

# Rate Request Summary Documents

## Individual and Small Group ACA Market

### Plan Year 2023

Health insurers offering plans in the individual and small group health insurance markets are required to file a Health Insurance Rate Change Request Summary (Part 1). The summary is prepared by the insurer to explain the rates filed. *(Note that some summaries may be more than one page.)*

Part 2 is the “Qualified Health Plan Rate Request Summary” and is prepared by the Bureau of Insurance. It summarizes the Bureau’s review and final disposition of the rate request.

The Part 1 and Part 2 summaries referenced above are included below in alphabetical order by Market, individual and small group.

Each rate filing is available for review at the following link. Please refer to the SERFF Filing number to access the filing. <https://filingaccess.serff.com/sfa/home/va>.

#### **Glossary of Terms:**

<b>Medical Cost (Trend):</b>	The change in the cost and usage of health care services.
<b>Morbidity:</b>	The change in the average health status of enrollees.
<b>Demographics:</b>	The change in average age and gender of enrollees, as well as area changes.
<b>Network:</b>	The change in the composition and reimbursement rates of the carrier’s provider network.
<b>Benefits:</b>	The change in the coverage and cost-sharing elements of the carrier’s plan offerings.

# INDIVIDUAL MARKET

# Rate Change Request Summary (RRS)

Carrier Name and NAIC#: Aetna Health Inc., 95109

Market: Individual Rate Request SERFF Tracking #: AETN-133258201

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
Initial Requested Average Rate Change: N/A %  
Current Requested Average Rate Change: N/A %  
Range of Requested Rate Change: N/A % to N/A %  
Projected Number of Insureds Affected: 1147

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.0507</u>
Area 2 (Charlottesville)	<u>                    </u>
Area 3 (Danville)	<u>                    </u>
Area 4 (Harrisonburg)	<u>                    </u>
Area 5 (Bristol)	<u>                    </u>
Area 6 (Lynchburg)	<u>                    </u>
Area 7 (Richmond)	<u>1.0000</u>
Area 8 (Roanoke)	<u>1.0855</u>
Area 9 (Tidewater)	<u>                    </u>
Area 10 (Northern VA)	<u>                    </u>
Area 11 (Winchester)	<u>                    </u>
Area 12 (Non-MSA)	<u>                    </u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 80.99 %  
Administrative: 12.98 %  
Taxes and fees: 2.89 %  
Profit: 3.14 %

### Factors of Rate Change

Medical Cost (Trend) Change: 7.3%  
Change in Morbidity: 1.000  
Change in Demographics: 1.000  
Change in Network: 1.000  
Change in Benefits: 1.000  
Change in Other (explain below): 1.000

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Monthly premium rates for all Individual Market products in Virginia are new for effective dates January 1, 2023 through December 31, 2023.

### A. Reason for New Rates:

New rates for these products reflect the following:

1. Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
2. Impact of our assumptions about population morbidity and the projected population distribution;
3. Impact of cost sharing to ensure that plans comply with Actuarial Value requirements;
4. Impact of our pricing models used to determine the impact of cost sharing designs; and
5. Impact of provider networks and contracts.
6. Impact of VA's new reinsurance program

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Aetna Health Inc. PA AZ DC DE IN KY MA MD NV NC OK TN VA WV- 95109

SERFF Tracking Number: AETN-133258201

Disposition: Closed-Approved

Approval Date: 8/16/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$5,669

Overall Requested Percentage Rate Change Per Member: New

Minimum Requested Percentage Rate Change Per Member: New

Maximum Requested Percentage Rate Change Per Member: New

Number of Policy Holders Affected: 0

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved rates for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 79.22%, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate development are:

1. Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
2. Impact of our assumptions about population morbidity and the projected population distribution;
3. Impact of cost sharing to ensure that plans comply with Actuarial Value requirements;
4. Impact of our pricing models used to determine the impact of cost sharing designs; and
5. Impact of provider networks and contracts.
6. Impact of Virginia's new reinsurance program

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Aetna Life Insurance Company, 60054

