

SERFF Tracking #:

CABC-131454888

State Tracking #:

CABC-131454888

Company Tracking #:

18-13

State:

Pennsylvania

Filing Company:

Capital Advantage Insurance Company

TOI/Sub-TOI:

H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical Expense

Product Name:

Rates - CAIC Individual PPO

Project Name/Number:

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## Supporting Document Schedules

<b>Satisfied - Item:</b>	Rate Change Summary
<b>Comments:</b>	
<b>Attachment(s):</b>	Ind_18-13_Revised_CAIC_PPO_RateChangeSummary_Supporting_20180716.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

# **Attachment I**

# Rate Change Summary

## Capital Advantage Insurance Company – Individual Plans

Rate request filing ID # CAB-131454888 - 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:	-42.6% <sup>1</sup>
Revised requested average rate change:	-42.7%
Range of requested rate change:	-42.7% to -42.7%
Effective date:	1/1/2019
People impacted:	257
Available in:	Rating Area 6, Rating Area 7, and Rating Area 9

### Key information

#### Jan. 2017-Dec. 2017 financial experience

Premiums	\$	570,416
Claims	\$	827,271
Administrative expenses	\$	76,820
Taxes & fees	\$	152,711
Company made (after taxes)		<b>\$(486,386)</b>

#### How it plans to spend your premium

This is how the insurance company plans to spend the premium it collects in 2019:

Claims:	83.22%
Administrative:	12.36%
Taxes & fees:	2.42%
Profit:	2.0%

The company expects its annual medical costs to increase **10.67%**.

### Explanation of requested rate change

Stabilization of the Individual market in recent years  
Suspension of the Health Insurer Fee in 2019  
Anticipated increase in facility and physician unit costs  
Anticipated changes in prescription drug unit costs  
Continuing change in utilization

<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.