

State: Pennsylvania Filing Company: Geisinger Health Plan
TOI/Sub-TOI: H15G Group Health - Hospital/Surgical/Medical Expense/H15G.003 Small Group Only
Product Name: HMO/POS
Project Name/Number: GHP SG/

Supporting Document Schedules

Satisfied - Item:	ACA Rate Change Request Summary
Comments:	
Attachment(s):	Rate_Change_Request_GHP_SG 20180517.pdf
Item Status:	
Status Date:	

Attachment I

Rate Change Summary

Geisinger Health Plan – Small Group Plans

Rate request filing ID # GSHP-131502009- 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:	1.5% ¹
Revised requested average rate change:	N/A ¹
Range of requested rate change:	-2.4% - 13.0%
Effective date:	1/1/2019
People impacted:	1,581
Available in:	Rating areas 2, 3, 5, 6, 7, and 9

Key information

Jan. 2017-Dec. 2017 financial experience

Premiums	\$54,865,985
Claims	\$49,174,869
Administrative expenses	\$2,707,637
Taxes & fees	\$2,498,104
Company made (after taxes)	\$485,375

How it plans to spend your premium

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

Claims:	89.69%
Administrative:	7.88%
Taxes & fees:	0.43%
Profit:	2.00%

The company expects its annual medical costs to increase **8.3%**.

Explanation of requested rate change

Geisinger Health Plan has proposed an overall base rate increase of 1.5% for Small Group HMO members renewing in the Marketplace effective January 1, 2019 through December 1, 2019. The actual range of proposed rate increases vary from a minimum of -2.4% to a maximum of 13.0%. The key drivers of this increase are the annual claims, changes to the risk adjustment and adjustments made to accurately reflect member cost sharing. As required by federal regulations and using the Federally prescribed MLR methodology, the projected loss ratio exceeds 80%. There were minimal benefit changes proposed for 2019.

¹ 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.