

Rate Change Summary

UPMC Health Options, Inc. – Small Group Plans

Rate request filing ID # UPMC-131495951 - 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:	-5.13%
Revised requested average rate change:	-5.34%
Range of requested rate change:	-10.61% to -3.50%
Effective date:	1/1/2019
People impacted:	142,592
Available in:	1, 2, 3, 4, 5, 6, 7, 9

Key information

Jan. 2017-Dec. 2017 financial experience

Premiums	\$	623,625,055
Claims	\$	575,594,318
Administrative expenses	\$	40,011,918
Taxes & fees	\$	232,191
Company made (after taxes)	\$	7,786,628

How it plans to spend your premium

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

Claims:	90.34%
Administrative:	9.66%
Taxes & fees:	0.00%
Profit:	0.00%

The company expects its annual medical costs to increase by approximately 3.23% for 2019.

Explanation of requested rate change

The proposed rate change listed above accounts for a projected decrease in morbidity trend for the single risk pool, as well as decreases in the projected administrative costs, taxes, and fees for 2019.