

SERFF Tracking #:

CABC-131915676

State Tracking #:

CABC-131915676

Company Tracking #:

19-41

State:

Pennsylvania

Filing Company:

Capital Advantage Assurance Company

TOI/Sub-TOI:

H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical Expense

Product Name:

Rates - CAAC Individual PPO

Project Name/Number:

/

Supporting Document Schedules

Satisfied - Item:	ACA Public Rate Filing PDF
Comments:	
Attachment(s):	Ind_19-41_Revised_CAAC_PPO_PublicFiling01_Supporting_20190801.pdf
Item Status:	
Status Date:	



May 21, 2019

██████████, Director
Bureau of Life, Accident and Health Insurance
Office of Insurance Product Regulation and Administration
Commonwealth of Pennsylvania Insurance Department
1311 Strawberry Square
Harrisburg, PA 17120

Re: **Capital Advantage Assurance Company**
Individual Rates
Filing No 19-41
TOI Code: H15I Individual Health – Hospital/Surgical/Medical Expense
Sub-TOI Code: H15I.001 - Hospital/Surgical/Medical Expense
Filing Type: Rate

Dear ██████████:

By this filing Capital BlueCross, on behalf of its wholly owned subsidiary Capital Advantage Assurance Company, submits to the Department Individual Rates effective January 1, 2020.

The following is a summary of the rate filing:

- Company Name: Capital Advantage Assurance Company (CAAC)
- NAIC: 14411
- Market: Individual
- On/Off Exchange: On/Off Exchange
- Effective Date: 1/1/2020
- Average Rate Change Requested: 3.3%
- Range of Requested Rate Change: 1.9% to 4.3%
- Total additional annual revenue generated from the proposed rate change: \$14,633,763
- Product: PPO
- Rating Areas: 6,7,9
- Metal Levels: Gold, Silver, Bronze
- Current Covered Lives and Policyholders: 45,626/31,224
- 2020 Number of Plans: 4
- 2019 Number of Plans and Change: 4/No Plan Change
- Contract Form #: CAAC-Ind-PPO-C-v0120
- Form Filing SERFF #: CABC-131915210
- Binder SERFF #: CABC-PA20-125092047 & CABC-PA20-125092063
- HIOS Issuer ID: 45127
- HIOS Submission Tracking Number: 45127-1472049104468710402

Harrisburg, PA 17177 | capbluecross.com

Please note that per directions from the Insurance Department, the following factors have been applied to the rates for regulatory changes:

- Individual Adjustment: 0.06 added to the morbidity factor.
- Cost Sharing Reduction (CSR) Funding: 1.20 applied in the PA Rate Template, Part III, column P to the on-exchange silver plan.

In support of this filing, I have included an Actuarial Memorandum with supporting exhibits, URRT, Consumer Friendly Justification, Rates Table Template, Rate Change Request Summary, and PA Plan Design Summary and Rate Tables.

If you have any questions regarding this filing, please call me at [REDACTED] (or via email at [REDACTED]) or [REDACTED] at [REDACTED] ([REDACTED]). Thank you for your assistance in this matter.

Sincerely,

[REDACTED]

[REDACTED], ASA, MAAA
Manager, Actuarial Services
Capital BlueCross

Enclosures

cc: [REDACTED], FSA, MAAA, Senior Director, Actuarial Services
[REDACTED], ASA, MAAA, Vice President and Chief Actuary, Actuarial Services
[REDACTED], Corporate Counsel

Attachment I

Rate Change Summary

Capital Advantage Assurance Company (CAAC) – Individual Plans

Rate request filing ID # CABC-131915676 - 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:	1.6%
Revised requested average rate change:	0.2%
Range of requested rate change:	-1.9% to 1.9%
Effective date:	1/1/2020
People impacted:	45,626
Available in:	Rating Area 6, Rating Area 7 and Rating Area 9

Key information

Jan. 2018-Dec. 2018 financial experience

Premiums	\$ 440,904,340
Claims	\$ 248,270,191
Administrative expenses	\$ 20,113,710
Taxes & fees	\$ 63,072,775
Company made (after taxes)	\$109,447,665

How it plans to spend your premium

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

Claims:	88.09%
Administrative:	6.57%
Taxes & fees:	3.34%
Profit:	2.0%

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

Explanation of requested rate change

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



July 19, 2019

██████████, Director
Bureau of Life, Accident and Health Insurance
Office of Insurance Product Regulation and Administration
Commonwealth of Pennsylvania Insurance Department
1311 Strawberry Square
Harrisburg, PA 17120

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- NAIC: 14411
- Market: Individual
- On/Off Exchange: On/Off Exchange
- Effective Date: 1/1/2020
- Average Rate Change Requested: 0.2%
- Range of Requested Rate Change: -1.9% to 1.9%
- Total additional annual revenue generated from the proposed rate change: \$7,025,224
- Product: PPO
- Rating Areas: 6,7,9
- Metal Levels: Gold, Silver, Bronze
- Current Covered Lives and Policyholders: 45,626/31,224
- 2020 Number of Plans: 4
- 2019 Number of Plans and Change: 4/No Plan Change
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Sincerely,

[REDACTED]

[REDACTED], ASA, MAAA
Manager, Actuarial Services
Capital BlueCross

Enclosures

cc: [REDACTED], FSA, MAAA, Senior Director, Actuarial Services
[REDACTED], ASA, MAAA, Vice President and Chief Actuary, Actuarial Services
[REDACTED], Corporate Counsel

CAPITAL ADVANTAGE ASSURANCE COMPANY, INC.

ACTUARIAL MEMORANDUM

Individual Rates

Effective January 1, 2020

General Information

Company Information

- Company Legal Name: Capital Advantage Assurance Company – CAAC
- State: PA
- HIOS Issuer ID: 45127
- Market: Individual
- Effective Date: 1/1/2020

PID Company Information

- Company Name: Capital Advantage Assurance Company (CAAC)
- NAIC: 14411
- Market: Individual
- On/Off Exchange: On/Off Exchange
- Effective Date: 1/1/2020
- Average Rate Change Requested: 0.2%
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- HIOS Issuer ID: 45127
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Company Contact Information

- Primary Contact Name: [REDACTED]
- Primary Contact Telephone Number: [REDACTED]
- Primary Contact Email Address: [REDACTED]

Scope and Purpose

By this filing, Capital Advantage Assurance Company (CAAC), a subsidiary of Capital BlueCross (CBC), submits rates for products to be made available to individuals effective January 1, 2020. CAAC will offer individual products on and off the federally-facilitated exchange.

Rate History and Proposed Variations in Rate Changes

Market	Company	Effective Date	SERFF #	Annual Increase
Individual	CAAC	1/1/2016	CABC-130076761	1.60%
Individual	CAAC	1/1/2017	CABC-130539561	43.3%
Individual	CAAC	1/1/2018	CABC-131022042	49.2%
Individual	CAAC	1/1/2019	CABC-131454875	-20.8%

Average Rate Change

CAAC is proposing an aggregate annual 0.2% rate change. The rate change does vary by plan. The rate change is calculated in PA Rate Exhibits Part III, Table 10, cell AC15.

The key drivers of the rate change, and approximate impact, are as follows:

Reimplementation of the Health Insurer Fee: 3%
Future Cost and Utilization: 8%
Favorable Experience: -11%

Regulatory Considerations

Rates submitted by this filing assume changes to the current regulatory framework. As directed by the Insurance Department, the following factors have been applied to the rates for regulatory changes:

- Individual Mandate: 0.05 added to the morbidity factor.
 - The Department directed that up to 0.06 could be added to the morbidity factor. CAAC is choosing to apply 0.05 in pricing.
- Cost Sharing Reduction (CSR) Funding: Factor of 1.20 applied in the PA Rate Exhibits, Part III, column P to the on-exchange silver plan.

Membership

Membership is shown in PA Rate Exhibits Part I, Table 1. The average age is 45.

Benefit Changes 2019-2020

A summary of proposed 2020 benefits is included in Exhibit A.

There are several benefit changes being implemented in 2020. All benefit changes comply with the uniform modification of coverage standards described in 45 CFR 147.106(e). Any plan with a benefit change that did not meet the uniform modification of coverage standard was terminated, and a new plan was created in its place. Benefit changes by plan are listed in Exhibit B, highlighted in yellow.

Experience Period Premium and Claims

Single Risk Pool: The data used to develop rates and shown in URRT and PA Rate Exhibits abides by 45 CFR part 156.80(d) single risk pool requirements. The single risk pool reflects all covered lives for every non-grandfathered, non-transitional product/plan combination for CAAC in the individual market.

Base Experience Period: The base experience period (BEP) includes completed fee-for-service paid and incurred claims for dates of service between January 1, 2018 and December 31, 2018.

Paid Through Date: Claims in the BEP are paid through March 31, 2019

Premiums (net of MLR Rebate) in BEP: Premiums are calculated on an earned basis in the BEP. MLR rebate adjustments applied are equal to zero.

Allowed and Incurred Claims in BEP:

- Allowed claims are developed by combining paid claims with member cost-sharing. Allowed claims meet the definition in the URR instructions. They do not include provider quality incentive payments.
- Incurred claims are net of HHS CSR payments.
- CBC only covers Essential Health benefits (EHBs).
- CAAC does not include capitated services.
- Allowed and Incurred claims are net of pharmacy rebates. BEP rebates are completed based on actual utilization of rebate-eligible drugs and rebate amounts.

Estimated Incurred but Not Paid Claims: Paid claims by date of service come directly from CBC's data warehouse. The method for calculating incurred claims in the BEP is as follows:

1. Historical fee-for-service claims are viewed by date of service and date of payment in a claims triangle.
2. The claims triangle payments are then accumulated by date of service to develop factors that represent the rate of accumulation or rate of "completion".
3. Historical rates of completion by duration are used to derive projected rates of completion. Some of the methods used to develop projected completion factors are averages (e.g.

harmonic averages, time weighted averages, geometric averages) and regression methods. Numerous items are considered when viewing these averages or regression statistics, such as the impact of high claims on perceived completion patterns.

4. For durations that exhibit a projected completion factor greater than the Valuation Actuary's chosen threshold (e.g. 80% complete), cumulative paid and incurred claims are divided by the projected completion factor to arrive at ultimate incurred claims. For durations that are less than the chosen threshold, a projection methodology is used. Similar to completion factor development, projection methodologies are worthy of a lengthy discussion. In general, an ultimate incurred claims PMPM is derived by projecting a recent 12-month period to the current month(s) and seasonally adjusting.
5. With all months having both a cumulative paid amount and an estimated ultimate incurred amount, the completion factors used in pricing are calculated by taking the quotient of the two. Allowed completion and incurred completion are assumed to be identical.
6. Both allowed and paid claims in the BEP are completed by applying completion factors by incurred month developed in Step 6.

$$BEP\ Incurred\ Claims = \sum \frac{BEP\ Paid\ Claims\ by\ Incurred\ Month}{Completion\ by\ Incurred\ Month}$$

$$BEP\ Allowed\ Claims = \sum \frac{BEP\ Paid\ Claims + BEP\ Member\ Cost\ Share\ by\ Incurred\ Month}{Completion\ by\ Incurred\ Month}$$

Risk Adjustment in BEP: Risk adjustment amounts in the BEP are equal to final risk adjustment transfer amounts released on June 28, 2019.

Loss Ratio in BEP: Loss ratio is 56.31%

Credibility of Data

CAAC individual data was used to develop rates. No credibility manual is used.

Trend Identification

Trend: 7.9%

Trend levels reflect CBC's best estimate of changes in utilization, provider reimbursement contracts, the network of facilities and providers, disease management initiatives and the impact of utilization management.

The following is a description of considerations used to determine trend.

1. Base Cost/ Change in hospital and physician contracting: The contracted increase in reimbursements to hospitals and physicians is the basis of cost trends. CBC uses the following to project future costs:

- a. Vendor Physician Cost Model and Internal Hospital Contracting Model
 - i. The medical cost models use best estimates of Capital BlueCross (CBC)'s future contracting increases with physicians and hospitals. The models use cost estimates based on varying contract effective dates by physician and hospital. All facilities and providers are considered in this modeling effort (i.e. acute and non-acute, network and non-network, inpatient and outpatient, in- area and out-of-area). From there, a monthly anticipated cost (assuming static utilization) summary is produced which can be used in projecting future claims costs. Cost trends are determined at the CBC book of business level for all commercial business.
 - b. Internal Prescription Drug Trend Model
 - i. Price Inflation
 - ii. Contract Pricing
 - iii. Member Cost-Sharing
 - iv. Units per Script
 - v. Brand/Generic Mix
 - vi. Therapeutic Mix
 - vii. Cost per Script
 - viii. Pipeline (new drugs)
2. Utilization Considerations:
 - a. Intensity of medical services rendered
 - b. Changes in place of service (e.g. continued migration of inpatient stays to outpatient setting)
 - c. Further migration from brand prescription drugs to generic prescription drugs
 - d. Favorable impacts of value based benefits designs
 - e. Medical utilization estimates reviewed by CBC's Chief Medical Officer
 3. Leveraging: The trend model is based on allowed cost increases. Paid claims trend at a higher rate than allowed due to leveraging. Leveraging is the impact of static cost-share, such as deductibles and copays, to the paid trend.
 4. Intensity: Measure of cost increase due to change in treatment sophistication. An example is migration from x-rays to MRIs at significantly higher cost.
 5. Underwriting Cycle: The underwriting cycle is defined as the tendency to swing between profitable and unprofitable periods over time. The underwriting cycle is exacerbated partly by pricing performed with incomplete information as to the level of current experience trends. A reaction delay occurs, as carriers tend to rely on measurements of past experience in developing current pricing assumptions. As a result, carriers are often increasing their pricing trends when actual experience trends have begun to decline, and decreasing their pricing trends actual trends are increasing. CBC strives to mitigate the underwriting cycle by keeping trends consistent through times of increasing and decreasing claim cost and utilization.

Historical Experience: Historical experience was not used to the develop trend.

Benefit Categories: Claims in the benefit categories displayed in URRT come directly from CBC’s data warehouse. These same categories are used to develop category-level trend. See Exhibit C for a description of benefits by benefit category.

See Exhibit E for CAAC’s pricing trend, as well as cost and utilization components of the pricing trend.

Rate Development & Change

Projection Factors

Changes in Morbidity: Found in URRT Worksheet 1, “Morbidity Adjustment”, and PA Rate Exhibits, Table 5. The changes to morbidity is equal to the Department’s Individual Adjustment factor discussed above.

Changes in Benefits: Benefit changes are not applied to allowed claims as allowed should stay consistent from 2018 to 2020. Benefit changes are applied in the development of future incurred claims, due to changes in member cost-share. This calculation is shown in Exhibit D, and applied in Exhibit G. The manual cost PMPMs are developed from CBC’s internal benefit relativity model, discussed in the Plan Adjusted Index Rate section below. The benefit change is equal to member-month weighted average projected manual PMPM divided by member-month weighted average manual PMPM in the BEP. This process is further discussed in the Paid-to-Allowed section below.

Changes in Demographics: CAAC does not expect changes in demographics in its individual population.

Changes in Network: No network adjustment is applied.

Other Adjustments: No other adjustment is applied.

Benefits, Demographics, Network and Other adjustments are found in URRT Worksheet 1 and PA Rate Exhibits Table 5.

Index Rate

The experience period index rate is CAAC’s allowed claims PMPM, set in accordance with the single risk pool provision. All CAAC covered benefits are categorized as Essential Health Benefits (EHBs), therefore no adjustment was made to the experience period index.

Projected Allowed Claims: The CAAC experience period allowed claims, benefit-adjusted, trended to the projection period (See Projection Factors section above), and credibility adjusted, is the *Projected Allowed Claims at Current Benefits*. This number is reflected in Worksheet 1 of URRT (“Projected Allowed Experience Claims PMPM (w/ applied credibility if applicable)”).

To calculate the projected index rate:

1. Start with *Projected Allowed Claims at Current Benefits*
2. The *Projected Allowed Claims at Current Benefits* reflect EHBs 100 percent, so no adjustment needs to be made to add EHBs and remove non-EHB claim cost. This is the index rate for individuals renewing January – December.

See Exhibit J for the Index Rate.

Paid to Allowed Ratio

CAAC used the prescribed URRT allowed claim rate development methodology in conjunction with a paid and incurred rate development methodology to determine final premium rates. URRT projects allowed claims, and uses a paid-to-allowed ratio in order to adjust allowed claims to paid levels. This value is then used to develop premiums. In order to determine the paid-to-allowed ratio, CAAC projected paid and incurred claims, adjusted for benefits, to the experience period.

Projected Paid and Incurred Claims are calculated as follows:

1. Gather claims experience as described in the Data section above.
 - a. Base Experience Period (BEP) Paid Claims, Capitation, and Rx Rebates
 - b. BEP Member Months
2. Develop BEP *Paid and Incurred Claims*:

$$BEP \text{ Paid and Incurred Claims} = \frac{BEP \text{ Paid Claims}}{Completion \text{ Factor}}$$

The development of completion factors is described in Experience Period Premium and Claims above.

3. Develop the *BEP Paid and Incurred Claim PMPM*:

$$BEP \text{ Paid and Incurred Claim PMPM} = \frac{BEP \text{ Paid and Incurred Claims}}{BEP \text{ Member Months}}$$

4. Develop *Trended Claim PMPM*: Using the aggregate trend described in the Projection Factors section above, trend the BEP Paid and Incurred Claim PMPM from the midpoint of the experience period to the midpoint of the rating period.

Trended Claim PMPM

$$= [BEP \text{ Paid and Incurred Claim PMPM}] \times (1 + [Trend\%])^{Trend \text{ Months}/12}$$

5. Develop *Projected Paid and Incurred Claim PMPM*:

$$\begin{aligned}
 & \textit{Projected Paid and Incurred Claims PMPM} \\
 & = [\textit{Trended Claim PMPM}] \times [\textit{Benefit Adjustment}] \\
 & \times [\textit{Morbidity Adjustment}] \times [\textit{Other Adjustment}]
 \end{aligned}$$

The *Benefit Adjustment*, *Morbidity Adjustment*, and *Other Adjustment* are discussed in the Projections Factors section above.

6. Develop *Projected Claims PMPM by Benefit* as follows:

- a. CAAC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on cumulative probability distributions (CPDs), where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
- b. This actuarial cost model derives a Manual Cost for each benefit design in the experience period, as well as plans being offered in the projection period. The average Manual Cost of the experience is compared to the Manual Cost of the base plan. The projected experience period data is then adjusted to the base plan:

$$\textit{Benefit Level Adjustment} = \frac{\textit{Average Manual Cost in Projection Period}}{\textit{Manual Cost of Base Plan}}$$

- c. The *Projected Paid and Incurred Claim PMPM* (Step 5) is then adjusted to the Base Plan as follows:

$$\begin{aligned}
 & \textit{Base Plan Paid and Incurred Claims PMPM} \\
 & = \frac{\textit{Benefit Adjusted Paid and Incurred Claims PMPM}}{\textit{Benefit Level Adjustment}}
 \end{aligned}$$

- d. Each additional benefit design has its own unique Manual Cost, which can then be compared to the Base Plan to develop a Benefit Relativity:

$$\textit{Benefit Relativity A} = \frac{\textit{Manual Cost of Benefit A}}{\textit{Manual Cost of Base Plan}}$$

- e. The Benefit Relativity developed in d. above is then used as a gauge to develop a final *Pricing Relativity*. This pricing relativity is developed using actuarial judgment including the following considerations:
- i. Final premium relativities must make sense based on benefits. For example, the annual cost difference between a PPO 2000 and PPO 1000 must be less than \$1000.
 - ii. Adjustments for plan designs that fall outside of the actuarial cost model.
- a. So the *Projected Claims PMPM by Benefit* is:

$$\begin{aligned} & \textit{Projected Claims PMPM Benefit A} \\ & = \textit{Projected Claims PMPM Base Plan} \\ & \times \textit{Pricing Relativity A} \end{aligned}$$

- b. And to arrive at the *Total Projected Claims PMPM*, CAAC assumes a distribution of members across the benefit plans being offered in 2019. The *Total Projected Claims PMPM* :

$$\begin{aligned} = & \textit{Projected Claims PMPM Benefit A} \times \textit{Expected Member Dist of Benefit A} \\ & + \textit{Projected Claims PMPM Benefit B} \\ & \times \textit{Expected Member Dis of Benefit B} + \dots \end{aligned}$$

7. The Paid-To-Allowed Ratio is then:

$$\textit{Paid to Allowed Ratio} = \frac{\textit{Total Projected Claims PMPM}}{\textit{Projected Allowed Claims at Current Benefits}}$$

See Exhibit G for the development of the *Paid-to-Allowed Ratio*. And see Exhibit L for the plan-level projected incurred amount development.

Risk Adjustment

Projected Risk Adjustments PMPM:

Relevant to 2020 pricing is the impact of Commercial Risk Adjustment (CRA) payment transfers that are expected to be earned in 2020. The following items are those that we deem important in generating a CRA payment transfer adjustment:

1. Risk profile of the those enrolled in CRA eligible plans for the market or state (i.e. competitors) relative to risk profile of CRA eligible membership enrolled in our plans
2. Statewide average premiums
3. Current market penetration of this company and competitors in the market and in the state
4. 2017-2018 risk adjustment results

5. Market improvement in coding risk: CBC's ACA book of business has had a churn rate that makes a multi-year perspective of member diagnosis and risk very challenging. Because closing gaps in care and coding, and a myriad of other risk adjustment functions require more than a single year of data to facilitate an accurate depiction of risk, it is believed that CBC is disadvantaged in the market. This will drive CBC's relative risk to the market down over time.

Market Adjusted Index Rate

The Market Adjusted Index Rate is calculated as the Index Rate adjusted for all allowable market-wide modifiers defined in the market rating rules, 45 CFR Part 156.80(d)(1). So,

$$\begin{aligned} & [\textit{Market Adjusted Index Rate}] \\ & = ([\textit{Index Rate}] \times [\textit{Paid to Allowed Ratio}] \\ & \quad - [\textit{Net Projected ACA Reinsurance Recoveries}] \\ & \quad - [\textit{Net Projected Risk Adjustments PMPM}] + [\textit{Exchange Fees PMPM}]) \\ & \div [\textit{Paid to Allowed Ratio}] \end{aligned}$$

See Exhibit K for the development of the Market Adjusted Index Rate.

Retention Items

Administrative Expense Load:

1. Risk Adjustment User Fee: To fund the HHS-risk adjustment program, issuers will remit to HHS a fee of \$0.18 PMPM. The Risk Adjustment Fee PMPM is included in URRT Worksheet 1, URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.
2. Administrative Expense: Calculated using an allocation method from CBC's Finance department, and trended to the rating period. Costs are allocated according to results reported through a company-wide questionnaire. On an annual basis, each cost center within the company completes a questionnaire listing the distribution of costs (in percentage terms) by product as well as by market segment. For example, the questionnaire will ask what percentage of time is spent on PPO versus HMO versus Drug versus Medicare. And separately will ask what percentage of time is spent on large group, small group, individual, and government programs. Using those distributions, all costs needed to perform the business are allocated to the proper market segments and lines of business. The administrative expense applied in the rate development is the total expense allocated to CBC individual products. Administrative expenses are included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. Expense as a percentage of premium vary by plan because a fixed dollar admin PMPM is applied to each plan.
3. Broker Expense: Calculated based on CBC's explicit per contract broker fee. Broker Expense is included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. CBC pays commissions for new business and renewal enrollment received during open enrollment, both on and off exchange, and in all geographic

areas. Commission is less on catastrophic plans due to the lower premium. CBC does not pay commission during Special Enrollment Periods (SEP). The 2020 broker commission schedule is yet to be finalized. Attached please find the 1/1/2019 copy of the broker agreement – redacted version. Files are as follows:

- a. Redacted Agent Agreement: “Ind_19-41_Initial_CAAC_PPO_WBEBrokerIndRedacted_Supporting_20190521.pdf”
 - b. Redacted Preferred Producer Master Agreement: “Ind_19-41_Initial_CAAC_PPO_PPMABrokerIndRedacted_Supporting_20190521.pdf”
4. Value-Based Benefits (VBB): Standard with each plan, Capital BlueCross includes wellness incentives to maximize the likelihood that consumers make positive behavioral changes, which lead to better health, and curbed health care costs for employers and employees alike. The incentive is as follows:
- a. Complete Health Risk Assessment questionnaire and receive a gift card.
 - b. Participate in an online coaching program and receive a gift card reward.
 - c. The wellness program is administered through a vendor and costs are based on vendor fees, anticipated participation, and reward card amounts.
 - d. Fees are included in overall administrative expense fee discussed above.
 - e. Included in URRT Worksheet 2 “Administrative Expense”, and PA Rate Exhibits Table 6.
5. Identity Theft Coverage: Identity protection offering will include the following components:
- a. Credit monitoring – Monitors activity that may affect credit
 - b. Fraud detection – Identifies potentially fraudulent use of identity or credit
 - c. Fraud resolution support – Assists members in addressing issues that arise in relation to credit monitoring and fraud detection
 - d. Included in URRT Worksheet 1, “Administrative Load”, and PA Rate Exhibits Table 6.
6. Additional Quality Improvement: The Final Notice of Benefit and Payment Parameters (NBPP) for 2020 finalized the rule to allow issuers to apply a standard 0.8% of premium for quality improvement (QI) measures in the MLR calculation. Additional QI amounts applied in rating equal 0.4%. Included in URRT Worksheet 2, “Administrative Expense”, and PA Rate Exhibits Table 6.

Profit (or Contribution to Surplus) & Risk Margin:

7. Contingency: Contingency is included in URRT Worksheet 1, “Profit and Risk”, and PA Rate Exhibits Table 6.

Taxes and Fees:

1. Health Insurer Fee (HIF) – Section 9010 of PPACA and Section 1406 of the Reconciliation Act (which modified PPACA) refer to HIF. The fee is a fixed-dollar amount distributed across health insurance providers: \$8 billion in 2014, \$11.3 billion in 2015 and 2016, \$13.9 billion in 2017, \$14.3 billion in 2018, and the HIF increases by the rate of premium growth for 2019 and subsequent years. There was a moratorium on the

fee for 2017 and there is a suspension on the fee for 2019. HIF is included in URRT Worksheet 2, “Taxes and Fees”, and PA Rate Exhibits, Table 6.

2. Exchange Fee – All issuers participating in a federally-facilitated exchange will remit 3% of premium to HHS. The exchange user fee is applied as an adjustment to the Index Rate at the market level. The calculation and amount is found in Exhibit K. The amount is also found in PA Rate Exhibits, Table 5.
3. Federal Income Tax: Federal Income Tax will be collected on the 2% contingency built into the premium. The projected Federal Income Tax is included in URRT Worksheet 2, “Taxes and Fees”, and PA Rate Exhibits, Table 6.

See Exhibit H for all retention values.

Plan Rate Development

The Plan Adjusted Index Rates are included in Worksheet 2, Section IV of URRT.

The following adjustments were used to derive the Plan Adjusted Index Rate:

1. Actuarial Value and Cost Sharing adjustment: The Actuarial Value and Cost Sharing Adjustment is determined using CAAC’s actuarial cost model. CAAC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a claim PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on CPDs, where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
2. Induced Demand: Please see Table 8
3. Provider Network: The Provider network is the same across all PPO plans.
4. Adjustment for benefits in addition to EHBs: No benefits other than EHBs are included in the plans, so no adjustment is necessary.
5. Catastrophic Plans: Applied to catastrophic plans to reflect lower morbidity.
6. Adjustment for distribution and administrative costs: Described in Retention section above.
7. Tobacco Adjustment: Calculated as the average tobacco factor applied across the risk pool.

The development of the Plan Adjusted Index rate is found in Exhibit L, and summarized in Exhibit M.

Plan Premium Development for 21-Year-Old Non-Tobacco User

Age Curve Calibration: The average age factor is calculated by taking the member-weighted average of current individual enrollment by age in CAAC. Age factors are applied in accordance

with CMS's Standard Age Curve. The age calibration factor is adjusted for contracts with greater than three children under the age of 21. Please see file Ind_19-41_Initial_CAAC_PPO_List-Billed_Supporting_20190521 for the calculation.

Geographic Factor Calibration: The average geographic rating factor is calculated by taking the CAAC member-weighted average by region.

Geographic Factors: CBC performed regional analysis to quantify the cost difference between the three regions in our service area. The analysis gathered incurred claims net Rx rebates, projected risk adjustment, and premium for a 12-month period by region. The loss ratio of each region is then compared to the average loss ratio for the book of business. In theory, the change in regional rating factor is:

$$[Change\ in\ Regional\ Rating\ Factor\ Region\ A] = [Region\ A\ LR] \div [BOB\ LR]$$

But our preferred approach is to gradually change factors, so not to shock the market, while moving rates in the appropriate direction. In order to do this, the following approach is being proposed:

$$[Change\ in\ Regional\ Rating\ Factor\ Region\ A] = [Region\ A\ LR] \div [Target\ LR]$$

Where Target LR is in between Region A LR and BOB LR. With this gradual approach, annual rate change by region is shown on Exhibit Q, column G.

Tobacco Factor Calibration: Average tobacco factor is calculated using current month member by smoking status data.

