the Actuarial Standards Board and comply with applicable laws and regulations; furthermore, all metal levels herein were appropriately assigned based on applicable law.

Actuary signa	ture:		
Actuary Print	ted Name:		
Date:	8/8/2017		

AV screenshots redacted.

# **GENERAL OVERVIEW**

#### **PURPOSES**

This Actuarial Memorandum is provided along with the Unified Rate Review Template (URRT) to provide certain information to support the gross premium for the single risk pool for individual market health care insurance underwritten by Keystone Health Plan East in the Commonwealth of Pennsylvania. It is provided as a component of an application for certification as a Qualified Health Plan and a state rate filing. This submission may not be appropriate for other purposes.

#### **GENERAL INFORMATION**

## **COMPANY IDENTIFYING INFORMATION**

**Company Legal Name:** Keystone Health Plan East ("KHPE")

State: Pennsylvania

HIOS Issuer ID (5-digit): 33871 Market: Individual Effective Date(s): 1/1/2018

Worksheet 1 of the accompanying URRT contains experience period data and development of the projected Single Risk Pool Gross Premium Average Rate PMPM for the individual market for KHPE. Worksheet 2 contains experience period data and projections by product for the single risk pool for the same entities.

#### COMPANY CONTACT INFORMATION

**Primary Contact Name: Primary Contact Telephone Number:** 

**Primary Contact Email Address:** 

## PROPOSED RATE INCREASE

The changes to the single risk pool gross premium average rate per member per month (PMPM) from calendar year 2016 to calendar year 2018 were incorporated into the pricing and reflected in the Unified Rate Review Template. The changes are driven by factors including: changes in market-wide population risk morbidity and covered services, increasing unit costs for medical services, increasing utilization of medical services, increasing fees and taxes imposed by the federal government, anticipated costs to administer the plan, anticipated revenue or payments due to market-wide risk adjustment, and the discontinuance of net reinsurance payments from the Federal Transitional Reinsurance Program.

The weighted average increase across KHPE plans based on projected membership, inclusive of the impact of benefit and cost sharing changes, is 21.7%. The minimum increase is 7.9% and the maximum increase is 24.5%.

# **WORKSHEET 1: DATA COLLECTION TEMPLATE**

## **SECTION I: EXPERIENCE PERIOD PREMIUM AND CLAIMS**

## PAID THROUGH DATE

Experience period premium, claims, and member months are obtained from the company's internal data warehouse. The claims data is collected for incurred dates from January through December 2016 and paid through January 2017. Earned premiums and member months are for January through December 2016. The data are for all direct-written individual business of KHPE in the Commonwealth of Pennsylvania, including out-of-network claims written by KHPE but paid by QCC for POS plans.

# PREMIUMS (NET OF MLR REBATE) IN EXPERIENCE PERIOD

Earned Premiums (net of MLR Rebate) in Experience Period are developed by summing the earned premium reported in the company's internal data warehouse and adjusting for MLR rebates, if any, for the period. Although 2016 federal MLR rebate calculations are not final as of the writing of this memorandum, no federal MLR rebates are expected for calendar year 2016, so no adjustment to earned premium for MLR rebates is needed.

The calculation for federal minimum loss ratio rebates is based on 2014, 2015, and 2016 experience of earned premium, incurred claims, quality improvement expenses, and taxes. The three years of experience is blended for all segments.

# ALLOWED AND INCURRED CLAIMS INCURRED DURING THE EXPERIENCE PERIOD

# Paid-to-Date and Incurred Claims, and Member Months

Insurer fee-for-service claims expenses and member liabilities for dates of service in January 2016 through December 2016 and paid through January 2017 are sourced from the IBCFOC's internal data warehouse. The claims and member liabilities are completed with incurred but not reported (IBNR) adjustments to develop ultimate incurred insurer fee-for-service claims expenses and member liabilities for the January through December 2016 period. Capitation amounts are also sourced from the internal data warehouse for the January through December 2016 period but they are not adjusted for IBNR.

## **Allowed Claims**

Allowed claims are determined by separately obtaining paid-to-date fee-for-service claims and member cost-sharing amounts, applying claim lag factors to those amounts to estimate ultimate incurred fee-for-service claims and member-sharing amounts and adding them together with capitation amounts.

Allowed claims do not include ineligible claims, payments for services other than medical care provided, recovery payments related to internal large claim pooling mechanisms, or active live reserves.

# **IBNR Development**

Medical fee for service incurred but not reported (IBNR) claims are modeled through the use of standard claim lag methodologies. A range of results is developed, and a provision for adverse deviation is applied. The provision for adverse deviation is dependent on many factors such as stability, size, product mix, etc.

The completion factors are developed annually in the 2Q - 3Q period. We do not believe our IBNR is unusually high or unusually low for incurred 2016 paid through January 2017.

## **Experience Period Index Rate**

The Index Rate of Experience Period is estimated by removing cost and utilization trend from the Index Rate for Projection Period.

# **SECTION II: ALLOWED CLAIMS, PMPM BASIS**

## **BENEFIT CATEGORIES**

Utilization and Unit Cost data for allowed claims in the experience period are provided in Section II. The data is provided by benefit category using a standardized indicator from the internal data warehouse that assigns each claim line to a category based on the type of provider and the location of the service. The utilization and unit cost data are provided for the following categories: Inpatient Hospital admits, Outpatient Hospital visits, Professional visits, Other Medical visits, Capitation per member per month (PMPM), and Prescription Drug scripts.

Experience Period capitation is reported as a per member per month (PMPM) value. In order to complete the URRT, the Utilization per 1,000 statistics for capitated services only is reported as 1,000 so that the appropriate capitation PMPM is reported.

## **PROJECTION FACTORS**

The estimated incurred claims experience on an allowed basis for January 2016 through December 2016 is projected to the future rating period by several factors. Factors were calculated from the combined experience of QCC and KHPE.

## **Changes in Population Risk Morbidity**

Experience period allowed claims are adjusted to account for differences in the average morbidity of the single risk pool population underlying the experience and the anticipated population in the projection period. This adjustment reflects changes in the individual market-wide morbidity.

# **Changes in Other Factors**

Experience period allowed claims are adjusted to account for differences in the single risk pool population underlying the experience and the anticipated population in the projection period pertaining to several factors not due to changes in morbidity or the costs and utilization of medical care. This adjustment reflects: additional benefits required to be covered as essential health benefits; recently mandated benefits required by state law that are not reflected in the experience period data; benefits in the experience that are removed for the projection period; anticipated changes in the average utilization of services due to differences in average cost sharing requirements during the experience period and average cost sharing requirements in the projection period; changes in demographic characteristics of the single risk pool experience period population and the projection period population (including age, gender, region, and tobacco use); changes in the provider network (adding or removing a provider system or introducing a limited network option); and anticipated changes in pharmacy rebates.

#### **Trend Factors**

## a. Annualized Cost Trend

Annual cost trend reflects changes in costs of medical treatment due to medical inflation and changes in the distribution of services across network providers. The trend value is developed by reviewing historical medical costs for the single risk pool and adjusting them for anticipated future provider contracting reimbursement levels. The data is normalized for changes in age, benefit changes during the experience period, changes to provider contracts, and prescription drug formulary, and new drugs brought to market.

#### b. Annualized Utilization Trend

Annual utilization trend reflects the change in the number of units per 1,000 members for a fixed level of illness burden and includes changes due to the mix and intensity of services provided and changes related to shifts in product mix. It also includes effects of selection, if any, since this cannot be reflected in the relative cost of the various products and plans offered.

## **CREDIBILITY MANUAL RATE DEVELOPMENT**

The experience period claims for the single risk pool are determined to be fully credible; therefore no credibility adjustment is required.

# **SECTION III: PROJECTED EXPERIENCE**

## **PAID TO ALLOWED RATIO**

The Projected Allowed Experience Claims PMPM shown in Worksheet 1 represents projected allowed claims experience PMPM for the projected portfolio of plans. The Paid to Allowed Average Factor in

Projection Period adjusts the allowed down to Projected Incurred Claims before ACA reinsurance and risk adjustment for the population anticipated to be covered in the projection period. The Projected Incurred Claims before ACA reinsurance and risk adjustment represents the net amount of incurred insurer claim liability expected in the projection period, net of member cost sharing and cost sharing paid by HHS on behalf of low-income members. It reflects the average benefit level anticipated during the projection period. The ratio was calculated using incurred (before ACA reinsurance and risk adjustment) and allowed PMPMs from worksheet two of the URRT.

# **RISK ADJUSTMENT AND REINSURANCE**

## **Projected Risk Adjustment PMPM**

Projected Risk Adjustment is accounted for in Projected Incurred Claims before ACA Reinsurance and Risk Adjustment to reflect anticipated risk adjustment transfer amounts for the projection period. The amount reflects the projected morbidity for the single risk pool for IBCFOC in the projection period.

The estimated risk adjustment revenue for all of the plans in the risk pool is developed using the following methodology. We recognize that the HHS payment transfer formula implies that the projected incurred claims based solely on the experience period single risk pool claims need to be adjusted by the ratio of the current statewide market's risk relative to allowable rating factor (ARF) for age compared to the single risk pool's risk relative to ARF presented during the experience period. This adjustment, together with the assumed future changes in population risk morbidity, results in the issuer's pricing being consistent with the anticipated morbidity level of the future statewide market.

The anticipated risk adjustment transfer revenue is allocated proportionally based on plan premium. The Projected Risk Adjustment is subtracted from Projected Incurred Claims before ACA Risk Adjustment to reflect anticipated receipt of risk adjustment transfer amounts for the projection period.

When the projected risk adjustment amounts for KHPE and QCC are combined, the result is consistent with the projection made in our submission. We also considered preliminary 2016 risk transfer results.

Projected ACA Reinsurance Recoveries Net of Reinsurance Premium (Individual Market Only) With the expiration of the reinsurance program at the end of the 2016 benefit year, there are no projected reinsurance recoveries or reinsurance premium assumed in the rates.

## **NON-BENEFIT EXPENSES AND PROFIT & RISK**

## **Administrative Expense Load**

An Administrative Expense Load is applied to Projected Incurred Claims to reflect expenses related to quality improvement and fraud detection/recovery and other expenses of operating a business, broker commissions, and premium payment processing fees.

## **Profit & Risk Load/Contribution to Surplus**

A Profit & Risk Load/Contribution to Surplus for the single risk pool is applied to Projected Incurred Claims for the projection period, if applicable.

#### **Taxes and Fees**

A Taxes & Fees load is applied to Projected Incurred Claims to pass through fees and taxes levied by the federal and state governments.

## PROJECTED LOSS RATIO

The projected loss ratio for the single risk pool is estimated to exceed 80% reflecting premium adjustments permitted by the federal MLR calculation.

## **SINGLE RISK POOL**

The single risk pool reflects all covered lives for every individual non-grandfathered product and plan combination for KHPE in the state of Pennsylvania. It is established according to the Single Risk Pool requirements in 45 CFR § 156.80(d).

## **INDEX RATE**

The Index Rate is defined as the EHB portion of projected allowed claims divided by all projected single risk pool lives. The Index Rate is the same value for all non-grandfathered plans for KHPE Individual Plans in Pennsylvania. The Index Rate reflects the twelve month projection for calendar year 2018. It has been developed following the specifications of 45 CFR § 156.80(d)(1).

## **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: federal reinsurance program adjustment, risk adjustment and exchange user fees. The Market Adjusted Index Rate reflects the average demographic characteristics of the single risk pool.

### **PLAN ADJUSTED INDEX RATE**

The Plan Adjusted Index Rate is calculated as the issuer Market Adjusted Index Rate adjusted for all allowable plan level modifiers defined in the market rating rule. These include actuarial value and cost sharing adjustment, provider network, delivery system and utilization management adjustment, adjustment for benefits in addition to the EHBs, impact of specific eligibility categories for the catastrophic plan and administrative costs.

## **CALIBRATION**

The plan adjusted index rate is projected for all products using the same anticipated age distribution and the mandated age curve. Therefore the consumer adjusted premium rate is the plan adjusted index rate divided by the average age, geographic and tobacco factors for the expected distribution. The average age of the combined individual risk pool population is 41.

The Average Age factor is the weighted average age factor based on the projected membership. The Tobacco Factor is calculated as the projected average factor for tobacco users multiplied by the projected tobacco use prevalence.

There is only one geographic rating area for this filing. The geographic rating area factor for this filing is 1.0.

# **WORKSHEET 2: PRODUCT-PLAN DATA COLLECTION**

## **AV METAL VALUES**

The AV Metal Values included in Worksheet 2 of the URRT were valued using the AV Calculator, where possible, otherwise the AV Metal Values were developed under an alternate methodology. Actuarial certifications required by 45 CFR Part 156, §156.135 are provided in a separate document.

## **AV PRICING VALUES**

The AV Pricing Value represents the cumulative effect of adjustments made by plan to move from the Market Adjusted Index Rate to the Plan Adjusted Index Rate.

## **MEMBERSHIP PROJECTIONS**

Enrollment is projected based on current and anticipated enrollment by plan. Items impacting these projections include changes in the size of the market due to introduction of guarantee issue requirements, the individual mandate, and the introduction of a Basic Health Program.

# **TERMINATED PLANS**

The following plan is being terminated (removed from the exchange, the Off-exchange variant has been kept).

HIOS ID Plan Name

33817PA0040003 Keystone HMO Silver

#### **HIOS ID CHANGES**

HIOS ID numbers are changed for Off-Exchange Plans to distinguish them from On-Exchange Plans effective January 1, 2018. They are shown in the Experience Period section of the URRT Worksheet 2 using the 2018 HIOS ID numbers.

2017 HIOS ID	2018 HIOS ID	Plan Name
33871PA0040020	33871PA0120001	Keystone HMO Platinum
33871PA0040021	33871PA0120002	Keystone HMO Gold
33871PA0040022	33871PA0120003	Keystone HMO Silver
33871PA0040023	33871PA0120004	Keystone HMO Bronze
33871PA0040024	33871PA0120005	Keystone HMO Gold Proactive
33871PA0040025	33871PA0120006	Keystone HMO Silver Proactive
33871PA0040026	33871PA0120007	Keystone HMO Silver Proactive Value

#### WARNING ALERTS

There are no warning alerts in URRT part 1.

#### **ACTUARIAL CERTIFICATION**

I, am Director & Actuary of Commercial Markets for the Independence Blue Cross Family of Companies. I am a member of the Society of Actuaries and the American Academy of Actuaries with the education and experience necessary to perform the work necessary and meet the Qualification Standards of the American Academy of Actuaries to render the qualified actuarial opinion contained herein. The developed rates and memorandum have been prepared in conformity with appropriate Actuarial Standards of Practice and the Academy's Code of Professional Conduct.

The Part I Unified Rate Review Template does not demonstrate the process used by the issuer to develop the premium rates and allowable rating factors. Rather, it represents information required by Federal regulation to be provided in support of the review of gross premium rate increases, for certification of qualified health plans for Federally facilitated exchanges, and for certification that the index rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

I hereby certify that, to the best of my knowledge and judgment, the following:

- The projected index rate is:
  - —In compliance with all applicable State and Federal Statutes and Regulations (45 CFR 156.08(d)(1) and 147.102);
  - —Developed in compliance with applicable Actuarial Standards of Practice;
  - Reasonable in relation to the benefits provided and the population anticipated to be covered; and
  - -Neither excessive nor deficient.
- The index rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan level rates.
- 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.
- Geographic rating factors reflect only differences in the costs of delivery of and do not include differences for population morbidity by geographic area.
- 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, unless an alternate methodology was required. If an alternate methodology was used to calculate the AV Metal Value for at least one plan offered, a copy of the actuarial certification required by 45 CFR Part 156, §156.135 will be included.

