

SERFF Tracking #:

HGHM-132380665

State Tracking #:

HGHM-132380665

Company Tracking #:

1A-SG-HHIC-2020

State:

Pennsylvania

Filing Company:

HM Health Insurance Company- HHIC

TOI/Sub-TOI:

H15G Group Health - Hospital/Surgical/Medical Expense/H15G.003 Small Group Only

Product Name:

HHIC Small Group 2021 ACA Rate Filing

Project Name/Number:

HHIC 2021 ACA Rate Filing/1A-SG-HHIC-2020

## Supporting Document Schedules

<b>Satisfied - Item:</b>	ACA Public Rate Filing PDF
<b>Comments:</b>	
<b>Attachment(s):</b>	Public PDF HHIC 7-20-2020.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	



July 20, 2020

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

Re: Highmark Health Insurance Company (HHIC) 2021 ACA Rate Filing (Small Group Market)  
HHIC Filing # 1A-SG-HHIC-2020 (SERFF Filing # HGHM-132380665)

**This constitutes Notice pursuant to Section 707 of the Pennsylvania Right-to-Know Law that the attached Highmark Health Insurance Company 2021 Small Group Market Rates Filing contains Trade Secret and Confidential Proprietary Information. Therefore, Highmark Health Insurance 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 Health Insurance Company should be redacted before release.**

Dear Ms. Gray:

This Filing revises the original Highmark Health Insurance Company (HHIC) (NAIC # 71768; HIOS Issuer ID # 70194) Small Group Market Off Exchange ACA rate filing and the supporting rate development for policies with effective dates on or after **January 1, 2021**. The Company proposes to revise its morbidity assumptions in response to the PA Insurance Department's COVID-19 Impact Guidance. This revision changes the Company's average rate change requested from -2.25% to 1.10%.

**In the event the Department decides to publish this Filing in the PA Bulletin, the company information requested as per the Department's 2021 ACA-Compliant Health Insurance Rate Filing Guidance, Section B, is provided below:**

1. Company Name & NAIC #: **Highmark Health Insurance Company, NAIC # 71768**  
**("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, 2021**
5. Average rate change requested: **-1.10% increase**
6. Range of rate change requested: **-1.85% to 0.52%**
7. Total additional annual revenue generated from the proposed rate change: **(\$26,608)**
8. Product(s): **PPO**
9. Rating Areas and the change from 2020: **Regions 1, 2, 4, 5, 6, 7, 9** (Western and Central PA)

There are no changes in our covered Rating Areas from the 2020 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: **Gold and Bronze**
11. Current number of covered lives and of policyholders as of February 1, 2020: **351 covered lives; 203 policyholders**
12. Number of plans offered in 2021 and the change this represents from 2020: **4**

This is no change from the number of plans the Company offered in 2020.

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-PA21-125098240** affecting the following Company products and forms:

<b>Product Name / Type</b>	<b>Contract Form &amp; SERFF #</b>
Shared Cost PPO	HHIC/PPO-9; HGHM-132368340
Health Savings HDHP	HHIC/HDHP-9; HGHM-132368342

14. HIOS Issuer ID # and submission tracking number: **HIOS Issuer ID # 70194, Company Filing # 1A-SG-HHIC-2020 (SERFF Filing # HGHM-132380665)**

### **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.

*Potential for Material Unforeseen Impacts:* This filing assumes that there will be no significant changes in legislation, regulations or otherwise (i.e. rules, regulatory guidance, etc.) impacting the ACA market, and that there are no significant changes in the participation of QHP issuers that would materially change risk adjustment transfer amounts. Modifications to the rate development may be necessary if significant unforeseen events occur. Examples include, but are not limited to, repeal or invalidation of the ACA or material developments in the course of the COVID-19 pandemic. As a result, Highmark reserves the right to submit a revised filing.

### **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 Health Insurance Company if disclosed to the public.

Public disclosure of any information contained in this Filing would allow Highmark Health Insurance 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 Health Insurance Company's business. Therefore, Highmark Health Insurance 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 Health Insurance 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 Health Insurance Company asserts its right to release a redacted version of the Filing. In accordance with the RTKL, please contact the Highmark Health Insurance 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 Health Insurance 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 (412) 544-3845 or via e-mail at: [Cory.Orzak@highmark.com](mailto:Cory.Orzak@highmark.com).

Sincerely,

A handwritten signature in black ink, appearing to read 'Cory Orzak', with a long horizontal flourish extending to the right.

Cory Orzak, FSA, MAAA  
Vice President, Actuarial Services  
Highmark Inc.

cc: Tija Hilton-Phillips, Esq.  
Nicholas Sarneso  
William R. Sarniak  
Ryan Slean

# 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 “2021\_SmGrp\_HHIC\_PAAME Exhibits\_062320.xlsm” submitted with this filing containing the department’s required tables.

Note that for the remainder of this document, “Company” refers to Highmark Health Insurance Co. (HHIC), “Market” refers to Small Group, and “Rating Area” refers to Pennsylvania Rating Regions 1, 2, 4, 5, 6, 7, and 9 (Western and Central, 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#
2020	-3.0%	HGHM-131937084
2019	10.3%	HGHM-131496229
2018	3.3%	HGHM-131014792

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 2021, 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 -1.1% increase. This rate change reflects the change for first quarter 2021 rates over first quarter 2020 rates.

For comparison, the change in 21-year-old non-tobacco premium PMPM calculated in Table 11, cell AN13, is a -1.1% increase.

### 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 2/1/2020 data, this table reflects all Small Group enrollment, including enrollment from 2019 and 2020 plan year plans.

### E. Benefit Changes

Most plans required benefit changes because of the new Actuarial Value (AV) calculator released for 2021 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.

For the 2021 plan year, there were no benefit changes necessary to the Company's plans to cover the benefits contained in the state's Essential Health Benefit (EHB) benchmark plan.

## **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 2019 calendar year results for all non-grandfathered policies in the single risk pool, with run out through February 2020 (2 months). This data is consistent with the data reported in Section I of Worksheet I of the URRT (see below commentary).

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
  - 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 \$0.62 PMPM per ACA member in the experience period. This translates to \$0.01 PMPM uniform across each member (\$0.62 for ACA members and \$0 PMPM for Transitional members) in the experience period. This \$0.01 PMPM is reflected in Table 2 under the Total EHB Capitation section.
- 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 reflects the Department's calculated revised risk adjustment transfer amount sent to the Company on June 30, 2020
- The calculated loss ratio is 85.35%.

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

We do not use a rigid credibility formula or pre-defined manual rate in the small group market. Based on professional judgment, if the experience can be used to produce reasonable results, it will be considered fully credible in lieu of a rigid formula. The experience period data for this Company is large enough to be fully credible. The results are based 100% on the experience period data, adjusted as described herein. Given the Company's fully credible rate development, Tables 2b, 3b, and 4b have not been populated.

## 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. For the trend component development, the Company uses results from the combined experience of the following companies within the Highmark corporate family: Highmark Inc., Highmark Choice Company, Highmark Health Insurance Company, Highmark Benefits Group, 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. 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 2020 and 2021, an overall claim trend of 9.1% (6.9% cost; 2.1% utilization) was selected for the 2021 rate development. Please refer to the "Trend Support" exhibit in the "2021 Supplemental Exhibits - HHIC.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 2020. 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.

## **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 URRR, a discussion of which can be found in the Part III Actuarial Memorandum submitted in the Rate Filing Justification. Some of the items separately identified in Table 5 include:

- The Change in Morbidity represents an adjustment from the experience period claims to the projection period. Pursuant to the Department's COVID-19 Impact Guidance, the Company has included a 1.9% morbidity adjustment due to the impact of COVID-19 on 2021 claims costs. 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 "2021 Supplemental Exhibits - HHIC.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 we have seen through the transitional coverage availability period, many of the Small Group market customers have retained their pre-ACA coverage, and have yet to join the ACA risk pool. With the transitional coverage provisions extension through the end of 2021 for groups that renew on or prior to October 1, 2021, we continue to believe that many groups, especially lower-risk groups, will continue to

retain their current transitional coverage until required to transfer coverage. As there is a significant level of transitional policy experience in this Company's single risk pool, we anticipate that the morbidity within the ACA products will be considerably worse.

#### Impact of COVID-19

The Change in Morbidity – All Other factor was increased by 1.9% to reflect the estimated impact of COVID-19 on 2021 claim costs. The drivers of the increase are costs directly related to COVID-19, such as a possible vaccine and continued cost sharing waivers, as well as other care delivery changes. Due to these factors we are currently estimating an impact to 2021 claim costs of 1.9% in the PA Small Group ACA market. The components of the adjustment are discussed below.

*COVID-19 Treatment Costs* (1.6% increase in 2021 claims): The primary driver for 2021 is the cost of a potential new vaccine. We assume a vaccine is available and 90% of members get it in 2021, either in the office or at a retail pharmacy. Additionally, we assume some vaccines will be administered in an additional office visit with waived cost sharing. Also, we assume COVID-19 testing will be required before any outpatient procedure.

*Care Delivery Change* (0.3% increase in 2021 claims): We assume some increase in cost of care due to member health deteriorating slightly. Additionally, we assume a higher intensity of services per visit as providers re-engage with their patients. Finally, we assume some care will be shifted to more expensive sites of service.

#### Total Morbidity Adjustment

In total, the Company expects that morbidity will worsen from the experience period, and reflect this with a Change in Morbidity – All Other adjustment of 1.329.

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 combination of the above assumptions results in a Change in Benefits factor of 0.986.

The development of the Projected Paid to Allowed Ratio shown in Table 5 is presented in the "2021 Supplemental Exhibits - HHIC.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 \$14.95 PMPM. To arrive at the anticipated risk transfer for 2021, we bring in the risk adjustment calculation components for the projected 2021 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 2019 Benefit Year published by

CMS, the PA Insurance Department's calculation of 2019 risk adjustment transfer amounts using the final RATEE files, prior years' risk adjustment transfer results, publicly available data (such as MLR reports and rate filings), and outside expertise from actuarial consultants.

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 2021, and is assuming that the net cost (payments less recoveries) will be negligible for the 2021 projection period.

The Projected Paid Exchange User Fees are developed from the Exchange user fees to be charged by CMS in 2021, 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 2021, 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 Health Insurance Provider Fee has been repealed for calendar years beginning after December 31, 2020. As such, a charge for this fee is no longer reflected in the rate development.

In addition, the Patient-Centered Outcomes Research Institute (PCORI) Fee was extended for an additional 10 years, and will be collected for all 2021 policy years. As such, the taxes and fees reflected in this filing include the anticipated PCORI fee to be collected.

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

- \$0.23 PMPM for the PCORI Fee;

- \$0.25 PMPM for the Risk Adjustment User Fee; and
- 2.0% for PA Premium Tax.

Note the following regarding plan level retention items:

- The rate development reflects a 0% profit and risk load for all products and plans. The Company has voluntarily refrained from including a profit and risk load in this filing. By this voluntary action, the Company is not waiving any right to include a profit and risk load which the Company believes is consistent with historical and legal interpretations of the Company and the Department.
- The administrative expenses as a percentage of expected claims 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.

### **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 2020 values are pulled from the prior year's filing, while the 2021 values represent our projection for 2021 assumed in the 2021 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 2019 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 2021 Calibrated Plan Adjusted Index Rate (PMPM). The 2020 base period allowed claims is carried over from the 2020 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 2020 Column match those entered in the 2020 Column in the plan year 2020 rate filing.

## **3. Plan Rate Development (Table 10)**

Table 10 showing the plan rate development has been completed following the instructions in the 2021 ACA-Compliant Health Insurance Rate Filing Guidance. This table shows the plans that the Company intends to offer in 2021, as well as plans discontinued from the 2020 portfolio for 2021. Since many Small Group market enrollees as of 2/1/2020 are still in plan year 2019 plans, the enrollees in plan year 2019 plans were mapped to the plan year 2020 plan that we anticipate they will renew into in 2020. The

calibrated plan adjusted index rates for 2021 and 2020, 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 "2021 Supplemental Exhibits - HHIC.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 1.093. 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). These induced demand factors are consistent with the methodology described in the Department's rate filing guidance, which utilizes each plan's actuarial value to establish the appropriate induced demand factor for the plan.

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 "2021 Supplemental Exhibits - HHIC.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 2021. As mentioned in Section 1.C above, the change in 21-year-old non-tobacco premium PMPM calculated in this table is a -1.1% increase, while the "percent rate change requested" from the SERFF Rate Review Detail Screen (and Table 10) is -1.1%.

## **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.

As mentioned in the Cover Letter, the Company is not changing its product offerings by Rating Area.

### **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. All counties within a Rating Area are serviced by the Company, according to the Rating Areas specified in Table 14. The Company has submitted its current 2020 service area and its proposed 2021 service area in the file "Pennsylvania Counties Map - 2021 Filings - HHIC.pdf" submitted with this filing. There are no proposed changes to the Company's service area from 2020 to 2021.

### **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 2021) 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 2021 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 URRR 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 2021 Rate Filing Justification.

Signed: [Redacted]

Date: 07/20/2020

# Rate Change Summary

## Highmark Health Insurance Company (HHIC) – Small Group Plans

Rate request filing ID # HGHM-132380665 - 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:	-1.1% <sup>1</sup>
Revised requested average rate change:	N/A <sup>1</sup>
Range of requested rate change:	-1.9% to 0.5%
Effective date:	January 1, 2021
Mapped Members:	351
Available in:	Rating Areas 1, 2, 4, 5, 6, 7, 9

### Key information

#### Jan. 2019-Dec. 2019 financial experience

Premiums	\$254,292,327
Claims	\$217,027,552
Administrative expenses	\$30,919,302
Taxes & fees	\$4,703,806
Company made (after taxes)	<b>\$1,641,667</b>

#### How it plans to spend your premium

This is how the insurance company plans to spend the premium it collects in 2021:

Claims:	88.8%
Administrative:	9.1%
Taxes & fees:	2.1%
Profit:	0%

The company expects its annual medical costs to increase **9.06%**.

### Explanation of requested rate change

The rate changes are being driven upwards by rising medical care costs, which are expected to continue through the remainder of 2020 and throughout 2021 as a result of both higher utilization and the increasing cost of healthcare services. These upward impacts are being offset by improvements in the morbidity of the population within HHIC's ACA products and the decreases in administration costs and taxes.

<sup>1</sup> 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.

**PA Rate Template Part I**  
Data Relevant to the Rate Filing

**Table 0. Identifying Information**

Carrier Name:	Highmark Health Insurance Co. (PIC)
Product(s):	PIC
Market Segment:	Small Group
Rate Effective Date:	01/01/2021
Base Period Start Date:	01/01/2019
Date of Most Recent Membership:	02/01/2020

**Table 1. Number of Members**

	Members		Member-months Projected Rating Period
	Member-months Experience Period	Current Period (as of 02/01/2020)	
Average Age	35.0	37.0	27.0
Total	557,135	44,002	4,164
<18	105,724	5,583	511
18-24	63,715	3,711	329
25-29	38,316	2,044	179
30-34	38,261	1,699	151
35-39	43,116	3,371	313
40-44	41,050	3,264	309
45-49	48,760	4,014	371
50-54	53,384	4,392	416
55-59	53,752	4,627	438
60-63	46,173	3,001	284
64+	18,194	1,781	169

**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-EMR portion of Allowed Claims	Total Prescription Drug Rebates*	Total EHB Capitation	Total Non-EHB Capitation	Estimated Risk Adjustment	Estimated Reinsurance Recoveries
\$115,488,588.25	\$20,438,588.25	\$20,438,588.25	557,135	\$31,367,618.21	\$202,005,301.34	\$0.00	\$0.00	\$11,611,022.25	\$2,891.00	\$0.00	\$202,026.25
Experience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)											\$46.80
Loss Ratio											85.30

\*Express Prescription Drug Rebates as a negative number

**Table 3. Trend Components**

Service Category	Cost*	Utilization**	Induced Demand*	Composite Trend	Weight*
Inpatient Hospital	0.85%	2.00%	1.00%	7.21%	18.50%
Outpatient Hospital	0.85%	2.00%	1.00%	7.21%	15.11%
Professional	0.85%	2.00%	1.00%	7.21%	26.81%
Other Medical	0.85%	2.00%	1.00%	7.21%	2.80%
Capitation				0.00%	1.00%
Prescription Drugs	1.00%	1.00%	1.00%	7.21%	15.03%
Total Annual Trend				7.21%	100.00%
Months of Trend				1.50	
Total Applied Trend Projection Factor					

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

\*\* should equal 0.007 Trend

**Table 4. Historical Experience**

Month-Year	Total Annual Premium	Inurred Claims	Completion Factor*	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-14		\$25,352,172.90	1.0000	\$ 25,352,172.90	84,710	299.28			\$29,726,932.94	\$350.93
Feb-14		\$27,209,840.63	1.0000	\$ 27,209,840.63	81,943	332.07			\$31,249,660.15	\$372.26
Mar-14		\$27,753,510.38	1.0000	\$ 27,753,510.38	83,442	332.61			\$31,774,563.05	\$380.08
Apr-14		\$25,735,709.79	1.0000	\$ 25,735,709.79	82,641	311.42			\$28,904,211.02	\$349.76
May-14		\$26,138,170.41	1.0000	\$ 26,138,170.41	82,903	315.23			\$29,146,921.85	\$355.84
Jun-14		\$28,649,968.19	1.0000	\$ 28,649,968.19	81,502	351.52			\$31,577,477.41	\$387.44
Jul-14		\$28,988,493.63	1.0000	\$ 28,988,493.63	79,400	365.23			\$32,519,007.28	\$409.51
Aug-14		\$28,986,408.85	1.0000	\$ 28,986,408.85	79,065	365.61			\$31,850,451.15	\$402.65
Sep-14		\$26,664,109.58	1.0000	\$ 26,664,109.58	78,584	339.31			\$29,205,015.79	\$371.84
Oct-14		\$26,968,294.97	1.0000	\$ 26,968,294.97	77,963	347.60			\$29,575,526.15	\$382.27
Nov-14		\$27,238,850.70	1.0000	\$ 27,238,850.70	76,958	354.21			\$29,874,750.13	\$388.21
Dec-14		\$24,076,111.68	1.0000	\$ 24,076,111.68	70,303	339.76			\$26,539,962.88	\$363.93
Jan-17	\$307,677,238.76	\$22,811,274.94	1.0000	\$ 22,811,274.94	69,774	326.93	\$47,864,645.48		\$26,897,477.07	\$376.36
Feb-17		\$21,647,875.47	1.0000	\$ 21,647,875.47	69,308	312.35			\$24,524,840.45	\$353.86
Mar-17		\$21,189,747.11	1.0000	\$ 21,189,747.11	68,703	306.40			\$23,079,132.55	\$337.67
Apr-17		\$23,864,700.41	1.0000	\$ 23,864,700.41	68,381	350.49			\$26,230,739.44	\$383.67
May-17		\$24,168,114.09	1.0000	\$ 24,168,114.09	68,513	349.59			\$27,424,600.23	\$398.84
Jun-17		\$24,495,024.43	1.0000	\$ 24,495,024.43	68,012	350.17			\$26,675,522.04	\$392.22
Jul-17		\$23,437,894.13	0.9999	\$ 23,440,516.58	66,602	351.95			\$25,111,781.75	\$380.15
Aug-17		\$23,763,121.17	0.9999	\$ 23,765,096.89	64,179	389.64			\$27,911,911.16	\$422.02
Sep-17		\$24,861,720.38	0.9999	\$ 24,864,648.07	63,206	378.25			\$26,614,950.84	\$404.88
Oct-17		\$24,361,223.12	0.9999	\$ 24,365,348.07	64,845	366.60			\$26,967,661.15	\$415.17
Nov-17		\$23,290,636.64	0.9998	\$ 23,295,905.25	64,575	371.61			\$25,874,618.29	\$399.17
Dec-17	\$245,946,619.23	\$15,267,253.99	0.9997	\$ 15,272,191.13	53,440	294.47	\$40,420,570.76		\$18,580,049.65	\$347.67
Jan-18		\$18,268,133.53	0.9997	\$ 18,268,572.75	52,844	309.41			\$20,018,295.71	\$379.50
Feb-18		\$18,170,100.12	0.9995	\$ 18,178,854.48	52,160	348.52			\$20,218,147.79	\$387.62
Mar-18		\$19,272,549.00	0.9996	\$ 19,265,480.06	51,960	380.64			\$21,804,748.07	\$410.57
Apr-18		\$19,000,098.50	0.9996	\$ 19,005,310.36	50,729	397.58			\$20,818,431.95	\$402.13
May-18		\$19,376,539.78	0.9995	\$ 20,386,823.12	51,838	393.38			\$22,890,982.76	\$426.08
Jun-18		\$19,652,810.83	0.9995	\$ 19,651,756.00	51,697	366.70			\$20,366,800.76	\$393.92
Jul-18		\$19,146,077.96	0.9992	\$ 19,161,202.70	51,466	372.31			\$20,730,348.35	\$402.80
Aug-18		\$19,406,610.29	0.9991	\$ 19,536,144.61	51,303	376.24			\$21,148,010.88	\$411.56
Sep-18		\$18,541,414.43	0.9989	\$ 19,565,082.67	51,512	361.52			\$19,768,999.15	\$384.56
Oct-18		\$20,528,413.43	0.9987	\$ 20,555,036.94	50,813	403.09			\$22,104,940.57	\$434.00
Nov-18	\$275,286,814.11	\$18,483,845.52	0.9987	\$ 18,488,315.51	50,811	372.30	\$32,900,168.60		\$20,376,465.10	\$400.63
Dec-18		\$18,177,856.39	0.9980	\$ 18,210,495.18	48,217	336.20			\$18,749,560.05	\$388.89
Jan-19		\$18,103,031.89	0.9980	\$ 18,175,020.07	47,997	386.30			\$20,082,602.89	\$434.30
Feb-19		\$17,576,744.64	0.9981	\$ 17,568,768.11	47,118	362.84			\$18,871,766.15	\$398.53
Mar-19		\$18,325,498.33	0.9973	\$ 18,373,797.07	47,174	389.49			\$19,993,661.98	\$423.81
Apr-19		\$20,200,727.03	0.9911	\$ 20,462,784.78	46,968	418.65			\$21,927,796.72	\$462.09
May-19		\$18,550,923.72	0.9880	\$ 18,759,848.84	46,805	400.81			\$20,080,552.25	\$429.22
Jun-19		\$18,628,848.71	0.9867	\$ 18,806,318.02	46,711	398.83			\$19,565,569.29	\$418.86
Jul-19		\$19,501,870.08	0.9853	\$ 19,806,365.17	46,201	428.74			\$21,052,814.18	\$456.88
Aug-19		\$19,454,636.54	0.9832	\$ 19,787,869.47	46,283	427.88			\$20,937,760.78	\$452.86
Sep-19		\$19,408,176.17	0.9794	\$ 19,408,651.08	46,303	422.01			\$20,526,901.05	\$445.25
Oct-19		\$20,474,406.28	0.9707	\$ 21,093,246.27	45,787	460.58			\$23,398,901.45	\$485.09
Nov-19		\$19,582,040.93	0.9678	\$ 20,236,136.05	45,706	442.47			\$21,304,251.89	\$466.47
Dec-19		\$17,568,554.34	0.9474	\$ 18,498,227.03	44,621	414.67			\$18,680,882.01	\$412.63
	\$254,089,675.70	\$17,568,554.34					\$31,367,618.21		\$20,075,268.18	\$412.63

\* Express Completion Factor as a percentage

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

Carrier Name: Highmark Health Insurance Co. (HHIC)  
 Product(s): PPO  
 Market Segment: Small Group  
 Rate Effective Date: 01/01/2021

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	Estimated Reinsurance Recoveries
										52.00	
Experience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)											5
Loss Ratio											0.00%

\*Express Prescription Drug Rebates as a negative number

Table 3b. Manual Trend Components

Service Category	Cost*	Utilization*	Induced Demand*	Composite Trend	Weight*
Inpatient Hospital				0.00%	
Outpatient Hospital				0.00%	
Professional				0.00%	
Other Medical				0.00%	
Chiropractic				0.00%	
Prescription Drugs				0.00%	0.00%
Total Annual Trend				0.00%	
Months of Trend				34	
Total Applied Trend Projection Factor				1.000	

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

Table 4b. Historical Manual Experience

Month-Year	Total Annual Premium	Incurred Claims	Completion Factor*	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-16				#DIV/0!		#DIV/0!				#DIV/0!
Feb-16				#DIV/0!		#DIV/0!				#DIV/0!
Mar-16				#DIV/0!		#DIV/0!				#DIV/0!
Apr-16				#DIV/0!		#DIV/0!				#DIV/0!
May-16				#DIV/0!		#DIV/0!				#DIV/0!
Jun-16				#DIV/0!		#DIV/0!				#DIV/0!
Jul-16				#DIV/0!		#DIV/0!				#DIV/0!
Aug-16				#DIV/0!		#DIV/0!				#DIV/0!
Sep-16				#DIV/0!		#DIV/0!				#DIV/0!
Oct-16				#DIV/0!		#DIV/0!				#DIV/0!
Nov-16				#DIV/0!		#DIV/0!				#DIV/0!
Dec-16				#DIV/0!		#DIV/0!				#DIV/0!
Jan-17				#DIV/0!		#DIV/0!				#DIV/0!
Feb-17				#DIV/0!		#DIV/0!				#DIV/0!
Mar-17				#DIV/0!		#DIV/0!				#DIV/0!
Apr-17				#DIV/0!		#DIV/0!				#DIV/0!
May-17				#DIV/0!		#DIV/0!				#DIV/0!
Jun-17				#DIV/0!		#DIV/0!				#DIV/0!
Jul-17				#DIV/0!		#DIV/0!				#DIV/0!
Aug-17				#DIV/0!		#DIV/0!				#DIV/0!
Sep-17				#DIV/0!		#DIV/0!				#DIV/0!
Oct-17				#DIV/0!		#DIV/0!				#DIV/0!
Nov-17				#DIV/0!		#DIV/0!				#DIV/0!
Dec-17				#DIV/0!		#DIV/0!				#DIV/0!
Jan-18				#DIV/0!		#DIV/0!				#DIV/0!
Feb-18				#DIV/0!		#DIV/0!				#DIV/0!
Mar-18				#DIV/0!		#DIV/0!				#DIV/0!
Apr-18				#DIV/0!		#DIV/0!				#DIV/0!
May-18				#DIV/0!		#DIV/0!				#DIV/0!
Jun-18				#DIV/0!		#DIV/0!				#DIV/0!
Jul-18				#DIV/0!		#DIV/0!				#DIV/0!
Aug-18				#DIV/0!		#DIV/0!				#DIV/0!
Sep-18				#DIV/0!		#DIV/0!				#DIV/0!
Oct-18				#DIV/0!		#DIV/0!				#DIV/0!
Nov-18				#DIV/0!		#DIV/0!				#DIV/0!
Dec-18				#DIV/0!		#DIV/0!				#DIV/0!
Jan-19				#DIV/0!		#DIV/0!				#DIV/0!
Feb-19				#DIV/0!		#DIV/0!				#DIV/0!
Mar-19				#DIV/0!		#DIV/0!				#DIV/0!
Apr-19				#DIV/0!		#DIV/0!				#DIV/0!
May-19				#DIV/0!		#DIV/0!				#DIV/0!
Jun-19				#DIV/0!		#DIV/0!				#DIV/0!
Jul-19				#DIV/0!		#DIV/0!				#DIV/0!
Aug-19				#DIV/0!		#DIV/0!				#DIV/0!
Sep-19				#DIV/0!		#DIV/0!				#DIV/0!
Oct-19				#DIV/0!		#DIV/0!				#DIV/0!
Nov-19				#DIV/0!		#DIV/0!				#DIV/0!
Dec-19				#DIV/0!		#DIV/0!				#DIV/0!