The calibration is:

$$[Calibrated\ Plan\ Adjusted\ Index\ Rate] = [Plan\ Adjusted\ Index\ Rate] \div ([Age\ Curve\ Calibration] \times [Geographic\ Factor\ Calibration] \times [Tobacco\ Factor])$$

Calibrated Plan Adjusted Index Rates are found on PA Rate Exhibits Table 10. The calibration factors and development are found on Exhibit N.

Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

$$\begin{aligned} [Member - Level\ Consumer\ Adjusted\ Premium\ Rate] \\ = [Calibrated\ Plan\ Adjusted\ Index\ Rate] \times [Age\ Factor] \\ \times [Geographic\ Factor] \times [Tobacco\ Factor] \end{aligned}$$

2. $[Family\ Consumer\ Adjusted\ Premium\ Rate] = \sum [Member - Level\ Consumer\ Adjusted\ Premium\ Rate]$
With no more than three child dependents under age 21 taken into account

All consumer-level adjustments are applied uniformly to all plans in the Single Risk Pool. These adjustments do not vary by plan. Age and Geographic factors are displayed in Exhibits O.

Base Rates, i.e. Calibrated Plan Adjusted Index Rates, are found on Exhibit P.

AV Metal Values

The AV Metal Values included in URRT Worksheet 2 and PA Rate Exhibits, Table 10 were based on the federally issued AV Calculator.

See AV Screenshots included with the submission.

AV Pricing Values

All AV Pricing values were developed using CAAC's actuarial cost model and actuarial judgment as described in section Paid to Allowed above. Differences in health status are not included.

Projected Loss Ratio

See Exhibit I for the projected loss ratio calculation. The projected loss ratio is calculated using the federally prescribed MLR methodology.

Membership Projection

The membership projections found in Worksheet 2 of URRT were developed by assuming moderate growth and similar distribution to current.

Attachments and Examples

The following is a list of Exhibits and Data to support this filing:

PA Rate Exhibits Part I through Part V

Table 8

Exhibit A – Benefit Summary
Exhibit B – Benefit Change Summary
Exhibit C – Benefit Categories
Exhibit D – Benefit Mix
Exhibit E – Trend
Exhibit F – URRT

Exhibit G – Paid-to-Allowed Development
Exhibit H – Retention
Exhibit I – Projected Loss Ratio
Exhibit J – Index Rate
Exhibit K – Market Adjusted Index Rate
Exhibit L – Rate Development by Plan
Exhibit M – Plan Adjusted Index Rates
Exhibit N – Calibration
Exhibit O – Rating Factors
Exhibit P – Quarterly Base Rates
Exhibit Q – Regional Analysis

Broker Contracts
Actuarial Value Screenshots
List-Billed Data

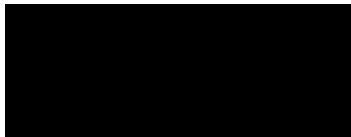
Actuarial Statement

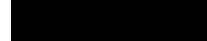
I, [REDACTED], ASA, MAAA, am of the opinion that this filing is in compliance with the applicable Federal and State Laws and Regulations concerning the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010.

I, [REDACTED], ASA, MAAA, do hereby certify that:

1. This filing has been prepared in accordance with the following:
 - a. Actuarial Standard of Practice No. 5, “Health and Disability Claims”
 - b. Actuarial Standard of Practice No. 8, “Regulatory Filings for Rates and Financial Projections for Health Plans”
 - c. Actuarial Standard of Practice No. 12, “Risk Classification”
 - d. Actuarial Standard of Practice No. 23, “Data Quality”
 - e. Actuarial Standard of Practice No. 25, “Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverage”
 - f. Actuarial Standard of Practice No. 26, “Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health Benefit Plans”
 - g. Actuarial Standard of Practice No. 41, “Actuarial Communications”.
2. The index rate is:
 - a. Projected in compliance with all applicable state and federal statutes and regulations (45 CFR 156.80(d) (1)).
 - b. Developed in compliance with the applicable Actuarial Standards of Practice.
 - c. Reasonable in relation to the benefits provided and the population anticipated to be covered.
 - d. Neither excessive nor deficient.
 - e. Adjusted by only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) to generate plan level rates.

3. The percent of total premium that represents essential health benefits were calculated in accordance with actuarial standards of practice.
4. The AV Calculator was used to determine the AV Metal Values shown in Worksheet 2 of the Part I Unified Rate Review Template for all plans, and in accordance with CFR 156.135(b)(2) as necessary. For any plan requiring an alternative method, the development of the actuarial value is based on one of the acceptable alternative methods outlined in 156.135(b)(2) or 156.135(b)(3) for benefits that deviate substantially from the parameters of the AVC and have a material impact on the actuarial value.
 - a. The analysis was
 - i. conducted by a member of the American Academy of Actuaries, and
 - ii. performed in accordance with generally accepted actuarial principles and methods.
5. Geographic area rating factors reflect only differences in the costs of delivery and not differences due to population morbidity.
6. All factor, benefit and other changes from the prior approved filing have been disclosed in the actuarial memorandum.
7. New plans cannot be considered modifications of existing plans under the uniform modification standards in 45 CFR 147.106.
8. The information presented in the PA Actuarial Memorandum and PA Actuarial Memorandum Rate Exhibits is consistent with the information presented in the Rate Filing Justification.



, ASA, MAAA
Actuarial Associate
Capital BlueCross

Carrier Name: Capital Advantage Assurance Company
 Product(s): PPO
 Market Segment: Individual
 Rate Effective Date: 1/1/2020

Table 2b. Manual Experience Period Claims and Premiums

Earned Premium	Paid Claims	Ultimate Incurred Claims	Member Months	Estimated Cost Sharing (Member & HHS)	Allowed Claims (Non-Capitated)	Non-HRB portion of Allowed Claims	Total Prescription Drug Rebates*	Total EHB Capitation	Total Non-EHB Capitation	Estimated Risk Adjustment
\$401,955,181.91	\$263,205,610.28	\$263,675,776.74	407,999	\$55,576,798.96	\$121,252,575.72		(\$10,000,456.32)	\$255,682.12	\$0.00	\$51,251,428.48
Experience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)										\$ 768.48
Rate Ratio										56.53%

* Express Prescription Drug Rebates as a negative number

Table 3b. Manual Trend Components

Service Category	Cost*	Utilization*	Induced Utilization*	Composite Trend	Weight*
Inpatient Hospital	6.00%	2.30%	0.00%	8.34%	21.29%
Outpatient Hospital	5.60%	2.30%	0.00%	8.90%	32.29%
Professional	3.85%	1.80%	0.00%	5.72%	31.95%
Other Medical	5.62%	2.00%	0.00%	7.76%	2.88%
Capitation				3.90%	0.00%
Prescription Drugs	8.80%	0.81%	0.00%	9.72%	14.99%
Total Annual Trend				7.88%	100.00%
Months of Trend				34	
Total Applied Trend Projection Factor				1.164	

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

Table 4b. Historical Annual 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-15	\$3,797,210.15	\$3,073,331.99	1.0000	\$3,073,331.99	4,937	\$623.00		(\$3,596,791)	\$3,177,762.02	739.40
Feb-15	\$3,771,385.45	\$3,071,385.45	1.0000	\$3,071,385.45	4,949	\$621.00		(\$5,639,513)	\$3,472,744.08	701.62
Mar-15	\$3,756,887.25	\$3,071,385.45	1.0000	\$3,071,385.45	5,774	\$530.00		(\$141,828.81)	\$3,613,132.12	626.45
Apr-15	\$3,266,794.24	\$3,071,385.45	1.0000	\$3,071,385.45	5,754	\$532.00		(\$10,212.77)	\$4,197,177.04	729.44
May-15	\$3,496,258.41	\$3,071,385.45	1.0000	\$3,071,385.45	5,761	\$531.00		(\$13,300.48)	\$3,695,912.31	641.54
Jun-15	\$3,470,634.60	\$3,071,385.45	1.0000	\$3,071,385.45	5,766	\$531.00		(\$267,781.99)	\$3,624,092.85	625.38
Jul-15	\$3,500,532.63	\$3,071,385.45	1.0000	\$3,071,385.45	5,809	\$529.00		(\$18,811.17)	\$3,877,402.92	672.46
Aug-15	\$4,003,790.01	\$3,071,385.45	1.0000	\$3,071,385.45	6,011	\$507.00		(\$13,123.63)	\$3,902,831.64	673.96
Sep-15	\$4,302,283.12	\$3,071,385.45	1.0000	\$3,071,385.45	5,944	\$512.00		(\$18,414.26)	\$4,679,170.82	787.28
Oct-15	\$4,764,647.61	\$3,071,385.45	1.0000	\$3,071,385.45	6,011	\$507.00		(\$14,199.72)	\$4,602,148.44	760.62
Nov-15	\$4,270,199.46	\$3,071,385.45	1.0000	\$3,071,385.45	6,005	\$507.00	\$4,988,616.65	(\$425,593.97)	\$4,251,484.28	707.99
Dec-15	\$18,227,017.15	\$3,071,385.45	1.0000	\$3,071,385.45	61,909	\$34.84		(\$184,181.58)	\$24,071,647.30	390.17
Jan-16	\$46,239,677.89	\$3,071,385.45	1.0000	\$3,071,385.45	65,715	\$46.72		(\$9,146.08)	\$29,613,360.38	450.63
Feb-16	\$30,038,706.38	\$3,071,385.45	1.0000	\$3,071,385.45	69,031	\$45.15		(\$1,850,897.64)	\$33,883,299.56	492.29
Mar-16	\$36,773,618.32	\$3,071,385.45	1.0000	\$3,071,385.45	69,111	\$45.70		(\$1,496,361.26)	\$39,481,491.92	564.05
Apr-16	\$28,169,679.68	\$3,071,385.45	1.0000	\$3,071,385.45	68,599	\$46.23		(\$3,380,268.38)	\$33,092,653.49	484.53
May-16	\$30,011,457.13	\$3,071,385.45	0.9992	\$3,084,395.87	64,474	\$44.74		(\$1,026,920.85)	\$33,769,992.69	509.04
Jun-16	\$27,445,754.34	\$3,071,385.45	0.9994	\$27,445,754.34	65,900	\$41.74		(\$1,275,146.56)	\$39,754,720.06	605.71
Jul-16	\$29,165,182.84	\$3,071,385.45	0.9995	\$29,165,182.84	66,178	\$40.73		(\$1,419,931.93)	\$33,803,911.51	510.80
Aug-16	\$29,984,587.89	\$3,071,385.45	1.0000	\$29,984,587.89	65,493	\$40.16		(\$1,390,544.95)	\$39,371,971.79	601.74
Sep-16	\$11,435,308.63	\$3,071,385.45	1.0000	\$3,071,385.45	62,394	\$46.94		(\$416.34)	\$34,030,187.62	529.94
Oct-16	\$12,840,959.08	\$3,071,385.45	1.0000	\$3,071,385.45	60,060	\$48.80		(\$648.79)	\$35,750,021.38	592.20
Nov-16	\$21,644,227.89	\$3,071,385.45	1.0000	\$21,644,227.89	49,444	\$51.80	\$16,744,011.18	(\$3,048,472.17)	\$31,807,800.17	654.38
Dec-16	\$24,810,744.17	\$3,071,385.45	1.0000	\$24,810,744.17	51,000	\$49.73		(\$358,510.84)	\$28,851,191.26	581.59
Jan-17	\$30,275,157.87	\$3,071,385.45	1.0000	\$3,071,385.45	52,018	\$48.00		(\$67,640.64)	\$29,480,071.14	596.89
Feb-17	\$27,118,253.90	\$3,071,385.45	1.0000	\$3,071,385.45	51,170	\$48.00		(\$80,784.11)	\$31,717,806.55	627.03
Mar-17	\$36,615,676.36	\$3,071,385.45	1.0000	\$3,071,385.45	50,865	\$49.76		(\$97,701.29)	\$31,841,174.68	639.52
Apr-17	\$29,103,682.33	\$3,071,385.45	1.0000	\$29,103,682.33	49,663	\$48.00		(\$9,513,185)	\$24,814,768.14	489.88
May-17	\$26,146,837.62	\$3,071,385.45	1.0000	\$26,146,837.62	48,514	\$48.94		(\$949,317.40)	\$33,020,649.20	664.89
Jun-17	\$27,979,130.59	\$3,071,385.45	1.0000	\$27,979,130.59	48,340	\$48.81		(\$90,912.00)	\$29,317,177.35	599.20
Jul-17	\$26,737,518.07	\$3,071,385.45	1.0000	\$26,737,518.07	47,709	\$48.45		(\$95,154.92)	\$31,311,927.09	647.95
Aug-17	\$30,069,116.21	\$3,071,385.45	1.0000	\$30,069,116.21	46,586	\$46.51		(\$979,493.34)	\$29,586,479.18	620.14
Sep-17	\$29,808,136.80	\$3,071,385.45	1.0000	\$29,808,136.80	46,132	\$46.18		(\$1,050,076.23)	\$32,886,981.01	706.10
Oct-17	\$31,124,027.82	\$3,071,385.45	0.9999	\$31,124,027.82	44,405	\$47.00	\$58,877,822.17	(\$1,099,462.80)	\$31,281,665.51	699.90
Nov-17	\$18,135,530.99	\$3,071,385.45	0.9994	\$18,135,530.99	37,750	\$48.94		(\$1,482.05)	\$25,636,029.08	686.22
Dec-17	\$18,451,676.14	\$3,071,385.45	0.9991	\$18,451,676.14	35,850	\$49.81		(\$7,919,919.91)	\$24,901,124.41	695.61
Jan-18	\$20,966,251.61	\$3,071,385.45	0.9991	\$20,966,251.61	35,114	\$49.88		(\$9,184,690)	\$27,695,444.71	723.53
Feb-18	\$22,051,280.76	\$3,071,385.45	0.9991	\$22,051,280.76	31,208	\$48.81		(\$88,523.85)	\$26,117,511.71	706.40
Mar-18	\$22,927,656.40	\$3,071,385.45	0.9991	\$22,927,656.40	36,700	\$48.00		(\$78,618.47)	\$26,089,005.01	704.62
Apr-18	\$20,198,518.18	\$3,071,385.45	0.9987	\$20,198,518.18	33,014	\$49.23		(\$82,189,590)	\$22,110,912.94	699.15
May-18	\$21,412,491.80	\$3,071,385.45	0.9984	\$21,412,491.80	31,207	\$49.72		(\$11,073.59)	\$24,479,964.81	726.36
Jun-18	\$23,881,501.72	\$3,071,385.45	0.9904	\$23,881,501.72	33,216	\$49.55		(\$93,983.70)	\$27,220,124.00	819.49
Jul-18	\$21,963,675.18	\$3,071,385.45	0.9478	\$21,963,675.18	32,768	\$49.17		(\$78,779.31)	\$29,914,263.57	790.84
Aug-18	\$24,213,661.61	\$3,071,385.45	0.9071	\$24,213,661.61	32,351	\$49.06		(\$67,718.00)	\$27,210,410.62	644.19
Sep-18	\$25,272,147.11	\$3,071,385.45	0.9805	\$25,272,147.11	31,899	\$49.99		(\$40,418.00)	\$28,392,601.00	890.08
Oct-18	\$25,192,187.04	\$3,071,385.45	0.9805	\$25,192,187.04	31,442	\$49.26		(\$89,526.59)	\$25,756,283.09	810.17

* Express Completion Factor as a decimal value

** Express Prescription Drug Rebates as a negative number

PA Rate Template Part II
Rate Development and Change
 Center Name:
 Product/Type:
 Market Segment:
 Rate Effective Date:

Capital Advantage Insurance Company
 PPO
 Individual
 1/1/2020

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

Development of the Projected Index Rate	Actual Experience Data	Manual Data
Total Allowed EIB Claims + EIB Costation PMPM (net of automation error releases) PMPM	\$ 788.04	\$ 784.43
Test year trend projection factor	1.164	1.164
Imputed Projected Allowed EIB Claims PMPM	\$ 917.14	\$ 909.19
State Risk Pool Adjustment Factors		
Change in Mortality	1.000	1.000
Change in Other	1.000	1.000
Change in Demographics	1.000	1.000
Change in Network	1.000	1.000
Change in Utilization	1.000	1.000
Change in Other	1.000	1.000
Total Adjusted Projected Allowed EIB Claims PMPM	\$ 922.98	\$ 924.14
Credibility Factors	1.000	1.000
Imputed Projected EIB Claims PMPM	\$ 922.98	\$ 924.14
Development of the Market-Adjusted Index Rate and Total Allowed Claims		
Adjusted Projected Allowed EIB Claims PMPM	\$ 922.98	
Adjusted Projected Allowed EIB Claims PMPM (all only populate for small group filings)	\$ 922.98	
Projected Paid to Allowed Factor	\$ 736.91	
Projected Paid EIB Claims PMPM	\$ 680.96	
Market-Adjusted Allowance	\$ 680.96	
Projected Risk Adjustment PMPM	\$ 212.02	
Center Trend	\$ 212.02	
Market-Adjusted Projected Paid EIB Claims PMPM	\$ 892.98	
Market-Adjusted Projected Allowed EIB Claims PMPM	\$ 892.98	
Projected Allowed Non-EIB Claims PMPM	\$ 20.00	
Market-Adjusted Projected Total Claims PMPM	\$ 912.98	
Market-Adjusted Projected Allowed Total Claims PMPM	\$ 912.98	

Actual Experience PMPM should be consistent with the Index Rate for Experience Period on UBR

For Informational Purposes only - No Input required.

Blended Base Period Unadjusted Claims before Normalization	\$ 788.04	= Index Rate of Experience Period on UBR
Blended Earned Premium	\$ 98,228,212.12	
Blended Loss Ratio	58.95%	

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

Effective Date	1/1/2020	4/1/2020	7/1/2020	10/1/2020	Total Single Risk Pool
# of Member Months Renewing in Quarter	\$ 962.98	\$ 962.98	\$ 962.98	\$ 962.98	\$ 962.98
Adjusted Projected Allowed EIB Claims PMPM QS	\$ 962.98	\$ 962.98	\$ 962.98	\$ 962.98	\$ 962.98
Months of Trend	7.88%	7.88%	7.88%	7.88%	7.88%
Single Risk Pool Projected Allowed Claims	\$ 962.98	\$ 962.98	\$ 1,000.00	\$ 1,019.98	\$ -
Quarterly Trend Factor	100.00%	100.00%	100.00%	100.00%	100.00%
2020 Trend Factors by Quarter	100.00%	100.00%	100.00%	100.00%	100.00%

Table 6. Retention

Retention Items - Express in percentages	Percentage	PMPM Amounts
Administrative Expenses	6.57%	\$48.09
General and Claims	5.38%	\$42.47
Agent/Broker Fees and Commissions	0.42%	\$3.13
Quality Improvement Initiatives	2.43%	\$19.01
Taxes and Fees	3.34%	\$26.09
RA User Fee	0.00%	\$0.17
PA Premium Tax (if applicable)	0.00%	\$0.00
Federal Income Tax	0.45%	\$35.11
Health Insurance Provider Fee (Prorated for Small Groups only)	1.89%	\$14.81
Profit/Contingency (after tax)	2.00%	\$15.80
Total Retention	11.61%	\$96.12
Projected Required Revenue PMPM		\$ 739.84

Table 7. Normalized Market-Adjusted Projected Allowed Total Claims

Normalization Factors	2019	2020
Average Age Factor	1.00	1.00
Average Geographic Factor	1.00	1.00
Average Tobacco Factor	1.00	1.00
Average Benefit Richness (Insured demand)	1.00	1.00
Average Network Factor	1.00	1.00
Market Adjusted Projected Allowed Total Claims PMPM	\$ 680.96	\$ 680.96
Normalized Market Adjusted Projected Allowed Total Claims PMPM	\$ 589.77	\$ 589.77

Table 8. Components of Rate Change

Rate Components	2019	2020	Difference	Percent Change
A. Calibrated Plan Adjusted Index Rate (PMPM)	\$ 428.88	\$ 428.88	\$ 0.00	0.0%
B. Base period allowed claims before normalization	\$ 680.96	\$ 788.04	\$ 107.08	25.3%
C. Normalization factor component of change	\$ (284.61)	\$ (284.64)	\$ -0.23	-0.1%
D. Change in Normalized Allowed Claims Adjustment Components				
D1. Base period allowed claims after normalization	\$ 397.37	\$ 423.19	\$ 25.82	6.2%
D2. UBR Trend	\$ 88.64	\$ 69.32	\$ (19.32)	-4.4%
D3. UBR Mortality	\$ 78.87	\$ 243.51	\$ (164.64)	-20.9%
D4. UBR Other	\$ -	\$ 0.00	\$ 0.00	0.0%
D5. Normalized UBR SA/R on an allowed basis	\$ (13.77)	\$ (75.48)	\$ (61.71)	-9.8%
D6. Normalized Exchange User Fee on an allowed basis	\$ 18.87	\$ 15.81	\$ (3.06)	-7.4%
D7. Subtotal - Sum(D1-D6)	\$ 598.77	\$ 497.86	\$ (100.91)	-24.4%
E. Change in Allowable Plan Adjusted Level Components				
E1. Network	\$ -	\$ -	\$ -	0.0%
E2. Pricing AV	\$ (102,707,214)	\$ (87,400)	\$ 102,232,214	25.1%
E3. Benefit Richness	\$ 14.68	\$ -	\$ (14.68)	-3.3%
E4. Catastrophic Eligibility	\$ -	\$ -	\$ -	0.0%
E5. Subtotal - Sum(E1-E4)	\$ (102,707,214)	\$ (87,400)	\$ 102,232,214	25.1%
F. Change in Retention Components				
F1. Administrative Expenses	\$ 28.48	\$ 27.64	\$ (0.84)	-2.9%
F2. Taxes and Fees	\$ 1.78	\$ 14.84	\$ 13.07	2.9%
F3. Profit and/or Contingency	\$ 8.29	\$ 8.41	\$ 0.12	0.5%
F4. Subtotal - Sum(F1-F3)	\$ 38.55	\$ 50.89	\$ 12.34	2.7%
G. Change in Miscellaneous Items	\$ 50.00	\$ -	\$ (50.00)	-100.0%
H. Sum of Components of Rate Change (should approximate the change shown in line A)	\$ 428.88	\$ 428.89	\$ 0.01	0.1%

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

	2019	2020
Field-to-Allowed	0.723	0.765
UBR Trend (Total Applied Trend Factor)	1.110	1.164
UBR Mortality	1.195	1.000
UBR "Other"	1.000	1.000
Risk Adjustment	(941.97)	(107.46)
Exchange User Fee Costation	22.14	22.25
Network	1.000	1.000
Pricing AV	0.650	0.800
Benefit Richness	1.000	1.000
Catastrophic Eligibility	1.000	1.000
Administrative Expenses	6.79%	6.57%
Taxes and Fees	1.42%	3.38%
Profit and/or Contingency	0.86%	2.00%

For 2020 in cell B1, please include a factor equal to the product of the average Pricing AV and the Non-Funding of CR Adjustment

PA Rate Template Part IV A - Individual
 Table 11. Plan Premium Development for 21-Year-Old Non-Tobacco User

Carrier Name: Capital Advantage Assurance Company
 Product ID: PNC
 Market Segment: Individual
 Rate Effective Date: 1/1/2020

Plan Number	SMO Plan ID Element Component	1/1/2019 Plan Member Status	Rider/Health Plan, Health Care ID (of 1,2,3,4) Plan (Optional: R, W, M)	Member Type	Exchange Out/OP or OP	2019 21 year old Non-Tobacco Premium PAFM												Average Weighted Premium by Rating	
						1	2	3	4	5	6	7	8	9	10	11	12	13	
Total						1	2	3	4	5	6	7	8	9	10	11	12	13	14
Plan 1	61270-00000000	61270-00000000	W	0	1	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Plan 2	61270-00000000	61270-00000000	W	0	1	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Plan 3	61270-00000000	61270-00000000	W	0	1	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Plan 4	61270-00000000	61270-00000000	W	0	1	1	2	3	4	5	6	7	8	9	10	11	12	13	14

Capital Advantage Assurance Company
Individual Rates
Effective 1/1/2020
Table B

<u>Plan ID</u>	<u>Plan Name</u>	<u>Metal Level</u>	<u>Projected Membership</u>	<u>Projected Allowed Claims</u>	<u>Projected Paid Claims</u>	<u>Paid to Allowed Factor</u>	<u>Average Tobacco Factor</u>	<u>AV and Cost Sharing Factor</u>	<u>(8)/(6*7) Induced Utilization</u>	<u>Induced Demand Table 10</u>
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
45127PA0020013	Gold PPO 2150/10/20	0.718488542	224,057	190,818,808	171,294,554	0.90	1.000	0.86	0.96	1.04
45127PA0020021	Silver PPO 5950/20/40	0.604167089	26,479	22,550,919	16,526,718	0.73	1.000	0.74	1.01	0.99
45127PA0020008	Silver PPO 6000/20/40	0.600983208	182,200	155,171,170	113,119,813	0.73	1.000	0.74	1.01	0.99
45127PA0020020	Bronze PPO 8000/0/60	0.532931037	174,068	148,245,528	95,833,626	0.65	1.000	0.67	1.04	0.96
Total			606,804	516,786,425	396,774,710	0.77	1.00	0.77	1.00	1.00
PMPM				851.65	653.88					
Rate Dev II				851.65	651.72					

Company Name:	Capital Advantage Assurance Company	Ending date of Rates:	December 31, 2020
Market:	Individual		
Product:	PPO		
Effective Date of Rates:	January 1, 2020		