#### **REDACTION JUSTIFICATION**

#### **DOCUMENT**

#### <u>URRT Part III – Federal Actuarial Memorandum</u>

Redacted Name of opining actuary (page 9)
Redacted Company Contact Information (page 1) – name, telephone number, email address

#### PA Actuarial Memorandum

Redacted Name of opining actuary (pages 6 and 7)
Redacted Company Contact Information (page 1) – name, telephone number, email address

#### Cover Letter

Redacted names and contact information (page 2)

#### **AV Screenshots**

Entire File Redacted

#### **Unique AV Justification file**

Redacted name of opining actuary (pages 6 and 36) Redacted AV Screenshots (pages 7-33 and 37)





Pennsylvania Insurance Department | www.insurance.pa.gov

#### **Keystone Health Plan East – Individual Plans**

Rate request filing ID # INAC-131145975 - 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: 21.7%<sup>1</sup>
Revised requested average rate change: N/A<sup>1</sup>

Range of requested rate change: 7.9% - 24.5% Effective date: January 1, 2018

People impacted: 151,360
Available in: Rating Area 8

#### **Key information**

#### Jan. 2016-Dec. 2016 financial experience

Company made (after taxes)	(\$15,810,180)
Taxes & fees	\$21,700,745
Administrative expenses	\$70,130,512
Claims	\$512,075,016
Premiums	\$588,096,093

The company expects its annual medical costs to increase 23.8%.

#### How it plans to spend your premium

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

Claims:	82%
Administrative:	12%
Taxes & fees:	4%
Profit:	2%

#### **Explanation of requested rate change**

Scope and Range of the Rate Increase:

Keystone Health Plan East ("KHPE") is revising premium rates for the Pennsylvania Small Group ACA compliant products, effective from January 1, 2018. The actual impact for a specific customer may be different.

About 151,000 members will be affected.

Financial Experience of the Product:

KHPE is required by federal law to pay out a minimum of 80% percent of premium dollars for medical claims—this is referred to as the minimum Medical Loss Ratio (MLR). The rate action proposed in this filing is expected to achieve a Medical Loss Ratio of greater than 80%.

Changes in Medical Service Costs:

Premium rates for health care insurance are increasing as the cost of health care service rise. Health

<sup>1</sup> Note that insurers will have the opportunity to revise their rate change request in July, after they are scheduled to receive updated information about the impact of a federal program called risk adjustment. This document will be updated accordingly at that time.

care service costs increase as health care providers increase their fees, members use more health care services and supplies, and the types of health care services and supplies change, among other factors.

We are projecting that claims will increase by 23.8% in 2018. Changes include updates for individual mandate penalties and non-funding of CSR payments as well as changes in health care service costs driven by changes to health care provider fees.

#### Changes in Benefits:

Some plan benefits are mandated by federal and state law. Benefit changes for some plans were also made. All changes in benefits are in compliance with the uniform modifications rules stipulated by the Federal government.

#### Administrative Costs:

The premium rates presented in this filing include a 2% contribution to reserves. Furthermore, the Affordable Care Act (ACA) imposes taxes and other levies.

018 Rates Table Template v7.1	All fields with an asterisk (*) are requi	red. To validate press Validate button or 0	Ctrl + Shift + I To finalize press Finaliz	re button or Ctrl + Shift + F	
•		select Family-Tier Rates under Rating Me		S Battern or Gur 1 Grint 1 7.	
	<u> </u>	ate, select Age-Based Rates under Rating Mic		te for every age hand	
	_ <u> </u>	acco User, you must give a rate for Tobac	·	te for every age band.	
		heet button, or Ctrl + Shift + H. All plans m			
HIOS Issuer ID*	33871	leet battori, or our + orint + 11. Air plans if	idst have the same dates on a sheet.		
Federal TIN*					
Rate Effective Date*	1/1/2018				
Rate Expiration Date*	12/31/2018				
•	Age-Based Rates				
rading modified	Algo Bassa Halos				
Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*	Individual Tobacco Rate*
		Required:			
Required:	Required:	Select if Tobacco use of subscriber is used to	Required:	Required: Enter the rate of an Individual Non-Tobacco or	Required:
Enter the 14-character Plan ID	Select the Rating Area ID	determine if a person is eligible for a rate from a	rate	No Preference enrollee on a plan	on a plan
		plan			
33871PA0040001	Rating Area 8	Tobacco User/Non-Tobacco User	0-14	512.62	512.62
33871PA0040001	Rating Area 8	Tobacco User/Non-Tobacco User	15	558.18	558.18
33871PA0040001	Rating Area 8	Tobacco User/Non-Tobacco User	16	575.60	575.60
33871PA0040001	•	Tobacco User/Non-Tobacco User	17	593.03	593.03
33871PA0040001	Rating Area 8	Tobacco User/Non-Tobacco User	18	611.79	611.79
33871PA0040001	•	Tobacco User/Non-Tobacco User	19	630.55	630.55
33871PA0040001	•	Tobacco User/Non-Tobacco User	20	649.98	649.98
33871PA0040001		Tobacco User/Non-Tobacco User	21	670.09	753.85
33871PA0040001		Tobacco User/Non-Tobacco User	22	670.09	753.85
33871PA0040001	3 3	Tobacco User/Non-Tobacco User	23	670.09	753.85
33871PA0040001	_	Tobacco User/Non-Tobacco User	24	670.09	753.85
33871PA0040001	•	Tobacco User/Non-Tobacco User	25	672.77	756.86
33871PA0040001	•	Tobacco User/Non-Tobacco User	26	686.17	771.94
33871PA0040001	•	Tobacco User/Non-Tobacco User	27	702.25	790.03
33871PA0040001	•	Tobacco User/Non-Tobacco User	28	728.38	819.43
33871PA0040001	3	Tobacco User/Non-Tobacco User	29	749.83	843.50
33871PA0040001		Tobacco User/Non-Tobacco User	30	760.55	893.64
33871PA0040001	•	Tobacco User/Non-Tobacco User	31	776.63	912.54
33871PA0040001	•	Tobacco User/Non-Tobacco User	32	792.71	931.44
33871PA0040001	•	Tobacco User/Non-Tobacco User	33	802.76	943.25
33871PA0040001	•	Tobacco User/Non-Tobacco User	34	813.49	955.85
33871PA0040001		Tobacco User/Non-Tobacco User Tobacco User/Non-Tobacco User	<u>35</u> 36	818.85	962.14
33871PA0040001 33871PA0040001	•	Tobacco User/Non-Tobacco User	37	824.21 829.57	968.44 974.74
33871PA0040001 33871PA0040001	•	Tobacco User/Non-Tobacco User	38	834.93	981.04
33871PA0040001 33871PA0040001	•	Tobacco User/Non-Tobacco User	39	845.65	993.64
33871PA0040001	•	Tobacco User/Non-Tobacco User	40	856.37	1049.05
33871PA0040001	•	Tobacco User/Non-Tobacco User	41	872.45	1068.76
33871PA0040001	•	Tobacco User/Non-Tobacco User	42	887.87	1087.6
33871PA0040001	•	Tobacco User/Non-Tobacco User	43	909.31	1113.9
33871PA0040001	•	Tobacco User/Non-Tobacco User	44	936.11	1146.74
33871PA0040001	•	Tobacco User/Non-Tobacco User	45	967.61	1185.32
33871PA0040001		Tobacco User/Non-Tobacco User	46	1005.13	1231.28
33871PA0040001	_	Tobacco User/Non-Tobacco User	47	1047.35	1283.00
33871PA0040001	•	Tobacco User/Non-Tobacco User	48	1095.59	1342.10
33871PA0040001	•	Tobacco User/Non-Tobacco User	49	1143.17	1400.3
33871PA0040001	•	Tobacco User/Non-Tobacco User	50	1196.78	1645.5
33871PA0040001	•	Tobacco User/Non-Tobacco User	51	1249.71	1718.3
33871PA0040001		Tobacco User/Non-Tobacco User	52	1308.01	1798.5
33871PA0040001	Rating Area 8	Tobacco User/Non-Tobacco User	53	1366.98	1879.5
33871PA0040001	•	Tobacco User/Non-Tobacco User	54	1430.64	1967.1
33871PA0040001		Tobacco User/Non-Tobacco User	55	1494.29	2054.6
33871PA0040001		Tobacco User/Non-Tobacco User	56	1563.31	2149.5
33871PA0040001		Tobacco User/Non-Tobacco User	57		2245.3
33871PA0040001	•	Tobacco User/Non-Tobacco User	58	1707.38	2347.6
33871PA0040001		Tobacco User/Non-Tobacco User	59	1744.24	2398.3
33871PA0040001		Tobacco User/Non-Tobacco User	60	1818.62	2500.6
33871PA0040001	3	Tobacco User/Non-Tobacco User	61	1882.94	2589.0
33871PA0040001	•	Tobacco User/Non-Tobacco User	62	1925.16	2647.0
33871PA0040001	<b>9</b>	Tobacco User/Non-Tobacco User	63	1978.10	2719.8
33871PA0040001	•	Tobacco User/Non-Tobacco User	64 and over	2010.26	2764.1
33871PA0040002		Tobacco User/Non-Tobacco User	0-14	381.97	381.9
33871PA0040002	<b>.</b>	Tobacco User/Non-Tobacco User	15	415.92	415.9
33871PA0040002	3	Tobacco User/Non-Tobacco User	16		428.9
33871PA0040002	•	Tobacco User/Non-Tobacco User	17	441.88	441.8
33871PA0040002	•	Tobacco User/Non-Tobacco User	18	455.87	455.8
33871PA0040002	<u> </u>	Tobacco User/Non-Tobacco User	19	469.85	469.8
33871PA0040002		Tobacco User/Non-Tobacco User	20	484.33	484.3
33871PA0040002		Tobacco User/Non-Tobacco User	21	499.30	561.7
33871PA0040002	•	Tobacco User/Non-Tobacco User	22	499.30	561.73
33871PA0040002	•	Tobacco User/Non-Tobacco User Tobacco User/Non-Tobacco User	23	499.30	561.73
33871PA0040002	- 111111 ATOM X	TUDACCO LISEVINON-LODACCO LISER	24	499.30	561.7

	=			
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	25	501.30	563.9
33871PA0040002 Rating Area 8 33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User Tobacco User/Non-Tobacco User	26 27	511.29 523.27	575.2 588.6
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	28	542.74	610.5
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	29	558.72	628.5
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	30	566.71	665.8
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	31	578.69	679.9
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	32	590.68	694.0
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	33	598.17	702.8
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	34	606.16	712.2
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	35	610.15	716.9
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	36	614.15	721.6
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	37	618.14	726.3
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	38	622.13	731.0
33871PA0040002 Rating Area 8 33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User Tobacco User/Non-Tobacco User	39 40	630.12 638.11	740.3 781.6
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	41	650.09	796.3
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	42	661.58	810.4
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	43	677.56	830.0
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	44	697.53	854.4
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	45	721.00	883.2
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	46	748.96	917.4
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	47	780.41	956.0
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	48	816.36	1000.0
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	49	851.81	1043.4
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	50	891.76	1226.1
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	51	931.20	1280.4
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	52	974.64	1340.1
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	53	1018.58	1400.5
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	54 55	1066.02	1465.7
33871PA0040002 Rating Area 8 33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User Tobacco User/Non-Tobacco User	55 56	1113.45 1164.88	1530.9 1601.7
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	57	1216.81	1673.1
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	58	1272.23	1749.3
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	59	1299.69	1787.0
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	60	1355.11	1863.2
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	61	1403.05	1929.1
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	62	1434.50	1972.4
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	63	1473.95	2026.6
33871PA0040002 Rating Area 8	Tobacco User/Non-Tobacco User	64 and over	1497.90	2059.6
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	0-14	322.88	322.8
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	15	351.58	351.5
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	16	362.55	362.5
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	17	373.52	373.5
33871PA0040005 Rating Area 8 33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User Tobacco User/Non-Tobacco User	18 19	385.34 397.16	385.3 397.1
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	20	409.40	409.4
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	21	422.06	474.8
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	22	422.06	474.8
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	23	422.06	474.8
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	24	422.06	474.8
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	25	423.75	476.7
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	26	432.19	486.2
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	27	442.32	497.6
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	28	458.78	516.1
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	29	472.29	531.3
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	30	479.04	562.8
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	31	489.17	574.7
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	32	499.30	586.6 504.1
33871PA0040005 Rating Area 8 33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User Tobacco User/Non-Tobacco User	33	505.63 512.38	594.1 602.0
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	35	512.36	606.0
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	36	519.14	609.9
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	37	522.51	613.9
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	38	525.89	617.9
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	39	532.64	625.8
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	40	539.40	660.7
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	41	549.52	673.1
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	42	559.23	685.0
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	43	572.74	701.6
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	44	589.62	722.2
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	45	609.46	746.5
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	46	633.09	775.5
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	47	659.68	808.1
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	48	690.07	845.3
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	49	720.04	882.0
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	50 51	753.80 787.15	1036.4
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User Tobacco User/Non-Tobacco User	51 52	787.15	1082.3
33871PA0040005 Rating Area 8 33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User  Tobacco User/Non-Tobacco User	53	823.86 861.01	1132.8 1183.8
<u> </u>		54	901.10	1239.0
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User			·

33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	56	984.67	1353.92
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	57	1028.56	1414.28
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	58	1075.41	1478.69
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	59	1098.63	1510.6°
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	60	1145.48	1575.03
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	61	1185.99	1630.74
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	62	1212.58	1667.30
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	63	1245.93	1713.1
33871PA0040005 Rating Area 8	Tobacco User/Non-Tobacco User	64 and over	1266.18	1741.0
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	0-14	278.71	278.7°
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	15	303.48	303.4
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	16	312.95	312.9
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	17	322.43	322.4
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	18	332.63	332.6
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	19	342.83	342.8
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	20	353.39	353.3
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	21	364.32	409.8
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	22	364.32	409.8
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	23	364.32	409.8
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	24	364.32	409.8
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	25	365.78	411.5
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	26	373.07	419.7
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	27	381.81	429.5
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	28	396.02	445.5
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	29	407.68	458.6
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	30	413.51	485.8
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	31	422.25	496.1
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	32	430.99	506.4
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	33	436.46	512.8
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	34	442.29	519.6
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	35	445.20	523.1
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	36	448.12	526.5
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	37	451.03	529.9
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	38	453.95	533.3
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	39	459.78	540.2
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	40	465.60	570.3
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	41	474.35	581.0
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	42	482.73	591.3
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	43	494.39	605.6
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	44	508.96	623.4
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	45	526.08	644.4
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	46	546.48	669.4
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	47	569.44	697.5
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	48	595.67	729.6
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	49	621.53	761.3
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	50	650.68	894.6
•	Tobacco User/Non-Tobacco User	51	679.46	934.0
33871PA0040006 Rating Area 8				
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	52	711.16	977.8
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	53	743.22	1021.9
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	54	777.83	1069.5
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	55	812.44	1117.1
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	56	849.97	1168.7
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	57	887.86	1220.8
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	58	928.29	1276.4
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	59	948.33	1303.9
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	60	988.77	1359.5
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	61	1023.75	1407.6
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	62	1046.70	1439.2
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	63	1075.48	1478.7
33871PA0040006 Rating Area 8	Tobacco User/Non-Tobacco User	64 and over	1092.96	1502.8