\* Express Completion Factor as a percentage

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

**Continuance Table for Calculating Reinsurance Impact - Individual Market Only, Experience Period Information**

Carrier Name:	Highmark Health Insurance Co. (HHIC)	Attachment Point:	\$60,000
Product(s):	PPO	Reinsurance Cap:	\$100,000
Market Segment:	Small Group	Coinsurance Rate:	60%
Rate Effective Date:	01/01/2021		
Incurred Dates:	1/1/2019 to 12/31/2019	Proj. Incurred Claim Impact:	0.0%

Individual ACA Compliant Policies Only: Incurred Dates 1/1/2019 to 12/31/2019					
Annual Incurred Claims Range		Unique Members	Member Months	Total Incurred Claims	Total Incurred Claims with Reinsurance
\$0	\$29,999				\$0
\$30,000	\$34,999				\$0
\$35,000	\$39,999				\$0
\$40,000	\$44,999				\$0
\$45,000	\$49,999				\$0
\$50,000	\$54,999				\$0
\$55,000	\$59,999				\$0
\$60,000	\$64,999				\$0
\$65,000	\$69,999				\$0
\$70,000	\$74,999				\$0
\$75,000	\$79,999				\$0
\$80,000	\$84,999				\$0
\$85,000	\$89,999				\$0
\$90,000	\$94,999				\$0
\$95,000	\$99,999				\$0
\$100,000	\$109,999				\$0
\$110,000	\$119,999				\$0
\$120,000	\$129,999				\$0
\$130,000	\$139,999				\$0
\$140,000	\$149,999				\$0
\$150,000	\$159,999				\$0
\$160,000	\$169,999				\$0
\$170,000	\$179,999				\$0
\$180,000	\$189,999				\$0
\$190,000	\$199,999				\$0
\$200,000	\$209,999				\$0
\$210,000	\$219,999				\$0
\$220,000	\$229,999				\$0
\$230,000	\$239,999				\$0
\$240,000	\$249,999				\$0
\$250,000	\$259,999				\$0
\$260,000	\$269,999				\$0
\$270,000	\$279,999				\$0
\$280,000	\$289,999				\$0
\$290,000	\$299,999				\$0
\$300,000	\$324,999				\$0
\$325,000	\$349,999				\$0
\$350,000	\$374,999				\$0
\$375,000	\$399,999				\$0
\$400,000	\$424,999				\$0
\$425,000	\$449,999				\$0
\$450,000	\$474,999				\$0
\$475,000	\$499,999				\$0
\$500,000	\$599,999				\$0
\$600,000	\$699,999				\$0
\$700,000	\$799,999				\$0
\$800,000	\$899,999				\$0
\$900,000	\$999,999				\$0
\$1,000,000+					\$0
<b>Total</b>		<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>

**Continuance Table for Calculating Reinsurance Impact - Individual Market Only, Projection Period Information**

Carrier Name:	Highmark Health Insurance Co. (HHIC)	Attachment Point:	\$60,000
Product(s):	PPO	Reinsurance Cap:	\$100,000
Market Segment:	Small Group	Coinsurance Rate:	60%
Rate Effective Date:	01/01/2021	Proj. Incurred Claim Impact:	0.0%
		Proj. Morbidity Impact:	-0.1%

Reinsurance Program Impact Continuance Table Development - Plan Year 2021					
Annual Incurred Claims Range		Unique Members	Member Months	Total Incurred Claims	Total Incurred Claims with Reinsurance
\$0	\$29,999				\$0
\$30,000	\$34,999				\$0
\$35,000	\$39,999				\$0
\$40,000	\$44,999				\$0
\$45,000	\$49,999				\$0
\$50,000	\$54,999				\$0
\$55,000	\$59,999				\$0
\$60,000	\$64,999				\$0
\$65,000	\$69,999				\$0
\$70,000	\$74,999				\$0
\$75,000	\$79,999				\$0
\$80,000	\$84,999				\$0
\$85,000	\$89,999				\$0
\$90,000	\$94,999				\$0
\$95,000	\$99,999				\$0
\$100,000	\$109,999				\$0
\$110,000	\$119,999				\$0
\$120,000	\$129,999				\$0
\$130,000	\$139,999				\$0
\$140,000	\$149,999				\$0
\$150,000	\$159,999				\$0
\$160,000	\$169,999				\$0
\$170,000	\$179,999				\$0
\$180,000	\$189,999				\$0
\$190,000	\$199,999				\$0
\$200,000	\$209,999				\$0
\$210,000	\$219,999				\$0
\$220,000	\$229,999				\$0
\$230,000	\$239,999				\$0
\$240,000	\$249,999				\$0
\$250,000	\$259,999				\$0
\$260,000	\$269,999				\$0
\$270,000	\$279,999				\$0
\$280,000	\$289,999				\$0
\$290,000	\$299,999				\$0
\$300,000	\$324,999				\$0
\$325,000	\$349,999				\$0
\$350,000	\$374,999				\$0
\$375,000	\$399,999				\$0
\$400,000	\$424,999				\$0
\$425,000	\$449,999				\$0
\$450,000	\$474,999				\$0
\$475,000	\$499,999				\$0
\$500,000	\$599,999				\$0
\$600,000	\$699,999				\$0
\$700,000	\$799,999				\$0
\$800,000	\$899,999				\$0
\$900,000	\$999,999				\$0
\$1,000,000+					\$0
<b>Total</b>		<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>

**PA Rate Template Part II  
Rate Development and Change**

Carrier Name: Highmark Health Insurance Co. (BHHC)  
 Product(s): PPO  
 Market Segment: Small Group  
 Rate Effective Date: 01/01/2021

**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	\$ 445.80	\$ 1.000	< Actual Experience PMPM should be consistent with the Index Rate for Experience Period on URRT
Two year trend projection factor	\$ 1.149		
Unadjusted Projected Allowed EHB Claims PMPM	\$ 512.39		
<b>Single Risk Pool Adjustment Factors</b>			
Change in Morbidity - Impact of Reinsurance Program	1.003	1.000	
Change in Morbidity - All Other	1.329	0.000	< See URRT Instructions
Total Non-Morbidity Changes	1.013	0.000	
Change in Demographics	1.016	0.000	< See URRT Instructions
Change in Network	1.012	0.000	< See URRT Instructions
Change in Benefits	0.986	0.000	< See URRT Instructions
Change in Other	1.000	0.000	< See URRT Instructions
Total Adjusted Projected Allowed EHB Claims PMPM	\$ 489.94	\$ 1.000	< See Instructions
Credibility Factors	100%	0%	< See Instructions
Blended Projected EHB Claims PMPM	\$ 489.94	\$ 689.94	< Projected Index Rate
<b>Development of the Market-Adjusted Index Rate and Total Allowed Claims</b>			
Adjusted Projected Allowed EHB Claims PMPM	\$ 689.94		< Index Rate for Projection Period on URRT
Projected Paid to Allowed Ratio	0.838		
Projected Incurred EHB Claims PMPM	\$ 564.67		
<b>Market-wide Adjustments</b>			
Projected Incurred Risk-Adjustment PMPM	\$ 114.95		
Projected Incurred Exchange User Fee PMPM	\$ 50.00		
Projected Incurred Reinsurance Recoveries PMPM	\$ 50.00		
Market-Adjusted Projected Incurred EHB Claims PMPM	\$ 549.72		
Market-Adjusted Projected Allowed EHB Claims PMPM	\$ 673.67		< Market-Adjusted Index Rate
Projected Allowed Non-EHB Claims PMPM	\$ 50.00		
Market-Adjusted Projected Incurred Total Claims PMPM	\$ 549.72		
Market-Adjusted Projected Allowed Total Claims PMPM	\$ 673.67		

**For Informational Purposes only - No input required.**

Blended Base Period Unadjusted Claims before Normalization	\$ 445.80	< Index Rate of Experience Period on URRT
Blended Earned Premium	\$ 254,089,676.70	
Blended Loss Ratio	85.35%	

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

Effective Date	01/01/2021	04/01/2021	07/01/2021	10/01/2021	Total Single Risk
# of Member Months Renewing in Quarter	1,229	589	746	1,620	
Adjusted Projected Allowed EHB Claims PMPM	\$ 689.94	\$ 689.94	\$ 689.94	\$ 689.94	\$
Months of Trend	3	6	9	9	
Annual Trend	9.60%	9.08%	9.08%	9.08%	
Single Risk Pool Projected Allowed Claims	\$ 689.94	\$ 705.05	\$ 720.50	\$ 736.21	\$
Quarterly Trend Factor	1.000	1.021	1.044	1.067	

**Table 6. Retention**

RETENTION ITEMS - Express in percentages	Percentages	PMPM Amounts
Administrative Expenses	9.10%	\$56.29
General and Claims	6.13%	\$37.81
Agent/Broker Fees and Commissions	7.53%	\$45.93
Quality Improvement Initiatives	0.46%	\$2.85
Taxes and Fees	2.20%	\$12.86
Risk Adjustment User Fee	0.04%	\$0.25
RCOR Fee	0.04%	\$0.23
PA Premium & Other Taxes (if applicable)	2.40%	\$12.86
Federal Income Tax	0.00%	\$0.00
Health Insurance Providers Fee (Pro-rated for Small Groups only)	0.05%	\$0.04
Profit/Contingency (after tax)	0.00%	\$0.00
Total Retention	11.17%	\$69.14
Projected Required Revenue PMPM		\$ 618.86

**Table 7. Normalized Market-Adjusted Projected Allowed Total Claims**

Normalization Factors	2020	2021
Average Age Factor	1.132	1.132
Average Geographic Factor	1.000	1.000
Average Tobacco Factor	1.000	1.000
Average Benefit Richness (induced demand)	1.073	1.073
Average Network Factor	1.000	1.000
Market-Adjusted Projected Allowed Total Claims PMPM	\$ 689.94	\$ 671.67
Normalized Market-Adjusted Projected Allowed Total Claims PMPM	\$ 415.96	\$ 402.50

**Table 8. Components of Rate Change**

Rate Components	2020	2021	Difference	Percent Change
A. Calibrated Plan Adjusted Index Rate (PMPM)	\$ 411.78	\$ 407.42	\$ (4.35)	-1.1%
B. Base period allowed claims before normalization	\$ 441.86	\$ 445.80	\$ 3.95	0.9%
C. Normalization factor component of change	\$ (163.95)	\$ (178.65)	\$ (14.70)	-9.0%
D. Change in Normalized Allowed Claims Adjustment Components	\$ 248.48	\$ 267.15	\$ 18.67	7.5%
D1. Base period allowed claims after normalization	\$ 34.21	\$ 39.91	\$ 5.70	1.6%
D2. URRT Trend	\$ 118.17	\$ 101.00	\$ (17.17)	-14.5%
D3. URRT Morbidity	\$ 10.15	\$ 4.40	\$ (5.75)	-56.7%
D4. URRT Other	\$ (8.89)	\$ (10.96)	\$ (2.07)	-2.3%
D5. Normalized URRT Risk-Adjustment on an allowed basis	\$ -	\$ -	\$ -	0.0%
D6. Normalized Exchange User Fee on an allowed basis	\$ -	\$ -	\$ -	0.0%
D7. Normalized Reinsurance Recoveries on an allowed basis	\$ 404.12	\$ 402.51	\$ (1.61)	-0.4%
E. Change in Allowable Plan Adjusted Level Components	\$ -	\$ -	\$ -	0.0%
E1. Network	\$ -	\$ -	\$ -	0.0%
E2. Pricing AV	\$ (76.69)	\$ (73.38)	\$ 3.30	4.3%
E3. Benefit Richness	\$ 23.79	\$ 30.50	\$ 6.71	28.2%
E4. Catastrophic Eligibility	\$ -	\$ -	\$ -	0.0%
E5. Subtotal - Sum(E1-E4)	\$ (54.90)	\$ (42.88)	\$ 12.02	21.9%
F. Change in Retention Components	\$ 40.97	\$ 37.06	\$ (3.91)	-9.5%
F1. Administrative Expenses	\$ 19.88	\$ 8.46	\$ (11.42)	-57.5%
F2. Taxes and Fees	\$ -	\$ -	\$ -	0.0%
F3. Profit and/or Contingency	\$ -	\$ -	\$ -	0.0%
F4. Subtotal - Sum(F1-F3)	\$ 60.85	\$ 45.52	\$ (15.33)	-25.2%
G. Change in Miscellaneous Items	\$ -	\$ -	\$ -	0.0%
H. Sum of Components of Rate Change (should approximate the change shown in line A)	\$ 410.07	\$ 405.20	\$ (4.87)	-1.2%

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

	2020	2021
Paid to Allowed	0.838	0.838
URRT Trend (Total Applied Trend Factor)	1.138	1.149
URRT Morbidity	1.011	1.026
URRT "Other"	1.021	1.031
Risk Adjustment	\$ (8.20)	\$ (14.95)
Exchange User Fee	\$ -	\$ -
Reinsurance Recoveries	\$ -	\$ -
Capitation	\$ 0.42	\$ 0.54
Network	1.000	1.000
Pricing AV	0.802	0.811
Benefit Richness	1.071	1.081
Catastrophic Eligibility	1.000	1.000
Administrative Expenses	9.95%	9.10%
Taxes and Fees	4.83%	2.08%
Profit and/or Contingency	0.00%	0.00%

ial to the product of the average Pricing AV and the Non-Fundin







Company Name: Highmark Health Insurance Co. (HHIC)  
 Market: Small Group  
 Product: PPO  
 Effective Date of Rates: January 1, 2021

Ending date of Rates: March 31, 2021

HIOS Plan ID (On Exchange)=>	N/A		N/A		N/A		N/A		N/A	
HIOS Plan ID (Off Exchange)=>	70194PA0220006		70194PA0220006		70194PA0230002		70194PA0230002		70194PA0240006	
Plan Marketing Name =>	Shared Cost PPO \$1500		Shared Cost PPO \$1500		Health Savings PPO Embedded Q66100		Health Savings PPO Embedded Q66100		Shared Cost PPO \$1500	
Form # =>	HHIC/PPO-9		HHIC/PPO-9		HHIC/HDHP-9		HHIC/HDHP-9		HHIC/PPO-9	
Rating Area =>	Area 1,2,4,5		Area 6		Area 1,2,4,5		Area 6		Area 6,7	
Network =>	C		C		C		C		F	
Metal =>	Gold		Gold		Bronze		Bronze		Gold	
Deductible =>	\$1,500		\$1,500		\$6,100		\$6,100		\$1,500	
Coinsurance =>	90%		90%		60%		60%		90%	
Copays =>	\$30		\$30		60%		60%		\$30	
OOP Maximum =>	\$5,000		\$5,000		\$6,900		\$6,900		\$5,000	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0-14	\$304.80	\$304.80	\$326.79	\$326.79	\$229.37	\$229.37	\$245.92	\$245.92	\$335.44	\$335.44
15	\$321.89	\$321.89	\$355.84	\$355.84	\$249.76	\$249.76	\$267.78	\$267.78	\$365.25	\$365.25
16	\$342.25	\$342.25	\$366.95	\$366.95	\$257.55	\$257.55	\$276.14	\$276.14	\$376.65	\$376.65
17	\$352.61	\$352.61	\$378.05	\$378.05	\$265.35	\$265.35	\$284.50	\$284.50	\$388.05	\$388.05
18	\$363.77	\$363.77	\$390.02	\$390.02	\$273.74	\$273.74	\$293.50	\$293.50	\$400.33	\$400.33
19	\$374.92	\$374.92	\$401.98	\$401.98	\$282.14	\$282.14	\$302.50	\$302.50	\$412.61	\$412.61
20	\$386.48	\$386.48	\$414.36	\$414.36	\$290.84	\$290.84	\$311.83	\$311.83	\$425.33	\$425.33
21	\$398.43	\$398.43	\$427.18	\$427.18	\$299.83	\$299.83	\$321.47	\$321.47	\$438.48	\$438.48
22	\$398.43	\$398.43	\$427.18	\$427.18	\$299.83	\$299.83	\$321.47	\$321.47	\$438.48	\$438.48
23	\$398.43	\$398.43	\$427.18	\$427.18	\$299.83	\$299.83	\$321.47	\$321.47	\$438.48	\$438.48
24	\$398.43	\$398.43	\$427.18	\$427.18	\$299.83	\$299.83	\$321.47	\$321.47	\$438.48	\$438.48
25	\$400.02	\$400.02	\$428.89	\$428.89	\$301.03	\$301.03	\$322.76	\$322.76	\$440.23	\$440.23
26	\$407.99	\$407.99	\$437.43	\$437.43	\$307.03	\$307.03	\$329.19	\$329.19	\$449.00	\$449.00
27	\$417.55	\$417.55	\$447.68	\$447.68	\$314.22	\$314.22	\$336.90	\$336.90	\$459.53	\$459.53
28	\$433.09	\$433.09	\$464.34	\$464.34	\$325.92	\$325.92	\$349.44	\$349.44	\$476.63	\$476.63
29	\$445.84	\$445.84	\$478.01	\$478.01	\$335.51	\$335.51	\$359.72	\$359.72	\$490.66	\$490.66
30	\$452.22	\$452.22	\$484.85	\$484.85	\$340.31	\$340.31	\$364.87	\$364.87	\$497.67	\$497.67
31	\$461.78	\$461.78	\$495.10	\$495.10	\$347.50	\$347.50	\$372.58	\$372.58	\$508.20	\$508.20
32	\$471.34	\$471.34	\$505.35	\$505.35	\$354.70	\$354.70	\$380.30	\$380.30	\$518.72	\$518.72
33	\$477.32	\$477.32	\$511.76	\$511.76	\$359.20	\$359.20	\$385.12	\$385.12	\$525.30	\$525.30
34	\$483.69	\$483.69	\$518.60	\$518.60	\$363.99	\$363.99	\$390.26	\$390.26	\$532.31	\$532.31
35	\$486.88	\$486.88	\$522.01	\$522.01	\$366.39	\$366.39	\$392.84	\$392.84	\$535.82	\$535.82
36	\$490.07	\$490.07	\$525.43	\$525.43	\$368.79	\$368.79	\$395.41	\$395.41	\$539.33	\$539.33
37	\$493.26	\$493.26	\$528.85	\$528.85	\$371.19	\$371.19	\$397.98	\$397.98	\$542.84	\$542.84
38	\$496.44	\$496.44	\$532.27	\$532.27	\$373.59	\$373.59	\$400.55	\$400.55	\$546.35	\$546.35
39	\$502.82	\$502.82	\$539.10	\$539.10	\$378.39	\$378.39	\$405.70	\$405.70	\$553.36	\$553.36
40	\$509.19	\$509.19	\$545.94	\$545.94	\$383.18	\$383.18	\$410.84	\$410.84	\$560.38	\$560.38
41	\$518.76	\$518.76	\$556.19	\$556.19	\$390.38	\$390.38	\$418.55	\$418.55	\$570.90	\$570.90
42	\$527.92	\$527.92	\$566.01	\$566.01	\$397.27	\$397.27	\$425.95	\$425.95	\$580.99	\$580.99
43	\$540.67	\$540.67	\$579.68	\$579.68	\$406.87	\$406.87	\$436.23	\$436.23	\$595.02	\$595.02
44	\$556.61	\$556.61	\$596.77	\$596.77	\$418.86	\$418.86	\$449.09	\$449.09	\$612.56	\$612.56
45	\$575.33	\$575.33	\$616.85	\$616.85	\$432.95	\$432.95	\$464.20	\$464.20	\$633.17	\$633.17
46	\$597.65	\$597.65	\$640.77	\$640.77	\$449.75	\$449.75	\$482.21	\$482.21	\$657.72	\$657.72
47	\$622.75	\$622.75	\$667.68	\$667.68	\$468.63	\$468.63	\$502.46	\$502.46	\$685.34	\$685.34
48	\$651.43	\$651.43	\$698.44	\$698.44	\$490.22	\$490.22	\$525.60	\$525.60	\$716.91	\$716.91
49	\$679.72	\$679.72	\$728.77	\$728.77	\$511.51	\$511.51	\$548.43	\$548.43	\$748.05	\$748.05
50	\$711.60	\$711.60	\$762.94	\$762.94	\$535.50	\$535.50	\$574.15	\$574.15	\$783.13	\$783.13
51	\$743.07	\$743.07	\$796.69	\$796.69	\$559.18	\$559.18	\$599.54	\$599.54	\$817.77	\$817.77
52	\$777.74	\$777.74	\$833.86	\$833.86	\$585.27	\$585.27	\$627.51	\$627.51	\$855.91	\$855.91
53	\$812.80	\$812.80	\$871.45	\$871.45	\$611.65	\$611.65	\$655.80	\$655.80	\$894.50	\$894.50
54	\$850.65	\$850.65	\$912.03	\$912.03	\$640.14	\$640.14	\$686.34	\$686.34	\$936.15	\$936.15
55	\$888.50	\$888.50	\$952.61	\$952.61	\$668.62	\$668.62	\$716.88	\$716.88	\$977.81	\$977.81
56	\$929.54	\$929.54	\$996.61	\$996.61	\$699.50	\$699.50	\$749.99	\$749.99	\$1,022.97	\$1,022.97
57	\$970.97	\$970.97	\$1,041.04	\$1,041.04	\$730.69	\$730.69	\$783.42	\$783.42	\$1,068.58	\$1,068.58
58	\$1,015.20	\$1,015.20	\$1,088.45	\$1,088.45	\$763.97	\$763.97	\$819.11	\$819.11	\$1,117.25	\$1,117.25
59	\$1,037.11	\$1,037.11	\$1,111.95	\$1,111.95	\$780.46	\$780.46	\$836.79	\$836.79	\$1,141.36	\$1,141.36
60	\$1,081.34	\$1,081.34	\$1,159.37	\$1,159.37	\$813.74	\$813.74	\$872.47	\$872.47	\$1,190.03	\$1,190.03
61	\$1,119.59	\$1,119.59	\$1,200.38	\$1,200.38	\$842.52	\$842.52	\$903.33	\$903.33	\$1,232.13	\$1,232.13
62	\$1,144.69	\$1,144.69	\$1,227.29	\$1,227.29	\$861.41	\$861.41	\$923.58	\$923.58	\$1,259.75	\$1,259.75
63	\$1,176.17	\$1,176.17	\$1,261.04	\$1,261.04	\$885.10	\$885.10	\$948.98	\$948.98	\$1,294.39	\$1,294.39
64+	\$1,195.29	\$1,195.29	\$1,281.54	\$1,281.54	\$899.49	\$899.49	\$964.41	\$964.41	\$1,315.44	\$1,315.44

Company Name:  
Market:  
Product:  
Effective Date of Rates:

HIOS Plan ID (On Exchange)=>	N/A		N/A		N/A	
HIOS Plan ID (Off Exchange)=>	70194PA0240006		70194PA0250002		70194PA0250002	
Plan Marketing Name =>	Shared Cost PPO \$1500		Health Savings PPO Embedded Q\$6100		Health Savings PPO Embedded Q\$6100	
Form # =>	HHIC/PPO-9		HHIC/HDHP-9		HHIC/HDHP-9	
Rating Area =>	Area 9		Area 6,7		Area 9	
Network =>	F		F		F	
Metal =>	Gold		Bronze		Bronze	
Deductible =>	\$1,500		\$6,100		\$6,100	
Coinsurance =>	90%		60%		60%	
Copays =>	\$30		60%		60%	
ODP Maximum =>	\$5,000		\$6,900		\$6,900	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0-14	\$328.99	\$328.99	\$254.19	\$254.19	\$249.30	\$249.30
15	\$358.23	\$358.23	\$276.78	\$276.78	\$271.46	\$271.46
16	\$369.41	\$369.41	\$285.42	\$285.42	\$279.93	\$279.93
17	\$380.59	\$380.59	\$294.06	\$294.06	\$288.40	\$288.40
18	\$392.64	\$392.64	\$303.36	\$303.36	\$297.53	\$297.53
19	\$404.68	\$404.68	\$312.67	\$312.67	\$306.65	\$306.65
20	\$417.15	\$417.15	\$322.30	\$322.30	\$316.10	\$316.10
21	\$430.05	\$430.05	\$332.27	\$332.27	\$325.88	\$325.88
22	\$430.05	\$430.05	\$332.27	\$332.27	\$325.88	\$325.88
23	\$430.05	\$430.05	\$332.27	\$332.27	\$325.88	\$325.88
24	\$430.05	\$430.05	\$332.27	\$332.27	\$325.88	\$325.88
25	\$431.77	\$431.77	\$333.60	\$333.60	\$327.18	\$327.18
26	\$440.37	\$440.37	\$340.24	\$340.24	\$333.70	\$333.70
27	\$450.69	\$450.69	\$348.22	\$348.22	\$341.52	\$341.52
28	\$467.46	\$467.46	\$361.18	\$361.18	\$354.23	\$354.23
29	\$481.23	\$481.23	\$371.81	\$371.81	\$364.66	\$364.66
30	\$488.11	\$488.11	\$377.13	\$377.13	\$369.87	\$369.87
31	\$498.43	\$498.43	\$385.10	\$385.10	\$377.69	\$377.69
32	\$508.75	\$508.75	\$393.08	\$393.08	\$385.52	\$385.52
33	\$515.20	\$515.20	\$398.06	\$398.06	\$390.40	\$390.40
34	\$522.08	\$522.08	\$403.38	\$403.38	\$395.62	\$395.62
35	\$525.52	\$525.52	\$406.03	\$406.03	\$398.23	\$398.23
36	\$528.96	\$528.96	\$408.69	\$408.69	\$400.83	\$400.83
37	\$532.40	\$532.40	\$411.35	\$411.35	\$403.44	\$403.44
38	\$535.84	\$535.84	\$414.01	\$414.01	\$406.05	\$406.05
39	\$542.72	\$542.72	\$419.32	\$419.32	\$411.26	\$411.26
40	\$549.60	\$549.60	\$424.64	\$424.64	\$416.47	\$416.47
41	\$559.93	\$559.93	\$432.62	\$432.62	\$424.30	\$424.30
42	\$569.82	\$569.82	\$440.26	\$440.26	\$431.79	\$431.79
43	\$583.58	\$583.58	\$450.89	\$450.89	\$442.22	\$442.22
44	\$600.78	\$600.78	\$464.18	\$464.18	\$455.25	\$455.25
45	\$620.99	\$620.99	\$479.80	\$479.80	\$470.57	\$470.57
46	\$645.08	\$645.08	\$498.41	\$498.41	\$488.82	\$488.82
47	\$672.17	\$672.17	\$519.34	\$519.34	\$509.35	\$509.35
48	\$703.13	\$703.13	\$543.26	\$543.26	\$532.81	\$532.81
49	\$733.67	\$733.67	\$566.85	\$566.85	\$555.95	\$555.95
50	\$768.07	\$768.07	\$593.43	\$593.43	\$582.02	\$582.02
51	\$802.04	\$802.04	\$619.68	\$619.68	\$607.77	\$607.77
52	\$839.46	\$839.46	\$648.59	\$648.59	\$636.12	\$636.12
53	\$877.30	\$877.30	\$677.83	\$677.83	\$664.80	\$664.80
54	\$918.16	\$918.16	\$709.40	\$709.40	\$695.75	\$695.75
55	\$959.01	\$959.01	\$740.96	\$740.96	\$726.71	\$726.71
56	\$1,003.31	\$1,003.31	\$775.19	\$775.19	\$760.28	\$760.28
57	\$1,048.03	\$1,048.03	\$809.74	\$809.74	\$794.17	\$794.17
58	\$1,095.77	\$1,095.77	\$846.62	\$846.62	\$830.34	\$830.34
59	\$1,119.42	\$1,119.42	\$864.90	\$864.90	\$848.27	\$848.27
60	\$1,167.16	\$1,167.16	\$901.78	\$901.78	\$884.44	\$884.44
61	\$1,208.44	\$1,208.44	\$933.68	\$933.68	\$915.72	\$915.72
62	\$1,235.53	\$1,235.53	\$954.61	\$954.61	\$936.25	\$936.25
63	\$1,269.51	\$1,269.51	\$980.86	\$980.86	\$962.00	\$962.00
64+	\$1,290.15	\$1,290.15	\$996.81	\$996.81	\$977.64	\$977.64

Company Name: Highmark Health Insurance Co. (HHIC)  
 Market: Small Group  
 Product: PPO  
 Effective Date of Rates: April 1, 2021

Ending date of Rates: June 30, 2021

HIOS Plan ID (On Exchange)=>	N/A		N/A		N/A		N/A		N/A	
HIOS Plan ID (Off Exchange)=>	70194PA0220006		70194PA0220006		70194PA0230002		70194PA0230002		70194PA0240006	
Plan Marketing Name =>	Shared Cost PPO \$1500		Shared Cost PPO \$1500		Health Savings PPO Embedded Q\$6100		Health Savings PPO Embedded Q\$6100		Shared Cost PPO \$1500	
Form # =>	HHIC/PPO-9		HHIC/PPO-9		HHIC/HDHP-9		HHIC/HDHP-9		HHIC/PPO-9	
Rating Area =>	Area 1,2,4,5		Area 6		Area 1,2,4,5		Area 6		Area 6,7	
Network =>	C		C		C		C		F	
Metal =>	Gold		Gold		Bronze		Bronze		Gold	
Deductible =>	\$1,500		\$1,500		\$6,100		\$6,100		\$1,500	
Coinsurance =>	90%		90%		60%		60%		90%	
Copays =>	\$30		\$30		60%		60%		\$30	
OOP Maximum =>	\$5,000		\$5,000		\$6,900		\$6,900		\$5,000	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	\$311.48	\$311.48	\$333.95	\$333.95	\$234.40	\$234.40	\$251.31	\$251.31	\$342.79	\$342.79
15	\$329.16	\$329.16	\$363.64	\$363.64	\$255.23	\$255.23	\$273.65	\$273.65	\$373.26	\$373.26
16	\$349.75	\$349.75	\$374.99	\$374.99	\$263.20	\$263.20	\$282.19	\$282.19	\$384.91	\$384.91
17	\$360.34	\$360.34	\$386.34	\$386.34	\$271.16	\$271.16	\$290.73	\$290.73	\$396.56	\$396.56
18	\$371.74	\$371.74	\$398.56	\$398.56	\$279.74	\$279.74	\$299.93	\$299.93	\$409.11	\$409.11
19	\$383.14	\$383.14	\$410.78	\$410.78	\$288.32	\$288.32	\$309.13	\$309.13	\$421.65	\$421.65
20	\$394.95	\$394.95	\$423.44	\$423.44	\$297.21	\$297.21	\$318.65	\$318.65	\$434.65	\$434.65
21	\$407.16	\$407.16	\$436.54	\$436.54	\$306.40	\$306.40	\$328.51	\$328.51	\$448.09	\$448.09
22	\$407.16	\$407.16	\$436.54	\$436.54	\$306.40	\$306.40	\$328.51	\$328.51	\$448.09	\$448.09
23	\$407.16	\$407.16	\$436.54	\$436.54	\$306.40	\$306.40	\$328.51	\$328.51	\$448.09	\$448.09
24	\$407.16	\$407.16	\$436.54	\$436.54	\$306.40	\$306.40	\$328.51	\$328.51	\$448.09	\$448.09
25	\$408.79	\$408.79	\$438.29	\$438.29	\$307.63	\$307.63	\$329.82	\$329.82	\$449.88	\$449.88
26	\$416.93	\$416.93	\$447.02	\$447.02	\$313.75	\$313.75	\$336.39	\$336.39	\$458.84	\$458.84
27	\$426.70	\$426.70	\$457.49	\$457.49	\$321.11	\$321.11	\$344.28	\$344.28	\$469.60	\$469.60
28	\$442.58	\$442.58	\$474.52	\$474.52	\$333.06	\$333.06	\$357.09	\$357.09	\$487.07	\$487.07
29	\$455.61	\$455.61	\$488.49	\$488.49	\$342.86	\$342.86	\$367.60	\$367.60	\$501.41	\$501.41
30	\$462.13	\$462.13	\$495.47	\$495.47	\$347.76	\$347.76	\$372.86	\$372.86	\$508.58	\$508.58
31	\$471.90	\$471.90	\$505.95	\$505.95	\$355.12	\$355.12	\$380.74	\$380.74	\$519.34	\$519.34
32	\$481.67	\$481.67	\$516.43	\$516.43	\$362.47	\$362.47	\$388.63	\$388.63	\$530.09	\$530.09
33	\$487.78	\$487.78	\$522.97	\$522.97	\$367.07	\$367.07	\$393.55	\$393.55	\$536.81	\$536.81
34	\$494.29	\$494.29	\$529.96	\$529.96	\$371.97	\$371.97	\$398.81	\$398.81	\$543.98	\$543.98
35	\$497.55	\$497.55	\$533.45	\$533.45	\$374.42	\$374.42	\$401.44	\$401.44	\$547.57	\$547.57
36	\$500.81	\$500.81	\$536.94	\$536.94	\$376.87	\$376.87	\$404.07	\$404.07	\$551.15	\$551.15
37	\$504.06	\$504.06	\$540.44	\$540.44	\$379.32	\$379.32	\$406.70	\$406.70	\$554.74	\$554.74
38	\$507.32	\$507.32	\$543.93	\$543.93	\$381.77	\$381.77	\$409.32	\$409.32	\$558.32	\$558.32
39	\$513.84	\$513.84	\$550.91	\$550.91	\$386.68	\$386.68	\$414.58	\$414.58	\$565.49	\$565.49
40	\$520.35	\$520.35	\$557.90	\$557.90	\$391.58	\$391.58	\$419.84	\$419.84	\$572.66	\$572.66
41	\$530.12	\$530.12	\$568.38	\$568.38	\$398.93	\$398.93	\$427.72	\$427.72	\$583.41	\$583.41
42	\$539.49	\$539.49	\$578.42	\$578.42	\$405.98	\$405.98	\$435.28	\$435.28	\$593.72	\$593.72
43	\$552.52	\$552.52	\$592.38	\$592.38	\$415.78	\$415.78	\$445.79	\$445.79	\$608.06	\$608.06
44	\$568.80	\$568.80	\$609.85	\$609.85	\$428.04	\$428.04	\$458.93	\$458.93	\$625.98	\$625.98
45	\$587.94	\$587.94	\$630.36	\$630.36	\$442.44	\$442.44	\$474.37	\$474.37	\$647.04	\$647.04
46	\$610.74	\$610.74	\$654.81	\$654.81	\$459.60	\$459.60	\$492.77	\$492.77	\$672.14	\$672.14
47	\$636.39	\$636.39	\$682.31	\$682.31	\$478.90	\$478.90	\$513.46	\$513.46	\$700.36	\$700.36
48	\$665.71	\$665.71	\$713.74	\$713.74	\$500.96	\$500.96	\$537.11	\$537.11	\$732.63	\$732.63
49	\$694.61	\$694.61	\$744.74	\$744.74	\$522.72	\$522.72	\$560.44	\$560.44	\$764.44	\$764.44
50	\$727.19	\$727.19	\$779.66	\$779.66	\$547.23	\$547.23	\$586.72	\$586.72	\$800.29	\$800.29
51	\$759.35	\$759.35	\$814.15	\$814.15	\$571.44	\$571.44	\$612.67	\$612.67	\$835.69	\$835.69
52	\$794.78	\$794.78	\$852.13	\$852.13	\$598.09	\$598.09	\$641.25	\$641.25	\$874.67	\$874.67
53	\$830.61	\$830.61	\$890.54	\$890.54	\$625.06	\$625.06	\$670.16	\$670.16	\$914.10	\$914.10
54	\$869.29	\$869.29	\$932.01	\$932.01	\$654.16	\$654.16	\$701.37	\$701.37	\$956.67	\$956.67
55	\$907.97	\$907.97	\$973.48	\$973.48	\$683.27	\$683.27	\$732.58	\$732.58	\$999.24	\$999.24
56	\$949.90	\$949.90	\$1,018.45	\$1,018.45	\$714.83	\$714.83	\$766.41	\$766.41	\$1,045.39	\$1,045.39
57	\$992.25	\$992.25	\$1,063.85	\$1,063.85	\$746.70	\$746.70	\$800.58	\$800.58	\$1,092.00	\$1,092.00
58	\$1,037.44	\$1,037.44	\$1,112.30	\$1,112.30	\$780.71	\$780.71	\$837.04	\$837.04	\$1,141.73	\$1,141.73
59	\$1,059.84	\$1,059.84	\$1,136.31	\$1,136.31	\$797.56	\$797.56	\$855.11	\$855.11	\$1,166.38	\$1,166.38
60	\$1,105.03	\$1,105.03	\$1,184.77	\$1,184.77	\$831.57	\$831.57	\$891.58	\$891.58	\$1,216.12	\$1,216.12
61	\$1,144.12	\$1,144.12	\$1,226.68	\$1,226.68	\$860.98	\$860.98	\$923.11	\$923.11	\$1,259.13	\$1,259.13
62	\$1,169.77	\$1,169.77	\$1,254.18	\$1,254.18	\$880.29	\$880.29	\$943.81	\$943.81	\$1,287.36	\$1,287.36
63	\$1,201.94	\$1,201.94	\$1,288.67	\$1,288.67	\$904.49	\$904.49	\$969.76	\$969.76	\$1,322.76	\$1,322.76
64+	\$1,221.48	\$1,221.48	\$1,309.62	\$1,309.62	\$919.20	\$919.20	\$985.53	\$985.53	\$1,344.27	\$1,344.27

Company Name:  
Market:  
Product:  
Effective Date of Rates:

HIOS Plan ID (On Exchange)=>	N/A		N/A		N/A	
HIOS Plan ID (Off Exchange)=>	70194PA0240006		70194PA0250002		70194PA0250002	
Plan Marketing Name =>	Shared Cost PPO \$1500		Health Savings PPO Embedded Q\$6100		Health Savings PPO Embedded Q\$6100	
Form # =>	HHIC/PPO-9		HHIC/HDHP-9		HHIC/HDHP-9	
Rating Area =>	Area 9		Area 6,7		Area 9	
Network =>	F		F		F	
Metal =>	Gold		Bronze		Bronze	
Deductible =>	\$1,500		\$6,100		\$6,100	
Coinsurance =>	90%		60%		60%	
Copays =>	\$30		60%		60%	
OOP Maximum =>	\$5,000		\$6,900		\$6,900	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	\$336.19	\$336.19	\$259.76	\$259.76	\$254.76	\$254.76
15	\$366.08	\$366.08	\$282.85	\$282.85	\$277.41	\$277.41
16	\$377.50	\$377.50	\$291.67	\$291.67	\$286.06	\$286.06
17	\$388.93	\$388.93	\$300.50	\$300.50	\$294.72	\$294.72
18	\$401.24	\$401.24	\$310.01	\$310.01	\$304.05	\$304.05
19	\$413.54	\$413.54	\$319.52	\$319.52	\$313.37	\$313.37
20	\$426.29	\$426.29	\$329.36	\$329.36	\$323.03	\$323.03
21	\$439.47	\$439.47	\$339.55	\$339.55	\$333.02	\$333.02
22	\$439.47	\$439.47	\$339.55	\$339.55	\$333.02	\$333.02
23	\$439.47	\$439.47	\$339.55	\$339.55	\$333.02	\$333.02
24	\$439.47	\$439.47	\$339.55	\$339.55	\$333.02	\$333.02
25	\$441.23	\$441.23	\$340.91	\$340.91	\$334.35	\$334.35
26	\$450.02	\$450.02	\$347.70	\$347.70	\$341.01	\$341.01
27	\$460.56	\$460.56	\$355.85	\$355.85	\$349.00	\$349.00
28	\$477.70	\$477.70	\$369.09	\$369.09	\$361.99	\$361.99
29	\$491.77	\$491.77	\$379.96	\$379.96	\$372.65	\$372.65
30	\$498.80	\$498.80	\$385.39	\$385.39	\$377.98	\$377.98
31	\$509.35	\$509.35	\$393.54	\$393.54	\$385.97	\$385.97
32	\$519.89	\$519.89	\$401.69	\$401.69	\$393.96	\$393.96
33	\$526.49	\$526.49	\$406.78	\$406.78	\$398.96	\$398.96
34	\$533.52	\$533.52	\$412.21	\$412.21	\$404.29	\$404.29
35	\$537.03	\$537.03	\$414.93	\$414.93	\$406.95	\$406.95
36	\$540.55	\$540.55	\$417.65	\$417.65	\$409.61	\$409.61
37	\$544.06	\$544.06	\$420.36	\$420.36	\$412.28	\$412.28
38	\$547.58	\$547.58	\$423.08	\$423.08	\$414.94	\$414.94
39	\$554.61	\$554.61	\$428.51	\$428.51	\$420.27	\$420.27
40	\$561.64	\$561.64	\$433.94	\$433.94	\$425.60	\$425.60
41	\$572.19	\$572.19	\$442.09	\$442.09	\$433.59	\$433.59
42	\$582.30	\$582.30	\$449.90	\$449.90	\$441.25	\$441.25
43	\$596.36	\$596.36	\$460.77	\$460.77	\$451.91	\$451.91
44	\$613.94	\$613.94	\$474.35	\$474.35	\$465.23	\$465.23
45	\$634.59	\$634.59	\$490.31	\$490.31	\$480.88	\$480.88
46	\$659.21	\$659.21	\$509.33	\$509.33	\$499.53	\$499.53
47	\$686.89	\$686.89	\$530.72	\$530.72	\$520.51	\$520.51
48	\$718.53	\$718.53	\$555.16	\$555.16	\$544.49	\$544.49
49	\$749.74	\$749.74	\$579.27	\$579.27	\$568.13	\$568.13
50	\$784.89	\$784.89	\$606.44	\$606.44	\$594.77	\$594.77
51	\$819.61	\$819.61	\$633.26	\$633.26	\$621.08	\$621.08
52	\$857.85	\$857.85	\$662.80	\$662.80	\$650.06	\$650.06
53	\$896.52	\$896.52	\$692.68	\$692.68	\$679.36	\$679.36
54	\$938.27	\$938.27	\$724.94	\$724.94	\$711.00	\$711.00
55	\$980.02	\$980.02	\$757.20	\$757.20	\$742.63	\$742.63
56	\$1,025.28	\$1,025.28	\$792.17	\$792.17	\$776.94	\$776.94
57	\$1,070.99	\$1,070.99	\$827.48	\$827.48	\$811.57	\$811.57
58	\$1,119.77	\$1,119.77	\$865.17	\$865.17	\$848.53	\$848.53
59	\$1,143.94	\$1,143.94	\$883.85	\$883.85	\$866.85	\$866.85
60	\$1,192.72	\$1,192.72	\$921.54	\$921.54	\$903.82	\$903.82
61	\$1,234.91	\$1,234.91	\$954.14	\$954.14	\$935.79	\$935.79
62	\$1,262.60	\$1,262.60	\$975.53	\$975.53	\$956.77	\$956.77
63	\$1,297.32	\$1,297.32	\$1,002.35	\$1,002.35	\$983.08	\$983.08
64+	\$1,318.41	\$1,318.41	\$1,018.65	\$1,018.65	\$999.06	\$999.06

Company Name: Highmark Health Insurance Co. (HHIC)  
 Market: Small Group  
 Product: PPO  
 Effective Date of Rates: July 1, 2021

Ending date of Rates: September 30, 2021

HIOS Plan ID (On Exchange)=>	N/A		N/A		N/A		N/A		N/A	
HIOS Plan ID (Off Exchange)=>	70194PA0220006		70194PA0220006		70194PA0230002		70194PA0230002		70194PA0240006	
Plan Marketing Name =>	Shared Cost PPO \$1500		Shared Cost PPO \$1500		Health Savings PPO Embedded Q\$6100		Health Savings PPO Embedded Q\$6100		Shared Cost PPO \$1500	
Form # =>	HHIC/PPO-9		HHIC/PPO-9		HHIC/HDHP-9		HHIC/HDHP-9		HHIC/PPO-9	
Rating Area =>	Area 1,2,4,5		Area 6		Area 1,2,4,5		Area 6		Area 6,7	
Network =>	C		C		C		C		F	
Metal =>	Gold		Gold		Bronze		Bronze		Gold	
Deductible =>	\$1,500		\$1,500		\$6,100		\$6,100		\$1,500	
Coinsurance =>	90%		90%		60%		60%		90%	
Copays =>	\$30		\$30		60%		60%		\$30	
OOP Maximum =>	\$5,000		\$5,000		\$6,900		\$6,900		\$5,000	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	\$318.30	\$318.30	\$341.27	\$341.27	\$239.53	\$239.53	\$256.82	\$256.82	\$350.30	\$350.30
15	\$346.59	\$346.59	\$371.61	\$371.61	\$260.82	\$260.82	\$279.65	\$279.65	\$381.44	\$381.44
16	\$357.41	\$357.41	\$383.21	\$383.21	\$268.96	\$268.96	\$288.37	\$288.37	\$393.34	\$393.34
17	\$368.23	\$368.23	\$394.81	\$394.81	\$277.10	\$277.10	\$297.10	\$297.10	\$405.25	\$405.25
18	\$379.88	\$379.88	\$407.30	\$407.30	\$285.87	\$285.87	\$306.50	\$306.50	\$418.07	\$418.07
19	\$391.53	\$391.53	\$419.79	\$419.79	\$294.64	\$294.64	\$315.90	\$315.90	\$430.89	\$430.89
20	\$403.60	\$403.60	\$432.73	\$432.73	\$303.72	\$303.72	\$325.64	\$325.64	\$444.17	\$444.17
21	\$416.08	\$416.08	\$446.11	\$446.11	\$313.11	\$313.11	\$335.71	\$335.71	\$457.91	\$457.91
22	\$416.08	\$416.08	\$446.11	\$446.11	\$313.11	\$313.11	\$335.71	\$335.71	\$457.91	\$457.91
23	\$416.08	\$416.08	\$446.11	\$446.11	\$313.11	\$313.11	\$335.71	\$335.71	\$457.91	\$457.91
24	\$416.08	\$416.08	\$446.11	\$446.11	\$313.11	\$313.11	\$335.71	\$335.71	\$457.91	\$457.91
25	\$417.74	\$417.74	\$447.89	\$447.89	\$314.36	\$314.36	\$337.05	\$337.05	\$459.74	\$459.74
26	\$426.07	\$426.07	\$456.82	\$456.82	\$320.62	\$320.62	\$343.77	\$343.77	\$468.90	\$468.90
27	\$436.05	\$436.05	\$467.52	\$467.52	\$328.14	\$328.14	\$351.82	\$351.82	\$479.89	\$479.89
28	\$452.28	\$452.28	\$484.92	\$484.92	\$340.35	\$340.35	\$364.92	\$364.92	\$497.75	\$497.75
29	\$465.59	\$465.59	\$499.20	\$499.20	\$350.37	\$350.37	\$375.66	\$375.66	\$512.40	\$512.40
30	\$472.25	\$472.25	\$506.33	\$506.33	\$355.38	\$355.38	\$381.03	\$381.03	\$519.73	\$519.73
31	\$482.24	\$482.24	\$517.04	\$517.04	\$362.89	\$362.89	\$389.09	\$389.09	\$530.72	\$530.72
32	\$492.22	\$492.22	\$527.75	\$527.75	\$370.41	\$370.41	\$397.14	\$397.14	\$541.71	\$541.71
33	\$498.46	\$498.46	\$534.44	\$534.44	\$375.11	\$375.11	\$402.18	\$402.18	\$548.58	\$548.58
34	\$505.12	\$505.12	\$541.58	\$541.58	\$380.12	\$380.12	\$407.55	\$407.55	\$555.90	\$555.90
35	\$508.45	\$508.45	\$545.15	\$545.15	\$382.62	\$382.62	\$410.24	\$410.24	\$559.57	\$559.57
36	\$511.78	\$511.78	\$548.72	\$548.72	\$385.13	\$385.13	\$412.92	\$412.92	\$563.23	\$563.23
37	\$515.11	\$515.11	\$552.28	\$552.28	\$387.63	\$387.63	\$415.61	\$415.61	\$566.89	\$566.89
38	\$518.44	\$518.44	\$555.85	\$555.85	\$390.14	\$390.14	\$418.29	\$418.29	\$570.56	\$570.56
39	\$525.09	\$525.09	\$562.99	\$562.99	\$395.14	\$395.14	\$423.67	\$423.67	\$577.88	\$577.88
40	\$531.75	\$531.75	\$570.13	\$570.13	\$400.15	\$400.15	\$429.04	\$429.04	\$585.21	\$585.21
41	\$541.74	\$541.74	\$580.84	\$580.84	\$407.67	\$407.67	\$437.09	\$437.09	\$596.20	\$596.20
42	\$551.31	\$551.31	\$591.10	\$591.10	\$414.87	\$414.87	\$444.82	\$444.82	\$606.73	\$606.73
43	\$564.62	\$564.62	\$605.37	\$605.37	\$424.89	\$424.89	\$455.56	\$455.56	\$621.38	\$621.38
44	\$581.26	\$581.26	\$623.22	\$623.22	\$437.41	\$437.41	\$468.99	\$468.99	\$639.70	\$639.70
45	\$600.82	\$600.82	\$644.18	\$644.18	\$452.13	\$452.13	\$484.77	\$484.77	\$661.22	\$661.22
46	\$624.12	\$624.12	\$669.17	\$669.17	\$469.67	\$469.67	\$503.57	\$503.57	\$686.87	\$686.87
47	\$650.33	\$650.33	\$697.27	\$697.27	\$489.39	\$489.39	\$524.71	\$524.71	\$715.71	\$715.71
48	\$680.29	\$680.29	\$729.39	\$729.39	\$511.93	\$511.93	\$548.89	\$548.89	\$748.68	\$748.68
49	\$709.83	\$709.83	\$761.06	\$761.06	\$534.17	\$534.17	\$572.72	\$572.72	\$781.19	\$781.19
50	\$743.12	\$743.12	\$796.75	\$796.75	\$559.21	\$559.21	\$599.58	\$599.58	\$817.83	\$817.83
51	\$775.99	\$775.99	\$832.00	\$832.00	\$583.95	\$583.95	\$626.10	\$626.10	\$854.00	\$854.00
52	\$812.19	\$812.19	\$870.81	\$870.81	\$611.19	\$611.19	\$655.31	\$655.31	\$893.84	\$893.84
53	\$848.80	\$848.80	\$910.06	\$910.06	\$638.74	\$638.74	\$684.85	\$684.85	\$934.14	\$934.14
54	\$888.33	\$888.33	\$952.44	\$952.44	\$668.49	\$668.49	\$716.74	\$716.74	\$977.64	\$977.64
55	\$927.86	\$927.86	\$994.83	\$994.83	\$698.24	\$698.24	\$748.63	\$748.63	\$1,021.14	\$1,021.14
56	\$970.71	\$970.71	\$1,040.77	\$1,040.77	\$730.49	\$730.49	\$783.21	\$783.21	\$1,068.30	\$1,068.30
57	\$1,013.99	\$1,013.99	\$1,087.17	\$1,087.17	\$763.05	\$763.05	\$818.13	\$818.13	\$1,115.93	\$1,115.93
58	\$1,060.17	\$1,060.17	\$1,136.69	\$1,136.69	\$797.80	\$797.80	\$855.39	\$855.39	\$1,166.75	\$1,166.75
59	\$1,083.06	\$1,083.06	\$1,161.22	\$1,161.22	\$815.03	\$815.03	\$873.85	\$873.85	\$1,191.94	\$1,191.94
60	\$1,129.24	\$1,129.24	\$1,210.74	\$1,210.74	\$849.78	\$849.78	\$911.12	\$911.12	\$1,242.77	\$1,242.77
61	\$1,169.18	\$1,169.18	\$1,253.57	\$1,253.57	\$879.84	\$879.84	\$943.35	\$943.35	\$1,286.73	\$1,286.73
62	\$1,195.40	\$1,195.40	\$1,281.67	\$1,281.67	\$899.57	\$899.57	\$964.49	\$964.49	\$1,315.58	\$1,315.58
63	\$1,228.27	\$1,228.27	\$1,316.92	\$1,316.92	\$924.30	\$924.30	\$991.02	\$991.02	\$1,351.75	\$1,351.75
64+	\$1,248.24	\$1,248.24	\$1,338.33	\$1,338.33	\$939.33	\$939.33	\$1,007.13	\$1,007.13	\$1,373.73	\$1,373.73

