State: Pennsylvania **Filing Company:** Highmark Choice Company
TOI/Sub-TOI: H15G Group Health - Hospital/Surgical/Medical Expense/H15G.003 Small Group Only
Product Name: HCC Small Group 2020 ACA Rate Filing
Project Name/Number: HCC SG ACA Rate Filing 2020/1A-SG-HCC-2019

Supporting Document Schedules

Satisfied - Item:	ACA Public Rate Filing PDF
Comments:	
Attachment(s):	HCC 2020 Public PDF (FAR).pdf
Item Status:	
Status Date:	

July 19, 2019

Ms. Tracie Gray, Director
Bureau of Life, Accident & Health Insurance
Commonwealth of Pennsylvania Insurance Department
1311 Strawberry Square
Harrisburg, PA 17120

Re: Highmark Choice Company (HCC) 2020 ACA Rate Filing (Small Group Market)
HCC Filing # 1A-SG-HCC-2019 (SERFF Filing # HGHM-131937197)

This constitutes Notice pursuant to Section 707 of the Pennsylvania Right-to-Know Law that the attached Highmark Choice Company 2020 Small Group Market Rates Filing contains Trade Secret and Confidential Proprietary Information. Therefore, Highmark Choice Company must, prior to the release of any portion of this Filing, be notified of any request by a third party for access to this Filing, and the Trade Secret and/or Confidential Proprietary Information identified by Highmark Choice Company should be redacted before release.

Dear Ms. Gray:

This Filing update revises the product designs and offerings from the original filing for Highmark Choice Company (HCC) (NAIC # 95048; HIOS Issuer ID # 38949) Small Group Market Off Exchange ACA rates and the supporting rate development for policies with effective dates on or after **January 1, 2020**.

In the event the Department decides to publish this Filing in the PA Bulletin, the company information requested as per the Department's 2020 ACA-Compliant Health Insurance Rate Filing Guidance, Section B, is provided below:

1. Company Name & NAIC #: **Highmark Choice Company, NAIC # 95048 ("Company")**

2. Market: **Small Group ("Market")**

3. On or Off Exchange: This Company's products are offered **Off Exchange only**

4. Effective date of coverage: **January 1, 2020**

5. Average rate change requested: **5.20%**

6. Range of rate change requested: **5.2% to 5.2%**

7. Total additional annual revenue generated from the proposed rate change: **$344**

8. Product(s): **HMO**

9. Rating Areas and the change from 2019: **Regions 1, 2, 4, 5, 6** (Western, PA only)

   There are no changes in our covered Rating Areas from the 2019 rate filing.

10. Metal Levels and Catastrophic Plans: This filing reflects that the Company anticipates selling the following Metal Levels of coverage in the indicated Market: **Bronze**

11. Current number of covered lives and of policyholders as of February 1, 2019: **27 covered lives; 20 policyholders**

12. Number of plans offered in 2020 and the change this represents from 2019: **1**

    The Company offered 10 plans in 2019. For 2020, the Company is removing 9 plans from the Market.

    Please note that inclusion of premium rates in this filing for a given offering should not be construed to mean that the offering will ultimately be made available for sale in the market. Final offering decisions will be made consistent with and within the timelines set forth in CMS rules and/or ACA regulations.

13. Corresponding contract form number, SERFF and Binder ID numbers: The corresponding SERFF binder number is **HGHM- PA20-125092147** affecting the following Company products and forms:

Product Name / Type	**Contract Form & SERFF #**
HCC HMO	HMO-SM/WG-7, HMO/GA-SM/WG; HGHM-131921384

14. HIOS Issuer ID # and submission tracking number: **HIOS Issuer ID # 38949, Company Filing # 1A-SG-HCC-2019 (SERFF Filing # HGHM-131937197)**

Additional Filing Disclosures

The Company has submitted all Required Documents stipulated by the Department, including the federal documents related to this filing, in its SERFF submission. In addition to the Required Documents, the Company has submitted a Supplemental Exhibits file containing additional detailed exhibits on items referenced in the PA Actuarial Memorandum. All tables, exhibits, and detail in support of this filing and the PA Actuarial Memorandum have been included in Excel format. For the Department's benefit, the Excel files have retained their formulas to the extent possible.

CMS has instructed issuers that it no longer requires any interim changes to the URRT to be submitted to HIOS. CMS is requesting that only the initial URRT and the final URRT be submitted to HIOS.

Request for Confidentiality

Please note that the rates and the supporting rate development contained in this Filing are competitively sensitive, are not in the public domain, and constitute business confidential proprietary/trade secret information that would cause harm to the competitive position of Highmark Choice Company if disclosed to the public.

Public disclosure of any information contained in this Filing would allow Highmark Choice Company competitors to better understand or discover its confidential and proprietary rating, pricing and/or marketing practices, would undermine competition in the Small Group market, and could have negative consequences for the operation of Highmark Choice Company's business. Therefore, Highmark Choice Company asserts that this Filing, in its entirety, constitutes Trade Secret and Confidential Proprietary Information and should not be disclosed.

It is our understanding that the Department does not intend to publish the confidential and proprietary information contained in this Filing or to otherwise permit this Filing and its confidential information, other than the redacted information and final approved rates, to be disclosed or released.

Furthermore and pursuant to the Pennsylvania Right-to-Know Law ("RTKL"), Highmark Choice Company must be notified prior to release of information contained in this Filing and be given the opportunity to respond to requests for such information. Should the Department receive such request or require the release of information contained in this Filing for its own purposes, Highmark Choice Company asserts its right to release a redacted version of the Filing. In accordance with the RTKL, please contact the Highmark Choice Company RTKL representative identified below prior to release of any information contained in this Filing:

Lisa Martinelli, Esq.
RTKL Representative
VP Chief Privacy Officer
120 Fifth Avenue, FAP Suite 2114
Pittsburgh, PA 15222

Furthermore, it should be noted that Highmark Choice Company is equally concerned that even if this information is released in aggregate form, it still may be easy to identify the carrier that submitted it.

Should you have any questions regarding the attached Filing, please feel free to contact me at (717) 302-3077 or via e-mail at: frank.haver@highmark.com.

Sincerely,

Frank Haver, FSA, MAAA
Vice President, Actuarial Services
Highmark Inc.

cc: Robert Royer
Tija Hilton-Phillips, Esq.
William R. Sarniak

Pennsylvania Actuarial Memorandum

1. Basic Information and Data

A. Company Information (Table 0)

Table 0 has been completed as per the instructions. Please refer to the Excel file "2020_SmGrp_HCC_PAAMExhibits_052119 v3.xlsm"submitted with this filing containing the department's required tables.

Note that for the remainder of this document, "Company" refers to Highmark Choice Company, "Market" refers to Small Group, and "Rating Area" refers to Pennsylvania Rating Regions 1, 2, 4, 5, and 6 (Western, PA only). No Service Area changes were made since the last approved filing.

B. Rate History and Proposed Variations in Rate Changes

The most recent three years of historical rate changes in the Pennsylvania Small Group Market for the Company are as follows:

Year	Avg. Increase	SERFF ID#
2019	-33.4%	HGHM-131496326
2018	-0.1%	HGHM-131014795
2017	-5.7%	HGHM-130535987

Rate changes vary by plan, as plan benefits need adjusted to help maintain compliance with metal level requirements. Other base rate components (pricing actuarial factor and network discount) are also re-evaluated each year. For 2020, the Company's proposed rate revisions vary by plan, according to the detail presented in the URRT, Worksheet 2, and the PA Rate Template Table 10.

C. Average Rate Change

The average rate change from Table 10, column AC is a 5.20% increase. The rate change presented in this table reflects the average rate change over 2019 for the entire plan year, premium weighted based on the anticipated distribution of quarterly renewals.

For comparison, the change in 21-year-old non-tobacco premium PMPM calculated in Table 11, cell AN13, is a 0.0% increase. This rate change reflects the change for first quarter 2020 rates over first quarter 2019 rates. However, as there is no enrollment currently in the renewal product, a rate increase amount is not calculated in Table 11.

D. Membership Count (Table 1)

Table 1 has been completed according to the instructions with the average age, age breakdown and total number of members or member months, as indicated in the table. For the 2/1/2019 data, this table reflects all Small Group enrollment, including enrollment from 2018 and 2019 plan year plans.

E. Benefit Changes

The renewal plan required benefit changes because of the new Actuarial Value (AV) calculator released for 2020 effective dates. The plan changes were mostly required so that the plans remained within the defined metal level AV requirements, and were enacted by adjusting member cost sharing and the maximum out of pocket levels.

F. Experience Period Claims and Premium (Table 2)

Please see Table 2 for the experience period data for the most recent calendar year, for the Company and Market. The experience period paid claims data represents the 2018 calendar year results for all non-grandfathered policies in the single risk pool, with run out through February 2019 (2 months). This data is consistent with the data reported in Section I of Worksheet I of the URRT (see below commentary). As requested, the transitional policy experience is broken out in the "2020 Supplemental Exhibits - HCC v3.xlsx" file included in this filing, on the worksheet labeled "Table 4 Transitional".

The components of this exhibit were developed as follows:

- The Earned Premium represents actual revenues earned in the experience period.
- The Allowed Claims represent our best estimate of the total claims prior to member cost sharing incurred during the experience period. The Allowed Claims include:
    - Two months of run out from the end of the experience period,
    - Claims processed outside of the Company's claims system (e.g., settlements and capitations), and
    - Our best estimate of claims incurred but not paid as of the end of the run out period.

  Note that the Incurred Claims and Allowed Claims presented in the URRT are net of the Prescription Drug Rebates, while Table 2 has the Prescription Drug Rebates separately identified. As per the URR instructions, Allowed Claims do not include reinsurance recoveries or pooling charges, nor do they include quality incentive payments.
- There are no non-EHB benefits or costs in the experience period.
- The EHB coverage for pediatric vision benefits are provided by our vision coverage vendor under a capitation arrangement. These costs are $0.17 PMPM uniform across each member in the experience period and are reflected in Table 2 under the Total EHB Capitation section.
- Prescription Drug Rebates are used to reduce the level of Incurred Claims in the experience period.
- The Estimated Risk Adjustment represents our best estimate of the year end risk adjustment transfer payment that the Company will incur based on the results in the experience period. This amount is developed based on an analysis of Company data (risk scores as defined in the HHS Notice of Benefit and Payment Parameters, as well as other risk transfer formula components), and an estimate as to the Market-wide risk transfer component profile. This Market-wide profile is developed from available Market data, including the Interim Summary Report for 2018 risk adjustment published by CMS, the PA Insurance Department's calculation of 2018 risk adjustment transfer amounts using the 5/10/2019 RATEE files, prior years' risk adjustment transfer results, publicly available data (such as MLR reports), and outside expertise from actuarial consultants.

- The calculated loss ratio is 75.87%.

G. Credibility of Data (Tables 2b, 3b, 4b)

The Company's experience is not credible on its own. To develop the experience used in the rating and trend analysis, the Company utilizes experience from its parent company, Highmark Inc., as well as Highmark Inc.'s other subsidiaries, Highmark Health Insurance Company and Highmark Coverage Advantage. The combined experience used is limited to the Company's Rating Area and Market, and provides a more credible base to analyze the trend components impacting the business in the Company's Market.

Given the combined company experience used to develop the rating, the Company has provided the requested Tables 2b, 3b, and 4b within this filing submission.

H. Trend Identification (Table 3)

Table 3 identifies the annual medical and prescription drug allowed claims cost and utilization trends, as requested by the Pennsylvania Insurance Department. The definitions of service categories, cost, and utilization in Table 3 are consistent with the URRT instructions. The numbers entered in the Cost and Utilization columns are consistent with those entered in Worksheet I, Section 2 of the URRT, except as noted below.

To arrive at our trend assumption, the experience period cost and utilization data were pulled from the Company's claims systems by the defined benefit categories. As discussed in Section 1.G above, the claims are pulled from multiple Highmark companies and represent all Small Group business within the Company's Rating Area over the trend analysis period. The trend development uses a projection of allowed claim PMPMs by service category that takes into account many factors, including the Company's expectations of changes in in-network provider contracting levels, changes in out-of-network costs, changes in utilization from medical management programs, and changes in drug costs from impacts such as generic drug development and new drug treatments. To reflect the impact of provider contracting on trend, changes in in-network provider contracting levels, either known or anticipated, are factored into the cost component of trend using detailed analysis of the impact on claim levels from each material provider arrangement.

These projected costs measure and normalize for benefit leveraging, population aging, and historical changes in fee schedules, as well as company-wide utilization management programs, and external trend drivers. Based upon the coverage and demographics of our membership, our historical claim levels, adjusted for these factors and projected forward, represent the best estimates of trend for this block of business. Please note that since these historical claim levels are normalized throughout to account for these forces impacting claim utilization and costs, the claim levels presented will not reflect actual experience claim levels.

For the rate development, the Company uses the aggregate claim trend for all types of service, applied to the experience period. This is done so that the combined trend is reasonable in consideration of the various pricing trend components and the overall anticipated trend level. Based on a review of the

projected normalized annual trends for 2019 and 2020, an overall claim trend of 8.5% (8.5% cost; 0.0% utilization) was selected for the 2020 rate development. Please refer to the "Trend Support" exhibit in the "2020 Supplemental Exhibits - HCC v3.xlsx" file showing the historical and projected normalized claim values for the Company's trend determination, along with the Company's proposed rate trend.

For this Small Group Market filing, quarterly rates are proposed, with rates adjusted each quarter based on the Total Annual Trend presented in Table 3, excluding the Induced Utilization trend. The quarterly trend is based on the cost and utilization trend from Table 3. Note that we zeroed out the impact of the Capitation trend in the Composite URRT Trend. The change in the Capitation charge is reflected in the Change in Benefits adjustment discussed below.

I. Historical Experience (Table 4)

Table 4 presents the most recent 48 months (4 calendar years) of Company data with run-out through February 2018. Allowed claims are sourced from claim records with adjustments for claims that are outside of the claims processing system such as hospital settlements. This data, combined with the data from other companies within Highmark's corporate family, was used to develop the trend in Table 3. Please see Section H for further details.

Since this table includes experience from transitional policies, the transitional policy experience by year is broken out in the "2020 Supplemental Exhibits - HCC v3.xlsx" file included in this filing, on the worksheet labeled "Table 4 Transitional".

2. Rate Development & Change

A. Projected Index Rate, Market-Adjusted Index Rate, & Total Allowed Claims (Table 5)

The development of the Projected Index Rate, Projected Market-Adjusted Index Rate, and Projected Total Allowed Claims, shown in Table 5, closely follows that utilized in the development presented in Worksheet 1 of the URRT, a discussion of which can be found in the Part III Actuarial Memorandum submitted in the Rate Filing Justification.

Since the Company's small group experience is not credible on its own, the rate development uses the combined company experience data discussed in Section 1.G above. Since the Company's Actual Experience Data is not used in the rate development, the discussion below on the Single Risk Pool Adjustment Factors refers to the Manual Data column (Column D) of Table 5. Some of the items separately identified in Table 5 include:

- The Change in Morbidity represents an adjustment from the experience period claims (which would include transitional policies) to the projection period. See below for additional commentary related to the projection period assumptions.
- The Change in Demographics adjustment reflects the change in age and geography factors we expect from the experience period to the projection period.

- The Change in Network adjustment reflects the change in the allowed claims we anticipate due to changes in in-network discount levels between the experience period and the projection period.
- The Change in Benefits adjustment reflects the change in the EHB benefits (pediatric benefits) we anticipate between the experience period and the projection period, as well as the change in expected pharmacy rebates. See below for additional commentary related to these cost changes.

Please see the worksheet named "Table 5 Support" in the "2020 Supplemental Exhibits - HCC v3.xlsx" file for the calculation of these factors from our experience period data and projected rate results.

Our initial step in developing the index rates is to determine the expected covered membership for the rating period. We estimate the covered member base by adjusting for those groups known to have lapsed during the experience period, and those that we expect will lapse prior to the projection period. Then we add in expected new business from groups with current transitional coverage moving to ACA plans, and groups currently with another carrier.

As discussed above, the Company's experience is not credible. The Change in Morbidity adjustment reflects the anticipated change from the morbidity in the Company's single risk pool, which consists of the combined experience from several companies within Highmark's corporate family (also discussed above). This experience consists primarily of broad network PPO products. As the Company's portfolio will consist of limited network HMO products, the Change in Morbidity adjustment of 0.855 reflects the anticipated favorable selection and lower claim levels expected in these plans in 2020 from the manual morbidity level.

The Change in Benefits adjustment reflects our estimate of the additional costs associated with the addition of EHBs from the experience period to the coverage period, as well as a change in expected Pharmacy rebates.

The development of the Projected Paid to Allowed Ratio shown in Table 5 is presented in the "2020 Supplemental Exhibits - HCC v3.xlsx" file in the "Table 5 Paid-to-Allowed" worksheet. This value is consistent with the paid-to-allowed ratio in the URRT Worksheet 2, line 4.15 Incurred Claims, divided by line 4.11 Allowed Claims.

Table 5 reflects that we are assuming a Projected Risk Adjustment receipt in the projection period of $33.81 PMPM. This amount reflects an anticipated risk transfer receipt of $32.76, which is trended by the average 2020 pricing trend to arrive at the value of $33.81 reflected in Table 5.

To arrive at the anticipated risk transfer for 2020, we bring in the risk adjustment calculation components for the projected 2020 Company portfolio (as discussed above), and use our current knowledge of the Pennsylvania Small Group market profile to estimate the risk adjustment components for the entire state Market. This Market-wide profile is developed from available Market data, including the Interim Summary Report on Risk Adjustment for the 2018 Benefit Year published by CMS, the PA Insurance Department's calculation of 2018 risk adjustment transfer amounts using the 5/1/2019 RATEE files, prior years' risk

adjustment transfer results, publicly available data (such as MLR reports and rate filings), and outside expertise from actuarial consultants.

In analyzing the risk transfer components from Highmark's corporate family of businesses, we have noticed a significant difference in results between the various regions (Western, Central, and Northeastern Pennsylvania). Thus when projecting the risk transfer components to 2020, we determine each region's risk transfer results separately to arrive at the estimated risk transfer results for each company, as appropriate for each company's region.

The Company considered the impact of the high-cost risk pooling payment for the Small Group market, first implemented in 2018, in its development of its anticipated risk transfer for 2020, and is assuming that the net cost (payments less recoveries) will be negligible for the 2020 projection period.

The Projected Paid Exchange User Fees are developed from the Exchange user fees to be charged by CMS in 2020, multiplied by the percentage of business we expect to purchase Market coverage through the Exchange for this Company. For this Company, all business will be offered Off Exchange in 2020, so there are no Exchange User Fees charged in the rate development.

For this Small Group Market filing, Table 5A has been completed, showing the number of member months renewing by quarter, and the quarterly Single Risk Pool Projected Allowed Claims.

B. Retention Items (Table 6)

Table 6 has been completed with the requested retention elements for the proposed rates for the rating period. The administrative expenses and taxes and fees presented in the rate development in Table 6 cell C53 equal the Taxes and Fees in Table 10.

Administrative costs reflect internal costs that the Company is projected to incur in the projected experience period, and are developed from standard expense allocation methods. Agent/broker fees and commissions reflect our anticipated costs for these items in the experience period.

The development of internal administrative costs utilizes an allocation of Company costs back to lines of business. The allocation method uses measureable stats such as claims worked, inquiries worked, contracts, and members to allocate the majority of expenses. When possible, expenses are direct charged if they can be identified by product instead of going through an allocation method. For corporate allocations, a TCI (total costs incurred) methodology is generally used to allocate by product.

The following Taxes and Fees were included in the rate development:

- $2.16 per member per annum for the Risk Adjustment User Fee.

Note the following regarding plan level retention items:

- The rate development reflects a 0% risk/contribution to surplus margin for all products and plans. The Company has voluntarily refrained from including a risk and contingency factor in this filing. By this voluntary action, the Company is not waiving any right to include a risk and

contingency factor which the Company believes is consistent with historical and legal interpretations of the Company and the Department.

- The administrative expenses do not vary by plan.
- Expenses for Quality Improvement Initiatives are estimated to be 7% of internal Company expenses, based upon historical analysis of these costs.

Please note that for the Small Group Market the Projected Required Revenue PMPM shown in Table 6 will not match the URRT Worksheet 2 value in line 4.17 Premium since the value in the URRT is based on a January 1 effective date without reflecting the impact of quarterly rates in the Small Group market.

C. Normalized Market-Adjusted Projected Allowed Total Claims (Table 7)

The normalization factors presented in Table 7 are each determined from the underlying membership demographics expected in the projected rating period. The 2019 values are pulled from the prior year's filing, while the 2020 values represent our projection for 2020 assumed in the 2020 rate development.

The Age Factor is the weighted average of the Average Age Factors for the Current ACA Book of Business as of the End of Year 2018 and for the Membership Moving to the ACA Book (from transitional and new business).

The Geographic Calibration Factor is the weighted average of the Area Factors by County. This average is weighted by membership.

The Tobacco Surcharge is not applicable since the Company does not use one.

D. Components of Rate Change (Tables 8 and 9)

Table 8 presents the components of change in the proposed 2020 Calibrated Plan Adjusted Index Rate (PMPM). The 2019 base period allowed claims is carried over from the 2019 rate filing. Row H of Table 8 may differ from Row A due to the detailed breakdown of all the components of the increases in rows B through G not calculating exactly to the change in the calibrated plan adjusted index rate in Row A, which is the more accurate percentage change based on the rate development.

Table 9 presents the data elements supporting the calculations in Table 8. The amounts shown in the 2019 Column match those entered in the 2019 Column in the plan year 2019 rate filing.

3. Plan Rate Development (Table 10)

Table 10 showing the plan rate development has been completed following the instructions in the 2020 ACA-Compliant Health Insurance Rate Filing Guidance. This table shows the plans that the Company intends to offer in 2020, as well as plans discontinued from the 2019 portfolio for 2020. Since many Small Group market enrollees as of 2/1/18 are still in plan year 2018 plans, the enrollees in plan year 2018 plans were mapped to the plan year 2019 plan that we anticipate they will renew into in 2019. The calibrated plan adjusted index rates for 2020 and 2019, and all of the supporting factors, are calculated according to the instructions.

Each plan takes the Market Adjusted Index Rate and multiplies by the Pricing AV, Benefit Richness Factor, Benefits in Addition to EHB Factor, Provider Network Factor, Catastrophic Eligibility Factor, and Non-Funding of CSR Adjustment Factor (not applicable to Small Group) in order to calculate the Pure Premium. The Pure Premium is then grossed up to account for expenses (Admin Costs, Taxes & Fees, and Profit or Contingency) in order to calculate the Calibrated Plan Adjusted Index Rate. Since each component of the Calibrated Plan Adjusted Index Rate is applied multiplicatively (including the Plan AV Pricing Value), plan premiums are in proportion to the Plan AV Pricing Values.

Note that the HHS Actuarial Value Calculator was able to accommodate all of the Company's benefit designs, and that no adjustments were needed from the values produced by the calculator.

The requested Induced Utilization Exhibit was completed and is presented within the "2020 Supplemental Exhibits - HCC v3.xlsx" file submitted with this filing (worksheet named "Induced Utilization"). Note that the calculated Induced Utilization factor in Column (8) is a component of the Actuarial Value Allowable Modifier. As such, it is adjusted by the Average Benefit Richness normalization factor of 1.0000. In multiplying the Induced Utilization column (8) result by the Average Benefit Richness normalization factor, the result is the Induced Utilization factor appropriate for the plan's metal level (before normalization), which are the CMS-prescribed assumptions used in the risk adjustment transfer calculation. These factors have been unchanged since they were originally developed for the 2014 rating period.

The member-weighted average of the pure plan-level Induced Utilization factors in the last column of the induced utilization exhibit against the projected membership does match the 1.000 expectation of the Department. This calculation can be seen at the bottom of the Induced Utilization Exhibit, where the formulas used in the calculation have been retained.

The Child Capping Adjustment is applied to the Age Calibration Factor in Table 10 to reflect the limitation on the number of children allowed in rating. This factor is determined by estimating the amount of lost revenue due to this restriction, and applying the resulting factor to the normalized age factor in the base rate development. Support for the calibration factors is shown in the "2020 Supplemental Exhibits - HCC v3.xlsx" file on the worksheet named "Table 10 Calibration Factors".

4. Plan Premium Development for 21-Year-Old Non-Tobacco User (Table 11)

Table 11 presents the Company's 21-year-old non-tobacco premium in the Market for each rating quarter in 2020. As mentioned in Section 1.C above, the change in 21-year-old non-tobacco premium PMPM calculated in this table is a 0.0% increase, while the "percent rate change requested" from the SERFF Rate Review Detail Screen (and Table 10) is 5.20%.

5. Plan Factors

A. Age and Tobacco Factors (Table 12)

Please see Table 12 for the Company's age and tobacco factors.

B. Geographic Factors (Table 13)

Please see Table 13 for the Company's geographic factors. The Company's factors for the rating period are unchanged from the currently approved factors.

C. Network Factors (Table 14)

Please see Table 14 for the Company's network rating factors.

D. Service Area Composition

The Company follows the Rating Area designations created by the state. Only select counties in Rating Areas 1, 4, 5, and 6 will have plans available, while plans will be offered in all counties of Rating Area 2. In total, the Company is reducing its service area from 29 counties to 15 counties. The Company has submitted its current 2019 service area and its proposed 2020 service area in the file "Pennsylvania Counties Map - 2020 Filings – HCC v2.pdf" submitted with this filing. There are no proposed changes to the Company's service area from 2019 to 2020.

E. Composite Rating

The Company is currently not planning to use CMS's composite rating method for any of its off-SHOP plans offered during the rating period.

6. Actuarial Certifications

I am a member of the American Academy of Actuaries and meet its qualification standards for actuaries issuing statements of actuarial opinions in the United States. This filing is prepared on behalf of the Company to accompany its rate filing (for calendar year 2020) for the Small Group Market off the Pennsylvania Exchange.

I hereby certify that the projected Index Rate is, to the best of my knowledge and understanding:

- In compliance with all applicable State and Federal Statutes and Regulations (45 CFR 156.80 and 147.102)
- Developed in compliance with the applicable Actuarial Standards of Practice
- Reasonable in relation to the benefits provided and the population anticipated to be covered
- Neither excessive nor deficient.

I certify that the index rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan level rates.

I certify that all factor, benefit and other changes from the prior approved filing have been disclosed in the 2020 PA Actuarial Memorandum Rate Exhibits.

I certify that new plans are not considered modifications of existing plans (per the uniform modification standards in 45 CFR 147.106).

I certify that the geographic rating factors reflect only differences in the costs of delivery (which can include unit cost and provider practice pattern differences) and do not include differences for population morbidity by geographic area.

I certify that the AV Calculator was used to determine the AV Metal Values shown in Part I of Worksheet 2 in the URRT for all plans.

The Unified Rate Review Template does not demonstrate the process used by the Company to develop the rates. Rather, it represents information required by Federal regulation to be provided in support of the review of rate increases, for certification of Qualified Health Plans for Federally-facilitated Exchanges, and for certification that the Index Rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

I certify that the information presented in the PA Actuarial Memorandum and PA Actuarial Memorandum Rate Exhibits is consistent with the information presented in the 2020 Rate Filing Justification.