### Keystone Health Plan East Individual Plan Design Summary

IIIOC Dlana ID	Dian Manifestina Name	Dua duat		On Off Freshamen	Nistroni	Dating Anna	Counting County
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Network	Rating Area	Counties Covered
33871PA0040001	Keystone HMO Platinum	НМО	Platinum	On	KHPE	8	Bucks, Chester, Delaware, Montgomery, Philadelphia
33871PA0040002	Keystone HMO Gold	НМО	Gold	On	KHPE	8	Bucks, Chester, Delaware, Montgomery, Philadelphia
33871PA0040005	Keystone HMO Gold Proactive	НМО	Gold	On	Proactive	8	Bucks, Chester, Delaware, Montgomery, Philadelphia
33871PA0040006	Keystone HMO Silver Proactive	нмо	Silver	On	Proactive	8	Bucks, Chester, Delaware, Montgomery, Philadelphia
33871PA0120001	Keystone HMO Platinum	НМО	Platinum	Off	KHPE	8	Bucks, Chester, Delaware, Montgomery, Philadelphia
33871PA0120002	Keystone HMO Gold	НМО	Gold	Off	KHPE	8	Bucks, Chester, Delaware, Montgomery, Philadelphia
33871PA0120003	Keystone HMO Silver	НМО	Silver	Off	KHPE	8	Bucks, Chester, Delaware, Montgomery, Philadelphia
33871PA0120004	Keystone HMO Bronze	НМО	Bronze	Off	KHPE	8	Bucks, Chester, Delaware, Montgomery, Philadelphia
33871PA0120005	Keystone HMO Gold Proactive	НМО	Gold	Off	Proactive	8	Bucks, Chester, Delaware, Montgomery, Philadelphia
33871PA0120006	Keystone HMO Silver Proactive	НМО	Silver	Off	Proactive	8	Bucks, Chester, Delaware, Montgomery, Philadelphia
33871PA0120007	Keystone HMO Silver Proactive Value	НМО	Silver	Off	Proactive	8	Bucks, Chester, Delaware, Montgomery, Philadelphia
33871PA0120008	Keystone HMO Silver Proactive Standard	НМО	Silver	Off	Proactive	8	Bucks, Chester, Delaware, Montgomery, Philadelphia

**Company Name:** Keystone Health Plan East

Market: Individual Product: HMO

Effective Date of Rates: January 1, 2018 Ending date of Rates:

fective Date of Rates:	January 1	1, 2018			Ending date of Rates:		
HIOS Plan ID (On Exchange)=>	33871PA0040001		33871PA	0040002	33871PA0040005		
HIOS Plan ID (Off Exchange)=>							
Plan Marketing Name =>	Keystone HM	O Platinum	Keystone H	IMO Gold	Keystone HMO	Gold Proactive	
Form # =>	KE 650 IND FC EXC-ON Rev. 1.18		KE 650 IND FC EX	(C-ON Rev. 1.18	KE 650 IND FC EXC-ON Rev. 1.18		
Rating Area =>	8		8		8		
Network =>	KHPE Ne		KHPE N		Proactive		
Metal =>	Platin		Go		Gol		
Deductible =>	\$0		\$(		\$2,5		
Coinsurance =>	0%		20		309		
Copays => OOP Maximum =>	\$15/\$ \$4,0		\$25/ \$5,5		\$35/\$70 \$6,5		
Pediatric Dental (Yes/No) =>	\$4,0 No		, , , , , , , , , , , , , , , , , , ,		No.		
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	
0-14	\$512.62	\$512.62	\$381.97	\$381.97	\$322.88	\$322.88	
15	\$558.18	\$558.18	\$415.92	\$415.92	\$351.58	\$351.58	
16	\$575.60	\$575.60	\$428.90	\$428.90	\$362.55	\$362.55	
17	\$593.03	\$593.03	\$441.88	\$441.88	\$373.52	\$373.52	
18	\$611.79	\$611.79	\$455.87	\$455.87	\$385.34	\$385.34	
19	\$630.55	\$630.55	\$469.85	\$469.85	\$397.16	\$397.16	
20	\$649.98	\$649.98	\$484.33	\$484.33	\$409.40	\$409.40	
21	\$670.09	\$753.85	\$499.30	\$561.72	\$422.06	\$474.82	
22	\$670.09	\$753.85	\$499.30	\$561.72	\$422.06	\$474.82	
23	\$670.09	\$753.85	\$499.30	\$561.72	\$422.06	\$474.82	
24	\$670.09	\$753.85	\$499.30	\$561.72	\$422.06	\$474.82	
25	\$672.77	\$756.86	\$501.30	\$563.96	\$423.75	\$476.72	
26	\$686.17	\$771.94	\$511.29	\$575.20	\$432.19	\$486.22	
27	\$702.25	\$790.03	\$523.27	\$588.68	\$442.32	\$497.61	
28	\$728.38	\$819.43	\$542.74	\$610.59	\$458.78	\$516.13	
29	\$749.83	\$843.56	\$558.72	\$628.56	\$472.29	\$531.32	
30	\$760.55	\$893.64	\$566.71	\$665.89	\$479.04	\$562.87	
31	\$776.63	\$912.54	\$578.69	\$679.97	\$489.17	\$574.77	
32	\$792.71	\$931.44	\$590.68	\$694.05	\$499.30	\$586.68	
33	\$802.76	\$943.25	\$598.17	\$702.85	\$505.63	\$594.12	
34	\$813.49	\$955.85	\$606.16	\$712.23	\$512.38	\$602.05	
35	\$818.85	\$962.14	\$610.15	\$716.93	\$515.76	\$606.02	
36	\$824.21	\$968.44	\$614.15	\$721.62	\$519.14	\$609.99	
37	\$829.57	\$974.74	\$618.14	\$726.31	\$522.51	\$613.95	
38	\$834.93	\$981.04	\$622.13	\$731.01	\$525.89	\$617.92	
39	\$845.65	\$993.64	\$630.12	\$740.39	\$532.64	\$625.85	
40	\$856.37	\$1,049.05	\$638.11	\$781.69	\$539.40	\$660.76	
41	\$872.45	\$1,068.76	\$650.09	\$796.37	\$549.52	\$673.17	
42	\$887.87	\$1,087.63	\$661.58	\$810.43	\$559.23	\$685.06	
43	\$909.31	\$1,113.90	\$677.56	\$830.01	\$572.74	\$701.60	
44	\$936.11	\$1,146.74	\$697.53	\$854.47	\$589.62	\$722.29	
45	\$967.61	\$1,185.32	\$721.00	\$883.22	\$609.46	\$746.59	
46	\$1,005.13	\$1,231.28	\$748.96 \$780.41	\$917.47 \$956.01	\$633.09	\$775.54	
47	\$1,047.35	\$1,283.00	\$780.41	\$1,000.05	\$659.68	\$808.11	
48 49	\$1,095.59 \$1,143.17	\$1,342.10 \$1,400.38	\$816.36 \$851.81	\$1,000.05	\$690.07 \$720.04	\$845.34 \$882.05	
50	\$1,143.17	\$1,400.38	\$891.76	\$1,045.47	\$753.80	\$002.03	
51	\$1,249.71	\$1,718.35	\$931.20	\$1,280.40	\$787.15	\$1,082.33	
52	\$1,308.01	\$1,798.51	\$974.64	\$1,340.13	\$823.86	\$1,132.81	
53	\$1,366.98	\$1,879.59	\$1,018.58	\$1,400.55	\$861.01	\$1,183.88	
54	\$1,430.64	\$1,967.12	\$1,066.02	\$1,465.77	\$901.10	\$1,239.02	
55	\$1,494.29	\$2,054.65	\$1,113.45	\$1,530.99	\$941.20	\$1,294.15	
56	\$1,563.31	\$2,149.56	\$1,164.88	\$1,601.71	\$984.67	\$1,353.92	
57	\$1,633.00	\$2,245.38	\$1,216.81	\$1,673.11	\$1,028.56	\$1,414.28	
58	\$1,707.38	\$2,347.65	\$1,272.23	\$1,749.31	\$1,075.41	\$1,478.69	
59	\$1,744.24	\$2,398.32	\$1,299.69	\$1,787.07	\$1,098.63	\$1,510.61	
60	\$1,818.62	\$2,500.60	\$1,355.11	\$1,863.28	\$1,145.48	\$1,575.03	
61	\$1,882.94	\$2,589.05	\$1,403.05	\$1,929.19	\$1,185.99	\$1,630.74	
62	\$1,925.16	\$2,647.09	\$1,434.50	\$1,972.44	\$1,212.58	\$1,667.30	
63	\$1,978.10	\$2,719.88	\$1,473.95	\$2,026.68	\$1,245.93	\$1,713.15	
	l 4	4	44 407 00	¢2.050.62	¢1 200 10	¢1 711 01	
64+	\$2,010.26	\$2,764.11	\$1,497.90	\$2,059.63	\$1,266.18	\$1,741.01	

Company Name: Market: Product:

Effective Date of Rates: December 31, 2018

HIOS Plan ID (On Exchange)=>	33871PA0040006						
HIOS Plan ID (Off Exchange)=>	, , , , , , , , , , , , , , , , , , ,		33871PA		33871PA0120002		
Plan Marketing Name =>	Keystone HMO Sil		Keystone HN		Keystone HMO Gold		
Form # =>	KE 650 IND FC EXC-ON Rev. 1.18		KE 650 IND FC EX		KE 650 IND FC EXC-OFF Rev. 1.18		
Rating Area =>  Network =>	8 Proactive N	otwork	KHPE N		KHPE No		
Metal =>	Silver		Plati		Go		
Deductible =>	\$0/\$5500/		\$		\$(		
Coinsurance =>	0%/5%/	-	09		20		
Copays =>	\$40/80, \$50/100 no dec		\$15/		\$25/		
OOP Maximum =>	\$7,35			000	\$5,5 \$5,5		
Pediatric Dental (Yes/No) =>	No		N N		No.		
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	
0-14	\$278.71	\$278.71	\$512.62	\$512.62	\$381.97	\$381.97	
15	\$303.48	\$303.48	\$558.18	\$558.18	\$415.92	\$415.92	
16	\$312.95	\$312.95	\$575.60	\$575.60	\$428.90	\$428.90	
17	\$322.43	\$322.43	\$593.03	\$593.03	\$441.88	\$441.88	
18	\$332.63	\$332.63	\$611.79	\$611.79	\$455.87	\$455.87	
19	\$342.83	\$342.83	\$630.55	\$630.55	\$469.85	\$469.85	
20	\$353.39	\$353.39	\$649.98	\$649.98	\$484.33	\$484.33	
21	\$364.32	\$409.86	\$670.09	\$753.85	\$499.30	\$561.72	
22	\$364.32	\$409.86	\$670.09	\$753.85	\$499.30	\$561.72	
23	\$364.32	\$409.86	\$670.09	\$753.85	\$499.30	\$561.72	
24	\$364.32	\$409.86	\$670.09	\$753.85	\$499.30	\$561.72	
25	\$365.78	\$411.50	\$672.77	\$756.86	\$501.30	\$563.96	
26	\$373.07	\$419.70	\$686.17	\$771.94	\$511.29	\$575.20	
27	\$381.81	\$429.54	\$702.25	\$790.03	\$523.27	\$588.68	
28	\$396.02	\$445.52	\$728.38	\$819.43	\$542.74	\$610.59	
29	\$407.68	\$458.64	\$749.83	\$843.56	\$558.72	\$628.56	
30	\$413.51	\$485.87	\$760.55	\$893.64	\$566.71	\$665.89	
31	\$422.25	\$496.14	\$776.63	\$912.54	\$578.69	\$679.97	
32	\$430.99	\$506.42	\$792.71	\$931.44	\$590.68	\$694.05	
33	\$436.46	\$512.84	\$802.76	\$943.25	\$598.17	\$702.85	
34	\$442.29	\$519.69	\$813.49	\$955.85	\$606.16	\$712.23	
35	\$445.20	\$523.11	\$818.85	\$962.14	\$610.15	\$716.93	
36	\$448.12	\$526.54	\$824.21	\$968.44	\$614.15	\$721.62	
37	\$451.03	\$529.96	\$829.57	\$974.74	\$618.14	\$726.31	
38	\$453.95	\$533.39	\$834.93	\$981.04	\$622.13	\$731.01	
39	\$459.78	\$540.24	\$845.65	\$993.64	\$630.12	\$740.39	
40	\$465.60	\$570.37	\$856.37	\$1,049.05	\$638.11	\$781.69	
41	\$474.35	\$581.08	\$872.45	\$1,068.76	\$650.09	\$796.37	
42	\$482.73	\$591.34	\$887.87	\$1,087.63	\$661.58	\$810.43	
43	\$494.39	\$605.62	\$909.31	\$1,113.90	\$677.56	\$830.01	
44	\$508.96	\$623.48	\$936.11	\$1,146.74	\$697.53	\$854.47	
45	\$526.08	\$644.45	\$967.61	\$1,185.32	\$721.00	\$883.22	
46	\$546.48	\$669.44	\$1,005.13	\$1,231.28	\$748.96	\$917.47	
47	\$569.44	\$697.56	\$1,047.35	\$1,283.00	\$780.41	\$956.01	
48	\$595.67	\$729.69	\$1,095.59	\$1,342.10	\$816.36	\$1,000.05	
49	\$621.53	\$761.38	\$1,143.17	\$1,400.38	\$851.81	\$1,043.47	
50	\$650.68	\$894.69	\$1,196.78	\$1,645.57	\$891.76	\$1,226.17	
51	\$679.46	\$934.26	\$1,249.71	\$1,718.35	\$931.20	\$1,280.40	
52	\$711.16	\$977.84	\$1,308.01	\$1,798.51	\$974.64	\$1,340.13	
53 54	\$743.22	\$1,021.93	\$1,366.98	\$1,879.59	\$1,018.58	\$1,400.55 \$1,465.7	
54	\$777.83	\$1,069.52 \$1,117.11	\$1,430.64	\$1,967.12	\$1,066.02	\$1,465.7	
55 56	\$812.44	\$1,117.11 \$1,168.70	\$1,494.29 \$1,563.31	\$2,054.65 \$2,149.56	\$1,113.45	\$1,530.99 \$1,601.70	
56 57	\$849.97	\$1,168.70	\$1,563.31	\$2,149.56 \$2,245.38	\$1,164.88	\$1,601.73 \$1,672.13	
57 59	\$887.86	\$1,220.80 \$1,276.41	\$1,633.00 \$1,707.38	\$2,245.38 \$2,347.65	\$1,216.81	\$1,673.13 \$1,740.33	
58 50	\$928.29	\$1,276.41 \$1,203.06	\$1,707.38 \$1,744.24	• •	\$1,272.23	\$1,749.33 \$1,787.03	
59 60	\$948.33 \$988.77	\$1,303.96 \$1,359.56	\$1,744.24 \$1,818.62	\$2,398.32 \$2,500.60	\$1,299.69 \$1,355.11	\$1,787.07 \$1,863.28	
60 61	\$1,023.75	\$1,359.56 \$1,407.65	\$1,818.62 \$1,882.94	\$2,589.05	\$1,355.11	\$1,863.28 \$1,929.19	
62	\$1,046.70	\$1,439.21	\$1,882.94	\$2,589.05 \$2,647.09	\$1,403.05	\$1,929.15 \$1,972.44	
63	\$1,046.70	\$1,439.21 \$1,478.79	\$1,925.16 \$1,978.10	\$2,647.09 \$2,719.88	\$1,434.50 \$1,473.95	\$1,972.42 \$2,026.68	
UJ	γ±,U/3.40	71,410.19	λΤ'2/Q'TΩ	72,113.00	γ±,473.33	72,020.00	
64+	\$1,092.96	\$1,502.83	\$2,010.26	\$2,764.11	\$1,497.90	\$2,059.63	