**Market:** Individual **Rate Request SERFF Tracking #:** AETN-133258215

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

**Overview**

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: -0.3 %  
 Current Requested Average Rate Change: -19.7 %  
 Range of Requested Rate Change: -31.7 % to 16.4 %  
 Projected Number of Insureds Affected: 342

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.0507</u>
Area 2 (Charlottesville)	<u>                  </u>
Area 3 (Danville)	<u>                  </u>
Area 4 (Harrisonburg)	<u>                  </u>
Area 5 (Bristol)	<u>                  </u>
Area 6 (Lynchburg)	<u>                  </u>
Area 7 (Richmond)	<u>1.0000</u>
Area 8 (Roanoke)	<u>1.0855</u>
Area 9 (Tidewater)	<u>                  </u>
Area 10 (Northern VA)	<u>                  </u>
Area 11 (Winchester)	<u>                  </u>
Area 12 (Non-MSA)	<u>                  </u>

**Key information**

**Breakdown of premium**

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 79.00 %  
 Administrative: 12.41 %  
 Taxes and fees: 5.43 %  
 Profit: 3.16 %

**Factors of Rate Change**

Medical Cost (Trend) Change: 7.3%  
 Change in Morbidity: 1.000  
 Change in Demographics: 1.000  
 Change in Network: 1.000  
 Change in Benefits: 1.000  
 Change in Other (explain below): 1.000

**Explanation of requested rate change**

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Other includes: Pooling, Deductible Suppression, and Rx Other Trend (1.0 in this instance).

Rate Request Summary Narrative

Monthly premium rates for all Individual Market products in Virginia are new for effective dates January 1, 2023 through December 31, 2023.

A. Reason for New Rates:  
 New rates for these products reflect the following:

- Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
- Impact of our assumptions about population morbidity and the projected population distribution;
- Impact of cost sharing to ensure that plans comply with Actuarial Value requirements;
- Impact of our pricing models used to determine the impact of cost sharing designs; and
- Impact of provider networks and contracts.
- Impact of VA's new reinsurance program

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Aetna Life Insurance Company- 60054

SERFF Tracking Number: AETN-133258215

Disposition: Closed-Approved

Approval Date: 8/12/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$5,932

Overall Requested Percentage Rate Change Per Member: -19.70%

Minimum Requested Percentage Rate Change Per Member: -31.70%

Maximum Requested Percentage Rate Change Per Member: 16.40%

Number of Policy Holders Projected: 342

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved rate decrease of -19.70% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 79.8% with the decrease, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate development are:

1. Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
2. Impact of our assumptions about population morbidity and the projected population distribution;
3. Impact of cost sharing to ensure that plans comply with Actuarial Value requirements;
4. Impact of our pricing models used to determine the impact of cost sharing designs; and
5. Impact of provider networks and contracts.
6. Impact of Virginia's new reinsurance program

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Anthem Health Plans of Virginia, Inc. #71835

**Market:** Individual **Rate Request SERFF Tracking #:** AWLP-133218922

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
Initial Requested Average Rate Change: N/A %  
Current Requested Average Rate Change: N/A %  
Range of Requested Rate Change: N/A % to N/A %  
Projected Number of Insureds Affected: 2000

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.0491</u>
Area 2 (Charlottesville)	<u>0.9251</u>
Area 3 (Danville)	<u>0.9690</u>
Area 4 (Harrisonburg)	<u>0.9806</u>
Area 5 (Bristol)	<u>0.9886</u>
Area 6 (Lynchburg)	<u>0.9552</u>
Area 7 (Richmond)	<u>1.0582</u>
Area 8 (Roanoke)	<u>1.0232</u>
Area 9 (Tidewater)	<u>1.0377</u>
Area 10 (Northern VA)	<u>0.9663</u>
Area 11 (Winchester)	<u>0.9231</u>
Area 12 (Non-MSA)	<u>0.9886</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 80.2 %  
Administrative: 9.5 %  
Taxes and fees: 4.0 %  
Profit: 6.3 %

### Factors of Rate Change

Medical Cost (Trend) Change: 0.0%  
Change in Morbidity: 0.0%  
Change in Demographics: 0.0%  
Change in Network: 0.0%  
Change in Benefits: 0.0%  
Change in Other (explain below): 0.0%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Anthem Health Plans of Virginia is filing new rates for products that are compliant with the Affordable Care Act (ACA). These rates are for plans off exchange effective starting January 1, 2023.