Company Name:  
Market:  
Product:  
Effective Date of Rates:

HIOS Plan ID (On Exchange)=>	N/A		N/A		N/A	
HIOS Plan ID (Off Exchange)=>	70194PA0240006		70194PA0250002		70194PA0250002	
Plan Marketing Name =>	Shared Cost PPO \$1500		Health Savings PPO Embedded Q\$6100		Health Savings PPO Embedded Q\$6100	
Form # =>	HHIC/PPO-9		HHIC/HDHP-9		HHIC/HDHP-9	
Rating Area =>	Area 9		Area 6,7		Area 9	
Network =>	F		F		F	
Metal =>	Gold		Bronze		Bronze	
Deductible =>	\$1,500		\$6,100		\$6,100	
Coinsurance =>	90%		60%		60%	
Copays =>	\$30		60%		60%	
OOP Maximum =>	\$5,000		\$6,900		\$6,900	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	\$343.56	\$343.56	\$265.45	\$265.45	\$260.34	\$260.34
15	\$374.10	\$374.10	\$289.04	\$289.04	\$283.49	\$283.49
16	\$385.78	\$385.78	\$298.06	\$298.06	\$292.33	\$292.33
17	\$397.45	\$397.45	\$307.09	\$307.09	\$301.18	\$301.18
18	\$410.03	\$410.03	\$316.80	\$316.80	\$310.71	\$310.71
19	\$422.60	\$422.60	\$326.52	\$326.52	\$320.24	\$320.24
20	\$435.63	\$435.63	\$336.58	\$336.58	\$330.11	\$330.11
21	\$449.10	\$449.10	\$346.99	\$346.99	\$340.32	\$340.32
22	\$449.10	\$449.10	\$346.99	\$346.99	\$340.32	\$340.32
23	\$449.10	\$449.10	\$346.99	\$346.99	\$340.32	\$340.32
24	\$449.10	\$449.10	\$346.99	\$346.99	\$340.32	\$340.32
25	\$450.90	\$450.90	\$348.38	\$348.38	\$341.68	\$341.68
26	\$459.88	\$459.88	\$355.32	\$355.32	\$348.49	\$348.49
27	\$470.66	\$470.66	\$363.65	\$363.65	\$356.66	\$356.66
28	\$488.17	\$488.17	\$377.18	\$377.18	\$369.93	\$369.93
29	\$502.54	\$502.54	\$388.28	\$388.28	\$380.82	\$380.82
30	\$509.73	\$509.73	\$393.83	\$393.83	\$386.26	\$386.26
31	\$520.51	\$520.51	\$402.16	\$402.16	\$394.43	\$394.43
32	\$531.29	\$531.29	\$410.49	\$410.49	\$402.60	\$402.60
33	\$538.02	\$538.02	\$415.69	\$415.69	\$407.70	\$407.70
34	\$545.21	\$545.21	\$421.25	\$421.25	\$413.15	\$413.15
35	\$548.80	\$548.80	\$424.02	\$424.02	\$415.87	\$415.87
36	\$552.39	\$552.39	\$426.80	\$426.80	\$418.59	\$418.59
37	\$555.99	\$555.99	\$429.57	\$429.57	\$421.32	\$421.32
38	\$559.58	\$559.58	\$432.35	\$432.35	\$424.04	\$424.04
39	\$566.76	\$566.76	\$437.90	\$437.90	\$429.48	\$429.48
40	\$573.95	\$573.95	\$443.45	\$443.45	\$434.93	\$434.93
41	\$584.73	\$584.73	\$451.78	\$451.78	\$443.10	\$443.10
42	\$595.06	\$595.06	\$459.76	\$459.76	\$450.92	\$450.92
43	\$609.43	\$609.43	\$470.87	\$470.87	\$461.81	\$461.81
44	\$627.39	\$627.39	\$484.75	\$484.75	\$475.43	\$475.43
45	\$648.50	\$648.50	\$501.05	\$501.05	\$491.42	\$491.42
46	\$673.65	\$673.65	\$520.49	\$520.49	\$510.48	\$510.48
47	\$701.94	\$701.94	\$542.35	\$542.35	\$531.92	\$531.92
48	\$734.28	\$734.28	\$567.33	\$567.33	\$556.42	\$556.42
49	\$766.16	\$766.16	\$591.96	\$591.96	\$580.59	\$580.59
50	\$802.09	\$802.09	\$619.72	\$619.72	\$607.81	\$607.81
51	\$837.57	\$837.57	\$647.14	\$647.14	\$634.70	\$634.70
52	\$876.64	\$876.64	\$677.32	\$677.32	\$664.30	\$664.30
53	\$916.16	\$916.16	\$707.86	\$707.86	\$694.25	\$694.25
54	\$958.83	\$958.83	\$740.82	\$740.82	\$726.58	\$726.58
55	\$1,001.49	\$1,001.49	\$773.79	\$773.79	\$758.91	\$758.91
56	\$1,047.75	\$1,047.75	\$809.53	\$809.53	\$793.97	\$793.97
57	\$1,094.46	\$1,094.46	\$845.61	\$845.61	\$829.36	\$829.36
58	\$1,144.31	\$1,144.31	\$884.13	\$884.13	\$867.14	\$867.14
59	\$1,169.01	\$1,169.01	\$903.21	\$903.21	\$885.85	\$885.85
60	\$1,218.86	\$1,218.86	\$941.73	\$941.73	\$923.63	\$923.63
61	\$1,261.97	\$1,261.97	\$975.04	\$975.04	\$956.30	\$956.30
62	\$1,290.26	\$1,290.26	\$996.90	\$996.90	\$977.74	\$977.74
63	\$1,325.74	\$1,325.74	\$1,024.31	\$1,024.31	\$1,004.62	\$1,004.62
64+	\$1,347.30	\$1,347.30	\$1,040.97	\$1,040.97	\$1,020.96	\$1,020.96

Company Name: Highmark Health Insurance Co. (HHIC)  
 Market: Small Group  
 Product: PPO  
 Effective Date of Rates: October 1, 2021

Ending date of Rates: December 31, 2021

HIOS Plan ID (On Exchange)=>	N/A		N/A		N/A		N/A		N/A	
HIOS Plan ID (Off Exchange)=>	70194PA0220006		70194PA0220006		70194PA0230002		70194PA0230002		70194PA0240006	
Plan Marketing Name =>	Shared Cost PPO \$1500		Shared Cost PPO \$1500		Health Savings PPO Embedded Q\$6100		Health Savings PPO Embedded Q\$6100		Shared Cost PPO \$1500	
Form # =>	HHIC/PPO-9		HHIC/PPO-9		HHIC/HDHP-9		HHIC/HDHP-9		HHIC/PPO-9	
Rating Area =>	Area 1,2,4,5		Area 6		Area 1,2,4,5		Area 6		Area 6,7	
Network =>	C		C		C		C		F	
Metal =>	Gold		Gold		Bronze		Bronze		Gold	
Deductible =>	\$1,500		\$1,500		\$6,100		\$6,100		\$1,500	
Coinsurance =>	90%		90%		60%		60%		90%	
Copays =>	\$30		\$30		60%		60%		\$30	
OOP Maximum =>	\$5,000		\$5,000		\$6,900		\$6,900		\$5,000	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	\$325.28	\$325.28	\$348.75	\$348.75	\$244.78	\$244.78	\$262.45	\$262.45	\$357.97	\$357.97
15	\$354.19	\$354.19	\$379.75	\$379.75	\$266.54	\$266.54	\$285.78	\$285.78	\$389.79	\$389.79
16	\$365.25	\$365.25	\$391.60	\$391.60	\$274.85	\$274.85	\$294.70	\$294.70	\$401.96	\$401.96
17	\$376.30	\$376.30	\$403.45	\$403.45	\$283.17	\$283.17	\$303.62	\$303.62	\$414.13	\$414.13
18	\$388.21	\$388.21	\$416.22	\$416.22	\$292.13	\$292.13	\$313.22	\$313.22	\$427.23	\$427.23
19	\$400.11	\$400.11	\$428.98	\$428.98	\$301.09	\$301.09	\$322.83	\$322.83	\$440.33	\$440.33
20	\$412.44	\$412.44	\$442.20	\$442.20	\$310.37	\$310.37	\$332.78	\$332.78	\$453.90	\$453.90
21	\$425.20	\$425.20	\$455.88	\$455.88	\$319.97	\$319.97	\$343.07	\$343.07	\$467.94	\$467.94
22	\$425.20	\$425.20	\$455.88	\$455.88	\$319.97	\$319.97	\$343.07	\$343.07	\$467.94	\$467.94
23	\$425.20	\$425.20	\$455.88	\$455.88	\$319.97	\$319.97	\$343.07	\$343.07	\$467.94	\$467.94
24	\$425.20	\$425.20	\$455.88	\$455.88	\$319.97	\$319.97	\$343.07	\$343.07	\$467.94	\$467.94
25	\$426.90	\$426.90	\$457.70	\$457.70	\$321.25	\$321.25	\$344.44	\$344.44	\$469.81	\$469.81
26	\$435.40	\$435.40	\$466.82	\$466.82	\$327.65	\$327.65	\$351.30	\$351.30	\$479.17	\$479.17
27	\$445.61	\$445.61	\$477.76	\$477.76	\$335.33	\$335.33	\$359.54	\$359.54	\$490.40	\$490.40
28	\$462.19	\$462.19	\$495.54	\$495.54	\$347.81	\$347.81	\$372.92	\$372.92	\$508.65	\$508.65
29	\$475.80	\$475.80	\$510.13	\$510.13	\$358.05	\$358.05	\$383.90	\$383.90	\$523.62	\$523.62
30	\$482.60	\$482.60	\$517.42	\$517.42	\$363.17	\$363.17	\$389.38	\$389.38	\$531.11	\$531.11
31	\$492.81	\$492.81	\$528.36	\$528.36	\$370.85	\$370.85	\$397.62	\$397.62	\$542.34	\$542.34
32	\$503.01	\$503.01	\$539.31	\$539.31	\$378.52	\$378.52	\$405.85	\$405.85	\$553.57	\$553.57
33	\$509.39	\$509.39	\$546.14	\$546.14	\$383.32	\$383.32	\$411.00	\$411.00	\$560.59	\$560.59
34	\$516.19	\$516.19	\$553.44	\$553.44	\$388.44	\$388.44	\$416.49	\$416.49	\$568.08	\$568.08
35	\$519.59	\$519.59	\$557.09	\$557.09	\$391.00	\$391.00	\$419.23	\$419.23	\$571.82	\$571.82
36	\$523.00	\$523.00	\$560.73	\$560.73	\$393.56	\$393.56	\$421.98	\$421.98	\$575.57	\$575.57
37	\$526.40	\$526.40	\$564.38	\$564.38	\$396.12	\$396.12	\$424.72	\$424.72	\$579.31	\$579.31
38	\$529.80	\$529.80	\$568.03	\$568.03	\$398.68	\$398.68	\$427.47	\$427.47	\$583.05	\$583.05
39	\$536.60	\$536.60	\$575.32	\$575.32	\$403.80	\$403.80	\$432.95	\$432.95	\$590.54	\$590.54
40	\$543.41	\$543.41	\$582.61	\$582.61	\$408.92	\$408.92	\$438.44	\$438.44	\$598.03	\$598.03
41	\$553.61	\$553.61	\$593.56	\$593.56	\$416.60	\$416.60	\$446.68	\$446.68	\$609.26	\$609.26
42	\$563.39	\$563.39	\$604.04	\$604.04	\$423.96	\$423.96	\$454.57	\$454.57	\$620.02	\$620.02
43	\$577.00	\$577.00	\$618.63	\$618.63	\$434.20	\$434.20	\$465.55	\$465.55	\$634.99	\$634.99
44	\$594.00	\$594.00	\$636.86	\$636.86	\$447.00	\$447.00	\$479.27	\$479.27	\$653.71	\$653.71
45	\$613.99	\$613.99	\$658.29	\$658.29	\$462.04	\$462.04	\$495.39	\$495.39	\$675.71	\$675.71
46	\$637.80	\$637.80	\$683.82	\$683.82	\$479.96	\$479.96	\$514.61	\$514.61	\$701.91	\$701.91
47	\$664.59	\$664.59	\$712.54	\$712.54	\$500.11	\$500.11	\$536.22	\$536.22	\$731.39	\$731.39
48	\$695.20	\$695.20	\$745.36	\$745.36	\$523.15	\$523.15	\$560.92	\$560.92	\$765.08	\$765.08
49	\$725.39	\$725.39	\$777.73	\$777.73	\$545.87	\$545.87	\$585.28	\$585.28	\$798.31	\$798.31
50	\$759.41	\$759.41	\$814.20	\$814.20	\$571.47	\$571.47	\$612.72	\$612.72	\$835.74	\$835.74
51	\$793.00	\$793.00	\$850.22	\$850.22	\$596.74	\$596.74	\$639.83	\$639.83	\$872.71	\$872.71
52	\$829.99	\$829.99	\$889.88	\$889.88	\$624.58	\$624.58	\$669.67	\$669.67	\$913.42	\$913.42
53	\$867.41	\$867.41	\$930.00	\$930.00	\$652.74	\$652.74	\$699.86	\$699.86	\$954.60	\$954.60
54	\$907.80	\$907.80	\$973.30	\$973.30	\$683.14	\$683.14	\$732.45	\$732.45	\$999.05	\$999.05
55	\$948.20	\$948.20	\$1,016.61	\$1,016.61	\$713.53	\$713.53	\$765.05	\$765.05	\$1,043.51	\$1,043.51
56	\$991.99	\$991.99	\$1,063.57	\$1,063.57	\$746.49	\$746.49	\$800.38	\$800.38	\$1,091.70	\$1,091.70
57	\$1,036.21	\$1,036.21	\$1,110.98	\$1,110.98	\$779.77	\$779.77	\$836.06	\$836.06	\$1,140.37	\$1,140.37
58	\$1,083.41	\$1,083.41	\$1,161.58	\$1,161.58	\$815.28	\$815.28	\$874.14	\$874.14	\$1,192.31	\$1,192.31
59	\$1,106.80	\$1,106.80	\$1,186.66	\$1,186.66	\$832.88	\$832.88	\$893.01	\$893.01	\$1,218.05	\$1,218.05
60	\$1,153.99	\$1,153.99	\$1,237.26	\$1,237.26	\$868.40	\$868.40	\$931.09	\$931.09	\$1,269.99	\$1,269.99
61	\$1,194.81	\$1,194.81	\$1,281.02	\$1,281.02	\$899.12	\$899.12	\$964.03	\$964.03	\$1,314.91	\$1,314.91
62	\$1,221.60	\$1,221.60	\$1,309.74	\$1,309.74	\$919.27	\$919.27	\$985.64	\$985.64	\$1,344.39	\$1,344.39
63	\$1,255.19	\$1,255.19	\$1,345.76	\$1,345.76	\$944.55	\$944.55	\$1,012.74	\$1,012.74	\$1,381.36	\$1,381.36
64+	\$1,275.60	\$1,275.60	\$1,367.64	\$1,367.64	\$959.91	\$959.91	\$1,029.21	\$1,029.21	\$1,403.82	\$1,403.82

Company Name:  
Market:  
Product:  
Effective Date of Rates:

HIOS Plan ID (On Exchange)=>	N/A		N/A		N/A	
HIOS Plan ID (Off Exchange)=>	70194PA0240006		70194PA0250002		70194PA0250002	
Plan Marketing Name =>	Shared Cost PPO \$1500		Health Savings PPO Embedded Q\$6100		Health Savings PPO Embedded Q\$6100	
Form # =>	HHIC/PPD-9		HHIC/HDHP-9		HHIC/HDHP-9	
Rating Area =>	Area 9		Area 6,7		Area 9	
Network =>	F		F		F	
Metal =>	Gold		Bronze		Bronze	
Deductible =>	\$1,500		\$6,100		\$6,100	
Coinsurance =>	90%		60%		60%	
Copays =>	\$30		60%		60%	
OOP Maximum =>	\$5,000		\$6,900		\$6,900	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	\$351.09	\$351.09	\$271.26	\$271.26	\$266.04	\$266.04
15	\$282.30	\$282.30	\$295.37	\$295.37	\$289.69	\$289.69
16	\$294.23	\$294.23	\$304.59	\$304.59	\$298.73	\$298.73
17	\$406.16	\$406.16	\$313.81	\$313.81	\$307.78	\$307.78
18	\$419.01	\$419.01	\$323.74	\$323.74	\$317.51	\$317.51
19	\$431.86	\$431.86	\$333.67	\$333.67	\$327.25	\$327.25
20	\$445.17	\$445.17	\$343.95	\$343.95	\$337.34	\$337.34
21	\$458.94	\$458.94	\$354.59	\$354.59	\$347.77	\$347.77
22	\$458.94	\$458.94	\$354.59	\$354.59	\$347.77	\$347.77
23	\$458.94	\$458.94	\$354.59	\$354.59	\$347.77	\$347.77
24	\$458.94	\$458.94	\$354.59	\$354.59	\$347.77	\$347.77
25	\$460.78	\$460.78	\$356.01	\$356.01	\$349.16	\$349.16
26	\$469.95	\$469.95	\$363.10	\$363.10	\$356.12	\$356.12
27	\$480.97	\$480.97	\$371.61	\$371.61	\$364.46	\$364.46
28	\$498.87	\$498.87	\$385.44	\$385.44	\$378.03	\$378.03
29	\$513.55	\$513.55	\$396.79	\$396.79	\$389.15	\$389.15
30	\$520.90	\$520.90	\$402.46	\$402.46	\$394.72	\$394.72
31	\$531.91	\$531.91	\$410.97	\$410.97	\$403.07	\$403.07
32	\$542.93	\$542.93	\$419.48	\$419.48	\$411.41	\$411.41
33	\$549.81	\$549.81	\$424.80	\$424.80	\$416.63	\$416.63
34	\$557.15	\$557.15	\$430.47	\$430.47	\$422.19	\$422.19
35	\$560.82	\$560.82	\$433.31	\$433.31	\$424.97	\$424.97
36	\$564.50	\$564.50	\$436.15	\$436.15	\$427.76	\$427.76
37	\$568.17	\$568.17	\$438.98	\$438.98	\$430.54	\$430.54
38	\$571.84	\$571.84	\$441.82	\$441.82	\$433.32	\$433.32
39	\$579.18	\$579.18	\$447.49	\$447.49	\$438.89	\$438.89
40	\$586.53	\$586.53	\$453.17	\$453.17	\$444.45	\$444.45
41	\$597.54	\$597.54	\$461.68	\$461.68	\$452.80	\$452.80
42	\$608.10	\$608.10	\$469.83	\$469.83	\$460.80	\$460.80
43	\$622.78	\$622.78	\$481.18	\$481.18	\$471.92	\$471.92
44	\$641.14	\$641.14	\$495.36	\$495.36	\$485.83	\$485.83
45	\$662.71	\$662.71	\$512.03	\$512.03	\$502.18	\$502.18
46	\$688.41	\$688.41	\$531.89	\$531.89	\$521.66	\$521.66
47	\$717.32	\$717.32	\$554.22	\$554.22	\$543.56	\$543.56
48	\$750.37	\$750.37	\$579.75	\$579.75	\$568.60	\$568.60
49	\$782.95	\$782.95	\$604.93	\$604.93	\$593.30	\$593.30
50	\$819.67	\$819.67	\$633.30	\$633.30	\$621.12	\$621.12
51	\$855.92	\$855.92	\$661.31	\$661.31	\$648.59	\$648.59
52	\$895.85	\$895.85	\$692.16	\$692.16	\$678.85	\$678.85
53	\$936.24	\$936.24	\$723.36	\$723.36	\$709.45	\$709.45
54	\$979.84	\$979.84	\$757.05	\$757.05	\$742.49	\$742.49
55	\$1,023.44	\$1,023.44	\$790.74	\$790.74	\$775.53	\$775.53
56	\$1,070.71	\$1,070.71	\$827.26	\$827.26	\$811.35	\$811.35
57	\$1,118.44	\$1,118.44	\$864.14	\$864.14	\$847.52	\$847.52
58	\$1,169.38	\$1,169.38	\$903.50	\$903.50	\$886.12	\$886.12
59	\$1,194.62	\$1,194.62	\$923.00	\$923.00	\$905.25	\$905.25
60	\$1,245.56	\$1,245.56	\$962.36	\$962.36	\$943.85	\$943.85
61	\$1,289.62	\$1,289.62	\$996.40	\$996.40	\$977.23	\$977.23
62	\$1,318.53	\$1,318.53	\$1,018.74	\$1,018.74	\$999.14	\$999.14
63	\$1,354.79	\$1,354.79	\$1,046.75	\$1,046.75	\$1,026.62	\$1,026.62
64+	\$1,376.82	\$1,376.82	\$1,063.77	\$1,063.77	\$1,043.31	\$1,043.31

**Highmark Health Insurance Co. (HHIC)  
Small Group  
Plan Design Summary**

HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Network	Rating Area	Counties Covered
70194PA0220006	Shared Cost PPO \$1500	PPO	Gold	Off	C	1,2,4,5,6	Erie, Clarion, Forest, McKean, Venango, Warren, Crawford, Mercer, Cameron, Elk, Potter, Allegheny, Beaver, Butler, Washington, Westmoreland, Armstrong, Indiana, Fayette, Greene, Lawrence, Bedford, Blair, Cambria, Huntingdon, Somerset, Clearfield, Jefferson, Centre
70194PA0230002	Health Savings PPO Embedded Q\$6100	PPO	Bronze	Off	C	1,2,4,5,6	Erie, Clarion, Forest, McKean, Venango, Warren, Crawford, Mercer, Cameron, Elk, Potter, Allegheny, Beaver, Butler, Washington, Westmoreland, Armstrong, Indiana, Fayette, Greene, Lawrence, Bedford, Blair, Cambria, Huntingdon, Somerset, Clearfield, Jefferson, Centre
70194PA0240006	Shared Cost PPO \$1500	PPO	Gold	Off	F	6,7,9	Lehigh, Northampton, Schuylkill, Centre, Columbia, Mifflin, Montour, Northumberland, Snyder, Union, Berks, Lancaster, Adams, York, Cumberland, Dauphin, Lebanon, Perry, Franklin, Fulton, Juniata
70194PA0250002	Health Savings PPO Embedded Q\$6100	PPO	Bronze	Off	F	6,7,9	Lehigh, Northampton, Schuylkill, Centre, Columbia, Mifflin, Montour, Northumberland, Snyder, Union, Berks, Lancaster, Adams, York, Cumberland, Dauphin, Lebanon, Perry, Franklin, Fulton, Juniata

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

D2-01-2020 Number of Covered Lives by Rating County					RATING AREA 1													
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	0		0		0		3		24		0		0	
					Crawford	Clarion	Erie	Forest	Mckean	Mercer	Venango	Warren						
70194PA0220006	Shared Cost PPO \$1500	PPO	Gold	OFF	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43
70194PA0230002	Health Savings PPO Embedded Q\$6100	PPO	Bronze	OFF	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83
70194PA0240006	Shared Cost PPO \$1500	PPO	Gold	OFF														
70194PA0250002	Health Savings PPO Embedded Q\$6100	PPO	Bronze	OFF														

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

HICS Plan ID	Plan Marketing Name	RATING AREA 2			RATING AREA 4									
		0	0	1	101	0	4	0	2	1	0	6	11	0
02-01-2020 Number of Covered Lives by Rate		Elk	Cameron	Potter	Allegheny	Armstrong	Beaver	Butler	Fayette	Greene	Indiana	Lawrence	Washington	Westmoreland
70194PA0220006	Shared Cost PPO \$1500	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43
70194PA0230002	Health Savings PPO Embedded Q56100	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83
70194PA0240006	Shared Cost PPO \$1500													
70194PA0250002	Health Savings PPO Embedded Q56100													

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

02-01-2020 Number of Covered Lives by Rating Area	
HIQS Plan ID	Plan Marketing Name
70194PA0220006	Shared Cost PPO \$1500
70194PA0230002	Health Savings PPO Embedded QS6100
70194PA0240006	Shared Cost PPO \$1500
70194PA0250002	Health Savings PPO Embedded QS6100

RATING AREA 5							
0	0	0	1	0	0	4	
Bedford	Blair	Clearfield	Cambria	Huntingdon	Jefferson	Somerset	
\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43	\$398.43
\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83	\$299.83

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

		RATING AREA 6									
		02-01-2020 Number of Covered Lives by Rat									
		1	2	49	0	0	17	0	8	0	2
MIOS Plan ID	Plan Marketing Name	Centre	Columbia	Lehigh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union
70194PA0220006	Shared Cost PPO \$1500	\$427.18									
70194PA0230002	Health Savings PPO Embedded Q\$6100	\$321.47									
70194PA0240006	Shared Cost PPO \$1500	\$438.48	\$438.48	\$438.48	\$438.48	\$438.48	\$438.48	\$438.48	\$438.48	\$438.48	\$438.48
70194PA0250002	Health Savings PPO Embedded Q\$6100	\$332.27	\$332.27	\$332.27	\$332.27	\$332.27	\$332.27	\$332.27	\$332.27	\$332.27	\$332.27

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

WQS Plan ID	Plan Marketing Name	RATING AREA 7				RATING AREA 9						
		02-01-2020 Number of Covered Lives by Rat	18	32	23	5	14	7	15	0	0	0
		Adams	Berks	Lancaster	York	Cumberland	Dauphin	Franklin	Fulton	Juniata	Lebanon	Perry
70194PA0220006	Shared Cost PPO \$1500											
70194PA0230002	Health Savings PPO Embedded Q\$6100											
70194PA0240006	Shared Cost PPO \$1500	\$438.48	\$438.48	\$438.48	\$438.48	\$430.05	\$430.05	\$430.05	\$430.05	\$430.05	\$430.05	\$430.05
70194PA0250002	Health Savings PPO Embedded Q\$6100	\$332.27	\$332.27	\$332.27	\$332.27	\$325.88	\$325.88	\$325.88	\$325.88	\$325.88	\$325.88	\$325.88