Company Name: Market:

**Product:** 

**Effective Date of Rates:** 

HIOS Plan ID (On Exchange)=> HIOS Plan ID (Off Exchange)=> Plan Marketing Name => Form # => Rating Area => Network => Metal => Deductible => Coinsurance => Copays => OOP Maximum => Pediatric Dental (Yes/No) => Age Band 0-14	33871PA  Keystone H  KE 650 IND FC EX  8  KHPE N  Silv  \$2,5  30  \$35/\$70  \$6,5	MO Silver CC-OFF Rev. 1.18 Betwork For 600	33871PAI Keystone HI KE 650 IND FC EX 8 KHPE No	MO Bronze CC-OFF Rev. 1.18 Betwork	33871PA0  Keystone HMO G  KE 650 IND FC EXG  8	old Proactive
Plan Marketing Name => Form # => Rating Area => Network => Metal => Deductible => Coinsurance => Copays => OOP Maximum => Pediatric Dental (Yes/No) => Age Band	Keystone H KE 650 IND FC EX  8 KHPE N Silv \$2,5 30 \$35/\$70	MO Silver CC-OFF Rev. 1.18 Betwork For 600	Keystone HI KE 650 IND FC EX 8 KHPE No	MO Bronze CC-OFF Rev. 1.18 Betwork	Keystone HMO G KE 650 IND FC EXC	old Proactive
Form # =>  Rating Area =>  Network =>  Metal =>  Deductible =>  Coinsurance =>  Copays =>  OOP Maximum =>  Pediatric Dental (Yes/No) =>  Age Band	KE 650 IND FC EX 8 KHPE N Silv \$2,5 30 \$35/\$70	CC-OFF Rev. 1.18 etwork ver 500	KE 650 IND FC EX 8 KHPE No Broi	CC-OFF Rev. 1.18 etwork	KE 650 IND FC EXC 8	
Network =>  Metal =>  Deductible =>  Coinsurance =>  Copays =>  OOP Maximum =>  Pediatric Dental (Yes/No) =>  Age Band	\$2,5 \$35/\$70 \$6,5	etwork ver 500 %	KHPE No	etwork	<u> </u>	
Network =>  Metal =>  Deductible =>  Coinsurance =>  Copays =>  OOP Maximum =>  Pediatric Dental (Yes/No) =>  Age Band	\$1,5 \$2,5 30 \$35/\$70 \$6,5	ver 600 %	Bro		Ducastinus	
Deductible =>  Coinsurance =>  Copays =>  OOP Maximum =>  Pediatric Dental (Yes/No) =>  Age Band	\$2,5 30 \$35/\$70 \$6,5	500 %			Proactive I	Network
Coinsurance =>  Copays =>  OOP Maximum =>  Pediatric Dental (Yes/No) =>  Age Band	30 \$35/\$70 \$6,5	%	¢c s	nze	Gold	d
Copays =>  OOP Maximum =>  Pediatric Dental (Yes/No) =>  Age Band	\$35/\$70 \$6,5		ې,ەچ	350	\$0	
OOP Maximum => Pediatric Dental (Yes/No) => Age Band	\$6,5		50	%	0%/20%	<b>30%</b>
Pediatric Dental (Yes/No) => Age Band		no ded	\$50/\$100	O no ded	\$ 15/40, \$30/	60, \$45/80
Age Band	N	500	\$7,3	350	\$7,3!	50
			No.		No	
0-14	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
4.5	\$293.62	\$293.62	\$178.77	\$178.77	\$322.88	\$322.88
15	\$319.72	\$319.72	\$194.66	\$194.66	\$351.58	\$351.58
16	\$329.70	\$329.70	\$200.73	\$200.73	\$362.55	\$362.55
17	\$339.68	\$339.68	\$206.81	\$206.81	\$373.52	\$373.52
18	\$350.42	\$350.42	\$213.35	\$213.35	\$385.34	\$385.34
19 20	\$361.17	\$361.17 \$372.30	\$219.90 \$226.67	\$219.90 \$226.67	\$397.16 \$409.40	\$397.16 \$409.40
20 21	\$372.30 \$383.81	\$372.30 \$431.79	\$226.67 \$233.68	\$226.67 \$262.89	\$409.40 \$422.06	\$409.40 \$474.82
22	\$383.81	\$431.79 \$431.79	\$233.68	\$262.89 \$262.89	\$422.06 \$422.06	\$474.82 \$474.82
22	\$383.81	\$431.79 \$431.79	\$233.68	\$262.89 \$262.89	\$422.06 \$422.06	\$474.82 \$474.82
23 24	\$383.81	\$431.79 \$431.79	\$233.68	\$262.89	\$422.06	\$474.82 \$474.82
25	\$385.35	\$433.52	\$234.62	\$263.94	\$423.75	\$476.72
26	\$393.03	\$442.15	\$239.29	\$269.20	\$432.19	\$486.22
27	\$402.24	\$452.52	\$244.90	\$275.51	\$442.32	\$497.61
28	\$417.21	\$469.36	\$254.01	\$285.77	\$458.78	\$516.13
29	\$429.49	\$483.17	\$261.49	\$294.18	\$472.29	\$531.32
30	\$435.63	\$511.86	\$265.23	\$311.65	\$479.04	\$562.87
31	\$444.84	\$522.69	\$270.84	\$318.24	\$489.17	\$574.77
32	\$454.05	\$533.51	\$276.45	\$324.83	\$499.30	\$586.68
33	\$459.81	\$540.28	\$279.95	\$328.94	\$505.63	\$594.12
34	\$465.95	\$547.49	\$283.69	\$333.34	\$512.38	\$602.05
35	\$469.02	\$551.10	\$285.56	\$335.53	\$515.76	\$606.02
36	\$472.09	\$554.71	\$287.43	\$337.73	\$519.14	\$609.99
37	\$475.16	\$558.32	\$289.30	\$339.93	\$522.51	\$613.95
38	\$478.23	\$561.92	\$291.17	\$342.12	\$525.89	\$617.92
39	\$484.37	\$569.14	\$294.91	\$346.52	\$532.64	\$625.85
40	\$490.51	\$600.88	\$298.65	\$365.84	\$539.40	\$660.76
41	\$499.73	\$612.16	\$304.26	\$372.71	\$549.52	\$673.17
42	\$508.55	\$622.98	\$309.63	\$379.30	\$559.23	\$685.06
43	\$520.84	\$638.02	\$317.11	\$388.46	\$572.74	\$701.60
44	\$536.19	\$656.83	\$326.46	\$399.91	\$589.62	\$722.29
45	\$554.23	\$678.93	\$337.44	\$413.36	\$609.46	\$746.59
46	\$575.72	\$705.26	\$350.52	\$429.39	\$633.09	\$775.54
47	\$599.90	\$734.88	\$365.25	\$447.43	\$659.68	\$808.11
48	\$627.54	\$768.73	\$382.07	\$468.04	\$690.07	\$845.34
49	\$654.79	\$802.11	\$398.66	\$488.36	\$720.04	\$882.05
50	\$685.49	\$942.55	\$417.36	\$573.87	\$753.80	\$1,036.48
51	\$715.81	\$984.24	\$435.82	\$599.25	\$787.15	\$1,082.33
52	\$749.21	\$1,030.16	\$456.15	\$627.20	\$823.86	\$1,132.81
53	\$782.98	\$1,076.60	\$476.71	\$655.48	\$861.01	\$1,183.88
54	\$819.44	\$1,126.73	\$498.91	\$686.01	\$901.10	\$1,239.02
55 56	\$855.91	\$1,176.87	\$521.11	\$716.53 \$740.62	\$941.20	\$1,294.15
56 57	\$895.44	\$1,231.23	\$545.18	\$749.63 \$782.04	\$984.67	\$1,353.92 \$1,414.29
57 50	\$935.36 \$977.96	\$1,286.11	\$569.49 \$505.42	\$783.04 \$818.71	\$1,028.56 \$1,075.41	\$1,414.28 \$1,478.60
58 59	\$977.96 \$999.07	\$1,344.69 \$1,373.72	\$595.42 \$608.28	\$818.71		\$1,478.69 \$1,510.61
60	\$999.07 \$1,041.67	\$1,373.72 \$1,432.30	\$634.22	\$836.38 \$872.05	\$1,098.63 \$1,145.48	\$1,510.61 \$1,575.03
61	\$1,041.67 \$1,078.52	\$1,432.30 \$1,482.96	\$656.65	\$902.89	\$1,145.48	\$1,575.05 \$1,630.74
62	\$1,078.32	\$1,482.96	\$671.37	\$902.89	\$1,185.99	\$1,630.74
63	\$1,102.70	\$1,516.21	\$689.83	\$948.52	\$1,212.38	\$1,007.30
64+	\$1,153.02	\$1,583.23	\$701.04	\$963.94	\$1,266.18	\$1,741.01
<del>0 1</del> .	71,131.43	Ψ±,505.25	Ÿ/UI.U4	ŸJUJ.J <del>4</del>	71,200.10	γ±,/ <del>-</del> 1.01

Company Name: Market:

Product:

**Effective Date of Rates:** 

HIOS Plan ID (On Exchange)=> HIOS Plan ID (Off Exchange)=> Plan Marketing Name => Form # => Rating Area => Network => Metal => Deductible => Coinsurance =>	33871PA0 Keystone HMO S KE 650 IND FC EXC  8 Proactive N	ilver Proactive	33871PA Keystone HMO Silv KE 650 IND FC E)	ver Proactive Value	33871PA01 Keystone HMO Silver F			
Plan Marketing Name => Form # => Rating Area => Network => Metal => Deductible =>	Keystone HMO S KE 650 IND FC EXC 8 Proactive N	ilver Proactive	Keystone HMO Silv	ver Proactive Value				
Form # =>  Rating Area =>  Network =>  Metal =>  Deductible =>	KE 650 IND FC EXC 8 Proactive N		•		Keystone HMO Silver F	rnactive Standard		
Rating Area =>  Network =>  Metal =>  Deductible =>	8 Proactive N	C-OFF Rev. 1.18	KE 650 IND FC EX		WE SEA IND ES EVO	Keystone HMO Silver Proactive Standard		
Network =>  Metal =>  Deductible =>	Proactive I				KE 650 IND FC EXC-OFF Rev. 1.18			
Metal => Deductible =>		Madamanla		Naturali	8	ataul.		
Deductible =>	SIIVE			Network	Proactive N			
	¢0/¢5500			ver	Silve			
	\$0/\$5500			500/\$5500	\$1500/\$550			
	0%/5%,			%/10%	0%/5%/			
Copays =>	\$40/80, \$50/100 no de		\$40/80 no ded, \$50/100		\$40/80 no ded, \$50/100 no			
OOP Maximum => Pediatric Dental (Yes/No) =>	\$7,3! No		ې,, N	350	\$7,30 No	0		
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco		
0-14	\$278.71	\$278.71		\$213.24	\$242.84	\$242.84		
15	\$303.48	\$303.48	\$213.24 \$232.19	\$213.24	\$264.42	\$242.84 \$264.42		
16	\$312.95	\$312.95	\$239.44	\$239.44	\$272.68	\$272.68		
17	\$322.43	\$312.93	\$246.69	\$246.69	\$272.68	\$272.08		
18	\$332.63	\$332.63	\$254.49	\$254.49	\$289.82	\$289.82		
19	\$342.83	\$342.83	\$262.30	\$262.30	\$298.71	\$289.82 \$298.71		
20	\$353.39	\$353.39	\$262.30 \$270.38	\$262.30	\$307.91	\$298.71		
20 21	\$353.39	\$409.86	\$270.38 \$278.74	\$270.38 \$313.59	\$307.91	\$307.91 \$357.12		
21 22	\$364.32	\$409.86 \$409.86	\$278.74 \$278.74	\$313.59	\$317.44 \$317.44	\$357.12 \$357.12		
22 23	\$364.32	\$409.86 \$409.86	\$278.74 \$278.74	\$313.59	\$317.44 \$317.44	\$357.12 \$357.12		
23	\$364.32	\$409.86	\$278.74	\$313.59	\$317.44	\$357.12		
25	\$365.78	\$411.50	\$279.86	\$313.39	\$317.44	\$357.12		
26	\$373.07	\$419.70	\$285.43	\$321.11	\$325.05	\$365.69		
27	\$381.81	\$429.54	\$292.12	\$328.64	\$332.67	\$374.26		
28	\$396.02	\$445.52	\$303.00	\$340.87	\$345.05	\$374.20		
29	\$407.68	\$458.64	\$303.00	\$350.90	\$355.21	\$399.61		
30	\$413.51	\$485.87	\$316.37	\$371.74	\$360.29	\$423.34		
31	\$422.25	\$496.14	\$323.06	\$379.60	\$367.91	\$432.29		
32	\$430.99	\$506.42	\$329.75	\$387.46	\$375.53	\$441.24		
33	\$436.46	\$512.84	\$333.94	\$392.37	\$380.29	\$446.84		
34	\$442.29	\$519.69	\$338.40	\$397.61	\$385.37	\$452.81		
35	\$445.20	\$523.11	\$340.63	\$400.24	\$387.91	\$455.79		
36	\$448.12	\$526.54	\$342.86	\$402.86	\$390.45	\$458.77		
37	\$451.03	\$529.96	\$345.09	\$405.48	\$392.99	\$461.76		
38	\$453.95	\$533.39	\$347.32	\$408.10	\$395.53	\$464.74		
39	\$459.78	\$540.24	\$351.78	\$413.34	\$400.60	\$470.71		
40	\$465.60	\$570.37	\$356.24	\$436.39	\$405.68	\$496.96		
41	\$474.35	\$581.08	\$362.93	\$444.58	\$413.30	\$506.29		
42	\$482.73	\$591.34	\$369.34	\$452.44	\$420.60	\$515.24		
43	\$494.39	\$605.62	\$378.26	\$463.36	\$430.76	\$527.68		
44	\$508.96	\$623.48	\$389.41	\$477.02	\$443.46	\$543.24		
45	\$526.08	\$644.45	\$402.51	\$493.07	\$458.38	\$561.51		
46	\$546.48	\$669.44	\$418.12	\$512.19	\$476.15	\$583.29		
47	\$569.44	\$697.56	\$435.68	\$533.70	\$496.15	\$607.79		
48	\$595.67	\$729.69	\$455.75	\$558.29	\$519.01	\$635.78		
49	\$621.53	\$761.38	\$475.54	\$582.53	\$541.55	\$663.39		
50	\$650.68	\$894.69	\$497.84	\$684.53	\$566.94	\$779.54		
51	\$679.46	\$934.26	\$519.86	\$714.80	\$592.02	\$814.03		
52	\$711.16	\$977.84	\$544.11	\$748.15	\$619.64	\$852.00		
53	\$743.22	\$1,021.93	\$568.64	\$781.88	\$647.57	\$890.41		
54	\$777.83	\$1,069.52	\$595.12	\$818.29	\$677.73	\$931.87		
55	\$812.44	\$1,117.11	\$621.60	\$854.70	\$707.88	\$973.34		
56	\$849.97	\$1,168.70	\$650.31	\$894.18	\$740.58	\$1,018.30		
57	\$887.86	\$1,220.80	\$679.30	\$934.04	\$773.59	\$1,063.69		
58	\$928.29	\$1,276.41	\$710.24	\$976.58	\$808.83	\$1,112.14		
59	\$948.33	\$1,303.96	\$725.57	\$997.66	\$826.29	\$1,136.14		
60	\$988.77	\$1,359.56	\$756.51	\$1,040.20	\$861.52	\$1,184.59		
61	\$1,023.75	\$1,407.65	\$783.27	\$1,077.00	\$892.00	\$1,226.49		
62	\$1,046.70	\$1,439.21	\$800.83	\$1,101.14	\$911.99	\$1,253.99		
63	\$1,075.48	\$1,478.79	\$822.85	\$1,131.42	\$937.07	\$1,288.47		
64+	\$1,092.96	\$1,502.83	\$836.22	\$1,149.82	\$952.31	\$1,309.42		
	, , , =	, , = = = = = = =	,	, ,	,	. ,		

