

# Rate Change Summary

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## UPMC Health Options, Inc. – Individual Plans

Rate request filing ID # UPMC-131495924 - 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:	4.12%
Revised requested average rate change:	2.26%
Range of requested rate change:	-25.49% to 21.67%
Effective date:	1/1/2019
People impacted:	142,829
Available in:	1, 2, 3, 4, 5, 6, 7, 9

### Key information

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

Premiums	\$	580,601,114
Claims	\$	546,197,029
Administrative expenses	\$	60,034,164
Taxes & fees	\$	338,570
<b>Company made (after taxes)</b>	<b>\$</b>	<b>(25,968,650)</b>

#### How it plans to spend your premium

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

Claims:	82.74%
Administrative:	11.42%
Taxes & fees:	2.84%
Profit:	3.00%

The company expects its annual medical costs to increase by approximately 7.2% for 2019.

### Explanation of requested rate change

Additional premium is needed to account for the higher cost and utilization of medical services each year. The requested rate change listed above also accounts for uncertainty in the market in 2019 due to the repeal of the Individual Mandate as well as the larger estimated Risk Adjustment payable relative to the prior rate filing for this company.