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

02-01-2020 Number of Covered Lives by Rating County					RATING AREA 1							
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	0	0	0	0	3	24	0	0
					Crawford	Clarion	Erie	Forest	Mckean	Mercer	Venango	Warren
70194PA0220006	Shared Cost PPO \$1500	PPO	Gold	Off	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16
70194PA0230002	Health Savings PPO Embedded Q56100	PPO	Bronze	Off	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40
70194PA0240006	Shared Cost PPO \$1500	PPO	Gold	Off								
70194PA0250002	Health Savings PPO Embedded Q56100	PPO	Bronze	Off								

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

HIOS Plan ID	Plan Marketing Name	RATING AREA 2			RATING AREA 4									
		02-01-2020 Number of Covered Lives by Rating	0	0	1	101	0	4	0	2	1	0	6	11
		Elk	Cameron	Potter	Allegheny	Armstrong	Beaver	Butler	Fayette	Greene	Indiana	Lawrence	Washington	Westmoreland
70194PA0220006	Shared Cost PPO \$1500	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16
70194PA0230002	Health Savings PPO Embedded Q36100	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40
70194PA0240006	Shared Cost PPO \$1500													
70194PA0250002	Health Savings PPO Embedded Q36100													

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

HIOS Plan ID	Plan Marketing Name	RATING AREA 5							RATING AREA 6									
		0	0	0	1	0	0	4	1	2	49	0	0	17	0	8	0	2
		Bedford	Blair	Clearfield	Cambria	Huntingdon	Jefferson	Somerset	Centre	Columbia	Lehigh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union
70194PA0220006	Shared Cost PPO \$1500	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$407.16	\$436.54									
70194PA0230002	Health Savings PPO Embedded Q56100	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$306.40	\$332.51									
70194PA0240006	Shared Cost PPO \$1500								\$448.09	\$448.09	\$448.09	\$448.09	\$448.09	\$448.09	\$448.09	\$448.09	\$448.09	\$448.09
70194PA0250002	Health Savings PPO Embedded Q56100								\$339.55	\$339.55	\$339.55	\$339.55	\$339.55	\$339.55	\$339.55	\$339.55	\$339.55	\$339.55

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

HIOS Plan ID	Plan Marketing Name	RATING AREA 7				RATING AREA 9										
		02-01-2020 Number of Covered Lives by Rating				14		7		15		0		0		
		18	32	23	5	Adams	Berks	Lancaster	York	Cumberland	Dauphin	Franklin	Fulton	Junata	Lebanon	Perry
70194PA0220006	Shared Cost PPO \$1500															
70194PA0230002	Health Savings PPO Embedded Q56100															
70194PA0240006	Shared Cost PPO \$1500															
70194PA0210002	Health Savings PPO Embedded Q56100															
		\$448.09	\$448.09	\$448.09	\$448.09	\$439.47	\$439.47	\$439.47	\$439.47	\$439.47	\$439.47	\$439.47	\$439.47	\$439.47	\$439.47	\$439.47
		\$339.55	\$339.55	\$339.55	\$339.55	\$333.02	\$333.02	\$333.02	\$333.02	\$333.02	\$333.02	\$333.02	\$333.02	\$333.02	\$333.02	\$333.02

Company Name Highmark Health Insurance Co. (HHK)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

62-01-2020 Number of Covered Lives by Rating County					RATING AREA 1								RATING AREA 2		
HHDS Plan ID	Plan Marketing Name	Product	Metal	Dx/OT Exchange	0								0		
					Crawford	Clarion	Erie	Forest	McKean	Menzer	Venango	Warren	Elk	Cameron	Potter
70194PA0220006	Shared Cost PPO \$1500	PPO	Gold	Off	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08
70194PA0230002	Health Savings PPO Embedded CS6100	PPO	Bronze	Off	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11
70194PA0240006	Shared Cost PPO \$1500	PPO	Gold	Off											
70194PA0250002	Health Savings PPO Embedded CS6100	PPO	Bronze	Off											

RATING AREA 4									
101	0	4	0	2	1	0	6	11	0
Allegheny	Armstrong	Beaver	Butler	Fayette	Greene	Indiana	Lawrence	Washington	Westmoreland
\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08
\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11

RATING AREA 5

0	0	0	1	0	0	4
Bedford	Blair	Clearfield	Cambria	Huntingdon	Jefferson	Somerset

\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08	\$416.08
\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11	\$313.11

RATING AREA 6

1	2	49	0	0	17	0	8	0	2
Centre	Columbia	Lehigh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union

\$446.11									
\$335.71	\$457.91	\$457.91	\$457.91	\$457.91	\$457.91	\$457.91	\$457.91	\$457.91	\$457.91
\$346.99	\$346.99	\$346.99	\$346.99	\$346.99	\$346.99	\$346.99	\$346.99	\$346.99	\$346.99

RATING AREA 7				RATING AREA 9						
18	22	23	5	14	7	15	0	0	0	0
Adams	Berks	Lancaster	York	Cumberland	Dauphin	Franklin	Fulton	Juniata	Lebanon	Perry
\$457.91	\$457.91	\$457.91	\$457.91	\$449.10	\$449.10	\$449.10	\$449.10	\$449.10	\$449.10	\$449.10
\$346.99	\$346.99	\$346.99	\$346.99	\$340.32	\$340.32	\$340.32	\$340.32	\$340.32	\$340.32	\$340.32

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

HHS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	RATING AREA 1										RATING AREA 2		
					02-01-2020 Number of Covered Lives by Rating County												
					0	0	0	0	3	24	0	0	0	0	1	0	0
					Crawford	Clarion	Erie	Forest	Madison	Mercer	Vanango	Warren	Elk	Cameron	Potter		
70194PA0230006	Shared Cost PPO \$1500	PPO	Gold	Off	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20		
70194PA0230002	Health Savings PPO Embedded Q56100	PPO	Bronze	Off	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97		
70194PA0240006	Shared Cost PPO \$1500	PPO	Gold	Off	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20		
70194PA0250002	Health Savings PPO Embedded Q56100	PPO	Bronze	Off	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97		

Company Name Highmark Health Insurance Co. (HHC)  
Market Small Group  
RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

Q3 01-2020 Number of Covered Lives by Rate	
HDS Plan ID	Plan Marketing Name
70194FA0230006	Shared Cost PPO \$1500
70194FA0230002	Health Savings PPO Embedded QSE100
70194FA0240006	Shared Cost PPO \$1500
70194FA0230002	Health Savings PPO Embedded QSE100

Company Name Highmark Health Insurance Co. (HHC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

HOS Plan ID	Plan Marketing Name	RATING AREA 4										RATING AREA 5							
		03-01-2020 Number of Covered Lives by Rate																	
		101	0	4	0	2	1	0	5	11	0	0	0	1	0	0	4		
		Allaheany	Armstrong	Beaver	Butler	Fayette	Greene	Indiana	Lawrence	Washington	Westmoreland	Bedford	Blair	Clearfield	Cambridge	Huntingdon	Jefferson	Somerset	
70154FA0230006	Shared Cost PPO \$1500	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	
70154FA0230002	Health Savings PPO Embedded Q56100	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	
70154FA0240006	Shared Cost PPO \$1500	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	\$425.20	
70154FA0230002	Health Savings PPO Embedded Q56100	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	\$319.97	

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

HICS Plan ID	Plan Marketing Name	RATING AREA 6										RATING AREA 7			
		01-01-2020 Number of Covered Lives by Rate	1	2	40	0	0	17	0	6	0	2	15	21	23
		Centre	Columbia	Laligh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union	Adams	Berks	Lancaster	York
7019HAP0220006	Shared Cost PPO \$1500	\$455.88													
7019HAP0230002	Health Savings PPO Embedded Q56100	\$343.07													
7019HAP0240006	Shared Cost PPO \$1500	\$467.94	\$467.94	\$467.94	\$467.94	\$467.94	\$467.94	\$467.94	\$467.94	\$467.94	\$467.94	\$467.94	\$467.94	\$467.94	\$467.94
7019HAP0250002	Health Savings PPO Embedded Q56100	\$354.59	\$354.59	\$354.59	\$354.59	\$354.59	\$354.59	\$354.59	\$354.59	\$354.59	\$354.59	\$354.59	\$354.59	\$354.59	\$354.59

Company Name Highmark Health Insurance Co. (HHIC)  
 Market Small Group  
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

HIOS Plan ID	Plan Marketing Name	RATING AREA 9						
		03-01-2020 Number of Covered Lives by Rate						
		14	7	15	0	0	0	0
		Cumberland	Dauphin	Franklin	Fulton	Juniata	Lebanon	Perry
70154FA0230006	Shared Cost PPO \$1500							
70154FA0230002	Health Savings PPO Embedded Q56100							
70154FA0240006	Shared Cost PPO \$1500	\$458.94	\$458.94	\$458.94	\$458.94	\$458.94	\$458.94	\$458.94
70154FA0230002	Health Savings PPO Embedded Q56100	\$347.77	\$347.77	\$347.77	\$347.77	\$347.77	\$347.77	\$347.77

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
1		<b>Unified Rate Review v5.2</b>																			
2		To add a product to Worksheet 2 - Plan Product Info, select the Add Product button or Ctrl + Shift + P.																			
3		Company Legal Name:	Highmark Health Insurance Co. (HHIC)													State:	PA		To add a plan to Worksheet 2 - Plan Product Info, select the Add Plan button or Ctrl + Shift + L.		
4		HIOS Issuer ID:	70194													Market:	Small Group		To validate, select the Validate button or Ctrl + Shift + I.		
5		Effective Date of Rate Change(s):	01/01/2021																		
6																					
7																					
8		<b>Market Level Calculations (Same for all Plans)</b>																			
9																					
10																					
11		<b>Section I: Experience Period Data</b>																			
12		Experience Period:	01/01/2019			to	12/31/2019														
13						Total				PMPM											
14		Allowed Claims				\$248,395,170.00							\$445.80								
15		Reinsurance				\$0.00							\$0.00								
16		Incurred Claims in Experience Period				\$217,021,147.00							\$389.49								
17		Risk Adjustment				\$202,651.00							\$0.36								
18		Experience Period Premium				\$254,089,676.00							\$456.02								
19		Experience Period Member Months				557,195															
20																					
21		<b>Section II: Projections</b>																			
22			Year 1 Trend				Year 2 Trend				Trended EHB Allowed Claims										
23		Benefit Category	Experience Period Index Rate PMPM	Cost	Utilization	Cost	Utilization	Cost	Utilization	Cost	Utilization	PMPM									
24		Inpatient Hospital	\$82.02	1.069	1.021	1.069	1.021	1.069	1.021	1.069	1.021	\$97.71									
25		Outpatient Hospital	\$157.42	1.069	1.021	1.069	1.021	1.069	1.021	1.069	1.021	\$187.53									
26		Professional	\$119.71	1.069	1.021	1.069	1.021	1.069	1.021	1.069	1.021	\$142.61									
27		Other Medical	\$12.50	1.069	1.021	1.069	1.021	1.069	1.021	1.069	1.021	\$14.89									
28		Capitation	\$0.01	10.188	1.000	10.188	1.000	10.188	1.000	10.188	1.000	\$1.04									
29		Prescription Drug	\$74.14	1.069	1.021	1.069	1.021	1.069	1.021	1.069	1.021	\$88.32									
30		Total	\$445.80									\$532.09									
31																					
32		Morbidity Adjustment										1.329									
33		Demographic Shift										1.016									
34		Plan Design Changes										0.966									
35		Other										0.997									
36		Adjusted Trended EHB Allowed Claims PMPM for	01/01/2021									\$691.95									
37																					
38		Manual EHB Allowed Claims PMPM										\$0.00									
39		Applied Credibility %										100.00%									
40																					
41		<b>Projected Period Totals</b>																			
42		Projected Index Rate for	01/01/2021									\$691.95									
43		Reinsurance										\$2,881,279.80									
44		Risk Adjustment Payment/Charge										\$0.00									
45		Exchange User Fees										\$18.27									
46		Market Adjusted Index Rate										\$76,076.28									
47												\$0.00%									
48												\$0.00									
49												\$673.68									
50												\$2,805,203.52									
51		Projected Member Months										4,164									
		<b>Information Not Releasable to the Public Unless Authorized by Law:</b> 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**

Company Legal Name: Highmark Health Insurance Co. (HHIC)  
 HIOS Issuer ID: 70194  
 Effective Date of Rate Change(s): 01/01/2021

State: PA  
 Market: Small Group

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.  
 To remove a product, navigate to the corresponding Product Name/Product ID field and select the Remove Product button or Ctrl + Shift + Q.  
 To remove a plan, navigate to the corresponding Plan Name/Plan ID field and select the Remove Plan button or Ctrl + Shift + A.

**Product/Plan Level Calculations**

Field #	Section I: General Product and Plan Information	Terminated Product	Shared Cost PPO	Savings PPO Emb	Shared Cost PPO	Savings PPO Emb
1.1	Product Name	70194PA005	70194PA022	70194PA023	70194PA024	70194PA025
1.2	Product ID	2019 Experience	Shared Cost PPO	Health Savings	Shared Cost PPO	Health Savings
1.3	Plan Name	70194PA0050001	70194PA0220006	70194PA0230002	70194PA0240006	70194PA0250002
1.4	Plan ID (Standard Component ID)	Not Applicable	Gold	Bronze	Gold	Bronze
1.5	Metals	0.000	0.818	0.650	0.818	0.650
1.6	AV Metal Value	Terminated	Renewing	Renewing	Renewing	Renewing
1.7	Plan Category	PPO	PPO	PPO	PPO	PPO
1.8	Plan Type	No	No	No	No	No
1.9	Exchange Plan?	01/01/2019	01/01/2021	01/01/2021	01/01/2021	01/01/2021
1.10	Effective Date of Proposed Rates	0.00%	0.01%	1.03%	-0.97%	-0.94%
1.11	Cumulative Rate Change % (over 12 mos prior)					
1.12	Product Rate Increase %					
1.13	Submission Level Rate Increase %			-0.52%		

Worksheet 1 Totals	Section II: Experience Period and Current Plan Level Information	Total	70194PA0050001	70194PA0220006	70194PA0230002	70194PA0240006	70194PA0250002
\$248,395,170	2.1 Plan ID (Standard Component ID)	\$248,395,170	\$245,777,852	\$1,442,561	\$7,622	\$1,139,287	\$27,847
50	2.2 Allowed Claims	\$0	\$0	\$0	\$0	\$0	\$0
	2.3 Reinsurance	\$31,374,023	\$30,942,462	\$224,462	\$7,348	\$180,818	\$18,932
	2.4 Member Cost Sharing	\$0	\$0	\$0	\$0	\$0	\$0
	2.5 Cost Sharing Reduction	\$217,021,147	\$214,835,390	\$1,218,099	\$274	\$958,470	\$8,915
\$202,651	2.6 Incurred Claims	\$202,651	\$0	\$248,036	-\$13,397	\$35,301	-\$67,289
\$254,089,676	2.7 Risk Adjustment Transfer Amount	\$254,089,676	\$251,155,789	\$1,291,632	\$44,249	\$1,468,160	\$129,846
557,195	2.8 Premium	557,195	552,532	1,863	96	2,420	284
	2.9 Experience Period Member Months	351	0	152	4	167	26
	2.10 Current Enrollment	\$652.80	\$0.00	\$658.74	\$474.79	\$673.26	\$527.75
	2.11 Current Premium PMPM	85.34%	85.54%	79.11%	0.89%	63.75%	14.25%
	2.12 Loss Ratio						
	<b>Per Member Per Month</b>						
	2.13 Allowed Claims	\$445.80	\$444.82	\$774.32	\$79.40	\$470.78	\$98.05
	2.14 Reinsurance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	2.15 Member Cost Sharing	\$56.31	\$56.00	\$120.48	\$76.55	\$74.72	\$66.66
	2.16 Cost Sharing Reduction	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	2.17 Incurred Claims	\$389.49	\$388.82	\$653.84	\$2.85	\$395.06	\$31.39
	2.18 Risk Adjustment Transfer Amount	\$0.36	\$0.00	\$133.14	\$139.55	\$14.50	-\$236.93
	2.19 Premium	\$456.02	\$454.55	\$693.31	\$460.92	\$606.68	\$457.20

Section III: Plan Adjustment Factors	70194PA0050001	70194PA0220006	70194PA0230002	70194PA0240006	70194PA0250002
3.1 Plan ID (Standard Component ID)					
3.2 Market Adjusted Index Rate			\$673.68		
3.3 AV and Cost Sharing Design of Plan	0.0000	0.8253	0.6211	0.8472	0.6420
3.4 Provider Network Adjustment	0.0000	1.0000	1.0000	1.0000	1.0000
3.5 Benefits in Addition to EHB	0.0000	1.0000	1.0000	1.0000	1.0000
<b>Administrative Costs</b>					
3.6 Administrative Expense	9.10%	9.10%	9.10%	9.10%	9.10%
3.7 Taxes and Fees	2.08%	2.08%	2.08%	2.08%	2.08%
3.8 Profit & Risk Load	0.00%	0.00%	0.00%	0.00%	0.00%
3.9 Catastrophic Adjustment	1.0000	1.0000	1.0000	1.0000	1.0000
3.10 Plan Adjusted Index Rate	\$0.00	\$625.97	\$471.09	\$642.58	\$488.94
3.11 Age Calibration Factor	0.6605		0.6605		
3.12 Geographic Calibration Factor	0.9965		0.9965		
3.13 Tobacco Calibration Factor	1.0000		1.0000		
3.14 Calibrated Plan Adjusted Index Rate	\$0.00	\$412.01	\$310.07	\$422.94	\$320.50

Section IV: Projected Plan Level Information	Total	70194PA0050001	70194PA0220006	70194PA0230002	70194PA0240006	70194PA0250002
4.1 Plan ID (Standard Component ID)						
4.2 Allowed Claims	\$2,872,896	\$0	\$1,244,240	\$46,269	\$1,380,632	\$201,755
4.3 Reinsurance	\$0	\$0	\$0	\$0	\$0	\$0
4.4 Member Cost Sharing	\$521,598	\$0	\$219,272	\$15,416	\$223,342	\$63,568
4.5 Cost Sharing Reduction	\$0	\$0	\$0	\$0	\$0	\$0
4.6 Incurred Claims	\$2,351,298	\$0	\$1,024,968	\$30,853	\$1,157,290	\$138,187
4.7 Risk Adjustment Transfer Amount	\$62,266	\$0	\$26,916	\$1,077	\$29,608	\$4,665
4.8 Premium	\$2,576,947	\$0	\$1,123,332	\$33,814	\$1,268,352	\$151,449
4.9 Projected Member Months	4,164	0	1,800	72	1,980	312
4.10 Loss Ratio	89.09%	#DIV/0!	89.11%	88.43%	89.16%	88.52%
<b>Per Member Per Month</b>						
4.11 Allowed Claims	\$689.94	#DIV/0!	\$691.24	\$642.63	\$697.29	\$646.65
4.12 Reinsurance	\$0.00	#DIV/0!	\$0.00	\$0.00	\$0.00	\$0.00
4.13 Member Cost Sharing	\$125.26	#DIV/0!	\$121.82	\$214.12	\$112.80	\$203.74
4.14 Cost Sharing Reduction	\$0.00	#DIV/0!	\$0.00	\$0.00	\$0.00	\$0.00
4.15 Incurred Claims	\$564.67	#DIV/0!	\$569.43	\$428.51	\$584.49	\$442.91
4.16 Risk Adjustment Transfer Amount	\$14.95	#DIV/0!	\$14.95	\$14.95	\$14.95	\$14.95
4.17 Premium	\$618.86	#DIV/0!	\$624.07	\$469.63	\$640.58	\$485.41

**Rating Area Data Collection**

*Specify the total number of Rating Areas in your State by selecting 1  
Select only the Rating Areas you are offering plans within and add c  
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
Rating Area 7	1.0400
Rating Area 9	1.0200

ng the Create Rating Areas button or Ctrl + Shift -  
dd a factor for each ar

## **Part II of the Preliminary Justification**

### **Highmark Health Insurance Company – Small Group Market**

#### **Scope and Range:**

Highmark Health Insurance Company is requesting a weighted average rate change of -0.52% weighted on the current premium for renewing plans shown in the Unified Rate Review Template for its 2021 ACA qualifying small group products with effective dates from January 1, 2021 to December 31, 2021. This will impact 351 individuals.

Due to changes in benefits, metal levels and plan design pricing relativities, average rate changes at the plan level differ and range from -0.97% to 1.03% as shown in the Unified Rate Review Template.

The proposed rate changes are being driven by medical care costs and the underlying morbidity of the population within Highmark Health Insurance Company's ACA products.

Lower cost small groups are expected to remain outside the ACA single-risk pool for most of 2021 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 Health Insurance Company reported a financial gain in 2019.

#### **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 2020 rate filing, taxes and fees are lower since the Health Insurance Provider Fee was repealed for 2021. 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 Health Insurance Co. (HHIC)**

**Small Group Rate Filing**

**Effective January 1, 2021**

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## **I. General Information**

### **Document Overview**

This document contains the Part III Actuarial Memorandum for Highmark Health Insurance Co. (HHIC) Small Group block of business rate filing (“Filing”), for products with effective dates in calendar year 2021. 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 HHIC’s Filing. However, we recognize that this certification may become a public document. HHIC 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 HHIC that would result in the creation of any duty or liability under any theory of law by HHIC 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 Health Insurance Co. (HHIC)
- State: The State of Pennsylvania has regulatory authority over these policies
- HIOS Issuer ID: 70194
- Market: Small Group
- Effective Date: January 1, 2021

## **II. Proposed Rate Changes**

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 2021, the Company’s proposed rate revisions vary by plan, according to the detail presented in the URRT, Worksheet 2.

The primary drivers of the -0.52% rate increase (weighted on the current premium for renewing plans in the URRT) are:

- 4.1% is due to the increase in claim levels from the base experience period
- 3.6% is due to changes in our claims trend
- 3.7% from a change in the pricing of benefits and benefit richness
- 1.9% is due to the projected impact of COVID-19 on 2021 claim levels

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

- (-1.3%) from an increase in pharmaceutical rebates
- (-3.9%) is due to changes in administrative costs, taxes and fees
- (-6.9%) due to changes in morbidity
- (-1.1%) is due to changes in the risk adjustment transfer

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

#### **III.1 Paid through Date:**

Experience period claims were based on incurred calendar year 2019, paid through February 29, 2020. We included only the non-grandfathered, insured members in HHIC's book-of-business.

#### **III.2 Current Date:**

The current date used for enrollment and premium is February 29, 2020.

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

- Historical Experience: To complete the URRT historical experience section we chose HHIC's current experience for the small group block of business for the period January 1, 2019 through December 31, 2019, with claims paid through February 29, 2020
- 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 HHIC'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 HHIC’s detailed claim-level historical data. We only include the non-grandfathered, insured members from HHIC’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:** HHIC’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 0.984 was developed for HHIC’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 HHIC’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**

##### **V.1 Trend Factors (cost/utilization)**

This development of the CY 2021 rates reflects an annual trend rate of 9.1% (6.9% cost, 2.1% utilization). 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 allowed claims used for the development of the trend are adjusted and normalized to obtain a claim basis appropriate for trend development. 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.

The regression trend model is used to smooth out noise in the historical claim levels and to provide an appropriate jumping off point for our projected claim levels. Using the factors discussed above to adjust our projected claim levels, we can establish an appropriate assumption for trend using our experience period claim levels as the starting point. Since our historical experience would encompass the expected coverage and demographic makeup of our membership, our historical claim levels, adjusted for these factors and projected forward, would represent the best estimates of trend for this block of business.

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.

## **V.2 Morbidity Adjustment**

The morbidity adjustment reflects the anticipated changes in the average morbidity of the covered population (beyond allowable rating factors) from the experience period to the rating period. As we have seen through the transitional coverage availability period, many of the Small Group market customers have retained their pre-ACA coverage, and have yet to join the ACA risk pool. With the transitional coverage provisions extension through the end of 2021 for groups that renew on or prior to October 1, 2021, we continue to believe that many groups, especially lower-risk groups, will continue to retain their current transitional coverage until required to transfer coverage. As there is a significant level of transitional policy experience in HHIC's single risk pool, we anticipate that the morbidity within the ACA products will be considerably worse.

### **Impact of COVID-19**

The Morbidity Adjustment was increased by 1.9% to reflect the estimated impact of COVID-19 on 2021 claim costs. The drivers of the increase are costs directly related to COVID-19, such as a possible vaccine and continued cost sharing waivers, as well as other care delivery changes. Due to these factors we are currently estimating an impact to 2021 claim costs of 1.9% in the PA Small Group ACA market. The components of the adjustment are discussed below.

*COVID-19 Treatment Costs* (1.6% increase in 2021 claims): The primary driver for 2021 is the cost of a potential new vaccine. We assume a vaccine is available and 90% of members get it in 2021, either in the office or at a retail pharmacy. Additionally, we assume some

vaccines will be administered in an additional office visit with waived cost sharing. Also, we assume COVID-19 testing will be required before any outpatient procedure.

*Care Delivery Change* (0.3% increase in 2021 claims): We assume some increase in cost of care due to member health deteriorating slightly. Additionally, we assume a higher intensity of services per visit as providers re-engage with their patients. Finally, we assume some care will be shifted to more expensive sites of service.

#### Total Morbidity Adjustment

In total, the Company expects that morbidity will worsen from the experience period. For the development of the CY 2021 rates, this is reflected with a 1.329 Morbidity Adjustment factor in the URRT Worksheet 1.

### **V.3 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 2021 rates, this is reflected with a 1.016 Demographic Shift factor in the URRT Worksheet 1.

### **V.4 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: -3.4%.
- We reflected a reduction in the capitation costs for the pediatric vision benefits: -\$0.01.
- 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 2021 rates, the combination of the above factors produces a 0.966 Plan Design Changes factor in the URRT Worksheet 1.

## **V.5 Other Adjustments**

We are expecting an increase in savings associated with prescription drug rebates from the experience period to the projection period of \$10.28 PMPM. This increase in rebates is due to new levels of negotiated rebates with our pharmaceutical vendor.

## **V.6 Manual Rate Adjustments**

HHIC's small group experience is fully credible; no manual rate is developed or used in this projection.

## **V.7 Credibility of Experience**

We do not use a rigid credibility formula or pre-defined manual rate in the small group market. Based on professional judgment, if the experience can be used to produce reasonable results, it will be considered fully credible in lieu of a rigid formula. The experience period data for this Company is large enough to be fully credible. The results are based 100% on the experience period data, adjusted as described herein.

## **V.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 HHIC. 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.