Company Name Keystone Health Plan East
Market Individual

		RATING AREA 1	RATING AREA 2	RATING AREA 3	RATING AREA 4	RATING AREA 5	RATING AREA 6	RATING AREA 7	RATING AREA 8	RATING AREA 9
S Plan ID Plan Marketing Name	Product Metal On/Off Exchange	e Crawford Clarion Erie Forest Mckean Mercer Venango War	arren Elk Cameron Potto	er Bradford Carbon Clinton Lackawanna Luzerne Lycoming Monroe Pike Sullivan Susquehanna Tioga Wayne Wyoming	Allegheny Armstrong Beaver Butler Fayette Greene Indiana Lawrence Washington Westmorelan	nd Bedford Blair Clearfield Cambria Huntingdon Jefferson Somerse	t Centre Columbia Lehigh Mifflin Montour Northampton Northumberland Schuylkill Snyder Unio	Adams Berks Lancaster York	Bucks Chester Delaware Montgomery Philade	lphia Cumberland Dauphin Franklin Fulton Juniata
A0040001 Keystone HMO Platinum	HMO Platinum On								\$670.09 \$670.09 \$670.09 \$6	
A0040002 Keystone HMO Gold	HMO Gold On								\$499.30 \$499.30 \$499.30 \$4	
A0040005 Keystone HMO Gold Proactive	HMO Gold On								\$422.06 \$422.06 \$422.06 \$4	22.06
A0040006 Keystone HMO Silver Proactive	HMO Silver On								\$364.32 \$364.32 \$364.32 \$3	64.32
A0120001 Keystone HMO Platinum	HMO Platinum Off								\$670.09 \$670.09 \$670.09 \$6	70.09
A0120002 Keystone HMO Gold	HMO Gold Off								\$499.30 \$499.30 \$499.30 \$4	99.30
A0120003 Keystone HMO Silver	HMO Silver Off								\$383.81 \$383.81 \$383.81 \$3	83.81
A0120004 Keystone HMO Bronze	HMO Bronze Off								\$233.68 \$233.68 \$233.68 \$2	33.68
A0120005 Keystone HMO Gold Proactive	HMO Gold Off								\$422.06 \$422.06 \$422.06 \$4	22.06
A0120006 Keystone HMO Silver Proactive	HMO Silver Off								\$364.32 \$364.32 \$364.32 \$3	64.32
A0120007 Keystone HMO Silver Proactive Value	HMO Silver Off								\$278.74 \$278.74 \$278.74 \$2	78.74
A0120008 Keystone HMO Silver Proactive Standard	HMO Silver Off								\$317.44 \$317.44 \$317.44 \$3	17.44

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ļ ,		E	F	G	Н	l J	K	L	М	N O	Р	Q	R	S	T	U V	X	Y
1	Unified Rate Review v4.2																	
2																		
3	Company Legal Name:	KHPE		State:	PA													
4	HIOS Issuer ID:	33871		Market:	Individual													
5	Effective Date of Rate Change(s):																	
6	zweetive zate or mate emange(o).	_, _,																
7																		
8	Market Level Calculations (Same for all Pla	ans)																
9	(	,																
10																		
11	Section I: Experience period data																	
12	Experience Period:	1/1/2016		12/31/2016														
			Experience Period															
13	Development of the Control of the Co		Aggregate Amount	<u>PMPM</u>	% of Prem													
14	Premiums (net of MLR Rebate) in Experier Incurred Claims in Experience Period	nce Perioa:	\$588,096,093 \$512,075,016	\$373.42 325.15	100.00% 87.07%													
16	Allowed Claims:		\$596,831,699	378.96	101.49%													
17	Index Rate of Experience Period		<del>+ + + + + + + + + + + + + + + + + + + </del>	\$ 378.96	101.43/0													
18	Experience Period Member Months		1,574,901															
19				_														
20	Section II: Allowed Claims, PMPM basis																	
21			Experience	e Period			ection Period:		8 to	12/31/2018	M	lid-point to Mi	d-point, Experie	nce to Projection:	24	months	-	
22			on Actual Experi	ionso Allowad		-	Experience to on Period	Annualiz Fac		Draiostions b	efore credibility	Adjustment		Credibility Manual				
22			·				on Periou	rac	1013			Aujustinent		•				
	Damafit Catagoni	Utilization	Utilization per	Average	PMPM	Pop'l risk	Othor	Cost	114:1	Utilization per	Average	PMPM	Utilization	Average	PMPM			
24	Benefit Category Inpatient Hospital	<b>Description</b> Admits	1,000	\$17,881.41		Morbidity 1.105	<b>Other</b> 1.042	<b>Cost</b> 1.039	Util 1.032	<b>1,000</b> 81.14	<b>Cost/Service</b> \$20,104.85	\$135.94	per 1,000 0.00	Cost/Service \$0.00	\$0.00			
25	Outpatient Hospital	Services	2,186.50	459.54	83.73	1.105	1.042	1.033	1.032	2,572.18	510.73	109.47	0.00	0.00	0.00			
26	Professional	Services	8,315.53	133.66	92.62	1.105	1.042	1.020	1.032	9,789.96	144.83	118.16		0.00	0.00			
27	Other Medical	Services	0.18	78.20	0.00	1.105	1.042	1.020	1.032	0.22	84.74	0.00	0.00	0.00	0.00			
28	Capitation	Services	12,000.00	18.23	18.23	1.105	1.042	1.025	1.000	13,265.16	19.95	22.06	0.00	0.00	0.00			
29	Prescription Drug	Prescriptions	12,126.59	80.80	81.66	1.105	1.042	1.045	1.045	14,638.70	91.90	112.11	0.00	0.00	0.00			
30	Total				\$378.96							\$497.74			\$0.00			
31							,								/	After Credibility	Projected Period	
32 33	Section III: Projected Experience:				Projected Allowed							100.00%	0		0.00%	\$497.74	\$904,0	068,032
34							red Average Fa curred Claims, I	-		i'+ DNADNA						0.829 \$412.83	¢740.6	334,025
35						•	sk Adjustments		CIII OL NISK AU	( C) T IVIFIVI						-55.07		025,403)
36						-	-		insurance rec	overies, net of rein pr	rem, PMPM					\$467.90		359,429
37						-	A reinsurance			•						0.00		<u>0</u>
38					Projected Incurred	Claims										\$467.90		 359,429
38 40 41					Administrative Exp	ense Load									11.93%	67.73	123 (	014,900
41					Profit & Risk Load	J 2000									2.00%	11.36		531,414
42					Taxes & Fees										3.69%	20.96		064,959
43					Single Risk Pool Gr	oss Premium Av	g. Rate, PMPM									\$567.94	\$1,031,	570,701
44					Index Rate for Proj											\$ 497.74		
45	% increase over Experience Period  % Increase applications  % Increase																	
46	% Increase, annualized:  Projected Member Months  1,816,332																	
47	Projected Member Months																	
40																		
	Information Not Releasable to the Po	ublic Unloce Author	ized by Lawy This inf	formation has a	ot haan nublically d	isclosed and me	v ho privileged	and confid	antial Itis for	internal government	tuce only and me	ict not bo						
49			ized by Law: This infection in the control of the c									וסנ מפ						
50	disserimated,	a.o.i.ioatea, or copie	to persons not du		the imorniation	. Shadinonzeu	albolosare may	, result in pi	oscoulon to	Tan extent of the								

### **Product-Plan Data Collection**

Company Legal Name:KHPEHIOS Issuer ID:33871Effective Date of Rate Change(s):1/1/2018

### Product/Plan Level Calculations

Product			Keystoi	ne HMO ON Exchang	ge Indiv						Keystone HMO O	FF Exchange Indiv			
Product ID:				33871PA004							33871	PA012			
Metal:	Platinum	Gold	Silver	Gold	Silver	Bronze	Silver	Platinum	Gold	Silver	Bronze	Gold	Silver	Silver	Silve
AV Metal Value	0.902	0.800	0.710	0.763	0.717	0.620	0.688	0.902	0.800	0.710	0.623	0.763	0.717	0.708	0.718
AV Pricing Value	0.927	0.911	0.757	0.911	0.757	0.440	0.625	0.927	0.911	0.757	0.563	0.911	0.757	0.701	0.758
Plan Category	Renewing	Renewing	Terminated	Renewing	Renewing	Terminated	Terminated	Renewing	Renewing	Renewing	Renewing	Renewing	Renewing	Renewing	
Plan Type:	НМО	НМО	НМО	НМО	НМО	НМО	НМО	НМО	НМО	НМО	НМО	НМО	НМО	НМО	НМО
							Keystone HMO							Keystone HMO	Keystone HMO
Plan Name	Keystone HMO	Keystone HMO	Keystone HMO	Keystone HMO	Keystone HMO	Keystone HMO	Silver Proactive	Keystone HMO	Keystone HMO	Silver Proactive	Silver Proactive				
	Platinum	Gold	Silver	Gold Proactive	Silver Proactive	Bronze	Value	Platinum	Gold	Silver	Bronze	Gold Proactive	Silver Proactive	Value	Standard
Plan ID (Standard Component ID):	33871PA0040001	33871PA0040002	33871PA0040003	33871PA0040005	33871PA0040006	33871PA0040004	33871PA0040007	33871PA0120001	33871PA0120002	33871PA0120003	33871PA0120004	33871PA0120005	33871PA0120006	33871PA0120007	33871PA0120008
Exchange Plan?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No	No
Historical Rate Increase - Calendar Year - 2				0.00%							0.0	0%			
Historical Rate Increase - Calendar Year - 1				1.91%							1.9	1%			
Historical Rate Increase - Calendar Year 0				4.71%							4.7	1%			
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
Rate Change % (over prior filing)	17.85%	17.74%	0.00%	12.70%	24.51%	0.00%	0.00%	17.85%	17.74%	17.35%	17.43%	12.70%	24.51%	7.92%	0.00%
Cum'tive Rate Change % (over 12 mos prior)	17.85%	17.74%	0.00%	12.70%	24.51%	0.00%	0.00%	17.85%	17.74%	17.35%	17.43%	12.70%	24.51%	7.92%	0.00%
Proj'd Per Rate Change % (over Exper. Period)	67.52%	55.90%	-100.00%	55.91%	54.01%	-100.00%	-100.00%	105.71%	88.20%	55.34%	37.65%	84.88%	74.65%	35.43%	#DIV/0
Product Rate Increase %				23.89%							16.5	50%			

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

Plan ID (Standard Component ID):	Total	33871PA0040001	33871PA0040002	33871PA0040003 3	33871PA0040005	33871PA0040006	33871PA0040004	33871PA0040007	33871PA0120001	33871PA0120002	33871PA0120003	33871PA0120004 33	3871PA0120005	33871PA0120006	33871PA0120007	33871PA0120008
Inpatient	\$15.79	\$36.34	\$29.55	\$22.60	\$17.37	\$27.69	\$0.00	\$0.00	\$30.41	\$24.36	\$19.18	\$12.93	\$14.47	\$23.17	\$7.32	\$0.00
Outpatient	\$12.72	\$29.27	\$23.80	\$18.20	\$13.99	\$22.30	\$0.00	\$0.00	\$24.49	\$19.61	\$15.44	\$10.41	\$11.66	\$18.66	\$5.90	\$0.00
Professional	\$13.73	\$31.59	\$25.69	\$19.65	\$15.10	\$24.06	\$0.00	\$0.00	\$26.44	\$21.17	\$16.67	\$11.24	\$12.58	\$20.14	\$6.37	\$0.00
Prescription Drug	\$13.03	\$29.97	\$24.37	\$18.64	\$14.33	\$22.83	\$0.00	\$0.00	\$25.08	\$20.09	\$15.82	\$10.66	\$11.94	\$19.11	\$6.04	\$0.00
Other	\$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
Capitation	\$2.56	\$5.90	\$4.79	\$3.67	\$2.82	\$4.49	\$0.00	\$0.00	\$4.93	\$3.95	\$3.11	\$2.10	\$2.35	\$3.76	\$1.19	\$0.00
Administration	\$8.37	\$19.26	\$15.66	\$11.98	\$9.21	\$14.67	\$0.00	\$0.00	\$16.12	\$12.91	\$10.16	\$6.85	\$7.67	\$12.28	\$3.88	\$0.00
Taxes & Fees	\$1.40	\$3.23	\$2.63	\$2.01	\$1.54	\$2.46	\$0.00	\$0.00	\$2.70	\$2.17	\$1.70	\$1.15	\$1.29	\$2.06	\$0.65	\$0.00
Risk & Profit Charge	\$2.59	\$5.96	\$4.85	\$3.71	\$2.85	\$4.54	\$0.00	\$0.00	\$4.99	\$3.99	\$3.15	\$2.12	\$2.37	\$3.80	\$1.20	\$0.00
Total Rate Increase	\$70.20	\$161.51	\$131.34	\$100.45	\$77.20	\$123.05	\$0.00	\$0.00	\$135.17	\$108.25	\$85.24	\$57.46	\$64.33	\$102.96	\$32.56	\$0.00
Member Cost Share Increase	\$7.62	\$17.06	\$8.93	\$1.31	\$0.00	\$15.14	\$0.00	\$0.00	\$14.28	\$7.36	\$1.11	\$0.50	\$0.00	\$12.67	\$13.01	\$0.00
Average Current Rate PMPM	\$488.49	\$904.92	\$740.46	\$578.95	\$607.92	\$502.02	\$0.00	\$0.00	\$757.33	\$610.28	\$491.25	\$329.64	\$506.55	\$420.05	\$410.85	\$0.00
Projected Member Months	1,816,332	6,924	14,580	0	42,804	1,274,064	0	0	11,664	28,704	17,196	104,832	44,700	140,484	130,368	12