HIOS Plan ID (On Exchange)=>	45127PA0020008		45127PA0020008		45127PA0020008		45127PA0020013	
HIOS Plan ID (Off Exchange)=>	45127PA0020008		45127PA0020008		45127PA0020008		45127PA0020013	
Plan Marketing Name =>	Silver PPO 6000/20/40		Silver PPO 6000/20/40		Silver PPO 6000/20/40		Gold PPO 2150/10/20	
Form # =>	CAAC-Ind-PPO-C-v0120		CAAC-Ind-PPO-C-v0120		CAAC-Ind-PPO-C-v0120		CAAC-Ind-PPO-C-v0120	
Rating Area =>	6		7		9		6	
Network =>	PPO		PPO		PPO		PPO	
Metal =>	Silver		Silver		Silver		Gold	
Deductible =>	\$6000 Med/Rx Combined		\$6000 Med/Rx Combined		\$6000 Med/Rx Combined		\$2150 Med/Rx Combined	
Coinsurance =>	20%		20%		20%		10%	
Copays =>	\$40/\$85/\$400 PCP/SPC/ER		\$40/\$85/\$400 PCP/SPC/ER		\$40/\$85/\$400 PCP/SPC/ER		\$20/\$45/\$300 PCP/SPC/ER	
OOP Maximum =>	\$8150 Med/Rx Combined		\$8150 Med/Rx Combined		\$8150 Med/Rx Combined		\$8150 Med/Rx Combined	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	\$345.44	\$345.44	\$369.62	\$369.62	\$348.89	\$348.89	\$353.93	\$353.93
15	\$376.14	\$376.14	\$402.47	\$402.47	\$379.90	\$379.90	\$385.39	\$385.39
16	\$387.88	\$387.88	\$415.03	\$415.03	\$391.76	\$391.76	\$397.42	\$397.42
17	\$399.62	\$399.62	\$427.60	\$427.60	\$403.62	\$403.62	\$409.45	\$409.45
18	\$412.27	\$412.27	\$441.12	\$441.12	\$416.39	\$416.39	\$422.40	\$422.40
19	\$424.91	\$424.91	\$454.65	\$454.65	\$429.16	\$429.16	\$435.35	\$435.35
20	\$438.00	\$438.00	\$468.66	\$468.66	\$442.38	\$442.38	\$448.77	\$448.77
21	\$451.55	\$462.84	\$483.16	\$495.24	\$456.07	\$467.47	\$462.65	\$474.22
22	\$451.55	\$462.84	\$483.16	\$495.24	\$456.07	\$467.47	\$462.65	\$474.22
23	\$451.55	\$462.84	\$483.16	\$495.24	\$456.07	\$467.47	\$462.65	\$474.22
24	\$451.55	\$462.84	\$483.16	\$495.24	\$456.07	\$467.47	\$462.65	\$474.22
25	\$453.36	\$464.69	\$485.09	\$497.22	\$457.89	\$469.34	\$464.50	\$476.11
26	\$462.39	\$473.95	\$494.75	\$507.12	\$467.01	\$478.69	\$473.75	\$485.60
27	\$473.22	\$485.06	\$506.35	\$519.01	\$477.96	\$489.91	\$484.86	\$496.98
28	\$490.83	\$503.11	\$525.19	\$538.32	\$495.74	\$508.14	\$502.90	\$515.47
29	\$505.28	\$517.92	\$540.65	\$554.17	\$510.34	\$523.10	\$517.71	\$530.65
30	\$512.51	\$525.32	\$548.38	\$562.09	\$517.63	\$530.58	\$525.11	\$538.24
31	\$523.35	\$536.43	\$559.98	\$573.98	\$528.58	\$541.79	\$536.21	\$549.62
32	\$534.18	\$547.54	\$571.58	\$585.87	\$539.53	\$553.01	\$547.31	\$561.00
33	\$540.96	\$554.48	\$578.82	\$593.29	\$546.37	\$560.03	\$554.25	\$568.11
34	\$548.18	\$561.89	\$586.55	\$601.22	\$553.66	\$567.51	\$561.66	\$575.70
35	\$551.79	\$565.59	\$590.42	\$605.18	\$557.31	\$571.24	\$565.36	\$579.49
36	\$555.41	\$569.29	\$594.28	\$609.14	\$560.96	\$574.98	\$569.06	\$583.29
37	\$559.02	\$572.99	\$598.15	\$613.10	\$564.61	\$578.72	\$572.76	\$587.08
38	\$562.63	\$576.70	\$602.02	\$617.07	\$568.26	\$582.46	\$576.46	\$590.87
39	\$569.86	\$584.10	\$609.75	\$624.99	\$575.55	\$589.94	\$583.86	\$598.46
40	\$577.08	\$620.36	\$617.48	\$663.79	\$582.85	\$626.57	\$591.27	\$635.61
41	\$587.92	\$632.01	\$629.07	\$676.25	\$593.80	\$638.33	\$602.37	\$647.55
42	\$598.30	\$643.18	\$640.19	\$688.20	\$604.29	\$649.61	\$613.01	\$658.99
43	\$612.75	\$658.71	\$655.65	\$704.82	\$618.88	\$665.30	\$627.82	\$674.90
44	\$630.82	\$678.13	\$674.97	\$725.60	\$637.12	\$684.91	\$646.32	\$694.80
45	\$652.04	\$717.24	\$697.68	\$767.45	\$658.56	\$724.41	\$668.07	\$734.87
46	\$677.32	\$745.06	\$724.74	\$797.21	\$684.10	\$752.51	\$693.98	\$763.37
47	\$705.77	\$776.35	\$755.18	\$830.69	\$712.83	\$784.11	\$723.12	\$795.43
48	\$738.28	\$812.11	\$789.96	\$868.96	\$745.67	\$820.23	\$756.43	\$832.08
49	\$770.34	\$847.38	\$824.27	\$906.70	\$778.05	\$855.85	\$789.28	\$868.21
50	\$806.47	\$927.44	\$862.92	\$992.36	\$814.53	\$936.71	\$826.29	\$950.24
51	\$842.14	\$968.46	\$901.09	\$1,036.25	\$850.56	\$978.15	\$862.84	\$992.27
52	\$881.43	\$1,013.64	\$943.13	\$1,084.59	\$890.24	\$1,023.78	\$903.09	\$1,038.56
53	\$921.16	\$1,059.34	\$985.64	\$1,133.49	\$930.37	\$1,069.93	\$943.81	\$1,085.38
54	\$964.06	\$1,108.67	\$1,031.54	\$1,186.27	\$973.70	\$1,119.75	\$987.76	\$1,135.92
55	\$1,006.96	\$1,208.35	\$1,077.44	\$1,292.93	\$1,017.03	\$1,220.43	\$1,031.71	\$1,238.05
56	\$1,053.47	\$1,264.16	\$1,127.21	\$1,352.65	\$1,064.00	\$1,276.80	\$1,079.36	\$1,295.23
57	\$1,100.43	\$1,320.51	\$1,177.46	\$1,412.95	\$1,111.43	\$1,333.72	\$1,127.48	\$1,352.97
58	\$1,150.55	\$1,380.66	\$1,231.09	\$1,477.31	\$1,162.05	\$1,394.47	\$1,178.83	\$1,414.60
59	\$1,175.38	\$1,410.46	\$1,257.66	\$1,509.19	\$1,187.14	\$1,424.57	\$1,204.28	\$1,445.13
60	\$1,225.51	\$1,531.88	\$1,311.29	\$1,639.12	\$1,237.76	\$1,547.20	\$1,255.63	\$1,569.54
61	\$1,268.86	\$1,586.07	\$1,357.68	\$1,697.09	\$1,281.54	\$1,601.93	\$1,300.05	\$1,625.06
62	\$1,297.30	\$1,621.63	\$1,388.11	\$1,735.14	\$1,310.28	\$1,637.85	\$1,329.19	\$1,661.49
63	\$1,332.98	\$1,666.22	\$1,426.28	\$1,782.85	\$1,346.31	\$1,682.88	\$1,365.74	\$1,707.18
64+	\$1,354.64	\$1,693.31	\$1,449.47	\$1,811.84	\$1,368.20	\$1,710.25	\$1,387.94	\$1,734.94

Company Name:	Capital Advantage Assurance Company	Ending date of Rates:	December 31, 2020
Market:	Individual		
Product:	PPO		
Effective Date of Rates:	January 1, 2020		

HIOS Plan ID (On Exchange)=>	45127PA0020013		45127PA0020013		45127PA0020020		45127PA0020020	
HIOS Plan ID (Off Exchange)=>	45127PA0020013		45127PA0020013		45127PA0020020		45127PA0020020	
Plan Marketing Name =>	Gold PPO 2150/10/20		Gold PPO 2150/10/20		Bronze PPO 8000/0/60		Bronze PPO 8000/0/60	
Form # =>	CAAC-Ind-PPO-C-v0120		CAAC-Ind-PPO-C-v0120		CAAC-Ind-PPO-C-v0120		CAAC-Ind-PPO-C-v0120	
Rating Area =>	7		9		6		7	
Network =>	PPO		PPO		PPO		PPO	
Metal =>	Gold		Gold		Bronze		Bronze	
Deductible =>	\$2150 Med/Rx Combined		\$2150 Med/Rx Combined		\$8000 Med/Rx Combined		\$8000 Med/Rx Combined	
Coinsurance =>	10%		10%		0%		0%	
Copays =>	\$20/\$45/\$300 PCP/SPC/ER		\$20/\$45/\$300 PCP/SPC/ER		\$60/\$85/\$0 PCP/SPC/ER		\$60/\$85/\$0 PCP/SPC/ER	
OOP Maximum =>	\$8150 Med/Rx Combined		\$8150 Med/Rx Combined		\$8150 Med/Rx Combined		\$8150 Med/Rx Combined	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	\$378.70	\$378.70	\$357.47	\$357.47	\$260.69	\$260.69	\$278.94	\$278.94
15	\$412.36	\$412.36	\$389.24	\$389.24	\$283.86	\$283.86	\$303.73	\$303.73
16	\$425.24	\$425.24	\$401.39	\$401.39	\$292.72	\$292.72	\$313.21	\$313.21
17	\$438.11	\$438.11	\$413.54	\$413.54	\$301.58	\$301.58	\$322.69	\$322.69
18	\$451.97	\$451.97	\$426.62	\$426.62	\$311.12	\$311.12	\$332.90	\$332.90
19	\$465.83	\$465.83	\$439.71	\$439.71	\$320.66	\$320.66	\$343.11	\$343.11
20	\$480.18	\$480.18	\$453.26	\$453.26	\$330.55	\$330.55	\$353.69	\$353.69
21	\$495.04	\$507.41	\$467.28	\$478.96	\$340.77	\$349.29	\$364.62	\$373.74
22	\$495.04	\$507.41	\$467.28	\$478.96	\$340.77	\$349.29	\$364.62	\$373.74
23	\$495.04	\$507.41	\$467.28	\$478.96	\$340.77	\$349.29	\$364.62	\$373.74
24	\$495.04	\$507.41	\$467.28	\$478.96	\$340.77	\$349.29	\$364.62	\$373.74
25	\$497.02	\$509.44	\$469.15	\$480.87	\$342.13	\$350.69	\$366.08	\$375.23
26	\$506.92	\$519.59	\$478.49	\$490.45	\$348.95	\$357.67	\$373.37	\$382.71
27	\$518.80	\$531.77	\$489.71	\$501.95	\$357.13	\$366.06	\$382.13	\$391.68
28	\$538.10	\$551.56	\$507.93	\$520.63	\$370.42	\$379.68	\$396.35	\$406.25
29	\$553.94	\$567.79	\$522.88	\$535.95	\$381.32	\$390.85	\$408.01	\$418.21
30	\$561.87	\$575.91	\$530.36	\$543.62	\$386.77	\$396.44	\$413.85	\$424.19
31	\$573.75	\$588.09	\$541.57	\$555.11	\$394.95	\$404.83	\$422.60	\$433.16
32	\$585.63	\$600.27	\$552.79	\$566.61	\$403.13	\$413.21	\$431.35	\$442.13
33	\$593.05	\$607.88	\$559.80	\$573.79	\$408.24	\$418.45	\$436.82	\$447.74
34	\$600.97	\$616.00	\$567.27	\$581.46	\$413.69	\$424.04	\$442.65	\$453.72
35	\$604.93	\$620.06	\$571.01	\$585.29	\$416.42	\$426.83	\$445.57	\$456.71
36	\$608.89	\$624.12	\$574.75	\$589.12	\$419.15	\$429.63	\$448.49	\$459.70
37	\$612.85	\$628.18	\$578.49	\$592.95	\$421.87	\$432.42	\$451.40	\$462.69
38	\$616.81	\$632.23	\$582.23	\$596.78	\$424.60	\$435.21	\$454.32	\$465.68
39	\$624.73	\$640.35	\$589.70	\$604.45	\$430.05	\$440.80	\$460.16	\$471.66
40	\$632.66	\$680.10	\$597.18	\$641.97	\$435.50	\$468.17	\$465.99	\$500.94
41	\$644.54	\$692.88	\$608.39	\$654.02	\$443.68	\$476.96	\$474.74	\$510.35
42	\$655.92	\$705.12	\$619.14	\$665.58	\$451.52	\$485.38	\$483.13	\$519.36
43	\$671.76	\$722.15	\$634.09	\$681.65	\$462.42	\$497.11	\$494.79	\$531.90
44	\$691.56	\$743.43	\$652.79	\$701.74	\$476.06	\$511.76	\$509.38	\$547.58
45	\$714.83	\$786.31	\$674.75	\$742.22	\$492.07	\$541.28	\$526.52	\$579.17
46	\$742.55	\$816.81	\$700.91	\$771.01	\$511.16	\$562.27	\$546.94	\$601.63
47	\$773.74	\$851.11	\$730.35	\$803.39	\$532.62	\$585.89	\$569.91	\$626.90
48	\$809.38	\$890.32	\$764.00	\$840.40	\$557.16	\$612.87	\$596.16	\$655.78
49	\$844.53	\$928.98	\$797.17	\$876.89	\$581.35	\$639.49	\$622.05	\$684.25
50	\$884.13	\$1,016.75	\$834.56	\$959.74	\$608.62	\$699.91	\$651.22	\$748.90
51	\$923.24	\$1,061.73	\$871.47	\$1,002.19	\$635.54	\$730.87	\$680.02	\$782.03
52	\$966.31	\$1,111.26	\$912.12	\$1,048.94	\$665.18	\$764.96	\$711.75	\$818.51
53	\$1,009.87	\$1,161.35	\$953.24	\$1,096.23	\$695.17	\$799.45	\$743.83	\$855.41
54	\$1,056.90	\$1,215.44	\$997.64	\$1,147.28	\$727.54	\$836.68	\$778.47	\$895.24
55	\$1,103.93	\$1,324.71	\$1,042.03	\$1,250.43	\$759.92	\$911.90	\$813.11	\$975.73
56	\$1,154.92	\$1,385.90	\$1,090.16	\$1,308.19	\$795.02	\$954.02	\$850.67	\$1,020.80
57	\$1,206.40	\$1,447.68	\$1,138.75	\$1,366.50	\$830.46	\$996.55	\$888.59	\$1,066.31
58	\$1,261.35	\$1,513.62	\$1,190.62	\$1,428.74	\$868.28	\$1,041.94	\$929.06	\$1,114.87
59	\$1,288.58	\$1,546.29	\$1,216.32	\$1,459.58	\$887.02	\$1,064.43	\$949.12	\$1,138.94
60	\$1,343.53	\$1,679.41	\$1,268.19	\$1,585.24	\$924.85	\$1,156.06	\$989.59	\$1,236.99
61	\$1,391.05	\$1,738.81	\$1,313.05	\$1,641.31	\$957.56	\$1,196.95	\$1,024.59	\$1,280.74
62	\$1,422.24	\$1,777.80	\$1,342.49	\$1,678.11	\$979.03	\$1,223.79	\$1,047.56	\$1,309.46
63	\$1,461.34	\$1,826.68	\$1,379.40	\$1,724.25	\$1,005.95	\$1,257.44	\$1,076.37	\$1,345.46
64+	\$1,485.11	\$1,856.38	\$1,401.83	\$1,752.29	\$1,022.30	\$1,277.89	\$1,093.86	\$1,367.34

Company Name:	Capital Advantage Assurance Company	Ending date of Rates:	December 31, 2020
Market:	Individual		
Product:	PPO		
Effective Date of Rates:	January 1, 2020		

HIOS Plan ID (On Exchange)=>	45127PA0020020		45127PA0020021		45127PA0020021		45127PA0020021	
HIOS Plan ID (Off Exchange)=>	45127PA0020020		45127PA0020021		45127PA0020021		45127PA0020021	
Plan Marketing Name =>	Bronze PPO 8000/0/60		Silver PPO 5950/20/40		Silver PPO 5950/20/40		Silver PPO 5950/20/40	
Form # =>	CAAC-Ind-PPO-C-v0120		CAAC-Ind-PPO-C-v0120		CAAC-Ind-PPO-C-v0120		CAAC-Ind-PPO-C-v0120	
Rating Area =>	9		6		7		9	
Network =>	PPO		PPO		PPO		PPO	
Metal =>	Bronze		Silver		Silver		Silver	
Deductible =>	\$8000 Med/Rx Combined		\$5950 Med/Rx Combined		\$5950 Med/Rx Combined		\$5950 Med/Rx Combined	
Coinsurance =>	0%		20%		20%		20%	
Copays =>	\$60/\$85/\$0 PCP/SPC/ER		\$40/\$85/\$400 PCP/SPC/ER		\$40/\$85/\$400 PCP/SPC/ER		\$40/\$85/\$400 PCP/SPC/ER	
OOP Maximum =>	\$8150 Med/Rx Combined		\$8150 Med/Rx Combined		\$8150 Med/Rx Combined		\$8150 Med/Rx Combined	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	\$263.30	\$263.30	\$292.76	\$292.76	\$313.25	\$313.25	\$295.69	\$295.69
15	\$286.70	\$286.70	\$318.78	\$318.78	\$341.10	\$341.10	\$321.97	\$321.97
16	\$295.65	\$295.65	\$328.73	\$328.73	\$351.74	\$351.74	\$332.02	\$332.02
17	\$304.60	\$304.60	\$338.68	\$338.68	\$362.39	\$362.39	\$342.07	\$342.07
18	\$314.23	\$314.23	\$349.40	\$349.40	\$373.85	\$373.85	\$352.89	\$352.89
19	\$323.87	\$323.87	\$360.11	\$360.11	\$385.32	\$385.32	\$363.71	\$363.71
20	\$333.85	\$333.85	\$371.21	\$371.21	\$397.19	\$397.19	\$374.92	\$374.92
21	\$344.18	\$352.78	\$382.69	\$392.26	\$409.48	\$419.72	\$386.52	\$396.18
22	\$344.18	\$352.78	\$382.69	\$392.26	\$409.48	\$419.72	\$386.52	\$396.18
23	\$344.18	\$352.78	\$382.69	\$392.26	\$409.48	\$419.72	\$386.52	\$396.18
24	\$344.18	\$352.78	\$382.69	\$392.26	\$409.48	\$419.72	\$386.52	\$396.18
25	\$345.55	\$354.19	\$384.22	\$393.83	\$411.12	\$421.39	\$388.06	\$397.76
26	\$352.44	\$361.25	\$391.87	\$401.67	\$419.31	\$429.79	\$395.79	\$405.69
27	\$360.70	\$369.72	\$401.06	\$411.09	\$429.13	\$439.86	\$405.07	\$415.20
28	\$374.12	\$383.47	\$415.98	\$426.38	\$445.10	\$456.23	\$420.14	\$430.65
29	\$385.13	\$394.76	\$428.23	\$438.94	\$458.21	\$469.66	\$432.51	\$443.33
30	\$390.64	\$400.41	\$434.35	\$445.21	\$464.76	\$476.38	\$438.70	\$449.66
31	\$398.90	\$408.87	\$443.54	\$454.63	\$474.59	\$486.45	\$447.97	\$459.17
32	\$407.16	\$417.34	\$452.72	\$464.04	\$484.41	\$496.52	\$457.25	\$468.68
33	\$412.32	\$422.63	\$458.46	\$469.92	\$490.56	\$502.82	\$463.05	\$474.62
34	\$417.83	\$428.28	\$464.59	\$476.20	\$497.11	\$509.53	\$469.23	\$480.96
35	\$420.59	\$431.10	\$467.65	\$479.34	\$500.38	\$512.89	\$472.32	\$484.13
36	\$423.34	\$433.92	\$470.71	\$482.48	\$503.66	\$516.25	\$475.42	\$487.30
37	\$426.09	\$436.74	\$473.77	\$485.61	\$506.93	\$519.61	\$478.51	\$490.47
38	\$428.85	\$439.57	\$476.83	\$488.75	\$510.21	\$522.97	\$481.60	\$493.64
39	\$434.35	\$445.21	\$482.95	\$495.03	\$516.76	\$529.68	\$487.78	\$499.98
40	\$439.86	\$472.85	\$489.08	\$525.76	\$523.31	\$562.56	\$493.97	\$531.02
41	\$448.12	\$481.73	\$498.26	\$535.63	\$533.14	\$573.13	\$503.25	\$540.99
42	\$456.04	\$490.24	\$507.06	\$545.09	\$542.56	\$583.25	\$512.13	\$550.55
43	\$467.05	\$502.08	\$519.31	\$558.26	\$555.66	\$597.34	\$524.50	\$563.84
44	\$480.82	\$516.88	\$534.62	\$574.71	\$572.04	\$614.94	\$539.96	\$580.46
45	\$496.99	\$546.69	\$552.60	\$607.86	\$591.29	\$650.42	\$558.13	\$613.94
46	\$516.27	\$567.89	\$574.04	\$631.44	\$614.22	\$675.64	\$579.78	\$637.75
47	\$537.95	\$591.74	\$598.14	\$657.96	\$640.01	\$704.02	\$604.13	\$664.54
48	\$562.73	\$619.00	\$625.70	\$688.27	\$669.50	\$736.45	\$631.96	\$695.15
49	\$587.17	\$645.88	\$652.87	\$718.16	\$698.57	\$768.43	\$659.40	\$725.34
50	\$614.70	\$706.91	\$683.48	\$786.01	\$731.33	\$841.03	\$690.32	\$793.87
51	\$641.89	\$738.18	\$713.72	\$820.77	\$763.68	\$878.23	\$720.85	\$828.98
52	\$671.83	\$772.61	\$747.01	\$859.06	\$799.30	\$919.20	\$754.48	\$867.65
53	\$702.12	\$807.44	\$780.69	\$897.79	\$835.34	\$960.64	\$788.49	\$906.77
54	\$734.82	\$845.04	\$817.04	\$939.60	\$874.24	\$1,005.37	\$825.21	\$949.00
55	\$767.52	\$921.02	\$853.40	\$1,024.08	\$913.14	\$1,095.76	\$861.93	\$1,034.32
56	\$802.97	\$963.56	\$892.82	\$1,071.38	\$955.31	\$1,146.38	\$901.74	\$1,082.09
57	\$838.76	\$1,006.51	\$932.62	\$1,119.14	\$997.90	\$1,197.48	\$941.94	\$1,130.33
58	\$876.96	\$1,052.36	\$975.09	\$1,170.11	\$1,043.35	\$1,252.02	\$984.85	\$1,181.81
59	\$895.89	\$1,075.07	\$996.14	\$1,195.37	\$1,065.87	\$1,279.05	\$1,006.10	\$1,207.32
60	\$934.10	\$1,167.62	\$1,038.62	\$1,298.28	\$1,111.32	\$1,389.16	\$1,049.01	\$1,311.26
61	\$967.14	\$1,208.92	\$1,075.36	\$1,344.20	\$1,150.63	\$1,438.29	\$1,086.11	\$1,357.64
62	\$988.82	\$1,236.03	\$1,099.47	\$1,374.34	\$1,176.43	\$1,470.54	\$1,110.46	\$1,388.08
63	\$1,016.01	\$1,270.02	\$1,129.70	\$1,412.13	\$1,208.78	\$1,510.97	\$1,141.00	\$1,426.25
64+	\$1,032.53	\$1,290.67	\$1,148.06	\$1,435.09	\$1,228.43	\$1,535.54	\$1,159.55	\$1,449.44

**Capital Advantage Assurance Company
Individual
Plan Design Summary**

HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Network	Rating Area	Counties Covered
45127PA0020008	Silver PPO 6000/20/40	PPO	Silver	On/Off	PPO	6,7,9	All
45127PA0020013	Gold PPO 2150/10/20	PPO	Gold	On/Off	PPO	6,7,9	All
45127PA0020020	Bronze PPO 8000/0/60	PPO	Bronze	On/Off	PPO	6,7,9	All
45127PA0020021	Silver PPO 5950/20/40	PPO	Silver	Off	PPO	6,7,9	All

Company Name Capital Advantage Assurance Company
 Market Individual
 RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY

02-01-2019 Number of Covered Lives by Rating County					RATING AREA 6										RATING AREA 7				RATING AREA 9							
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	752	565	6,867	335	79	6,782	775	1,855	475	454	1,903	4,153	6,373	7,944	1,878	1,496	1,877	235	107	395	326	
					Centre	Columbia	Lehigh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union	Adams	Berks	Lancaster	York	Cumberland	Dauphin	Franklin	Fulton	Juniata	Lebanon	Perry	
45127PA0020008	Silver PPO 6000/20/40	PPO	Silver	On/Off	\$451.55	\$451.55	\$451.55	\$451.55	\$451.55	\$451.55	\$451.55	\$451.55	\$451.55	\$451.55	\$483.16	\$483.16	\$483.16	\$483.16	\$456.07	\$456.07	\$456.07	\$456.07	\$456.07	\$456.07	\$456.07	\$456.07
45127PA0020013	Gold PPO 2150/10/20	PPO	Gold	On/Off	\$462.65	\$462.65	\$462.65	\$462.65	\$462.65	\$462.65	\$462.65	\$462.65	\$462.65	\$462.65	\$495.04	\$495.04	\$495.04	\$495.04	\$467.28	\$467.28	\$467.28	\$467.28	\$467.28	\$467.28	\$467.28	\$467.28
45127PA0020020	Bronze PPO 8000/0/60	PPO	Bronze	On/Off	\$340.77	\$340.77	\$340.77	\$340.77	\$340.77	\$340.77	\$340.77	\$340.77	\$340.77	\$340.77	\$364.62	\$364.62	\$364.62	\$364.62	\$344.18	\$344.18	\$344.18	\$344.18	\$344.18	\$344.18	\$344.18	\$344.18
45127PA0020021	Silver PPO 5950/20/40	PPO	Silver	Off	\$382.69	\$382.69	\$382.69	\$382.69	\$382.69	\$382.69	\$382.69	\$382.69	\$382.69	\$382.69	\$409.48	\$409.48	\$409.48	\$409.48	\$386.52	\$386.52	\$386.52	\$386.52	\$386.52	\$386.52	\$386.52	\$386.52

Unified Rate Review v5.0

Company Legal Name: **Capital Advantage Assurance Company** State: **PA**
 HIOS Issuer ID: **45127** Market: **Individual**
 Effective Date of Rate Change(s): **1/1/2020**

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.

Market Level Calculations (Same for all Plans)

Section I: Experience Period Data

Experience Period:	1/1/2018	to	12/31/2018	
		Total		PMPM
Allowed Claims		\$301,034,577.40		\$788.04
Reinsurance		\$0.00		\$0.00
Incurred Claims in Experience Period		\$248,270,190.79		\$649.91
Risk Adjustment		\$54,650,569.22		\$143.06
Experience Period Premium		\$386,253,771.11		\$1,011.12
Experience Period Member Months		382,006		

Section II: Projections

Benefit Category	Experience Period Index Rate PMPM	Year 1 Trend		Year 2 Trend		Trended EHB Allowed Claims PMPM
		Cost	Utilization	Cost	Utilization	
Inpatient Hospital	\$171.11	1.057	1.023	1.063	1.023	\$201.20
Outpatient Hospital	\$302.42	1.053	1.023	1.060	1.023	\$353.26
Professional	\$174.23	1.040	1.018	1.037	1.018	\$194.73
Other Medical	\$22.42	1.053	1.020	1.060	1.020	\$26.04
Capitation	\$0.00	1.030	1.000	1.030	1.000	\$0.00
Prescription Drug	\$17.86	1.089	1.004	1.087	1.013	\$141.89
Total	\$788.04					\$917.12

Morbidity Adjustment	1.050
Demographic Shift	1.000
Plan Design Changes	1.000
Other	1.000
Adjusted Trended EHB Allowed Claims PMPM for 1/1/2020	\$962.98

Manual EHB Allowed Claims PMPM	\$0.00
Applied Credibility %	100.00%

Projected Period Totals

Projected Index Rate for 1/1/2020	\$962.98	\$584,340,115.92
Reinsurance	\$0.00	\$0.00
Risk Adjustment Payment/Charge	\$140.40	\$85,195,281.60
Exchange User Fees	3.41%	\$17,621,740.19
Market Adjusted Index Rate	\$851.62	\$516,766,574.51
Projected Member Months	606,804	

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

Product-Plan Data Collection

Company Legal Name: Capital Advantage Assurance Company
 HIOS Issuer ID: 45127
 Effective Date of Rate Change(s): 1/1/2020

State: PA
 Market: Individual

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.

Product/Plan Level Calculations

Field # Section I: General Product and Plan Information

Section I: General Product and Plan Information		PPO			
		45127PA002			
1.1 Product Name		Silver PPO	Gold PPO	Bronze PPO	Silver PPO
1.2 Product ID		6000/20/40	2150/10/20	8000/0/60	5950/20/40
1.3 Plan Name		45127PA0020008	45127PA0020013	45127PA0020020	45127PA0020021
1.4 Plan ID (Standard Component ID)		Silver	Gold	Bronze	Silver
1.5 Metal		0.669	0.761	0.622	0.669
1.6 AV Metal Value		Renewing	Renewing	Renewing	Renewing
1.7 Plan Category		PPO	PPO	PPO	PPO
1.8 Plan Type		Yes	Yes	Yes	No
1.9 Exchange Plan?		1/1/2020	1/1/2020	1/1/2020	1/1/2020
1.10 Effective Date of Proposed Rates		-1.85%	1.92%	0.54%	-1.08%
1.11 Cumulative Rate Change % (over 12 mos prior)			0.24%		
1.12 Product Rate Increase %					
1.13 Submission Level Rate Increase %					

Worksheet 1 Totals

Section II: Experience Period and Current Plan Level Information

Section II: Experience Period and Current Plan Level Information		Total	45127PA0020008	45127PA0020013	45127PA0020020	45127PA0020021
2.1 Plan ID (Standard Component ID)		\$301,034,577	\$83,624,993	\$149,800,794	\$48,690,342	\$18,918,489
2.2 Allowed Claims		\$0	\$0	\$0	\$0	\$0
2.3 Reinsurance		\$52,784,387	\$7,909,279	\$26,429,152	\$13,389,394	\$5,036,563
2.4 Member Cost Sharing		\$0	\$0	\$0	\$0	\$0
2.5 Cost Sharing Reduction		\$248,270,191	\$75,715,713	\$123,371,602	\$35,300,948	\$13,881,927
2.6 Incurred Claims		\$54,650,569	\$35,773,372	\$27,461,122	\$8,805,308	\$223,383
2.7 Risk Adjustment Transfer Amount		\$386,253,771	\$97,561,511	\$188,080,530	\$77,292,162	\$23,319,569
2.8 Premium		382,006	84,177	173,339	97,031	26,859
2.9 Experience Period Member Months		45,626	13,594	16,846	13,168	2,018
2.10 Current Enrollment		5793.74	5870.31	5858.66	5641.14	5731.83
2.11 Current Premium PMPM		56.31%	56.79%	57.24%	51.54%	58.96%
2.12 Loss Ratio						
Per Member Per Month						
2.13 Allowed Claims		\$788.04	\$993.44	\$861.23	\$501.80	\$704.31
2.14 Reinsurance		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2.15 Member Cost Sharing		\$138.12	\$93.96	\$151.94	\$137.99	\$187.52
2.16 Cost Sharing Reduction		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2.17 Incurred Claims		\$649.91	\$899.41	\$709.28	\$363.81	\$515.84
2.18 Risk Adjustment Transfer Amount		\$143.06	\$424.95	\$157.88	-\$90.75	\$8.32
2.19 Premium		\$1,011.12	\$1,159.00	\$1,081.30	\$796.57	\$868.22

Section III: Plan Adjustment Factors

Section III: Plan Adjustment Factors		45127PA0020008	45127PA0020013	45127PA0020020	45127PA0020021
3.1 Plan ID (Standard Component ID)					
3.2 Market Adjusted Index Rate			\$85.62		
3.3 AV and Cost Sharing Design of Plan		0.8748	0.8977	0.6465	0.7320
3.4 Provider Network Adjustment		1.0000	1.0000	1.0000	1.0000
3.5 Benefits in Addition to EHB		1.0000	1.0000	1.0000	1.0000
Administrative Costs					
3.6 Administrative Expense		6.05%	5.91%	7.88%	7.06%
3.7 Taxes and Fees		3.34%	3.34%	3.34%	3.34%
3.8 Profit & Risk Load		2.00%	2.00%	2.00%	2.00%
3.9 Catastrophic Adjustment		1.0000	1.0000	1.0000	1.0000
3.10 Plan Adjusted Index Rate		\$840.76	\$861.41	\$634.45	\$712.50
3.11 Age Calibration Factor		0.5572		0.5572	
3.12 Geographic Calibration Factor		0.9684		0.9684	
3.13 Tobacco Calibration Factor		0.9954		0.9954	
3.14 Calibrated Plan Adjusted Index Rate		\$451.58	\$462.67	\$340.77	\$382.60

Section IV: Projected Plan Level Information

Section IV: Projected Plan Level Information		Total	45127PA0020008	45127PA0020013	45127PA0020020	45127PA0020021
4.1 Plan ID (Standard Component ID)		\$584,340,354	\$196,841,622	\$211,510,710	\$152,148,975	\$23,839,047
4.2 Allowed Claims		\$0	\$0	\$0	\$0	\$0
4.3 Reinsurance		\$137,179,215	\$52,112,167	\$28,877,162	\$49,971,557	\$6,218,329
4.4 Member Cost Sharing		\$0	\$0	\$0	\$0	\$0
4.5 Cost Sharing Reduction		\$447,161,139	\$144,729,455	\$182,633,548	\$102,177,418	\$17,620,718
4.6 Incurred Claims		\$65,195,022	\$19,575,568	\$24,072,684	\$18,701,866	\$2,844,904
4.7 Risk Adjustment Transfer Amount		\$475,483,425	\$153,178,638	\$192,999,398	\$110,438,838	\$18,866,551
4.8 Premium		606,804	182,200	224,057	174,068	26,479
4.9 Projected Member Months		82.70%	83.78%	84.13%	79.12%	81.16%
4.10 Loss Ratio						
Per Member Per Month						
4.11 Allowed Claims		\$962.98	\$1,080.36	\$944.00	\$874.08	\$900.30
4.12 Reinsurance		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4.13 Member Cost Sharing		\$216.07	\$286.02	\$128.88	\$287.08	\$214.84
4.14 Cost Sharing Reduction		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4.15 Incurred Claims		\$736.91	\$794.34	\$815.12	\$587.00	\$665.44
4.16 Risk Adjustment Transfer Amount		\$107.44	\$107.44	\$107.44	\$107.44	\$107.44
4.17 Premium		\$783.59	\$840.72	\$861.39	\$634.46	\$712.51

Rating Area Data Collection

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

Rating Area	Rating Factor
Rating Area 6	1.0000
Rating Area 7	1.0700
Rating Area 9	1.0100

CAPITAL ADVANTAGE ASSURANCE COMPANY, INC.