<b>2021</b>	<b>% of Members</b>	<b>Projected Quarterly Index Rate PMPM</b>
1Q	29.5%	\$689.94
2Q	13.7%	\$705.05
3Q	17.9%	\$720.50
4Q	38.9%	\$736.29
Composite	100.0%	\$715.52

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

## **V.9 Development of the Market-wide Adjusted Index Rate**

The limitations imposed by verifications and rounding in the URRT v5.2 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.

## **V.10 Reinsurance**

HHIC 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.

## **V.11 Risk Adjustment Payment/Charge**

To determine our estimated risk transfer for 2021, 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 HHIC in 2021. 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 2019 Benefit Year published by CMS, the PA Insurance Department's calculation of 2019 risk adjustment transfer amounts using the final 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).

HHIC 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 2021, and is assuming that the net cost (payments less recoveries) will be negligible for the 2021 rating period.

Given the anticipated profile of the membership within HHIC in 2021, and the estimated market-wide profile, we are assuming that HHIC members will have a risk profile slightly higher than the market-wide averages, and that HHIC will receive a contribution from the risk adjustment program in 2021, reducing premiums in the rate development by \$18.27 PMPM. Note that this value is gross of the paid-to-allowed ratio, and obtained by dividing the expected risk transfer amount of \$14.95 by HHIC's expected paid-to-allowed ratio in 2021. Since the projected paid-to-allowed ratio is 81.8%, the URRT Worksheet 1 result is  $\$18.27 = \$14.95 / 81.8\%$ .

## **V.12 Exchange User Fees**

The projected Exchange User Fees are developed from the Exchange user fees to be charged by CMS in 2021, multiplied by the percentage of business we expect to purchase Market coverage through the Exchange for HHIC. For HHIC, all business will be offered Off Exchange in 2021, so there are no Exchange User Fees charged in the rate development.

## **VI. 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.

### **VI.1 Administrative Expense**

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

- Administrative expenses are recorded in our general ledger. Indirect operating expenses are then grouped based upon like functions, responsibilities or cost drivers and allocated to final cost objects via an appropriate cost driver.

### **VI.2 Taxes and Fees**

The Health Insurance Provider Fee has been repealed for calendar years beginning after December 31, 2020. As such, a charge for this fee is no longer reflected in the rate development.

In addition, the Patient-Centered Outcomes Research Institute (PCORI) Fee was extended for an additional 10 years, and will be collected for all 2021 policy years. As such, the taxes and fees reflected in this filing include the anticipated PCORI fee to be collected.

The following taxes and fees were included in the 2021 rate development:

- \$0.23 PMPM for the PCORI Fee;
- \$0.25 PMPM for the Risk Adjustment User Fee; and
- 2.0% for premium tax.

In total, these taxes and fees amount to 2.08% of the anticipated premium collected in 2021.

### **VI.3 Profit & Risk Load**

The proposed rates reflect 0% of premium as a profit and risk load. HHIC has voluntarily refrained from including a profit and risk load in this filing. By this voluntary action, HHIC is not waiving any right to include a profit and risk load which HHIC believes is consistent with historical and legal interpretations of HHIC and the Department.

## **VII. Calibration**

### **VII.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 1.514. Each Plan Adjusted Index Rate represents the rate for an average member (i.e., a member with an age factor is 1.514). Please note that no member will pay these rates because the age factor of 1.514 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 HHIC is 0.6605.

## **VII.2 Geographic Factor Calibration**

The projected weighted average geographic factor is 1.003. Each Plan Adjusted Index Rate represents the rate for an average member with a geographic factor of 1.003. Please note that no member will pay these rates because HHIC is not using a geographic factor of 1.003 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 HHIC is 0.9965.

## **VII.3 Tobacco Use Rating Factor Calibration**

HHIC does not currently utilize tobacco rating factors.

## **VIII. 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 1/1/2021 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 1/1/2021. The standard HHS Age Curve and area factors of 0.97 for regions 1, 2, 4, and 5; 1.04 for regions 6 and 7; and 1.02 for region 9 can be used to calculate any rate found in the QHP rate template.

HHIC is filing quarterly Index Rate trends of 2.19% per quarter. Subsequent quarterly rates can be developed by applying the quarterly Index Rate trend to the first quarter rates.

## **IX. Projected Loss Ratio**

The anticipated medical loss ratio reflected in this annual rate change filing is 90.7% relative to total premium less taxes and fees. This loss ratio is calculated consistent with the federally prescribed MLR methodology.

## **X. 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.

## **XI. Membership Projections**

Since transitional policy relief was extended through 2021 for groups that renew on or prior to October 1, 2021, 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, HHIC is projected to have very little membership in its ACA products in 2021. See line 4.9 of the URRT Worksheet 2 to see projected membership by plan.

## **XII. Terminated Plans and Products**

HHIC is not terminating any plans that were active in the 2019 experience period.

## **XIII. Plan Type**

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

## **XIV. 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 HHIC to accompany its rate filing (for calendar year 2021) 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 HHIC 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: 07/20/2020

**Exhibit I**  
**Highmark Health Insurance Co. (HHIC)**  
**2021**

**Pennsylvania Small Group Market Base Rate**

	1/1/2021 Values
<b>CY2021 Projected Period Average Members</b>	347
<b>CY2021 Allowed Claims</b>	\$689.94
<b>Projected Non-EHBs</b>	
None	\$0.00
<b>CY2021 Allowed Claims for EHB Only (Index Rate)</b>	\$689.94
<b>Market Index Rate Adjustments</b>	
Risk Adjustment (Includes Risk Adjuster Fee)	0.974
Federal Reinsurance Program (Includes Reinsurance Premium)	1.000
Exchange User Fee Adjustment	1.000
<b>CY2021 Market Adjusted Index Rate</b>	\$671.67
<b>Calibration</b>	
<b>Calibration from Plan Adjusted Index Rate to Age 21, 1.0 Area, Non-Smoker, January 1, 2021 Rate</b>	
(a) Average Age Factor	1.514
(b) Age 21 Factor	1.0000
(c) Average Geographic Factor	1.0035
Combined Calibration Factor $1/((a/b)*c)$	0.6582

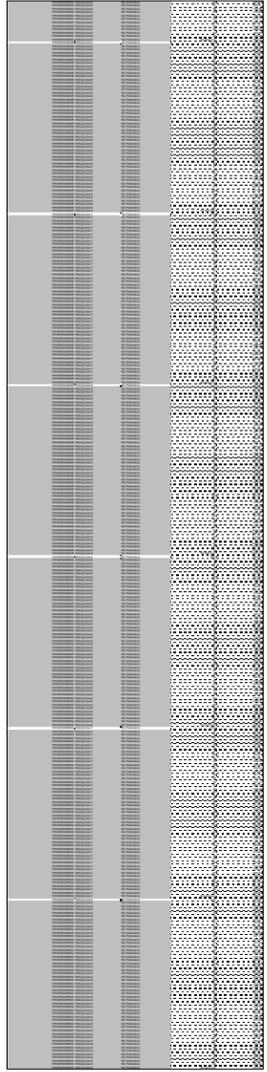
\*Quarterly Index Rate trends are being set at 2.19%.

**Unified Rate Review Template (URRT) AV Pricing Value Development**

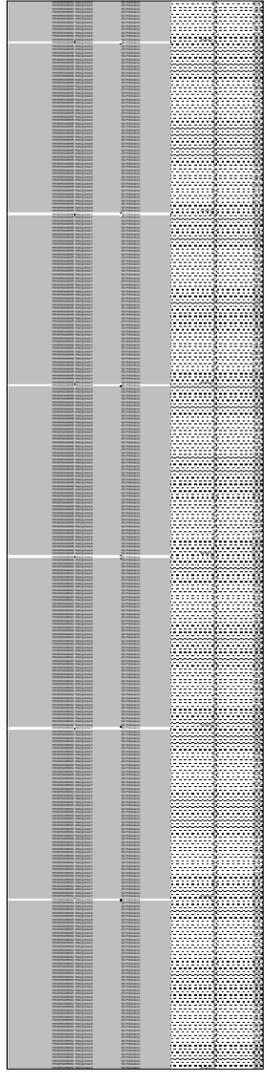
**Plan Design Summary**

Product	HIOS Plan ID	Metallic Level	Plan Design Marketing Name	Service Zone	Regions Offered	On or Off Exchange	Plan Level	URRT AV Pricing Value	Portion of URRT AV Pricing Value Attributable to each Allowable Modifier <sup>[1]</sup>				
							Base Rate PMPM		(i)	(ii)	(iii)	(iv)	(v)
Shared Cost PPO	70194PA0220006	Gold	Shared Cost PPO \$1500	C	1,2,4,5,6	Off	\$624.07	0.9291	0.825	1.000	1.000	1.126	1.000
Health Savings PPO Embedded	70194PA0230002	Bronze	Health Savings PPO Embedded Q\$6100	C	1,2,4,5,6	Off	\$469.63	0.6992	0.621	1.000	1.000	1.126	1.000
Shared Cost PPO	70194PA0240006	Gold	Shared Cost PPO \$1500	F	6,7,9	Off	\$640.58	0.9537	0.847	1.000	1.000	1.126	1.000
Health Savings PPO Embedded	70194PA0250002	Bronze	Health Savings PPO Embedded Q\$6100	F	6,7,9	Off	\$485.41	0.7227	0.642	1.000	1.000	1.126	1.000

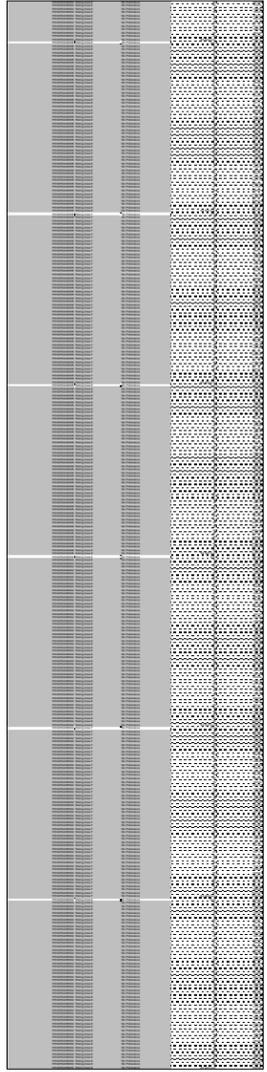
Year	Population	Area	Population	Area
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1951	100	100	100	100
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2019	100	100	100	100
2020	100	100	100	100



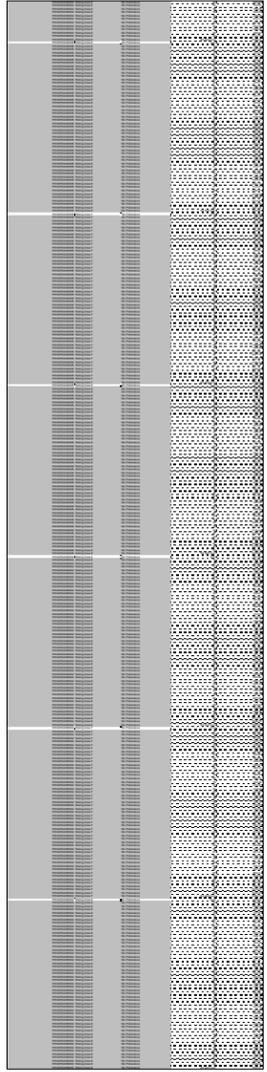












**Highmark Health Insurance Company**  
**2021 Small Group Filing**  
**Trend Exhibit**  
**Western and Central, PA Regions**

Incurred Month	Members	Normalized Allowed PMPM	12 Month Moving Average PMPM	Annual Trend
Jan-15	40,677	\$ 434.55	\$ 434.55	
Feb-15	40,261	\$ 406.60	\$ 420.64	
Mar-15	40,066	\$ 490.76	\$ 443.86	
Apr-15	39,242	\$ 440.85	\$ 443.12	
May-15	38,851	\$ 409.29	\$ 436.52	
Jun-15	38,603	\$ 407.76	\$ 431.85	
Jul-15	38,984	\$ 446.06	\$ 433.85	
Aug-15	38,839	\$ 415.31	\$ 431.57	
Sep-15	38,703	\$ 474.99	\$ 436.31	
Oct-15	38,112	\$ 477.35	\$ 440.30	
Nov-15	37,878	\$ 460.40	\$ 442.07	
Dec-15	33,979	\$ 445.15	\$ 442.30	
Jan-16	31,652	\$ 413.29	\$ 440.97	1.5%
Feb-16	31,151	\$ 459.36	\$ 445.36	5.9%
Mar-16	29,784	\$ 467.97	\$ 442.73	-0.3%
Apr-16	28,568	\$ 461.91	\$ 444.19	0.2%
May-16	27,287	\$ 431.06	\$ 446.60	2.3%
Jun-16	26,195	\$ 446.60	\$ 450.34	4.3%
Jul-16	25,345	\$ 428.62	\$ 449.35	3.6%
Aug-16	24,775	\$ 483.95	\$ 455.19	5.5%
Sep-16	24,200	\$ 519.25	\$ 457.37	4.8%
Oct-16	23,399	\$ 471.03	\$ 456.09	3.6%
Nov-16	23,003	\$ 475.99	\$ 456.98	3.4%
Dec-16	19,103	\$ 478.62	\$ 459.58	3.9%
Jan-17	19,753	\$ 515.30	\$ 468.06	6.1%
Feb-17	19,696	\$ 463.25	\$ 468.66	5.2%
Mar-17	19,502	\$ 498.66	\$ 470.82	6.3%
Apr-17	19,297	\$ 491.70	\$ 473.24	6.5%
May-17	19,114	\$ 538.31	\$ 482.33	8.0%
Jun-17	19,112	\$ 563.97	\$ 492.07	9.3%
Jul-17	18,853	\$ 530.96	\$ 501.44	11.6%
Aug-17	18,916	\$ 525.10	\$ 505.05	11.0%
Sep-17	18,725	\$ 512.25	\$ 504.18	10.2%
Oct-17	18,668	\$ 574.01	\$ 513.07	12.5%
Nov-17	18,689	\$ 522.98	\$ 517.60	13.3%
Dec-17	18,416	\$ 523.69	\$ 521.34	13.4%
Jan-18	18,777	\$ 789.99	\$ 544.01	16.2%
Feb-18	18,797	\$ 497.82	\$ 547.20	16.8%
Mar-18	18,822	\$ 593.12	\$ 555.21	17.9%
Apr-18	18,747	\$ 561.44	\$ 561.16	18.6%
May-18	19,116	\$ 504.59	\$ 558.30	15.8%
Jun-18	19,197	\$ 566.95	\$ 558.55	13.5%
Jul-18	19,778	\$ 523.08	\$ 557.75	11.2%
Aug-18	20,167	\$ 584.22	\$ 562.81	11.4%
Sep-18	20,705	\$ 500.14	\$ 561.28	11.3%
Oct-18	22,100	\$ 540.07	\$ 558.25	8.8%
Nov-18	22,933	\$ 565.61	\$ 561.74	8.5%
Dec-18	26,390	\$ 495.64	\$ 557.49	6.9%
Jan-19	25,283	\$ 565.46	\$ 540.96	-0.6%
Feb-19	25,007	\$ 544.94	\$ 544.49	-0.5%
Mar-19	24,813	\$ 586.14	\$ 544.94	-1.8%
Apr-19	24,372	\$ 586.54	\$ 547.55	-2.4%
May-19	24,204	\$ 577.25	\$ 553.15	-0.9%
Jun-19	24,025	\$ 520.56	\$ 549.40	-1.6%
Jul-19	23,295	\$ 550.77	\$ 551.35	-1.1%
Aug-19	22,986	\$ 571.62	\$ 550.67	-2.2%
Sep-19	22,616	\$ 529.22	\$ 552.61	-1.5%
Oct-19	22,211	\$ 579.45	\$ 555.64	-0.5%
Nov-19	21,844	\$ 533.95	\$ 553.20	-1.5%
Dec-19	21,844	\$ 564.86	\$ 559.48	0.4%
Jan-20	21,844	\$ 620.58	\$ 563.72	4.2%
Feb-20	21,844	\$ 584.18	\$ 567.04	4.1%
Mar-20	21,844	\$ 634.58	\$ 570.71	4.7%
Apr-20	21,844	\$ 648.36	\$ 575.55	5.1%
May-20	21,844	\$ 567.39	\$ 574.74	3.9%
Jun-20	21,844	\$ 617.79	\$ 583.17	6.1%
Jul-20	21,844	\$ 643.97	\$ 591.05	7.2%
Aug-20	21,844	\$ 609.22	\$ 594.25	7.9%
Sep-20	21,844	\$ 634.17	\$ 603.18	9.1%
Oct-20	21,844	\$ 643.61	\$ 608.55	9.5%
Nov-20	21,844	\$ 621.55	\$ 615.85	11.3%
Dec-20	21,844	\$ 639.37	\$ 622.06	11.2%
Jan-21	21,844	\$ 611.62	\$ 621.32	10.2%
Feb-21	21,844	\$ 602.49	\$ 622.84	9.8%
Mar-21	21,844	\$ 684.20	\$ 626.98	9.9%
Apr-21	21,844	\$ 676.69	\$ 629.34	9.3%
May-21	21,844	\$ 597.46	\$ 631.84	9.9%
Jun-21	21,844	\$ 644.47	\$ 634.07	8.7%
Jul-21	21,844	\$ 654.03	\$ 634.91	7.4%
Aug-21	21,844	\$ 660.74	\$ 639.20	7.6%
Sep-21	21,844	\$ 666.65	\$ 641.91	6.4%
Oct-21	21,844	\$ 657.53	\$ 643.07	5.7%
Nov-21	21,844	\$ 679.45	\$ 647.89	5.2%
Dec-21	21,844	\$ 654.82	\$ 649.18	4.4%

Proposed Annual Trend (Cost & Utilization) **9.6%**

**Highmark Health Insurance Company**  
**2021 Small Group Filing**  
**Derivation of Change in Morbidity, Demographics, Benefits, and Average Network Factor**

<u>Change in Morbidity Calculation</u>	<u>Reference</u>	<u>Formula</u>	<u>Calculation</u>
2019 Allowed Claims for those Members Expected to be Effective in 2021 [(Western & Central regions)]	(1)		\$ 581.38
Calendar year 2019 allowed claims PMPM [(Western & Central regions)]	(2)		\$ 445.80
COVID-19 Load	(3)		1.019
<b>Change in Morbidity</b>	<b>(4)</b>	<b>=(1)*(3)/(2)</b>	<b>1.329</b>

<u>Change in Demographics Calculation</u>	<u>Reference</u>	<u>Formula</u>	<u>Calculation</u>
2021 Age Factor for Members Expected to be Effective in 2021	(1)		1.522
2021 Area Factor for Members Expected to be Effective in 2021	(2)		1.003
Calendar Year 2019 Age Factor [Western & Central regions]	(3)		1.497
Calendar Year 2019 Area Factor [Western & Central regions]	(4)		1.004
<b>Change in Demographics</b>	<b>(5)</b>	<b>=[(1)*(2)]/[(3)*(4)]</b>	<b>1.016</b>

<u>Change in Benefits Calculation</u>		<b>Before Network Factor Applied</b>	
Total Adjusted Projected Allowed EHB Claims PMPM (Before Change in Benefits)	\$ 686.82		
EHB - Pediatric Benefits	\$ 0.54	\$	0.54
Change in Pharmacy Rebates	\$ (10.28)	\$	(10.28)
Total Adjusted Projected Allowed EHB Claims PMPM (After Change in Benefits)	\$ 677.07		
<b>Change in Benefits</b>	<b>0.986</b>		

<u>Average Network Factor Calculation</u>		<u>Formula</u>			<u>Calculation</u>	Normalized Provider Network Factor
Plan ID		<b>= Sumproduct [(3),(4),(5)] / Sumproduct[(3), (4)]</b>			<b>1.000</b>	
(1)	Metal Level	Metal Level	% of Projected Benefit Richness (3)	% of Projected Membership (4)	Network Factor (5)	
70194PA0220006	Gold		1.09	43.23%	1.00	1.000
70194PA0230002	Bronze		1.02	1.73%	1.00	1.000
70194PA0240006	Gold		1.10	47.55%	1.00	1.000
70194PA0250002	Bronze		1.02	7.49%	1.00	1.000

**Highmark Health Insurance Company**  
**2021 Small Group Filing**  
**Paid-to-Allowed Ratio in the Projection Period**

Sum of Projected Claims by Plan \$ 2,872,896 \$ 2,351,298  
 Calculated Paid to Allowed Ratio 81.84%

Plan ID	Metal Level	Projected Member Months	Projected Allowed Claims URRT Wkst II	Projected Paid Claims URRT Wkst II
70194PA0220006	Gold	150	\$ 1,244,240	\$ 1,024,968
70194PA0230002	Bronze	6	\$ 46,269	\$ 30,853
70194PA0240006	Gold	165	\$ 1,380,632	\$ 1,157,290
70194PA0250002	Bronze	26	\$ 201,755	\$ 138,187

**Highmark Health Insurance Company**  
**2021 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)
70194PA0220006	Gold	150	1,244,240	1,024,968	0.8238	0.8253	1.0019
70194PA0230002	Bronze	6	46,269	30,853	0.6668	0.6211	0.9314
70194PA0240006	Gold	165	1,380,632	1,157,290	0.8382	0.8472	1.0107
70194PA0250002	Bronze	26	201,755	138,187	0.6849	0.6420	0.9373
							<b>1.0000</b>

**Highmark Health Insurance Company**  
**2021 Small Group Filing**  
**Derivation of the Age, Geographic, and Tobacco Calibration Factors**

**Age Factor**

Type	Average Age Factor	% of Members	Allowed
Current ACA Book - EOY 2019	1.522	62.1%	\$572.73
Movement to ACA Book (from Transitional and New Business)	1.522	37.9%	\$575.62
<b>Overall</b>	<b>1.522</b>	<b>100.0%</b>	

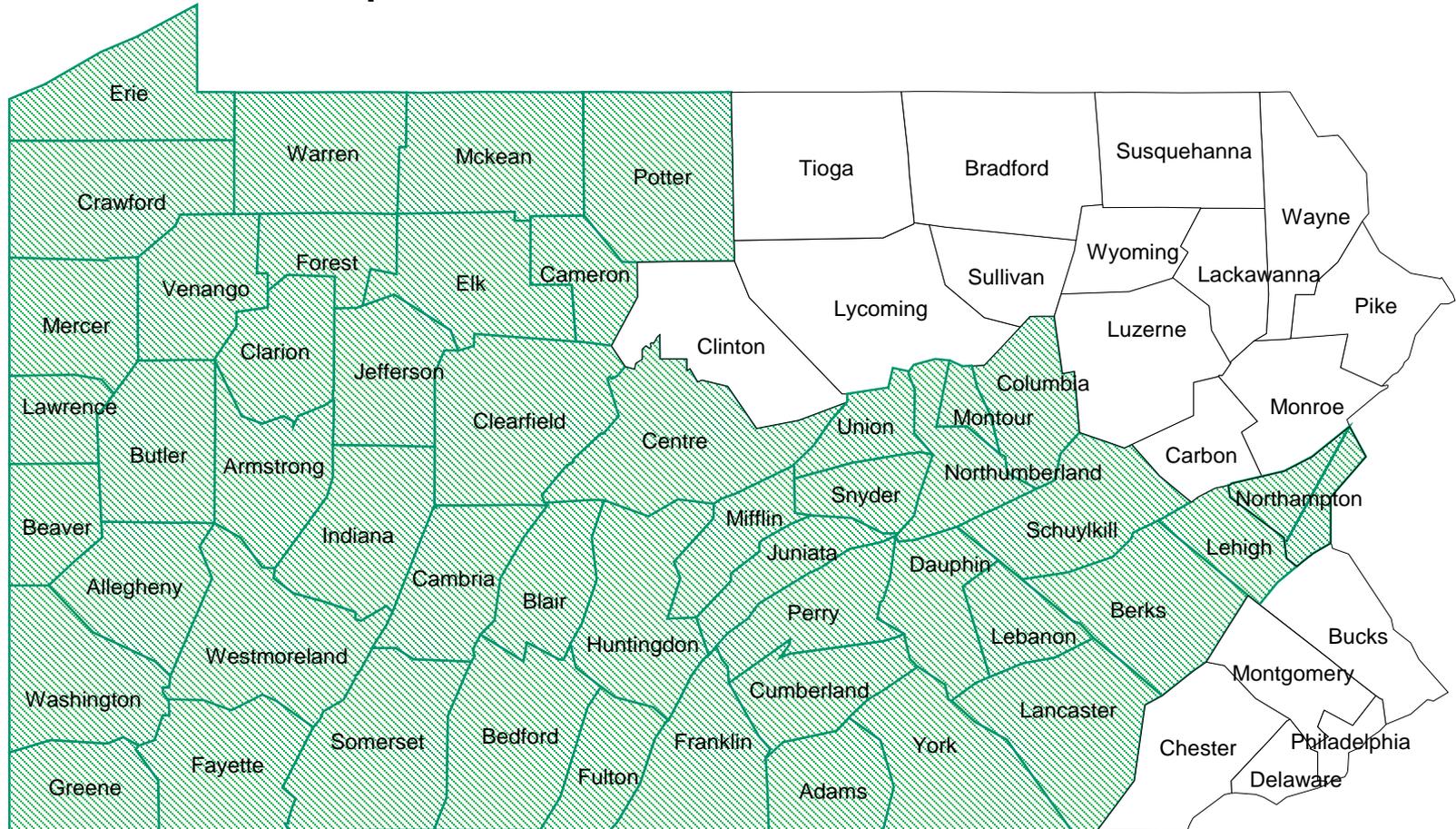
Child Capping Adjustment	1.005
Average Age Factor	1.514
Geographic Factor	1.003
Tobacco Surcharge (Not Applicable)	1.000