Signed: [Redacted]

Date: 07/19/2019

Rate Change Summary

Highmark Choice Company (HCC) – Small Group Plans

Rate request filing ID # HGHM-131937197 - 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:	4.74%
Revised requested average rate change:	5.20%
Range of requested rate change:	5.20% to 5.20%
Effective date:	January 1, 2020
Mapped Members:	0
Available in:	Rating Areas 1, 2, 4, 5, 6

Key information

Jan. 2018-Dec. 2018 financial experience

Premiums	$83,783
Claims	$63,562
Administrative expenses	$16,226
Taxes & fees	$25
Company made (after taxes)	**$3,970**

How it plans to spend your premium

This is how the insurance company plans to spend the premium it collects in 2020:

Claims:	80.4**%**
Administrative:	19.5**%**
Taxes & fees:	0.1%
Profit:	0.00**%**

The company expects its annual medical costs to increase **8.5%**.

Explanation of requested rate change

The proposed increases are being driven by rising medical care costs, which are expected to continue through the remainder of 2019 and throughout 2020 as a result of both higher utilization and the increasing cost of healthcare services, and the underlying morbidity of the population within HCC's ACA products.

PA Rate Template Part I
Data Relevant to the Rate Filing

Table 0. Identifying Information

Carrier Name:	Highmark Choice Company (HCC)		
Product(s):	PPO		
Market Segment:	Small Group		
Rate Effective Date:	01/01/2020	to	12/31/2020
Base Period Start Date	01/01/2018	to	12/31/2018
Date of Most Recent Membership	02/01/2019		

Table 1. Number of Members

	Member-months	Members	Member-months
	Experience Period	Current Period (as of 02-01-2019)	Projected Rating Period
Average Age	43.0	47.0	48.0
Total	120	34	24
<18	12	2	1
18-24	21	2	1
25-29	9	1	1
30-34	0	2	1
35-39	0	1	1
40-44	0	3	2
45-49	1	4	3
50-54	45	8	6
55-59	20	6	4
60-63	0	1	1
64+	12	4	3

*Tables 1, 2 and 4 must include data for all non-grandfathered business (ACA compliant and Transitional)

Table 2. Experience Period Claims and Premiums

Earned Premium	Paid Claims	Ultimate Incurred Claims	Member Months	Estimated Cost Sharing (Member & HHS)	Allowed Claims (Non-Capitated)	Non-EHB portion of Allowed Claims	Total Prescription Drug Rebates*	Total EHB Capitation	Total Non-EHB Capitation	Estimated Risk Adjustment
$ 83,783.00	$ 65,004.67	$ 66,125.07	120	$ 3,158.00	$ 69,283.07	$ -	$ (2,583.92)	$ 20.85	$ -	$ -
Experience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)										**$ 556.00**
Loss Ratio										**75.87%**

**Express Prescription Drug Rebates as a negative number*

Table 3. Trend Components

Service Category	Cost*	Utilization*	Induced Demand*	Composite Trend	Weight*
Inpatient Hospital	8.50%	0.00%	-4.43%	3.69%	19.07%
Outpatient Hospital	8.50%	0.00%	-4.43%	3.69%	31.68%
Professional	8.50%	0.00%	-4.43%	3.69%	27.17%
Other Medical	8.50%	0.00%	-4.43%	3.69%	2.83%
Capitation				56.33%	0.00%
Prescription Drugs	8.50%	0.00%	-4.43%	3.69%	19.24%
Total Annual Trend				3.69%	100.00%
Months of Trend				24	
Total Applied Trend Projection Factor				1.075	

** Express Cost, Utilization, Induced Utilization and Weight as percentages*

*** Should = URRT Trend*

Table 4. Historical Experience

Month-Year	Total Annual Premium	Incurred Claims	Completion Factors*	Ultimate Incurred Claims	Members	Ultimate Incurred PMPM	Estimated Annual Cost Sharing (Member + HHS)	Prescription Drug Rebates**	Allowed Claims (Net of Prescription Drug Rebates)	Allowed PMPM
Jan-15		$ 54,301.58	1.0000	$ 54,301.58	128	$ 424.23		$ (1,079.04)	$ 57,072.30	$ 445.88
Feb-15		$ 41,977.45	1.0000	$ 41,977.45	126	$ 333.15		$ (1,062.18)	$ 44,067.44	$ 349.74
Mar-15		$ 39,556.60	1.0000	$ 39,556.60	126	$ 313.94		$ (1,062.18)	$ 41,875.21	$ 332.34
Apr-15		$ 73,697.41	1.0000	$ 73,697.41	132	$ 558.31		$ (1,112.76)	$ 76,763.84	$ 581.54
May-15		$ 81,788.81	1.0000	$ 81,788.81	143	$ 571.95		$ (1,205.49)	$ 83,921.31	$ 586.86
Jun-15		$ 47,259.14	1.0000	$ 47,259.14	145	$ 325.93		$ (1,222.35)	$ 50,015.26	$ 344.93
Jul-15		$ 69,120.01	1.0000	$ 69,120.01	141	$ 490.21		$ (1,188.63)	$ 72,173.12	$ 511.87
Aug-15		$ 74,533.57	1.0000	$ 74,533.57	140	$ 532.38		$ (1,180.20)	$ 77,794.49	$ 555.67
Sep-15		$ 69,291.27	1.0000	$ 69,291.27	140	$ 494.94		$ (1,180.20)	$ 72,032.47	$ 514.52
Oct-15		$ 31,981.64	1.0000	$ 31,981.64	131	$ 244.13		$ (1,104.33)	$ 34,767.12	$ 265.40
Nov-15		$ 39,547.10	1.0000	$ 39,547.10	115	$ 343.89		$ (969.45)	$ 42,128.83	$ 366.34
Dec-15	$ 1,046,665.00	$ 46,196.86	1.0000	$ 46,196.86	115	$ 401.71	$ 31,639.64	$ (969.45)	$ 48,279.67	$ 419.82
Jan-16		$ 19,800.45	1.0000	$ 19,800.45	48	$ 412.51		$ (469.20)	$ 21,100.84	$ 439.60
Feb-16		$ 12,965.15	1.0000	$ 12,965.64	46	$ 281.86		$ (449.65)	$ 14,305.54	$ 310.99
Mar-16		$ 16,680.59	1.0000	$ 16,681.07	47	$ 354.92		$ (459.43)	$ 17,915.77	$ 381.19
Apr-16		$ 28,769.05	0.9999	$ 28,770.91	52	$ 553.29		$ (508.30)	$ 30,199.58	$ 580.76
May-16		$ 25,193.10	0.9999	$ 25,195.64	65	$ 387.63		$ (635.38)	$ 27,032.83	$ 415.89
Jun-16		$ 15,415.54	0.9999	$ 15,416.52	64	$ 240.88		$ (625.60)	$ 16,983.37	$ 265.37
Jul-16		$ 15,424.52	0.9999	$ 15,426.47	64	$ 241.04		$ (625.60)	$ 17,122.24	$ 267.54
Aug-16		$ 19,653.94	0.9998	$ 19,657.01	64	$ 307.14		$ (625.60)	$ 21,464.80	$ 335.39
Sep-16		$ 17,263.59	0.9999	$ 17,266.18	64	$ 269.78		$ (625.60)	$ 18,940.59	$ 295.95
Oct-16		$ 69,533.76	0.9997	$ 69,551.59	63	$ 1,103.99		$ (615.83)	$ 72,049.92	$ 1,143.65
Nov-16		$ 13,809.78	0.9998	$ 13,812.48	51	$ 270.83		$ (498.53)	$ 15,102.82	$ 296.13
Dec-16	$ 754,496.53	$ 29,130.12	0.9998	$ 29,136.97	48	$ 607.02	$ 18,981.20	$ (469.20)	$ 30,443.82	$ 634.25
Jan-17		$ 20,155.58	0.9997	$ 20,160.76	47	$ 428.95		$ (787.98)	$ 22,443.59	$ 477.52
Feb-17		$ 22,012.17	0.9999	$ 22,015.31	47	$ 468.41		$ (787.98)	$ 23,649.89	$ 503.19
Mar-17		$ 18,602.56	0.9998	$ 18,606.08	47	$ 395.87		$ (787.98)	$ 19,683.24	$ 418.79
Apr-17		$ 33,095.07	0.9997	$ 33,103.60	47	$ 704.33		$ (787.98)	$ 35,168.10	$ 748.26
May-17		$ 13,630.59	0.9997	$ 13,634.02	65	$ 209.75		$ (1,089.76)	$ 14,919.93	$ 229.54
Jun-17		$ 37,778.25	0.9993	$ 37,803.26	61	$ 619.73		$ (1,022.70)	$ 39,011.42	$ 639.53
Jul-17		$ 11,682.30	0.9995	$ 11,687.88	55	$ 212.51		$ (922.10)	$ 12,913.02	$ 234.78
Aug-17		$ 20,294.56	0.9995	$ 20,305.18	54	$ 376.02		$ (905.34)	$ 22,129.38	$ 409.80
Sep-17		$ 9,282.65	0.9993	$ 9,288.70	54	$ 172.01		$ (905.34)	$ 10,070.46	$ 186.49
Oct-17		$ 3,934.01	0.9996	$ 3,935.62	12	$ 327.97		$ (201.19)	$ 4,239.43	$ 353.29
Nov-17		$ 2,953.48	0.9996	$ 2,954.59	11	$ 268.60		$ (184.42)	$ 3,152.99	$ 286.64
Dec-17	$ 614,598.00	$ 5,680.91	0.9994	$ 5,684.28	11	$ 516.75	$ 14,176.29	$ (184.42)	$ 5,974.12	$ 543.10
Jan-18		$ 4,176.43	0.9986	$ 4,182.18	11	$ 380.20		$ (236.86)	$ 4,554.52	$ 414.05
Feb-18		$ 1,814.36	0.9992	$ 1,815.87	11	$ 165.08		$ (236.86)	$ 1,951.56	$ 177.41
Mar-18		$ 2,959.57	0.9988	$ 2,963.07	11	$ 269.37		$ (236.86)	$ 3,154.81	$ 286.80
Apr-18		$ 11,210.56	0.9960	$ 11,255.64	11	$ 1,023.24		$ (236.86)	$ 11,734.00	$ 1,066.73
May-18		$ 4,404.63	0.9967	$ 4,419.26	11	$ 401.75		$ (236.86)	$ 4,682.44	$ 425.68
Jun-18		$ 3,710.22	0.9940	$ 3,732.72	11	$ 339.34		$ (236.86)	$ 3,911.07	$ 355.55
Jul-18		$ 5,875.84	0.9973	$ 5,891.78	11	$ 535.62		$ (236.86)	$ 6,200.77	$ 563.71
Aug-18		$ 6,705.04	0.9857	$ 6,802.26	11	$ 618.39		$ (236.86)	$ 6,975.45	$ 634.13
Sep-18		$ 1,188.02	0.9897	$ 1,200.38	11	$ 109.13		$ (236.86)	$ 1,340.57	$ 121.87
Oct-18		$ 8,284.79	0.9864	$ 8,399.17	8	$ 1,049.90		$ (172.26)	$ 8,847.75	$ 1,105.97
Nov-18		$ 5,732.20	0.9625	$ 5,955.33	6	$ 992.55		$ (129.20)	$ 6,215.91	$ 1,035.98
Dec-18	$ 83,783.00	$ 6,379.83	0.9187	$ 6,944.32	7	$ 992.05	$ 3,158.00	$ (150.73)	$ 7,151.14	$ 1,021.59

** Express Completion Factor as a percentage*

***Express Prescription Drug Rebates as a negative number*

Carrier Name:	Highmark Choice Company (HCC)
Product(s):	PPO
Market Segment:	Small Group
Rate Effective Date:	01/01/2020

Table 2b. Manual Experience Period Claims and Premiums

Earned Premium	Paid Claims	Ultimate Incurred Claims	Member Months	Estimated Cost Sharing (Member & HHS)	Allowed Claims (Non-Capitated)	Non-EHB portion of Allowed Claims	Total Prescription Drug Rebates*	Total EHB Capitation	Total Non-EHB Capitation	Estimated Risk Adjustment
$ 259,309,354.72	$ 230,397,877.59	$ 234,749,063.88	579,218	$ 33,728,997.13	$ 268,478,061.01	$ -	$ (12,472,129.29)	$ 100,654.47	$ -	$ 5,411,397.57
Experience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)										**$ 442.16**
Loss Ratio										**84.00%**

**Express Prescription Drug Rebates as a negative number*

Table 3b. Manual Trend Components

Service Category	Cost*	Utilization*	Induced Utilization*	Composite Trend	Weight*
Inpatient Hospital	8.50%	0.00%	-4.43%	3.69%	19.07%
Outpatient Hospital	8.50%	0.00%	-4.43%	3.69%	31.68%
Professional	8.50%	0.00%	-4.43%	3.69%	27.17%
Other Medical	8.50%	0.00%	-4.43%	3.69%	2.83%
Capitation				56.33%	0.00%
Prescription Drugs	8.50%	0.00%	-4.43%	3.69%	19.24%
Total Annual Trend				3.69%	100.00%
Months of Trend				24	
Total Applied Trend Projection Factor				1.075	

** Express Cost, Utilization, Induced Utilization and Weight as percentages*

Table 4b. Historical Manual Experience

Month-Year	Total Annual Premium	Incurred Claims	Completion Factors*	Ultimate Incurred Claims	Members	Ultimate Incurred PMPM	Estimated Annual Cost Sharing (Member + HHS)	Prescription Drug Rebates**	Allowed Claims (Net of Prescription Drug Rebates)	Allowed PMPM
Jan-15		$ 29,381,276.05	1.0000	$ 29,381,276.05	90,651	$ 324.11		$ (764,187.93)	$ 35,077,485.15	$ 386.95
Feb-15		$ 28,793,318.62	1.0000	$ 28,793,318.62	89,830	$ 320.53		$ (757,266.90)	$ 33,673,770.48	$ 374.86
Mar-15		$ 31,252,093.72	1.0000	$ 31,252,093.72	89,296	$ 349.98		$ (752,765.28)	$ 36,408,519.22	$ 407.73
Apr-15		$ 28,890,533.47	1.0000	$ 28,890,533.47	88,163	$ 327.68		$ (743,214.09)	$ 33,498,967.90	$ 379.97
May-15		$ 27,856,889.03	1.0000	$ 27,856,889.03	87,793	$ 317.30		$ (740,094.99)	$ 31,926,487.67	$ 363.66
Jun-15		$ 30,390,132.87	1.0000	$ 30,390,132.87	87,690	$ 346.56		$ (739,226.70)	$ 34,775,324.03	$ 396.57
Jul-15		$ 29,611,396.46	1.0000	$ 29,611,396.46	85,634	$ 345.79		$ (721,894.62)	$ 34,171,896.86	$ 399.05
Aug-15		$ 27,003,184.42	1.0000	$ 27,003,184.42	85,260	$ 316.72		$ (718,741.80)	$ 30,940,828.39	$ 362.90
Sep-15		$ 28,991,932.31	1.0000	$ 28,991,932.31	85,086	$ 340.74		$ (717,274.98)	$ 32,890,541.15	$ 386.56
Oct-15		$ 29,372,797.63	1.0000	$ 29,372,797.63	83,779	$ 350.60		$ (706,256.97)	$ 33,481,162.70	$ 399.64
Nov-15		$ 29,179,444.44	1.0000	$ 29,179,444.44	83,439	$ 349.71		$ (703,390.77)	$ 32,924,152.07	$ 394.59
Dec-15	$ 400,296,459.25	$ 24,976,322.68	1.0000	$ 24,976,322.68	77,647	$ 321.67	$ 54,334,411.16	$ (654,564.21)	$ 30,264,597.27	$ 389.77
Jan-16		$ 22,576,812.83	1.0000	$ 22,576,813.45	75,530	$ 298.91		$ (738,309.75)	$ 27,198,138.00	$ 360.10
Feb-16		$ 26,320,411.00	1.0000	$ 26,321,001.63	75,129	$ 350.34		$ (734,389.95)	$ 30,834,687.96	$ 410.42
Mar-16		$ 25,938,779.55	1.0000	$ 25,939,383.44	74,404	$ 348.63		$ (727,303.04)	$ 30,305,705.68	$ 407.31
Apr-16		$ 24,048,071.36	1.0000	$ 24,049,214.64	73,182	$ 328.62		$ (715,357.92)	$ 27,694,765.58	$ 378.44
May-16		$ 24,231,810.54	0.9999	$ 24,233,825.15	72,645	$ 333.59		$ (710,108.72)	$ 27,778,193.82	$ 382.38
Jun-16		$ 26,286,637.00	0.9999	$ 26,289,922.19	72,200	$ 364.13		$ (705,758.82)	$ 29,851,710.10	$ 413.46
Jul-16		$ 21,735,678.30	0.9999	$ 21,738,903.04	70,053	$ 310.32		$ (684,771.78)	$ 25,075,393.82	$ 357.95
Aug-16		$ 25,326,349.14	0.9998	$ 25,330,779.20	69,640	$ 363.74		$ (680,734.69)	$ 28,834,568.77	$ 414.05
Sep-16		$ 23,919,444.55	0.9998	$ 23,924,146.90	69,409	$ 344.68		$ (678,476.65)	$ 27,127,365.00	$ 390.83
Oct-16		$ 24,240,182.61	0.9998	$ 24,244,872.12	68,499	$ 353.94		$ (669,581.35)	$ 27,495,411.03	$ 401.40
Nov-16		$ 23,951,462.77	0.9998	$ 23,956,996.35	68,116	$ 351.71		$ (665,837.51)	$ 27,184,798.58	$ 399.10
Dec-16	$ 356,349,316.03	$ 20,069,790.97	0.9998	$ 20,074,288.60	62,490	$ 321.24	$ 45,043,706.24	$ (610,843.06)	$ 24,343,134.59	$ 389.55
Jan-17		$ 20,714,796.92	0.9998	$ 20,719,629.29	62,019	$ 334.09		$ (1,039,781.09)	$ 25,027,496.22	$ 403.55
Feb-17		$ 19,875,111.83	0.9997	$ 19,880,207.65	61,663	$ 322.40		$ (1,033,812.57)	$ 23,470,749.59	$ 380.63
Mar-17		$ 23,162,541.90	0.9998	$ 23,168,250.81	61,263	$ 378.18		$ (1,027,106.36)	$ 26,921,942.52	$ 439.45
Apr-17		$ 21,347,181.32	0.9997	$ 21,354,013.78	60,634	$ 352.18		$ (1,016,560.84)	$ 24,442,748.10	$ 403.12
May-17		$ 22,871,490.10	0.9995	$ 22,881,888.55	60,409	$ 378.78		$ (1,012,788.60)	$ 26,096,242.51	$ 431.99
Jun-17		$ 23,415,419.13	0.9994	$ 23,428,728.06	60,297	$ 388.56		$ (1,010,910.86)	$ 26,500,711.07	$ 439.50
Jul-17		$ 21,467,194.99	0.9994	$ 21,480,807.37	58,791	$ 365.38		$ (985,661.98)	$ 24,367,373.31	$ 414.47
Aug-17		$ 22,204,753.03	0.9993	$ 22,219,227.22	58,535	$ 379.59		$ (981,370.00)	$ 25,268,882.00	$ 431.69
Sep-17		$ 21,508,588.39	0.9990	$ 21,529,655.18	58,196	$ 369.95		$ (975,686.49)	$ 24,267,941.58	$ 417.00
Oct-17		$ 22,653,999.28	0.9988	$ 22,684,914.26	57,801	$ 392.47		$ (969,064.11)	$ 25,566,595.62	$ 442.32
Nov-17		$ 21,431,442.77	0.9988	$ 21,458,124.32	57,637	$ 372.30		$ (966,114.56)	$ 24,225,289.78	$ 420.31
Dec-17	$ 305,627,355.96	$ 15,383,494.56	0.9983	$ 15,409,890.17	48,910	$ 315.07	$ 38,534,654.05	$ (820,001.83)	$ 18,594,018.39	$ 380.17
Jan-18		$ 21,816,210.11	0.9981	$ 21,848,261.65	48,578	$ 449.76		$ (1,046,015.66)	$ 25,238,966.20	$ 519.56
Feb-18		$ 16,578,967.16	0.9981	$ 16,609,709.50	48,479	$ 342.62		$ (1,043,883.92)	$ 19,419,839.22	$ 400.58
Mar-18		$ 18,680,174.38	0.9962	$ 18,760,615.24	48,334	$ 388.15		$ (1,040,761.68)	$ 22,114,217.30	$ 457.53
Apr-18		$ 18,111,038.74	0.9947	$ 18,208,451.32	48,157	$ 378.11		$ (1,036,950.39)	$ 20,904,099.80	$ 434.08
May-18		$ 18,702,970.15	0.9924	$ 18,841,703.36	48,536	$ 388.20		$ (1,045,111.28)	$ 21,511,472.68	$ 443.21
Jun-18		$ 18,550,274.45	0.9904	$ 18,729,225.01	48,482	$ 386.31		$ (1,043,948.52)	$ 21,243,471.75	$ 438.17
Jul-18		$ 17,854,441.66	0.9863	$ 18,102,707.12	48,375	$ 374.22		$ (1,041,644.52)	$ 20,844,512.64	$ 430.89
Aug-18		$ 18,328,015.41	0.9822	$ 18,660,670.50	48,368	$ 385.83		$ (1,041,493.79)	$ 21,450,000.82	$ 443.48
Sep-18		$ 16,556,574.26	0.9758	$ 16,967,834.49	48,291	$ 351.37		$ (1,039,835.77)	$ 19,189,724.36	$ 397.38
Oct-18		$ 19,140,064.80	0.9691	$ 19,750,298.16	48,339	$ 408.58		$ (1,040,869.34)	$ 22,377,644.72	$ 462.93
Nov-18		$ 18,187,910.08	0.9586	$ 18,972,736.30	48,278	$ 392.99		$ (1,039,555.85)	$ 21,470,176.51	$ 444.72
Dec-18	$ 259,309,354.72	$ 15,509,761.58	0.9164	$ 16,925,376.40	47,001	$ 360.11	$ 33,728,997.13	$ (1,012,058.58)	$ 20,342,460.19	$ 432.81

** Express Completion Factor as a percentage*
***Express Prescription Drug Rebates as a negative number*

PA Rate Template Part II
Rate Development and Change

Carrier Name:	**Highmark Choice Company (HCC)**
Product(s):	**PPO**
Market Segment:	**Small Group**
Rate Effective Date:	**01/01/2020**

Table 5. Development of the Projected Index Rate, Market-Adjusted Index Rate, and Total Allowed Claims

Development of the Projected Index Rate	Actual Experience Data	Manual Data	
Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates) PMPM	$ 556.00	$ 442.16	<- Actual Experience PMPM should be consistent with the Index Rate for Experience Period on URRT
Two year trend projection Factor	1.075	1.075	
Unadjusted Projected Allowed EHB Claims PMPM	$ 597.77	$ 475.38	
Single Risk Pool Adjustment Factors			
Change in Morbidity	1.000	0.855	<- See URRT Instructions
Change in Other	0.970	0.996	
Change in Demographics	1.000	1.014	<- See URRT Instructions
Change in Network	1.000	1.014	
Change in Benefits	0.970	0.969	<- See URRT Instructions
Change in Other	1.000	1.000	<- See URRT Instructions
Total Adjusted Projected Allowed EHB Claims PMPM	$ 579.62	$ 404.95	
Credibility Factors	0%	100%	<- See Instructions
Blended Projected EHB Claims PMPM		**$ 404.95**	**<- Projected Index Rate**
Development of the Market-Adjusted Index Rate and Total Allowed Claims			
Adjusted Projected Allowed EHB Claims PMPM	$ 404.95	<- Index Rate for Projection Period on URRT - Individual or First Quarter Small Group	
Adjusted Projected Allowed EHB Claims PMPM [will only populate for small group filings]	$ 417.91		
Projected Paid to Allowed Ratio	0.657		
Projected Paid EHB Claims PMPM	$ 274.63		
Market-wide Adjustments			
Projected Risk Adjustment PMPM	$ 33.81		
Projected Paid Exchange User Fees PMPM	$ -		
Market-Adjusted Projected Paid EHB Claims PMPM	$ 240.82		
Market-Adjusted Projected Allowed EHB Claims PMPM	$ 366.46	<- Market-Adjusted Index Rate	
Projected Allowed Non-EHB Claims PMPM	$ -		
Market-Adjusted Projected Paid Total Claims PMPM	$ 240.82		
Market-Adjusted Projected Allowed Total Claims PMPM	$ 366.46		

For Informational Purposes only - No input required.

