

SERFF Tracking #:

INAC-131478475

State Tracking #:

INAC-131478475

Company Tracking #:

QCC INDIV 1-1-2019

State:

Pennsylvania

Filing Company:

QCC Insurance Company

TOI/Sub-TOI:

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

Product Name:

QCC Individual PPO effective 1-1-2019

Project Name/Number:

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Supporting Document Schedules

Satisfied - Item:	ACA Rate Change Request Summary
Comments:	
Attachment(s):	2019 QCC Consumer Rate Change Request Summary IBC0713.pdf
Item Status:	
Status Date:	

Rate Change Summary

QCC Insurance Company, Inc. – Individual Plans

Rate request filing ID INAC-131478475 - 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:	0.0% ¹
Revised requested average rate change:	N/A ¹
Range of requested rate change:	-2.0% - 3.3%
Effective date:	January 1, 2019
People impacted:	41,006
Available in:	Area 8

Key information

Jan. 2017-Dec. 2017 financial experience

Premiums	\$383,683,425
Claims	\$308,586,596
Administrative expenses	\$33,867,160
Taxes & fees	\$23,107,930
Company made (after taxes)	\$18,121,739

How it plans to spend your premium

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

Claims:	84%
Administrative:	11%
Taxes & fees:	3%
Profit:	2%

The company expects its annual medical costs to increase **12.1%**.

Explanation of requested rate change

QCC Insurance Company ("QCC") is revising premium rates for the Pennsylvania Consumer ACA compliant products, effective from January 1, 2019.

About 41,000 members will be affected.

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.

Changes include updates for individual mandate penalties and non-funding of CSR payments as well as

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.

changes in health care service costs driven by changes to health care provider fees.

Financial Experience of the Product:

QCC 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% using the state's estimates for individual mandate and CSRs not being funded.

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:

In addition, the Affordable Care Act (ACA) imposes taxes and other levies.