Area Factors					
State	County Code	County	Rating Area	Area Factor	% of PA Membership
PA	003	Allegheny	R-PA004	0.97	15.11%
PA	005	Armstrong	R-PA004	0.97	0.45%
PA	007	Beaver	R-PA004	0.97	1.00%
PA	009	Bedford	R-PA005	0.97	0.45%
PA	013	Blair	R-PA005	0.97	1.40%
PA	019	Butler	R-PA004	0.97	2.03%
PA	021	Cambria	R-PA005	0.97	1.27%
PA	023	Cameron	R-PA002	0.97	0.02%
PA	027	Centre	R-PA006	1.04	0.29%
PA	031	Clarion	R-PA001	0.97	0.40%
PA	033	Clearfield	R-PA005	0.97	1.01%
PA	039	Crawford	R-PA001	0.97	2.01%
PA	047	Elk	R-PA002	0.97	0.83%
PA	049	Erie	R-PA001	0.97	4.58%
PA	051	Fayette	R-PA004	0.97	0.82%
PA	053	Forest	R-PA001	0.97	0.08%
PA	059	Greene	R-PA004	0.97	0.91%
PA	061	Huntingdon	R-PA005	0.97	0.27%
PA	063	Indiana	R-PA004	0.97	1.11%
PA	065	Jefferson	R-PA005	0.97	0.34%
PA	073	Lawrence	R-PA004	0.97	1.33%
PA	083	McKean	R-PA001	0.97	0.58%
PA	085	Mercer	R-PA001	0.97	1.66%
PA	105	Potter	R-PA002	0.97	0.24%
PA	111	Somerset	R-PA005	0.97	0.60%
PA	121	Venango	R-PA001	0.97	0.71%
PA	123	Warren	R-PA001	0.97	0.74%
PA	125	Washington	R-PA004	0.97	3.11%
PA	129	Westmoreland	R-PA004	0.97	3.45%
PA	001	Adams	R-PA007	1.04	1.12%
PA	011	Berks	R-PA007	1.04	7.08%
PA	037	Columbia	R-PA006	1.04	0.11%
PA	041	Cumberland	R-PA009	1.02	6.30%
PA	043	Dauphin	R-PA009	1.02	7.57%
PA	055	Franklin	R-PA009	1.02	2.51%
PA	057	Fulton	R-PA009	1.02	0.21%
PA	067	Juniata	R-PA009	1.02	0.17%
PA	071	Lancaster	R-PA007	1.04	10.88%
PA	075	Lebanon	R-PA009	1.02	2.73%
PA	077	Lehigh	R-PA006	1.04	3.39%
PA	087	Mifflin	R-PA006	1.04	0.25%
PA	093	Montour	R-PA006	1.04	0.01%
PA	095	Northampton	R-PA006	1.04	2.02%
PA	097	Northumberland	R-PA006	1.04	0.34%
PA	099	Perry	R-PA009	1.02	0.37%
PA	107	Schuylkill	R-PA006	1.04	0.87%
PA	109	Snyder	R-PA006	1.04	0.29%
PA	119	Union	R-PA006	1.04	0.09%
PA	133	York	R-PA007	1.04	6.92%

# 2020 Service Area

Issuer: Highmark Health Insurance Company

Market: Small Group



**Key** (*modify as needed*)

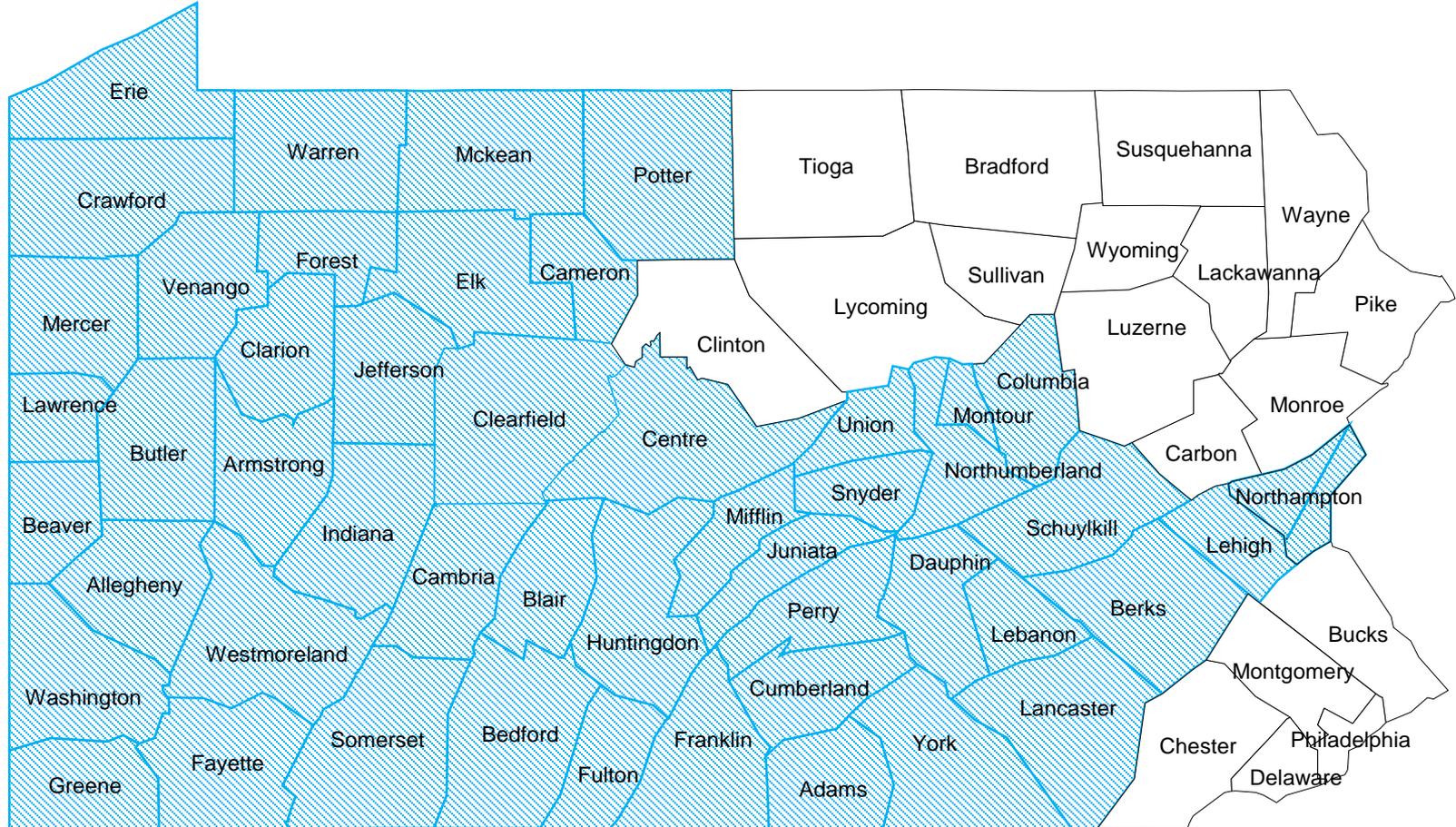
 : 2020 on-exchange service area

 : 2020 off-exchange only service area

# 2021 Service Area

Issuer: Highmark Health Insurance Company

Market: Small Group



**Key** (*modify as needed*)

 : 2021 on-exchange service area

 : 2021 off-exchange only service area

**Highmark Health Insurance Company's Response to Objection Letter Dated  
06/16/2020**

**Product Name:** HHIC Small Group 2021 ACA Rate Filing

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**RE: HHIC – 2021 Small Group ACA Compliant Plans (1A-SG-HHIC-2020);**

**Pennsylvania Insurance Department ID #: HGHM-132380665**

**Objection Letter Status: Disapproved**

**Objection Letter Date: 06/16/2020**

**Respond By Date:**

**Response Date: 06/23/2019**

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Below please find our responses to the Highmark Health Insurance Company (HHIC, “Company”) Small Group 2021 ACA Rate Filing Objection Letter dated 06/16/2020. For convenience, the questions have been reproduced below, with our responses immediately following each question.

A supplemental exhibits file has been submitted along with this response. Please see the file named “PID Response Exhibits HHIC 06232020.xlsx,” which contains additional exhibits and supplemental detail, as referenced in the below responses.

1. The following questions relate to the trend assumption:
  - a. Please provide a detailed quantitative exhibit displaying the development of the induced utilization assumption that is included in the trend assumptions and shown in Table 3 of the Pennsylvania Rate Template file.
  - b. Please explain why the Company believes the current trend assumption is appropriate when the average normalized allowed PMPM shown in the “2021 Supplemental Exhibits” file appears to have increased at an annual rate of approximately 3.6% from 2017 to 2019. Specifically, please clearly state and demonstrate quantitatively why the projected trend rate from 2019 to 2021 is expected to be higher than that which was observed from 2017 to 2019, identifying specific drivers and their impact on the assumed difference.

**Response:**

- a) Please see the worksheet labeled “Q#1a” in the “PID Response Exhibits HHIC 06232020.xlsx” file included with this response for the above requested results.
- b) The claims trend in 2019 was artificially low due to claimants with high claims that incurred claims in 2018, then left coverage in 2019. Based on the provided trend support, the 4 year average trend from 2015-2019 is 6.1%, which is more in line with the 9.1% filed trend. There is also expected increase in cost due to more expensive drug treatments and new technologies.

2. The following questions pertain to the morbidity adjustment shown in Table 5 of the Pennsylvania Rate Template file:

- a. Please provide a detailed quantitative exhibit and narrative providing support for the following assertions discussed in Section 2A of the Pennsylvania Actuarial Memorandum:
  - i. That the lower-risk transitional groups will retain their transitional coverage from 2019 to 2021.
  - ii. That any new groups insured by 2021 will be of higher morbidity.

**Response:**

Highmark Health Insurance Company (HHIC) has observed declining enrollment over the past few years, which we expect will continue through the projection period.

The Company is expecting about a 30.4% increase in morbidity from the experience period to the projection period primarily due to the transitional business that is included in the Company’s single risk pool.

- b. Please provide a quantitative exhibit displaying average calendar year 2019 member months, allowed cost PMPM, average demographic factor, average geographic factor, and average network factor associated with transitional and ACA groups insured through the Company in Pennsylvania, separately.

**Response:**

The requested exhibit has been included in the “PID Response Exhibits HHIC 06232020.xlsx” file included in this response in a worksheet labeled “Q#2”.

- c. Please provide a detailed quantitative exhibit displaying the development of the 2019 allowed claims PMPM for members expected to be effective in 2021, as shown in the “2021

Supplemental Exhibits” file. In providing your response, please provide a detailed explanation of the process the Company utilized to determine which members from 2019 are expected to be effective in 2021 and identify the specific quantitative impact of each of the items listed in 2(a).

**Response:**

The requested exhibit has been included in the “PID Response Exhibits HHIC 06232020.xlsx” file included in this response in a worksheet labeled “Q#2”.

To develop our value for 2019 allowed claims for the members expected to be active in 2021, we blend 3 different types of business together. The first category consists of all of the groups that were active in Highmark’s Western and Central Pennsylvania off-exchange ACA policies as of the end of 2019. We apply a lapse rate to this cohort’s membership that is estimated by our Sales and Finance departments. The second category consists of the expected value of the 2019 experience for groups that currently have Highmark transitional coverage but will move into our ACA block at their 2020 or 2021 renewals. This expected value is calculated by assigning each group a probability of moving based on their prospective risk level as of December 2019 and then taking the probability weighted average of their member months, claim experience, and demographic experience. The probabilities are estimated using historical Transitional to ACA lapse rates for each risk level. The third category is for business that Highmark is expected to gain throughout 2020 and 2021. For this company, we expect that the new business will have the same allowed claim levels and demographics as the business that Highmark has in its ACA block at the end of 2019. The membership in this category is estimated by our Sales and Finance departments.

In the attached file, you will find the average calendar year 2019 member months, allowed cost PMPM, average demographic factor, average geographic factor, and average network factor, for each of these three groups of business, as requested, as well as the block of business that we use as base experience for our rate development.

d. Please demonstrate that the Company has normalized for demographics, geography, network differences, etc. in developing the morbidity adjustment such that the Company is not double adjusting by applying separate demographic, geographic, network, etc. adjustments in addition to the morbidity adjustment.

**Response:**

As demonstrated in the attached Excel sheet, we normalize the claims from each group with their corresponding network, pricing, and induced demand factors, so that we do not double count those effects.

e. To the extent that the morbidity adjustment reflects anticipated changes in morbidity of the Company's internal small group book of business rather than changes in the morbidity of the overall Pennsylvania small group market, please explain how the morbidity adjustment was considered in the development of the Company's projected 2021 risk transfer assumption.

**Response:**

Although we do expect higher morbidity in the projection period compared to the experience period, the anticipated changes in morbidity within the covered ACA population are small enough to not warrant an adjustment to the Company's projected 2021 risk transfer assumption.

3. Please provide an exhibit displaying the distribution of member months by age (i.e., 0, 1, ..., 63, 64+) for both the actual calendar year 2019 members underlying the experience period and the projected calendar year 2021 population.

**Response:**

The requested exhibit has been included in the "PID Response Exhibits HHIC 06232020.xlsx" file included in this response in a worksheet labeled "Q#3".

Membership distribution is not assumed to change from 2019 to 2021.

4. Please provide an exhibit displaying the distribution of member months by rating region for the actual calendar year 2019 members underlying the experience period.

**Response:**

The requested exhibit has been included in the "PID Response Exhibits HHIC 06232020.xlsx" file included in this response in a worksheet labeled "Q#4".

5. Please provide a detailed quantitative exhibit displaying the development of the projected 2021 risk transfer assumption. In providing your response, please include the following information:

- a. The Company's actual 2019 PLRS, ARF, IU, and GCF factors for 2019.
- b. The Company's projected 2021 PLRS, ARF, IU, and GCF factors for 2021. Please provide justification to the extent the projected 2021 factors are different than the 2019 factors.
- c. Pennsylvania projected state average premium PMPM (prior to the application of the 0.86 adjustment), PLRS, ARF, IU, and GCF for the small group market for 2021.
- d. Please provide a comparison of the Company's expected 2019 risk adjustment transfer amount to its projected 2021 risk adjustment transfer amount and, to the extent they are different, identify the primary driver(s) of the observed difference.

**Response:**

[REDACTED]

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

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

**Response:**

[REDACTED]

3. Please provide an exhibit showing the financial gains and losses for calendar years 2014 – 2019 for the following categories: Member months, total administrative expenses, total incurred claims, total premium, total actual paid taxes and fees, profit, annual underwriting gain/loss and underwriting gain/loss pmpy.

**Response:**

The requested exhibit has been included in the “PID Response Exhibits HHIC 06232020.xlsx” file included in this response in a worksheet labeled “PID Q#3”.

4. Per the Department’s published guidance, the Benefit Richness factors in Table 10 Column L should be developed based upon the following formula:  $(\text{Plan Pricing AV in column K} * \text{CSR Defunding Adjustment in column P})^2 - (\text{Plan Pricing AV in column K} * \text{CSR Defunding Adjustment in column P}) + 1.24$ . Further, the value developed by the quadratic formula must then be multiplied by a normalization constant such that the value in Cell L15 or L16 balances back to 1.000. Please modify the cells in Column L to explicitly show the quadratic formula and normalizing constant to demonstrate compliance with our guidance.

**Response:**

Table 10 has been updated and resubmitted along with this response.

5. The Department will contact the company shortly with information regarding the opportunity and parameters for the company to provide to support an updated Covid-19 impact assessment, if desired.

**Response:**

The Company looks forward to receiving the COVID-19 impact assessment from the Department.

6. Please provide an exhibit showing the average quarterly rate change (Q1 2021/Q1 2020 - approved, Q2 2021/ Q2 2020 - approved, Q3 2021/Q3 2020 - approved, and Q4 2021/Q4 2020 - approved) groups will see if the proposed rates are approved.

**Response:**

The requested exhibit has been included in the “PID Response Exhibits HHIC 06232020.xlsx” file included in this response in a worksheet labeled “PID Q#6”.

# Highmark Health Insurance Company, Inc

## 2021 Small Group Rate Filing

Question #1a - Change in Induced Demand

<b><u>Change in Induced Demand Calculation</u></b>	<b><u>Reference</u></b>	<b><u>Formula</u></b>	<b><u>Result</u></b>
2021 Average Benefit Richness Factor	(1)		1.0928
2019 Average Benefit Richness Factor	(2)		1.1307
<b>Change in Induced Demand</b>	<b>(3)</b>	<b>= (((2)/(1))^0.5)-1</b>	<b>-1.69%</b>

**Highmark Health Insurance Company**  
**2021 Small Group Rate Filing**  
**Derivation of Change in Morbidity**

Change in Morbidity Calculation	Reference	Formula	Calculation
2019 Allowed Claims for those Members Expected to be Effective in 2021 [HHIC ACA only, Western and Central regions]	(1)		\$ 581.38
Calendar year 2019 allowed claims PMPM [HHIC ACA+GM, Western and Central regions]	(2)		\$ 445.80
<b>Change in Morbidity</b>	<b>(3)</b>	<b>=(1)/(2)</b>	<b>1.304</b>

\*Note that these claims imply the same Network, Age, Area, and Induced Demand Characteristics as the Total Highmark WPA + CPA block  
\*From '1 Data', cell M37

CY 2019 Experience for all of Highmark's WPA and CPA Small Group ACA and Transitional business	
2019 Member Months	833,062
2021 Expected Member Months	N/A
Percentage of Membership in 2021	0.0%
2019 Completed Allowed \$PMPM	\$498.59
2019 Age Factor	1.499
2019 Area Factor	0.995
2019 Induced Utilization Factor	1.131
2019 Network Factor	0.988

CY 2019 Experience for those in Highmark's WPA and CPA ACA block at the end of the year	
2019 Member Months	225,424
2021 Expected Member Months, Post Lapse	151,017
Percentage of Membership in 2021	62.1%
2019 Completed Allowed \$PMPM	\$609.39
2019 Age Factor	1.522
2019 Area Factor	1.003
2019 Induced Utilization Factor	1.126
2019 Network Factor	0.980

CY 2019 Experience for Transitional business expected to move to the ACA by 2021	
2019 Member Months	1,238
2021 Expected Member Months	1,241
Percentage of Membership in 2021	0.5%
2019 Completed Allowed \$PMPM	\$826.29
2019 Age Factor	1.544
2019 Area Factor	0.996
2019 Induced Utilization Factor	1.136
2019 Network Factor	0.995

Assumed CY 2019 Experience for business that will be new to Highmark in 2020 and 2021. (Same as current block)	
2019 Member Months	-
2021 Expected Member Months	90,936
Percentage of Membership in 2021	37.4%
2019 Completed Allowed \$PMPM	\$609.39
2019 Age Factor	1.522
2019 Area Factor	1.003
2019 Induced Utilization Factor	1.126
2019 Network Factor	0.980

Total 2019 Experience for those expected to be active in 2021	
2019 Member Months	226,662
2021 Expected Member Months	243,194
Percentage of Membership in 2021	100.0%
2019 Completed Allowed \$PMPM	\$ 610.49
2019 Age Factor	1.522
2019 Area Factor	1.003
2019 Induced Utilization Factor	1.126
2019 Network Factor	0.980

Factor to adjust the morbidity level from the total western and central PA block to the expected morbidity in Highmark's average ACA block in 2021	1.213
Base allowed claims PMPM for Transitional and ACA business in 2021, rebate adjusted, excluding capitations	\$ 479.45
<b>2019 allowed claims PMPM for HHIC ACA business in 2021</b>	<b>\$ 581.38</b>

\*Capitations are excluded here, as we add the full amount of the capitation in at the change in benefits line.

**Highmark Health Insurance Company**  
**2021 Small Group Rate Filing**  
**Member Months by Age**

Experience Period Member Months by Age																																																				
Rating Age	0-14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65+
Member Months	55790	5131	5171	5390	5595	6049	6114	6725	6433	6471	6693	6458	5935	4040	4861	4791	4947	5145	5129	5317	5831	5712	5655	5917	5764	5838	5627	5672	5450	5423	5789	5535	5968	6329	7513	7562	7557	7064	7298	8044	8310	8527	7709	7915	7935	8523	7802	6934	6488	5996	5672	13478

**Highmark Health Insurance Company, Inc**  
**2021 Small Group Rate Filing**

Question #4

Rating Area	Members
Rating Area 1	27
Rating Area 2	1
Rating Area 4	125
Rating Area 5	5
Rating Area 6	79
Rating Area 7	78
Rating Area 9	36

2020 Number of Covered Lives by Rating				
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange
70194PA0220006	Cost PPO	PPO	Gold	Off
70194PA0230002	PPO Embe	PPO	Bronze	Off
70194PA0240006	Cost PPO	PPO	Gold	Off
70194PA0250002	PPO Embe	PPO	Bronze	Off

**RATING AREA 1**

0	0	0	0	3	24
Crawford	Clarion	Erie	Forest	Mckean	Mercer
\$425.70	\$425.70	\$425.70	\$425.70	\$425.70	\$425.70
\$320.35	\$320.35	\$320.35	\$320.35	\$320.35	\$320.35

0	0
<b>Venango</b>	<b>Warren</b>
\$425.70	\$425.70
\$320.35	\$320.35

**RATING AREA 2**

0	0	1
<b>Elk</b>	<b>Cameron</b>	<b>Potter</b>
\$425.70	\$425.70	\$425.70
\$320.35	\$320.35	\$320.35

**RATING AREA 4**

101	0	4	0	2	1
<b>Allegheny</b>	<b>Armstrong</b>	<b>Beaver</b>	<b>Butler</b>	<b>Fayette</b>	<b>Greene</b>
\$425.70	\$425.70	\$425.70	\$425.70	\$425.70	\$425.70
\$320.35	\$320.35	\$320.35	\$320.35	\$320.35	\$320.35



**RATING AREA 6**

1	2	49	0	0	17	0	8	0	2
<b>Centre</b>	<b>Columbia</b>	<b>Lehigh</b>	<b>Mifflin</b>	<b>Montour</b>	<b>Northamp ton</b>	<b>Northumb erland</b>	<b>Schuylkill</b>	<b>Snyder</b>	<b>Union</b>

**RATING AREA 7**

18	32
<b>Adams</b>	<b>Berks</b>

\$456.42

\$343.47

\$468.49   \$468.49   \$468.49   \$468.49   \$468.49   \$468.49   \$468.49   \$468.49   \$468.49   \$468.49

\$355.01   \$355.01   \$355.01   \$355.01   \$355.01   \$355.01   \$355.01   \$355.01   \$355.01   \$355.01

\$468.49   \$468.49

\$355.01   \$355.01

23	5
Lancaster	York

\$468.49    \$468.49  
 \$355.01    \$355.01

**RATING AREA 9**

14	7	15	0	0	0	0
Cumberland	Dauphin	Franklin	Fulton	Juniata	Lebanon	Perry

\$459.48    \$459.48    \$459.48    \$459.48    \$459.48    \$459.48    \$459.48  
 \$348.18    \$348.18    \$348.18    \$348.18    \$348.18    \$348.18    \$348.18

**Highmark Health Insurance Company, Inc**  
**2021 Small Group Rate Filing**

PID Question #3

	2014	2015	2016	2017	2018	2019
Member Months	186,805	141,554	10,150	10,244	6,771	4,663
Premium	\$94,317,247	\$67,864,349	\$4,550,805	\$4,825,281	\$4,090,543	\$3,338,149
Incurred Claims	\$79,265,813	\$66,696,286	\$3,214,034	\$3,750,973	\$2,772,192	\$2,070,842
Admin Expense	\$9,655,234	\$6,537,177	\$623,906	\$512,389	\$413,319	\$290,678
Taxes and Fees	\$1,535,691	\$3,421,424	\$212,444	\$173,159	\$247,877	\$59,593
UW Gain/Loss	\$3,860,509	(\$8,790,538)	\$500,421	\$388,760	\$657,154	\$917,036
UW Gain Loss PMPM	\$20.67	(\$62.10)	\$49.30	\$37.95	\$97.05	\$196.66



**Highmark Health Insurance Company's Response to Objection Letter Dated  
07/07/2020**

**Product Name: HHIC Small Group 2021 ACA Rate Filing**

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**RE: HHIC – 2021 Small Group ACA Compliant Plans (1A-SG-HHIC-2020);**

**Pennsylvania Insurance Department ID #: HGHM-132380665**

**Objection Letter Status: Disapproved**

**Objection Letter Date: 07/07/2020**

**Respond By Date: 07/16/2020**

**Response Date: 07/16/2020**

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Below please find our responses to the Highmark Health Insurance Company (HHIC, “Company”) Small Group 2021 ACA Rate Filing Objection Letter dated 07/07/2020. For convenience, the questions have been reproduced below, with our responses immediately following each question.

A supplemental exhibits file has been submitted along with this response. Please see the file named “PID Response Exhibits HHIC 07162020.xlsx,” which contains additional exhibits and supplemental detail, as referenced in the below responses.

1. The following questions relate to the response provided to question 1 from the objection responses dated 6/23/2020:

a. Please provide a detailed quantitative exhibit displaying the development of the 2019 and 2021 average benefit richness factors. In providing your response, please provide an exhibit displaying the distribution of members by metal for actual calendar year 2019 experience and projected 2021 members. Please demonstrate that the distributions align with the distributions shown on the ‘Wksh 2 – Plan Product Info’ tab of the URRT. If they do not align, please explain why.

**Response:**

Please see the worksheet titled “Question #1a” in the workbook submitted with this response. The benefit richness factor is applied after the age and area factors in the base rate development, so it is important to take the average benefit richness with respect to

membership, average age factor in a plan, and average area factor in a plan, not just the membership. We calculated the 2019 induced demand factors with the new PID formula so there would not be false change in benefit richness caused by the formula change. The 2021 benefit richness factor is just membership weighted because in rating, it must be assumed that each plan has the same demographics. The claims base for the morbidity adjustment uses the regional benefit richness factor, which is why we use the change in benefit richness to go from the regional benefit richness factor to this company's projected benefit richness factor.

The 2019 experience in the exhibit will not match the URRT because the 2019 experience in the exhibit is based on all small group data in WPA and CPA, but the URRT is just HHIC experience. The projected 2021 enrollment matches the projected enrollment on the URRT.

b. Please update the trend support exhibit shown in the "Supplemental Exhibits" excel file to normalize for the impact of large claims (defined as the company believes reasonable for the purpose of trend analysis) for calendar years 2017 through 2019. If the average annual change in normalized allowed claim PMPM from 2017 to 2019 is lower than the filed 9.1% trend assumption, please provide quantitative support (including, but not limited to, expected increase in cost due to more expensive drug treatments and new technologies as specifically discussed in the response to question 1) demonstrating that the filed 9.1% trend is reasonable.

**Response:**

The Company's trend analysis and the supporting trend exhibits normalize for large claims by establishing a regression for the incurred large claim experience over time.

As discussed in the Actuarial Memorandum, to get to the adjusted allowed claims used for the development of the trend, the experience allowed claims for the Small Group ACA business is normalized for such effects as benefit leveraging, population demographics, changes in fee schedules, high dollar claims and external trend drivers. A statistical regression is applied to the historical claim levels to establish an appropriate starting point for the claims projection. The projection of claims would consider such things as anticipated 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. By performing a regression study of the underlying trend on normalized

claim levels, the Company is able to develop an appropriate base claim level for the projection period, which can then be adjusted for some of the known trend drivers. Please see the exhibit named “Question #1b” in the supplemental exhibits file submitted with this response for a reproduction of the Trend exhibit, with specific drivers identified.