### Section III: Experience Period Information

Plan ID (Standard Component ID):	Total	33871PA0040001	33871PA0040002	33871PA0040003	33871PA0040005	33871PA0040006	33871PA0040004	33871PA0040007	33871PA0120001	33871PA0120002	33871PA0120003	33871PA0120004	33871PA0120005	33871PA0120006	33871PA0120007	33871PA0120008
Plan Adjusted Index Rate	\$373.42	\$653.19	-	\$485.98		\$386.31	\$288.77	\$363.53		\$433.25	\$403.48	\$277.22	\$372.80		\$336.10	\$0.00
Member Months	1,574,901	13,562	15,729	23,659	42,346	538,013	106,618	437,077	23,763	32,056	14,988	40,594	63,396	182,099	41,001	C
Total Premium (TP)	\$588,096,093	\$8,858,533	\$8,226,042	\$11,497,842	\$18,719,485	\$207,837,615	\$30,787,925	\$158,892,604	\$12,640,749	\$13,888,321	\$6,047,306	\$11,253,447	\$23,634,222	\$62,031,488	\$13,780,514	\$0
EHB Percent of TP, [see instructions]	99.86%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.43%	99.43%	99.43%	99.43%	99.43%	99.43%	99.43%	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%
Other benefits portion of TP	0.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.00%
Total Allowed Claims (TAC)	\$590,226,381	\$16,269,306	\$9,186,283	\$13,017,808	\$21,217,634	\$214,801,166	\$14,835,030	\$167,736,069	\$17,072,850	\$16,069,865	\$5,102,592	\$8,070,477	\$22,544,713	\$53,011,764	\$11,290,824	\$0
EHB Percent of TAC, [see instructions]	99.87%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.43%	99.43%	99.43%	99.43%	99.43%	99.43%	99.43%	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%
Other benefits portion of TAC	0.13%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%	0.00%
Allowed Claims which are not the issuer's obligation:	\$78,151,365	\$956,837	\$1,197,717	\$1,338,732	\$2,967,893	\$24,757,536	\$4,131,181	\$20,802,880	\$1,153,400	\$2,039,216	\$1,149,658	\$1,945,274	\$3,299,894	\$9,809,944	\$2,601,205	\$0
Portion of above payable by HHS's funds on behalf of insured person, in dollars	\$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%								
Total Incurred claims, payable with issuer funds	\$512,075,016	\$15,312,469	\$7,988,566	\$11,679,076	\$18,249,741	\$190,043,630	\$10,703,849	\$146,933,190	\$15,919,450	\$14,030,649	\$3,952,934	\$6,125,202	\$19,244,820	\$43,201,820	\$8,689,620	\$0
Net Amt of Rein	\$19,571,636.30	\$842,731.45	\$368,583.69	\$694,304.56	\$595,249.65	\$7,620,657.95	\$409,621.42	\$5,469,368.01	\$570,213.50	\$635,201.56	\$43,447.82	\$407,773.23	\$671,391.84	\$988,489.60	\$254,602.02	\$0.00
Net Amt of Risk Adj	-\$10,914,063.92	\$1,741,381.84	\$537,090.08	\$261,739.73	\$550,405.42	-\$1,749,485.12	\$235,050.92	-\$5,892,810.94	\$1,128,670.05	\$184,011.41	-\$477,351.21	-\$390,247.13	-\$1,034,232.98	-\$5,058,495.76	-\$949,790.23	\$0.00
T	<del> </del>	-	· · ·												. т	-
Incurred Claims PMPM	\$325.15	\$1,129.07	\$507.89	\$493.64		\$353.23	\$100.39	\$336.17	\$669.93	\$437.69	·	\$150.89	\$303.57	·	\$211.94	#DIV/0!
Allowed Claims PMPM	\$374.77	\$1,199.62	\$584.03	\$550.23		\$399.25	\$139.14	\$383.77		\$501.31	\$340.45	\$198.81	\$355.62	· ·	\$275.38	#DIV/0!
EHB portion of Allowed Claims, PMPM	\$374.29	\$1,199.62	\$584.03	\$550.23	\$501.05	\$399.25	\$139.14	\$383.77	\$714.37	\$498.45	\$338.50	\$197.68	\$353.59	\$289.46	\$273.81	#DIV/0!

# Section IV: Projected (12 months following effective date)

Plan ID (Standard Component ID):	Total	33871PA0040001	33871PA0040002	33871PA0040003	33871PA0040005	33871PA0040006	33871PA0040004	33871PA0040007	33871PA0120001	33871PA0120002	33871PA0120003	33871PA0120004	33871PA0120005	33871PA0120006	33871PA0120007	33871PA012000
Plan Adjusted Index Rate	\$587.80	\$1,094.25	\$815.36	\$0.00	\$689.23	\$594.94	\$0.00	\$0.00	\$1,094.25	\$815.36	\$626.77	\$381.60	\$689.23	\$594.94	\$455.19	\$518.3
Member Months	1,816,332	6,924	14,580	-	42,804	1,274,064	-	-	11,664	28,704	17,196	104,832	44,700	140,484	130,368	12
Total Premium (TP)	\$1,067,643,789	\$7,576,587	\$11,887,949	\$0	\$29,501,801	\$757,991,636	\$0	\$0	\$12,763,332	\$23,404,093	\$10,777,937	\$40,003,891	\$30,808,581	\$83,579,551	\$59,342,210	\$6,220
EHB Percent of TP, [see instructions]	99.98%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.90%	99.90%	99.90%	99.90%	99.90%	99.90%	99.90%	99.90%
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%
Other benefits portion of TP	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Total Allowed Claims (TAC)	\$920,343,320	\$5,335,617	\$8,518,783	\$0	\$21,140,476	\$654,334,599	\$0	\$0	\$8,988,248	\$16,771,135	\$9,304,020	\$46,404,564	\$22,076,892	\$72,149,862	\$55,254,816	\$64,309
EHB Percent of TAC, [see instructions]	99.97%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.90%	99.90%	99.90%	99.90%	99.90%	99.90%	99.90%	99.90%
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%
Other benefits portion of TAC	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Allowed Claims which are not the issuer's obligation	\$66,084,991	\$906,365	\$1,275,161	\$0	\$3,164,480	\$29,863,883	\$0	\$0	\$1,526,841	\$2,510,441	\$424,636	\$13,446,997	\$3,304,650	\$3,292,925	\$6,365,799	\$2,812
Portion of above payable by HHS's funds on behalf of insured person, in dollars	\$0															
Portion of above payable by HHS on behalf of	0.000/	0.000/	0.000/	11D IV / 0.1	0.000/	0.000/	#DD 1/01	#PD / /O.I								
insured person, as %	0.00%	0.00%	0.00%	#DIV/0!	0.00%	0.00%	#DIV/0!	#DIV/0!	67.464.400	Ć4.4.2C0.C04	Ć0 070 204	¢22.057.567	Ć40 772 244	¢60.056.027	Ć40.000.04 <i>C</i>	¢ 64 40:
Total Incurred claims, payable with issuer funds	\$854,258,329	\$4,429,251	\$7,243,622	\$0	\$17,975,996	\$624,470,717	\$0	\$0	\$7,461,408	\$14,260,694	\$8,879,384	\$32,957,567	\$18,772,241	\$68,856,937	\$48,889,016	\$61,49
Net Amt of Rein	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$(
Net Amt of Risk Adj	-\$76,200,665	\$6,338,009	\$3,549,189	\$0	\$3,966,251	-\$29,534,815	\$0	\$0	\$3,949,470	\$1,174,636	-\$3,904,337	-\$7,184,512	-\$5,198,638	-\$27,820,583	-\$21,529,294	-\$6,04
Incurred Claims PMPM	\$470.32	\$639.70	\$496.82	#DIV/0!	\$419.96	\$490.14	#DIV/0!	#DIV/0!	\$639.70	\$496.82	\$516.36	\$314.38	\$419.96	\$490.14	\$375.01	\$5,124.74
Allowed Claims PMPM	\$506.70	\$770.60	\$584.28	#DIV/0!	\$493.89	\$513.58	#DIV/0!	#DIV/0!	\$770.60	\$584.28	\$541.06	\$442.66	\$493.89	\$513.58	\$423.84	\$5,359.10
EHB portion of Allowed Claims, PMPM	\$506.58	\$770.60	\$584.28	#DIV/0!	\$493.89	\$513.58	#DIV/0!	#DIV/0!	\$769.83	\$583.69	\$540.52	\$442.21	\$493.40	\$513.07	\$423.41	\$5,353.74

#### **URRT Part II – Consumer Friendly Justification**

#### **Scope and Range of the Rate Increase:**

Keystone Health Plan East ("KHPE") is revising premium rates for the Pennsylvania Consumer ACA compliant products, effective from January 1, 2018. The proposed revisions to each plan are shown on the second page of this exhibit.

About 151,000 members will be affected.

#### **Financial Experience of the Product:**

KHPE is required by federal law to pay out a minimum of 80% percent of premium dollars for medical claims—this is referred to as the minimum Medical Loss Ratio (MLR). The rate action proposed in this filing is expected to achieve a Medical Loss Ratio of greater than 80%.

#### **Changes in Medical Service Costs:**

Premium rates for health care insurance are increasing as the cost of health care service rise. Health care service costs increase as health care providers increase their fees, members use more health care services and supplies, and the types of health care services and supplies change, among other factors.

We are projecting that claims will increase by 23.8% in 2018. Changes include updates for individual mandate penalties and non-funding of CSR payments as well as changes in health care service costs driven by changes to health care provider fees.

#### **Changes in Benefits:**

Some plan benefits are mandated by federal and state law. Benefit changes for some plans were also made. All changes in benefits are in compliance with the uniform modifications rules stipulated by the Federal government.

#### **Administrative Costs:**

The premium rates presented in this filing include a 2% contribution to reserves. Furthermore, the Affordable Care Act (ACA) imposes taxes and other levies.

### **URRT Part II – Consumer Friendly Justification**

HIOS Plan ID	Plan Name	2018 % Change
33871PA0040001	Keystone HMO Platinum	17.8%
33871PA0040002	Keystone HMO Gold	17.7%
33871PA0040005	Keystone HMO Gold Proactive	12.7%
33871PA0040006	Keystone HMO Silver Proactive	24.5%
33871PA0120001	Keystone HMO Platinum	17.8%
33871PA0120002	Keystone HMO Gold	17.7%
33871PA0120003	Keystone HMO Silver	17.4%
33871PA0120004	Keystone HMO Bronze	17.4%
33871PA0120005	Keystone HMO Gold Proactive	12.7%
33871PA0120006	Keystone HMO Silver Proactive	24.5%
33871PA0120007	Keystone HMO Silver Proactive Value	7.9%
33871PA0040003	Keystone HMO Silver	Terminated
33871PA0120008	Keystone HMO Silver Proactive Standard	* New

<sup>\*</sup>Official marketing name to be determined.

# PA Rate Template Part I Data Relevant to the Rate Filing

# **Table 0. Identifying Information**

Carrier Name:	Keystone Health Plan East
Product(s):	НМО
Market Segment:	<u>Individual</u>
Rate Effective Date:	1/1/2018
Base Period Start Date	1/1/2016
Date of Most Recent Membership	2/1/2017

12/31/2018 12/31/2016

### 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	41	41
Total	1,574,901	151,360	1,816,320
<18	184,754	15,896	190,752
18-24	131,052	11,970	143,640
25-29	157,392	14,506	174,072
30-34	137,108	13,050	156600
35-39	127,914	12,194	146328
40-44	127,281	11,759	141108
45-49	152,419	14,455	173460
50-54	176,799	17,073	204876
55-59	187,266	18,737	224844
60-63	164,387	16,489	197868
64+	28,529	5,231	62772

\*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
\$ 588,096,093.23	\$ 473,099,951.66	\$ 512,075,016.16	1,574,901	117,126,429.77	\$ 590,226,381.43	\$ -	\$ (18,016,867.44)	\$ 24,622,185.51	\$ -		\$ -
<b>Experience Period Total Allowed E</b>	HB Claims + EHB Capitation PMPM	(net of prescription drug rebates)									\$ 378.96
Loss Ratio											88.20%

\*Express Prescription Drug Rebates as a negative number

## **Table 3. Trend Components**

Service Category	Cost*	Utilization*	Induced Demand*	Composite URRT Trend **	Weight*
Inpatient Hospital	3.90%	3.20%	0.00%	7.22%	27.10%
Outpatient Hospital	3.30%	3.20%	0.00%	6.61%	22.11%
Professional	2.00%	3.20%	0.00%	5.26%	24.44%
Other Medical	2.00%	3.20%	0.00%	5.26%	0.00%
Capitation				2.50%	4.81%
Prescription Drugs	4.50%	4.50%	0.00%	9.20%	21.54%
Total Annual Trend				6.81%	100.00%
Months of Trend				24	
Total Applied Trend Projection Factor				1.141	

\* 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		\$ 7,674,364.59	1.0000 \$	7,674,364.59	34,681	\$ 221.28				\$ -
Feb-14		\$ 11,683,934.28	1.0000 \$	11,683,934.28	49,886	\$ 234.21				\$ -
Mar-14		\$ 17,943,855.15	1.0000 \$	17,943,855.15	70,068	\$ 256.09				\$ -
Apr-14		\$ 23,311,352.13	1.0000 \$	23,311,352.13	105,384	\$ 221.20				\$ -
May-14		\$ 32,152,782.93	1.0000 \$	32,152,782.93	161,681	\$ 198.87				\$ -
Jun-14		\$ 35,869,118.47	1.0000 \$	35,869,118.47	165,382	\$ 216.89				\$ -
Jul-14		\$ 40,942,226.28	1.0000 \$	40,942,226.28	169,395	\$ 241.70				\$ -
Aug-14		\$ 41,287,261.56	1.0000 \$	41,287,261.56	172,043	\$ 239.98				\$ -
Sep-14		\$ 41,951,701.08	1.0000 \$	41,951,701.08	174,434	\$ 240.50				\$ -
Oct-14		\$ 45,514,937.26	1.0000 \$	45,514,937.26	173,502	\$ 262.33				\$ -
Nov-14		\$ 39,918,186.55	1.0000 \$	39,918,186.55	173,123	\$ 230.58				\$ -
Dec-14	\$ 452,370,845.00	\$ 46,715,893.72	1.0000 \$	46,715,893.72	173,640	\$ 269.04	\$ 75,344,105.00			\$ -
Jan-15		\$ 41,380,452.29	1.0000 \$	41,380,452.29	124,964	\$ 331.14				\$ -
Feb-15		\$ 36,961,178.95	1.0000 \$	36,961,178.95	112,110	\$ 329.69				\$ -
Mar-15		\$ 38,252,815.38	1.0000 \$	38,252,815.38	113,932	\$ 335.75				\$ -
Apr-15		\$ 40,179,975.50	1.0000 \$	40,179,975.50	110,038	\$ 365.15				\$ -
May-15		\$ 37,667,380.91	1.0000 \$	37,667,380.91	107,282	\$ 351.11				\$ -
Jun-15		\$ 40,037,804.58	1.0000 \$	40,037,804.58	104,521	\$ 383.06				\$ -
Jul-15		\$ 37,986,578.20	1.0000 \$	37,986,578.20	102,630	\$ 370.13				\$ -
Aug-15		\$ 38,001,058.15	1.0000 \$	38,001,058.15	101,055	\$ 376.04				\$ -
Sep-15		\$ 34,536,151.91	1.0000 \$	34,536,151.91	99,923	\$ 345.63				\$ -
Oct-15		\$ 37,737,683.05	1.0000 \$	37,737,683.05	98,377	\$ 383.60				\$ -
Nov-15		\$ 34,923,081.64	1.0000 \$	34,923,081.64	97,228	\$ 359.19				\$ -
Dec-15	\$ 467,335,043.00	\$ 40,878,124.10	1.0000 \$	40,878,124.10	96,287	\$ 424.54	\$ 73,058,947.23			\$ -
Jan-16		\$ 36,606,334.43	0.9994 \$	36,628,671.07	127,144	\$ 288.09		\$ (1,226,871.35)	\$ 35,401,799.72	\$ 278.44
Feb-16		\$ 42,915,512.75	0.9989 \$	42,961,977.86	131,757	\$ 326.07		\$ (1,439,004.42)	\$ 41,522,973.43	\$ 315.15
Mar-16		\$ 47,321,908.68	0.9984 \$	· · ·	136,545			\$ (1,587,552.55)		
Apr-16		\$ 44,197,822.79	0.9977 \$	44,301,218.64	136,220	\$ 325.22		\$ (1,483,862.07)	\$ 42,817,356.57	\$ 314.33
May-16		\$ 44,434,245.51	0.9961 \$	44,609,581.94	134,741	\$ 331.08		\$ (1,494,190.65)	\$ 43,115,391.29	\$ 319.99
Jun-16		\$ 44,182,767.05	0.9941 \$	44,446,474.53	133,579	\$ 332.74		\$ (1,488,727.39)	\$ 42,957,747.13	\$ 321.59
Jul-16		\$ 43,166,973.67	0.9905 \$	43,582,747.36	132,396	\$ 329.18		\$ (1,459,796.99)	\$ 42,122,950.37	\$ 318.16
Aug-16		\$ 42,413,597.75	0.9830 \$	43,145,098.78	131,029	\$ 329.28		\$ (1,445,138.03)	\$ 41,699,960.75	\$ 318.25
Sep-16		\$ 44,684,323.20	0.9737 \$	45,890,008.59	130,145	\$ 352.61		\$ (1,537,078.33)	\$ 44,352,930.26	\$ 340.80
Oct-16		\$ 44,030,249.86	0.9523 \$	46,233,968.72	128,620	\$ 359.46		\$ (1,548,599.22)	\$ 44,685,369.50	\$ 347.42
Nov-16		\$ 42,425,760.13	0.9308 \$			\$ 358.49		\$ (1,526,686.24)		\$ 346.48
Dec-16	\$ 588,096,093.23	\$ 44,834,307.41	0.8440 \$	53,123,417.80	125,581	\$ 423.02	\$ 117,126,429.77	\$ (1,779,360.19)	\$ 51,344,057.61	\$ 408.85