ACTUARIAL MEMORANDUM

Individual Rates

Effective January 1, 2020

General Information

Company Information

- Company Legal Name: Capital Advantage Assurance Company – CAAC
- State: PA
- HIOS Issuer ID: 45127
- Market: Individual
- Effective Date: 1/1/2020

PID Company Information

- Company Name: Capital Advantage Assurance Company (CAAC)
- NAIC: 14411
- Market: Individual
- On/Off Exchange: On/Off Exchange
- Effective Date: 1/1/2020
- Average Rate Change Requested: 0.2%
- Range of Requested Rate Change: -1.9% to 1.9%
- Total additional annual revenue generated from the proposed rate change: \$7,025,224
- Product: PPO
- Rating Areas: 6,7,9
- Metal Levels: Gold, Silver, Bronze
- Current Covered Lives and Policyholders: 45,626/31,224
- 2020 Number of Plans: 4
- 2019 Number of Plans and Change: 4/No Plan Change
- Contract Form #: CAAC-Ind-PPO-C-v0120
- Form Filing SERFF #: CABC-131915210
- Binder SERFF #: CABC-PA20-125092047 & CABC-PA20-125092063
- HIOS Issuer ID: 45127
- HIOS Submission Tracking Number: 45127-1472049104468710402

Company Contact Information

- Primary Contact Name: [REDACTED]
- Primary Contact Telephone Number: [REDACTED]
- Primary Contact Email Address: [REDACTED]

Scope and Purpose

By this filing, Capital Advantage Assurance Company (CAAC), a subsidiary of Capital BlueCross (CBC), submits rates for products to be made available to individuals effective January 1, 2020. CAAC will offer individual products on and off the federally-facilitated exchange.

Rate History and Proposed Variations in Rate Changes

Market	Company	Effective Date	SERFF #	Annual Increase
Individual	CAAC	1/1/2016	CABC-130076761	1.60%
Individual	CAAC	1/1/2017	CABC-130539561	43.3%
Individual	CAAC	1/1/2018	CABC-131022042	49.2%
Individual	CAAC	1/1/2019	CABC-131454875	-20.8%

Average Rate Change

CAAC is proposing an aggregate annual 0.2% rate change. The rate change does vary by plan. The rate change is calculated in PA Rate Exhibits Part III, Table 10, cell AC15.

The key drivers of the rate change, and approximate impact, are as follows:

Reimplementation of the Health Insurer Fee: 3%
Future Cost and Utilization: 8%
Favorable Experience: -11%

Regulatory Considerations

Rates submitted by this filing assume changes to the current regulatory framework. As directed by the Insurance Department, the following factors have been applied to the rates for regulatory changes:

- Individual Mandate: 0.05 added to the morbidity factor.
 - The Department directed that up to 0.06 could be added to the morbidity factor. CAAC is choosing to apply 0.05 in pricing.
- Cost Sharing Reduction (CSR) Funding: Factor of 1.20 applied in the PA Rate Exhibits, Part III, column P to the on-exchange silver plan.

Membership

Membership is shown in PA Rate Exhibits Part I, Table 1. The average age is 45.

Benefit Changes 2019-2020

A summary of proposed 2020 benefits is included in Exhibit A.

There are several benefit changes being implemented in 2020. All benefit changes comply with the uniform modification of coverage standards described in 45 CFR 147.106(e). Any plan with a benefit change that did not meet the uniform modification of coverage standard was terminated, and a new plan was created in its place. Benefit changes by plan are listed in Exhibit B, highlighted in yellow.

Experience Period Premium and Claims

Single Risk Pool: The data used to develop rates and shown in URRT and PA Rate Exhibits abides by 45 CFR part 156.80(d) single risk pool requirements. The single risk pool reflects all covered lives for every non-grandfathered, non-transitional product/plan combination for CAAC in the individual market.

Base Experience Period: The base experience period (BEP) includes completed fee-for-service paid and incurred claims for dates of service between January 1, 2018 and December 31, 2018.

Paid Through Date: Claims in the BEP are paid through March 31, 2019

Premiums (net of MLR Rebate) in BEP: Premiums are calculated on an earned basis in the BEP. MLR rebate adjustments applied are equal to zero.

Allowed and Incurred Claims in BEP:

- Allowed claims are developed by combining paid claims with member cost-sharing. Allowed claims meet the definition in the URR instructions. They do not include provider quality incentive payments.
- Incurred claims are net of HHS CSR payments.
- CBC only covers Essential Health benefits (EHBs).
- CAAC does not include capitated services.
- Allowed and Incurred claims are net of pharmacy rebates. BEP rebates are completed based on actual utilization of rebate-eligible drugs and rebate amounts.

Estimated Incurred but Not Paid Claims: Paid claims by date of service come directly from CBC's data warehouse. The method for calculating incurred claims in the BEP is as follows:

1. Historical fee-for-service claims are viewed by date of service and date of payment in a claims triangle.
2. The claims triangle payments are then accumulated by date of service to develop factors that represent the rate of accumulation or rate of "completion".
3. Historical rates of completion by duration are used to derive projected rates of completion. Some of the methods used to develop projected completion factors are averages (e.g.

harmonic averages, time weighted averages, geometric averages) and regression methods. Numerous items are considered when viewing these averages or regression statistics, such as the impact of high claims on perceived completion patterns.

4. For durations that exhibit a projected completion factor greater than the Valuation Actuary's chosen threshold (e.g. 80% complete), cumulative paid and incurred claims are divided by the projected completion factor to arrive at ultimate incurred claims. For durations that are less than the chosen threshold, a projection methodology is used. Similar to completion factor development, projection methodologies are worthy of a lengthy discussion. In general, an ultimate incurred claims PMPM is derived by projecting a recent 12-month period to the current month(s) and seasonally adjusting.
5. With all months having both a cumulative paid amount and an estimated ultimate incurred amount, the completion factors used in pricing are calculated by taking the quotient of the two. Allowed completion and incurred completion are assumed to be identical.
6. Both allowed and paid claims in the BEP are completed by applying completion factors by incurred month developed in Step 6.

$$BEP\ Incurred\ Claims = \sum \frac{BEP\ Paid\ Claims\ by\ Incurred\ Month}{Completion\ by\ Incurred\ Month}$$

$$BEP\ Allowed\ Claims = \sum \frac{BEP\ Paid\ Claims + BEP\ Member\ Cost\ Share\ by\ Incurred\ Month}{Completion\ by\ Incurred\ Month}$$

Risk Adjustment in BEP: Risk adjustment amounts in the BEP are equal to final risk adjustment transfer amounts released on June 28, 2019.

Loss Ratio in BEP: Loss ratio is 56.31%

Credibility of Data

CAAC individual data was used to develop rates. No credibility manual is used.

Trend Identification

Trend: 7.9%

Trend levels reflect CBC's best estimate of changes in utilization, provider reimbursement contracts, the network of facilities and providers, disease management initiatives and the impact of utilization management.

The following is a description of considerations used to determine trend.

1. Base Cost/ Change in hospital and physician contracting: The contracted increase in reimbursements to hospitals and physicians is the basis of cost trends. CBC uses the following to project future costs:

- a. Vendor Physician Cost Model and Internal Hospital Contracting Model
 - i. The medical cost models use best estimates of Capital BlueCross (CBC)'s future contracting increases with physicians and hospitals. The models use cost estimates based on varying contract effective dates by physician and hospital. All facilities and providers are considered in this modeling effort (i.e. acute and non-acute, network and non-network, inpatient and outpatient, in- area and out-of-area). From there, a monthly anticipated cost (assuming static utilization) summary is produced which can be used in projecting future claims costs. Cost trends are determined at the CBC book of business level for all commercial business.
 - b. Internal Prescription Drug Trend Model
 - i. Price Inflation
 - ii. Contract Pricing
 - iii. Member Cost-Sharing
 - iv. Units per Script
 - v. Brand/Generic Mix
 - vi. Therapeutic Mix
 - vii. Cost per Script
 - viii. Pipeline (new drugs)
2. Utilization Considerations:
 - a. Intensity of medical services rendered
 - b. Changes in place of service (e.g. continued migration of inpatient stays to outpatient setting)
 - c. Further migration from brand prescription drugs to generic prescription drugs
 - d. Favorable impacts of value based benefits designs
 - e. Medical utilization estimates reviewed by CBC's Chief Medical Officer
 3. Leveraging: The trend model is based on allowed cost increases. Paid claims trend at a higher rate than allowed due to leveraging. Leveraging is the impact of static cost-share, such as deductibles and copays, to the paid trend.
 4. Intensity: Measure of cost increase due to change in treatment sophistication. An example is migration from x-rays to MRIs at significantly higher cost.
 5. Underwriting Cycle: The underwriting cycle is defined as the tendency to swing between profitable and unprofitable periods over time. The underwriting cycle is exacerbated partly by pricing performed with incomplete information as to the level of current experience trends. A reaction delay occurs, as carriers tend to rely on measurements of past experience in developing current pricing assumptions. As a result, carriers are often increasing their pricing trends when actual experience trends have begun to decline, and decreasing their pricing trends actual trends are increasing. CBC strives to mitigate the underwriting cycle by keeping trends consistent through times of increasing and decreasing claim cost and utilization.

Historical Experience: Historical experience was not used to the develop trend.

Benefit Categories: Claims in the benefit categories displayed in URRT come directly from CBC’s data warehouse. These same categories are used to develop category-level trend. See Exhibit C for a description of benefits by benefit category.

See Exhibit E for CAAC’s pricing trend, as well as cost and utilization components of the pricing trend.

Rate Development & Change

Projection Factors

Changes in Morbidity: Found in URRT Worksheet 1, “Morbidity Adjustment”, and PA Rate Exhibits, Table 5. The changes to morbidity is equal to the Department’s Individual Adjustment factor discussed above.

Changes in Benefits: Benefit changes are not applied to allowed claims as allowed should stay consistent from 2018 to 2020. Benefit changes are applied in the development of future incurred claims, due to changes in member cost-share. This calculation is shown in Exhibit D, and applied in Exhibit G. The manual cost PMPMs are developed from CBC’s internal benefit relativity model, discussed in the Plan Adjusted Index Rate section below. The benefit change is equal to member-month weighted average projected manual PMPM divided by member-month weighted average manual PMPM in the BEP. This process is further discussed in the Paid-to-Allowed section below.

Changes in Demographics: CAAC does not expect changes in demographics in its individual population.

Changes in Network: No network adjustment is applied.

Other Adjustments: No other adjustment is applied.

Benefits, Demographics, Network and Other adjustments are found in URRT Worksheet 1 and PA Rate Exhibits Table 5.

Index Rate

The experience period index rate is CAAC’s allowed claims PMPM, set in accordance with the single risk pool provision. All CAAC covered benefits are categorized as Essential Health Benefits (EHBs), therefore no adjustment was made to the experience period index.

Projected Allowed Claims: The CAAC experience period allowed claims, benefit-adjusted, trended to the projection period (See Projection Factors section above), and credibility adjusted, is the *Projected Allowed Claims at Current Benefits*. This number is reflected in Worksheet 1 of URRT (“Projected Allowed Experience Claims PMPM (w/ applied credibility if applicable)”).

To calculate the projected index rate:

1. Start with *Projected Allowed Claims at Current Benefits*
2. The *Projected Allowed Claims at Current Benefits* reflect EHBs 100 percent, so no adjustment needs to be made to add EHBs and remove non-EHB claim cost. This is the index rate for individuals renewing January – December.

See Exhibit J for the Index Rate.

Paid to Allowed Ratio

CAAC used the prescribed URRT allowed claim rate development methodology in conjunction with a paid and incurred rate development methodology to determine final premium rates. URRT projects allowed claims, and uses a paid-to-allowed ratio in order to adjust allowed claims to paid levels. This value is then used to develop premiums. In order to determine the paid-to-allowed ratio, CAAC projected paid and incurred claims, adjusted for benefits, to the experience period.

Projected Paid and Incurred Claims are calculated as follows:

1. Gather claims experience as described in the Data section above.
 - a. Base Experience Period (BEP) Paid Claims, Capitation, and Rx Rebates
 - b. BEP Member Months
2. Develop BEP *Paid and Incurred Claims*:

$$BEP \text{ Paid and Incurred Claims} = \frac{BEP \text{ Paid Claims}}{Completion \text{ Factor}}$$

The development of completion factors is described in Experience Period Premium and Claims above.

3. Develop the *BEP Paid and Incurred Claim PMPM*:

$$BEP \text{ Paid and Incurred Claim PMPM} = \frac{BEP \text{ Paid and Incurred Claims}}{BEP \text{ Member Months}}$$

4. Develop *Trended Claim PMPM*: Using the aggregate trend described in the Projection Factors section above, trend the BEP Paid and Incurred Claim PMPM from the midpoint of the experience period to the midpoint of the rating period.

Trended Claim PMPM

$$= [BEP \text{ Paid and Incurred Claim PMPM}] \times (1 + [Trend\%])^{Trend \text{ Months}/12}$$

5. Develop *Projected Paid and Incurred Claim PMPM*:

$$\begin{aligned}
 & \textit{Projected Paid and Incurred Claims PMPM} \\
 & = [\textit{Trended Claim PMPM}] \times [\textit{Benefit Adjustment}] \\
 & \times [\textit{Morbidity Adjustment}] \times [\textit{Other Adjustment}]
 \end{aligned}$$

The *Benefit Adjustment*, *Morbidity Adjustment*, and *Other Adjustment* are discussed in the Projections Factors section above.

6. Develop *Projected Claims PMPM by Benefit* as follows:

- a. CAAC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on cumulative probability distributions (CPDs), where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
- b. This actuarial cost model derives a Manual Cost for each benefit design in the experience period, as well as plans being offered in the projection period. The average Manual Cost of the experience is compared to the Manual Cost of the base plan. The projected experience period data is then adjusted to the base plan:

$$\textit{Benefit Level Adjustment} = \frac{\textit{Average Manual Cost in Projection Period}}{\textit{Manual Cost of Base Plan}}$$

- c. The *Projected Paid and Incurred Claim PMPM* (Step 5) is then adjusted to the Base Plan as follows:

$$\begin{aligned}
 & \textit{Base Plan Paid and Incurred Claims PMPM} \\
 & = \frac{\textit{Benefit Adjusted Paid and Incurred Claims PMPM}}{\textit{Benefit Level Adjustment}}
 \end{aligned}$$

- d. Each additional benefit design has its own unique Manual Cost, which can then be compared to the Base Plan to develop a Benefit Relativity:

$$\textit{Benefit Relativity A} = \frac{\textit{Manual Cost of Benefit A}}{\textit{Manual Cost of Base Plan}}$$

- e. The Benefit Relativity developed in d. above is then used as a gauge to develop a final *Pricing Relativity*. This pricing relativity is developed using actuarial judgment including the following considerations:
- i. Final premium relativities must make sense based on benefits. For example, the annual cost difference between a PPO 2000 and PPO 1000 must be less than \$1000.
 - ii. Adjustments for plan designs that fall outside of the actuarial cost model.
- a. So the *Projected Claims PMPM by Benefit* is:

$$\begin{aligned} & \textit{Projected Claims PMPM Benefit A} \\ & = \textit{Projected Claims PMPM Base Plan} \\ & \times \textit{Pricing Relativity A} \end{aligned}$$

- b. And to arrive at the *Total Projected Claims PMPM*, CAAC assumes a distribution of members across the benefit plans being offered in 2019. The *Total Projected Claims PMPM* :

$$\begin{aligned} = & \textit{Projected Claims PMPM Benefit A} \times \textit{Expected Member Dist of Benefit A} \\ & + \textit{Projected Claims PMPM Benefit B} \\ & \times \textit{Expected Member Dis of Benefit B} + \dots \end{aligned}$$

7. The Paid-To-Allowed Ratio is then:

$$\textit{Paid to Allowed Ratio} = \frac{\textit{Total Projected Claims PMPM}}{\textit{Projected Allowed Claims at Current Benefits}}$$

See Exhibit G for the development of the *Paid-to-Allowed Ratio*. And see Exhibit L for the plan-level projected incurred amount development.

Risk Adjustment

Projected Risk Adjustments PMPM:

Relevant to 2020 pricing is the impact of Commercial Risk Adjustment (CRA) payment transfers that are expected to be earned in 2020. The following items are those that we deem important in generating a CRA payment transfer adjustment:

1. Risk profile of the those enrolled in CRA eligible plans for the market or state (i.e. competitors) relative to risk profile of CRA eligible membership enrolled in our plans
2. Statewide average premiums
3. Current market penetration of this company and competitors in the market and in the state
4. 2017-2018 risk adjustment results

5. Market improvement in coding risk: CBC's ACA book of business has had a churn rate that makes a multi-year perspective of member diagnosis and risk very challenging. Because closing gaps in care and coding, and a myriad of other risk adjustment functions require more than a single year of data to facilitate an accurate depiction of risk, it is believed that CBC is disadvantaged in the market. This will drive CBC's relative risk to the market down over time.

Market Adjusted Index Rate

The Market Adjusted Index Rate is calculated as the Index Rate adjusted for all allowable market-wide modifiers defined in the market rating rules, 45 CFR Part 156.80(d)(1). So,

$$\begin{aligned} & [\textit{Market Adjusted Index Rate}] \\ & = ([\textit{Index Rate}] \times [\textit{Paid to Allowed Ratio}] \\ & \quad - [\textit{Net Projected ACA Reinsurance Recoveries}] \\ & \quad - [\textit{Net Projected Risk Adjustments PMPM}] + [\textit{Exchange Fees PMPM}]) \\ & \div [\textit{Paid to Allowed Ratio}] \end{aligned}$$

See Exhibit K for the development of the Market Adjusted Index Rate.

Retention Items

Administrative Expense Load:

1. Risk Adjustment User Fee: To fund the HHS-risk adjustment program, issuers will remit to HHS a fee of \$0.18 PMPM. The Risk Adjustment Fee PMPM is included in URRT Worksheet 1, URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.
2. Administrative Expense: Calculated using an allocation method from CBC's Finance department, and trended to the rating period. Costs are allocated according to results reported through a company-wide questionnaire. On an annual basis, each cost center within the company completes a questionnaire listing the distribution of costs (in percentage terms) by product as well as by market segment. For example, the questionnaire will ask what percentage of time is spent on PPO versus HMO versus Drug versus Medicare. And separately will ask what percentage of time is spent on large group, small group, individual, and government programs. Using those distributions, all costs needed to perform the business are allocated to the proper market segments and lines of business. The administrative expense applied in the rate development is the total expense allocated to CBC individual products. Administrative expenses are included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. Expense as a percentage of premium vary by plan because a fixed dollar admin PMPM is applied to each plan.
3. Broker Expense: Calculated based on CBC's explicit per contract broker fee. Broker Expense is included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. CBC pays commissions for new business and renewal enrollment received during open enrollment, both on and off exchange, and in all geographic

areas. Commission is less on catastrophic plans due to the lower premium. CBC does not pay commission during Special Enrollment Periods (SEP). The 2020 broker commission schedule is yet to be finalized. Attached please find the 1/1/2019 copy of the broker agreement – redacted version. Files are as follows:

- a. Redacted Agent Agreement: “Ind_19-41_Initial_CAAC_PPO_WBEBrokerIndRedacted_Supporting_20190521.pdf”
 - b. Redacted Preferred Producer Master Agreement: “Ind_19-41_Initial_CAAC_PPO_PPMABrokerIndRedacted_Supporting_20190521.pdf”
4. Value-Based Benefits (VBB): Standard with each plan, Capital BlueCross includes wellness incentives to maximize the likelihood that consumers make positive behavioral changes, which lead to better health, and curbed health care costs for employers and employees alike. The incentive is as follows:
- a. Complete Health Risk Assessment questionnaire and receive a gift card.
 - b. Participate in an online coaching program and receive a gift card reward.
 - c. The wellness program is administered through a vendor and costs are based on vendor fees, anticipated participation, and reward card amounts.
 - d. Fees are included in overall administrative expense fee discussed above.
 - e. Included in URRT Worksheet 2 “Administrative Expense”, and PA Rate Exhibits Table 6.
5. Identity Theft Coverage: Identity protection offering will include the following components:
- a. Credit monitoring – Monitors activity that may affect credit
 - b. Fraud detection – Identifies potentially fraudulent use of identity or credit
 - c. Fraud resolution support – Assists members in addressing issues that arise in relation to credit monitoring and fraud detection
 - d. Included in URRT Worksheet 1, “Administrative Load”, and PA Rate Exhibits Table 6.
6. Additional Quality Improvement: The Final Notice of Benefit and Payment Parameters (NBPP) for 2020 finalized the rule to allow issuers to apply a standard 0.8% of premium for quality improvement (QI) measures in the MLR calculation. Additional QI amounts applied in rating equal 0.4%. Included in URRT Worksheet 2, “Administrative Expense”, and PA Rate Exhibits Table 6.

Profit (or Contribution to Surplus) & Risk Margin:

7. Contingency: Contingency is included in URRT Worksheet 1, “Profit and Risk”, and PA Rate Exhibits Table 6.

Taxes and Fees:

1. Health Insurer Fee (HIF) – Section 9010 of PPACA and Section 1406 of the Reconciliation Act (which modified PPACA) refer to HIF. The fee is a fixed-dollar amount distributed across health insurance providers: \$8 billion in 2014, \$11.3 billion in 2015 and 2016, \$13.9 billion in 2017, \$14.3 billion in 2018, and the HIF increases by the rate of premium growth for 2019 and subsequent years. There was a moratorium on the

fee for 2017 and there is a suspension on the fee for 2019. HIF is included in URRT Worksheet 2, “Taxes and Fees”, and PA Rate Exhibits, Table 6.

2. Exchange Fee – All issuers participating in a federally-facilitated exchange will remit 3% of premium to HHS. The exchange user fee is applied as an adjustment to the Index Rate at the market level. The calculation and amount is found in Exhibit K. The amount is also found in PA Rate Exhibits, Table 5.
3. Federal Income Tax: Federal Income Tax will be collected on the 2% contingency built into the premium. The projected Federal Income Tax is included in URRT Worksheet 2, “Taxes and Fees”, and PA Rate Exhibits, Table 6.

See Exhibit H for all retention values.

Plan Rate Development

The Plan Adjusted Index Rates are included in Worksheet 2, Section IV of URRT.

The following adjustments were used to derive the Plan Adjusted Index Rate:

1. Actuarial Value and Cost Sharing adjustment: The Actuarial Value and Cost Sharing Adjustment is determined using CAAC’s actuarial cost model. CAAC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a claim PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on CPDs, where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
2. Induced Demand: Please see Table 8
3. Provider Network: The Provider network is the same across all PPO plans.
4. Adjustment for benefits in addition to EHBs: No benefits other than EHBs are included in the plans, so no adjustment is necessary.
5. Catastrophic Plans: Applied to catastrophic plans to reflect lower morbidity.
6. Adjustment for distribution and administrative costs: Described in Retention section above.
7. Tobacco Adjustment: Calculated as the average tobacco factor applied across the risk pool.

The development of the Plan Adjusted Index rate is found in Exhibit L, and summarized in Exhibit M.

Plan Premium Development for 21-Year-Old Non-Tobacco User

Age Curve Calibration: The average age factor is calculated by taking the member-weighted average of current individual enrollment by age in CAAC. Age factors are applied in accordance

with CMS's Standard Age Curve. The age calibration factor is adjusted for contracts with greater than three children under the age of 21. Please see file Ind_19-41_Initial_CAAC_PPO_List-Billed_Supporting_20190521 for the calculation.

Geographic Factor Calibration: The average geographic rating factor is calculated by taking the CAAC member-weighted average by region.

Geographic Factors: CBC performed regional analysis to quantify the cost difference between the three regions in our service area. The analysis gathered incurred claims net Rx rebates, projected risk adjustment, and premium for a 12-month period by region. The loss ratio of each region is then compared to the average loss ratio for the book of business. In theory, the change in regional rating factor is:

$$[Change\ in\ Regional\ Rating\ Factor\ Region\ A] = [Region\ A\ LR] \div [BOB\ LR]$$

But our preferred approach is to gradually change factors, so not to shock the market, while moving rates in the appropriate direction. In order to do this, the following approach is being proposed:

$$[Change\ in\ Regional\ Rating\ Factor\ Region\ A] = [Region\ A\ LR] \div [Target\ LR]$$

Where Target LR is in between Region A LR and BOB LR. With this gradual approach, annual rate change by region is shown on Exhibit Q, column G.

Tobacco Factor Calibration: Average tobacco factor is calculated using current month member by smoking status data.

The calibration is:

$$[Calibrated\ Plan\ Adjusted\ Index\ Rate] = [Plan\ Adjusted\ Index\ Rate] \div ([Age\ Curve\ Calibration] \times [Geographic\ Factor\ Calibration] \times [Tobacco\ Factor])$$

Calibrated Plan Adjusted Index Rates are found on PA Rate Exhibits Table 10. The calibration factors and development are found on Exhibit N.

Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

$$\begin{aligned} [Member - Level\ Consumer\ Adjusted\ Premium\ Rate] \\ = [Calibrated\ Plan\ Adjusted\ Index\ Rate] \times [Age\ Factor] \\ \times [Geographic\ Factor] \times [Tobacco\ Factor] \end{aligned}$$

2. $[Family\ Consumer\ Adjusted\ Premium\ Rate] = \sum [Member - Level\ Consumer\ Adjusted\ Premium\ Rate]$
With no more than three child dependents under age 21 taken into account

All consumer-level adjustments are applied uniformly to all plans in the Single Risk Pool. These adjustments do not vary by plan. Age and Geographic factors are displayed in Exhibits O.

Base Rates, i.e. Calibrated Plan Adjusted Index Rates, are found on Exhibit P.

AV Metal Values

The AV Metal Values included in URRT Worksheet 2 and PA Rate Exhibits, Table 10 were based on the federally issued AV Calculator.

See AV Screenshots included with the submission.

AV Pricing Values

All AV Pricing values were developed using CAAC's actuarial cost model and actuarial judgment as described in section Paid to Allowed above. Differences in health status are not included.

Projected Loss Ratio

See Exhibit I for the projected loss ratio calculation. The projected loss ratio is calculated using the federally prescribed MLR methodology.

Membership Projection

The membership projections found in Worksheet 2 of URRT were developed by assuming moderate growth and similar distribution to current.