Blended Base Period Unadjusted Claims before Normalization	$ 442.16	**<- Index Rate of Experience Period on URRT**
Blended Earned Premium	**$ 259,309,354.72**	
Blended Loss Ratio	**84.00%**	

Table 5A. Small Group Projected Index Rate with Quarterly Trend

Effective Date	01/01/2020	04/01/2020	07/01/2020	10/01/2020	Total Single Risk Pool
# of Member Months Renewing in Quarter	8	3	4	8	24
Adjusted Projected Allowed EHB Claims PMPM Q1	$ 404.95	$ 404.95	$ 404.95	$ 404.95	$ 404.95
Months of Trend	-	3	6	9	
Annual Trend	8.50%	8.50%	8.50%	8.50%	
Single Risk Pool Projected Allowed Claims	$ 404.95	$ 413.30	$ 421.81	$ 430.50	$ 417.91
Quarterly Trend Factor	100.0%	102.1%	104.2%	106.3%	103.2%
2020 Trend Factors by Quarter	0.9690	0.9890	1.0093	1.0301	

Table 6. Retention

Retention Items - *Express in percentages*	Percentages	PMPM Amounts
Administrative Expenses	19.47%	$58.27
General and Claims	13.33%	$39.90
Agent/Broker Fees and Commissions	5.14%	$15.37
Quality Improvement Initiatives	1.00%	$3.00
Taxes and Fees	0.06%	$0.18
RA User Fee	0.06%	$0.18
PA Premium Tax (if applicable)	0.00%	$0.00
Federal Income Tax	0.00%	$0.00
Health Insurance Providers Fee (Prorated for Small Groups only)	0.00%	$0.00
Profit/Contingency (after tax)	0.00%	$0.00
Total Retention	19.53%	$58.45
Projected Required Revenue PMPM	$ 299.27	

Table 7. Normalized Market-Adjusted Projected Allowed Total Claims

Normalization Factors	2019	2020
Average Age Factor	1.537	1.540
Average Geographic Factor	0.978	0.978
Average Tobacco Factor	1.000	1.000
Average Benefit Richness (induced demand)	1.071	1.000
Average Network Factor	1.000	1.000
Market-Adjusted Projected Allowed Total Claims PMPM	$ 385.68	$ 366.46
Normalized Market-Adjusted Projected Allowed Total Claims PMPM	$ 241.63	$ 244.20

Table 8. Components of Rate Change

Rate Components	2019	2020	Difference	Percent Change
A. Calibrated Plan Adjusted Index Rate (PMPM)	-	#DIV/0!	#DIV/0!	#DIV/0!
B. Base period allowed claims before normalization	$ 419.06	$ 442.16	$23.10	#DIV/0!
C. Normalization factor component of change	$ (156.52)	$ (147.51)	$9.00	#DIV/0!
D. Change in Normalized Allowed Claims Adjustment Components				
D1. Base period allowed claims after normalization	$ 262.54	$ 294.65	$ 32.11	#DIV/0!
D2. URRT Trend	$ 42.45	$ 22.14	$ (20.31)	#DIV/0!
D3. URRT Morbidity	$ 103.88	$ (45.87)	$ (149.74)	#DIV/0!
D4. URRT Other	$ 5.20	$ (1.06)	$ (6.26)	#DIV/0!
D5. Normalized URRT RA/RI on an allowed basis	$ (1.48)	$ (34.28)	$ (32.80)	#DIV/0!
D6. Normalized Exchange User Fee on an allowed basis	$ -	$ -	$ -	#DIV/0!
D7. Subtotal - Sum(D1:D6)	$ 412.58	$ 235.57	$ (177.01)	#DIV/0!
E. Change in Allowable Plan Adjusted Level Components				
E1. Network	$ -	$ -	$ -	#DIV/0!
E2. Pricing AV	-29.06428959	$ (80.77)	$ (51.70)	#DIV/0!
E3. Benefit Richness	$ 57.53	$ -	$ (57.53)	#DIV/0!
E4. Catastrophic Eligibility	$ -	$ -	$ -	#DIV/0!
E5. Subtotal - Sum(E1:E4)	$ 28.46	$ (80.77)	$ (109.23)	#DIV/0!
F. Change in Retention Components				
F1. Administrative Expenses	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
F2. Taxes and Fees	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
F3. Profit and/or Contingency	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
F4. Subtotal - Sum(F1:F3)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
G. Change in Miscellaneous Items	$ -	$ -	$ -	#DIV/0!
H. Sum of Components of Rate Change (should approximate the change shown in line A)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Table 9. Year-over-Year Data to Support Table 8

	2019	2020	
Paid-to-Allowed	0.895	0.657	
URRT Trend (Total Applied Trend Factor)	1.162	1.075	<- URRT W1, S2
URRT Morbidity	1.342	0.855	<- URRT W1, S2
URRT "Other"	1.013	0.996	<- URRT W1, S2
Risk Adjustment	$ (2.11)	$ (33.81)	<- URRT W1, S3
Exchange User Fee	$ -	$ -	<- URRT W1, S3
Capitation	$ -	$ 0.42	<- URRT W1, S2
Network	1.000	1.000	
Pricing AV	0.930	0.657	<- For 2019 in cell J81, please include a factor equal to the product of the average Pricin
Benefit Richness	1.150	1.000	
Catastrophic Eligibility	1.000	1.000	
Administrative Expenses	7.92%	19.47%	
Taxes and Fees	0.03%	0.06%	
Profit and/or Contingency	0.00%	0.00%	

cing AV and the Non-Funding of CSR Adjustmer

PA Rate Template Part III

Table 10. Plan Rates

Carrier Name:	Highmark Choice Company (HCC)
Product(s):	PPO
Market Segment:	Small Group
Rate Effective Date:	01/01/2020
Base Period Start Date	01/01/2018
Date of Most Recent Membership	02/01/2019
Market Adjusted Index Rate	$ 366.46

Calibration	
Age Calibration Factor	1.539
Geographic Calibration Factor	0.970
Tobacco Calibration Factor	1.000
Aggregate Calibration Factor	1.494

										45 CFR Part 156.8 (d) (2) Allowable Factors									
Plan Number	**HIOS Plan ID (Standard Component)**	**Plan Type (HMO, POS, PPO, EPO, Indemnity, Other)**	**1/1/2019 Plan Marketing Name**	**Existing, Modified, New, Discontinued & Mapped, Discontinued & Not Mapped (E,M,N,DM, DNM) for 2020**	**1/1/2020 Plan HIOS Plan ID (If 1/1/2019 Plan Discontinued & Mapped)**	**Metallic Tier**	**Metallic Tier Actuarial Value**	**Standard AV, Approach (1), Approach (2)**	**Exchange On/Off or Off**	**Pricing AV (company-determined AV)**	**Benefit Richness (induced demand)**	**Benefits in addition to EHB**	**Provider Network**	**Catastrophic Eligibility**	**Non-Funding of CSR Adjustment**	**Pure Premium**	**Admin Costs**	**Taxes & Fees (not including Exchange fees)**	**Profit or Contingency**
Totals							**0.650**			**0.657**	**1.000**	**1.000**	**1.000**	**1.000**	**1.000**	**$ 1.20**	**19.5%**	**0.1%**	**0.0%**
Transitional Plans	TRANSITIONAL	N/A	TRANSITIONAL	DNM	TRANSITIONAL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan 1	38949PA0130001	HMO	Keystone HMO $0	DNM												$0.00			
Plan 2	38949PA0130002	HMO	Keystone HMO $500	DNM												$0.00			
Plan 3	38949PA0130003	HMO	Keystone HMO $1000	DNM												$0.00			
Plan 4	38949PA0130004	HMO	Keystone HMO $1500	DNM												$0.00			
Plan 5	38949PA0130005	HMO	Keystone HMO $2500	DNM												$0.00			
Plan 6	38949PA0130006	HMO	Keystone HMO $5000 1x	DNM												$0.00			
Plan 7	38949PA0130007	HMO	Keystone HMO $2000	DNM												$0.00			
Plan 8	38949PA0120001	HMO	Keystone HMO Embedded Q$3000	DNM												$0.00			
Plan 9	38949PA0120002	HMO	Keystone HMO Embedded Q$6000	DNM												$0.00			
Plan 10	38949PA0050003	HMO	Keystone HMO $7000	M	38949PA0050003	Bronze	0.64970617	Standard	Off	0.657	1.000	1.000	1.000	1.000	1.000	$240.82	19.5%	0.1%	0.0%

PA Rate Template Part III

Table 10. Plan Rates

Total Covered Lives @ 02-01-2019
34

Carrier Name:	Highmark Choice Company (HCC)
Product(s):	PPO
Market Segment:	Small Group
Rate Effective Date:	01/01/2020
Base Period Start Date	01/01/2018
Date of Most Recent Membership	02/01/2019
Market Adjusted Index Rate	$ 366.46

Plan Number	HIOS Plan ID (Standard Component)	Plan Type (HMO, POS, PPO, EPO, Indemnity, Other)	1/1/2019 Plan Marketing Name	Existing, Modified, New, Discontinued & Mapped, Discontinued & Not Mapped (E,M,N,DM, DNM) for 2020	1/1/2020 Plan HIOS Plan ID (If 1/1/2019 Plan Discontinued & Mapped)	Total Covered Lives Mapped into 2020 Plans @ 02-01-2019	Total Policyholders @ 02-01-2019	2019 Calibrated Plan Adjusted Index Rate PMPM	2020 Calibrated Plan Adjusted Index Rate PMPM	Proposed Rate Change Compared to Prior 12 months	% of Total Covered Lives	02-01-2019 Number of Covered Lives by Rating Area: 1	2	3	4	5	6	7	8	9	Total	2020 Continued/ Discontined Plans Indicator
Totals						**0**	**20**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**		27	-	-	7	-	-	-	-	-	**34**	
Transitional Plans	TRANSITIONAL	N/A	TRANSITIONAL	DNM	TRANSITIONAL	-	-	N/A	N/A	N/A	N/A	-	-	-	7	-	-	-	-	-	7	0
Plan 1	38949PA0130001	HMO	Keystone HMO $0	DNM		-	4	$ 272.65	$ -	0.0%	#DIV/0!	5	-	-	-	-	-	-	-	-	5	0
Plan 2	38949PA0130002	HMO	Keystone HMO $500	DNM		-	10	$ 266.58	$ -	0.0%	#DIV/0!	13	-	-	-	-	-	-	-	-	13	0
Plan 3	38949PA0130003	HMO	Keystone HMO $1000	DNM		-	-	$ 258.82	$ -	0.0%	#DIV/0!	-	-	-	-	-	-	-	-	-	-	0
Plan 4	38949PA0130004	HMO	Keystone HMO $1500	DNM		-	2	$ 252.63	$ -	0.0%	#DIV/0!	4	-	-	-	-	-	-	-	-	4	0
Plan 5	38949PA0130005	HMO	Keystone HMO $2500	DNM		-	4	$ 241.91	$ -	0.0%	#DIV/0!	5	-	-	-	-	-	-	-	-	5	0
Plan 6	38949PA0130006	HMO	Keystone HMO $5000 1x	DNM		-	-	$ 229.20	$ -	0.0%	#DIV/0!	-	-	-	-	-	-	-	-	-	-	0
Plan 7	38949PA0130007	HMO	Keystone HMO $2000	DNM		-	-	$ 210.90	$ -	0.0%	#DIV/0!	-	-	-	-	-	-	-	-	-	-	0
Plan 8	38949PA0120001	HMO	Keystone HMO Embedded Q$3000	DNM		-	-	$ 222.18	$ -	0.0%	#DIV/0!	-	-	-	-	-	-	-	-	-	-	0
Plan 9	38949PA0120002	HMO	Keystone HMO Embedded Q$6000	DNM		-	-	$ 184.17	$ -	0.0%	#DIV/0!	-	-	-	-	-	-	-	-	-	-	0
Plan 10	38949PA0050003	HMO	Keystone HMO $7000	M	38949PA0050003	-	-	$ 190.47	$ 200.38	5.2%	#DIV/0!	-	-	-	-	-	-	-	-	-	-	1

PA Rate Template Part IV B - Small Group Annual

Table 11. Plan Premium Development for 21-Year-Old Non-Tobacco User

Carrier Name:	Highmark Choice Company (HCC)
Product(s):	PPO
Market Segment:	Small Group
Rate Effective Date:	01/01/2020

Plan Number	HIOS Plan ID (Standard Component)	1/1/2019 Plan Marketing Name	Discontinued, New, Modified, Existing (D,N,M,E) for 2020	1/1/2020 Plan HIOS Plan ID (If 1/1/2019 Plan Discontinued & Mapped)	Metallic Tier	Exchange On/Off or Off	Quarter 1 2019, 21-year-old Non-Tobacco Premium PMPM									
							1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)
Totals	**These cells auto-fill using the data entered in Table 10.**						$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 1	38949PA0130001	Keystone HMO $0	DNM	0	0	0	$ 255.89	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 255.89
Plan 2	38949PA0130002	Keystone HMO $500	DNM	0	0	0	$ 250.19	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 250.19
Plan 3	38949PA0130003	Keystone HMO $1000	DNM	0	0	0	$ 242.91	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 4	38949PA0130004	Keystone HMO $1500	DNM	0	0	0	$ 237.10	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 237.10
Plan 5	38949PA0130005	Keystone HMO $2500	DNM	0	0	0	$ 227.04	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 227.04
Plan 6	38949PA0130006	Keystone HMO $5000 1x	DNM	0	0	0	$ 215.11	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 7	38949PA0130007	Keystone HMO $2000	DNM	0	0	0	$ 197.94	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 8	38949PA0120001	Keystone HMO Embedded QS3000	DNM	0	0	0	$ 208.53	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 9	38949PA0120002	Keystone HMO Embedded QS6000	DNM	0	0	0	$ 172.85	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 10	38949PA0050003	Keystone HMO $7000	M	38949PA0050003	Bronze	Off	$ 178.76	$ 178.76	$ -	$ 178.76	$ 178.76	$ 191.66	$ -	$ -	$ -	$ -

PA Rate Template Part IV B - Small Group Annual

Table 11. Plan Premium Development for 21-Year-Old Non-Tobacco User

Carrier Name:	Highmark Choice Company (HCC)
Product(s):	PPO
Market Segment:	Small Group
Rate Effective Date:	01/01/2020

					Quarter 1 2020, 21-year-old Non-Tobacco Premium PMPM										Change in Quarter 1, 21-year-old Non-Tobacco Premium PMPM									
Plan Number	HIOS Plan ID (Standard Component)	1/1/2019 Plan Marketing Name	Discontinued, New, Modified, Existing (D,N,M,E) for 2020	1/1/2020 Plan HIOS Plan ID (If 1/1/2019 Plan Discontinued & Mapped)	1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)	1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)
Totals	**These cells auto-fill using the data entered in Table 10.**				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plan 1	38949PA0130001	Keystone HMO $0	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -										
Plan 2	38949PA0130002	Keystone HMO $500	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -										
Plan 3	38949PA0130003	Keystone HMO $1000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -										
Plan 4	38949PA0130004	Keystone HMO $1500	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -										
Plan 5	38949PA0130005	Keystone HMO $2500	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -										
Plan 6	38949PA0130006	Keystone HMO $5000 1x	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -										
Plan 7	38949PA0130007	Keystone HMO $2000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -										
Plan 8	38949PA0120001	Keystone HMO Embedded QS3000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -										
Plan 9	38949PA0120002	Keystone HMO Embedded QS6000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -										
Plan 10	38949PA0050003	Keystone HMO $7000	M	38949PA0050003	$ 188.34	$ 188.34	$ -	$ 188.34	$ 188.34	$ 201.93	$ -	$ -	$ -	$ -	5.4%	5.4%		5.4%	5.4%	5.4%				

PA Rate Template Part IV B - Small Group Annual

Table 11. Plan Premium Development for 21-Year-Old Non-Tobacco User

Carrier Name:	Highmark Choice Company (HCC)
Product(s):	PPO
Market Segment:	Small Group
Rate Effective Date:	01/01/2020

					Quarter 2 2020, 21-year-old Non-Tobacco Premium PMPM									
Plan Number	HIOS Plan ID (Standard Component)	1/1/2019 Plan Marketing Name	Discontinued, New, Modified, Existing (D,N,M,E) for 2020	1/1/2020 Plan HIOS Plan ID (If 1/1/2019 Plan Discontinued & Mapped)	1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)
Totals	These cells auto-fill using the data entered in Table 10.				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 1	38949PA0130001	Keystone HMO $0	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 2	38949PA0130002	Keystone HMO $500	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 3	38949PA0130003	Keystone HMO $1000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 4	38949PA0130004	Keystone HMO $1500	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 5	38949PA0130005	Keystone HMO $2500	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 6	38949PA0130006	Keystone HMO $5000 1x	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 7	38949PA0130007	Keystone HMO $2000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 8	38949PA0120001	Keystone HMO Embedded QS3000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 9	38949PA0120002	Keystone HMO Embedded QS6000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 10	38949PA0050003	Keystone HMO $7000	M	38949PA0050003	$ 192.22	$ 192.22	$ -	$ 192.22	$ 192.22	$ 206.09	$ -	$ -	$ -	$ -

PA Rate Template Part IV B - Small Group Annual

Table 11. Plan Premium Development for 21-Year-Old Non-Tobacco User

Carrier Name:	Highmark Choice Company (HCC)
Product(s):	PPO
Market Segment:	Small Group
Rate Effective Date:	01/01/2020

					Quarter 3 2020, 21-year-old Non-Tobacco Premium PMPM										Quarter 4 2020, 21-year-old Non-Tobacco Premium PMPM									
Plan Number	HIOS Plan ID (Standard Component)	1/1/2019 Plan Marketing Name	Discontinued, New, Modified, Existing (D,N,M,E) for 2020	1/1/2020 Plan HIOS Plan ID (If 1/1/2019 Plan Discontinued & Mapped)	1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)	1	2	3	4	5	6	7	8	9	Average (weighted by enrollment by rating area)
Totals	These cells auto-fill using the data entered in Table 10.				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 1	38949PA0130001	Keystone HMO $0	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 2	38949PA0130002	Keystone HMO $500	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 3	38949PA0130003	Keystone HMO $1000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 4	38949PA0130004	Keystone HMO $1500	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 5	38949PA0130005	Keystone HMO $2500	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 6	38949PA0130006	Keystone HMO $5000 1x	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 7	38949PA0130007	Keystone HMO $2000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 8	38949PA0120001	Keystone HMO Embedded QS3000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 9	38949PA0120002	Keystone HMO Embedded QS6000	DNM	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan 10	38949PA0050003	Keystone HMO $7000	M	38949PA0050003	$ 196.18	$ 196.18	$ -	$ 196.18	$ 196.18	$ 210.34	$ -	$ -	$ -	$ -	$ 200.22	$ 200.22	$ -	$ 200.22	$ 200.22	$ 214.67	$ -	$ -	$ -	$ -

PA Rate Quarterly Template Part V
Consumer Factors

Carrier Name:	**Highmark Choice Company (HCC)**
Product(s):	**PPO**
Market Segment:	**Small Group**
Rate Effective Date:	**01/01/2020**

Table 12. Age and Tobacco Factors

Projection Period Age and Tobacco Factors						
Age Band	**Age Factor**	**Tobacco Factor**		**Age Band**	**Age Factor**	**Tobacco Factor**
0-14	0.765			40	1.278	1.000
15	0.833			41	1.302	1.000
16	0.859			42	1.325	1.000
17	0.885			43	1.357	1.000
18	0.913	1.000		44	1.397	1.000
19	0.941	1.000		45	1.444	1.000
20	0.970	1.000		46	1.500	1.000
21	1.000	1.000		47	1.563	1.000
22	1.000	1.000		48	1.635	1.000
23	1.000	1.000		49	1.706	1.000
24	1.000	1.000		50	1.786	1.000
25	1.004	1.000		51	1.865	1.000
26	1.024	1.000		52	1.952	1.000
27	1.048	1.000		53	2.040	1.000
28	1.087	1.000		54	2.135	1.000
29	1.119	1.000		55	2.230	1.000
30	1.135	1.000		56	2.333	1.000
31	1.159	1.000		57	2.437	1.000
32	1.183	1.000		58	2.548	1.000
33	1.198	1.000		59	2.603	1.000
34	1.214	1.000		60	2.714	1.000
35	1.222	1.000		61	2.810	1.000
36	1.230	1.000		62	2.873	1.000
37	1.238	1.000		63	2.952	1.000
38	1.246	1.000		64+	3.000	1.000
39	1.262	1.000				

*PA follows the federal default age curve.

Table 13. Geographic Factors

Geographic Area Factors			
Area	**Counties**	**Current Factor**	**Proposed Factor**
Rating Area 1	Clarion, Crawford, Forest, McKean, Venango, Warren	0.970	0.970
Rating Area 2	Cameron, Elk, Potter	0.970	0.970
Rating Area 3			
Rating Area 4	Armstrong	0.970	0.970
Rating Area 5	Clearfield, Huntingdon, Jefferson, Somerset	0.970	0.970
Rating Area 6	Centre	1.040	1.040
Rating Area 7			
Rating Area 8			
Rating Area 9			

Table 14. Network Factors

Projecion Period Network Factors				
Network Name	**Rating Area**	**Current Factor**	**Proposed Factor**	**DOH Approval Date**
AB	1,2,4,5,6	1.000	1	01/00/1900

Company Name: highmark Choice Company (HCC
Market: Small Group
Product: PPO
Effective Date of Rates: January 1, 2020

Ending date of Rates: March 31, 2020

HIOS Plan ID (On Exchange)=>	N/A		N/A	
HIOS Plan ID (Off Exchange)=>	38949PA0050003		38949PA0050003	
Plan Marketing Name =>	Keystone HMO $7000		Keystone HMO $7000	
Form # =>	HMO-SM/WG-7		HMO-SM/WG-7	
Rating Area =>	Area 1,2,4,5		Area 6	
Network =>	AB		AB	
Metal =>	Bronze		Bronze	
Deductible =>	$7,000		$7,000	
Coinsurance =>	50%		50%	
Copays =>	$115		$115	
OOP Maximum =>	$8,150		$8,150	
Pediatric Dental (Yes/No) =>	Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	$144.08	$144.08	$154.48	$154.48
15	$156.89	$156.89	$168.21	$168.21
16	$161.78	$161.78	$173.46	$173.46
17	$166.68	$166.68	$178.71	$178.71
18	$171.95	$171.95	$184.36	$184.36
19	$177.23	$177.23	$190.02	$190.02
20	$182.69	$182.69	$195.87	$195.87
21	$188.34	$188.34	$201.93	$201.93
22	$188.34	$188.34	$201.93	$201.93
23	$188.34	$188.34	$201.93	$201.93
24	$188.34	$188.34	$201.93	$201.93
25	$189.09	$189.09	$202.74	$202.74
26	$192.86	$192.86	$206.78	$206.78
27	$197.38	$197.38	$211.62	$211.62
28	$204.73	$204.73	$219.50	$219.50
29	$210.75	$210.75	$225.96	$225.96
30	$213.77	$213.77	$229.19	$229.19
31	$218.29	$218.29	$234.04	$234.04
32	$222.81	$222.81	$238.88	$238.88
33	$225.63	$225.63	$241.91	$241.91
34	$228.64	$228.64	$245.14	$245.14
35	$230.15	$230.15	$246.76	$246.76
36	$231.66	$231.66	$248.37	$248.37
37	$233.16	$233.16	$249.99	$249.99
38	$234.67	$234.67	$251.60	$251.60
39	$237.69	$237.69	$254.84	$254.84
40	$240.70	$240.70	$258.07	$258.07
41	$245.22	$245.22	$262.91	$262.91
42	$249.55	$249.55	$267.56	$267.56
43	$255.58	$255.58	$274.02	$274.02
44	$263.11	$263.11	$282.10	$282.10
45	$271.96	$271.96	$291.59	$291.59
46	$282.51	$282.51	$302.90	$302.90
47	$294.38	$294.38	$315.62	$315.62
48	$307.94	$307.94	$330.16	$330.16
49	$321.31	$321.31	$344.49	$344.49
50	$336.38	$336.38	$360.65	$360.65
51	$351.25	$351.25	$376.60	$376.60
52	$367.64	$367.64	$394.17	$394.17
53	$384.21	$384.21	$411.94	$411.94
54	$402.11	$402.11	$431.12	$431.12
55	$420.00	$420.00	$450.30	$450.30
56	$439.40	$439.40	$471.10	$471.10
57	$458.98	$458.98	$492.10	$492.10
58	$479.89	$479.89	$514.52	$514.52
59	$490.25	$490.25	$525.62	$525.62
60	$511.15	$511.15	$548.04	$548.04
61	$529.24	$529.24	$567.42	$567.42
62	$541.10	$541.10	$580.14	$580.14
63	$555.98	$555.98	$596.10	$596.10
64+	$565.02	$565.02	$605.79	$605.79

Company Name: highmark Choice Company (HCC
Market: Small Group
Product: PPO
Effective Date of Rates: April 1, 2020

Ending date of Rates: June 30, 2020

HIOS Plan ID (On Exchange)=>	N/A		N/A	
HIOS Plan ID (Off Exchange)=>	38949PA0050003		38949PA0050003	
Plan Marketing Name =>	Keystone HMO $7000		Keystone HMO $7000	
Form # =>	HMO-SM/WG-7		HMO-SM/WG-7	
Rating Area =>	Area 1,2,4,5		Area 6	
Network =>	AB		AB	
Metal =>	Bronze		Bronze	
Deductible =>	$7,000		$7,000	
Coinsurance =>	50%		50%	
Copays =>	$115		$115	
OOP Maximum =>	$8,150		$8,150	
Pediatric Dental (Yes/No) =>	Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	$147.05	$147.05	$157.66	$157.66
15	$160.12	$160.12	$171.67	$171.67
16	$165.12	$165.12	$177.03	$177.03
17	$170.11	$170.11	$182.39	$182.39
18	$175.50	$175.50	$188.16	$188.16
19	$180.88	$180.88	$193.93	$193.93
20	$186.45	$186.45	$199.91	$199.91
21	$192.22	$192.22	$206.09	$206.09
22	$192.22	$192.22	$206.09	$206.09
23	$192.22	$192.22	$206.09	$206.09
24	$192.22	$192.22	$206.09	$206.09
25	$192.99	$192.99	$206.91	$206.91
26	$196.83	$196.83	$211.04	$211.04
27	$201.45	$201.45	$215.98	$215.98
28	$208.94	$208.94	$224.02	$224.02
29	$215.09	$215.09	$230.61	$230.61
30	$218.17	$218.17	$233.91	$233.91
31	$222.78	$222.78	$238.86	$238.86
32	$227.40	$227.40	$243.80	$243.80
33	$230.28	$230.28	$246.90	$246.90
34	$233.36	$233.36	$250.19	$250.19
35	$234.89	$234.89	$251.84	$251.84
36	$236.43	$236.43	$253.49	$253.49
37	$237.97	$237.97	$255.14	$255.14
38	$239.51	$239.51	$256.79	$256.79
39	$242.58	$242.58	$260.09	$260.09
40	$245.66	$245.66	$263.38	$263.38
41	$250.27	$250.27	$268.33	$268.33
42	$254.69	$254.69	$273.07	$273.07
43	$260.84	$260.84	$279.66	$279.66
44	$268.53	$268.53	$287.91	$287.91
45	$277.57	$277.57	$297.59	$297.59
46	$288.33	$288.33	$309.14	$309.14
47	$300.44	$300.44	$322.12	$322.12
48	$314.28	$314.28	$336.96	$336.96
49	$327.93	$327.93	$351.59	$351.59
50	$343.30	$343.30	$368.08	$368.08
51	$358.49	$358.49	$384.36	$384.36
52	$375.21	$375.21	$402.29	$402.29
53	$392.13	$392.13	$420.42	$420.42
54	$410.39	$410.39	$440.00	$440.00
55	$428.65	$428.65	$459.58	$459.58
56	$448.45	$448.45	$480.81	$480.81
57	$468.44	$468.44	$502.24	$502.24
58	$489.78	$489.78	$525.12	$525.12
59	$500.35	$500.35	$536.45	$536.45
60	$521.69	$521.69	$559.33	$559.33
61	$540.14	$540.14	$579.11	$579.11
62	$552.25	$552.25	$592.10	$592.10
63	$567.43	$567.43	$608.38	$608.38
64+	$576.66	$576.66	$618.27	$618.27

Company Name: highmark Choice Company (HCC
Market: Small Group
Product: PPO
Effective Date of Rates: July 1, 2020

