

Attachment I

Rate Change Summary

Capital Advantage Insurance Company – Individual Plans

Rate request filing ID # CAB-131915046 - 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:	-2.3% ¹
Revised requested average rate change:	-3.8%
Range of requested rate change:	-3.8% to -3.8%
Effective date:	1/1/2020
People impacted:	52
Available in:	Rating Area 6, Rating Area 7, and Rating Area 9

Key information

Jan. 2018-Dec. 2018 financial experience

Premiums	\$	2,577,457
Claims	\$	1,924,633
Administrative expenses	\$	458,084
Taxes & fees	\$	93,040
Company made (after taxes)		\$101,700

How it plans to spend your premium

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

Claims:	72.86%
Administrative:	19.99%
Taxes & fees:	5.15%
Profit:	2.0%

The company expects its annual medical costs to increase **7.88%**.

Explanation of requested rate change

Reimplementation of the Health Insurer Fee in 2020
Anticipated increase in facility and physician unit costs
Anticipated changes in prescription drug unit costs
Continuing change in utilization

¹ Note that insurers will have the opportunity to revise their rate change request in July, after they are scheduled to receive updated information about the impact of a federal program called risk adjustment. This document will be updated accordingly at that time.