Attachments and Examples

The following is a list of Exhibits and Data to support this filing:

PA Rate Exhibits Part I through Part V

Table 8

Exhibit A – Benefit Summary
Exhibit B – Benefit Change Summary
Exhibit C – Benefit Categories
Exhibit D – Benefit Mix
Exhibit E – Trend
Exhibit F – URRT

Exhibit G – Paid-to-Allowed Development
Exhibit H – Retention
Exhibit I – Projected Loss Ratio
Exhibit J – Index Rate
Exhibit K – Market Adjusted Index Rate
Exhibit L – Rate Development by Plan
Exhibit M – Plan Adjusted Index Rates
Exhibit N – Calibration
Exhibit O – Rating Factors
Exhibit P – Quarterly Base Rates
Exhibit Q – Regional Analysis

Broker Contracts
Actuarial Value Screenshots
List-Billed Data

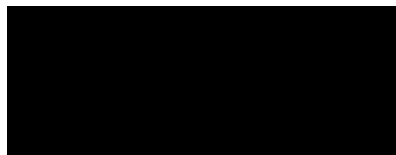
Actuarial Statement


I, [REDACTED], ASA, MAAA, am of the opinion that this filing is in compliance with the applicable Federal and State Laws and Regulations concerning the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010.

I, [REDACTED], ASA, MAAA, do hereby certify that:

1. This filing has been prepared in accordance with the following:
 - a. Actuarial Standard of Practice No. 5, “Health and Disability Claims”
 - b. Actuarial Standard of Practice No. 8, “Regulatory Filings for Rates and Financial Projections for Health Plans”
 - c. Actuarial Standard of Practice No. 12, “Risk Classification”
 - d. Actuarial Standard of Practice No. 23, “Data Quality”
 - e. Actuarial Standard of Practice No. 25, “Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverage”
 - f. Actuarial Standard of Practice No. 26, “Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health Benefit Plans”
 - g. Actuarial Standard of Practice No. 41, “Actuarial Communications”.
2. The index rate is:
 - a. Projected in compliance with all applicable state and federal statutes and regulations (45 CFR 156.80(d) (1)).
 - b. Developed in compliance with the applicable Actuarial Standards of Practice.
 - c. Reasonable in relation to the benefits provided and the population anticipated to be covered.
 - d. Neither excessive nor deficient.
 - e. Adjusted by only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) to generate plan level rates.

3. The percent of total premium that represents essential health benefits were calculated in accordance with actuarial standards of practice.
4. The AV Calculator was used to determine the AV Metal Values shown in Worksheet 2 of the Part I Unified Rate Review Template for all plans, and in accordance with CFR 156.135(b)(2) as necessary. For any plan requiring an alternative method, the development of the actuarial value is based on one of the acceptable alternative methods outlined in 156.135(b)(2) or 156.135(b)(3) for benefits that deviate substantially from the parameters of the AVC and have a material impact on the actuarial value.
 - a. The analysis was
 - i. conducted by a member of the American Academy of Actuaries, and
 - ii. performed in accordance with generally accepted actuarial principles and methods.
5. Geographic area rating factors reflect only differences in the costs of delivery and not differences due to population morbidity.
6. All factor, benefit and other changes from the prior approved filing have been disclosed in the actuarial memorandum.
7. New plans cannot be considered modifications of existing plans under the uniform modification standards in 45 CFR 147.106.
8. The information presented in the PA Actuarial Memorandum and PA Actuarial Memorandum Rate Exhibits is consistent with the information presented in the Rate Filing Justification.



, ASA, MAAA
Actuarial Associate
Capital BlueCross



**CAPITAL ADVANTAGE ASSURANCE COMPANY, INC.
RFJ Part II – Consumer Friendly Justification**

Changes being requested are based upon consideration of the factors that influence future period cost structures. The primary drivers of change in future costs are:

- Anticipated increase in facility and physician unit costs
- Anticipated changes in prescription drug unit costs
- Continuing change in utilization such as
 - Intensity of medical services rendered
 - Changes in place of service (e.g. continued migration of inpatient stays to outpatient setting)
 - Further migration from brand prescription drugs to generic prescription drugs
 - Favorable impacts of value based benefits designs
- Prescription drug patent expirations and new to market brand drugs
- Leveraging associated with unchanged cost share components such as deductible and copays
- Reimplementation of the Health Insurer Fee in 2020
- Inflation adjustment to administrative expenses

2020 Rates Table Template v9.0		All fields with an asterisk (*) are required. To validate press Validate button or Ctrl + Shift + I. To finalize, press Finalize button or Ctrl + Shift + F.			
		If you are in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.			
		If you are not in a community rating state, select Age-Based Rates under Rating Method and provide an Individual Rate for every age band.			
		If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.			
		To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.			
HIOS Issuer ID*	45127				
Federal TIN*	45-5492167				
Rate Effective Date*	1/1/2020				
Rate Expiration Date*	12/31/2020				
Rating Method*	Age-Based Rates				
Plan ID*	Rating Area ID*	Tobacco*	Age*	Individual Rate*	Individual Tobacco Rate*
Required: Enter the 14-character Plan ID	Required: Select the Rating Area ID	Required: Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan	Required: Select the age of a subscriber eligible for the rate	Required: Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan	Required: Enter the rate of an individual tobacco enrollee on a plan
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	0-14	353.93	353.93
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	15	385.39	385.39
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	16	397.42	397.42
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	17	409.45	409.45
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	18	422.40	422.40
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	19	435.35	435.35
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	20	448.77	448.77
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	21	462.65	474.22
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	22	462.65	474.22
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	23	462.65	474.22
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	24	462.65	474.22
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	25	464.50	476.11
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	26	473.75	485.60
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	27	484.86	496.98
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	28	502.90	515.47
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	29	517.71	530.65
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	30	525.11	538.24
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	31	536.21	549.62
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	32	547.31	561.00
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	33	554.25	568.11
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	34	561.66	575.70
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	35	565.36	579.49
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	36	569.06	583.29
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	37	572.76	587.08
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	38	576.46	590.87
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	39	583.86	598.46
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	40	591.27	635.61
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	41	602.37	647.55
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	42	613.01	658.99
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	43	627.82	674.90
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	44	646.32	694.80
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	45	668.07	734.87
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	46	693.98	763.37
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	47	723.12	795.43
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	48	756.43	832.08
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	49	789.28	868.21
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	50	826.29	950.24
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	51	862.84	992.27
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	52	903.09	1038.56
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	53	943.81	1085.38
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	54	987.76	1135.92
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	55	1031.71	1238.05
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	56	1079.36	1295.23
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	57	1127.48	1352.97
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	58	1178.83	1414.60
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	59	1204.28	1445.13
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	60	1255.63	1569.54
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	61	1300.05	1625.06
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	62	1329.19	1661.49
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	63	1365.74	1707.18
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	64 and over	1387.94	1734.94
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	0-14	378.70	378.70
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	15	412.36	412.36
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	16	425.24	425.24
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	17	438.11	438.11
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	18	451.97	451.97
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	19	465.83	465.83
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	20	480.18	480.18
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	21	495.04	507.41
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	22	495.04	507.41
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	23	495.04	507.41
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	24	495.04	507.41
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	25	497.02	509.44
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	26	506.92	519.59
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	27	518.80	531.77
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	28	538.10	551.56
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	29	553.94	567.79
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	30	561.87	575.91
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	31	573.75	588.09
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	32	585.63	600.27
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	33	593.05	607.88
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	34	600.97	616.00
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	35	604.93	620.06
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	36	608.89	624.12
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	37	612.85	628.18
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	38	616.81	632.23
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	39	624.73	640.35
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	40	632.66	680.10
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	41	644.54	692.88
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	42	655.92	705.12
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	43	671.76	722.15
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	44	691.56	743.43
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	45	714.83	786.31
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	46	742.55	816.81
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	47	773.74	851.11
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	48	809.38	890.32
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	49	844.53	928.98
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	50	884.13	1016.75
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	51	923.24	1061.73
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	52	966.31	1111.26
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	53	1009.87	1161.35
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	54	1056.90	1215.44
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	55	1103.93	1324.71
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	56	1154.92	1385.90
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	57	1206.40	1447.68
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	58	1261.35	1513.62
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	59	1288.58	1546.29
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	60	1343.53	1679.41
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	61	1391.05	1738.81
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	62	1422.24	1777.80
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	63	1461.34	1826.68
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	64 and over	1485.11	1856.38
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	0-14	357.47	357.47
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	15	389.24	389.24
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	16	401.39	401.39
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	17	413.54	413.54
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	18	426.62	426.62
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	19	439.71	439.71
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	20	453.26	453.26
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	21	467.28	478.96
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	22	467.28	478.96

45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	23	467.28	478.96
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	24	467.28	478.96
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	25	469.15	480.87
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	26	478.49	490.45
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	27	489.71	501.95
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	28	507.93	520.63
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	29	522.88	535.95
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	30	530.36	543.62
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	31	541.57	555.11
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	32	552.79	566.61
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	33	559.80	573.79
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	34	567.27	581.46
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	35	571.01	585.29
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	36	574.75	589.12
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	37	578.49	592.95
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	38	582.23	596.78
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	39	589.70	604.45
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	40	597.18	641.97
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	41	608.39	654.02
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	42	619.14	665.58
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	43	634.09	681.65
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	44	652.79	701.74
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	45	674.75	742.22
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	46	700.91	771.01
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	47	730.35	803.39
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	48	764.00	840.40
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	49	797.17	876.89
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	50	834.56	959.74
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	51	871.47	1002.19
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	52	912.12	1048.94
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	53	953.24	1096.23
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	54	997.64	1147.28
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	55	1042.03	1250.43
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	56	1090.16	1308.19
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	57	1138.75	1366.50
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	58	1190.62	1428.74
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	59	1216.32	1459.58
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	60	1268.19	1585.24
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	61	1313.05	1641.31
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	62	1342.49	1678.11
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	63	1379.40	1724.25
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	64 and over	1401.83	1752.29
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	0-14	345.44	345.44
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	15	376.14	376.14
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	16	387.88	387.88
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	17	399.62	399.62
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	18	412.27	412.27
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	19	424.91	424.91
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	20	438.00	438.00
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	21	451.55	462.84
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	22	451.55	462.84
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	23	451.55	462.84
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	24	451.55	462.84
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	25	453.36	464.69
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	26	462.39	473.95
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	27	473.22	485.06
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	28	490.83	503.11
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	29	505.28	517.92
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	30	512.51	525.32
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	31	523.35	536.43
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	32	534.18	547.54
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	33	540.96	554.48
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	34	548.18	561.89
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	35	551.79	565.59
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	36	555.41	569.29
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	37	559.02	572.99
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	38	562.63	576.70
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	39	569.86	584.10
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	40	577.08	620.36
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	41	587.92	632.01
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	42	598.30	643.18
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	43	612.75	658.71
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	44	630.82	678.13
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	45	652.04	717.24
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	46	677.32	745.06
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	47	705.77	776.35
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	48	738.28	812.11
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	49	770.34	847.38
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	50	806.47	927.44
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	51	842.14	968.46
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	52	881.43	1013.64
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	53	921.16	1059.34
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	54	964.06	1108.67
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	55	1006.96	1208.35
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	56	1053.47	1264.16
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	57	1100.43	1320.51
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	58	1150.55	1380.66
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	59	1175.38	1410.46
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	60	1225.51	1531.88
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	61	1268.86	1586.07
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	62	1297.30	1621.63
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	63	1332.98	1666.22
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	64 and over	1354.64	1693.31
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	0-14	369.62	369.62
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	15	402.47	402.47
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	16	415.03	415.03
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	17	427.60	427.60
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	18	441.12	441.12
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	19	454.65	454.65
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	20	468.66	468.66
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	21	483.16	495.24
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	22	483.16	495.24
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	23	483.16	495.24
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	24	483.16	495.24
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	25	485.09	497.22
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	26	494.75	507.12
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	27	506.35	519.01
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	28	525.19	538.32
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	29	540.65	554.17
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	30	548.38	562.09
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	31	559.98	573.98
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	32	571.58	585.87
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	33	578.82	593.29
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	34	586.55	601.22
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	35	590.42	605.18
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	36	594.28	609.14
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	37	598.15	613.10
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	38	602.02	617.07
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	39	609.75	624.99
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	40	617.48	663.79
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	41	629.07	676.25
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	42	640.19	688.20
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	43	655.65	704.82
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	44	674.97	725.60
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	45	697.68	767.45
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	46	724.74	797.21
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	47	755.18	830.69
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	48	789.96	868.96
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	49	824.27	906.70
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	50	862.92	992.36

45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	51	901.09	1036.25
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	52	943.13	1084.59
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	53	985.64	1133.49
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	54	1031.54	1186.27
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	55	1077.44	1292.93
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	56	1127.21	1352.65
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	57	1177.46	1412.95
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	58	1231.09	1477.31
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	59	1257.66	1509.19
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	60	1311.29	1639.12
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	61	1357.68	1697.09
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	62	1388.11	1735.14
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	63	1426.28	1782.85
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	64 and over	1449.47	1811.84
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	0-14	348.89	348.89
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	15	379.90	379.90
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	16	391.76	391.76
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	17	403.62	403.62
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	18	416.39	416.39
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	19	429.16	429.16
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	20	442.38	442.38
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	21	456.07	467.47
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	22	456.07	467.47
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	23	456.07	467.47
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	24	456.07	467.47
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	25	457.89	469.34
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	26	467.01	478.69
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	27	477.96	489.91
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	28	495.74	508.14
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	29	510.34	523.10
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	30	517.63	530.58
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	31	528.58	541.79
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	32	539.53	553.01
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	33	546.37	560.03
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	34	553.66	567.51
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	35	557.31	571.24
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	36	560.96	574.98
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	37	564.61	578.72
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	38	568.26	582.46
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	39	575.55	589.94
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	40	582.85	626.57
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	41	593.80	638.33
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	42	604.29	649.61
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	43	618.88	665.30
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	44	637.12	684.91
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	45	658.56	724.41
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	46	684.10	752.51
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	47	712.83	784.11
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	48	745.67	820.23
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	49	778.05	855.85
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	50	814.53	936.71
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	51	850.56	978.15
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	52	890.24	1023.78
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	53	930.37	1069.93
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	54	973.70	1119.75
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	55	1017.03	1220.43
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	56	1064.00	1276.80
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	57	1111.43	1333.72
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	58	1162.05	1394.47
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	59	1187.14	1424.57
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	60	1237.76	1547.20
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	61	1281.54	1601.93
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	62	1310.28	1637.85
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	63	1346.31	1682.88
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	64 and over	1368.20	1710.25
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	0-14	260.69	260.69
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	15	283.86	283.86
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	16	292.72	292.72
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	17	301.58	301.58
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	18	311.12	311.12
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	19	320.66	320.66
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	20	330.55	330.55
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	21	340.77	349.29
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	22	340.77	349.29
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	23	340.77	349.29
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	24	340.77	349.29
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	25	342.13	350.69
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	26	348.95	357.67
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	27	357.13	366.06
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	28	370.42	379.68
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	29	381.32	390.85
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	30	386.77	396.44
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	31	394.95	404.83
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	32	403.13	413.21
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	33	408.24	418.45
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	34	413.69	424.04
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	35	416.42	426.83
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	36	419.15	429.63
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	37	421.87	432.42
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	38	424.60	435.21
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	39	430.05	440.80
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	40	435.50	468.17
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	41	443.68	476.96
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	42	451.52	485.38
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	43	462.42	497.11
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	44	476.06	511.76
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	45	492.07	541.28
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	46	511.16	562.27
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	47	532.62	585.89
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	48	557.16	612.87
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	49	581.35	639.49
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	50	608.62	699.91
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	51	635.54	730.87
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	52	665.18	764.96
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	53	695.17	799.45
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	54	727.54	836.68
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	55	759.92	911.90
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	56	795.02	954.02
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	57	830.46	996.55
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	58	868.28	1041.94
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	59	887.02	1064.43
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	60	924.85	1156.06
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	61	957.56	1196.95
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	62	979.03	1223.79
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	63	1005.95	1257.44
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	64 and over	1022.30	1277.89
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	0-14	278.94	278.94
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	15	303.73	303.73
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	16	313.21	313.21
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	17	322.69	322.69
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	18	332.90	332.90
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	19	343.11	343.11
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	20	353.69	353.69
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	21	364.62	373.74
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	22	364.62	373.74
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	23	364.62	373.74
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	24	364.62	373.74
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	25	366.08	375.23
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	26	373.37	382.71
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	27	382.13	391.68

45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	28	396.35	406.25
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	29	408.01	418.21
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	30	413.85	424.19
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	31	422.60	433.16
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	32	431.35	442.13
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	33	436.82	447.74
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	34	442.65	453.72
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	35	445.57	456.71
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	36	448.49	459.70
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	37	451.40	462.69
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	38	454.32	465.68
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	39	460.16	471.66
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	40	465.99	500.94
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	41	474.74	510.35
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	42	483.13	519.36
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	43	494.79	531.90
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	44	509.38	547.58
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	45	526.52	579.17
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	46	546.94	601.63
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	47	569.91	626.90
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	48	596.16	655.78
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	49	622.05	684.25
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	50	651.22	748.90
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	51	680.02	782.03
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	52	711.75	818.51
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	53	743.83	855.41
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	54	778.47	895.24
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	55	813.11	975.73
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	56	850.67	1020.80
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	57	888.59	1066.31
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	58	929.06	1114.87
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	59	949.12	1138.94
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	60	989.59	1236.99
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	61	1024.59	1280.74
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	62	1047.56	1309.46
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	63	1076.37	1345.46
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	64 and over	1093.86	1367.34
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	0-14	263.30	263.30
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	15	286.70	286.70
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	16	295.65	295.65
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	17	304.60	304.60
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	18	314.23	314.23
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	19	323.87	323.87
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	20	333.85	333.85
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	21	344.18	352.78
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	22	344.18	352.78
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	23	344.18	352.78
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	24	344.18	352.78
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	25	345.55	354.19
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	26	352.44	361.25
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	27	360.70	369.72
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	28	374.12	383.47
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	29	385.13	394.76
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	30	390.64	400.41
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	31	398.90	408.87
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	32	407.16	417.34
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	33	412.32	422.63
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	34	417.83	428.28
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	35	420.59	431.10
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	36	423.34	433.92
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	37	426.09	436.74
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	38	428.85	439.57
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	39	434.35	445.21
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	40	439.86	472.85
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	41	448.12	481.73
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	42	456.04	490.24
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	43	467.05	502.08
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	44	480.82	516.88
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	45	496.99	546.69
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	46	516.27	567.89
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	47	537.95	591.74
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	48	562.73	619.00
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	49	587.17	645.88
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	50	614.70	706.91
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	51	641.89	738.18
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	52	671.83	772.61
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	53	702.12	807.44
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	54	734.82	845.04
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	55	767.52	921.02
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	56	802.97	963.56
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	57	838.76	1006.51
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	58	876.96	1052.36
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	59	895.89	1075.07
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	60	934.10	1167.62
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	61	967.14	1208.92
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	62	988.82	1236.03
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	63	1016.01	1270.02
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	64 and over	1032.53	1290.67
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	0-14	292.76	292.76
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	15	318.78	318.78
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	16	328.73	328.73
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	17	338.68	338.68
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	18	349.40	349.40
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	19	360.11	360.11
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	20	371.21	371.21
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	21	382.69	392.26
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	22	382.69	392.26
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	23	382.69	392.26
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	24	382.69	392.26
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	25	384.22	393.83
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	26	391.87	401.67
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	27	401.06	411.09
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	28	415.98	426.38
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	29	428.23	438.94
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	30	434.35	445.21
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	31	443.54	454.63
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	32	452.72	464.04
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	33	458.46	469.92
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	34	464.59	476.20
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	35	467.65	479.34
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	36	470.71	482.48
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	37	473.77	485.61
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	38	476.83	488.75
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	39	482.95	495.03
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	40	489.08	525.76
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	41	498.26	535.63
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	42	507.06	545.09
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	43	519.31	558.26
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	44	534.62	574.71
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	45	552.60	607.86
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	46	574.04	631.44
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	47	598.14	657.96
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	48	625.70	688.27
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	49	652.87	718.16
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	50	683.48	786.01
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	51	713.72	820.77
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	52	747.01	859.06
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	53	780.69	897.79
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	54	817.04	939.60
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	55	853.40	1024.08

45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	56	892.82	1071.38
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	57	932.62	1119.14
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	58	975.09	1170.11
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	59	996.14	1195.37
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	60	1038.62	1298.28
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	61	1075.36	1344.20
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	62	1099.47	1374.34
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	63	1129.70	1412.13
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	64 and over	1148.06	1435.09
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	0-14	313.25	313.25
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	15	341.10	341.10
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	16	351.74	351.74
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	17	362.39	362.39
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	18	373.85	373.85
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	19	385.32	385.32
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	20	397.19	397.19
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	21	409.48	419.72
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	22	409.48	419.72
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	23	409.48	419.72
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	24	409.48	419.72
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	25	411.12	421.39
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	26	419.31	429.79
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	27	429.13	439.86
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	28	445.10	456.23
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	29	458.21	469.66
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	30	464.76	476.38
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	31	474.59	486.45
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	32	484.41	496.52
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	33	490.56	502.82
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	34	497.11	509.53
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	35	500.38	512.89
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	36	503.66	516.25
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	37	506.93	519.61
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	38	510.21	522.97
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	39	516.76	529.68
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	40	523.31	562.56
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	41	533.14	573.13
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	42	542.56	583.25
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	43	555.66	597.34
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	44	572.04	614.94
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	45	591.29	650.42
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	46	614.22	675.64
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	47	640.01	704.02
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	48	669.50	736.45
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	49	698.57	768.43
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	50	731.33	841.03
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	51	763.68	878.23
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	52	799.30	919.20
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	53	835.34	960.64
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	54	874.24	1005.37
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	55	913.14	1095.76
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	56	955.31	1146.38
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	57	997.90	1197.48
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	58	1043.35	1252.02
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	59	1065.87	1279.05
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	60	1111.32	1389.16
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	61	1150.63	1438.29
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	62	1176.43	1470.54
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	63	1208.78	1510.97
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	64 and over	1228.43	1535.54
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	0-14	295.69	295.69
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	15	321.97	321.97
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	16	332.02	332.02
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	17	342.07	342.07
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	18	352.89	352.89
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	19	363.71	363.71
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	20	374.92	374.92
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	21	386.52	396.18
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	22	386.52	396.18
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	23	386.52	396.18
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	24	386.52	396.18
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	25	388.06	397.76
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	26	395.79	405.69
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	27	405.07	415.20
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	28	420.14	430.65
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	29	432.51	443.33
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	30	438.70	449.66
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	31	447.97	459.17
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	32	457.25	468.68
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	33	463.05	474.62
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	34	469.23	480.96
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	35	472.32	484.13
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	36	475.42	487.30
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	37	478.51	490.47
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	38	481.60	493.64
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	39	487.78	499.98
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	40	493.97	531.02
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	41	503.25	540.99
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	42	512.13	550.55
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	43	524.50	563.84
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	44	539.96	580.46
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	45	558.13	613.94
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	46	579.78	637.75
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	47	604.13	664.54
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	48	631.96	695.15
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	49	659.40	725.34
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	50	690.32	793.87
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	51	720.85	828.98
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	52	754.48	867.65
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	53	788.49	906.77
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	54	825.21	949.00
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	55	861.93	1034.32
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	56	901.74	1082.09
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	57	941.94	1130.33
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	58	984.85	1181.81
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	59	1006.10	1207.32
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	60	1049.01	1311.26
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	61	1086.11	1357.64
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	62	1110.46	1388.08
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	63	1141.00	1426.25
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	64 and over	1159.55	1449.44

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INDIVIDUAL PORTFOLIO

Changes	Plan Name	HIOS ID		Deductible (2x Family)	Coinsurance	Out-of-Pocket Maximum	PCP	Specialist	Emergency Room	Urgent Care	IP Hospital per day, maximum of 5 days	Hi-Tech Imaging	Lab Ind Hos	OP Surgery ASC ACH	Small Group: Rx \$0 Individual: Rx	Small Group: Rx \$250 (brand only deductible) Individual: N/A
		Small Group: Rx \$0 Individual: Rx	Small Group: Rx \$250 (brand only deductible) Individual: N/A													
PLATINUM PRODUCTS																
GOLD PRODUCTS																
1	Changes	Gold PPO 2150/10/20	45127PA002001301	\$0	215000%	\$0	\$8,150	\$20	\$45	D/300	\$75	N/A	D/10% 25	D/75 250	Rx Ded: \$D/10%, Rx Gen - Ded Applies? Combined, Retail: N/10/0/25, Mail: 0/20/0/50	
SILVER PRODUCTS																
2	Changes	Silver PPO 5950/20/40	45127PA002002100	\$0	595000%	\$0	\$8,150	\$40	\$85	D/400	\$100	N/A	D/20% 25	D/75 250	Rx Ded: \$D/20%, Rx Gen - Ded Applies? Combined, Retail: N/10/0/50, Mail: 0/20/0/100	
3	Changes	Silver PPO 6000 CSR73	45127PA002000804	\$0	550000%	\$0	\$6,500	\$10	\$20	D/200	\$45	N/A	D/15% 20	D/60 200	Rx Ded: \$D/15%, Rx Gen - Ded Applies? Combined, Retail: N/5/0/25, Mail: 0/10/0/50	
4	Changes	Silver PPO 6000 CSR87	45127PA002000805	\$0	150000%	\$0	\$2,450	\$5	\$10	D/75	\$35	N/A	D/5% 15	D/40 100	Rx Ded: \$D/5%, Rx Gen - Ded Applies? Combined, Retail: N/3/0/15, Mail: 0/6/0/30	
5	Changes	Silver PPO 6000 CSR94	45127PA002000806	\$0	450000%	\$0	\$1,250	\$3	\$5	D/50	\$20	N/A	D 10	D/20 50	Rx Ded: \$D, Rx Gen - Ded Applies? Combined, Retail: N/2/0/10, Mail: 0/4/0/20	
6	Changes	Silver PPO 6000/20/40	45127PA002000801	\$0	600000%	\$0	\$8,150	\$40	\$85	D/400	\$100	N/A	D/20% 25	D/75 250	Rx Ded: \$D/20%, Rx Gen - Ded Applies? Combined, Retail: N/10/0/50, Mail: 0/20/0/100	
BRONZE PRODUCTS																
7	Changes	Bronze PPO 8000/0/60	45127PA002002001	\$0	800000%	\$0	\$8,150	\$60	\$85	D	D	N/A	D 25	D 250	Rx Ded: \$D, Rx Gen - Ded Applies? Combined, Retail: Y/0/0/0, Mail: 0/0/0/0	

1 Drug copays listed are Preferred Generic/Non-Preferred Generic/Preferred Brand/Non-Preferred Brand
 2 Speciality drug coverage = 20% up to \$250 per fill/20% up to \$350 per fill/20% up to \$450 per fill
 3 Tiered Lab benefits. Independent labs | Hospital based labs
 4 D = Deductible D/\$ = Deductible applies first then a copay
 5 Plan naming convention = Metal level, Plan type, Deductible/Coinsurance/Office Visit Copay - HRA funding
 6 CareConnect copays listed are for PCP directed care

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Line	On/Off Exchange	New/Existing	HIOS	Med Description	Rx Description	AV		Pricing AV		Metal Level		HRA Amount		Deductible(2x Family)		Coinsurance	
						2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
1	On Exchange	Existing	45127PA002001301	Gold PPO 2150/10/20	Combined w/Med	76.0%	76.1%	73.9%	71.8%	Gold	Gold	0	0	2,000	2,150	10%	10%
2	Off Exchange	Existing	45127PA002002100	Silver PPO 5950/20/40	Combined w/Med	68.3%	66.9%	62.5%	60.4%	Silver	Silver	0	0	4,950	5,950	10%	20%
3	On Exchange	Existing	45127PA002000801	Silver PPO 6000/20/40	Combined w/Med	68.2%	66.9%	62.4%	60.1%	Silver	Silver	0	0	5,000	6,000	10%	20%
4	On Exchange	Existing	45127PA002000804	Silver PPO 6000 CSR73	Combined w/Med	73.4%	72.3%	62.4%	60.1%	Silver	Silver	0	0	4,500	5,500	8%	15%
5	On Exchange	Existing	45127PA002000805	Silver PPO 6000 CSR87	Combined w/Med	86.6%	86.2%	62.4%	60.1%	Gold	Gold	0	0	1,200	1,500	5%	5%
6	On Exchange	Existing	45127PA002000806	Silver PPO 6000 CSR94	Combined w/Med	94.2%	93.3%	62.4%	60.1%	Platinum	Platinum	0	0	250	450	0%	0%
7	On Exchange	Existing	45127PA002002001	Bronze PPO 8000/0/60	Combined w/Med	62.6%	62.2%	54.4%	53.3%	Bronze	Bronze	0	0	7,350	8,000	0%	0%
8	Off Exchange	Existing	53789PA010000800	Bronze HMO 8000/0/60	Combined w/Med	62.6%	62.2%	54.7%	53.3%	Bronze	Bronze	0	0	7,350	8,000	0%	0%
9	Off Exchange	Existing	53789PA010000400	Catastrophic HMO 8150/0/75	Combined w/Med	60.0%	60.8%	53.4%	52.5%	Bronze	Bronze	0	0	7,900	8,150	0%	0%
10	Off Exchange	Existing	82795PA014000100	Catastrophic PPO 8150/0/75	Combined w/Med	60.0%	60.8%	53.4%	52.5%	Bronze	Bronze	0	0	7,900	8,150	0%	0%