Ending date of Rates: September 30, 2020

HIOS Plan ID (On Exchange)=>	N/A		N/A	
HIOS Plan ID (Off Exchange)=>	38949PA0050003		38949PA0050003	
Plan Marketing Name =>	Keystone HMO $7000		Keystone HMO $7000	
Form # =>	HMO-SM/WG-7		HMO-SM/WG-7	
Rating Area =>	Area 1,2,4,5		Area 6	
Network =>	AB		AB	
Metal =>	Bronze		Bronze	
Deductible =>	$7,000		$7,000	
Coinsurance =>	50%		50%	
Copays =>	$115		$115	
OOP Maximum =>	$8,150		$8,150	
Pediatric Dental (Yes/No) =>	Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	$150.08	$150.08	$160.91	$160.91
15	$163.42	$163.42	$175.21	$175.21
16	$168.52	$168.52	$180.68	$180.68
17	$173.62	$173.62	$186.15	$186.15
18	$179.11	$179.11	$192.04	$192.04
19	$184.61	$184.61	$197.93	$197.93
20	$190.29	$190.29	$204.03	$204.03
21	$196.18	$196.18	$210.34	$210.34
22	$196.18	$196.18	$210.34	$210.34
23	$196.18	$196.18	$210.34	$210.34
24	$196.18	$196.18	$210.34	$210.34
25	$196.96	$196.96	$211.18	$211.18
26	$200.89	$200.89	$215.39	$215.39
27	$205.60	$205.60	$220.44	$220.44
28	$213.25	$213.25	$228.64	$228.64
29	$219.53	$219.53	$235.37	$235.37
30	$222.66	$222.66	$238.74	$238.74
31	$227.37	$227.37	$243.78	$243.78
32	$232.08	$232.08	$248.83	$248.83
33	$235.02	$235.02	$251.99	$251.99
34	$238.16	$238.16	$255.35	$255.35
35	$239.73	$239.73	$257.04	$257.04
36	$241.30	$241.30	$258.72	$258.72
37	$242.87	$242.87	$260.40	$260.40
38	$244.44	$244.44	$262.08	$262.08
39	$247.58	$247.58	$265.45	$265.45
40	$250.72	$250.72	$268.81	$268.81
41	$255.43	$255.43	$273.86	$273.86
42	$259.94	$259.94	$278.70	$278.70
43	$266.22	$266.22	$285.43	$285.43
44	$274.06	$274.06	$293.84	$293.84
45	$283.28	$283.28	$303.73	$303.73
46	$294.27	$294.27	$315.51	$315.51
47	$306.63	$306.63	$328.76	$328.76
48	$320.75	$320.75	$343.91	$343.91
49	$334.68	$334.68	$358.84	$358.84
50	$350.38	$350.38	$375.67	$375.67
51	$365.88	$365.88	$392.28	$392.28
52	$382.94	$382.94	$410.58	$410.58
53	$400.21	$400.21	$429.09	$429.09
54	$418.84	$418.84	$449.08	$449.08
55	$437.48	$437.48	$469.06	$469.06
56	$457.69	$457.69	$490.72	$490.72
57	$478.09	$478.09	$512.60	$512.60
58	$499.87	$499.87	$535.95	$535.95
59	$510.66	$510.66	$547.52	$547.52
60	$532.43	$532.43	$570.86	$570.86
61	$551.27	$551.27	$591.06	$591.06
62	$563.63	$563.63	$604.31	$604.31
63	$579.12	$579.12	$620.92	$620.92
64+	$588.54	$588.54	$631.02	$631.02

Company Name: highmark Choice Company (HCC
Market: Small Group
Product: PPO
Effective Date of Rates: October 1, 2020

Ending date of Rates: December 31, 2020

HIOS Plan ID (On Exchange)=>	N/A		N/A	
HIOS Plan ID (Off Exchange)=>	38949PA0050003		38949PA0050003	
Plan Marketing Name =>	Keystone HMO $7000		Keystone HMO $7000	
Form # =>	HMO-SM/WG-7		HMO-SM/WG-7	
Rating Area =>	Area 1,2,4,5		Area 6	
Network =>	AB		AB	
Metal =>	Bronze		Bronze	
Deductible =>	$7,000		$7,000	
Coinsurance =>	50%		50%	
Copays =>	$115		$115	
OOP Maximum =>	$8,150		$8,150	
Pediatric Dental (Yes/No) =>	Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	$153.17	$153.17	$164.22	$164.22
15	$166.78	$166.78	$178.82	$178.82
16	$171.99	$171.99	$184.40	$184.40
17	$177.19	$177.19	$189.98	$189.98
18	$182.80	$182.80	$195.99	$195.99
19	$188.41	$188.41	$202.00	$202.00
20	$194.21	$194.21	$208.23	$208.23
21	$200.22	$200.22	$214.67	$214.67
22	$200.22	$200.22	$214.67	$214.67
23	$200.22	$200.22	$214.67	$214.67
24	$200.22	$200.22	$214.67	$214.67
25	$201.02	$201.02	$215.53	$215.53
26	$205.03	$205.03	$219.82	$219.82
27	$209.83	$209.83	$224.97	$224.97
28	$217.64	$217.64	$233.35	$233.35
29	$224.05	$224.05	$240.22	$240.22
30	$227.25	$227.25	$243.65	$243.65
31	$232.05	$232.05	$248.80	$248.80
32	$236.86	$236.86	$253.95	$253.95
33	$239.86	$239.86	$257.17	$257.17
34	$243.07	$243.07	$260.61	$260.61
35	$244.67	$244.67	$262.33	$262.33
36	$246.27	$246.27	$264.04	$264.04
37	$247.87	$247.87	$265.76	$265.76
38	$249.47	$249.47	$267.48	$267.48
39	$252.68	$252.68	$270.91	$270.91
40	$255.88	$255.88	$274.35	$274.35
41	$260.69	$260.69	$279.50	$279.50
42	$265.29	$265.29	$284.44	$284.44
43	$271.70	$271.70	$291.31	$291.31
44	$279.71	$279.71	$299.89	$299.89
45	$289.12	$289.12	$309.98	$309.98
46	$300.33	$300.33	$322.01	$322.01
47	$312.94	$312.94	$335.53	$335.53
48	$327.36	$327.36	$350.99	$350.99
49	$341.58	$341.58	$366.23	$366.23
50	$357.59	$357.59	$383.40	$383.40
51	$373.41	$373.41	$400.36	$400.36
52	$390.83	$390.83	$419.04	$419.04
53	$408.45	$408.45	$437.93	$437.93
54	$427.47	$427.47	$458.32	$458.32
55	$446.49	$446.49	$478.71	$478.71
56	$467.11	$467.11	$500.83	$500.83
57	$487.94	$487.94	$523.15	$523.15
58	$510.16	$510.16	$546.98	$546.98
59	$521.17	$521.17	$558.79	$558.79
60	$543.40	$543.40	$582.61	$582.61
61	$562.62	$562.62	$603.22	$603.22
62	$575.23	$575.23	$616.75	$616.75
63	$591.05	$591.05	$633.71	$633.71
64+	$600.66	$600.66	$644.01	$644.01

Highmark Choice Company (HCC)
Small Group
Plan Design Summary

HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Network	Rating Area	Counties Covered
38949PA0050003	Keystone HMO $7000	HMO	Bronze	Off	AB	1,2,4,5,6	Clarion, Crawford, Forest, McKean, Venango, Warren, Cameron, Elk, Potter, Armstrong, Clearfield, Huntingdon, Jefferson, Somerset, Centre

Company Name Highmark Choice Company (HCC)
Market Small Group
RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

					RATING AREA 1								RATING AREA 2			RATING AREA 4									
	02-01-2019 Number of Covered Lives by Rating County				0	0	27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Crawford	Clarion	Erie	Forest	Mckean	Mercer	Venango	Warren	Elk	Cameron	Potter	Allegheny	Armstrong	Beaver	Butler	Fayette	Greene	Indiana	Lawrence	Washington	Westmoreland
38949PA0050003	Keystone HMO $7000	HMO	Bronze	Off	$188.34	$188.34		$188.34	$188.34		$188.34	$188.34	$188.34	$188.34	$188.34		$188.34								

Company Name Highmark Choice Company (HCC)
Market Small Group
RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND C

		RATING AREA 5							RATING AREA 6									
	02-01-2019 Number of Cover	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HIOS Plan ID	Plan Marketing Name	Bedford	Blair	Clearfield	Cambria	Huntingdon	Jefferson	Somerset	Centre	Columbia	Lehigh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union
38949PA0050003	Keystone HMO $7000			$188.34		$188.34	$188.34	$188.34	$201.93									

Company Name Highmark Choice Company (HCC)
Market Small Group
RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

					RATING AREA 1								RATING AREA 2			RATING AREA 4									
	02-01-2019 Number of Covered Lives by Rating County				0	0	27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Crawford	Clarion	Erie	Forest	Mckean	Mercer	Venango	Warren	Elk	Cameron	Potter	Allegheny	Armstrong	Beaver	Butler	Fayette	Greene	Indiana	Lawrence	Washington	Westmoreland
38949PA0050003	Keystone HMO $7000	HMO	Bronze	Off	$192.22	$192.22		$192.22	$192.22		$192.22	$192.22	$192.22	$192.22	$192.22		$192.22								

Company Name Highmark Choice Company (HCC)
Market Small Group
RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND C

		RATING AREA 5							RATING AREA 6									
	02-01-2019 Number of Cover	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HIOS Plan ID	Plan Marketing Name	Bedford	Blair	Clearfield	Cambria	Huntingdon	Jefferson	Somerset	Centre	Columbia	Lehigh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union
38949PA0050003	Keystone HMO $7000			$192.22		$192.22	$192.22	$192.22	$206.09									

Company Name Highmark Choice Company (HCC)
Market Small Group
RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

					RATING AREA 1								RATING AREA 2			RATING AREA 4									
	02-01-2019 Number of Covered Lives by Rating County				0	0	27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Crawford	Clarion	Erie	Forest	Mckean	Mercer	Venango	Warren	Elk	Cameron	Potter	Allegheny	Armstrong	Beaver	Butler	Fayette	Greene	Indiana	Lawrence	Washington	Westmoreland
38949PA0050003	Keystone HMO $7000	HMO	Bronze	Off	$196.18	$196.18		$196.18	$196.18		$196.18	$196.18	$196.18	$196.18	$196.18		$196.18								

Company Name Highmark Choice Company (HCC)
Market Small Group
RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND C

		RATING AREA 5							RATING AREA 6									
	02-01-2019 Number of Cover	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HIOS Plan ID	Plan Marketing Name	Bedford	Blair	Clearfield	Cambria	Huntingdon	Jefferson	Somerset	Centre	Columbia	Lehigh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union
38949PA0050003	Keystone HMO $7000			$196.18		$196.18	$196.18	$196.18	$210.34									

Company Name Highmark Choice Company (HCC)
Market Small Group
RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

					RATING AREA 1								RATING AREA 2			RATING AREA 4									
	02-01-2019 Number of Covered Lives by Rating County				0	0	27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Crawford	Clarion	Erie	Forest	Mckean	Mercer	Venango	Warren	Elk	Cameron	Potter	Allegheny	Armstrong	Beaver	Butler	Fayette	Greene	Indiana	Lawrence	Washington	Westmoreland
38949PA0050003	Keystone HMO $7000	HMO	Bronze	Off	$200.22	$200.22		$200.22	$200.22		$200.22	$200.22	$200.22	$200.22	$200.22		$200.22								

Company Name Highmark Choice Company (HCC)
Market Small Group
RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND C

		RATING AREA 5							RATING AREA 6									
	02-01-2019 Number of Cover	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HIOS Plan ID	Plan Marketing Name	Bedford	Blair	Clearfield	Cambria	Huntingdon	Jefferson	Somerset	Centre	Columbia	Lehigh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union
38949PA0050003	Keystone HMO $7000			$200.22		$200.22	$200.22	$200.22	$214.67									

Unified Rate Review v5.0

To add a product to Worksheet 2 - Plan Product Info, select the Add Product button or Ctrl + Shift + P.
To add a plan to Worksheet 2 - Plan Product Info, select the Add Plan button or Ctrl + Shift + L.
To validate, select the Validate button or Ctrl + Shift + I.
To finalize, select the Finalize button or Ctrl + Shift + F.

Company Legal Name:	**Highmark Choice Company (HCC)**	State:	**PA**
HIOS Issuer ID:	**38949**	Market:	**Small Group**
Effective Date of Rate Change(s):	**01/01/2020**		

Market Level Calculations (Same for all Plans)

Section I: Experience Period Data

Experience Period: 01/01/2018 to 12/31/2018

	Total	PMPM
Allowed Claims	$66,720.00	$556.00
Reinsurance	$0.00	$0.00
Incurred Claims in Experience Period	$63,562.00	$529.68
Risk Adjustment	$0.00	$0.00
Experience Period Premium	$83,783.00	$698.19
Experience Period Member Months	120	

Section II: Projections

Benefit Category	Experience Period Index Rate PMPM	Year 1 Trend		Year 2 Trend		Trended EHB Allowed Claims PMPM
		Cost	Utilization	Cost	Utilization	
Inpatient Hospital	$106.02	1.085	1.000	1.085	1.000	$124.81
Outpatient Hospital	$176.09	1.085	1.000	1.085	1.000	$207.30
Professional	$151.02	1.085	1.000	1.085	1.000	$177.78
Other Medical	$15.75	1.085	1.000	1.085	1.000	$18.54
Capitation	$0.17	1.563	1.000	1.563	1.000	$0.42
Prescription Drug	$106.96	1.085	1.000	1.085	1.000	$125.92
Total	$556.01					**$654.76**

Morbidity Adjustment		0.855
Demographic Shift		1.014
Plan Design Changes		0.913
Other		0.781
Adjusted Trended EHB Allowed Claims PMPM for	**01/01/2020**	**$404.77**

Manual EHB Allowed Claims PMPM		$404.95
Applied Credibility %		0.00%

			Projected Period Totals
Projected Index Rate for	**01/01/2020**	**$404.95**	$9,718.80
Reinsurance		$0.00	$0.00
Risk Adjustment Payment/Charge		$49.85	$1,196.40
Exchange User Fees		0.00%	$0.00
Market Adjusted Index Rate		**$355.10**	**$8,522.40**

Projected Member Months	**24**

Information Not Releasable to the Public Unless Authorized by Law: This information has not been publically disclosed and may be privileged and confidential. It is for internal government use only and must not be disseminated, distributed, or copied to persons not authorized to receive the information. Unauthorized disclosure may result in prosecution to the full extent of the law.

Product-Plan Data Collection

To add a product to Worksheet 2 - Plan Product Info, select the Add Product button or Ctrl + Shift + P.
To add a plan to Worksheet 2 - Plan Product Info, select the Add Plan button or Ctrl + Shift + L.
To validate, select the Validate button or Ctrl + Shift + I.
To finalize, select the Finalize button or Ctrl + Shift + F.

Company Legal Name: **Highmark Choice Company (HCC)**
HIOS Issuer ID: **38949**
Effective Date of Rate Change(s): **01/01/2020**

State: **PA**
Market: **Small Group**

Product/Plan Level Calculations

Field # **Section I: General Product and Plan Information**

1.1 Product Name		Terminated Product	Keystone HMO		Keystone HMO Embedded		Keystone HMO						
1.2 Product ID		38949PA004	38949PA005		38949PA012		38949PA013						
1.3 Plan Name		2018 Experience	Keystone HMO 250	Keystone HMO 7000	Keystone HMO Embedded Q3000	Keystone HMO Embedded Q6000	Keystone HMO 0	Keystone HMO 500	Keystone HMO 1000	Keystone HMO 1500	Keystone HMO 2500	Keystone HMO 5000 1x	Keystone HMO 2000
1.4 Plan ID (Standard Component ID)		38949PA0040001	38949PA0050001	38949PA0050003	38949PA0120001	38949PA0120002	38949PA0130001	38949PA0130002	38949PA0130003	38949PA0130004	38949PA0130005	38949PA0130006	38949PA0130007
1.5 Metal		Not Applicable	Platinum	Bronze	Silver	Bronze	Gold	Gold	Gold	Gold	Gold	Gold	Silver
1.6 AV Metal Value		0.000	0.902	0.650	0.715	0.621	0.817	0.818	0.805	0.794	0.774	0.765	0.720
1.7 Plan Category		Terminated	Terminated	Renewing	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated	Terminated
1.8 Plan Type		HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO	HMO
1.9 Exchange Plan?		No	No	No	No	No	No	No	No	No	No	No	No
1.10 Effective Date of Proposed Rates		01/01/2018	01/01/2018	01/01/2020	01/01/2018	01/01/2018	01/01/2018	01/01/2018	01/01/2018	01/01/2018	01/01/2018	01/01/2018	01/01/2018
1.11 Cumulative Rate Change % (over 12 mos prior)		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.12 Product Rate Increase %		0.00%	#DIV/0!		0.00%		0.00%						
1.13 Submission Level Rate Increase %		#DIV/0!											

Section II: Experience Period and Current Plan Level Information

Worksheet 1 Totals															
	2.1 Plan ID (Standard Component ID)	Total	38949PA0040001	38949PA0050001	38949PA0050003	38949PA0120001	38949PA0120002	38949PA0130001	38949PA0130002	38949PA0130003	38949PA0130004	38949PA0130005	38949PA0130006	38949PA0130007
$66,720	2.2 Allowed Claims	$66,720	$66,720	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$0	2.3 Reinsurance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	2.4 Member Cost Sharing	$3,158	$3,158	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	2.5 Cost Sharing Reduction	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$63,562	2.6 Incurred Claims	$63,562	$63,562	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$0	2.7 Risk Adjustment Transfer Amount	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$83,783	2.8 Premium	$83,783	$83,783	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
120	2.9 Experience Period Member Months	120	120	0	0	0	0	0	0	0	0	0	0	0
	2.10 Current Enrollment	27	0	0	0	0	0	5	13	0	4	5	0	0
	2.11 Current Premium PMPM	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	2.12 Loss Ratio	75.86%	75.86%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Per Member Per Month													
	2.13 Allowed Claims	$556.00	$556.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	2.14 Reinsurance	$0.00	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	2.15 Member Cost Sharing	$26.32	$26.32	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	2.16 Cost Sharing Reduction	$0.00	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	2.17 Incurred Claims	$529.69	$529.69	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	2.18 Risk Adjustment Transfer Amount	$0.00	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	2.19 Premium	$698.19	$698.19	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Section III: Plan Adjustment Factors

	3.1 Plan ID (Standard Component ID)		38949PA0040001	38949PA0050001	38949PA0050003	38949PA0120001	38949PA0120002	38949PA0130001	38949PA0130002	38949PA0130003	38949PA0130004	38949PA0130005	38949PA0130006	38949PA0130007
	3.2 Market Adjusted Index Rate		$355.10											
	3.3 AV and Cost Sharing Design of Plan		0.0000	0.0000	0.6571	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	3.4 Provider Network Adjustment		0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	3.5 Benefits in Addition to EHB		0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	Administrative Costs													
	3.6 Administrative Expense		19.47%	19.47%	19.47%	19.47%	19.47%	19.47%	19.47%	19.47%	19.47%	19.47%	19.47%	19.47%
	3.7 Taxes and Fees		0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%
	3.8 Profit & Risk Load		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	3.9 Catastrophic Adjustment		1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
	3.10 **Plan Adjusted Index Rate**		$0.00	$0.00	$289.97	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	3.11 Age Calibration Factor	0.6498	0.6498											
	3.12 Geographic Calibration Factor	1.0304	1.0304											
	3.13 Tobacco Calibration Factor	1.0000	1.0000											
	3.14 **Calibrated Plan Adjusted Index Rate**		$0.00	$0.00	$194.15	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

Section IV: Projected Plan Level Information

	4.1 Plan ID (Standard Component ID)	Total	38949PA0040001	38949PA0050001	38949PA0050003	38949PA0120001	38949PA0120002	38949PA0130001	38949PA0130002	38949PA0130003	38949PA0130004	38949PA0130005	38949PA0130006	38949PA0130007
	4.2 Allowed Claims	$9,719	$0	$0	$9,719	$0	$0	$0	$0	$0	$0	$0	$0	$0
	4.3 Reinsurance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	4.4 Member Cost Sharing	$3,332	$0	$0	$3,332	$0	$0	$0	$0	$0	$0	$0	$0	$0
	4.5 Cost Sharing Reduction	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	4.6 Incurred Claims	$6,387	$0	$0	$6,387	$0	$0	$0	$0	$0	$0	$0	$0	$0
	4.7 Risk Adjustment Transfer Amount	$786	$0	$0	$786	$0	$0	$0	$0	$0	$0	$0	$0	$0
	4.8 Premium	$6,960	$0	$0	$6,960	$0	$0	$0	$0	$0	$0	$0	$0	$0
	4.9 Projected Member Months	24	0	0	24	0	0	0	0	0	0	0	0	0
	4.10 Loss Ratio	82.45%	#DIV/0!	#DIV/0!	82.45%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Per Member Per Month													
	4.11 Allowed Claims	$404.95	#DIV/0!	#DIV/0!	$404.95	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	4.12 Reinsurance	$0.00	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	4.13 Member Cost Sharing	$138.84	#DIV/0!	#DIV/0!	$138.84	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	4.14 Cost Sharing Reduction	$0.00	#DIV/0!	#DIV/0!	$0.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	4.15 Incurred Claims	$266.11	#DIV/0!	#DIV/0!	$266.11	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	4.16 Risk Adjustment Transfer Amount	$32.76	#DIV/0!	#DIV/0!	$32.76	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	4.17 Premium	$290.00	#DIV/0!	#DIV/0!	$290.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Rating Area Data Collection

Specify the total number of Rating Areas in your State by selecting the Create Rating Areas button or Ctrl + Shift + R.
Select only the Rating Areas you are offering plans within and add a factor for each area.
To validate, select the Validate button or Ctrl + Shift + I.
To finalize, select the Finalize button or Ctrl + Shift + F.

Rating Area	Rating Factor
Rating Area 1	0.9700
Rating Area 2	0.9700
Rating Area 4	0.9700
Rating Area 5	0.9700
Rating Area 6	1.0400

Part II of the Preliminary Justification

Highmark Choice Company – Small Group Market

Scope and Range:

Highmark Choice Company (HCC) is requesting a rate increase of 5.20% for its renewing plan shown in the Unified Rate Review Template for its 2020 ACA qualifying small group products with effective dates from January 1, 2020 to December 31, 2020. This will impact 0 individuals.

The proposed increase is being driven by rising medical care costs, which are expected to continue through the remainder of 2019 and throughout 2020 as a result of both higher utilization and the increasing cost of healthcare services, and the underlying morbidity of the population within HCC's ACA products.

Lower cost small groups are expected to remain outside the ACA single-risk pool for most of 2020 due to more favorable premium rates afforded to them in the pre ACA rating formula. The remaining population expected to enroll in the ACA qualifying products represents a small portion of the pool, and those groups generally have unfavorable demographics and higher than average claim costs.

Historical Financial Experience:

Highmark Choice Company reported a financial gain in 2018.

Change in Medical Service Costs:

The projected average cost of medical care for the projected population is expected to increase. The increase will emerge in utilization and average cost per service, and is spread across all types of services.

Change in Benefits:

Some cost sharing parameters were changed in order to maintain compliance with Federal AV requirements. Additionally, some out of pocket maximum parameters were changed to keep up with the rising cost of health care. These out of pocket maximum changes also aided in mitigating the rate increase.

Administrative Costs, Anticipated Operating Results, and Medical Loss Ratio:

Relative to the 2019 rate filing, taxes and fees are higher since the Health Insurance Provider Fee was reinstated for 2020. The anticipated operating results are not excessive or unreasonable. In accordance with regulations, the projected medical loss ratio is over 80%.

Part III Actuarial Memorandum

Redacted Version

Highmark Choice Company

Small Group Rate Filing

Effective January 1, 2020

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I. General Information

Document Overview

This document contains the Part III Actuarial Memorandum for Highmark Choice Company's ("HCC") Small Group block of business rate filing ("Filing"), for products with effective dates in calendar year 2020. This actuarial memorandum is submitted in conjunction with the Part I Unified Rate Review Template.

The purpose of the actuarial memorandum is to provide certain information related to the submission, including support for the values entered into the Part I Unified Rate Review Template, which supports compliance with the market rating rules and reasonableness of applicable rate increases. This information may not be appropriate for other purposes.

This information is intended for use by the State of Pennsylvania Department of Insurance, the Center for Consumer Information and Insurance Oversight (CCIIO), and their subcontractors to assist in the review of HCC's Filing. However, we recognize that this certification may become a public document. HCC makes no representations or warranties regarding the contents of this letter to third parties. Likewise, third parties are instructed that they are to place no reliance upon this actuarial memorandum prepared by HCC that would result in the creation of any duty or liability under any theory of law by HCC or its employees to third parties.

The results are actuarial projections. Actual experience is likely to differ for a number of reasons, including population changes, claims experience, and random deviations from assumptions.

I.1 Company Identifying Information:

- Company Legal Name: Highmark Choice Company
- State: The State of Pennsylvania has regulatory authority over these policies.
- HIOS Issuer ID: 38949
- Market: Small Group
- Effective Date: January 1, 2020

II. Proposed Rate Increase(s)

For all rate increases by plan please see the 'Cumulative Rate Change % (over 12 mos prior)' found in line 1.11 of the URRT Worksheet 2. Rate changes vary by plan, as plan benefits need adjusted to help maintain compliance with metal level requirements. Other base rate components (pricing actuarial factor and network discount) are also re-evaluated each year. For 2020, the Company's proposed rate revisions vary by plan, according to the detail presented in the URRT, Worksheet 2.

The URRT is calculating a 0% rate increase since there is no enrollment in the current renewal plan. The issued rates on the one renewal plan will increase by 5.20%. The primary drivers of the 5.20% rate increase (weighted on the projected enrollment for renewing plans in the URRT) are anticipated cost and utilization increases impacting claims (such as changes in provider reimbursement levels and the availability of new pharmaceutical treatments), partially offset by an increase in claim savings due to negotiated terms with our pharmaceutical benefit manager.

III. Experience and Current Period Premium, Claims, and Enrollment

III.1 Paid through Date:

Experience period claims were based on incurred calendar year 2018, paid through February 2019. We included only the non-grandfathered, insured members in HCC's book-of-business.

Since the experience under HCC in 2018 was very limited, with little credibility, the rates were developed by using 100% manual rates, as described below in the Credibility Manual section.

III.2 Current Date:

The current date used for enrollment and premium is February 2019.

III.3 Allowed and Incurred Claims Incurred During the Experience Period:

- Historical Experience: To complete the URRT historical experience section we chose HCC's current experience for the small group block of business for the period January 1, 2018 through December 31, 2018, with claims paid through February, 2019.

- Claims Incurred During the 12-month experience period: Worksheet 1, Section I shows our best estimate of the amount of claims that were incurred during the 12-month experience period for HCC's book-of-business. This section includes:

    - The amount of claims which were processed through our claims system,

- Claims processed outside of our claims system (Rx rebates, settlements, capitated benefits), and
- Our best estimate of claims incurred but not paid as of the Paid through Date stated above.

- Method for Determining Allowed Claims: For non-capitated claims, the allowed charges are summarized from HCC's detailed claim-level historical data. We only include the non-grandfathered, insured members from HCC's book-of-business.

- Paid Claims: We also summarized the paid claims from detailed member records. The paid-to-allowed ratio for the experience period reflects the underlying benefit plan designs chosen by each member.

- Incurred but Not Paid (IBNR) Claims Estimate: HCC's estimate of the remaining incurred but not recorded (IBNR) claims reflects the anticipated IBNR as of the end of the paid claim run out period. The IBNR completion factor of 0.980 was developed for HCC's total small group business through analysis of historical claim completion factors. The completion factor was applied equally to both paid and allowed total claims (as a change in utilization) to complete the experience.

IV. Benefit Categories

Experience period claims data were pulled from HCC's claims systems, and categorized into benefit category components according to types of services associated with each claim. The resulting categories closely adhere to the preferred definitions of the Benefit Categories included in the URRT instructions, including the "Other Medical" category. The "Other Medical" category units reflect visits for PDN/home health, trips for ambulance and procedures for DME/prosthetics. The "Capitation" category represents the monthly charge paid to our Vision benefit provider for covering pediatric vision benefits.