Some of the specific items impacting our pricing trend of 9.1% (6.9% cost, 2.1% utilization) include:

- 3.4% due to changes in claims costs arising out of negotiated provider contracts
- 1.3% due to new treatment options anticipated in pharmacy claims from pharmaceuticals in the drug pipeline
- 2.9% due to underlying regression trend levels that would capture such additional items as provider cost-shifting, aging, and changes in utilization patterns

The average normalized allowed claims from 2017 to 2019 is 3.6%. While this is lower than the filed trend assumption of 9.1%, it would not be prudent to fully rely on historical trend levels to establish the projected trend, especially when consideration is made for the other significant items impacting trend discussed above. By performing a regression study of the underlying trend on normalized claim levels, the Company is able to develop an appropriate base claim level for the projection period, which can then be adjusted for these additional drivers of trend.

c. Please explain why the Company believes it is reasonable to utilize experience as old as calendar year 2015 experience in the development of the trend assumption instead of limiting the trend analysis to more recent experience that may better reflect the current state of the Company’s small group block (e.g., calendar years 2017 through 2019).

**Response:**

As discussed in the Actuarial Memorandum, and further expounded upon in the answer to Question #1b above, the Company’s trend assumptions are derived from a projection of allowed claim cost levels that consider the many factors that can impact the projected experience, including, but not limited to, such impacts as provider contracting changes, changes in utilization patterns, and changes in available treatment options. The historical experience shown in the development of the trend assumption is analyzed to provide an appropriate level of support for the Company’s regression analysis. Actuarial judgment is used to determine which time period is used to establish the appropriate window for

regression. Wherever the more recent experience provides a sufficient base, it is utilized over any prior historical results.

2. The following questions relate to the response provided to question 2 from the objection responses dated 6/23/2020:

a. Please provide a detailed quantitative exhibit that demonstrates that enrollment has historically declined and has continued to decline through year-to-date 2020.

**Response:**

Please refer to PID Table 4, submitted with our latest filing documents, which illustrates the witnessed membership decline at the end of calendar year 2019. As can be seen in PID Table 1, the membership in this company as of February 2020 has decreased from the end of calendar year 2019. Even though this is shows the transitional and ACA membership, they are both moving in the same direction. Based on our internal membership forecast, which relies on input from our Enrollment Forecast and Sales departments, our membership outlook is anticipated to decrease throughout the rest of 2020 and into 2021 driven by more aggressive rate actions taken by other carriers in the market in 2020, as well as aggressive rate actions anticipated to be taken for 2021.

b. For each cohort (e.g., CY 2019 Experience for those in Highmark's WPA and CPA ACA block at the end of the year), please provide a detailed quantitative exhibit displaying the development of the assumed 2021 expected member months and describe the approach which was utilized to develop the assumption.

**Response:**

Our membership assumptions are sourced from Highmark's internal membership forecast, which is based on input from our Enrollment Forecast and Sales departments in determining reasonable expectations of lapse rates, new business, and transitions from our transitional block to our ACA block. This forecast considers items such as historical persistency, new business expectations, changes in market competitiveness based on anticipated rate relativities to other carriers, as well as the potential impact of movement from Transitional business. Our internal forecast modeling has suggested a 33.01% lapse rate from 2019 to 2021, which is used to project how much of our current block will still be active in 2021. The starting point for the active cohort is the active cohort's 225,424 member months in the experience period.

For the Transitional to ACA cohort, we estimate this membership by assigning each group a probability of movement to our ACA market based on their indicated Transitional premium level relative to comparable ACA rates. The 2021 expected member months is an expectation calculated with respect to those probabilities. The transition probabilities are estimated based on historical transition rates at different premium relativities.

The amount of new business we expect is simply an assumption taken from our internal forecast modeling that is largely driven by our sales team's judgement based on their historical performance at similar market rate relativities.

c. Please provide a detailed quantitative exhibit displaying the development of the "Base allowed claims PMPM for Transitional and ACA business in 2021, rebate adjusted, excluding capitations" allowed claim cost PMPM figure.

**Response:**

This value was mislabeled. It should have read "Base allowed claims PMPM for Transitional and ACA business in 2019, rebate adjusted, excluding capitations". We have resubmitted the original exhibit (name "Question 2") with this fix, along with a calculation of that PMPM. It is the total 2019 experience PMPM in cell B14 with Value Based Reimbursement payments added in and prescription drug rebates applied.

d. Question and response redacted.

3. The following questions relate to the response provided to question 3 from the objection responses dated 6/23/2020:

a. Please explain why the "changes in demographics" assumption shown in Table 5 of the PA Rate Template file indicates that the Company's block will increase in age from 2019 to 2021, but the Company stated in the response to question 3 that the "membership distribution is not assumed to change from 2019 to 2021".

**Response:**

The change in demographics factor is not indicative of a change in average age factor from 2019 to 2021. The change in demographics factor represents the known difference between the average age factor in the base experience and the average age factor of the active population at the end of 2019 that are expected to be in our ACA block in 2021 in

this region. We assume that the 2021 age distribution will be the same as the age distribution of the active population at the end of 2019. Note that the change in demographics also includes the change in area factor, which follows the same logic as the change in age.

b. Please provide a detailed quantitative exhibit displaying the development of the “changes in demographics” assumption shown in Table 5 of the PA Rate Template file. In providing your response, please include the development of the calendar year 2019 average age factor underlying the calculation and demonstrate that the distribution of member months by age for the experience period is consistent with the distribution of member months provided in the response to question 3.

**Response:**

The change in demographics factor in Table 5 takes changes the demographics from being representative of the total Central and Western PA small group population to being representative of the members in the active population at the end of 2019 that are expected to be in our ACA block in 2021. Our response to question 3 included just HHIC’s experience for both lapsed and in-force members. We use regional data for the change in demographics calculation. These won’t be consistent for that reason. Please see the “Question #3” worksheet in the workbook submitted with this response for the detail behind the change in demographics factor. As mentioned in the response to 3a, it represents the change in age factor between the total 2019 experience and that of the members active at the end of 2019 that are expected to be in our ACA block in 2021. Note that the change in demographics also includes the change in area factor, which follows the same logic as the change in age factor.

4. Question and response redacted.

The following are additional questions or comments from the PID:

1. On July 13th, the Department will communicate our guidance based upon updated survey information from the issuers on their best estimate of the Covid 19 impact on 2021 rates. Responses to the round two questions are due on July 16th. Please be sure that all documents in SERFF after that date reflect the impact of Covid 19 and are consistent with Department’s July 13 guidance.

**Response:**

The Company will be submitting updated filing documents that reflect the impact of Covid-19 consistent with the Department's guidance within the timeframe agreed upon between the Company and the Department.

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

**Response:**

The Company confirms that they thoroughly test the rates of each rate filing submission to ensure that the rates in Table 11 of the Actuarial Memorandum Exhibits, PA Plan Design Summary and Rate Tables, and Federal Rates Template are identical.

Please ensure that the 7/16/20 versions of the following items are posted in SERFF with your July 16th response to this data call:

- Cover letter identifying all changes made and the reason for the change. Also show the revised rate change.
- PA Actuarial Memorandum
- PA Actuarial Memorandum Exhibits
- Departments Plan Design Summary and Rate Template Exhibits (please ensure that the rate template by county is populated with only numeric values – no “NA”)
- URRT
- Federal rates template
- Part III actuarial memorandum
- Updated Rate Change Request Summary (Attachment 1)
- Public filing pdf with limited redactions as previously directed in the Guidance (includes all correspondence and supporting exhibits subsequent to the initial submission, in addition to all of the above items).

**Response:**

The Company will be submitting updated filing documents that reflect the impact of Covid-19 consistent with the Department's guidance within the timeframe agreed upon

between the Company and the Department. All above-referenced documents will be updated as appropriate.

**Highmark Health Insurance Company (HHIC)**  
**2021 Small Group ACA Rate Filing**  
 Question #1a - Change in Induced Demand

		2019 Data					
Experience Plans	Metal Level	Member Months	Average Age Factor	Average Area Factor	IDF Factor (2019 estimated under new PID Method)		
Transitional Experience	Transitional	552,616	1.4907	0.9897		1.1348	
79962PA0010001100	Gold	19,793	1.5058	1.0287		1.1102	
70194PA0240006000	Gold	2,420	1.3868	1.0351		1.1045	
79962PA0010004000	Gold	4,928	1.5075	1.0321		1.1558	
79962PA0010001000	Platinum	7,611	1.4895	1.0285		1.2014	
79962PA0010009000	Gold	7,627	1.4582	1.0342		1.1207	
79962PA0010005000	Gold	16,685	1.5318	1.0310		1.1505	
79962PA0090004000	Bronze	556	1.7037	1.0340		1.0332	
79962PA0010007000	Gold	23,394	1.5308	1.0309		1.1336	
79962PA0010003000	Gold	5,414	1.4105	1.0321		1.1637	
79962PA0010002000	Platinum	3,126	1.4866	1.0299		1.1877	
79962PA0010017000	Gold	6,152	1.6468	1.0321		1.0998	
70194PA0250002000	Bronze	284	1.3621	1.0366		1.0260	
79962PA0100002000	Gold	365	2.0568	1.0400		1.1378	
79962PA0020007000	Bronze	624	1.5572	1.0327		1.0384	
79962PA0020006000	Silver	1,426	1.5517	1.0311		1.0617	
79962PA0010015000	Silver	6,892	1.6175	1.0302		1.0629	
79962PA0080001000	Gold	5,751	1.4007	1.0294		1.1223	
79962PA0090003000	Silver	2,925	1.7204	1.0259		1.0697	
79962PA0010018000	Gold	3,416	1.6141	1.0246		1.0867	
79962PA0090005000	Silver	9,269	1.4916	1.0296		1.0819	
79279PA0010003000	Gold	2,398	1.5670	0.9700		1.1702	
79279PA0010005000	Gold	2,395	1.5632	0.9700		1.1548	
33709PA0640005000	Bronze	332	1.4769	0.9700		1.0238	
33709PA0560009000	Platinum	4,751	1.4600	0.9700		1.1714	
33709PA0560015000	Gold	18,058	1.4761	0.9700		1.1210	
33709PA0560019000	Gold	10,225	1.4653	0.9700		1.1094	
33709PA0560007000	Platinum	19,399	1.5136	0.9700		1.1881	
33709PA0630002000	Gold	493	1.5801	0.9700		1.1414	
79279PA0060001000	Gold	1,754	1.6564	0.9700		1.1204	
70194PA0220006000	Gold	1,863	1.7235	0.9700		1.0989	
33709PA0450004000	Gold	2,598	1.5838	0.9700		1.0959	
79279PA0010001000	Platinum	5,802	1.5840	0.9700		1.2164	
33709PA0630003000	Gold	1,424	1.4121	0.9700		1.1334	
79279PA0010007000	Gold	1,001	1.5650	0.9700		1.1363	
33709PA0056001100	Gold	7,441	1.4900	0.9700		1.1277	
33709PA0560023000	Gold	6,444	1.4564	0.9700		1.0978	
33709PA0630004000	Gold	1,264	1.4989	0.9700		1.1289	
79279PA0010004000	Gold	549	1.2998	0.9700		1.1548	
79279PA0010009000	Gold	174	1.4789	0.9700		1.1172	
79279PA0010011000	Gold	573	1.5080	0.9700		1.1112	
33709PA0560013000	Gold	5,202	1.5653	0.9700		1.1257	
33709PA0440014000	Gold	2,489	1.6089	0.9903		1.1230	
33709PA0560021000	Gold	2,326	1.6256	0.9700		1.1033	
33709PA0630005000	Gold	892	1.6294	0.9700		1.1227	
33709PA0560017000	Gold	2,744	1.5546	0.9700		1.1167	
79279PA0020006000	Gold	609	1.3693	0.9700		1.0981	
79279PA0030008000	Bronze	104	1.7274	0.9700		1.0310	
79279PA0010008000	Gold	45	1.7700	0.9700		1.1172	
33709PA0560027000	Gold	5,390	1.4417	0.9700		1.0890	
33709PA0440009000	Gold	1,481	1.6221	0.9700		1.1133	
33709PA0630006000	Gold	795	1.6373	0.9700		1.1160	
33709PA0640004000	Bronze	846	1.7717	0.9728		1.0225	
33709PA0570013000	Gold	514	1.7428	0.9700		1.0814	
33709PA0640003000	Bronze	925	1.4146	0.9700		1.0225	
79279PA0010002000	Platinum	407	1.5037	0.9700		1.2164	
33709PA0570008000	Silver	838	1.1857	0.9700		1.0508	
79279PA0010006000	Gold	148	1.3289	0.9700		1.1363	
79279PA0070003000	Silver	146	1.4892	1.0026		1.0714	
33709PA0570009000	Silver	819	1.8259	0.9700		1.0427	
79279PA0010016000	Gold	82	1.1384	0.9700		1.1002	
33709PA0630008000	Gold	727	1.5374	0.9700		1.1116	
33709PA0640002000	Silver	587	1.3540	0.9700		1.0597	
33709PA0570012000	Gold	2,347	1.5224	0.9700		1.0733	
79962PA0010006000	Gold	1,450	1.4283	1.0348		1.1414	
79962PA0020016000	Gold	1,256	1.4738	1.0320		1.0911	
79962PA0100001000	Platinum	126	1.1984	1.0400		1.1953	
79962PA0030008000	Bronze	1,368	1.6369	1.0336		1.0313	
79962PA0090001000	Silver	3,399	1.4295	1.0301		1.0816	
79962PA0010008000	Gold	1,271	1.3040	1.0272		1.1268	
33709PA0460007000	Gold	101	1.6136	0.9700		1.1133	
33709PA0560030000	Gold	5,044	1.6191	0.9700		1.0886	
79962PA0030007000	Bronze	300	1.6216	1.0380		1.0338	
33709PA0640001000	Silver	1,065	1.5521	0.9700		1.0611	
33709PA0440015000	Gold	1,091	1.5578	0.9700		1.0843	
79962PA0010016000	Gold	2,778	1.4116	1.0324		1.1136	
70194PA0230002000	Bronze	96	1.5884	0.9700		1.0233	
79962PA0100004000	Gold	509	1.7960	1.0400		1.1040	
33709PA0630010000	Gold	1,480	1.6461	0.9700		1.0856	
79962PA0020018000	Gold	2,082	1.4712	1.0306		1.0929	
79962PA0020017000	Gold	655	1.7150	1.0343		1.0945	
33709PA0570011000	Gold	1,773	1.2687	0.9700		1.0766	
79279PA0020005000	Gold	156	1.9162	0.9700		1.0952	
33709PA0630011000	Gold	466	1.4863	0.9700		1.0778	
79279PA0010015000	Gold	811	1.5753	0.9711		1.1172	
79279PA0020007000	Gold	189	1.3435	0.9700		1.0954	
79962PA0140002000	Gold	166	1.6852	1.0400		1.1153	
79962PA0140001000	Gold	493	1.4886	1.0400		1.1354	
33709PA0570010000	Silver	1,209	1.4038	0.9700		1.0372	
79962PA0020005000	Silver	2,167	1.6040	1.0341		1.0567	
79279PA0070001000	Silver	72	2.0290	0.9700		1.0814	
33709PA0460008000	Gold	95	1.2955	0.9700		1.1147	
79279PA0010017000	Gold	27	1.1207	0.9700		1.1002	
38949PA0130002000	Gold	271	1.5988	0.9700		1.1278	
38949PA0130004000	Gold	66	2.5706	0.9700		1.0987	
38949PA0130001000	Gold	60	1.7270	0.9700		1.1417	
79962PA0180002000	Bronze	110	1.2858	1.0200		1.0346	
38949PA0130005000	Gold	56	2.0391	0.9700		1.0790	
38949PA0130006000	Gold	26	1.6496	0.9700		1.0588	
38949PA0120002000	Bronze	3	2.3330	0.9700		1.0238	

\*Average of all Transitional Plans IDF Factors

2021 Projections						
Plan Name	HIOS	Pricing AV	Benefit Richness	Worksheet II Projected Member Months	% of Enrollment	
Shared Cost PPO \$1500	70194PA0220006	82.4%	1.0948	1,800	43.23%	
Health Savings PPO Embedded Q\$6100	70194PA0230002	66.7%	1.0178	72	1.73%	
Shared Cost PPO \$1500	70194PA0240006	83.8%	1.1044	1,980	47.55%	
Health Savings PPO Embedded Q\$6100	70194PA0250002	68.5%	1.0242	312	7.49%	

Change in Induced Demand Calculation	Reference	Formula	Result
2021 Average Benefit Richness Factor	(1)		1.0928
2019 Average Benefit Richness Factor	(2)		1.1307
<b>Change in Induced Demand</b>	<b>(3)</b>	<b>= (((2)/(1))^5)-1</b>	<b>-1.69%</b>

# Highmark Health Insurance Company (HHIC)

## 2021 Small Group ACA Rate Filing

Question #1b - Trend Support

Incurring Month	Members	Total Normalized Allowed PMPM	12-Month Moving Average PMPM	2-Year Average Annual Trend
Jan-17	19,753	\$ 515.30		
Feb-17	19,696	\$ 463.25		
Mar-17	19,502	\$ 498.66		
Apr-17	19,297	\$ 491.70		
May-17	19,114	\$ 538.31		
Jun-17	19,112	\$ 563.97		
Jul-17	18,853	\$ 530.96		
Aug-17	18,916	\$ 525.10		
Sep-17	18,725	\$ 512.25		
Oct-17	18,668	\$ 574.01		
Nov-17	18,689	\$ 522.98		
Dec-17	18,416	\$ 523.69	\$521.34	
Jan-18	18,777	\$ 789.99		
Feb-18	18,797	\$ 497.82		
Mar-18	18,822	\$ 593.12		
Apr-18	18,747	\$ 561.44		
May-18	19,116	\$ 504.59		
Jun-18	19,197	\$ 566.95		
Jul-18	19,778	\$ 523.08		
Aug-18	20,167	\$ 584.22		
Sep-18	20,705	\$ 500.14		
Oct-18	22,100	\$ 540.07		
Nov-18	22,933	\$ 565.61		
Dec-18	26,390	\$ 495.64	\$557.49	
Jan-19	25,283	\$ 565.46		
Feb-19	25,007	\$ 544.94		
Mar-19	24,813	\$ 586.14		
Apr-19	24,372	\$ 586.54		
May-19	24,204	\$ 577.25		
Jun-19	24,025	\$ 520.56		
Jul-19	23,295	\$ 550.77		
Aug-19	22,986	\$ 571.62		
Sep-19	22,616	\$ 529.22		
Oct-19	22,211	\$ 579.45		
Nov-19	21,844	\$ 533.95		
Dec-19	21,844	\$ 564.86	\$559.48	3.6%
Jan-20	21,844	\$ 620.58		
Feb-20	21,844	\$ 584.18		
Mar-20	21,844	\$ 634.58		
Apr-20	21,844	\$ 648.36		
May-20	21,844	\$ 567.39		
Jun-20	21,844	\$ 617.79		
Jul-20	21,844	\$ 643.97		
Aug-20	21,844	\$ 609.22		
Sep-20	21,844	\$ 634.17		
Oct-20	21,844	\$ 643.61		
Nov-20	21,844	\$ 621.55		
Dec-20	21,844	\$ 639.37	\$622.06	
Jan-21	21,844	\$ 611.62		
Feb-21	21,844	\$ 602.49		
Mar-21	21,844	\$ 684.20		
Apr-21	21,844	\$ 676.69		
May-21	21,844	\$ 597.46		
Jun-21	21,844	\$ 644.47		
Jul-21	21,844	\$ 654.03		
Aug-21	21,844	\$ 660.74		
Sep-21	21,844	\$ 666.65		
Oct-21	21,844	\$ 657.53		
Nov-21	21,844	\$ 679.45		
Dec-21	21,844	\$ 654.82	\$649.18	7.7%

Total Projection Trend: 7.7%

Components of Trend:

Cost - Contracting Trend 3.4%  
 Cost - New Therapies 1.3%  
 Cost - Core Trend 1.2%  
 Utilization - Core Trend 1.6%

Component Cost Trend: 6.0%  
 Component Utilization Trend: 1.6%

Final Pricing Trends (within reasonable range):

Pricing Cost Trend: 6.9%  
 Pricing Utilization Trend: 2.1%

**Highmark Health Insurance Company (HHIC)**  
**2021 Small Group ACA Rate Filing**  
**Derivation of Change in Morbidity**

Change in Morbidity Calculation	Reference	Formula	Calculation
2019 Allowed Claims for those Members Expected to be Effective in 2021 [HHIC ACA only, Western and Central regions]	(1)		\$ 581.38
Calendar year 2019 allowed claims PMPM [HHIC ACA+GM, Western and Central regions]	(2)		\$ 445.80
<b>Change in Morbidity</b>	<b>(3)</b>	<b>=(1)/(2)</b>	<b>1.304</b>

\*Note that these claims imply the same Network, Age, Area, and Induced Demand Characteristics as the Total Highmark WPA + CPA block  
 \*From 'I Data', cell M37

CY 2019 Experience for all of Highmark's WPA and CPA Small Group ACA and Transitional business	
2019 Member Months	833,062
2021 Expected Member Months	N/A
Percentage of Membership in 2021	0.0%
2019 Completed Allowed \$PMPM	\$498.59
2019 Age Factor	1.499
2019 Area Factor	0.995
2019 Induced Utilization Factor	1.131
2019 Network Factor	0.988

CY 2019 Experience for those in Highmark's WPA and CPA ACA block at the end of the year	
2019 Member Months	225,424
2021 Expected Member Months, Post Lapse	151,017
Percentage of Membership in 2021	62.1%
2019 Completed Allowed \$PMPM	\$609.39
2019 Age Factor	1.522
2019 Area Factor	1.003
2019 Induced Utilization Factor	1.126
2019 Network Factor	0.980

33.01%

CY 2019 Experience for Transitional business expected to move to the ACA by 2021	
2019 Member Months	1,238
2021 Expected Member Months	1,241
Percentage of Membership in 2021	0.5%
2019 Completed Allowed \$PMPM	\$826.29
2019 Age Factor	1.544
2019 Area Factor	0.996
2019 Induced Utilization Factor	1.136
2019 Network Factor	0.995

Assumed CY 2019 Experience for business that will be new to Highmark in 2020 and 2021. (Same as current block)	
2019 Member Months	-
2021 Expected Member Months	90,936
Percentage of Membership in 2021	37.4%
2019 Completed Allowed \$PMPM	\$609.39
2019 Age Factor	1.522
2019 Area Factor	1.003
2019 Induced Utilization Factor	1.126
2019 Network Factor	0.980

Total 2019 Experience for those expected to be active in 2021	
2019 Member Months	226,662
2021 Expected Member Months	243,194
Percentage of Membership in 2021	100.0%
2019 Completed Allowed \$PMPM	\$ 610.49
2019 Age Factor	1.522
2019 Area Factor	1.003
2019 Induced Utilization Factor	1.126
2019 Network Factor	0.980

Factor to adjust the morbidity level from the total western and central PA block to the expected morbidity in Highmark's average ACA block in 2021	1.213
Base allowed claims PMPM for Transitional and ACA business in 2019, rebate adjusted, excluding capitations	\$ 479.45
<b>2019 allowed claims PMPM for HHIC ACA business in 2021</b>	<b>\$ 581.38</b>

\*Capitations are excluded here, as we add the full amount of the capitation in at the change in benefits line.

**Highmark Health Insurance Company (HHIC)**

**2021 Small Group ACA Rate Filing**

Development of Change in Demographics Factor

	Projected Member Months	Age Factor	Allowed Claims	Reference
Full Year 2019 for those in ACA at EOY	151,017	1.522	\$572.73	(1)
Existing 1 to 50 Non-ACA in 2019 to ACA by 2021	1,241	1.544	\$773.26	(2)
New ACA Business in 2020 & 2021	90,936	1.522	\$572.73	(3)
Existing 51 to 100 Moving to ACA in 2020 & 2021	-	1.000	\$ -	(4)
<b>ACA Business in 2021</b>	<b>243,194</b>	<b>1.522</b>		<b>(5) = 1/(SUMPRODUCT(B6:B9,1/C6:C9,D6:D9)/SUMPRODUCT(B6:B9,D6:D9))</b>

Age Factor Used for Rating at Prior Renewal
Age at Next Renewal (so prior renewal was 1 minus this age)
Active CPA+WPA ACA at EOY (All Dependents)
Active CPA+WPA Transitional at EOY Expected to Move to ACA (All Dependents)
All CPA+WPA Small Group Experience (All Dependents)

BEP Age Factor	1.497
BEP Area Factor	1.004
ACA Business in 2021 Area Factor	1.003
Change in Demographics Factor	1.016

	0.765	0.765	0.833	0.859	0.885	0.913	0.941	0.97	1	1	1	1	1.004	1.024	1.048	1.087	1.119	1.135	1.159	1.183	1.198	1.214	1.222	1.23	1.238	1.246	1.262
Under 15	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	
	30143	2193	2493	2351	2552	2809	2751	2983	2847	2824	3245	3455	3707	3694	3772	4025	3590	3765	3852	3706	3866	3575	3632	3991	4071	3705	3365
	253.33	24.86	29.975	26.9	29.135	31.16	32.94	34.06	32.185	34.495	34.225	31.705	29.075	18.465	17.605	19.945	21.055	23.8	25.66	24.695	26.35	27.94	26.74	26.755	24.17	26.335	22.91
	119115	10471	10997	10799	11450	12134	12649	13434	12520	12824	13904	13547	13097	10740	11425	12005	11882	12317	12180	12342	12678	12862	12881	13769	13337	13399	12232

	1.278	1.302	1.325	1.357	1.397	1.444	1.5	1.563	1.635	1.706	1.786	1.865	1.952	2.04	2.135	2.23	2.333	2.437	2.548	2.603	2.714	2.81	2.873	2.952	3
41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65+	
	3875	3958	3387	3407	3957	3950	3610	4031	4307	4009	3766	4420	4446	4832	4767	4747	5039	4709	4479	5198	4786	4396	4132	3391	6872
	25.42	26.725	27.375	26.75	30.88	28.58	34.41	38.745	42.105	38.445	40.285	40.2	44.48	46.015	44.36	43.155	41.915	41.62	44.935	39.715	40.355	35.845	32.41	31.775	75.465
	12871	13067	12323	12694	13142	13398	14135	15492	16783	16199	15228	15874	17167	17389	17971	17218	17254	17305	17649	16935	15833	14455	13275	12159	24701