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Line	On/Off Exchange	New/Existing	HIOS	Med Description	Rx Description	MOOP		ACA PCP		Non-ACA PCP		SPC		ER		UC		IP Hosp Copay Per Day		Hi-Tech Imaging		Low End Imaging		Lab Independent		Lab Hospital-Based	
						2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
1	On Exchange	Existing	45127PA002001301	Gold PPO 2150/10/20	Combined w/Med	7,350	8,150	20	20	20	20	45	45	D/300	D/300	75	75	N/A	N/A	D/25%	D/25%	D/10%	D/10%	25	25	D/75	D/75
2	Off Exchange	Existing	45127PA002002100	Silver PPO 5950/20/40	Combined w/Med	7,350	8,150	30	40	30	40	75	85	D/400	D/400	75	100	N/A	N/A	D/25%	D/35%	D/10%	D/20%	25	25	D/75	D/75
3	On Exchange	Existing	45127PA002000801	Silver PPO 6000/20/40	Combined w/Med	7,350	8,150	30	40	30	40	75	85	D/400	D/400	75	100	N/A	N/A	D/25%	D/35%	D/10%	D/20%	25	25	D/75	D/75
4	On Exchange	Existing	45127PA002000804	Silver PPO 6000 CSR73	Combined w/Med	5,850	6,500	10	10	10	10	20	20	D/200	D/200	45	45	N/A	N/A	D/18%	D/25%	D/8%	D/15%	20	20	D/60	D/60
5	On Exchange	Existing	45127PA002000805	Silver PPO 6000 CSR87	Combined w/Med	2,450	2,450	5	5	5	5	10	10	D/75	D/75	35	35	N/A	N/A	D/15%	D/15%	D/5%	D/5%	15	15	D/40	D/40
6	On Exchange	Existing	45127PA002000806	Silver PPO 6000 CSR94	Combined w/Med	1,250	1,250	3	3	3	3	5	5	D/50	D/50	20	20	N/A	N/A	D/10%	D/10%	D	D	10	10	D/20	D/20
7	On Exchange	Existing	45127PA002002001	Bronze PPO 8000/0/60	Combined w/Med	7,350	8,150	60	60	60	60	85	85	D	D	D	D	N/A	N/A	D	D	D	D	25	25	D	D
8	Off Exchange	Existing	53789PA010000800	Bronze HMO 8000/0/60	Combined w/Med	7,350	8,150	60	60	60	60	85	85	D	D	D	D	N/A	N/A	D	D	D	D	25	25	D	D
9	Off Exchange	Existing	53789PA010000400	Catastrophic HMO 8150/0/75	Combined w/Med	7,900	8,150	75	75	75	75	D	D	D	D	D	D	N/A	N/A	D	D	D	D	D	D	D	D
10	Off Exchange	Existing	82795PA014000100	Catastrophic PPO 8150/0/75	Combined w/Med	7,900	8,150	75	75	75	75	D	D	D	D	D	D	N/A	N/A	D	D	D	D	D	D	D	D

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Line	On/Off Exchange	New/Existing	HIOS	Med Description	Rx Description	OP Surg ASC		OP Surg AHC		Rx Ded		Rx Gen - Ded Applies?		Rx Gen Pref		Rx Gen Non-Pref		Rx Brand Pref		Rx Brand Non-Pref		Rx Specialty Coin Tier 1		Rx Specialty Max Tier 1		Rx Specialty Coin Tier 2	
						2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
1	On Exchange	Existing	45127PA002001301	Gold PPO 2150/10/20	Combined w/Med	250	250	D/10%	D/10%	Combined	Combined	N	N	10	10	0	0	25	25	75	75	40%	40%	800	800	40%	40%
2	Off Exchange	Existing	45127PA002002100	Silver PPO 5950/20/40	Combined w/Med	250	250	D/10%	D/20%	Combined	Combined	N	N	10	10	0	0	50	50	100	100	50%	50%	800	800	50%	50%
3	On Exchange	Existing	45127PA002000801	Silver PPO 6000/20/40	Combined w/Med	250	250	D/10%	D/20%	Combined	Combined	N	N	10	10	0	0	50	50	100	100	50%	50%	800	800	50%	50%
4	On Exchange	Existing	45127PA002000804	Silver PPO 6000 CSR73	Combined w/Med	200	200	D/8%	D/15%	Combined	Combined	N	N	5	5	0	0	25	25	55	55	40%	40%	700	700	40%	40%
5	On Exchange	Existing	45127PA002000805	Silver PPO 6000 CSR87	Combined w/Med	100	100	D/5%	D/5%	Combined	Combined	N	N	3	3	0	0	15	15	40	40	30%	30%	400	400	30%	30%
6	On Exchange	Existing	45127PA002000806	Silver PPO 6000 CSR94	Combined w/Med	50	50	D	D	Combined	Combined	N	N	2	2	0	0	10	10	25	25	10%	10%	200	200	10%	10%
7	On Exchange	Existing	45127PA002002001	Bronze PPO 8000/0/60	Combined w/Med	250	250	D	D	Combined	Combined	Y	Y	0	0	0	0	0	0	0	0	50%	50%	0	0	50%	50%
8	Off Exchange	Existing	53789PA010000800	Bronze HMO 8000/0/60	Combined w/Med	250	250	D	D	Combined	Combined	Y	Y	0	0	0	0	0	0	0	0	50%	50%	0	0	50%	50%
9	Off Exchange	Existing	53789PA010000400	Catastrophic HMO 8150/0/75	Combined w/Med	D	D	D	D	Combined	Combined	Y	Y	0	0	0	0	0	0	0	0	0%	0%	0	0	0%	0%
10	Off Exchange	Existing	82795PA014000100	Catastrophic PPO 8150/0/75	Combined w/Med	D	D	D	D	Combined	Combined	Y	Y	0	0	0	0	0	0	0	0	0%	0%	0	0	0%	0%

Capital Advantage Assurance Company
Individual Rates
Effective 1/1/2020
Benefit Change Summary

Line	On/Off Exchange	New/Existing	HIOS		Med Description	Rx Description	Rx Specialty Max Tier 2		Rx Gen Pref Coins		Rx Gen Non-Pref Coins		Rx Brand Pref Coin		Rx Brand Non-Pref Coins		Rx Gen Pref Mail Copay		Rx Gen Non-Pref Mail Copay		Rx Brand Pref Mail Copay	
			2019	2020			2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
1	On Exchange	Existing	45127PA002001301		Gold PPO 2150/10/20	Combined w/Med	1000	1000	0%	0%	25%	25%	0%	0%	0%	0%	20	20	0	0	50	50
2	Off Exchange	Existing	45127PA002002100		Silver PPO 5950/20/40	Combined w/Med	1000	1000	0%	0%	25%	25%	0%	0%	0%	0%	20	20	0	0	100	100
3	On Exchange	Existing	45127PA002000801		Silver PPO 6000/20/40	Combined w/Med	1000	1000	0%	0%	25%	25%	0%	0%	0%	0%	20	20	0	0	100	100
4	On Exchange	Existing	45127PA002000804		Silver PPO 6000 CSR73	Combined w/Med	800	800	0%	0%	18%	18%	0%	0%	0%	0%	10	10	0	0	50	50
5	On Exchange	Existing	45127PA002000805		Silver PPO 6000 CSR87	Combined w/Med	500	500	0%	0%	15%	15%	0%	0%	0%	0%	6	6	0	0	30	30
6	On Exchange	Existing	45127PA002000806		Silver PPO 6000 CSR94	Combined w/Med	300	300	0%	0%	10%	10%	0%	0%	0%	0%	4	4	0	0	20	20
7	On Exchange	Existing	45127PA002002001		Bronze PPO 8000/0/60	Combined w/Med	0	0	0%	0%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0
8	Off Exchange	Existing	53789PA010000800		Bronze HMO 8000/0/60	Combined w/Med	0	0	0%	0%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0
9	Off Exchange	Existing	53789PA010000400		Catastrophic HMO 8150/0/75	Combined w/Med	0	0	0%	0%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0
10	Off Exchange	Existing	82795PA014000100		Catastrophic PPO 8150/0/75	Combined w/Med	0	0	0%	0%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0

IP OP Professional	Type of Service
Inpatient	IP - CABG
Inpatient	IP - Cesarean Maternity Delivery
Inpatient	IP - Major Joint Procedures of Lower Extremity
Inpatient	IP - Maternity Non-delivery
Inpatient	IP - Medical
Inpatient	IP - Neonatal
Inpatient	IP - Newborn
Inpatient	IP - Normal maternity delivery
Inpatient	IP - Other Cardiovascular Procedures
Inpatient	IP - Other Surgical
Inpatient	IP - Psychiatric
Inpatient	IP - Substance Abuse
Inpatient	IP - Ungraftable
Outpatient	OP - Blood
Outpatient	OP - Cardiac Rehab
Outpatient	OP - Cardiovascular
Outpatient	OP - Dialysis
Outpatient	OP - Emergency Room
Outpatient	OP - Maternity Non-delivery Care
Outpatient	OP - Observation Room
Outpatient	OP - Other OP Services
Outpatient	OP - PT/OT/ST
Outpatient	OP - Pathology/Lab
Outpatient	OP - Pharmacy
Outpatient	OP - Psychiatric
Outpatient	OP - Radiology - CT/MRI/PET
Outpatient	OP - Radiology - General
Outpatient	OP - Substance Abuse
Outpatient	OP - Surgery
Outpatient	OP - Unmapped
Professional	ADDL Benefits Other
Professional	Hearing Aids
Professional	IP Visits - IP Psychiatric
Professional	IP Visits - IP Substance Abuse
Professional	IP Visits - Medical
Professional	Inpatient Surgery - Primary Surgeon
Professional	Inpatient Surgery - Anesthesia
Professional	Inpatient Surgery - Assistant Surgeon
Professional	Maternity - Cesarean Deliveries
Professional	Maternity - Non Deliveries
Professional	Maternity - Normal Deliveries
Professional	Office Administered Drugs
Professional	Office/Misc - Allergy Immunotherapy
Professional	Office/Misc - Allergy Testing
Professional	Office/Misc - Misc. Medical
Professional	Office/Misc - Office/Home Visits
Professional	Office/Misc - Urgent Care
Professional	Other Physician - Cardiovascular
Professional	Other Physician - Chiropractor
Professional	Other Physician - Consults
Professional	Other Physician - Emergency Room Visits
Professional	Other Physician - Physical Therapy
Professional	Pathology/Lab - IP
Professional	Preventive care - Hearing/Speech Exams
Professional	Preventive care - Immunization
Professional	Preventive care - Other
Professional	Preventive care - Physical Exams
Professional	Preventive care - Well Baby Exams
Professional	Radiology - IP
Professional	Unmapped
Professional	ADDL Benefits Other
Professional	Hearing Aids
Professional	IP Visits - Medical
Professional	Independent Lab
Professional	Maternity - Cesarean Deliveries
Professional	Maternity - Non Deliveries
Professional	Maternity - Normal Deliveries
Professional	OP Visits - OP Psychiatric
Professional	OP Visits - OP Substance Abuse
Professional	Office Administered Drugs
Professional	Office/Misc - Allergy Immunotherapy
Professional	Office/Misc - Allergy Testing
Professional	Office/Misc - Misc. Medical
Professional	Office/Misc - Office/Home Visits
Professional	Office/Misc - Urgent Care
Professional	Other Physician - Cardiovascular
Professional	Other Physician - Chiropractor
Professional	Other Physician - Consults
Professional	Other Physician - Emergency Room Visits
Professional	Other Physician - Physical Therapy
Professional	Outpatient Surgery - Anesthesia
Professional	Outpatient Surgery - Office
Professional	Outpatient Surgery - Outpatient Facility
Professional	Pathology/Lab - OP
Professional	Pathology/Lab - Office
Professional	Preventive care - Hearing/Speech Exams
Professional	Preventive care - Immunization
Professional	Preventive care - Other
Professional	Preventive care - Physical Exams
Professional	Preventive care - Well Baby Exams
Professional	Radiology - OP - CT/MRI/PET
Professional	Radiology - OP - General
Professional	Radiology - Office - CT/MRI/PET
Professional	Radiology - Office - General
Professional	Unmapped
Other Medical	Unmapped
Other Medical	OP - Ambulance
Other Medical	OP - DME
Other Medical	OP - Home Health/PDN
Other Medical	OP - Medical Surgical Supplies
Other Medical	Dental
Other Medical	Other - Ambulance
Other Medical	Other - DME
Other Medical	Other - Glasses/Contacts
Other Medical	Other - PDN/Home Health
Other Medical	Other - Prosthetics
Other Medical	Preventive care - Vision Exams
Other Medical	Dental
Other Medical	Other - Ambulance
Other Medical	Other - DME
Other Medical	Other - Glasses/Contacts
Other Medical	Other - PDN/Home Health
Other Medical	Other - Prosthetics
Other Medical	Preventive care - Vision Exams

**Capital Advantage Assurance Company
Individual Rates
Effective 1/1/2020
Benefit Mix Changes**

Benefit Mix Calculation

	<u>Med Manual Cost</u>	<u>Rx Manual Cost</u>	<u>Manual Cost PMPM</u>
Average in Experience Period			303.27
Average in Rating Period			289.49
Benefit Mix Adjustment			0.95

BEP Manual Cost Calculation

Company	<u>HIOS 14 Digit</u>	<u>Med Plan</u>	<u>Manual Cost PMPM</u>	<u>BEP MM</u>
CAAC	45127PA0020013	PPOIJ347	339.74	173,939
CAAC	45127PA0020008	PPOIJ340	290.07	84,177
CAAC	45127PA0020020	PPOIJ336	252.88	97,031
CAAC	45127PA0020021	PPOIJ351	290.56	26,859

303.27

Projected 2020 Manual C

<u>Mapped 2019 Plan</u>	<u>Total</u>	<u>Proj Member</u>
45127PA0020013	338.48	224,057
45127PA0020008	274.88	182,200
45127PA0020020	243.75	174,068
45127PA0020021	276.33	26,479

289

606,804

Capital Advantage Assurance Company

Individual Rates

Effective 1/1/2020

Trend

Trend by Service Category

Category	Year 1		Year 2		Induced Demand	Total Year 1	Total Year 2	Weights
	Cost	Util	Cost	Util				
Inpatient Hospital	5.70%	2.30%	6.30%	2.30%	0.0%	8.1%	8.7%	25.5%
Outpatient Hospital	5.30%	2.30%	6.00%	2.30%	0.0%	7.7%	8.4%	45.1%
Professional	4.00%	1.80%	3.70%	1.80%	0.0%	5.9%	5.6%	26.0%
Other Medical	5.30%	2.00%	6.00%	2.00%	0.0%	7.4%	8.1%	3.3%
Capitation	3.00%	0.00%	3.00%	0.00%	0.0%	3.0%	3.0%	0.0%
Prescription Drug	8.90%	0.40%	8.70%	1.30%	0.0%	9.3%	10.1%	100.0%
Dental & Vision	1.00%	2.00%	1.00%	2.00%	0.0%	3.0%	3.0%	100.0%

<u>Aggregate Pricing Trend Year 1</u>	
Total	7.6%
Medical	7.3%
Drug	9.3%
Agg Med + Rx Trend	7.6%
Dental and Vision	3.0%

<u>Aggregate Pricing Trend Year 2</u>	
Total	8.1%
Medical	7.8%
Drug	10.1%
Agg Med + Rx Trend	8.1%
Dental and Vision	3.0%

URRT Categories	<u>Year 1 Raw Trends</u>			<u>Year 2 Raw Trends</u>		
	Cost	Utilization	Composite	Cost	Utilization	Composite
Inpatient Hospital	5.2%	2.25%	7.6%	5.8%	2.25%	6.5%
Outpatient Hospital	4.8%	2.25%	7.2%	5.5%	2.25%	6.5%
Professional	3.5%	1.75%	5.3%	3.2%	1.75%	4.9%
Other Medical	4.8%	2.00%	6.9%	5.5%	2.00%	5.0%
Capitation	3.0%		3.0%	3.0%		3.0%
Prescription Drugs	7.6%	0.4%	8.1%	7.4%	1.3%	7.7%
Dental & Vision	1.0%	2.0%	3.0%	1.0%	2.0%	3.0%

*From Hosj

Adjustments to Pricing Trend

<u>Medical</u>		<u>Drug</u>	
Intensity	0.5%	Contracting	-0.20%
Leveraging	0.0%	Leveraging	0.00%
Demographics	0.0%	Demographics	0.00%
Buy-Downs	0.0%	Buy-Downs	0.00%
Other	0.0%	Pipeline	1.50%
Total	0.5%	Total	1.30%

*Adjustments in Drug Trend Model

Capital Advantage Assurance Company

Individual Rates

Effective 1/1/2020

URRT

Experience Period Member Months 382,006

Section II: Projections

Benefit Category	Experience Period Index Rate PMPM	Year 1 Trend		Year 2 Trend		Trended EHB Allowed Claims PMPM	Incurred	Allowed	PMPM
		Cost	Utilization	Cost	Utilization				
Inpatient Hospital	\$ 171.11	1.057	1.023	1.063	1.023	201.20	\$ 61,567,312	\$ 65,365,665	\$ 171.11
Outpatient Hospital	\$ 302.42	1.053	1.023	1.060	1.023	353.26	\$ 92,408,792	\$ 115,527,611	\$ 302.42
Professional	\$ 174.23	1.040	1.018	1.037	1.018	194.73	\$ 50,854,099	\$ 66,556,390	\$ 174.23
Other Medical	\$ 22.42	1.053	1.020	1.060	1.020	26.04	\$ 6,302,249	\$ 8,563,188	\$ 22.42
Capitation	\$ -	1.030	1.000	1.030	1.000	0.00	\$ -	\$ -	\$ -
Prescription Drug	\$ 117.86	1.089	1.004	1.087	1.013	141.89	\$ 37,137,738	\$ 45,021,723	\$ 117.86
Total	\$ 788.04					917.12			\$ 788.04

Morbidity	1.050
*Other	
Change in Demographics	1.000
Change in Network	1.000
Change in Benefits	1.000
Change in Other	1.000
Projected Index Rate	962.98

**Capital Advantage Assurance Company
Individual Rates
Effective 1/1/2020
Paid to Allowed Ratio Development**

Medical Rate Development

Base Experience Period:	1/1/2018-12/31/2018
Data as of:	3/1/2019
Rating Period:	1/1/2020 - 12/31/2020
Trend Months:	24
Trend:	7.3%

Drug Rate Development

Base Experience Period:	1/1/2018-12/31/2018
Data as of:	3/1/2019
Rating Period:	1/1/2020 - 12/31/2020
Trend Months:	24
Trend:	9.3%

Pediatric Dental Rate Development

Base Experience Period:	1/1/2018-12/31/2018
Data as of:	3/1/2019
Rating Period:	1/1/2020 - 12/31/2020
Trend Months:	24
Trend:	3.0%

Pediatric Vision Rate Development

Base Experience Period:	1/1/2018-12/31/2018
Data as of:	3/1/2019
Rating Period:	1/1/2020 - 12/31/2020
Trend Months:	24
Trend:	3.0%

1	Medical Paid and Incurred Claims	208,010,100
2	Completion Factor	0.99
3	BEP Completed Claims (1) / (2)	210,660,485
4	BEP Member Months	382,006
5	BEP Completed Claim PMPM (3) / (4)	551.46
6	Trend Factor	1.15
7	Trended Claim PMPM (5) x (6)	635.32
8	Benefit Change Factor	0.95
9	Morbidity Adjustment	1.05
10	Capitation	0
11	Capitation PMPM	0.00
12	Other Adjustment	0.970
13	Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) + (11)] x (12)	617.68

1	BEP Paid and Incurred Claims**	46,905,513
2	Completion Factor	1.000
3	BEP Completed Claims (1) / (2)	46,905,513
4	BEP Member Months	382,006
5	BEP Completed Claim PMPM (3) / (4)	122.79
6	Trend Factor	1.20
7	Trended Claim PMPM (5) x (6)	146.78
8	Benefit Change Factor	0.95
9	Morbidity Adjustment	1.05
10	Rx Rebates	9,767,775
11	Rx Rebates PMPM	25.57
12	Other Adjustment	0.970
13	Total Benefit Adjusted Claim PMPM [(7) x (8) x (9)] x (12)	117.90

1	BEP Paid and Incurred Claims	420,411
2	Completion Factor	0.986
3	BEP Completed Claims (1) / (2)	426,202
4	BEP Member Months	382,006
5	BEP Completed Claim PMPM (3) / (4)	1.12
6	Trend Factor	1.06
7	Trended Claim PMPM (5) x (6)	1.18
8	Benefit Change Factor	1.00
9	Morbidity Adjustment	1.05
10		
11		
12	Other Adjustment	0.970
13	Total Benefit Adjusted Claim PMPM [(7) x (8) x (9)] x (12)	1.21

1	BEP Paid and Incurred Claims	45,097
2	Completion Factor	0.985
3	BEP Completed Claims (1) / (2)	45,766
4	BEP Member Months	382,006
5	BEP Completed Claim PMPM (3) / (4)	0.12
6	Trend Factor	1.06
7	Trended Claim PMPM (5) x (6)	0.13
8	Benefit Change Factor	1.00
9	Morbidity Adjustment	1.05
10		
11		
12	Other Adjustment	0.970
13	Total Benefit Adjusted Claim PMPM [(7) x (8) x (9)] x (12)	0.13

Expected Claim PMPM in Rating Period	
Medical	617.68
Drug	117.90
Pediatric Dental	1.21
Pediatric Vision	0.13
Expected Distribution of Embedded Dental Benefit	100%
Total Expected Incurred in Rating Period	736.92
Total Expected Incurred in Rating Period Net RA	629.48
Projected Allowed	962.98
Paid to Allowed Ratio	0.765

Capital Advantage Assurance Company
Individual Rates
Effective 1/1/2020
Retention

	<u>Medical + Rx</u>	<u>Dental</u>	<u>Vision</u>	<u>Total</u>	<u>% of Premium</u>
Reinsurance Contribution	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
Risk Adjustment Fee	\$0.18	\$0.00	\$0.00	\$0.18	0.0%
Admin PMPM	\$43.50	\$0.60	\$0.09	\$44.19	5.6%
Broker PMPM	\$3.26	\$0.00	\$0.00	\$3.26	0.4%
Value Based Benefits	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
BCBSA Identity Theft Protection	\$0.02	\$0.00	\$0.00	\$0.02	0.0%
Quality Improvement	0.4%	0.4%	0.4%	0.4%	0.4%
Contingency	2.0%	2.0%	2.0%	2.0%	2.0%
Patient-Centered Outcomes Research Trust Fund:	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
Insurer Tax	2.9%	2.9%	2.9%	2.9%	2.9%
Exchange Fee	\$22.25	\$0.00	\$0.00	\$22.25	2.8%
Federal Income Tax	0.4%	0.4%	0.4%	0.4%	0.4%
Premium Tax	0.0%	0.0%	0.0%	0.0%	0.0%

Insurer Tax and Admin Fee Calc

Applied HIF to All Quarters 2.89%

Quarter	% of Enrollees	HIF	2020 assessment	2021 assessment
1	100%	2.89%	0 2.9%	3.2%
			3 2.9%	3.2%
			6 2.9%	3.2%
			9 2.9%	3.2%

	<u>Admin</u>	<u>Profit</u>	<u>Taxes</u>
	6.6%	2.0%	6.2%
Claims	5.7%		
Broker	0.4%		
Quality Improvement	0.4%		

Expected Incurred	629.48
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Plan	Gold PPO 2150/10/20	Silver PPO 5950/20/40	Silver PPO 6000/20/40	Bronze PPO 8000/0/60
Deductible	2150	5950	6000	8000
Expected Claim Cost	861.43	703.27	839.47	620.34
Expected Premium PMPM *	\$861.40	\$712.51	\$840.73	\$634.46
<u>Allowed Adjustments to Premium for MLR</u>				
Reinsurance Contribution	0.00	0.00	0.00	0.00
Patient-Centered Outcomes Research Trust Fund:	0.00	0.00	0.00	0.00
Risk Adjustment Fee	0.18	0.18	0.18	0.18
Premium Tax	0.00	0.00	0.00	0.00
Insurer Tax	24.93	20.62	24.33	18.36
Exchange Fee	22.25	22.25	22.25	22.25
Quality Improvement	3.45	2.85	3.36	2.54
Federal Income Tax**	3.62	2.99	3.53	2.66
MLR Adjusted Premium	\$806.97	\$663.61	\$787.07	\$588.46
Expected Member Distribution	36.9%	4.4%	30.0%	28.7%

Unadjusted Premium	\$783.59
Expected MLR Adjusted Premium	\$732.06

MLR	86.0%
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* From Exhibit L

**21% of profit or contingency (assumed to be 2%)

Capital Advantage Assurance Company
Individual Rates
Effective 1/1/2020
Projected Index Rate

Projected Index Rate	\$962.98
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<u>Effective Date</u>	<u>Total Index Rate</u>	<u>Trend</u>	<u>Distribution of Members</u>	<u>Projected Allowed</u>	<u>Market Adjusted Index Rate</u>
January - December	\$962.98		100%	\$962.98	

Average for Projection Period	\$962.98			\$962.98	\$851.65
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* From URRT and Exhibit B

Individual Rates

Effective 1/1/2020

Market Adjusted Index Rate

Development of Market Adjusted Index Rate

Q1 Index Rate	962.98
Paid to Allowed	0.77
Q1 Projected Claims	736.92
Net Projected ACA Reinsurace Recoveries	0.00
Net Projected Risk Adjustments PMPM	107.44
Exchange User Fee Adjustment	22.25
Q1 Market-Adjusted Projected Paid EHB Claims PMPM	651.73
Q1 Market Adjusted Index Rate	851.66

Development of Exchange User Fee

Average Exchange Premium	\$844.73
Average Exchange Fee	\$25.34
Percentage of Membership on Exchange	88%
Exchange Fee to Add to Market Index Rate	\$22.25

Development of Risk Adjustment Projection

Projected 2020 Risk Adjustment Transfer	\$107.44
Projected 2018 Risk Adjustment	\$54,087,766
2018 MemberMonths	382,006
Projected 2018 Risk Adjustment Payment PMPM	\$141.59
Capital Advantage Assurance Company	\$54,087,766

Adjust Base Experience Period to Base Plan

	<u>Medical</u>	<u>Rx</u>	<u>Ped Dental</u>	<u>Ped Vision</u>	<u>Total</u>
Expected Claim PMPM in Rating Period	617.68	117.90	1.21	0.13	736.92
Adjustment to Base Plan	0.888	0.888	1.000	1.000	0.888
Adjustment for Network	1.000	1.000	1.000	1.000	1.000
Adjustment for Induced Demand	1.000	1.000	1.000	1.000	1.000
Expected Claim Base Plan Before Plan Specific Induced Demand	695.34	132.73	1.21	0.13	829.41

Rate Development by Benefit Option

	On Exchange	Off Exchange	On Exchange	On Exchange
Level of Coverage	Gold	Silver	Silver	Bronze
HIOS	45127PA0020013	45127PA0020021	45127PA0020008	45127PA0020020
Med Plan Name:	Gold PPO 2150/10/20	Silver PPO 5950/20/40	Silver PPO 6000/20/40	Bronze PPO 8000/0/60
Rx:	Combined	Combined	Combined	Combined
Plan Type:	PPO	PPO	PPO	PPO
HRA	N	N	N	N
Q1 Market Adjusted Index Rate	851.66	851.66	851.66	851.66

AV and Cost-Sharing Adjustment	0.86	0.74	0.74	0.67
Network	1.000	1.000	1.000	1.000
Non-Funding of CSR Adjustment	1.000	1.000	1.200	1.000
Induced Demand	1.039	0.991	0.991	0.962

Plan Pricing Relativities:

Manual PMPM	325.90	278.98	277.51	253.46
Pricing Relativity	1.000	0.816	0.975	0.720
Projected Claims	861.43	703.27	839.47	620.34
Total Projected Claims PMPM + Market Level Adjustments:	764.52	624.15	745.03	550.56

Retention

Admin PMPM	\$44.19	\$44.19	\$44.19	\$44.19
Broker PMPM	\$3.26	\$3.26	\$3.26	\$3.26
Risk Adjustment User Fee	\$0.18	\$0.18	\$0.18	\$0.18
HRA Admin Fee	\$0.00	\$0.00	\$0.00	\$0.00
Value-Based Benefits	\$0.00	\$0.00	\$0.00	\$0.00
BCBSA Identity Theft	\$0.02	\$0.02	\$0.02	\$0.02
Premium Tax	0.0%	0.0%	0.0%	0.0%
Federal Income Tax	0.4%	0.4%	0.4%	0.4%
Insurer Tax	2.9%	2.9%	2.9%	2.9%
Contingency	2.0%	2.0%	2.0%	2.0%
Quality Improvement	0.4%	0.4%	0.4%	0.4%

Premium Neutrality	1.86	1.86	1.86	1.86
Total Premium Single Rate:	\$462.66	\$382.69	\$451.56	\$340.77
Plan Adjusted Index Rates	\$861.40	\$712.51	\$840.73	\$634.46
Expected Member Distribution	36.9%	4.4%	30.0%	28.7%