V. Projection Factors

HCC's projected experience is based 100% on the manual rate. See the Credibility Manual Rate Development section, just below, for a discussion of the projection factors.

VI. Credibility Manual Rate Development

VI. 1 Source and Appropriateness of Experience Data Used

Historical Experience: Since HCC's small group experience on its own would not be credible, HCC's experience was combined with experience from HCC's parent company, Highmark Inc., as well as Highmark Inc.'s other subsidiaries, Highmark Health Insurance Company and Highmark Choice Company, for the small group block of business for the period January 1, 2018 through December 31, 2018, with claims paid through February, 2019 as the basis for the

2020 projected small group market pricing. It is large and represents the closest experience base to the projected population. The benefit categories are the same as described in section IV above**.**

VI.2 Trend Factors (cost/utilization)

This development of the CY 2020 rates reflects an annual trend rate of 8.5% (8.5% cost, 0.0% utilization). These trends reflect HCC's expectations regarding increases in in-network contractual reimbursement. The annual trend estimates include the impact of provider contracting and anticipated utilization changes to both projected in-network and out-of-network costs. These estimates measure and normalize for benefit leverage, population aging, and historical changes for fee schedules, as well as company-wide utilization management programs, and external trend drivers.

The trend represents a blended average for all types of service and is applied to the aggregate experience for pricing. These trends represent assumed community-wide expectations. Claim variations due to the specific projected enrolled population in this single risk pool are reflected in the morbidity adjustment.

VI.3 Morbidity Adjustment

The morbidity adjustment reflects the anticipated changes in the average morbidity of the covered population (beyond allowable rating factors). HCC's experience is not credible. As discussed above, HCC utilizes the combined experience of several Highmark family companies to estimate the impact of the changes in the morbidity of the population insured. This combined company experience consists primarily of broad network PPO products. As HCC's portfolio will consist of limited network HMO products, we estimate a decrease in morbidity from the experience period due to anticipated favorable selection and lower claim levels expected in these plans in 2020. For the development of the CY 2020 rates, this is reflected with a 0.855 Morbidity Adjustment factor in the URRT Worksheet 1.

VI.4 Demographic Shifts

We are projecting a slight increase in the average age from the experience period to the projection period as business migrates into ACA plans from transitional plans and other plans in the Small Group market. There is no change assumed in the projected area factor. For the development of the CY 2020 rates, this is reflected with a 1.014 Demographic Shift factor in the URRT Worksheet 1.

VI.5 Plan Design Changes

We made the following adjustments to reflect the expected differences in benefits between the experience period and projection period:

- We reflected anticipated changes in the average utilization of services due to differences in average cost sharing requirements during the experience period and

average cost sharing requirements in the projection period: -8.7%.

- We reflected the additional cost of the following benefits that must now be covered under the essential health benefit package for members moving into ACA compliant policies from the transitional pre-ACA policies which do not cover these benefits:

  - Pediatric dental benefits: +$0.19

- We reflected a reduction in the capitation costs for the pediatric vision benefits: -$0.20.

- We reflected the following newly mandated benefits required under state law, which are not reflected in the experience period claims: None.

- We reflected the following new benefits that are not part of the essential health benefit package or required under state law that did not exist in the experience period claims: None.

- We made an adjustment to reflect the removal of benefits covered in the experience period claims that will not be covered in the projection period: None.

- For the development of the CY 2020 rates, the combination of the above factors produces a 0.913 Plan Design Changes factor in the URRT Worksheet 1.

VI.6 Other Adjustments

We are expecting an increase in savings associated with prescription drug rebates from the experience period to the projection period of ($8.29) PMPM. This increase in rebates is due to new levels of negotiated rebates with our pharmaceutical vendor.

VI.7 Credibility of Experience

Our results are based 100% on the manual rate, which includes HCC experience, combined with Highmark Inc., Highmark Health Insurance Company, and Highmark Coverage Advantage non-grandfathered plans in 2018. This combined experience is large enough to be fully credible.

VI.8 Establishing the Index Rate

The index rates as shown on Worksheet 1 of the URRT are simply the average allowed claims for the Essential Health benefits for the experience and projected populations, respectively, for HCC. It is not adjusted for the risk adjustment program or any other fee. For the projection period, it is the member-weighted average of the quarterly rate indices (Jan 1, Apr 1, Jul 1, and Oct 1) based on the assumed membership distribution effective in each quarter, as shown in the table below.

2020	% of Members	Projected Quarterly Index Rate PMPM
1Q	33.3%	$404.95
2Q	14.3%	$413.30
3Q	18.7%	$421.81
4Q	33.6%	$430.50
Composite	100.0%	$417.91

See the sections below for a description of how the projected index rate is adjusted to arrive at each plan adjusted index rate.

VI.9 Development of the Market-wide Adjusted Index Rate

The limitations imposed by verifications and rounding in the URRT v5.0 workbook produce a Market Adjusted Index Rate that is slightly different from the one ultimately used in the rate development. Please see Exhibit I for a numerical demonstration of the Market-wide Adjusted Index Rate development that removes these limitations, including the Reinsurance, Risk Adjustment Payment/Charge, and Exchange User Fees discussed below.

VI.10 Reinsurance

HCC does not have any reinsurance contracts in effect that would impact this rate development. The consideration for the federal high-cost risk pooling program is discussed in the following Risk Adjustment Payment/Charge section.

VI.11 Risk Adjustment Payment/Charge

To determine our estimated risk transfer for 2020, we examined historical risk scores calculated from the factors in the HHS Notice of Benefit and Payment Parameters, and other risk adjustment transfer formula components, for those members anticipated to be covered by HCC in 2020. We then estimate the statewide average risk scores and other transfer formula components by analyzing the available risk adjustment transfer component information: the Interim Summary Report on Risk Adjustment for the 2018 Benefit Year published by CMS, the PA Insurance Department's calculation of 2018 risk adjustment transfer amounts using the 5/1/2019 RATEE files, prior years' risk adjustment transfer results, publicly available data (such as MLR reports and rate filings), and outside expertise from actuarial consultants. We do not anticipate significant migration into the small group risk pool from external populations (such as the uninsured).

In analyzing the risk transfer components from Highmark's corporate family of businesses, we have noticed a significant difference in results between the various regions (Western, Central, and Northeastern Pennsylvania). Thus when projecting the risk transfer components to 2020, we determine the each region's risk transfer results separately to arrive at the estimated risk transfer results for each company, as appropriate for each company's covered region.

HCC considered the impact of the high-cost risk pooling payment for the Small Group market, first implemented in 2018, in its development of its anticipated risk transfer for 2020, and is assuming that the net cost (payments less recoveries) will be negligible for the 2020 rating period.

Since HCC's manual rate development utilizes Western, PA regional experience to establish a credible experience basis, the anticipated risk transfer profile of the membership within HCC uses a similar development, relying on the combined experience of several Highmark family companies to estimate the company risk transfer profile. Given the relationship between the Western, PA market risk transfer profile to the entire state market, we are assuming that HCC members will have a risk profile slightly higher than the market-wide averages, and that HCC will receive a contribution from the risk adjustment program in 2020, decreasing premiums in the rate development by $49.85 PMPM. Note that this value is gross of the paid-to-allowed ratio, and obtained by dividing the expected risk transfer amount of $32.76 by HCC's expected paid-to-allowed ratio in 2020.

VI.12 Exchange User Fees

The projected Exchange User Fees are developed from the Exchange user fees to be charged by CMS in 2020, multiplied by the percentage of business we expect to purchase Market coverage through the Exchange for HCC. For HCC, all business will be offered Off Exchange in 2020, so there are no Exchange User Fees charged in the rate development.

VII. Plan Adjusted Index Rates

Plan Adjusted Index Rates are developed by taking the Market Adjusted Index Rate and adjusting for each plan's actuarial value, relative benefit richness, relative network, and remaining administrative expenses (including profit and risk, and taxes and fees). Please see Exhibit II for the development of the Plan Adjusted Index Rate for each plan. The administrative expenses do not vary by plan.

VII.1 Administrative Expense

The proposed rates reflect internal administrative costs, including commissions and quality improvement admin. This cost was developed based on its standard expense allocation methods.

VII.2 Taxes and Fees

The Patient Centered Outcomes Research Fee was eliminated in 2019. As such, there is no charge built into the rates for this fee.

The following taxes and fees were included in the 2020 rate development:

- $2.16 Per Member Per Annum for the Risk Adjustment User Fee.

In total, these taxes and fees amount to 0.05% of the anticipated premium collected in 2020.

VII.3 Profit & Risk Load

The proposed rates reflect 0% of premium as a risk/contribution to surplus margin. This load was applied to all products and plans. HCC has voluntarily refrained from including a risk and contingency factor in this filing. By this voluntary action, HCC is not waiving any right to include a risk and contingency factor which HCC believes is consistent with historical and legal interpretations of HCC and the Department.

VIII. Calibration

VIII.1 Age Curve Calibration (to age 21, non-smoker, area with 1.0 geographic factor, January 1 effective date):

The projected weighted average age factor is 1.539. Each Plan Adjusted Index Rate represents the rate for an average member (i.e., a member with an age factor is 1.539). Please note that no member will pay these rates because the age factor of 1.539 is not found on the HHS Age Curve. It only represents the average age factor of the projected population. Please see Exhibit I for the development of the calibration factor, which calibrates the index rate to an Age 21 age factor. The Age Calibration Factor shown in URRT Worksheet 2 is the inverse of weighted average age factor, which for HCC is 0.650.

VIII.2 Geographic Factor Calibration:

The projected weighted average geographic factor is 0.9705. Each Plan Adjusted Index Rate represents the rate for an average member with a geographic factor of 0.9705. Please note that no member will pay these rates because HCC is not using a geographic factor of 0.9705 for any of the Pennsylvania rating areas. It only represents the average geographic factor of the projected population. Please see Exhibit I for the development of the calibration factor. The Geographic Calibration Factor shown in URRT Worksheet 2 is the inverse of weighted average geographic factor, which for HCC is 1.03.

VIII.3 Tobacco Use Rating Factor Calibration

HCC does not currently utilize tobacco rating factors.

IX. Consumer Adjusted Premium Rate Development

The Calibrated Plan Adjusted Index Rate shown in URRT Worksheet 2 represents the rate for a non-smoker member with a 1.0 age factor and 1.0 geographic factor for a 1/1/2020 renewal. The appropriate value to calibrate the Plan Adjusted Index Rate by is located at the bottom of Exhibit I. By applying the 'Combined Calibration Factor' found in Exhibit I or the calibration factors in 3.11, 3.12 and 3.13 of URRT Worksheet II Section III to the Plan Adjusted Index Rates, the resulting value will represent the plan premium for a 21 year old in a 1.0 area on 1/1/2020. The standard HHS Age Curve and area factors of 0.97 for regions 1, 2, 4, and 5; and 1.04 for region 6 can be used to calculate any rate found in the QHP rate template.

HCC is filing quarterly Index Rate trends of 2.06% per quarter. Subsequent quarterly rates can be developed by applying the quarterly Index Rate trend to the first quarter rates.

X. Projected Loss Ratio

The anticipated medical loss ratio is about 80.5% relative to total premium less taxes and fees. This loss ratio is calculated consistent with the federally prescribed MLR methodology.

XI. AV Metal Values

The AV Metal Values included in Worksheet 2 of the Part I Unified Rate Review Template were based entirely on the Federal AV Calculator. No adjustments were needed for any benefits from those values produced by the AV calculator.

XII. Membership Projections

Since transitional policy relief was extended through 2020 for groups that renew on or prior to October 1, 2020, we project that the bulk of the members in the small group market will remain outside of the ACA-compliant products, and remain outside the ACA single-risk pool. As such, HCC is projected to have very little membership in its ACA products in 2020. See line 4.9 of the URRT Worksheet 2 to see projected membership by plan.

XIII. Terminated Plans and Products

HCC is terminating 10 QHP plans that were active in the 2018 experience period. These plans will not be mapped in the URRT.

Exhibit III lists all the terminating QHP plans.

XIV. Plan Type

The Plan types listed in Worksheet 2, Section I of the Part I Unified Rate Review Template describe HCC's plans adequately.

XV. Actuarial Certification

I am a member of the American Academy of Actuaries and meet its qualification standards for actuaries issuing statements of actuarial opinions in the United States. This filing is prepared on behalf of HCC to accompany its rate filing (for calendar year 2020) for the Small Group Market off the Pennsylvania Exchange.

I hereby certify that the projected Index Rate is, to the best of my knowledge and understanding:

- In compliance with all applicable State and Federal Statutes and Regulations (45 CFR 156.80 and 147.102),
- Developed in compliance with the applicable Actuarial Standards of Practice

- Reasonable in relation to the benefits provided and the population anticipated to be covered
- Neither excessive nor deficient.

I certify that the index rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan level rates.

I certify that the geographic rating factors reflect only differences in the costs of delivery (which can include unit cost and provider practice pattern differences) and do not include differences for population morbidity by geographic area.

I certify that the AV Calculator was used to determine the AV Metal Values shown in Part I of Worksheet 2 in the URRT for all plans.

The Unified Rate Review Template does not demonstrate the process used by HCC to develop the rates. Rather, it represents information required by Federal regulation to be provided in support of the review of rate increases, for certification of Qualified Health Plans for Federally-facilitated Exchanges and for certification that the Index Rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

Signed: [Redacted]

Date: 07/19/2019

Exhibit I
Highmark Choice Company
2020

Pennsylvania Small Group Market Base Rate

	1/1/2020 Values
CY2020 Projected Period Average Members	2
CY2020 Allowed Claims	$404.95
Projected Non-EHBs	
None	$0.00
CY2020 Allowed Claims for EHB Only (Index Rate)	$404.95
Market Index Rate Adjustments	
Risk Adjustment (Includes Risk Adjuster Fee)	0.877
Federal Reinsurance Program (Includes Reinsurance Premium)	1.000
Exchange User Fee Adjustment	1.000
CY2020 Market Adjusted Index Rate	$355.10
Calibration	
Calibration from Plan Adjusted Index Rate to Age 21, 1.0 Area, Non-Smoker, January 1, 2020 Rate	
(a) Average Age Factor	1.539
(b) Age 21 Factor	1.000
(c) Average Geographic Factor	0.9705
Combined Calibration Factor 1/((a/b)*c)	0.6695

*Quarterly Index Rate trends are being set at 2.06%.

Highmark Choice Company (HCC)

Exhibit II

Western, PA (WPA) Region

Unified Rate Review Template (URRT) AV Pricing Value Development

Plan Design Summary

HCC	HIOS Plan ID	Metallic Level	Plan Design Marketing Name	Regions Offered	On or Off Exchange	Plan Adjusted Index Rate	URRT AV Pricing Value	Portion of URRT AV Pricing Value Attributable to each Allowable Modifier[1] (i)	(ii)	(iii)	(iv)	(v)
Keystone HMO	38949PA0050003	Bronze	Keystone HMO $7000	1,2,4,5,6	Off	**$290.00**	**0.8167**	0.6571	1.0000	1.0000	1.2427	1.0000

[1] **Permitted Plan-Level Adjustments to the Index Rate as prescribed in 45 CFR Part 156, §156.80(d)(2):**

(i) The actuarial value and cost-sharing design of the plan.
(ii) The plan's provider network, delivery system characteristics, and utilization management practices.
(iii) The benefits provided under the plan that are in addition to the essential health benefits.
(iv) Administrative costs, excluding Exchange user fees.
(v) With respect to catastrophic plans, the expected impact of the specific eligibility categories for those plans.

Exhibit III
Highmark Choice Company (HCC)
Small Group Market

Terminated ACA Plans

Exchange	Service Zone	Regions	Terminating Plans		Mapping To...	
			HIOS ID	Plan Design Name	HIOS ID	Plan Design Name
Off	C	1,2,4,5,6	38949PA0050001	Keystone HMO $250	---- Not Mapped ----	
Off	AA	1	38949PA0130001	Keystone HMO $0	---- Not Mapped ----	
Off	AA	1	38949PA0130002	Keystone HMO $500	---- Not Mapped ----	
Off	AA	1	38949PA0130003	Keystone HMO $1000	---- Not Mapped ----	
Off	AA	1	38949PA0130004	Keystone HMO $1500	---- Not Mapped ----	
Off	AA	1	38949PA0130005	Keystone HMO $2500	---- Not Mapped ----	
Off	AA	1	38949PA0130006	Keystone HMO $5000 1x	---- Not Mapped ----	
Off	AA	1	38949PA0130007	Keystone HMO $2000	---- Not Mapped ----	
Off	AA	1	38949PA0120001	Keystone HMO Embedded Q$3000	---- Not Mapped ----	
Off	AA	1	38949PA0120002	Keystone HMO Embedded Q$6000	---- Not Mapped ----	

2020 Rates Table Template v9.0	*All fields with an asterisk (*) are required. To validate press Validate button or Ctrl + Shift + I. To finalize, press Finalize button or Ctrl + Shift + F.*			
	If you are in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.			
	If you are not in a community rating state, select Age-Based Rates under Rating Method and provide an Individual Rate for every age band.			
	If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.			
	To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.			
HIOS Issuer ID*	38949			
Federal TIN*	25-1522457			
Rate Effective Date*	01/01/2020			
Rate Expiration Date*	03/31/2020			
Rating Method*	Age-Based Rates			

Plan ID*	**Rating Area ID***	**Tobacco***	**Age***	**Individual Rate***
Required: Enter the 14-character Plan ID	**Required:** Select the Rating Area ID	**Required:** Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan	**Required:** Select the age of a subscriber eligible for the rate	**Required:** Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan
38949PA0050003	Rating Area 1	No Preference	0-14	144.08
38949PA0050003	Rating Area 1	No Preference	15	156.89
38949PA0050003	Rating Area 1	No Preference	16	161.78
38949PA0050003	Rating Area 1	No Preference	17	166.68
38949PA0050003	Rating Area 1	No Preference	18	171.95
38949PA0050003	Rating Area 1	No Preference	19	177.23
38949PA0050003	Rating Area 1	No Preference	20	182.69
38949PA0050003	Rating Area 1	No Preference	21	188.34
38949PA0050003	Rating Area 1	No Preference	22	188.34
38949PA0050003	Rating Area 1	No Preference	23	188.34
38949PA0050003	Rating Area 1	No Preference	24	188.34
38949PA0050003	Rating Area 1	No Preference	25	189.09
38949PA0050003	Rating Area 1	No Preference	26	192.86
38949PA0050003	Rating Area 1	No Preference	27	197.38
38949PA0050003	Rating Area 1	No Preference	28	204.73
38949PA0050003	Rating Area 1	No Preference	29	210.75
38949PA0050003	Rating Area 1	No Preference	30	213.77
38949PA0050003	Rating Area 1	No Preference	31	218.29
38949PA0050003	Rating Area 1	No Preference	32	222.81
38949PA0050003	Rating Area 1	No Preference	33	225.63
38949PA0050003	Rating Area 1	No Preference	34	228.64
38949PA0050003	Rating Area 1	No Preference	35	230.15
38949PA0050003	Rating Area 1	No Preference	36	231.66
38949PA0050003	Rating Area 1	No Preference	37	233.16
38949PA0050003	Rating Area 1	No Preference	38	234.67
38949PA0050003	Rating Area 1	No Preference	39	237.69
38949PA0050003	Rating Area 1	No Preference	40	240.70
38949PA0050003	Rating Area 1	No Preference	41	245.22
38949PA0050003	Rating Area 1	No Preference	42	249.55
38949PA0050003	Rating Area 1	No Preference	43	255.58
38949PA0050003	Rating Area 1	No Preference	44	263.11
38949PA0050003	Rating Area 1	No Preference	45	271.96
38949PA0050003	Rating Area 1	No Preference	46	282.51
38949PA0050003	Rating Area 1	No Preference	47	294.38
38949PA0050003	Rating Area 1	No Preference	48	307.94
38949PA0050003	Rating Area 1	No Preference	49	321.31
38949PA0050003	Rating Area 1	No Preference	50	336.38
38949PA0050003	Rating Area 1	No Preference	51	351.25
38949PA0050003	Rating Area 1	No Preference	52	367.64
38949PA0050003	Rating Area 1	No Preference	53	384.21
38949PA0050003	Rating Area 1	No Preference	54	402.11
38949PA0050003	Rating Area 1	No Preference	55	420.00
38949PA0050003	Rating Area 1	No Preference	56	439.40
38949PA0050003	Rating Area 1	No Preference	57	458.98
38949PA0050003	Rating Area 1	No Preference	58	479.89
38949PA0050003	Rating Area 1	No Preference	59	490.25
38949PA0050003	Rating Area 1	No Preference	60	511.15
38949PA0050003	Rating Area 1	No Preference	61	529.24
38949PA0050003	Rating Area 1	No Preference	62	541.10
38949PA0050003	Rating Area 1	No Preference	63	555.98
38949PA0050003	Rating Area 1	No Preference	64 and over	565.02
38949PA0050003	Rating Area 2	No Preference	0-14	144.08
38949PA0050003	Rating Area 2	No Preference	15	156.89
38949PA0050003	Rating Area 2	No Preference	16	161.78
38949PA0050003	Rating Area 2	No Preference	17	166.68
38949PA0050003	Rating Area 2	No Preference	18	171.95
38949PA0050003	Rating Area 2	No Preference	19	177.23
38949PA0050003	Rating Area 2	No Preference	20	182.69
38949PA0050003	Rating Area 2	No Preference	21	188.34
38949PA0050003	Rating Area 2	No Preference	22	188.34
38949PA0050003	Rating Area 2	No Preference	23	188.34
38949PA0050003	Rating Area 2	No Preference	24	188.34
38949PA0050003	Rating Area 2	No Preference	25	189.09
38949PA0050003	Rating Area 2	No Preference	26	192.86
38949PA0050003	Rating Area 2	No Preference	27	197.38
38949PA0050003	Rating Area 2	No Preference	28	204.73
38949PA0050003	Rating Area 2	No Preference	29	210.75
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38949PA0050003	Rating Area 2	No Preference	32	222.81
38949PA0050003	Rating Area 2	No Preference	33	225.63
38949PA0050003	Rating Area 2	No Preference	34	228.64
38949PA0050003	Rating Area 2	No Preference	35	230.15
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38949PA0050003	Rating Area 2	No Preference	37	233.16
38949PA0050003	Rating Area 2	No Preference	38	234.67
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38949PA0050003	Rating Area 2	No Preference	54	402.11
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38949PA0050003	Rating Area 2	No Preference	61	529.24

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38949PA0050003	Rating Area 4	No Preference	33	225.63
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38949PA0050003	Rating Area 4	No Preference	35	230.15
38949PA0050003	Rating Area 4	No Preference	36	231.66
38949PA0050003	Rating Area 4	No Preference	37	233.16
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38949PA0050003	Rating Area 4	No Preference	45	271.96
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38949PA0050003	Rating Area 4	No Preference	47	294.38
38949PA0050003	Rating Area 4	No Preference	48	307.94
38949PA0050003	Rating Area 4	No Preference	49	321.31
38949PA0050003	Rating Area 4	No Preference	50	336.38
38949PA0050003	Rating Area 4	No Preference	51	351.25
38949PA0050003	Rating Area 4	No Preference	52	367.64
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38949PA0050003	Rating Area 5	No Preference	58	479.89
38949PA0050003	Rating Area 5	No Preference	59	490.25
38949PA0050003	Rating Area 5	No Preference	60	511.15
38949PA0050003	Rating Area 5	No Preference	61	529.24
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38949PA0050003	Rating Area 5	No Preference	63	555.98
38949PA0050003	Rating Area 5	No Preference	64 and over	565.02
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38949PA0050003	Rating Area 6	No Preference	19	190.02
38949PA0050003	Rating Area 6	No Preference	20	195.87
38949PA0050003	Rating Area 6	No Preference	21	201.93
38949PA0050003	Rating Area 6	No Preference	22	201.93
38949PA0050003	Rating Area 6	No Preference	23	201.93
38949PA0050003	Rating Area 6	No Preference	24	201.93
38949PA0050003	Rating Area 6	No Preference	25	202.74
38949PA0050003	Rating Area 6	No Preference	26	206.78
38949PA0050003	Rating Area 6	No Preference	27	211.62

38949PA0050003 Rating Area 6	No Preference	28	219.50
38949PA0050003 Rating Area 6	No Preference	29	225.96
38949PA0050003 Rating Area 6	No Preference	30	229.19
38949PA0050003 Rating Area 6	No Preference	31	234.04
38949PA0050003 Rating Area 6	No Preference	32	238.88
38949PA0050003 Rating Area 6	No Preference	33	241.91
38949PA0050003 Rating Area 6	No Preference	34	245.14
38949PA0050003 Rating Area 6	No Preference	35	246.76
38949PA0050003 Rating Area 6	No Preference	36	248.37
38949PA0050003 Rating Area 6	No Preference	37	249.99
38949PA0050003 Rating Area 6	No Preference	38	251.60
38949PA0050003 Rating Area 6	No Preference	39	254.84
38949PA0050003 Rating Area 6	No Preference	40	258.07
38949PA0050003 Rating Area 6	No Preference	41	262.91
38949PA0050003 Rating Area 6	No Preference	42	267.56
38949PA0050003 Rating Area 6	No Preference	43	274.02
38949PA0050003 Rating Area 6	No Preference	44	282.10
38949PA0050003 Rating Area 6	No Preference	45	291.59
38949PA0050003 Rating Area 6	No Preference	46	302.90
38949PA0050003 Rating Area 6	No Preference	47	315.62
38949PA0050003 Rating Area 6	No Preference	48	330.16
38949PA0050003 Rating Area 6	No Preference	49	344.49
38949PA0050003 Rating Area 6	No Preference	50	360.65
38949PA0050003 Rating Area 6	No Preference	51	376.60
38949PA0050003 Rating Area 6	No Preference	52	394.17
38949PA0050003 Rating Area 6	No Preference	53	411.94
38949PA0050003 Rating Area 6	No Preference	54	431.12
38949PA0050003 Rating Area 6	No Preference	55	450.30
38949PA0050003 Rating Area 6	No Preference	56	471.10
38949PA0050003 Rating Area 6	No Preference	57	492.10
38949PA0050003 Rating Area 6	No Preference	58	514.52
38949PA0050003 Rating Area 6	No Preference	59	525.62
38949PA0050003 Rating Area 6	No Preference	60	548.04
38949PA0050003 Rating Area 6	No Preference	61	567.42
38949PA0050003 Rating Area 6	No Preference	62	580.14
38949PA0050003 Rating Area 6	No Preference	63	596.10
38949PA0050003 Rating Area 6	No Preference	64 and over	605.79

2020 Rates Table Template v9.0	*All fields with an asterisk (*) are required. To validate press Validate button or Ctrl + Shift + I. To finalize, press Finalize button or Ctrl + Shift + F.*			
	If you are in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.			
	If you are not in a community rating state, select Age-Based Rates under Rating Method and provide an Individual Rate for every age band.			
	If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.			
	To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.			
HIOS Issuer ID*	38949			
Federal TIN*	25-1522457			
Rate Effective Date*	04/01/2020			
Rate Expiration Date*	06/30/2020			
Rating Method*	Age-Based Rates			

Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	**Required:** Select the Rating Area ID	**Required:** Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan	**Required:** Select the age of a subscriber eligible for the rate	**Required:** Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan
38949PA0050003	Rating Area 1	No Preference	0-14	147.05
38949PA0050003	Rating Area 1	No Preference	15	160.12
38949PA0050003	Rating Area 1	No Preference	16	165.12
38949PA0050003	Rating Area 1	No Preference	17	170.11
38949PA0050003	Rating Area 1	No Preference	18	175.50
38949PA0050003	Rating Area 1	No Preference	19	180.88
38949PA0050003	Rating Area 1	No Preference	20	186.45
38949PA0050003	Rating Area 1	No Preference	21	192.22
38949PA0050003	Rating Area 1	No Preference	22	192.22
38949PA0050003	Rating Area 1	No Preference	23	192.22
38949PA0050003	Rating Area 1	No Preference	24	192.22
38949PA0050003	Rating Area 1	No Preference	25	192.99
38949PA0050003	Rating Area 1	No Preference	26	196.83
38949PA0050003	Rating Area 1	No Preference	27	201.45
38949PA0050003	Rating Area 1	No Preference	28	208.94
38949PA0050003	Rating Area 1	No Preference	29	215.09
38949PA0050003	Rating Area 1	No Preference	30	218.17
38949PA0050003	Rating Area 1	No Preference	31	222.78
38949PA0050003	Rating Area 1	No Preference	32	227.40
38949PA0050003	Rating Area 1	No Preference	33	230.28
38949PA0050003	Rating Area 1	No Preference	34	233.36
38949PA0050003	Rating Area 1	No Preference	35	234.89
38949PA0050003	Rating Area 1	No Preference	36	236.43
38949PA0050003	Rating Area 1	No Preference	37	237.97
38949PA0050003	Rating Area 1	No Preference	38	239.51
38949PA0050003	Rating Area 1	No Preference	39	242.58
38949PA0050003	Rating Area 1	No Preference	40	245.66
38949PA0050003	Rating Area 1	No Preference	41	250.27
38949PA0050003	Rating Area 1	No Preference	42	254.69
38949PA0050003	Rating Area 1	No Preference	43	260.84
38949PA0050003	Rating Area 1	No Preference	44	268.53
38949PA0050003	Rating Area 1	No Preference	45	277.57
38949PA0050003	Rating Area 1	No Preference	46	288.33
38949PA0050003	Rating Area 1	No Preference	47	300.44
38949PA0050003	Rating Area 1	No Preference	48	314.28
38949PA0050003	Rating Area 1	No Preference	49	327.93
38949PA0050003	Rating Area 1	No Preference	50	343.30
38949PA0050003	Rating Area 1	No Preference	51	358.49
38949PA0050003	Rating Area 1	No Preference	52	375.21
38949PA0050003	Rating Area 1	No Preference	53	392.13
38949PA0050003	Rating Area 1	No Preference	54	410.39
38949PA0050003	Rating Area 1	No Preference	55	428.65
38949PA0050003	Rating Area 1	No Preference	56	448.45
38949PA0050003	Rating Area 1	No Preference	57	468.44
38949PA0050003	Rating Area 1	No Preference	58	489.78
38949PA0050003	Rating Area 1	No Preference	59	500.35
38949PA0050003	Rating Area 1	No Preference	60	521.69
38949PA0050003	Rating Area 1	No Preference	61	540.14
38949PA0050003	Rating Area 1	No Preference	62	552.25
38949PA0050003	Rating Area 1	No Preference	63	567.43
38949PA0050003	Rating Area 1	No Preference	64 and over	576.66
38949PA0050003	Rating Area 2	No Preference	0-14	147.05
38949PA0050003	Rating Area 2	No Preference	15	160.12
38949PA0050003	Rating Area 2	No Preference	16	165.12
38949PA0050003	Rating Area 2	No Preference	17	170.11
38949PA0050003	Rating Area 2	No Preference	18	175.50
38949PA0050003	Rating Area 2	No Preference	19	180.88
38949PA0050003	Rating Area 2	No Preference	20	186.45
38949PA0050003	Rating Area 2	No Preference	21	192.22
38949PA0050003	Rating Area 2	No Preference	22	192.22
38949PA0050003	Rating Area 2	No Preference	23	192.22
38949PA0050003	Rating Area 2	No Preference	24	192.22
38949PA0050003	Rating Area 2	No Preference	25	192.99
38949PA0050003	Rating Area 2	No Preference	26	196.83
38949PA0050003	Rating Area 2	No Preference	27	201.45
38949PA0050003	Rating Area 2	No Preference	28	208.94
38949PA0050003	Rating Area 2	No Preference	29	215.09
38949PA0050003	Rating Area 2	No Preference	30	218.17
38949PA0050003	Rating Area 2	No Preference	31	222.78
38949PA0050003	Rating Area 2	No Preference	32	227.40
38949PA0050003	Rating Area 2	No Preference	33	230.28
38949PA0050003	Rating Area 2	No Preference	34	233.36
38949PA0050003	Rating Area 2	No Preference	35	234.89
38949PA0050003	Rating Area 2	No Preference	36	236.43
38949PA0050003	Rating Area 2	No Preference	37	237.97
38949PA0050003	Rating Area 2	No Preference	38	239.51
38949PA0050003	Rating Area 2	No Preference	39	242.58
38949PA0050003	Rating Area 2	No Preference	40	245.66
38949PA0050003	Rating Area 2	No Preference	41	250.27
38949PA0050003	Rating Area 2	No Preference	42	254.69
38949PA0050003	Rating Area 2	No Preference	43	260.84
38949PA0050003	Rating Area 2	No Preference	44	268.53
38949PA0050003	Rating Area 2	No Preference	45	277.57
38949PA0050003	Rating Area 2	No Preference	46	288.33
38949PA0050003	Rating Area 2	No Preference	47	300.44
38949PA0050003	Rating Area 2	No Preference	48	314.28
38949PA0050003	Rating Area 2	No Preference	49	327.93
38949PA0050003	Rating Area 2	No Preference	50	343.30
38949PA0050003	Rating Area 2	No Preference	51	358.49
38949PA0050003	Rating Area 2	No Preference	52	375.21
38949PA0050003	Rating Area 2	No Preference	53	392.13
38949PA0050003	Rating Area 2	No Preference	54	410.39
38949PA0050003	Rating Area 2	No Preference	55	428.65
38949PA0050003	Rating Area 2	No Preference	56	448.45
38949PA0050003	Rating Area 2	No Preference	57	468.44
38949PA0050003	Rating Area 2	No Preference	58	489.78
38949PA0050003	Rating Area 2	No Preference	59	500.35
38949PA0050003	Rating Area 2	No Preference	60	521.69
38949PA0050003	Rating Area 2	No Preference	61	540.14

38949PA0050003	Rating Area 2	No Preference	62	552.25
38949PA0050003	Rating Area 2	No Preference	63	567.43
38949PA0050003	Rating Area 2	No Preference	64 and over	576.66
38949PA0050003	Rating Area 4	No Preference	0-14	147.05
38949PA0050003	Rating Area 4	No Preference	15	160.12
38949PA0050003	Rating Area 4	No Preference	16	165.12
38949PA0050003	Rating Area 4	No Preference	17	170.11
38949PA0050003	Rating Area 4	No Preference	18	175.50
38949PA0050003	Rating Area 4	No Preference	19	180.88
38949PA0050003	Rating Area 4	No Preference	20	186.45
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38949PA0050003	Rating Area 4	No Preference	22	192.22
38949PA0050003	Rating Area 4	No Preference	23	192.22
38949PA0050003	Rating Area 4	No Preference	24	192.22
38949PA0050003	Rating Area 4	No Preference	25	192.99
38949PA0050003	Rating Area 4	No Preference	26	196.83
38949PA0050003	Rating Area 4	No Preference	27	201.45
38949PA0050003	Rating Area 4	No Preference	28	208.94
38949PA0050003	Rating Area 4	No Preference	29	215.09
38949PA0050003	Rating Area 4	No Preference	30	218.17
38949PA0050003	Rating Area 4	No Preference	31	222.78
38949PA0050003	Rating Area 4	No Preference	32	227.40
38949PA0050003	Rating Area 4	No Preference	33	230.28
38949PA0050003	Rating Area 4	No Preference	34	233.36
38949PA0050003	Rating Area 4	No Preference	35	234.89
38949PA0050003	Rating Area 4	No Preference	36	236.43
38949PA0050003	Rating Area 4	No Preference	37	237.97
38949PA0050003	Rating Area 4	No Preference	38	239.51
38949PA0050003	Rating Area 4	No Preference	39	242.58
38949PA0050003	Rating Area 4	No Preference	40	245.66
38949PA0050003	Rating Area 4	No Preference	41	250.27
38949PA0050003	Rating Area 4	No Preference	42	254.69
38949PA0050003	Rating Area 4	No Preference	43	260.84
38949PA0050003	Rating Area 4	No Preference	44	268.53
38949PA0050003	Rating Area 4	No Preference	45	277.57
38949PA0050003	Rating Area 4	No Preference	46	288.33
38949PA0050003	Rating Area 4	No Preference	47	300.44
38949PA0050003	Rating Area 4	No Preference	48	314.28
38949PA0050003	Rating Area 4	No Preference	49	327.93
38949PA0050003	Rating Area 4	No Preference	50	343.30
38949PA0050003	Rating Area 4	No Preference	51	358.49
38949PA0050003	Rating Area 4	No Preference	52	375.21
38949PA0050003	Rating Area 4	No Preference	53	392.13
38949PA0050003	Rating Area 4	No Preference	54	410.39
38949PA0050003	Rating Area 4	No Preference	55	428.65
38949PA0050003	Rating Area 4	No Preference	56	448.45
38949PA0050003	Rating Area 4	No Preference	57	468.44
38949PA0050003	Rating Area 4	No Preference	58	489.78
38949PA0050003	Rating Area 4	No Preference	59	500.35
38949PA0050003	Rating Area 4	No Preference	60	521.69
38949PA0050003	Rating Area 4	No Preference	61	540.14
38949PA0050003	Rating Area 4	No Preference	62	552.25
38949PA0050003	Rating Area 4	No Preference	63	567.43
38949PA0050003	Rating Area 4	No Preference	64 and over	576.66
38949PA0050003	Rating Area 5	No Preference	0-14	147.05
38949PA0050003	Rating Area 5	No Preference	15	160.12
38949PA0050003	Rating Area 5	No Preference	16	165.12
38949PA0050003	Rating Area 5	No Preference	17	170.11
38949PA0050003	Rating Area 5	No Preference	18	175.50
38949PA0050003	Rating Area 5	No Preference	19	180.88
38949PA0050003	Rating Area 5	No Preference	20	186.45
38949PA0050003	Rating Area 5	No Preference	21	192.22
38949PA0050003	Rating Area 5	No Preference	22	192.22
38949PA0050003	Rating Area 5	No Preference	23	192.22
38949PA0050003	Rating Area 5	No Preference	24	192.22
38949PA0050003	Rating Area 5	No Preference	25	192.99
38949PA0050003	Rating Area 5	No Preference	26	196.83
38949PA0050003	Rating Area 5	No Preference	27	201.45
38949PA0050003	Rating Area 5	No Preference	28	208.94
38949PA0050003	Rating Area 5	No Preference	29	215.09
38949PA0050003	Rating Area 5	No Preference	30	218.17
38949PA0050003	Rating Area 5	No Preference	31	222.78
38949PA0050003	Rating Area 5	No Preference	32	227.40
38949PA0050003	Rating Area 5	No Preference	33	230.28
38949PA0050003	Rating Area 5	No Preference	34	233.36
38949PA0050003	Rating Area 5	No Preference	35	234.89
38949PA0050003	Rating Area 5	No Preference	36	236.43
38949PA0050003	Rating Area 5	No Preference	37	237.97
38949PA0050003	Rating Area 5	No Preference	38	239.51
38949PA0050003	Rating Area 5	No Preference	39	242.58
38949PA0050003	Rating Area 5	No Preference	40	245.66
38949PA0050003	Rating Area 5	No Preference	41	250.27
38949PA0050003	Rating Area 5	No Preference	42	254.69
38949PA0050003	Rating Area 5	No Preference	43	260.84
38949PA0050003	Rating Area 5	No Preference	44	268.53
38949PA0050003	Rating Area 5	No Preference	45	277.57
38949PA0050003	Rating Area 5	No Preference	46	288.33
38949PA0050003	Rating Area 5	No Preference	47	300.44
38949PA0050003	Rating Area 5	No Preference	48	314.28
38949PA0050003	Rating Area 5	No Preference	49	327.93
38949PA0050003	Rating Area 5	No Preference	50	343.30
38949PA0050003	Rating Area 5	No Preference	51	358.49
38949PA0050003	Rating Area 5	No Preference	52	375.21
38949PA0050003	Rating Area 5	No Preference	53	392.13
38949PA0050003	Rating Area 5	No Preference	54	410.39
38949PA0050003	Rating Area 5	No Preference	55	428.65
38949PA0050003	Rating Area 5	No Preference	56	448.45
38949PA0050003	Rating Area 5	No Preference	57	468.44
38949PA0050003	Rating Area 5	No Preference	58	489.78
38949PA0050003	Rating Area 5	No Preference	59	500.35
38949PA0050003	Rating Area 5	No Preference	60	521.69
38949PA0050003	Rating Area 5	No Preference	61	540.14
38949PA0050003	Rating Area 5	No Preference	62	552.25
38949PA0050003	Rating Area 5	No Preference	63	567.43
38949PA0050003	Rating Area 5	No Preference	64 and over	576.66
38949PA0050003	Rating Area 6	No Preference	0-14	157.66
38949PA0050003	Rating Area 6	No Preference	15	171.67
38949PA0050003	Rating Area 6	No Preference	16	177.03
38949PA0050003	Rating Area 6	No Preference	17	182.39
38949PA0050003	Rating Area 6	No Preference	18	188.16
38949PA0050003	Rating Area 6	No Preference	19	193.93
38949PA0050003	Rating Area 6	No Preference	20	199.91
38949PA0050003	Rating Area 6	No Preference	21	206.09
38949PA0050003	Rating Area 6	No Preference	22	206.09
38949PA0050003	Rating Area 6	No Preference	23	206.09
38949PA0050003	Rating Area 6	No Preference	24	206.09
38949PA0050003	Rating Area 6	No Preference	25	206.91
38949PA0050003	Rating Area 6	No Preference	26	211.04
38949PA0050003	Rating Area 6	No Preference	27	215.98

38949PA0050003 Rating Area 6	No Preference	28	224.02
38949PA0050003 Rating Area 6	No Preference	29	230.61
38949PA0050003 Rating Area 6	No Preference	30	233.91
38949PA0050003 Rating Area 6	No Preference	31	238.86
38949PA0050003 Rating Area 6	No Preference	32	243.80
38949PA0050003 Rating Area 6	No Preference	33	246.90
38949PA0050003 Rating Area 6	No Preference	34	250.19
38949PA0050003 Rating Area 6	No Preference	35	251.84
38949PA0050003 Rating Area 6	No Preference	36	253.49
38949PA0050003 Rating Area 6	No Preference	37	255.14
38949PA0050003 Rating Area 6	No Preference	38	256.79
38949PA0050003 Rating Area 6	No Preference	39	260.09
38949PA0050003 Rating Area 6	No Preference	40	263.38
38949PA0050003 Rating Area 6	No Preference	41	268.33
38949PA0050003 Rating Area 6	No Preference	42	273.07
38949PA0050003 Rating Area 6	No Preference	43	279.66
38949PA0050003 Rating Area 6	No Preference	44	287.91
38949PA0050003 Rating Area 6	No Preference	45	297.59
38949PA0050003 Rating Area 6	No Preference	46	309.14
38949PA0050003 Rating Area 6	No Preference	47	322.12
38949PA0050003 Rating Area 6	No Preference	48	336.96
38949PA0050003 Rating Area 6	No Preference	49	351.59
38949PA0050003 Rating Area 6	No Preference	50	368.08
38949PA0050003 Rating Area 6	No Preference	51	384.36
38949PA0050003 Rating Area 6	No Preference	52	402.29
38949PA0050003 Rating Area 6	No Preference	53	420.42
38949PA0050003 Rating Area 6	No Preference	54	440.00
38949PA0050003 Rating Area 6	No Preference	55	459.58
38949PA0050003 Rating Area 6	No Preference	56	480.81
38949PA0050003 Rating Area 6	No Preference	57	502.24
38949PA0050003 Rating Area 6	No Preference	58	525.12
38949PA0050003 Rating Area 6	No Preference	59	536.45
38949PA0050003 Rating Area 6	No Preference	60	559.33
38949PA0050003 Rating Area 6	No Preference	61	579.11
38949PA0050003 Rating Area 6	No Preference	62	592.10
38949PA0050003 Rating Area 6	No Preference	63	608.38
38949PA0050003 Rating Area 6	No Preference	64 and over	618.27

2020 Rates Table Template v9.0	*All fields with an asterisk (*) are required. To validate press Validate button or Ctrl + Shift + I. To finalize, press Finalize button or Ctrl + Shift + F.*			
	If you are in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.			
	If you are not in a community rating state, select Age-Based Rates under Rating Method and provide an Individual Rate for every age band.			
	If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.			
	To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.			
HIOS Issuer ID*	38949			
Federal TIN*	25-1522457			
Rate Effective Date*	07/01/2020			
Rate Expiration Date*	09/30/2020			
Rating Method*	Age-Based Rates			

Plan ID*	**Rating Area ID***	**Tobacco***	**Age***	**Individual Rate***
Required: Enter the 14-character Plan ID	**Required:** Select the Rating Area ID	**Required:** Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan	**Required:** Select the age of a subscriber eligible for the rate	**Required:** Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan
38949PA0050003	Rating Area 1	No Preference	0-14	150.08
38949PA0050003	Rating Area 1	No Preference	15	163.42
38949PA0050003	Rating Area 1	No Preference	16	168.52
38949PA0050003	Rating Area 1	No Preference	17	173.62
38949PA0050003	Rating Area 1	No Preference	18	179.11
38949PA0050003	Rating Area 1	No Preference	19	184.61
38949PA0050003	Rating Area 1	No Preference	20	190.29
38949PA0050003	Rating Area 1	No Preference	21	196.18
38949PA0050003	Rating Area 1	No Preference	22	196.18
38949PA0050003	Rating Area 1	No Preference	23	196.18
38949PA0050003	Rating Area 1	No Preference	24	196.18
38949PA0050003	Rating Area 1	No Preference	25	196.96
38949PA0050003	Rating Area 1	No Preference	26	200.89
38949PA0050003	Rating Area 1	No Preference	27	205.60
38949PA0050003	Rating Area 1	No Preference	28	213.25
38949PA0050003	Rating Area 1	No Preference	29	219.53
38949PA0050003	Rating Area 1	No Preference	30	222.66
38949PA0050003	Rating Area 1	No Preference	31	227.37
38949PA0050003	Rating Area 1	No Preference	32	232.08
38949PA0050003	Rating Area 1	No Preference	33	235.02
38949PA0050003	Rating Area 1	No Preference	34	238.16
38949PA0050003	Rating Area 1	No Preference	35	239.73
38949PA0050003	Rating Area 1	No Preference	36	241.30
38949PA0050003	Rating Area 1	No Preference	37	242.87
38949PA0050003	Rating Area 1	No Preference	38	244.44
38949PA0050003	Rating Area 1	No Preference	39	247.58
38949PA0050003	Rating Area 1	No Preference	40	250.72
38949PA0050003	Rating Area 1	No Preference	41	255.43
38949PA0050003	Rating Area 1	No Preference	42	259.94
38949PA0050003	Rating Area 1	No Preference	43	266.22
38949PA0050003	Rating Area 1	No Preference	44	274.06
38949PA0050003	Rating Area 1	No Preference	45	283.28
38949PA0050003	Rating Area 1	No Preference	46	294.27
38949PA0050003	Rating Area 1	No Preference	47	306.63
38949PA0050003	Rating Area 1	No Preference	48	320.75
38949PA0050003	Rating Area 1	No Preference	49	334.68
38949PA0050003	Rating Area 1	No Preference	50	350.38
38949PA0050003	Rating Area 1	No Preference	51	365.88
38949PA0050003	Rating Area 1	No Preference	52	382.94
38949PA0050003	Rating Area 1	No Preference	53	400.21
38949PA0050003	Rating Area 1	No Preference	54	418.84
38949PA0050003	Rating Area 1	No Preference	55	437.48
38949PA0050003	Rating Area 1	No Preference	56	457.69
38949PA0050003	Rating Area 1	No Preference	57	478.09
38949PA0050003	Rating Area 1	No Preference	58	499.87
38949PA0050003	Rating Area 1	No Preference	59	510.66
38949PA0050003	Rating Area 1	No Preference	60	532.43
38949PA0050003	Rating Area 1	No Preference	61	551.27
38949PA0050003	Rating Area 1	No Preference	62	563.63
38949PA0050003	Rating Area 1	No Preference	63	579.12
38949PA0050003	Rating Area 1	No Preference	64 and over	588.54
38949PA0050003	Rating Area 2	No Preference	0-14	150.08
38949PA0050003	Rating Area 2	No Preference	15	163.42
38949PA0050003	Rating Area 2	No Preference	16	168.52
38949PA0050003	Rating Area 2	No Preference	17	173.62
38949PA0050003	Rating Area 2	No Preference	18	179.11
38949PA0050003	Rating Area 2	No Preference	19	184.61
38949PA0050003	Rating Area 2	No Preference	20	190.29
38949PA0050003	Rating Area 2	No Preference	21	196.18
38949PA0050003	Rating Area 2	No Preference	22	196.18
38949PA0050003	Rating Area 2	No Preference	23	196.18
38949PA0050003	Rating Area 2	No Preference	24	196.18
38949PA0050003	Rating Area 2	No Preference	25	196.96
38949PA0050003	Rating Area 2	No Preference	26	200.89
38949PA0050003	Rating Area 2	No Preference	27	205.60
38949PA0050003	Rating Area 2	No Preference	28	213.25
38949PA0050003	Rating Area 2	No Preference	29	219.53
38949PA0050003	Rating Area 2	No Preference	30	222.66
38949PA0050003	Rating Area 2	No Preference	31	227.37
38949PA0050003	Rating Area 2	No Preference	32	232.08
38949PA0050003	Rating Area 2	No Preference	33	235.02
38949PA0050003	Rating Area 2	No Preference	34	238.16
38949PA0050003	Rating Area 2	No Preference	35	239.73
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38949PA0050003	Rating Area 2	No Preference	37	242.87
38949PA0050003	Rating Area 2	No Preference	38	244.44
38949PA0050003	Rating Area 2	No Preference	39	247.58
38949PA0050003	Rating Area 2	No Preference	40	250.72
38949PA0050003	Rating Area 2	No Preference	41	255.43
38949PA0050003	Rating Area 2	No Preference	42	259.94
38949PA0050003	Rating Area 2	No Preference	43	266.22
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38949PA0050003	Rating Area 2	No Preference	45	283.28
38949PA0050003	Rating Area 2	No Preference	46	294.27
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38949PA0050003	Rating Area 2	No Preference	48	320.75
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38949PA0050003	Rating Area 2	No Preference	57	478.09
38949PA0050003	Rating Area 2	No Preference	58	499.87
38949PA0050003	Rating Area 2	No Preference	59	510.66
38949PA0050003	Rating Area 2	No Preference	60	532.43
38949PA0050003	Rating Area 2	No Preference	61	551.27

38949PA0050003	Rating Area 2	No Preference	62	563.63
38949PA0050003	Rating Area 2	No Preference	63	579.12
38949PA0050003	Rating Area 2	No Preference	64 and over	588.54
38949PA0050003	Rating Area 4	No Preference	0-14	150.08
38949PA0050003	Rating Area 4	No Preference	15	163.42
38949PA0050003	Rating Area 4	No Preference	16	168.52
38949PA0050003	Rating Area 4	No Preference	17	173.62
38949PA0050003	Rating Area 4	No Preference	18	179.11
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38949PA0050003	Rating Area 4	No Preference	27	205.60
38949PA0050003	Rating Area 4	No Preference	28	213.25
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38949PA0050003	Rating Area 4	No Preference	37	242.87
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38949PA0050003	Rating Area 4	No Preference	39	247.58
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38949PA0050003	Rating Area 4	No Preference	43	266.22
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38949PA0050003	Rating Area 4	No Preference	45	283.28
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38949PA0050003	Rating Area 4	No Preference	63	579.12
38949PA0050003	Rating Area 4	No Preference	64 and over	588.54
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38949PA0050003	Rating Area 5	No Preference	15	163.42
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38949PA0050003	Rating Area 5	No Preference	23	196.18
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38949PA0050003	Rating Area 5	No Preference	28	213.25
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38949PA0050003	Rating Area 5	No Preference	33	235.02
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38949PA0050003	Rating Area 5	No Preference	35	239.73
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38949PA0050003	Rating Area 5	No Preference	53	400.21
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38949PA0050003	Rating Area 6	No Preference	17	186.15
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38949PA0050003	Rating Area 6	No Preference	19	197.93
38949PA0050003	Rating Area 6	No Preference	20	204.03
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38949PA0050003	Rating Area 6	No Preference	22	210.34
38949PA0050003	Rating Area 6	No Preference	23	210.34
38949PA0050003	Rating Area 6	No Preference	24	210.34
38949PA0050003	Rating Area 6	No Preference	25	211.18
38949PA0050003	Rating Area 6	No Preference	26	215.39
38949PA0050003	Rating Area 6	No Preference	27	220.44

38949PA0050003 Rating Area 6	No Preference	28	228.64
38949PA0050003 Rating Area 6	No Preference	29	235.37
38949PA0050003 Rating Area 6	No Preference	30	238.74
38949PA0050003 Rating Area 6	No Preference	31	243.78
38949PA0050003 Rating Area 6	No Preference	32	248.83
38949PA0050003 Rating Area 6	No Preference	33	251.99
38949PA0050003 Rating Area 6	No Preference	34	255.35
38949PA0050003 Rating Area 6	No Preference	35	257.04
38949PA0050003 Rating Area 6	No Preference	36	258.72
38949PA0050003 Rating Area 6	No Preference	37	260.40
38949PA0050003 Rating Area 6	No Preference	38	262.08
38949PA0050003 Rating Area 6	No Preference	39	265.45
38949PA0050003 Rating Area 6	No Preference	40	268.81
38949PA0050003 Rating Area 6	No Preference	41	273.86
38949PA0050003 Rating Area 6	No Preference	42	278.70
38949PA0050003 Rating Area 6	No Preference	43	285.43
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38949PA0050003 Rating Area 6	No Preference	46	315.51
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38949PA0050003 Rating Area 6	No Preference	49	358.84
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38949PA0050003 Rating Area 6	No Preference	51	392.28
38949PA0050003 Rating Area 6	No Preference	52	410.58
38949PA0050003 Rating Area 6	No Preference	53	429.09
38949PA0050003 Rating Area 6	No Preference	54	449.08
38949PA0050003 Rating Area 6	No Preference	55	469.06
38949PA0050003 Rating Area 6	No Preference	56	490.72
38949PA0050003 Rating Area 6	No Preference	57	512.60
38949PA0050003 Rating Area 6	No Preference	58	535.95
38949PA0050003 Rating Area 6	No Preference	59	547.52
38949PA0050003 Rating Area 6	No Preference	60	570.86
38949PA0050003 Rating Area 6	No Preference	61	591.06
38949PA0050003 Rating Area 6	No Preference	62	604.31
38949PA0050003 Rating Area 6	No Preference	63	620.92
38949PA0050003 Rating Area 6	No Preference	64 and over	631.02