\* Express Completion Factor as a percentage

Carrier Name: Keystone Health Plan East
Product(s): HMO
Market Segment: Individual
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
											\$ -
<b>Experience Period Total Allowed EHE</b>	Claims + EHB Capitation PMPM (r	net of prescription drug rebates)									\$ -
Loss Ratio											0.00%
*Express Prescription Drug Rebates as a I	negative number										

### Table 3b. Manual Trend Components

Cost*	Utilization*	Induced Utilization*	Composite URRT Trend**	Weight*
			0.00%	
			0.00%	
			0.00%	
			0.00%	
			0.00%	
			0.00%	0.00%
			24	
			1.000	
				0.00% 0.00% 0.00% 0.00% 0.00% 0.00% 0.00%

\* 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				#DIV/0!		#DIV/0!				#DIV/0!
Feb-14				#DIV/0!		#DIV/0!				#DIV/0!
Mar-14				#DIV/0!		#DIV/0!				#DIV/0!
Apr-14				#DIV/0!		#DIV/0!				#DIV/0!
May-14				#DIV/0!		#DIV/0!				#DIV/0!
Jun-14				#DIV/0!		#DIV/0!				#DIV/0!
Jul-14				#DIV/0!		#DIV/0!				#DIV/0!
Aug-14				#DIV/0!		#DIV/0!				#DIV/0!
Sep-14				#DIV/0!		#DIV/0!				#DIV/0!
Oct-14				#DIV/0!		#DIV/0!				#DIV/0!
Nov-14				#DIV/0!		#DIV/0!				#DIV/0!
Dec-14				#DIV/0!		#DIV/0!				#DIV/0!
Jan-15				#DIV/0!		#DIV/0!				#DIV/0!
Feb-15				#DIV/0!		#DIV/0!				#DIV/0!
Mar-15				#DIV/0!		#DIV/0!				#DIV/0!
Apr-15				#DIV/0!		#DIV/0!				#DIV/0!
May-15				#DIV/0!		#DIV/0!				#DIV/0!
Jun-15				#DIV/0!		#DIV/0!				#DIV/0!
Jul-15				#DIV/0!		#DIV/0!				#DIV/0!
Aug-15				#DIV/0!		#DIV/0!				#DIV/0!
Sep-15				#DIV/0!		#DIV/0!				#DIV/0!
Oct-15				#DIV/0!		#DIV/0!				#DIV/0!
Nov-15				#DIV/0!		#DIV/0!				#DIV/0!
Dec-15				#DIV/0!		#DIV/0!				#DIV/0!
Jan-16				#DIV/0!		#DIV/0!				#DIV/0!
Feb-16				#DIV/0!		#DIV/0!				#DIV/0!
Mar-16				#DIV/0!		#DIV/0!				#DIV/0!
Apr-16				#DIV/0!		#DIV/0!				#DIV/0!
May-16				#DIV/0!		#DIV/0!				#DIV/0!
Jun-16				#DIV/0!		#DIV/0!				#DIV/0!
Jul-16				#DIV/0!		#DIV/0!				#DIV/0!
Aug-16				#DIV/0!		#DIV/0!				#DIV/0!
Sep-16				#DIV/0!		#DIV/0!				#DIV/0!
Oct-16				#DIV/0!		#DIV/0!				#DIV/0!
Nov-16				#DIV/0!		#DIV/0!				#DIV/0!
Dec-16				#DIV/0!		#DIV/0!				#DIV/0!

\* Express Completion Factor as a percentage

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

# PA Rate Template Part II

# **Rate Development and Change**

Carrier Name:
Product(s):

Market Segment:

Rate Effective Date:

Keystone Health Plan East HMO

Individual

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 Expe Data		Manual Data	
Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates) PMPM	\$		378.96	\$ -	<- Actual Experience PMPM should be consistent with the Index Rate for Experience Period on URRT
Two year trend projection Factor		1.141		1.000	
Unadjusted Projected Allowed EHB Claims PMPM	\$		432.32	\$ -	For Information
Single Risk Pool Adjustment Factors					<u></u>
Change in Morbidity		1.105		1.000	<- See URRT Instructions Blended Base
Change in Other		1.042		1.000	Blended Earn
Change in Demographics		1.023		1.000	<- See URRT Instructions Blended Loss
Change in Network		1.000		1.000	<- See URRT Instructions
Change in Benefits		1.018		1.000	<- See URRT Instructions
Change in Other		1.000	l e	1.000	<- See URRT Instructions
Total Adjusted Projected Allowed EHB Claims PMPM	\$		497.74	\$ -	
Credibidility Factors		100%		0%	<- See Instructions
Blended Projected EHB Claims PMPM				\$ 497.74	<- Projected Index Rate
Development of the Market-Adjusted Index Rate and Total Allowed Claims					
Adjusted Projected Allowed EHB Claims PMPM	\$		497.74	<- Index Rate for Projection	on Period on URRT - Individual or First Quarter Small Group Table 5A.
Adjusted Projected Allowed EHB Claims PMPM [will only populate for small group filings]	\$			· ·	on Period on URRT - Small Group
Projected Paid to Allowed Ratio	<u></u>			<- Paid to Allowed Averag	ge Factor in Projection Period on URRT
Projected Paid EHB Claims PMPM Market-wide Adjustments	\$		375.30		# of Member Adjusted Pro
Projected Risk Adjustment PMPM	\$		(41.95)		Months of Tr
Projected Paid Exchange User Fees PMPM	\$		13.12		Annual Trenc
			100.07		Single Risk Po
Market-Adjusted Projected Paid EHB Claims PMPM	\$		430.37		Quarterly Tre 2018 Trend F
Market-Adjusted Projected Allowed EHB Claims PMPM	\$		570.78	<- Market-Adjusted Index	
Projected Allowed Non-EHB Claims PMPM	\$		-		
Market-Adjusted Projected Paid Total Claims PMPM	\$		430.37		
Market-Adjusted Projected Allowed Total Claims PMPM	\$		570.78		

### **Table 6. Retention**

Retention Items - Express in percentages		
Administrative Expenses	11	1.93%
General and Claims	10	0.04%
Agent/Broker Fees and Commissions	1	<mark>1.50%</mark>
Quality Improvement Initiatives	C	<mark>0.39%</mark>
Taxes and Fees	3	3.69%
PCORI Fees (Enter \$ amount here: \$2.36)	C	<mark>0.04%</mark>
Pa Premium Tax (if applicable)	C	<mark>0.00%</mark>
Federal Income Tax	1	<mark>1.51%</mark>
Health Insurance Providers Fee	2	<mark>2.15%</mark>
Profit/Contingency (after tax)	2	2.00%
Total Retention	17	7.62%
Projected Required Revenue PMPM	\$ 52	22.39

<- Single Pool Gross Premium Avg. Rate, PMPM on URRT

# **Table 8. Components of Rate Change**

Rate Components		2017	2018	Difference	Percent Change
A. Calibrated Plan Adjusted Index Rate (PMPM)		296.446043	360.7889382	\$64.34	21.7%
B. Base period allowed claims before normalization	\$	406.00 \$	378.96	-\$27.04	-9%
C. Normalization factor component of change	\$	(151.06)	-149.8762382	\$1.18	\$0.00
D. Change in Normalized Allowed Claims Adjustment Components					
D1. Base period allowed claims after normalization	¢	254.94 \$	229.09	\$ (25.85)	-9%
D2. URRT Trend	ر ا	(250.56) \$	32.25	•	95%
D3. URRT Morbidity	ڔ	(230.30) \$	27.56		9%
D4. URRT Other	\$	0.23 \$	12.00	•	4%
D5. Normalized URRT RA/RI on an allowed basis		-22.90621296	-33.63295213		-4%
D6. Normalized Exchange User Fee on an allowed basis	Ś	8.18 \$	10.52	•	1%
D7. Subtotal - Sum(D1:D6)	\$	(10.11) \$	277.78	•	97%
E. Change in Allowable Plan Adjusted Level Components		(10:11) φ	277.70	207.03	37,70
E1. Network	Ś	_	-0.000281204	\$ (0.00)	0%
E2. Pricing AV	Ś	2.42 \$	(68.24)	•	-24%
E3. Benefit Richness	Ś	- \$	(0.09)	•	0%
E4. Catastrophic Eligibility	Ś	- \$	23.12		8%
E5. Subtotal - Sum(E1:E4)	\$	2.42 \$	(45.20)	•	-16%
F. Change in Retention Components		•	,	. ,	
F1. Administrative Expenses	Ś	33.74 \$	43.02	\$ 9.29	3%
F2. Taxes and Fees	Ś	6.23 \$	13.31	•	2%
F3. Profit and/or Contingency	Ś	3.23 \$	7.22	•	1%
F4. Subtotal - Sum(F1:F3)	\$	43.19 \$	63.55	•	7%
G. Change in Miscellaneous Items				\$ -	0%
H. Sum of Components of Rate Change (should approximate the change shown in line A)	\$	35.50 \$	296.13	\$ 260.63	88%
in sam of components of hate change (should approximate the change shown in line A)	7	33.30 ¥	250.15	200.03	0070

### For Informational Purposes only - No input required.

Blended Base Period Unadjusted Claims before Normalization	\$ 378.96	<- Index Rate of Experience Period on URRT
Blended Earned Premium	\$ 588,096,093.23	
Blended Loss Ratio	88.20%	

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

Effective Date	1/1/2018	4/1/2018	7/1/2018	10/1/2018	Tot	al Single Risk Pool
# of Member Months Renewing in Quarter						-
Adjusted Projected Allowed EHB Claims PMPM Q1	\$ 497.74	\$ 497.74	\$ 497.74	\$ 497.74	\$	497.74
Months of Trend	-	3	6	9		
Annual Trend	6.81%	6.81%	6.81%	6.81%		
Single Risk Pool Projected Allowed Claims	\$ 497.74	\$ 506.00	\$ 514.40	\$ 522.94	\$	-
Quarterly Trend Factor	100.0%	101.7%	103.3%	105.1%		0.0%
2018 Trend Factors by Quarter	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		

### Table 7. Normalized Market-Adjusted Projected Allowed Total Claims

Normalization Factors	2017	2018
Average Age Factor	1.572	1.633
Average Geographic Factor	1.000	1.000
Average Tobacco Factor	1.013	1.013
Average Benefit Richness (induced demand)	1.000	1.000
Average Network Factor	1.000	1.000
Market-Adjusted Projected Allowed Total Claims PMPM	\$ 513.32	\$ 570.78
Normalized Market-Adjusted Projected Allowed Total Claims PMPM	\$ 322.33	\$ 345.04

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

	2017	2018	
Paid-to-Allowed	0.798	0.754	
URRT Trend (Total Applied Trend Factor)	0.017		<- URRT W
URRT Morbidity	1.000	1.105	<- URRT W
URRT "Other"	1.053	1.042	<- URRT W
Risk Adjustment	\$ (29.11)	\$ (41.95)	<- URRT W
Exchange User Fee	\$ 10.40	\$ 13.12	<- URRT W
Capitation	\$ 19.15	\$ 20.00	<- URRT W
Network	1.000	1.000	
Pricing AV	0.761	0.754	
Benefit Richness	1.000	1.000	
Catastrophic Eligibility	1.000	1.110	
Administrative Expenses	11.38%	11.93%	
Taxes and Fees	2.10%	3.69%	
Profit and/or Contingency	1.09%	2.00%	
<u>.</u>			

PA Rate Template Part III Table 10. Plan Rates

Keystone Health Plan East Carrier Name: Product(s): Market Segment:
Rate Effective Date: 1/1/2018 1/1/2016 2/1/2017 Base Period Start Date Date of Most Recent Membership 570.78 Market Adjusted Index Rate

Calib
Age Calibration Factor Geographic Calibration F Aggregate Calibration Factor

45 CFR Part 156.8 (d) (2) Allowable Factors

alibration		Total Covered Lives @ 02-01-2
	1.633	15
n Factor	1.000	

Plan Number	HIOS Plan ID (Standard Component)	Plan Type (HMO, POS, PPO, EPO, Indemnity, Other)	Plan Marketing Name	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 Tie	Actuarial	Standard AV, Approach (1), Approach (2)	Exchange On/Off or Off	Pricing AV (company- determined AV)	Benefit Richness (induced demand)	Benefits in addition to EHB	Provider Network	Catastrophic Eligibility	Tobacco Surcharge Adjustment	Pure Premium	Admin Costs	Taxes & Fees (not including Exchange fees)	
Totals							0.717			0.754	1.000	1.000	1.000	1.110	1.013	\$ 485.39	11.9%	3.7%	2.0%
Plan 1	33871PA0040001	НМО	Keystone HMO Platinum	l <sub>F</sub>		Platinum	0 902 A	oproach 1	ON/OFF	0.927	1.550	1.000	1.084	1.000	1.013	\$901.50	11.9%	3.7%	2.0%
Plan 2	33871PA0040002	НМО	Keystone HMO Gold	E		Gold	0.8003 A		ON/OFF	0.911	1.176	1.000	1.084		1.013	\$671.74	11.9%		2.0%
Plan 3	33871PA0040003	НМО	Keystone HMO Silver	DM	33871PA0120003	Silver		oproach 1	ON/OFF	0.757	1.089	1.000	1.084			\$516.36	11.9%		
Plan 4	33871PA0040005	НМО	Keystone HMO Gold Proactive	Е		Gold		oproach 2	ON/OFF	0.911	1.093	1.000	0.986			\$567.82	11.9%	3.7%	2.0%
lan 5	33871PA0040006	НМО	Keystone HMO Silver Proactive	E		Silver	0.717 A	oproach 2	ON/OFF	0.757	0.988	1.000	0.986	1.150	1.013	\$490.14	11.9%	3.7%	2.0%
lan 6	33871PA0120001	НМО	Keystone HMO Platinum	Е		Platinum	0.902 A	oproach 1	OFF	0.927	1.550	1.000	1.084	1.000	1.013	\$901.50	11.9%	3.7%	2.0%
lan 7	33871PA0120002	НМО	Keystone HMO Gold	E		Gold	0.8003 A	oproach 1	OFF	0.911	1.176	1.000	1.084	1.000	1.013	\$671.74	11.9%	3.7%	2.0%
lan 8	33871PA0120003	НМО	Keystone HMO Silver	E		Silver	_	oproach 1	OFF	0.757	1.089		1.084			\$516.36	11.9%		2.0%
an 9	33871PA0120004	НМО	Keystone HMO Bronze	E		Bronze		oproach 1	OFF	0.563	0.891	1.000	1.084			\$314.38			2.0%
lan 10	33871PA0120005	НМО	Keystone HMO Gold Proactive	Е		Gold		oproach 2	OFF	0.911	1.093	1.000	0.986			\$567.82	11.9%		2.0%
lan 11	33871PA0120006	НМО	Keystone HMO Silver Proactive	E		Silver		oproach 2	OFF	0.757	0.988	1.000	0.986	1.150		\$490.14	11.9%		2.0%
lan 12	33871PA0120007	НМО	Keystone HMO Silver Proactive Value	Е		Silver	0.708 A	oproach 2	OFF	0.701	0.938	1.000	0.986	1.000	1.013	\$375.01	11.9%	3.7%	2.0%
			Keystone HMO Silver Proactive																
lan 13	33871PA0120008	НМО	Standard	N - 33871PA0120006		Silver	0.7179 A	oproach 2	OFF	0.758	0.988	1.000	0.986	1.000	1.013	\$427.06	11.9%	3.7%	2.0%
lan 14																\$0.00			
Plan 15																\$0.00			