Relativity Checks

Claims	1.00	0.86	0.85	0.78
Premium	1.00	0.83	0.98	0.74
	\$47.47	\$47.47	\$47.47	\$47.47
Admin	5.9%	7.1%	6.0%	7.9%
Taxes	3.3%	3.3%	3.3%	3.3%

Benefit Plans

#	Combo Description	100%	606,804	New or Existing	Product ID	Plan ID (14)	On/Off Exchange	Metal Level	Metal Value	Pricing Value	Network	Induced Demand	Product	Med Plan Description	Deductible	Drug Plan	Pediatric Dental	Pediatric Vision	Annual Trend				Aggregate Trend
		Projected Membership	Proj MM																Average Plan Adj. Index Rate	Q1 Plan Adj. Index Rate	Q2 Plan Adj. Index Rate	Q3 Plan Adj. Index Rate	
1	Gold PPO 2150/10/20	36.9%	224,057	Existing	45127PA002	45127PA0020013	On Exchange	0.718488542	76.1%	86.4%	1.00	1.04	PPO	Gold PPO 2150/10/20	2150	Combined	Embedded	Embedded	\$861.39	\$861.39	7.63%	3.0%	7.63%
2	Silver PPO 5950/20/40	4.4%	26,479	Existing	45127PA002	45127PA0020021	Off Exchange	0.604167089	66.9%	74.0%	1.00	0.99	PPO	Silver PPO 5950/20/40	5950	Combined	Embedded	Embedded	\$712.51	\$712.51	7.63%	3.0%	7.63%
3	Silver PPO 6000/20/40	30.0%	182,200	Existing	45127PA002	45127PA0020008	On Exchange	0.600983208	66.9%	73.6%	1.00	0.99	PPO	Silver PPO 6000/20/40	6000	Combined	Embedded	Embedded	\$840.72	\$840.72	7.63%	3.0%	7.63%
4	Bronze PPO 8000/0/60	28.7%	174,068	Existing	45127PA002	45127PA0020020	On Exchange	0.532931037	62.2%	67.2%	1.00	0.96	PPO	Bronze PPO 8000/0/60	8000	Combined	Embedded	Embedded	\$634.46	\$634.46	7.63%	3.0%	7.63%

Capital Advantage Assurance Company
Individual Rates
Effective 1/1/2020
Calibration

Expected Average Age Factor:	1.800
List-Billed Adjustment for Max 3 Children	1.003
Adjusted Average Age Factor	1.795
Expected Average Region Factor:	1.03
Expected Average Tobacco Factor	1.005
Cumulative Rating Factors (Premium Neutrality):	1.86

<u>Age</u>	<u>Age Factors</u>		<u>Region</u>	<u>Region Factors</u>		<u>Tobacco Factors</u>		
	<u>Distribution of Population</u>	<u>Age Factor</u>		<u>Distribution of Population</u>	<u>Factor</u>	<u>PPO</u>	<u>HMO</u>	<u>Final Factor</u>
0-14	6.27%	0.765	6	42%	1.0000	1.005	1.002	1.005
15	0.52%	0.833	7	45%	1.0700			
16	0.58%	0.859	9	14%	1.0100			
17	0.65%	0.885						
18	0.73%	0.913						
19	1.04%	0.941						
20	1.16%	0.970						
21	1.19%	1.000						
22	0.97%	1.000						
23	0.80%	1.000						
24	0.75%	1.000						
25	1.14%	1.004						
26	1.52%	1.024						
27	1.48%	1.048						
28	1.58%	1.087						
29	1.36%	1.119						
30	1.41%	1.135						
31	1.36%	1.159						
32	1.36%	1.183						
33	1.34%	1.198						
34	1.40%	1.214						
35	1.41%	1.222						
36	1.51%	1.230						
37	1.49%	1.238						
38	1.46%	1.246						
39	1.50%	1.262						
40	1.36%	1.278						
41	1.55%	1.302						
42	1.39%	1.325						
43	1.52%	1.357						
44	1.63%	1.397						
45	1.65%	1.444						
46	1.77%	1.500						
47	1.91%	1.563						
48	2.07%	1.635						
49	1.91%	1.706						
50	2.02%	1.786						
51	2.15%	1.865						
52	2.38%	1.952						
53	2.56%	2.040						
54	2.73%	2.135						
55	2.78%	2.230						
56	2.82%	2.333						
57	3.20%	2.437						
58	3.40%	2.548						
59	3.47%	2.603						
60	3.90%	2.714						
61	4.61%	2.810						
62	5.30%	2.873						
63	5.95%	2.952						
64+	0.00%	3.000						

Capital Advantage Assurance Company

Individual Rates

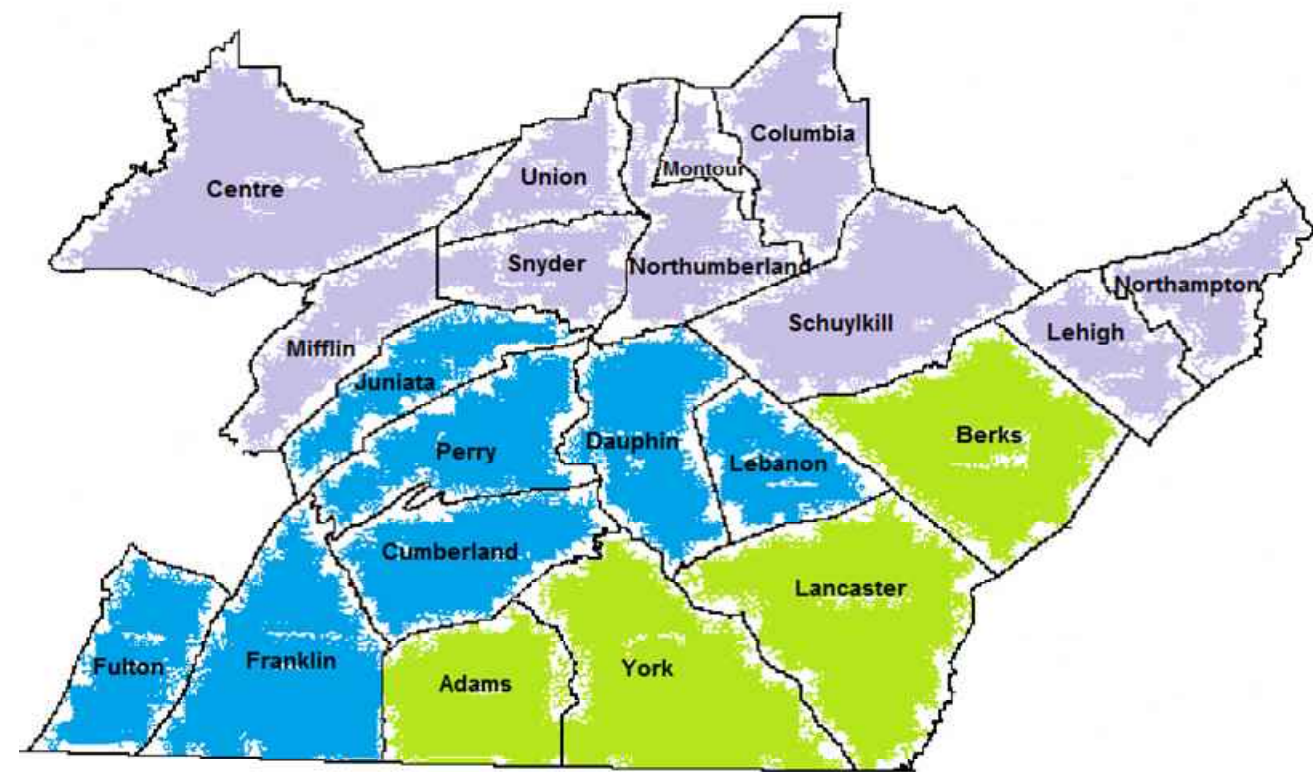
Effective 1/1/2020

Rating Factors

Age Factors

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

Region



<u>Region</u>	<u>Factor</u>
6	1
7	1.07
9	1.01

<u>Network</u>	<u>Factor</u>
PPO	1.00

Benefit Plans														Base Rates											
#	Combo Description	Projected Membership	Plan MM	Stat or Existing	Product ID	Plan ID	On/Off Exchange	Metal Level	Metal Value	Priming Value	Inherited Demand	Product	Medical Plan Description	1/1/2019 - 12/31/2019											
														Deductible	Drug Plan Desc	Prevalent Dental	Prevalent Vision	Medical L.Rs	Medical	RS	Prevalent Dental	Prevalent Vision	Total	Medical & RS	Dental & Vision
1	Gold PPO 2150/20/40	26.9%	23,057	Existing	45127PA002	45127PA0020013	On Exchange	71.3%	76.1%	86.4%	1.04	PPD	Gold PPO 2150/20/40	2150	Combined	Embedded	Embedded	\$401.51	\$178.44	\$83.07	\$1.02	\$0.12	\$462.65	7.6%	3.0%
2	Silver PPO 5950/20/40	4.4%	26,479	Existing	45127PA002	45127PA0020021	Off Exchange	60.4%	66.9%	74.0%	0.99	PPD	Silver PPO 5950/20/40	5950	Combined	Embedded	Embedded	\$381.55	\$112.87	\$68.68	\$1.02	\$0.12	\$382.69	7.6%	3.0%
3	Silver PPO 6000/20/40	20.0%	182,200	Existing	45127PA002	45127PA0020008	On Exchange	60.1%	66.9%	73.6%	0.99	PPD	Silver PPO 6000/20/40	6000	Combined	Embedded	Embedded	\$400.41	\$169.33	\$81.08	\$1.02	\$0.12	\$481.85	7.6%	3.0%
4	Bronze PPO 8000/0/60	28.7%	174,068	Existing	45127PA002	45127PA0020020	On Exchange	53.3%	62.2%	67.2%	0.96	PPD	Bronze PPO 8000/0/60	8000	Combined	Embedded	Embedded	\$339.63	\$278.49	\$61.14	\$1.02	\$0.12	\$340.77	7.6%	3.0%

**Capital Advantage Assurance Company
Individual Rates
Effective 1/1/2020
Regional Analysis**

Annual Increase	0.2%
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Results

By Region	Current Month Members	Enrollment Dist	Projected LR w No Region Factor Change	Target LR	Target LR Change	Adjusted for Regional Costs	Current Factors	Adj Factors	Final Rel to Region 6*
6	19,532	42%	87.5%	88.3%	0.99	-0.8%	1	0.99	1.0000
7	21,060	45%	97.9%	95.0%	1.03	3.2%	1.03	1.06	1.0700
9	6,462	14%	87.8%	94.4%	0.93	-6.8%	1.08	1.00	1.0100
Total	47,054	100%	92.2%	92.2%	100.0%	0.2%	1.02	1.02	1.03

Data - Claims and Enrollment for 12 Months Ending December 2018

Region	Group County Name	% 2018 Enrollment	MemberMonths	Current Month Members	Premium	Incurred Claims	Rx Rebates	RA Estimate	Loss Ratio
Total		1	407,399	47,054	401,355,182	265,931,459	(10,060,406)	29,528,708	56.5%
6	Lehigh	13.6%	55,575	7,052	\$51,213,578	\$32,706,781	-\$1,702,559	\$3,010,701	57.2%
6	Northampton	13.8%	56,141	7,014	\$52,215,997	\$32,045,773	-\$1,508,015	\$3,538,122	54.8%
6	Schuylkill	3.1%	12,727	1,902	\$13,503,821	\$6,931,822	-\$499,159	\$715,931	45.2%
6	Centre	0.5%	1,982	786	\$1,793,296	\$2,362,599	-\$253,702	\$2,127,833	53.8%
6	Northumberland	1.1%	4,285	798	\$4,299,782	\$3,559,764	-\$273,143	\$292,617	71.6%
6	Columbia	0.7%	2,761	577	\$2,749,971	\$2,580,302	-\$137,005	\$990,964	65.3%
6	Union	0.7%	2,726	482	\$2,601,251	\$2,189,845	-\$113,940	-\$207,012	86.7%
6	Mifflin	0.4%	1,671	346	\$1,708,413	\$1,814,821	-\$105,319	\$826,927	67.4%
6	Snyder	0.7%	2,703	489	\$2,530,839	\$1,685,333	-\$153,811	\$565,778	49.5%
6	Montour	0.0%	88	86	\$108,824	\$103,171	-\$32,860	\$86,584	36.0%
7	Lancaster	11.5%	46,816	6,664	\$41,811,104	\$32,153,690	-\$1,623,180	\$5,969,631	63.9%
7	Berks	9.8%	39,780	4,404	\$38,487,421	\$27,476,337	-\$831,916	\$4,367,296	62.2%
7	York	20.8%	84,909	8,048	\$90,426,241	\$58,522,445	-\$1,500,115	\$1,492,830	62.0%
7	Adams	5.1%	20,964	1,944	\$23,063,809	\$16,306,585	-\$380,689	\$1,547,243	64.7%
9	Dauphin	4.7%	19,223	1,548	\$17,791,311	\$12,134,360	-\$209,816	\$2,477,934	58.8%
9	Cumberland	6.0%	24,328	1,939	\$22,526,167	\$14,459,915	-\$174,177	\$2,279,943	57.6%
9	Lebanon	0.1%	506	399	\$475,982	\$430,647	-\$117,883	\$163,927	48.9%
9	Franklin	5.5%	22,235	1,902	\$25,630,532	\$13,861,428	-\$278,964	-\$955,079	55.0%
9	Perry	0.9%	3,866	334	\$3,873,757	\$2,626,809	-\$64,579	\$514,471	58.4%
9	Fulton	0.7%	2,986	233	\$3,398,997	\$1,528,011	-\$65,911	-\$172,891	45.3%
9	Juniata	0.3%	1,128	107	\$1,144,089	\$451,021	-\$33,666	-\$105,042	40.2%
6		34.5%	140,657	19,532	\$132,725,772	\$85,980,211	-\$4,779,510	\$11,948,445	56.1%
7		47.2%	192,470	21,060	\$193,788,574	\$134,459,056	-\$4,335,900	\$13,377,000	62.8%
9		18.2%	74,272	6,462	\$74,840,835	\$45,492,192	-\$944,996	\$4,203,264	56.4%



June 25, 2019

[REDACTED], Director
Bureau of Life, Accident and Health Insurance
Office of Insurance Product Regulation and Administration
Commonwealth of Pennsylvania Insurance Department
1311 Strawberry Square
Harrisburg, PA 17120

Re: **Capital Advantage Assurance Company**
Individual Rates
Filing No 19-41
TOI Code: H15I Individual Health – Hospital/Surgical/Medical Expense
Sub-TOI Code: H15I.001 - Hospital/Surgical/Medical Expense
Filing Type: Rate

Dear [REDACTED]:

CAAC received an objection letter from the Department dated June 18, 2019. CAAC is providing the following in response to the objection letter:

- Q&A written response
- Q&A exhibits
- Health Insurer Fee calculation workbook and memo
- Historical financial statements
- Risk adjustment calculation workbook
- Revised List-Billed adjustment workbook
- Revised Rate Development workbook
- Revised PAAM Exhibits to reflect the change in RA User Fee application and other requested changes
- Revised URRT
- Revised Rates (PA and Federal Templates)
- Revised Memos – Actuarial, Cover Letter, and Rate Change Summary

All changes are due to PID requests/questions and have been disclosed in the Q&A written response. The change to RA User fee application does slightly impact rates (\$0.01 - \$0.02).

If you have any questions regarding this filing, please call me at [REDACTED] (or via email at [REDACTED]) or [REDACTED] at [REDACTED] ([REDACTED]). Thank you for your assistance in this matter.

Harrisburg, PA 17177 | capbluecross.com

Sincerely,

[REDACTED]

[REDACTED], ASA, MAAA
Manager, Actuarial Services
Capital BlueCross

Enclosures

cc: [REDACTED], FSA, MAAA, Senior Director, Actuarial Services
[REDACTED], ASA, MAAA, Vice President and Chief Actuary, Actuarial Services
[REDACTED], Corporate Counsel

CAPITAL ADVANTAGE ASSURANCE COMPANY, INC.

Question and Answer Individual Rates Effective January 1, 2020

With this response, please find corresponding Q&A Exhibits in Ind_19-41_Initial_CAAC_PPO_Q&AExhibits1_Supporting_20190625.xlsx

Question 1. The updated URR instructions require an explanation of how morbidity was removed from impacting the variance in rate changes across products and plans. Please direct us to or provide this explanation

Answer 1. As described in Actuarial Memo, page 12, Plan Adjusted Index Rates (PAIR) are calculated using only allowable rating variables. Actuarial Value and Cost Sharing Adjustment is calculated by using CBC's internal actuarial cost model, which does not use morbidity to determine pricing AV, rather uses average cost and utilization by service to determine impact of cost-sharing. Other rating factors such as network are determined by contract savings rather than morbidity of the population selecting narrow network plans.

Question 2. Page 3 of your actuarial memorandum says, "Transitional membership is included in PA Rate Exhibits Table 2 and is broken out in Exhibit G1" although a few sentences prior is says the single risk pool reflects non-grandfathered, non-transitional covered lives. Please explain if transitional business was included in the experience on the URRT and PAAM and if so, please explain the adjustment made for the transitional plans in the base period data when projecting the 2020 rates for non-transitional plans including quantitative support and where the adjustment is made.

Answer 2. Transitional business is not included in base experience period. The Actuarial memo has been corrected to reflect this.

Question 3. Please confirm that CAAC does not have capitated services and did not in the experience period. If capitated services are not included why do the trends on the PAAM show 0.08% weight for capitation.

Answer 3. CAAC does not have capitated services. Because CAAC products are offered alongside products from other CBC subsidiaries, for rate development, trend is intentionally equalized across subsidiaries. This to so rates are aligned appropriately based on benefits. CAAC data is combined with subsidiaries, CAIC and KHPC, to form the weights applied to trend. Capitation is attributable to KHPC, but the combined trend weight is used in all Individual rate filings.

Question 4. Please provide the date of the enrollment that is included on WS 2 of the URRT cell D34.

Answer 4. Enrollment is as of February 15, 2019.

Question 5. Please list and provide the measurement used for each category included in “Other Medical” and the number of units and cost for each.

Answer 5. Please see Q&A Exhibit 1 for the data requested.

Question 6. Please explain where the changes in benefit cost sharing shown in Exhibit B_BenChange in file Ind_19-41_Initial_CAAC_PPO_RateDev_Supporting_20190521 between 2019 and 2020 were reflected

Answer 6. The changes in benefit cost sharing are reflected in Exhibit D, Benefit Mix. This exhibit measures the benefit change from the Base Experience Period (BEP) to the rating period. The manual cost measurement in both the BEP and rating period reflect the benefits accordingly. Actuarial Memo, pages 6 and 8 further describe adjustments for benefits.

Question 7. Please explain how adjustments were made for large claims in the base period that may not be repeated or that may be increased in 2020.

Answer 7. No explicit adjustment is made for large claims. In a large population, these claims are assumed to reflect future claim costs.

Question 8. Please confirm that there was no private reinsurance for this business or explain how and where it was reflected.

Answer 8. I confirm that there is no private reinsurance for this business.

Question 9. Please provide quantitative support for the Pricing AVs in Table 10

Answer 9. Actuarial Value and Cost Sharing adjustment: The Actuarial Value and Cost Sharing Adjustment is determined using CBC’s actuarial cost model. CBC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a claim PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on CPDs, where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.

The model calculates both an average allowed and paid manual cost PMPM. $\text{Paid Manual Cost PMPM} / \text{Allowed Manual Cost PMPM} = \text{Pricing AV}$.

Question 10. Please explain why the projected paid-to-allowed ratio (0.764) in Table 5 is so much higher than the Metallic Tier weighted average AV (0.669) and the weighted average pricing AV(0.660) as shown in Table 10.

Answer 10. As further explained in answer 15 below, my approach to pricing AV and induced demand results in (pricing AV) x (induced demand) = approximate paid-to-allowed ratio. This is because pricing AV is determined from CBC's internal actuarial cost model. The model is described in the Actuarial Memo, page 8, bullet 6a. The model calculates both an average allowed and paid manual cost PMPM. Paid Manual Cost PMPM / Allowed Manual Cost PMPM = Pricing AV. Induced demand is then calculated as described in answer 19 below in order to establish a true projected cost for each plan. For this reason, the product of pricing AV and induced demand must be compared to paid-to-allowed ratio.

Question 11. Please explain why the PA estimated 2018 risk adjustment was not used.

Answer 11. For the filed 2018 estimate, PA estimated risk adjustment was released too close to the submission of the filing. Data by HIOS and inputted in other exhibits was already completed at the time. CBC does intend to update the 2018 base experience period once final RA results are released at the end of June.

For the 2020 estimate, Please see "Ind_19-41_Initial_CAAC_PPO_RACalc_Supporting_CONF_20190625.xlsx" for the CBC's best estimate to date of CAAC Individual 2019 risk adjustment transfer payment PMPM. While 2018 actual transfer payment is useful in calculating future years, our best estimate of 2019 given our current population is most indicative of 2020 payments. The following are key points:

- CBC collects and tracks member risk score information using the HHS risk model. This is referred to as Care Modeler data in the documentation.
- The data for this analysis is CAAC Individual member risk for members effective 1/1/2019 – 4/30/2019.
- CBC recognizes that risk through 4 months of the year requires maturity factors to estimate a 12-month risk score. A maturity factor is applied to the 4-month risk scores, which is calculated from 2018 actual risk score factor growth.
- Market risk scores and other factors are assumed flat from 2018.
- While \$107.47 is the calculated transfer receivable, \$110 is used as a placeholder until RA results are finalized.

Question 12. Please explain how you plan to determine the projected 2020 risk adjustment transfer amount once HHS releases them for 2018.

Answer 12. I plan to take the same approach as above, starting with 2018 actual and making the above adjustments for current enrollment.

Question 13. Please provide the calculation of the \$110.00 paid basis risk adjustment showing the federal transfer formula including the relative risk of the block compared to the market.

Answer 13. Please see Answer 11 above and corresponding exhibits for the calculation of the risk adjustment transfer. While \$107.47 is the calculated transfer receivable, \$110 is used as a placeholder until RA results are finalized.

Question 14. The development of the exchange fee in Exhibit K uses an average Exchange premium of \$844.73, however, the average premium for the on-exchange plans on the URRT WS 2 weighed by projected membership produces an average premium of \$810. Please explain this discrepancy.

Answer 14. The average exchange fee premium used is current on-exchange premium as of 201902. The 2020 proposed 3% annual increase is not applied. Please note that on-exchange premium is higher than off exchange due to CSR defunding, and off-exchange enrollees having an off-exchange silver plan option without the CSR defunding factor applied.

Question 15. We note on Table 10, that you have not normalized the benefit richness (column L). Please resubmit your filing with the benefit richness normalized.

Answer 15. The rates are normalized for benefit richness. This is done by the following steps:

1. Calculate projected claim cost + market level adjustments by plan. For example, the projected claim cost PMPM for plan 45127PA0020013 is \$870.59.
 - a. Total Projected Claim Cost is \$757.47 at an average projected medical and Rx benefit level (value for relativity purposes only) of 289.02. See Exhibit D_BenMix.
 - b. Plan 45127PA0020013 medical and Rx benefit level is 332.26. Benefit relativity to average projection period is .87. See Exhibit L_RateDev cell F10.
 - c. Plan 45127PA0020013 projected claim cost PMPM is $\$757.47 / .87 = \870.59
 - d. Plan 45127PA0020013 projected claim cost PMPM + market level adjustments = $870.59 - \text{RA PMPM} + \text{Exchange Fee PMPM} = 870.59 - (110.00) + 22.25 = 782.84$
2. Calculate Induced Demand by plan
 - a. Induced Demand is the factor needed after MAIR x allowable rating factors in order to establish (1) above.
 - b. Plan 45127PA0020013 MAIR x Pricing AV x Network = $875.86 \times .72 \times 1.0 = 629.29$
 - c. Induced Demand = $782.84 / 629.29 = 1.24$
3. The final projected claim cost by plan is not inflated for induced demand, rather reflects the plan-level claim cost in relation to the total projection period claim cost.

Question 16. Please explain why the retention in Exhibit L do not match Table 6 of the PAAM. For instance, the broker fees are shown as \$3.26 PMPM in Exhibit L and \$3.14 PMPM in the PAAM.

Answer 16. The percent of premium calculated in Exhibit L is $\$3.26 /$ (average projected premium in the rating period). The projected average premium in rating period includes adjustment for CSR defunding. It seems that PAAM PMPMs are calculated as average premium

(before CSR defunding adjustment) x (above calculated percent of premium), causing the discrepancy.

Question 17. Please provide the development of the health insurer fee of 2.89%.

Answer 17. Include memo from Doug. Please see “Ind_19-41_Initial_CAAC_PPO_HIFCalc_CONF_Supporting_20190625.xlsx” for the requested data.

Also, please see “Ind_19-41_Initial_CAAC_PPO_HIFCalcMemo_CONF_Supporting_20190625.pdf for a detailed explanation of the HIF calculation provided by CBC’s Accounting Department.

Question 18. Please provide support for the geographic factors and prove that they do not reflect morbidity. It appears that target loss ratios were used compared to actual loss ratios that could reflect morbidity.

Answer 18. Exhibit Q Regional Analysis provides actual loss ratio by region adjusted for risk adjustment (RA). The RA adjustment ensures that morbidity is not reflected in the geographic factors.

Question 19. Please explain the changes in the regional factors in Exhibit N from the prior filing.

Answer 19. Regional rating factor changes are driven by cost variance in region 7 from what was projected in prior filings. As seen in Exhibit Q, region 7 costs (adjusted for risk adjustment) are higher than target and higher relative to other regions (also adjusted for risk).

Question 20. The PCORI fee should not be used in the 2020 MLR calculation. Please revise the MLR calculation.

Answer 20. Exhibit I, Projected Loss Ratio has been corrected to remove PCORI fee.

Question 21. Please explain what is driving the significant increase in membership from the base period to the projection period

Answer 21. CAAC saw significant enrollment increase on 1/1/2019, due to competitive PPO rates (even in relationship to competitor EPOs) in more counties effective on that date. CAAC membership changed from 29,601 on 201812 to 45,626 as of 201902.

Question 22. Please explain how your accrued medical incentive pool and bonus amounts and policy reserves from your financial statement were taken into account in your rate development.

Answer 22. Accrued medical incentive pool and bonus amounts are not explicitly considered in the rate development. But quality incentive amounts are added to retention, which would include these amounts. CBC does not accrue for policy reserves in this market segment.

Question 23. Please provide a statement in your actuarial certification that certifies that the geographic area rating factors reflect only differences in the costs of delivery and not differences due to population morbidity.

Answer 23. The actuarial certification has been updated to include the requested statement.

The following additional questions or comments are from PID.

Question 24. URRT versus PAAM Exhibit Tables – Please explain and correct the following discrepancies:

- a. The cost sharing is \$52,764,387 in Tables 2 and 4 of PAAM but \$45,653,457 on WKST 2, Section II of URRT (cell D28)
- b. Incurred claims are \$248,270,191 in Table 2 of PAAM and WKST 1 of URRT but \$255,381,120 in WKST 2, Section II (cell D30)
- c. Risk Adjustment Transfer Amount is \$33,481,927 in Table 2 and URRT WKST 1 but \$26,785,542 on WKST 2 of URRT (cell D31)
- d. Current Enrollment is 45,626 in Table 1 of PAAM and 45,535 on WKST 2 of URRT (cell D34)

Answer 24.

- a. WKST 2, Section II of URRT has been corrected and now matches Tables 2 and 4 of PAAM.
- b. WKST 2, Section II of URRT has been corrected and now matches Table 2 (net rebates) of PAAM and WKST 1 of URRT.
- c. WKST 2 of URRT is corrected to match Table 2.
- d. WKST 2 of URRT is corrected to match Table 1.

Question 25. Trend - Please provide the worksheet with all the data used in the development of the trends. Please include all the adjustment factors used such as average age factor, product adjustment factor, average geographic factor, average tobacco factor, average benefit factor and please provide the normalized average PMPM.

Answer 25. Please see Actuarial Memo page 4 for a full description of the process used to determine trend. Future cost is used to determine pricing trend, using CBC's hospital, physician and prescription drug contracting models, as well as utilization projections monitored by CBC's medical director.

While historical data is not used to determine trend, please see Q&A Exhibit 2 for CBC's official trend report as of 201905 by market segment. Individual allowed trend is running at 7.8%, compared to filed trend of 8.7%. The difference between 7.8% actual and 8.7% can be justified by leveraging impact. Last year's CAAC Individual filing, CABC-131454875, justified leveraging of 1.6%, which would put actual + leveraging = 9.4%. You can also see a year prior the trend was 20.6%.

Please note, separate from trend, that cost-sharing changes to plans are reflected in the rate development, in the development of projected incurred claims. The adjustment from BEP to rating period is 0.95, reflecting the changes in member cost-sharing between the two period.

Question 26. Exchange User Fee – Please document the development of the 3.4% fee on URRT WKST 1. Please note that the fee is capped at 3%.