2020 Rates Table Template v9.0	*All fields with an asterisk (*) are required. To validate press Validate button or Ctrl + Shift + I. To finalize, press Finalize button or Ctrl + Shift + F.*			
	If you are in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.			
	If you are not in a community rating state, select Age-Based Rates under Rating Method and provide an Individual Rate for every age band.			
	If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.			
	To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.			
HIOS Issuer ID*	38949			
Federal TIN*	25-1522457			
Rate Effective Date*	10/01/2020			
Rate Expiration Date*	12/31/2020			
Rating Method*	Age-Based Rates			

Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*
Required: Enter the 14-character Plan ID	**Required:** Select the Rating Area ID	**Required:** Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan	**Required:** Select the age of a subscriber eligible for the rate	**Required:** Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan
38949PA0050003	Rating Area 1	No Preference	0-14	153.17
38949PA0050003	Rating Area 1	No Preference	15	166.78
38949PA0050003	Rating Area 1	No Preference	16	171.99
38949PA0050003	Rating Area 1	No Preference	17	177.19
38949PA0050003	Rating Area 1	No Preference	18	182.80
38949PA0050003	Rating Area 1	No Preference	19	188.41
38949PA0050003	Rating Area 1	No Preference	20	194.21
38949PA0050003	Rating Area 1	No Preference	21	200.22
38949PA0050003	Rating Area 1	No Preference	22	200.22
38949PA0050003	Rating Area 1	No Preference	23	200.22
38949PA0050003	Rating Area 1	No Preference	24	200.22
38949PA0050003	Rating Area 1	No Preference	25	201.02
38949PA0050003	Rating Area 1	No Preference	26	205.03
38949PA0050003	Rating Area 1	No Preference	27	209.83
38949PA0050003	Rating Area 1	No Preference	28	217.64
38949PA0050003	Rating Area 1	No Preference	29	224.05
38949PA0050003	Rating Area 1	No Preference	30	227.25
38949PA0050003	Rating Area 1	No Preference	31	232.05
38949PA0050003	Rating Area 1	No Preference	32	236.86
38949PA0050003	Rating Area 1	No Preference	33	239.86
38949PA0050003	Rating Area 1	No Preference	34	243.07
38949PA0050003	Rating Area 1	No Preference	35	244.67
38949PA0050003	Rating Area 1	No Preference	36	246.27
38949PA0050003	Rating Area 1	No Preference	37	247.87
38949PA0050003	Rating Area 1	No Preference	38	249.47
38949PA0050003	Rating Area 1	No Preference	39	252.68
38949PA0050003	Rating Area 1	No Preference	40	255.88
38949PA0050003	Rating Area 1	No Preference	41	260.69
38949PA0050003	Rating Area 1	No Preference	42	265.29
38949PA0050003	Rating Area 1	No Preference	43	271.70
38949PA0050003	Rating Area 1	No Preference	44	279.71
38949PA0050003	Rating Area 1	No Preference	45	289.12
38949PA0050003	Rating Area 1	No Preference	46	300.33
38949PA0050003	Rating Area 1	No Preference	47	312.94
38949PA0050003	Rating Area 1	No Preference	48	327.36
38949PA0050003	Rating Area 1	No Preference	49	341.58
38949PA0050003	Rating Area 1	No Preference	50	357.59
38949PA0050003	Rating Area 1	No Preference	51	373.41
38949PA0050003	Rating Area 1	No Preference	52	390.83
38949PA0050003	Rating Area 1	No Preference	53	408.45
38949PA0050003	Rating Area 1	No Preference	54	427.47
38949PA0050003	Rating Area 1	No Preference	55	446.49
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38949PA0050003	Rating Area 1	No Preference	57	487.94
38949PA0050003	Rating Area 1	No Preference	58	510.16
38949PA0050003	Rating Area 1	No Preference	59	521.17
38949PA0050003	Rating Area 1	No Preference	60	543.40
38949PA0050003	Rating Area 1	No Preference	61	562.62
38949PA0050003	Rating Area 1	No Preference	62	575.23
38949PA0050003	Rating Area 1	No Preference	63	591.05
38949PA0050003	Rating Area 1	No Preference	64 and over	600.66
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38949PA0050003	Rating Area 2	No Preference	15	166.78
38949PA0050003	Rating Area 2	No Preference	16	171.99
38949PA0050003	Rating Area 2	No Preference	17	177.19
38949PA0050003	Rating Area 2	No Preference	18	182.80
38949PA0050003	Rating Area 2	No Preference	19	188.41
38949PA0050003	Rating Area 2	No Preference	20	194.21
38949PA0050003	Rating Area 2	No Preference	21	200.22
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38949PA0050003	Rating Area 2	No Preference	25	201.02
38949PA0050003	Rating Area 2	No Preference	26	205.03
38949PA0050003	Rating Area 2	No Preference	27	209.83
38949PA0050003	Rating Area 2	No Preference	28	217.64
38949PA0050003	Rating Area 2	No Preference	29	224.05
38949PA0050003	Rating Area 2	No Preference	30	227.25
38949PA0050003	Rating Area 2	No Preference	31	232.05
38949PA0050003	Rating Area 2	No Preference	32	236.86
38949PA0050003	Rating Area 2	No Preference	33	239.86
38949PA0050003	Rating Area 2	No Preference	34	243.07
38949PA0050003	Rating Area 2	No Preference	35	244.67
38949PA0050003	Rating Area 2	No Preference	36	246.27
38949PA0050003	Rating Area 2	No Preference	37	247.87
38949PA0050003	Rating Area 2	No Preference	38	249.47
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38949PA0050003	Rating Area 2	No Preference	45	289.12
38949PA0050003	Rating Area 2	No Preference	46	300.33
38949PA0050003	Rating Area 2	No Preference	47	312.94
38949PA0050003	Rating Area 2	No Preference	48	327.36
38949PA0050003	Rating Area 2	No Preference	49	341.58
38949PA0050003	Rating Area 2	No Preference	50	357.59
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38949PA0050003	Rating Area 2	No Preference	53	408.45
38949PA0050003	Rating Area 2	No Preference	54	427.47
38949PA0050003	Rating Area 2	No Preference	55	446.49
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38949PA0050003	Rating Area 2	No Preference	58	510.16
38949PA0050003	Rating Area 2	No Preference	59	521.17
38949PA0050003	Rating Area 2	No Preference	60	543.40
38949PA0050003	Rating Area 2	No Preference	61	562.62

38949PA0050003	Rating Area 2	No Preference	62	575.23
38949PA0050003	Rating Area 2	No Preference	63	591.05
38949PA0050003	Rating Area 2	No Preference	64 and over	600.66
38949PA0050003	Rating Area 4	No Preference	0-14	153.17
38949PA0050003	Rating Area 4	No Preference	15	166.78
38949PA0050003	Rating Area 4	No Preference	16	171.99
38949PA0050003	Rating Area 4	No Preference	17	177.19
38949PA0050003	Rating Area 4	No Preference	18	182.80
38949PA0050003	Rating Area 4	No Preference	19	188.41
38949PA0050003	Rating Area 4	No Preference	20	194.21
38949PA0050003	Rating Area 4	No Preference	21	200.22
38949PA0050003	Rating Area 4	No Preference	22	200.22
38949PA0050003	Rating Area 4	No Preference	23	200.22
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38949PA0050003	Rating Area 4	No Preference	29	224.05
38949PA0050003	Rating Area 4	No Preference	30	227.25
38949PA0050003	Rating Area 4	No Preference	31	232.05
38949PA0050003	Rating Area 4	No Preference	32	236.86
38949PA0050003	Rating Area 4	No Preference	33	239.86
38949PA0050003	Rating Area 4	No Preference	34	243.07
38949PA0050003	Rating Area 4	No Preference	35	244.67
38949PA0050003	Rating Area 4	No Preference	36	246.27
38949PA0050003	Rating Area 4	No Preference	37	247.87
38949PA0050003	Rating Area 4	No Preference	38	249.47
38949PA0050003	Rating Area 4	No Preference	39	252.68
38949PA0050003	Rating Area 4	No Preference	40	255.88
38949PA0050003	Rating Area 4	No Preference	41	260.69
38949PA0050003	Rating Area 4	No Preference	42	265.29
38949PA0050003	Rating Area 4	No Preference	43	271.70
38949PA0050003	Rating Area 4	No Preference	44	279.71
38949PA0050003	Rating Area 4	No Preference	45	289.12
38949PA0050003	Rating Area 4	No Preference	46	300.33
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38949PA0050003	Rating Area 4	No Preference	49	341.58
38949PA0050003	Rating Area 4	No Preference	50	357.59
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38949PA0050003	Rating Area 4	No Preference	60	543.40
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38949PA0050003	Rating Area 4	No Preference	62	575.23
38949PA0050003	Rating Area 4	No Preference	63	591.05
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38949PA0050003	Rating Area 5	No Preference	30	227.25
38949PA0050003	Rating Area 5	No Preference	31	232.05
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38949PA0050003	Rating Area 5	No Preference	33	239.86
38949PA0050003	Rating Area 5	No Preference	34	243.07
38949PA0050003	Rating Area 5	No Preference	35	244.67
38949PA0050003	Rating Area 5	No Preference	36	246.27
38949PA0050003	Rating Area 5	No Preference	37	247.87
38949PA0050003	Rating Area 5	No Preference	38	249.47
38949PA0050003	Rating Area 5	No Preference	39	252.68
38949PA0050003	Rating Area 5	No Preference	40	255.88
38949PA0050003	Rating Area 5	No Preference	41	260.69
38949PA0050003	Rating Area 5	No Preference	42	265.29
38949PA0050003	Rating Area 5	No Preference	43	271.70
38949PA0050003	Rating Area 5	No Preference	44	279.71
38949PA0050003	Rating Area 5	No Preference	45	289.12
38949PA0050003	Rating Area 5	No Preference	46	300.33
38949PA0050003	Rating Area 5	No Preference	47	312.94
38949PA0050003	Rating Area 5	No Preference	48	327.36
38949PA0050003	Rating Area 5	No Preference	49	341.58
38949PA0050003	Rating Area 5	No Preference	50	357.59
38949PA0050003	Rating Area 5	No Preference	51	373.41
38949PA0050003	Rating Area 5	No Preference	52	390.83
38949PA0050003	Rating Area 5	No Preference	53	408.45
38949PA0050003	Rating Area 5	No Preference	54	427.47
38949PA0050003	Rating Area 5	No Preference	55	446.49
38949PA0050003	Rating Area 5	No Preference	56	467.11
38949PA0050003	Rating Area 5	No Preference	57	487.94
38949PA0050003	Rating Area 5	No Preference	58	510.16
38949PA0050003	Rating Area 5	No Preference	59	521.17
38949PA0050003	Rating Area 5	No Preference	60	543.40
38949PA0050003	Rating Area 5	No Preference	61	562.62
38949PA0050003	Rating Area 5	No Preference	62	575.23
38949PA0050003	Rating Area 5	No Preference	63	591.05
38949PA0050003	Rating Area 5	No Preference	64 and over	600.66
38949PA0050003	Rating Area 6	No Preference	0-14	164.22
38949PA0050003	Rating Area 6	No Preference	15	178.82
38949PA0050003	Rating Area 6	No Preference	16	184.40
38949PA0050003	Rating Area 6	No Preference	17	189.98
38949PA0050003	Rating Area 6	No Preference	18	195.99
38949PA0050003	Rating Area 6	No Preference	19	202.00
38949PA0050003	Rating Area 6	No Preference	20	208.23
38949PA0050003	Rating Area 6	No Preference	21	214.67
38949PA0050003	Rating Area 6	No Preference	22	214.67
38949PA0050003	Rating Area 6	No Preference	23	214.67
38949PA0050003	Rating Area 6	No Preference	24	214.67
38949PA0050003	Rating Area 6	No Preference	25	215.53
38949PA0050003	Rating Area 6	No Preference	26	219.82
38949PA0050003	Rating Area 6	No Preference	27	224.97

38949PA0050003 Rating Area 6	No Preference	28	233.35
38949PA0050003 Rating Area 6	No Preference	29	240.22
38949PA0050003 Rating Area 6	No Preference	30	243.65
38949PA0050003 Rating Area 6	No Preference	31	248.80
38949PA0050003 Rating Area 6	No Preference	32	253.95
38949PA0050003 Rating Area 6	No Preference	33	257.17
38949PA0050003 Rating Area 6	No Preference	34	260.61
38949PA0050003 Rating Area 6	No Preference	35	262.33
38949PA0050003 Rating Area 6	No Preference	36	264.04
38949PA0050003 Rating Area 6	No Preference	37	265.76
38949PA0050003 Rating Area 6	No Preference	38	267.48
38949PA0050003 Rating Area 6	No Preference	39	270.91
38949PA0050003 Rating Area 6	No Preference	40	274.35
38949PA0050003 Rating Area 6	No Preference	41	279.50
38949PA0050003 Rating Area 6	No Preference	42	284.44
38949PA0050003 Rating Area 6	No Preference	43	291.31
38949PA0050003 Rating Area 6	No Preference	44	299.89
38949PA0050003 Rating Area 6	No Preference	45	309.98
38949PA0050003 Rating Area 6	No Preference	46	322.01
38949PA0050003 Rating Area 6	No Preference	47	335.53
38949PA0050003 Rating Area 6	No Preference	48	350.99
38949PA0050003 Rating Area 6	No Preference	49	366.23
38949PA0050003 Rating Area 6	No Preference	50	383.40
38949PA0050003 Rating Area 6	No Preference	51	400.36
38949PA0050003 Rating Area 6	No Preference	52	419.04
38949PA0050003 Rating Area 6	No Preference	53	437.93
38949PA0050003 Rating Area 6	No Preference	54	458.32
38949PA0050003 Rating Area 6	No Preference	55	478.71
38949PA0050003 Rating Area 6	No Preference	56	500.83
38949PA0050003 Rating Area 6	No Preference	57	523.15
38949PA0050003 Rating Area 6	No Preference	58	546.98
38949PA0050003 Rating Area 6	No Preference	59	558.79
38949PA0050003 Rating Area 6	No Preference	60	582.61
38949PA0050003 Rating Area 6	No Preference	61	603.22
38949PA0050003 Rating Area 6	No Preference	62	616.75
38949PA0050003 Rating Area 6	No Preference	63	633.71
38949PA0050003 Rating Area 6	No Preference	64 and over	644.01

Highmark Choice Company (HCC)
2020 Small Group Rate Filing
Transitional Policy Data by Year from Tabl
Company: HCC

Year		Premium		Ultimate Incurred Claims	Member Months
2015	$	999,340	$	595,682	1,510
2016	$	704,091	$	319,684	615
2017	$	593,595	$	195,067	486
2018	$	83,783	$	63,562	120

Highmark Choice Company (HCC)
2020 Small Group Rate Filing
Trend Exhibit
Western, PA Region

Incurred Month	Members	Normalized Allowed PMPM	12 Month Moving Average PMPM	Annual Trend
Jan-15	90,813	$ 411.99		
Feb-15	89,978	$ 399.76		
Mar-15	89,507	$ 433.73		
Apr-15	88,300	$ 404.31		
May-15	87,960	$ 387.36		
Jun-15	87,830	$ 421.21		
Jul-15	85,824	$ 426.90		
Aug-15	85,407	$ 392.81		
Sep-15	85,147	$ 417.86		
Oct-15	83,911	$ 431.30		
Nov-15	83,546	$ 427.07		
Dec-15	77,826	$ 427.52	$ 414.92	
Jan-16	75,682	$ 408.84	$ 414.73	
Feb-16	75,234	$ 466.58	$ 419.95	
Mar-16	74,532	$ 460.59	$ 421.76	
Apr-16	73,355	$ 429.30	$ 423.91	
May-16	72,790	$ 433.64	$ 427.99	
Jun-16	72,316	$ 468.52	$ 431.72	
Jul-16	70,185	$ 409.80	$ 430.51	
Aug-16	69,795	$ 475.47	$ 437.46	
Sep-16	69,531	$ 450.81	$ 440.35	
Oct-16	68,653	$ 463.88	$ 443.04	
Nov-16	68,247	$ 460.98	$ 445.99	
Dec-16	62,627	$ 460.63	$ 448.75	8.2%
Jan-17	62,146	$ 482.97	$ 454.88	9.7%
Feb-17	61,740	$ 456.12	$ 453.91	8.1%
Mar-17	61,400	$ 521.56	$ 458.41	8.7%
Apr-17	60,798	$ 482.83	$ 462.93	9.2%
May-17	60,541	$ 514.38	$ 469.59	9.7%
Jun-17	60,434	$ 524.46	$ 473.96	9.8%
Jul-17	58,910	$ 500.21	$ 481.87	11.9%
Aug-17	58,636	$ 518.32	$ 485.30	10.9%
Sep-17	58,282	$ 503.42	$ 489.95	11.3%
Oct-17	57,797	$ 530.56	$ 495.61	11.9%
Nov-17	57,622	$ 504.19	$ 499.57	12.0%
Dec-17	48,909	$ 468.06	$ 500.84	11.6%
Jan-18	48,580	$ 648.59	$ 512.79	12.7%
Feb-18	48,480	$ 501.70	$ 517.14	13.9%
Mar-18	48,319	$ 565.82	$ 520.26	13.5%
Apr-18	48,161	$ 538.42	$ 525.07	13.4%
May-18	48,538	$ 548.88	$ 527.87	12.4%
Jun-18	48,485	$ 545.96	$ 529.59	11.7%
Jul-18	48,374	$ 536.95	$ 532.96	10.6%
Aug-18	48,363	$ 550.49	$ 535.75	10.4%
Sep-18	48,295	$ 496.97	$ 535.77	9.4%
Oct-18	48,346	$ 571.41	$ 539.20	8.8%
Nov-18	48,278	$ 550.94	$ 543.65	8.8%
Dec-18	47,004	$ 546.43	$ 550.26	9.9%
Jan-19	45,180	$ 615.56	$ 547.08	6.7%
Feb-19	45,180	$ 569.54	$ 552.70	6.9%
Mar-19	45,180	$ 589.63	$ 554.52	6.6%
Apr-19	45,180	$ 593.48	$ 558.99	6.5%
May-19	45,180	$ 600.21	$ 563.17	6.7%
Jun-19	45,180	$ 571.38	$ 565.33	6.7%
Jul-19	45,180	$ 615.12	$ 571.83	7.3%
Aug-19	45,180	$ 605.93	$ 576.48	7.6%
Sep-19	45,180	$ 586.70	$ 584.30	9.1%
Oct-19	45,180	$ 641.07	$ 590.13	9.4%
Nov-19	45,180	$ 609.42	$ 595.21	9.5%
Dec-19	45,180	$ 607.70	$ 600.48	9.1%
Jan-20	45,180	$ 652.72	$ 603.57	10.3%
Feb-20	45,180	$ 634.88	$ 609.02	10.2%
Mar-20	45,180	$ 672.32	$ 615.91	11.1%
Apr-20	45,180	$ 648.90	$ 620.53	11.0%
May-20	45,180	$ 620.50	$ 622.22	10.5%
Jun-20	45,180	$ 671.94	$ 630.60	11.5%
Jul-20	45,180	$ 658.80	$ 634.24	10.9%
Aug-20	45,180	$ 635.94	$ 636.74	10.5%
Sep-20	45,180	$ 650.66	$ 642.07	9.9%
Oct-20	45,180	$ 668.21	$ 644.33	9.2%
Nov-20	45,180	$ 657.68	$ 648.35	8.9%
Dec-20	45,180	$ 674.56	$ 653.93	8.9%

Proposed Annual Trend (Cost & Utilization) **8.5%**

Highmark Choice Company (HCC)
2020 Small Group Rate Filing
Derivation of Change in Morbidity, Demographics, Benefits, and Average Network Factor

Change in Morbidity Calculation	Reference	Formula	Calculation
2018 Allowed Claims for those Members Expected to be Effective in 2020 [(Western region)]	(1)		$377.98
Calendar year 2018 allowed claims PMPM [(Western region)]	(2)		$441.98
Change in Morbidity	**(3)**	**=(1)/(2)**	**0.855**

Change in Demographics Calculation	Reference	Formula	Calculation
2020 Age Factor for Members Expected to be Effective in 2020	(1)		1.546
2020 Area Factor for Members Expected to be Effective in 2020	(2)		0.970
Calendar Year 2018 Age Factor [Western Region]	(3)		1.526
Calendar Year 2018 Area Factor [Western Region]	(4)		0.970
Change in Demographics	**(5)**	**=[(1)*(2)]/[(3)*(4)]**	**1.014**

Change in Benefits Calculation	
Total Adjusted Projected Allowed EHB Claims PMPM (Before Change in Benefits)	$ 417.63
EHB - Pediatric Benefits	$ 0.62
Change in Pharmacy Rebates	$ (13.30)
Total Adjusted Projected Allowed EHB Claims PMPM (After Change in Benefits)	$ 404.95
Trended Capitation	$ 0.16
Change in Benefits	**0.969**

Average Network Factor Calculation	Formula			Calculation	Normalized
	= Sumproduct [(3),(4),(5)] / Sumproduct[(3), (4)]			**1.000**	Provider
Plan ID (1)	Metal Level (2)	Metal Level Benefit Richness (3)	% of Projected Membership (4)	Network Factor (5)	Network Factor
38949PA0050003	Bronze	1.00	100.00%	1.00	1.000

Highmark Choice Company (HCC)
2020 Small Group Rate Filing
Paid-to-Allowed Ratio in the Projection Period

Sum of Projected Claims by Plan	$ 9,719	$ 6,387
Calculated Paid to Allowed Ratio		65.7%
Exhibit I Value		65.7%

Plan ID	Metal Level	Projected Members	Projected Allowed Claims URRT Wkst II	Projected Paid Claims URRT Wkst II
38949PA0050003	Bronze	2	$ 9,719	$ 6,387

Highmark Choice Company (HCC)
2020 Small Group Filing
Induced Utilization Exhibit

Plan ID (1)	Metal Level (2)	Projected Membership (3)	Projected Allowed Claims (4)	Projected Paid Claims (5)	Paid-To-Allowed Factor (6)	AV & Cost Sharing Factor (7)	(7)/(6) (8)
38949PA0050003	Bronze	2	$ 9,719	$ 6,387	0.6571	0.6571	1.0000
						Average	**1.0000**

Highmark Choice Company (HCC)
2020 Small Group Filing
Derivation of the Age, Geographic, and Tobacco Calibration Factors

Age Factor

Type	Average Age Factor	% of Members	Allowed Claims
Current ACA Book - EOY 2017	1.546	83.69%	$546.41
Movement to ACA Book (from Transitional and New Business)	1.548	16.31%	$566.08
Overall	**1.546**	**100.00%**	

Child Capping Adjustment	**1.005**
Average Age Factor	**1.539**
Geographic Factor	**0.970**
Tobacco Surcharge (Not Applicable)	**1.000**

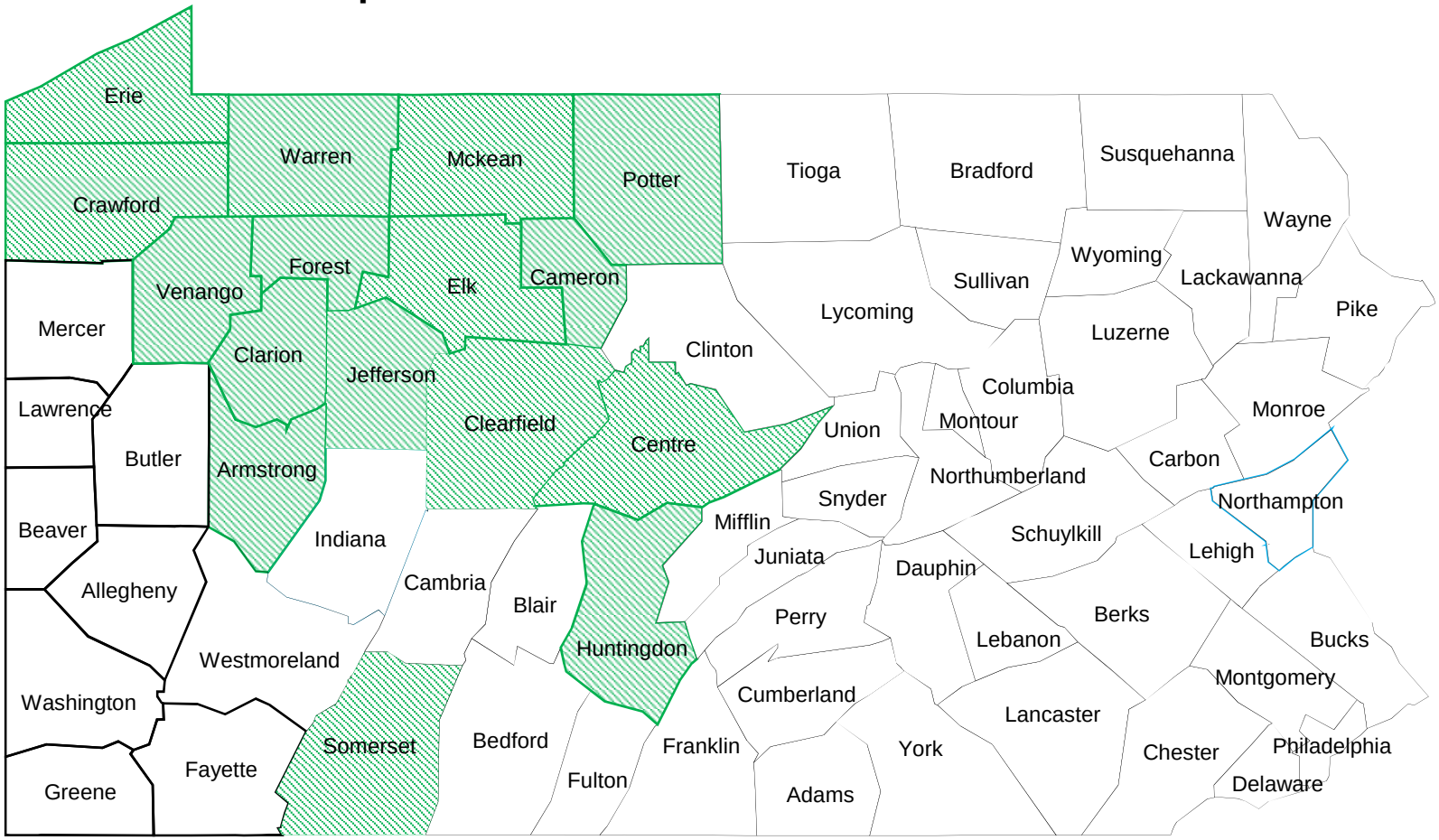
Area Factors

State	County Code	County	Rating Area	Area Factor	% of Western PA Membership
PA	003	Allegheny	R-PA004	0.97	30%
PA	005	Armstrong	R-PA004	0.97	1%
PA	007	Beaver	R-PA004	0.97	2%
PA	009	Bedford	R-PA005	0.97	1%
PA	013	Blair	R-PA005	0.97	3%
PA	019	Butler	R-PA004	0.97	4%
PA	021	Cambria	R-PA005	0.97	3%
PA	023	Cameron	R-PA002	0.97	0%
PA	027	Centre	R-PA006	1.04	0%
PA	031	Clarion	R-PA001	0.97	1%
PA	033	Clearfield	R-PA005	0.97	2%
PA	039	Crawford	R-PA001	0.97	4%
PA	047	Elk	R-PA002	0.97	2%
PA	049	Erie	R-PA001	0.97	11%
PA	051	Fayette	R-PA004	0.97	2%
PA	053	Forest	R-PA001	0.97	0%
PA	059	Greene	R-PA004	0.97	2%
PA	061	Huntingdon	R-PA005	0.97	1%
PA	063	Indiana	R-PA004	0.97	2%
PA	065	Jefferson	R-PA005	0.97	1%
PA	073	Lawrence	R-PA004	0.97	3%
PA	083	McKean	R-PA001	0.97	1%
PA	085	Mercer	R-PA001	0.97	4%
PA	099	Perry	R-PA009	1.02	0%
PA	105	Potter	R-PA002	0.97	0%
PA	111	Somerset	R-PA005	0.97	1%
PA	121	Venango	R-PA001	0.97	2%
PA	123	Warren	R-PA001	0.97	2%
PA	125	Washington	R-PA004	0.97	7%
PA	129	Westmoreland	R-PA004	0.97	8%

