

SERFF Tracking #:

CABC-131455108

State Tracking #:

CABC-131455108

Company Tracking #:

18-18

State:

Pennsylvania

Filing Company:

Keystone Health Plan Central

TOI/Sub-TOI:

H15G Group Health - Hospital/Surgical/Medical Expense/H15G.003 Small Group Only

Product Name:

Rates - KHPC Small Group HMO

Project Name/Number:

/

Supporting Document Schedules

Satisfied - Item:	Rate Change Summary
Comments:	
Attachment(s):	SG_18-18_Revised_KHP_HMO_RateChangeSummary_Supporting_20180716.pdf
Item Status:	
Status Date:	

Attachment I

Rate Change Summary

Keystone Health Plan Central (KHPC) – Small Group Plans

Rate request filing ID # CAB-131455108- 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:	5% ¹
Revised requested average rate change:	4.9%
Range of requested rate change:	4.9% to 4.9%
Effective date:	1/1/2019
People impacted:	499
Available in:	Rating Area 6, Rating Area 7 and Rating Area 9

Key information

Jan. 2017-Dec. 2017 financial experience

Premiums	\$	5,986,782
Claims	\$	5,515,067
Administrative expenses	\$	534,344
Taxes & fees	\$	(1,440,845)
Company made (after taxes)		\$1,378,216

How it plans to spend your premium

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

Claims:	81.64%
Administrative:	14.89%
Taxes & fees:	1.47%
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

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.