

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

## Supporting Document Schedules

<b>Satisfied - Item:</b>	Rate Change Summary
<b>Comments:</b>	
<b>Attachment(s):</b>	SG_18-20_Revised_CAIC_PPO_RateChangeSummary_Supporting_20180716.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

# **Attachment I**

# Rate Change Summary

## Capital Advantage Insurance Company (CAIC) – Small Group Plans

Rate request filing ID # CABC-131455106 - 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:	16.2% <sup>1</sup>
Revised requested average rate change:	16%
Range of requested rate change:	16% to 16%
Effective date:	1/1/2019
People impacted:	123
Available in:	Rating Area 6, Rating Area 7, and Rating Area 9

### Key information

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

Premiums	\$	400,986
Claims	\$	317,479
Administrative expenses	\$	96,865
Taxes & fees	\$	46,180
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Company made (after taxes)		<b>\$(59,539)</b>

#### How it plans to spend your premium

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

Claims:	83.85%
Administrative:	10.68%
Taxes & fees:	3.47%
Profit:	2%

The company expects its annual medical costs to increase **6.63%**.

### Explanation of requested rate change

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

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<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.