Answer 26. The exchange user fee is calculated as follows:

1. Exchange Fee PMPM Paid Basis = (average on-exchange premium) x (average on-exchange enrollment) x .03 = 22.25
2. Exchange Fee PMPM Allowed Basis = Exchange Fee PMPM Paid Basis / (paid-to-allowed factor) = 22.25/.765 = 29.10
3. MAIR = 875.84 (see Table 5)
4. Exchange User Fee Percent of MAIR = Exchange Fee PMPM Allowed Basis / MAIR = 29.10 / 875.84 = 3.32%

Please note that 3.32% is on an allowed basis as required by the formulas in PAAM Table 5. Exchange Fee PMPM Paid Basis = 22.25. That is estimated to be 22.25/844.73 (average on-exchange premium) = 2.6%

Question 27. Paid-to-Allowed Ratio - Please explain why you believe that the method you have used in the calculation of the Paid-to-Allowed Ratio is more reasonable than the PID recommended calculation as per the formula in cell C28 of Table 5 of PAAM. The formula is auto-calculated from entries made for Plan Pricing AVs, Non-Funding CSR adjustment and Total Covered Mapped Lives as of 2/1/2019. The issuer may over-write the formula and use projected enrollment, if appropriate.

Answer 27. Please see the answer to 15 above. Because of my approach to pricing AV and induced demand, the paid-to-allowed ratio is better reflected by the product of the two variables. The calculated paid-to-allowed ratio is projected incurred claims / projected allowed claims as seen on Exhibit G, Paid-to-Allowed.

Question 28. HIF calculations in Exhibit H_Ret – Please document the calculations of the factors of 2.894% (2020) and 3.238% (2021) and include all the data and assumptions used such as market share.

- a. Provide the actual paid HIT fees on a PMPM and percent of premium for calendar years 2018 and 2016.

Answer 28. Please see “Ind_19-41_Initial_CAAC_PPO_HIFCalc_CONF_Supporting_20190625.xlsx” for the requested data. Tab 1 contains actual amounts for 2018 and 2016.

Also, please see “Ind_19-41_Initial_CAAC_PPO_HIFCalcMemo_CONF_Supporting_20190625.pdf for a detailed explanation of the HIF calculation provided by CBC’s Accounting Department.

Question 29. Age Calibration Factor – Please explain the discrepancy between the List-Billed Adjustment for Max 3 Children of 1.003697 in the PAAM support Tab “Exhibit N_Calibration” and 1.00294 in the workbook “Ind_19-41_Initial_CAAC_PPO_List-Billed_Supporting_20190521”.

Answer 29. With this submission, the List Billed data has been corrected, and the result matches the factor applied in Exhibit N. See “IND_19-41_Revised_CAAC_PPO_List-Billed_Supporting_20190625.xlsb”

Question 30. Risk Adjustment – Please provide the calculation of the Projected RA PMPM that will be used in Table 5 of PAAM, starting from the CMS RA amount and billable member-months, after you replace the current place-holder of \$110.00. This issue is in anticipation of any further question that PID may ask after you make the change. Please note that this change will impact the rate change.

Answer 30. Please see Answer 11 above and corresponding exhibits for the calculation of the risk adjustment transfer. While \$107.47 is the calculated transfer receivable, \$110 is used as a placeholder until RA results are finalized.

Question 31. Please provide an exhibit that shows, by HIOS Plan ID, summary benefit and cost sharing changes for 2020 relative to the 2019 design for all plans to be offered in 2020. Include Pricing AV columns for 2019 and 2020. Please show the approved 2019 Pricing AVs for all plans in the 2019 column and the proposed 2020 Pricing AVs in the 2020 column.

Answer 31. Please see updated Exhibit B, Benefit Change Summary, that now includes the change in Pricing AVs.

Question 32. Risk Adjustment Data Validation process (RADV) -

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

Answer 32.

- a. No adjustment was made for RADV.
- b. In 2017, Pennsylvania had a -0.15% Individual Market error rate for Non-Exiting issuers. Small Group and Catastrophic had 0% error rates. While CBCI had a 0% error rate in both market segments, the total error rate is applied to statewide average risk scores. Because of the Individual error rate and CBC’s zero error rate, we can expect

receivable estimates to decrease and payable estimates to increase. Due to these findings, CBC would likely submit a non-zero estimate for the impact of RADV.

Question 33. Induced Utilization Exhibit – Please provide Exhibit B: Induced Utilization Exhibit as per PA Rate Filing Guidance, Page 15.

- a. Please confirm that the ratio in Column (9) represents the pure induced utilization for each plan.
- b. Please show quantitatively, including an Excel spreadsheet with formulas, the derivation of the AV and cost sharing factors for each plan. Please note that it is assumed that the AV and cost sharing factor includes the average tobacco factor.
- c. Please provide any additional justification for induced utilization assumptions in the Company's pricing.
- d. Please confirm that each plan's induced utilization factor was normalized by an aggregate factor, and that the resulting sum product (against 2/1/2019 membership or the projected membership distribution) produces
- e. Please quantitatively demonstrate the calculation of the induced calibration factor.
- f. Please quantitatively show and provide a detailed description as to how the induced demand factor shown in Table 7 relates to the induced utilization factors calculated in the "Induced Utilization Exhibit" shown in the Actuarial Memorandum.

Answer 33. Table B was provided with the original submission (file updated with Q&A response). Please see "IND_19-

41_Revised_CAAC_PPO_RateDev_Supporting_20190625.xlsx"

- a. Column (9) represents the pure induced utilization for each plan.
- b. Provided in Table B.
- c. Please see Answer 15 above.
- d. Please see Answer 15 above. Induced demand is normalized so that projected claims are not overstated.
- e. Provided in Table 8 and Answer 15 above.
- f. With this submission, Table 7 is corrected to show the average induced utilization and ties to Table B.

Question 34. Please provide an exhibit showing the actual experience for calendar years 2014 – 2018 and the projections for 2019 and 2020 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. Also show how the financial gains and losses reconciles with the Annual Financial Statements for those periods.

Answer 34. Please see "Ind_19-

41_Initial_CAAC_PPO_FinancialStatements_Supporting_20190625.xlsx" for the requested data. This is taken directly from CBC's Annual Financial Statements.

Question 35. Please show the development of the average commission as shown in Table 6. Additionally, the current and 2020 broker agreements should be included and used to develop the percent shown in Table 6 as well as the associated PMPM cost.

Answer 35. Individual broker commissions amounts are expected to be unchanged between 2019 and 2020. The broker PMPM applied in rating is equal to the actual Individual broker PMPM as of March 2019, as reported in CBC's financial line of business reports. Current broker agreements were provided with the original submission:

- Ind_19-41_Initial_CAAC_PPO_PPMABrokerIndRedacted_Supporting_20190521.pdf
- Ind_19-41_Initial_CAAC_PPO_WBEBrokerIndRedacted_Supporting_20190521.pdf

While 2020 agreements are yet to be finalized, CBC does not expect to make changes.

Question 36. We have repurposed row 54 to capture RA User Fees. Please provide the RA User Fee percentage and PMPM amount in cells C54 and D54, respectively.

Answer 36. The changes have been made to our calculations and PAAM Exhibits are updated with this submission.

Question 37. 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, Federal Rates Template and the binder are identical.

Answer 37. I confirm that I have tested to ensure rates in PAAM Exhibits Table 11, PA Plan Design Summary and Rate Tables, Federal Rates Template and the binder are identical.

Question 38. For the expanded Bronze plans, please demonstrate that the copay is less than or equal to 50% coinsurance for that category.

Answer 38. Plan 45127PA0020020 meets expanded bronze criteria because specialty Rx is offered at 50% coinsurance with no deductible.

Question 39. Please provide an exhibit that quantitatively shows a comparison of the actual to projected claim cost PMPMs for calendar years 2015 – 2018, as applicable.

Answer 39. Please see Q&A Exhibit 3 for the requested data.

Capital Advantage Assurance Company
Individual Rates
Q&A Exhibit 1
Other Category per Service

<u>URRT - Other Category</u>		<u>Services</u>	<u>Incurred</u>	<u>Allowed</u>	<u>Incurred per Service</u>	<u>Allowed per Service</u>
OP - DME	Outpatient	158	6,259	7,823	40	50
Other - DME	Professional	21,558	2,553,780	3,367,595	118	156
Other - Prosthetics	Professional	345	170,756	190,360	495	552
OP - Home Health/PDN	Outpatient	2,620	165,616	173,419	63	66
Other - PDN/Home Health	Professional	3,489	695,136	736,626	199	211
OP - Medical Surgical Supplies	Outpatient	3,551	800,766	878,731	226	247
Preventive care - Vision Exams	Professional	8,203	427,845	726,225	52	89
Dental	Professional	886	7,692	28,463	9	32
OP - Ambulance	Outpatient	166	184,593	205,920	1,112	1,240
Other - Ambulance	Professional	3,402	817,464	973,354	240	286
Other - Glassess/Contacts	Professional	61	374	1,402	6	23
Other Med		44,439	5,830,281	7,289,917	131	164
Embedded Dental		10,384	426,202	1,227,505	41	118
Embedded Vision		2,749	45,766	45,766	17	17

Capital Advantage Assurance Company
Individual Rates
Q&A Exhibit 2
Capital BlueCross Monthly Medical Trend Report

Individual

For 12 Month Periods Ended

	12 Months Ended:			% Change	
	201905	201805	201705	2019/2018	2018/2017
<u>Allowed PMPM</u>					
Medical + Pharmacy	\$ 732.49	\$ 679.67	\$ 563.80	7.8%	20.6%

Small Group Insured

For 12 Month Periods Ended

	12 Months Ended:			% Change	
	201905	201805	201705	2019/2018	2018/2017
<u>Allowed PMPM</u>					
Medical + Pharmacy	\$ 587.13	\$ 538.31	\$ 500.07	9.1%	7.6%

Capital Advantage Assurance Company
Individual Rates
Q&A Exhibit 3
Claim Cost Projection History

Year	Paid		Risk Adjustment		Exchange User Fees		Market Adjusted Paid	
	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
2015	\$418.47	\$878.38	-\$0.08	\$183.99	\$7.76	\$3.63	\$426.31	\$698.03
2016	\$389.53	\$544.01	-\$0.21	\$35.14	\$7.25	\$8.46	\$396.99	\$517.33
2017	\$594.92	\$575.54	\$0.13	\$73.24	\$10.42	\$21.52	\$605.21	\$523.82
2018	\$733.23	\$649.91	\$28.09	\$143.06	\$22.71	\$30.46	\$727.85	\$537.31



July 12, 2019

██████████, Director
Bureau of Life, Accident and Health Insurance
Office of Insurance Product Regulation and Administration
Commonwealth of Pennsylvania Insurance Department
1311 Strawberry Square
Harrisburg, PA 17120

Re: **Capital Advantage Assurance Company**
Individual Rates
Filing No 19-41
TOI Code: H15I Individual Health – Hospital/Surgical/Medical Expense
Sub-TOI Code: H15I.001 - Hospital/Surgical/Medical Expense
Filing Type: Rate

Dear ██████████:

CAAC received an objection letter from the Department dated July 5, 2019. CAAC is providing the following in response to the objection letter:

- Q&A written response
- Q&A exhibits
- Risk adjustment calculation workbook
- Revised Rate Development workbook
- Revised PAAM Exhibits
- Revised URRT
- Revised rates (PA and Federal Templates)
- Revised memos – Actuarial, Cover Letter, and Rate Change Summary

Also, as requested, a public filing is being submitted with the objection response.

All changes are due to PID requests/questions and have been disclosed in the Q&A written response. Requested rates have changed due to finalized 2018 risk adjustment results released on June 28, 2019, and updated CBC 2019 risk data as of May 2019, as well as a change to filed trend.

If you have any questions regarding this filing, please call me at ██████████ (or via email at ██████████) or ██████████ at ██████████ (██████████). Thank you for your assistance in this matter.

Harrisburg, PA 17177 | capbluecross.com

Sincerely,

[REDACTED]

[REDACTED], ASA, MAAA
Manager, Actuarial Services
Capital BlueCross

Enclosures

cc: [REDACTED], FSA, MAAA, Senior Director, Actuarial Services
[REDACTED], ASA, MAAA, Vice President and Chief Actuary, Actuarial Services
[REDACTED], Corporate Counsel

CAPITAL ADVANTAGE ASSURANCE COMPANY, INC.

Question and Answer Individual Rates Effective January 1, 2020

With this response, please find corresponding Q&A Exhibits in Ind_19-41_Initial_CAAC_PPO_Q&AExhibits1_Supporting_20190712.xlsx

Question 1. Based Follow-up to question 6: Where are the benefit adjustments reflected on the PAAM and on the URRT?

Answer 1. The benefit adjustment is reflected in the paid-to-allowed ratio. The paid-to-allowed ratio is developed in Exhibit G, Paid-to-Allowed Ratio Development. The calculation includes the benefit change factor (line 8).

Question 2. Follow-up to questions 9, 10, 15, and 29: please provide more information on the model described in the Actuarial Memo, page 8, bullet 6a.

- a. Does this model use actual claims experience?
- b. Is the pricing AV being calculated at the metal level using experience from the metal level?
- c. Please demonstrate that the resulting pricing AV does not reflect morbidity?

Answer 2.

CBC uses Milliman, Inc. Health Cost Guidelines Commercial Rating Structures (for active employees) to develop benefit relativities. To help answer questions, I am pulling from Milliman's methodology description. Anything in quotations is directly from Milliman, Inc.

- a. "Milliman utilizes an enrollment and utilization database of full medical and prescription drug claims experience for over 78 million lives, of which approximately 41 million lives were selected and used as the primary source in developing the [model]. Other sources include a database of inpatient admission representing a large percentage of all admissions nationwide, retail pharmacy information, and other reference data sources."
 - I. CBC adjusts nationwide data to CBC's average costs and contracting in our service area.
- b. The pricing AV is not calculated using the experience of that metal level. Instead, CBC uses the actuarial cost model noted above to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a PMPM by service,

summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on cumulative probability distributions (CPDs), where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.

- c. Two points on how the model does not reflect morbidity:
 - I. The model pulls from millions of lives and adjusts relative value by only the value of cost-sharing and differences in utilization (for example, cost barriers to emergency room care such as \$500 copay, will not only reduce ER costs by \$500, but more than \$500 because members will find alternative, less costly care).
 - II. The actuarial model is intended to produce benefit relativities that are offered to employers with several benefit options. Small Groups are able to select up to five benefit options. If the value of morbidity is priced into lower AV plans, higher morbidity members will begin to choose those plans because the difference in premium outweighs the difference in benefits (members can set premium dollars aside to pay for the extra cost-sharing). That will result in the deterioration of lower AV plans, and pricing would then be modified. For this reason, the model is designed to not reflect morbidity by plan. The same model/methodology is used in the Individual market.

Question 3. Follow-up to question 14: if we understand correctly you used the current on-exchange premium rather than the projected on-exchange premium to calculate the projected exchange user fee. Since the exchange user fee will be paid on the projected premium in 2020, please correct this.

Answer 3. With this submission, CAAC has updated its risk adjustment estimate, netting a lower rate change. Considering the rate change is approximately 1% in total and could be less if more members move from Gold to lower AV plans. And because the exchange fee calculation is circular (as the exchange fee changes, the projected premium changes), it seems reasonable to use current on-exchange premium as an approximation of projected on-exchange premium.

Question 4. Follow-up to question 15: according to the URRT instructions, the induced utilization must be normalized. This adjustment should be made in Table 10 since the induced demand cannot be used to increase or decrease the projected index rates only to adjust between plans. The normalization can be done based on projected membership rather than the default in Table 10.

Answer 4. With this submission, I have changed my methodology described in question 15. The same calculation is performed but the results of 2c are now an interim step in the pricing AV calculation. 2c factor is applied to the pricing AV previously reported. Induced demand is 1.03 for Gold and 1.0 for all other plans (CBC does not offer Platinum plans in the Individual market).

Question 5. Follow-up to question 18: How were target loss ratios for each region developed and why do they vary by region?

Answer 5. The target loss ratios are described below. The purpose of varying target loss ratios is to incrementally change regional rating factors. For example, if region 7 would be priced based on an average target loss ratio, rates would increase by approximately [requested rate change] + 7% (region 7 projected LR (without GRA rating factor change) – avg target LR). But the incremental approach results in [requested rate change] +4%.

CBC performed regional analysis to quantify the cost difference between the three regions in our service area. The analysis gathered incurred claims net Rx rebates, projected risk adjustment, and premium for a 12-month period by region. The loss ratio of each region is then compared to the average loss ratio for the book of business. In theory, the change in regional rating factor is:

$$[\text{Change in Regional Rating Factor Region A}] = [\text{Region A LR}] \div [\text{BOB LR}]$$

But our preferred approach is to gradually change factors, so not to shock the market, while moving rates in the appropriate direction. In order to do this, the following approach is being proposed:

$$[\text{Change in Regional Rating Factor Region A}] = [\text{Region A LR}] \div [\text{Target LR}]$$

Where Target LR is in between Region A LR and BOB LR. With this gradual approach, annual rate change by region is shown on Exhibit Q, column G.

Question 6. Follow-up to question 25: to support the leveraging factor, please provide your paid claim trends and allowed claim trends for the last 5 years showing that the paid trends are higher than the allowed trends.

Answer 6. With this submission, the trend leveraging adjustment has been removed.

Question 7. Follow-up to question 26: the exchange user fee should be allocated to all enrollment on and off-exchange. Reviewing your calculation, it does not consider off-exchange enrollment. (i.e. Exchange User Fee is calculated as a weighted average of on and off-exchange enrollment). Please correct.

Answer 7. From question 26, step 1:

Exchange Fee PMPM Paid Basis = (average on-exchange premium) x (average on-exchange enrollment) x .03 = 22.25

(average on-exchange enrollment) represents the percentage of enrollees on exchange. That amount is then spread across on and off exchange enrollees.

Question 8. Follow-up to question 33.e: Why is the average benefit richness in Table 7 0.74 when the benefit richness for the one plan is 1.229. It appears that Table 7 is the inverse and not the average. Please correct Table 7 to be the average benefit richness and use the resulting normalization factor. This should be coordinated with question 3 above.

Answer 8. It seems by reviewing Table 8 benefit richness formula (cell K82), that Table 7 benefit richness must be the inverse of the benefit richness factor found in III Plan Rates L15. Otherwise the formula in Table 8 produces $[\text{III Plan Rates L15}]^2$.

Question 9. Follow-up to question 34: Your reply did not include the financial information for the 2019 and 2020 projections. Please provide the financial information for 2019 and 2020 projections.

Answer 9. Please see Q&A Exhibit 1 for projected 2019 and 2020 results.

Question 10. Please revise the Actuarial Memorandum Page 3, Benefit Changes 2019-20, to correct the date from 2018 to 2020.

Answer 10. The actuarial memorandum, page 3, has been corrected.

Question 11. The Revised PAAM exhibits is not using the template sent by PID on June 18, 2019. Table 6 does not show the Risk Adjustment User Fee in Row 54. Please upload the corrected version.

Answer 11. With this submission, the correct template is being used.

Question 12. Question 38 of June 18, 2019 letter – Is there any major benefit category other than Rx to which deductible is not applied. If there is, please demonstrate quantitatively that the proposed cost sharing (copay or coinsurance) for those major categories is less than or equal to 50% of the Projected Average cost to provide the service in your rating area.

For example: for the following categories -

Copay Projected Average cost 50% Projected Av cost Primary care \$30 \$94
\$47 Specialty care \$60 \$203 \$101.50

Hence in both cases, the copay is less than 50% of the Projected Average cost i.e. 50% coinsurance for the category.

Answer 12. Plan 45127PA0020020 meets expanded bronze criteria because specialty Rx is offered at 50% coinsurance with no deductible. No test on primary care or specialist visit is necessary.

Question 13. If the risk adjustment results released on June 28, 2019 are inconsistent with your projected assumptions, you may modify the risk adjustment transfer amount in Table 5. If such a modification is made, revise all the documents and exhibits impacted and the PA Actuarial Memorandum to discuss this change. This change must be made with your responses due by July 12, 2019.

Answer 13 With this submission, we have updated all exhibits and memos to reflect actual 2018 risk adjustment results released on June 28, 2019. Also, with this update, we are updating our risk adjustment estimate from \$110.00 PMPM to \$107.44 PMPM. The updated risk adjustment calculation is found in

Ind_19-41_Initial_CAAC_PPO_RACalc201905_Supporting_CONF_20190712.xlsx.

Question 14. In response to the Department's RADV survey, issuers indicated that they did not include an adjustment in the initial submission, as there was no supportable reason for a RADV adjustment in the 2020 rate submission. Therefore, the Department has determined that there should be no RADV adjustments in the 2020 rate filings; please modify the filing accordingly, if necessary.

Answer 14. CBC has not included the impact of RADV and therefore no modification is necessary.

**Capital Advantage Assurance Company
Individual Rates
Q&A Exhibit 1
Financial Projection History**

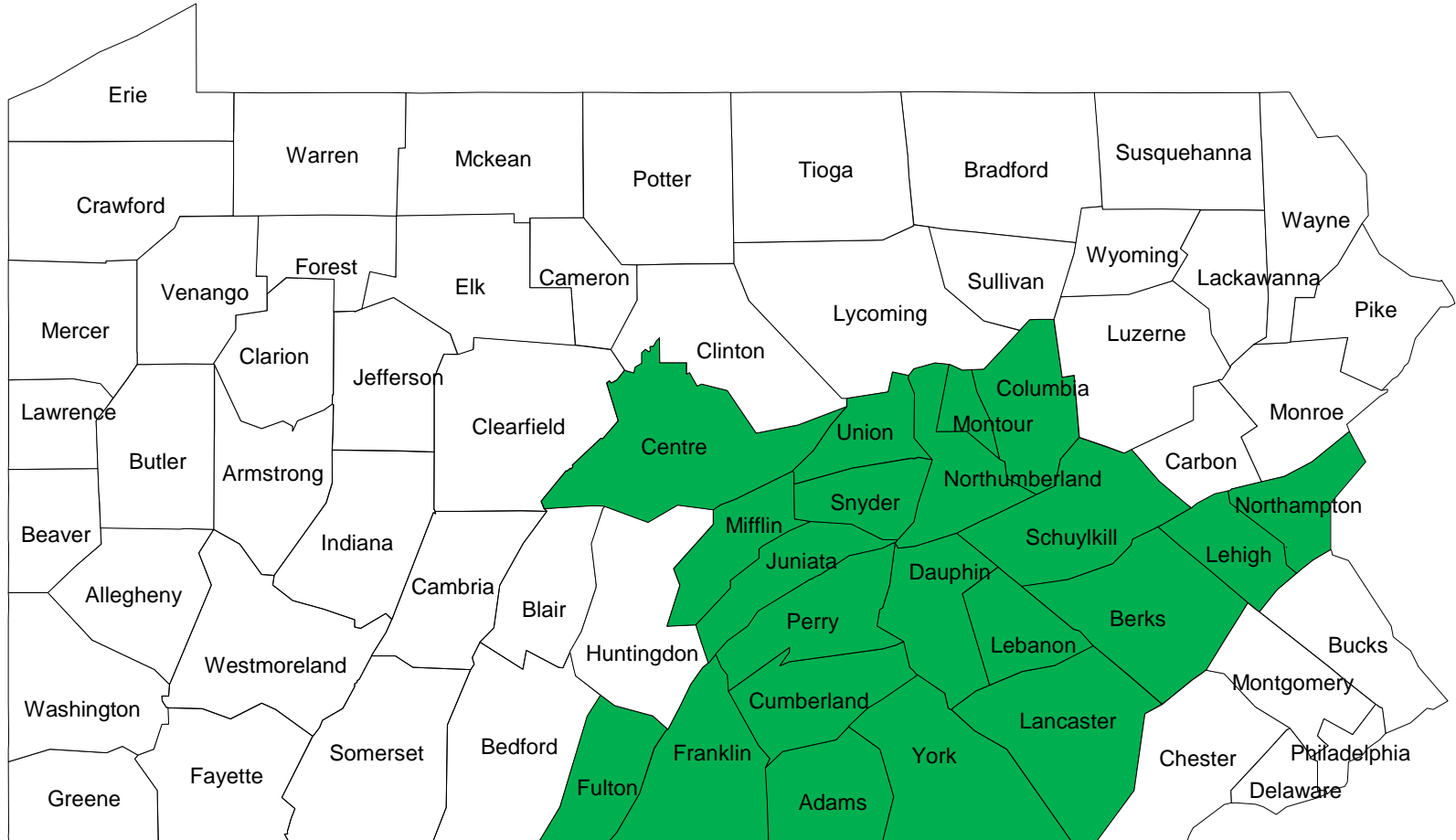
Year	Member Months	Total Admin	Total Incurred	Total Premium	Total Taxes & Fees	Total Profit	Annual Underwriting gain/loss	Annual Underwriting gain/loss PMPY
2019*	612,858	\$31,804,586	\$371,813,382	\$500,131,319	\$1,967,453	\$94,545,898	\$94,545,898	\$1,851.25
2020	606,804	\$29,532,046	\$399,107,656	\$452,808,681	\$15,112,805	\$9,056,174	\$9,056,174	\$179.09

*2019 MemberMonths, Incurred and Premium are from CBC's 2019 Corporate Budget. 2019 Admin and Taxes are 2019 filed PMPMs x Budget Membership



2019 Service Area

Issuer: 45127

Market: Individual



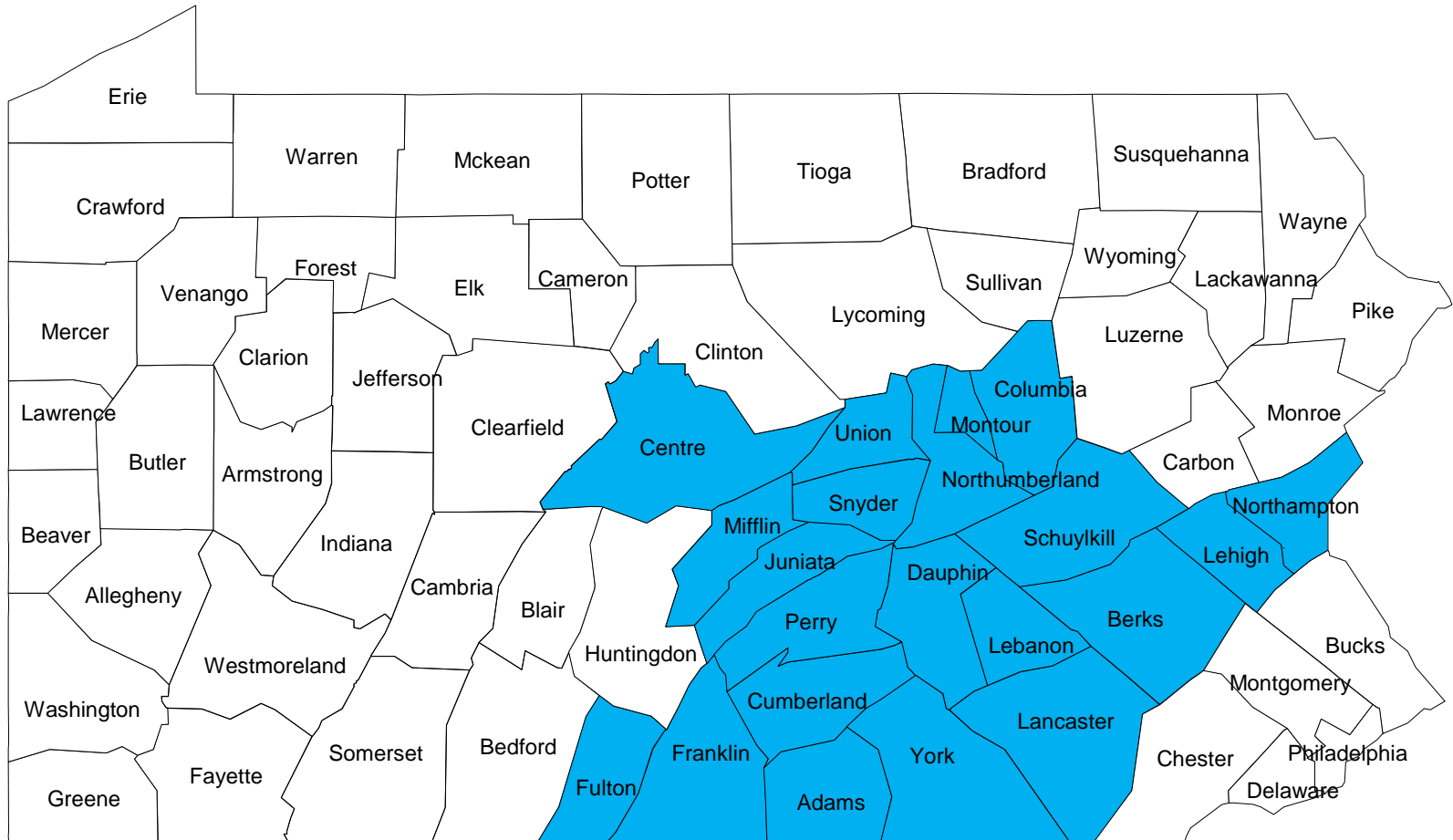
Key (*modify as needed*)

-  : 2019 on-exchange service area
-  : 2019 off-exchange only service area

2020 Service Area

Issuer: 45127

Market: Individual



Key (*modify as needed*)

- : 2020 on-exchange service area
- : 2020 off-exchange only service area