2019 Service Area

Issuer: Highmark Choice Company

Market: Small Group



Key *(modify as needed)*

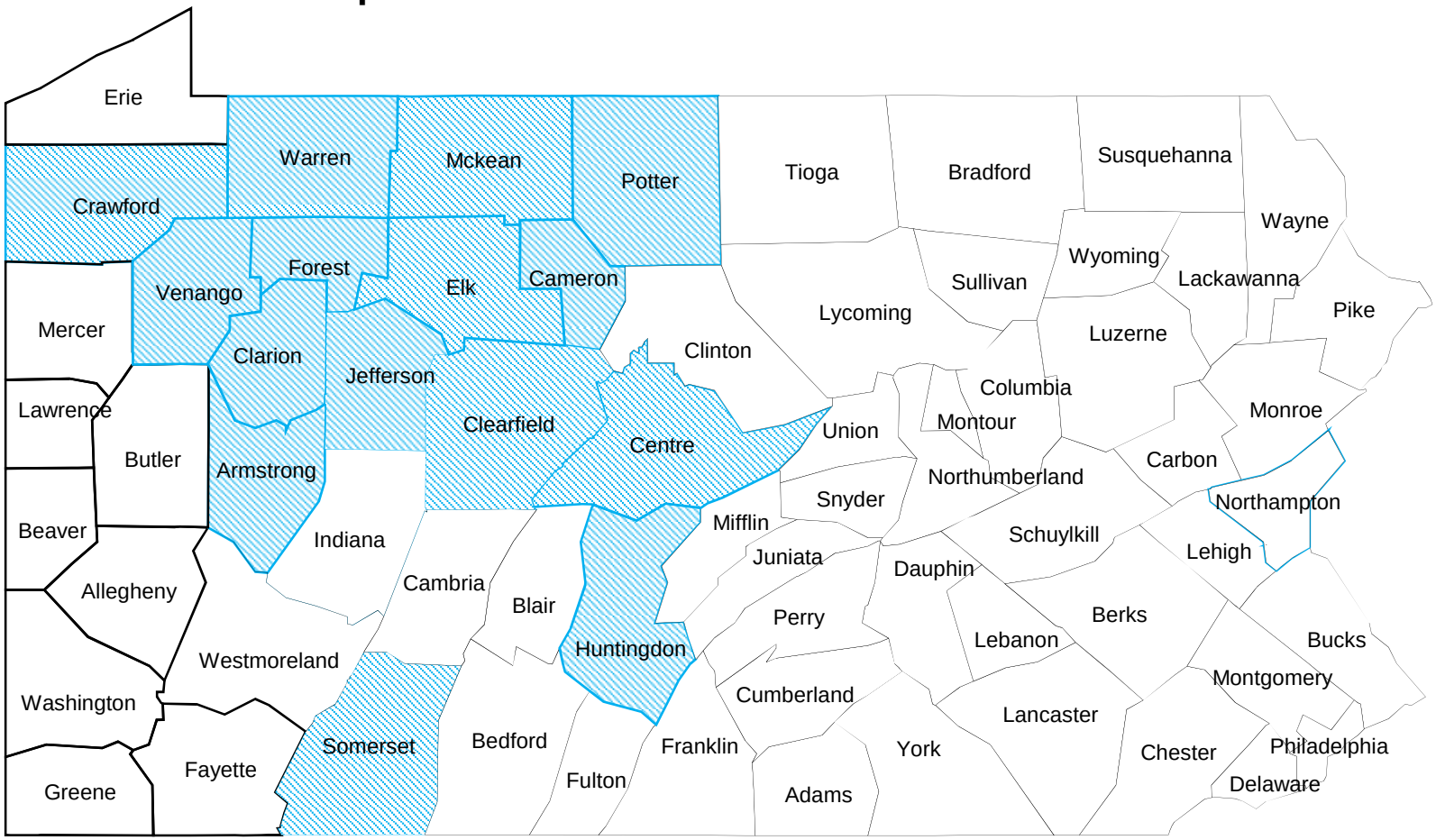
: 2019 on-exchange service area

: 2019 off-exchange only service area

2020 Service Area

Issuer: Highmark Choice Company

Market: Small Group



Key *(modify as needed)*

: 2020 on-exchange service area

: 2020 off-exchange only service area

Highmark Choice Company's Response to Objection Letter Dated 06/18/2019

Product Name: **HCC Small Group 2020 ACA Rate Filing**

RE: HCC – 2020 Small Group ACA Compliant Plans (1A-SG-HCC-2019);
Pennsylvania Insurance Department ID #: HGHM-131937197
Objection Letter Status: Data Request Sent
Objection Letter Date: 06/18/2019
Respond By Date: 06/25/2019
Response Date: 06/24/2019

Below please find our responses to the Highmark Choice Company (HCC, "Company") Small Group 2020 ACA Rate Filing Objection Letter dated 06/18/2019. For convenience, the questions have been reproduced below, with our responses immediately following each question.

1. The updated URR instructions require the quantitative impact of rate increase drivers. Please provide the estimated impact of the drivers discussed on page 2 of the Part III memorandum

Response:

Please see the worksheet named "Question #1" in the exhibits file "PID Response HCC 2019-06-24.xlsx" submitted with this response. As this exhibit demonstrates, the 4.9% rate increase referenced in the URR Part III memorandum is composed of the following drivers:

- 8.5% is due to the increase in claim levels from the base experience period
- 1.9% is due to an increase in morbidity
- 1.2% is due to a change in the pricing of benefits and benefit richness

These increases are being offset by the following to produce the net 4.9% average increase:

- (-2.3%) from an increase in the impact of pharmaceutical rebates
- (-0.9%) from changes in our claims trend
- (-0.2%) from a decrease in administrative costs, taxes and fees
- (-2.9%) from changes in the risk adjustment transfer

2. The updated URR instructions require an explanation of how morbidity was removed from impacting the variations in rate increases. Please provide this explanation.

Response:

When developing the AV and Cost Sharing Design for each plan design, we did not include adjustments that take into account the morbidity of the population expected to enroll in the plan. Additionally, the geographic rating factors used for pricing do not include differences in population morbidity by geographic area. Therefore, the variations in plan increases are not impacted by morbidity.

3. What is the run-out and current date for the URRT and the PA template, February 1st or February 28th?

Response:

As requested by the PID, the run-out date for all data used in the development of these templates is February 28th, 2019.

4. Please confirm the experience premiums on WS1 of the URRT do not reflect MLR rebates.

Response:

Confirmed - The WS1 premium excludes MLR rebates.

5. Please explain why the Plan Design Changes on the URRT (.953) and PA Rate Template (.973) do not match.

Response:

The Plan Design Changes on the URRT (.953) include the impact of induced utilization while the PA Rate Template (.973) does not include the impact of induced utilization.

Please see the exhibit tab named "Question #5" in the submitted response file "PID Response HCC 2019-06-24.xlsx" showing the quantitative development of the Plan Design Changes for both the URRT and PA Rate template.

6. Please provide significant quantitative support for the 0.784 Other factor included on the URRT, breaking out all adjustments separately.

Response:

The Other factor used in URRT Worksheet 1 is used to adjust HCC's projected experience to the manual rate of Western Pennsylvania's block of business. The experience period Allowed EHB Claims PMPM without capitations is trended with cost and utilization to determine HCC's projection period allowed claims PMPM. This value is then adjusted based on our assumptions for morbidity, demographic shift, and plan design. The resulting Allowed EHB Claims PMPM is then compared to the manual projected 2020 Allowed EHB Claims PMPM to determine the URRT Other factor adjustment. Because this Company is assigned 0% credibility, this factor is for illustrative purposes; the projected index rate used for the subsequent development is based solely on the manual regional block of business. Please see the exhibit tab named "Question #6" in the submitted response file "PID Response HCC 2019-06-24.xlsx" for a demonstration of this calculation.

7. If adjustments are made for large claim pooling, was the federal risk adjustment program considered?

Response:

The Company did not adjust the claims in its base experience period for the pooling of large claims.

8. In the Change in Morbidity Calculation, please show how the 2018 Allowed Claims for those Members Expected to be Effective in 2020 [(Western)] region was determined.

Response:

For HCC, historical ACA experience is not credible. As discussed in the actuarial memorandum, the allowed claims basis for this Company was developed from historical Western region experience, adjusted for the anticipated claims experience for the Company, given its anticipated network design and product features. Please see the exhibit tab named "Question #8" in the submitted response file "PID Response HCC 2018-06-24.xlsx" showing the quantitative development of the $377.98 value for "2018 Allowed Claims for those Members Expected to be Effective in 2020 [(Western region)]".

9. Page 6 of the part III memorandum indicates there is a decrease in the average age from the experience period to the projection period, however, that seems counter to the Table 5 support showing an increase in the average age factor which is contributing to a 1.4% demographic change.

Response:

The demographic change factor is correct. There is a typo in the Part III memorandum, which should have stated that we are assuming a slight increase in the average age. Please let us know if you would like us to resubmit the Part III memorandum with the corrected wording.

10. Please explain the trends and induced utilization used to adjust the base manual data (source of trends and reasoning for their selection).

Response:

The trends used to adjust the base manual data are derived from the manual data. The induced utilization is derived as the difference between the manual induced utilization factor and the HCC specific expected induced utilization factor, since HCC has a plan portfolio that differs from the plan portfolio of the manual data.

11. Please explain why you believe that it is important to have the same trend for all service categories (i.e. Inpatient Hospital, Outpatient Hospital, Professional, Other Medical, and Prescription Drugs) when other carriers provide trends by service category.

Response:

Our trend development modeling utilizes a regression trend model that is intended to smooth out statistical noise in the historical claim levels. In addition to the regression analysis, the Company's development of trend involves a comprehensive assessment of many factors that impact historical and projected claims levels. These adjustments include changes for in-network provider contracting levels, changes for out-of-network costs, changes in utilization from medical management programs, and changes in drug costs from impacts such as generic drug development and new drug treatments. In

addition, the trend estimates normalize for benefit leveraging, population aging, changes in fee schedules, and external trend drivers.

The projection of claim costs into the rating period utilizes the same categories of adjustment factors, adjusts for seasonality, and uses a statistical regression of historical trend levels to project monthly claim levels. This normalized and adjusted claim progression is then used to provide the basis for our trend regression model, which will be used to establish the Company's rating trend.

Given the historical shifts that have occurred among medical and drug service categories, and that continue to occur, we believe it is more appropriate to provide an assessment of trend at a combined level. This allows us to focus on the overall level of trend impacting our markets, and minimize the effect of market dynamics that shift service utilization between categories. By keeping the trend analysis at this macro level, it minimizes the aggregated actuarial judgment that would need to be applied at each service category level, which may unduly increase our projected trend levels.

12. Please explain why you overrode the PA trend in Table 5A.

Response:

To determine the Two year trend projection Factor on Table 5, the impact of induced demand is included as a trend component in Table 3. By applying this trend factor and the Single Risk Pool Adjustment Factors, we develop the correct projected index rate. When we trend this index rate to the 2nd, 3rd, and 4th quarters in Table 5A to develop the Total Single Risk Pool index rate for all groups renewing in 2020, the impact of induced demand is excluded so that the quarterly trend represents cost and utilization only. By incorporating this methodology, we arrive at the same Market Adjusted Index Rate between the URRT and the PA Table 5 exhibit. To make this comparison, please note the rounding conventions within the URRT, and that the Market Adjusted Index Rate in Table 5 needs to be adjusted by the Total Single Risk Pool Quarterly Trend Factor from Table 5A.

13. Please confirm that, the “Capitation” category represents the monthly charge paid to Vision benefit provider for covering pediatric vision benefits for the manual rate same as for the HCC block.

Response:

Confirmed. The vision benefit capitation for the base data used for the manual rate and the HCC specific block are the same.

14. Please explain why the weighted average pricing actuarial value in Table 10 K15 of 0.838 is not closer to the paid to allowed of 0.745 in Table 5.

Response:

The PID Table 10 uses current membership as of 2/1/2019 to calculate projected AV. Thus, the weighted average AV of 0.838 is dependent on the plans having enrollment as of 2/1/2019

Conversely, the projected paid-to-allowed ratio in Table 5 is calculated by taking the weighted average of projected paid claim PMPMs over projected allowed PMPMs for all plans offered in 2020. Please see the exhibit tab named "Question #14" in the submitted response file "PID Response HCC 2018-06-24.xlsx" showing the development of the projected AV of 0.745.

15. Table 5 Risk Adjustment in the 2020 Supplemental Exhibits – HCC show the development of the 2019 Risk Adjustment and not 2020. Please update.

Response:

Response redacted.

16. Please explain the 8% trend included in the risk adjustment development and why it is different than the claims trend of 8.5%.

Response:

The Company's claims trend projection reflects the average annualized increase in claim level we anticipate for the business covered by the Company in the projected experience period. The premium trend assumption in the risk adjustment development represents the average premium increase across the entire state marketplace. This is an estimate of annual premium increases expected in the market in 2019 and 2020. Given that this assumption reflects future unknown levels of rate increases in the state marketplace, we believe that the 8% premium increase assumption is reasonable and in line with past market-level increases.

17. Please describe any adjustments or considerations made due to the Risk Adjustment Data Validation process (RADV).

Response:

The Company considered whether or not any adjustment to projected experience was warranted due to the RADV process. However, since this process was only recently implemented, with 2017 results only recently released, we believe that it is too soon to make any assumptions in our projections regarding the anticipated level of payments or recoveries from this program.

18. The projected risk adjustment on the PAAM of $33.815 PMPM divided by the paid-to-allowed ratio of 0.745 results in $45.39 PMPM, while the URRT shows $43.96 PMPM. Please explain this discrepancy.

Response:

The projected risk adjustment on the PAAM represents an average amount for each of the renewal quarters in 2020, while the projected risk adjustment in the URRT is a first quarter amount. To reconcile the two values, the projected risk adjustment on the PAAM must also be divided by the Total Single Risk Pool Quarterly Trend Factor from Table 5A.

19. Please provide the completed federal MLR formula showing all elements or point to where we can find it in the filing.

Response:

Please see the exhibit tab named “Question #19” in the submitted response file “PID Response HCC 2019-06-24.xlsx” showing the quantitative development, with all elements, of the 83.4% MLR.

20. Please normalize the benefit richness factor in your rate filing. We note on Table 10 of the PAAM, that it has not been normalized.

Response:

'The Benefit Richness in cell L15 of Table 10 does not normalize to exactly 1.000 because the membership distribution that this is using for weights is based on February,

2019 enrollment. If the Benefit Richness is instead normalized based on our expected membership distribution in the projection period, it fully normalizes to 1.000. This calculation is demonstrated and proven on the "Induced Utilization" within the Supplemental Exhibit spreadsheet provided in SERFF during the initial filing.

21. 4.38% of premium are included for agent/broker fees and commissions in the PAAM. This is higher than the 3.68% in the prior filing. Please explain the increase.

Response:

From the last filing to this, WPA commission PMPM has changed from $13.01 to $14.89. This is because we have noticed a trend where more of our business is purchasing through brokers instead of Highmark's Direct Sales. Highmark does not pay any commission when a group purchases through Highmark's Direct Sales, but does pay a PCPM commission when a group purchases through a broker, thus this trend is causing an increase in commission PMPM. Additionally, we have noticed that the average amount of members per contract has been decreasing slightly, and this also will increase the cost of commission PMPM, as again, commission is paid on a PCPM basis. These reasons ultimately explain the increase in the % of premium spent on commissions.

22. Please explain the increases in membership including where the new members will come from.

Response:

We expect that given the rising cost of health care, members will be more likely to consider narrower network/ managed care products like the HMOs in HCC that will be cheaper than the currently popular PPOs. We expect that these members could come from competitors or Highmark's WPA companies if they feel an HMO is better suited for them.

The following are additional questions or comments from the PID:

1. Please confirm that you have tested to ensure that the rates in Table 11 of the Actuarial Memorandum Exhibits, the PA Plan Design Summary and Rate Tables, the Federal Rates Template, and in the binder are identical.

Response:

We have tested and confirmed that the rates in Table 11 of the Actuarial Memorandum Exhibits, the PA Plan Design Summary and Rate Tables, the Federal Rates Template, and in the binder are identical.

2. Regarding Risk Adjustment Data Validation process (RADV):

a. Please describe any adjustments or considerations made due to the Risk Adjustment Data Validation process (RADV).

Response:

The Company considered whether or not any adjustment to projected experience was warranted due to the RADV process. However, since this process was only recently implemented, with 2017 results only recently released, we believe that it is too soon to make any assumptions in our projections regarding the anticipated level of payments or recoveries from this program.

b. As you know CMS is performing a risk adjustment validation starting with 2017 risk adjustment data. We are considering allowing an estimate of the impact of risk adjustment modifications in rate filings as an adjustment to the projected risk adjustment. Before implementation, we are soliciting feedback from our issuers on the pros and cons of the inclusion of this adjustment. If allowed, all issuers would be required to submit an estimate. The estimate may be $0. Please provide any feedback that you would like us to consider.

Response:

We provide the following additional considerations in assessing whether or not future adjustments would be practicable:

- Overall, this program is designed to be revenue neutral across the market. So absent any reliable market-wide analysis, it would be equally likely that a company would receive a payment or would be required to make a contribution.
- The consideration of risk score adjustments from the RADV process is dependent upon the entirety of market participants, and each participant's ultimate condition profile. These risk profiles are generally not known and could fluctuate from year to year.

- The Small Group results for 2017 in Pennsylvania showed that no risk score adjustment would be made for the 2018 risk adjustment transfer results.
- Even if there was an adjustment made to 2018 results, it has not been demonstrated that such an adjustment would tend to persist year over year.
- Although we have not adjusted for the RADV process in our 2020 experience projection, we believe that such an adjustment may be warranted in future rate development periods if the process exhibits a reasonable level of predictability and recurrence. This may not be known until several years beyond the initial implementation.

3. We have repurposed row 54 of Table 6 to capture RA User Fees. Please provide the RA User Fee percentage and pmpm amount in cells C54 and D54, respectively.

Response:

We intend to make this update to the template later in the review process so that if there are other subsequent updates needed, the number of document versions produced can be minimized.

4. For the expanded bronze plans, please demonstrate that the copay is less than or equal to 50% coinsurance for that category.

Response:

Response redacted.

Highmark Choice Company (HCC)
2020 Small Group ACA Rate Filing
Question #1, Components of Rate Increase

Component of Rate Change	Factor
Base Claims Experience and Projection Year Trend	**7.53%**
Base Experience	8.53%
Projection Year Trend	-0.92%
Change in Projected Rebates	**-2.27%**
Risk Adjustment	**-2.94%**
Retention (Admin, Taxes, and Fees)	**-0.22%**
Change in Morbidity	**1.87%**
Change in Pricing of Benefits and Benefit Richness	**1.17%**
TOTAL	**4.89%**

Highmark Choice Company (HCC)
2020 Small Group ACA Rate Filing
Question #5, Change in Benefits

PA Rate Template

CY2019 Projected Allowed PMPM (Based on CY2019 Population)	$ 423.93	a.	
CY2019 Projected Allowed PMPM Excluding Capitations (Based on CY2017 Population)	$ 520.31	b.	
Population Change Factor (Morbidity)	0.855	c.	
Pricing Factor Change	1.014	d.	
Change in Benefit Richness	0.953	e.	
Change in Network	1.014	f.	
Change in Benefits	0.973	g.	*g = a / (b*c*d*e*f)*

URRT

2018 Induced Utilization/Benefit Richness	1.095	a.	
2020 Induced Utilization/Benefit Richness	1.043	b.	
Change in Benefits	0.953	c.	c = b / a

Highmark Choice Company (HCC)
2020 Small Group ACA Rate Filing
Question #6, URRT Other Factor

Description	Value	Reference	Source
Total 2018 Allowed EHB Claims & Capitation PMPM - HCC Experience	$ 556.00	(1)	URRT W1S2
Total 2018 Allowed Capitation PMPM - HCC Experience	$ 0.17	(2)	URRT W1S2
Total 2018 Allowed EHB Claims PMPM - HCC Experience	**$ 555.83**	**(3) = (1) - (2)**	
Annual Cost Trend	1.085	(4)	URRT W1S2
Annual Utilization Trend	1.000	(5)	URRT W1S2
Trend Factor from 2018 to 2020	**1.177**	**(6) = $(4)^2$ * $(5)^2$**	
Total Projected 2020 Allowed EHB Claims PMPM - HCC Experience	**$ 654.33**	**(7) = (3) * (6)**	
Morbidity Adjustment	0.855	(8)	URRT W1S2
Demographic Shift	1.014	(9)	URRT W1S2
Plan Design Changes	0.953	(10)	URRT W1S2
Total Adj. Projected 2020 Allowed EHB Claims PMPM - HCC Experience	**$ 540.52**	**(11) = (7) * (8) * (9) * (10)**	
Total Projected 2020 Allowed EHB Claims & Capitation PMPM - Manual Rate	$ 423.93	(12)	URRT W1S2
Total Projected 2020 Allowed Capitation PMPM - Manual Rate	$ 0.42	(13)	URRT W1S2
Total Projected 2020 Allowed EHB Claims PMPM - Manual Rate	**$ 423.51**	**(14) = (12) - (13)**	
URRT Other Factor	**0.784**	**(15) = (14) / (11)**	

Highmark Choice Company (HCC)
2020 Small Group ACA Rate Filing
Question #8, Allowed Claims Calculation

Description	Allowed PMPM
Manual claim basis allowed claims (Highmark entity)	$547.80
Adjustment for network and product selection	0.690
2018 Allowed Claims for those Members Expected to be Effective in 2020 [(Western region)]	**$377.98**

Highmark Choice Company (HCC)
2020 Small Group ACA Rate Filing
Question #14, Pricing AV Calculation

Table 5 Calculation	**0.745**

Plan Name	HIOS	Projected Membership	Plan-Specific Paid PMPM	Plan-Specific Allowed PMPM
Keystone HMO $0	38949PA0130001	3%	$384.68	$438.83
Keystone HMO $500	38949PA0130002	7%	$374.57	$438.83
Keystone HMO $1000	38949PA0130003	14%	$365.65	$438.83
Keystone HMO $1500	38949PA0130004	2%	$357.15	$438.83
Keystone HMO $2500	38949PA0130005	3%	$342.43	$438.83
Keystone HMO $5000 1x	38949PA0130006	14%	$325.24	$438.83
Keystone HMO $2000	38949PA0130007	14%	$299.30	$418.51
Keystone HMO Embedded Q$3000	38949PA0120001	14%	$314.42	$418.51
Keystone HMO Embedded Q$6000	38949PA0120002	14%	$266.85	$406.32
Keystone HMO $7000	38949PA0050003	14%	$267.02	$406.32

Highmark Choice Company (HCC)
2020 Small Group ACA Rate Filing
Question #19, Federal MLR Calculation

	Claims		
a.	Projected Incurred Claims Before 3 R's	$315.90	
b.	Projected Net Risk Adjustments PMPM	$32.76	
c.	Reinsurance Premium	$0.00	
d.	Projected Incurred Claims After 3 R's	**$283.15**	= a. - b. - c.
	Admin / Margin / Taxes & Fees		
e.	Total Admin	$56.46	
f.	Profit / Risk Load	0.0%	
g.	Risk Transfer Fee	$0.00	
h.	PCOR Tax	$0.00	
i.	Risk Adjustment User Fee	$0.18	
j.	Exchange Fee	0.0%	
k.	HCR Insurer Tax	0.0%	
	Premium		
l.	Final Premium	$339.79	= (d. + e. + g. + h.) / (1 - f. - i. - j. - k.)
m.	Projected Incurred Claims w/o Taxes and Fee	**$339.61**	= d. + e. + (f. * l.)
	Loss Ratio	***83.4%***	= d. / m.

Highmark Choice Company's Response to Objection Letter Dated 07/05/2019

Product Name: **HCC Small Group 2020 ACA Rate Filing**

RE: HCC – 2020 Small Group ACA Compliant Plans (1A-SG-HCC-2019);
Pennsylvania Insurance Department ID #: HGHM-131937197
Objection Letter Status: Data Request Sent
Objection Letter Date: 07/05/2019
Respond By Date: 07/12/2019
Response Date: 07/12/2019

Below please find our responses to the Highmark Choice Company (HCC, "Company") Small Group 2020 ACA Rate Filing Objection Letter dated 07/05/2019. For convenience, the questions have been reproduced below, with our responses immediately following each question.

The following are responses to NovaRest:

1. As a follow-up to our original question 9, please provide a corrected Part III memorandum.

Response:

A revised Part III memorandum, along with a redacted version of the memorandum, has been submitted to SERFF along with this response.

2. As a follow-up to PID question 3, please remember to submit the new version of the PAAM.

Response:

The new version of the PAAM is included with this submission.

The following are responses to the PID:

1. If the risk adjustment results released on June 28, 2019 are inconsistent with your projected assumptions, you may modify the risk adjustment transfer amount in Table 5. If such a modification is made, revise all the documents and exhibits impacted and the PA Actuarial Memorandum to discuss this change. This change must be made with your responses due by July 12, 2019.

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Response:

The Company's Table 5 projection assumptions are consistent with the 2018 plan year risk adjustment results released on June 28, 2019. As such, modified documents are not required.

2. In response to the Department's RADV survey, issuers indicated that they did not include a RADV adjustment in the initial submission, as there is no supportable reason for an adjustment when calculating the 2020 rates.

Response:

The Company supports this position for the 2020 rate development and has not included any adjustments for RADV in our submitted 2020 rate filings.

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