							_			
Total Covered Lives apped into 2018 Plans @ 02-01- 2017	Total Policyholders @ 02-01-2017	A	2017 Calibrated Plan Adjusted Index Rate PMPM		Calibrated Plan Plan Adjus Adjusted Index Rate		8 Calibrated an Adjusted ndex Rate PMPM	Proposed Rate Change Compared to Prior 12 months		% of Tota Covered Liv
151,360	100,172	\$	296.45	¢	360.79	21.70%	- 			
131,300	100,172	Ş	290.45	Ą	300.73	21.70%				
577	376	\$	568.60	\$	670.09	17.8%		0.4%		
1,215	726	\$	424.08	\$	499.30	17.7%		0.8%		
6,496	4,317	\$	327.07	\$	383.81	17.4%		4.3%		
3,567	2,062	\$	374.50	\$	422.06	12.7%		2.4%		
99,676	68,737	\$	292.60	\$	364.32	24.5%		65.9%		
972	588	\$	568.60	\$	670.09	17.8%		0.6%		
2,392	1,312	\$	424.08	\$	499.30	17.7%		1.6%		
1,433	865	\$	327.07	\$	383.81	17.4%		0.9%		
8,736	5,694	\$	199.00	\$	233.68	17.4%		5.8%		
3,725	1,991	\$	374.50	\$	422.06	12.7%		2.5%		
11,707	7,001	\$	292.60	\$	364.32	24.5%		7.7%		
10,864	6,503	\$	258.28	\$	278.74	7.9%		7.2%		
-	-	\$	-	\$	317.44	0.0%		0.0%		
-	-	\$	-	\$	-	0.0%		0.0%		
-	-	\$	-	\$	-	0.0%		0.0%		

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	
										_	
-	-	-	-	-	-	-	151,360	-	151,360		
	1	_		1							
							577		577	1	
							1,215		1,215	1	
							6,496		6,496	1	
							3,567		3,567	1	
							99,676		99,676	1	
							972		972	1	
							2,392		2,392	1	
							1,433		1,433	1	
							8,736		8,736	1	
							3,725		3,725	1	
							11,707		11,707	1	
							10,864		10,864	1	
									-	1	
									-	0	
									-	0	

# PA Rate Template Part IV A - Individual

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

Carrier Name: Keystone Health Plan East Product(s): HMO
Market Segment: Individual
Rate Effective Date: 1/1/2018

Plan 20

	HIOS Plan ID (Standard	1/1/17 Plan	Discontinued, New, Modified, Existing (D,N,M,E) for	1/1/18 Plan HIOS PLAN ID (If 1/1/17 Plan	Metallic	Exchange On/Off or
Plan Number	Component)	Marketing Name	2018	Discontinued)	Tier	Off
<b>T</b> . (.)		<b>-</b> 1				
Totals		These cells auto-fill	using the data en	tered in Table 10.		
Plan 1	33871PA0040001	Keystone HMO Platinum	E	lo	Platinum	ON/OFF
Plan 2	33871PA0040002	Keystone HMO Gold	E	0	Gold	ON/OFF
Plan 3	33871PA0040003	Keystone HMO Silver	DM	33871PA0120003	Silver	ON/OFF
Plan 4	33871PA0040005	Keystone HMO Gold Pro	Е	0	Gold	ON/OFF
Plan 5	33871PA0040006	Keystone HMO Silver Pro		0	Silver	ON/OFF
Plan 6	33871PA0120001	Keystone HMO Platinum	E	0	Platinum	OFF
Plan 7	33871PA0120002	Keystone HMO Gold	E	0	Gold	OFF
Plan 8	33871PA0120003	Keystone HMO Silver	E	0	Silver	OFF
Plan 9	33871PA0120004	Keystone HMO Bronze	E	0	Bronze	OFF
Plan 10	33871PA0120005	Keystone HMO Gold Pro	E	0	Gold	OFF
Plan 11	33871PA0120006	Keystone HMO Silver Pro	E	0	Silver	OFF
Plan 12	33871PA0120007	Keystone HMO Silver Pro	E	0	Silver	OFF
Plan 13	33871PA0120008	Keystone HMO Silver Pro	- 33871PA012000	0	Silver	OFF
Plan 14	0	0	0	0	0	0
Plan 15	0	0	0	0	0	0
Plan 16	0	0	0	0	0	0
Plan 17	0	0	0	0	0	0
Plan 18	0	0	0	0	0	0
Plan 19	0	0	0	0	0	0
			_		_	

					20:	17 21-ye	ar-ol	d, Non-T	obac	co Prem	ium	РМРМ				
	1		2	3		4		5		6		7	8	9	en	reighted by rollment y rating area)
_		1			1		1		1 4		I .				1	
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 296.45	\$ -	\$	296.45
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 568.60	\$ -	\$	568.60
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 424.08	\$ -	\$	424.08
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 327.07	\$ -	\$	327.07
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 374.50	\$ -	\$	374.50
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 292.60	\$ -	\$	292.60
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 568.60	\$ -	\$	568.60
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 424.08	\$ -	\$	424.08
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 327.07	\$ -	\$	327.07
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 199.00	\$ -	\$	199.00
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 374.50	\$ -	\$	374.50
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 292.60	\$ -	\$	292.60
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 258.28	\$ -	\$	258.28
\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ -	\$ -	\$	-
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\$	-	\$	-	\$ -	\$	-	\$	-	\$	-	\$	-	\$ -	\$ -	\$	-

			201	18 21-ye	ar-ol	d, Non-T	Гobac	co Prem	ium I	PMPM				
1	2	3		4		5		6		7	8	9	en	by rollmen y rating area)
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 360.79	\$ -	\$	360.79
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 670.09	\$ -	\$	670.09
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 499.30	\$ -	\$	499.30
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 383.81	\$ -	\$	383.81
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 422.06	\$ -	\$	422.06
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 364.32	\$ -	\$	364.32
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 670.09	\$ -	\$	670.09
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 499.30	\$ -	\$	499.30
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 383.81	\$ -	\$	383.81
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 233.68	\$ -	\$	233.68
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 422.06	\$ -	\$	422.06
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 364.32	\$ -	\$	364.32
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 278.74	\$ -	\$	278.74
\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ 317.44	\$ -	\$	-
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\$ -	\$ -	\$ -	\$	-	\$	-	\$	-	\$	-	\$ -	\$ -	\$	-

	Change in 21-year-old Non-Tobacco Premium PMPM												
1	2	3	4	5	6	7	8	9	(weighted by enrollment by rating area)				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	21.7%	0.0%	21.7%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17.8%	0.0%	17.8%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17.7%	0.0%	17.7%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17.4%	0.0%	17.4%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.7%	0.0%	12.7%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	24.5%	0.0%	24.5%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17.8%	0.0%	17.8%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17.7%	0.0%	17.7%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17.4%	0.0%	17.4%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17.4%	0.0%	17.4%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.7%	0.0%	12.7%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	24.5%	0.0%	24.5%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.9%	0.0%	7.9%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				

# PA Rate Quarterly Template Part V Consumer Factors

**Table 12. Age and Tobacco Factors** 

	Projection Period Age and Tobacco Factors											
Age	Age	Tobacco		Age	Age	Tobacco						
Band	Factor	Factor		Band	Factor	Factor						
0-14	0.765			40	1.278	1.225						
15	0.833			41	1.302	1.225						
16	0.859			42	1.325	1.225						
17	0.885			43	1.357	1.225						
18	0.913	1.000		44	1.397	1.225						
19	0.941	1.000		45	1.444	1.225						
20	0.970	1.000		46	1.500	1.225						
21	1.000	1.125		47	1.563	1.225						
22	1.000	1.125		48	1.635	1.225						
23	1.000	1.125		49	1.706	1.225						
24	1.000	1.125		50	1.786	1.375						
25	1.004	1.125		51	1.865	1.375						
26	1.024	1.125		52	1.952	1.375						
27	1.048	1.125		53	2.040	1.375						
28	1.087	1.125		54	2.135	1.375						
29	1.119	1.125		55	2.230	1.375						
30	1.135	1.175		56	2.333	1.375						
31	1.159	1.175		57	2.437	1.375						
32	1.183	1.175		58	2.548	1.375						
33	1.198	1.175		59	2.603	1.375						
34	1.214	1.175		60	2.714	1.375						
35	1.222	1.175		61	2.810	1.375						
36	1.230	1.175		62	2.873	1.375						
37	1.238	1.175		63	2.952	1.375						
38	1.246	1.175		64+	3.000	1.375						
39	1.262	1.175										

<sup>\*</sup>PA follows the federal default age curve.

Carrier Name: Keystone Health Plan East

Product(s): HMO

Market Segment: Individual
Rate Effective Date: 1/1/2018

**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									
Rating Area 7									
Rating Area 8	Bucks, Chester, Delaware, Philadelphia, Montgomery	1.000	1.000						
Rating Area 9									

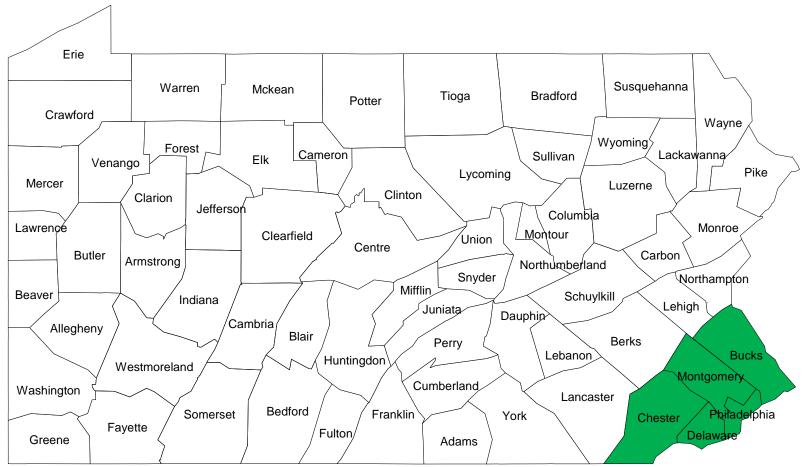
**Table 14. Network Factors** 

	Projecion Period Network	Factors		
Network Name	Rating Area	Current Factor	Proposed Factor	DOH Approval Date
НМО	Rating Area 8	1.000	1	

### 2017 Service Area

**Issuer: Keystone Health Plan East** 

**Market: Individual** 



**Key** (modify as needed)

: 2017 on-exchange service area

: 2017 off-exchange only service area

### 2018 Service Area

**Issuer: Keystone Health Plan East** 

**Market: Individual** 



**Key** (modify as needed)

: 2018 on-exchange service area

: 2018 off-exchange only service area

### Completeness and Redaction Justification Checklist

Issuer Name: Keystone Health Plan East

Market: Individual SERFF ID: 33871

				Redaction J	ustification
TOC#	Description	Completed (Mark with "X")	Redacted (Y/N)	Page # in Public PDF	Justification submitted (Y/NA)
Federal Do	ocuments Required to Be Filed with PID				
	RFJ Part I - Unified Rate Review Template	Х			
A.2.	RFJ Part II – Consumer Friendly Justification	X			
A.Z.	RFJ Part III – Actuarial Memorandum	X	Υ	30 to 38	Υ
	Federal Rates Template	X			
Summary	Documents/Confirmation of HIOS & SERFF Submissions				
A.2.B.	HIOS Submission	X			
A.2.C.	SERFF Submission	X			
A.2.D.	SERFF Rate/Rule Schedule Tab	X			
B.	Cover Letter & PA Bulletin Information	Х			
C.	Rate Change Request Summary	Х			
PA Actuar	al Memorandum and Rate Exhibits				
D.1.A.	Company Information	Х	Υ	6	Υ
D.1.B.	Rate History & Proposed Variation in Rate Changes	Х	N	7	N/A
D.1.C.	Average Rate Change	Х	N	7	N/A
5.4.5	Membership Count	Х	N	7	N/A
D.1.D.	PA Act. Exhibits Table 1	Х	N	55	N/A
D.1.E.	Benefit Changes	Х	N	7	N/A
5.4.5	Experience Period Claims & Premium	Х	N	7 to 8	N/A
D.1.F.	PA Act. Exhibits Table 2	Х	N	55	N/A
- 1 -	Credibility of Data	Х	N	8	N/A
D.1.G.	PA Act. Exhibits Tables 2b, 3b, 4b (if applicable)	N/A	N	N/A	N/A
	Trend Identification	Х	N	8	N/A
D.1.H.	PA Act. Exhibits Table 3	Х	N	55	N/A
	Historical Experience	Х	N	8 to 9	N/A
D.1.I.	PA Act. Exhibits Table 4	Х	N	55	N/A
	Development of PAIR, MAIR and Total Allowed Claims	Х	N	9 to 10	N/A
D.2.A.	PA Act. Exhibits Table 5	Х	N	57	N/A
	Retention Items	Х	N	10	N/A
D.2.B.	PA Act. Exhibits Table 6	Х	N	57	N/A
	Normalized Market-Adjusted Projected Allowed Total Claims	Х	N	11	N/A
D.2.C.	PA Act. Exhibits Table 7	Х	N	57	N/A
	Components of Rate Change	Х	N	11	N/A
D.2.D.	PA Act. Exhibits Table 8	Х	N	57	N/A
	PA Act. Exhibits Table 9	Х	N	57	N/A
	Plan Rate Development	Х	N	11	N/A
D.3.	PA Act. Exhibits Table 10	Х	N	58	N/A
	Plan Premium Development for 21-Year-Old Non-Tobacco User	Х	N	11	N/A
D.4.	PA Act. Exhibits Table 11	X	N	59 to 60	N/A
	Age and Tobacco Factors	X	N	11	N/A
D.5.A.	PA Act. Exhibits Table 12	X	N	61	N/A
	Geographic Factors	X	N	11	N/A
D.5.B.	PA Act. Exhibits Table 13	X	N	61	N/A
	Network Factors	X	N	11	N/A
D.5.C.	PA Act. Exhibits Table 14	X	N	61	N/A
D.5.D.	Service Area Composition	N/A	N	N/A	N/A
D.5.E.	Composite Rating	N/A	N	N/A	N/A
D.5.L. D.6.	Actuarial Certifications	X	Y	11 to 12	Y
Additional		٨	<u>'</u>	11 (0 12	<u>'</u>
, tadicional		X	N	45 to 50	N/A
E.	Department Plan Design Summary & Rate Tables Service Area Map	X	N	62 to 63	N/A N/A
Redaction	Justification (must be submitted if any information is redacted)	X	1 <b>V</b>	02 10 03	Υ
neuaction	Justinication (must be submitted if any information is redacted)	^			Υ