A member's actual rate could be higher or lower depending on their age and benefit design. The primary drivers of rates are associated with cost of benefit expense, driven by the price of services and utilization. Increases in the price of services are driven by technological advances, new specialty medications, and a variety of other factors. Increased utilization is driven by member-level utilization and selection patterns in the market. Morbidity is another contributing factor, which is due to the projected sickness level (separate from aging) in the population.

Anthem is committed to working to hold down the cost of insurance and price the individual ACA market for long-term sustainability. We continue to explore innovative collaboration with providers and negotiate deeper discounts at our hospitals. And we provide members with tools to make informed decisions about where and how to receive treatment.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Company Name - NAIC Number: Anthem Health Plans of Virginia, Inc.  
NAIC # 71835

SERFF Tracking Number: AWLP-133218922

Disposition: Closed-Approved

Approval Date: 09/09/2022

### **2023 Rates:**

Average Annual Premium Per Member: \$7,054

Overall Requested Percentage Rate Change Per Member: New to market

Minimum Requested Percentage Rate Change Per Member: New to market

Maximum Requested Percentage Rate Change Per Member: New to market

Number of Policy Holders Affected: New to market

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved rates for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 80.2%, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary factors in the rate development are the price of services, expected utilization and morbidity (the projected level of sickness in the covered population.)

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** CareFirst BlueChoice, Inc. (NAIC# 96202)

**Market:** Individual **Rate Request SERFF Tracking #:** CFAP-133218044

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

**Overview**

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: 0.2 %  
 Current Requested Average Rate Change: -15.9 %  
 Range of Requested Rate Change: -17.9 % to -15.4 %  
 Projected Number of Insureds Affected: 6,332

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	N/A
Area 2 (Charlottesville)	N/A
Area 3 (Danville)	N/A
Area 4 (Harrisonburg)	N/A
Area 5 (Bristol)	N/A
Area 6 (Lynchburg)	N/A
Area 7 (Richmond)	N/A
Area 8 (Roanoke)	N/A
Area 9 (Tidewater)	N/A
Area 10 (Northern VA)	1.000
Area 11 (Winchester)	N/A
Area 12 (Non-MSA)	N/A

**Key information**

**Breakdown of premium**

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 84.3 %  
 Administrative: 11.6 %  
 Taxes and fees: 2.5 %  
 Profit: 1.6 %

**Factors of Rate Change**

Medical Cost (Trend) Change: 5.50%  
 Change in Morbidity: 11.05%  
 Change in Demographics: 3.57%  
 Change in Network: 0.00%  
 Change in Benefits: 0.06%  
 Change in Other (explain below): -0.26%

**Explanation of requested rate change**

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

The main drivers supporting the rate change are 1) increase in the base period claims experience, 2) trend, 3) higher projected risk adjustment factor, 4) higher projected demographic factor, 5) increases in the assumed plan actuarial values, and 6) 1332 State Innovation Waiver for reinsurance.

Taxes and fees include the exchange user fee.

Note that what this template labels as "profit" is called "contribution to reserve" in our rate filing.

The change in other projected in this rate filing is due to changes in capitation payments and drug rebates that occurred during the experience period.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

CareFirst BlueChoice, Inc. - NAIC Number: 96202

SERFF Tracking Number: CFAP-133218044

Disposition: Closed-Approved

Approval Date: 08/17/2022

### **2023 Plan Year Rates:**

Average Annual Premium Per Member: \$6,092.88

Overall Requested Percentage Rate Change Per Member: -15.0%

Minimum Requested Percentage Rate Change Per Member: -17.0%

Maximum Requested Percentage Rate Change Per Member: -14.5%

Number of Policy Holders Affected: 4,473

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -15.0% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 84.3% with the revision, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

- increase in the base period claims experience
- trend
- higher projected risk adjustment factor
- higher projected demographic factor
- increases in the assumed plan actuarial values
- 1332 State Innovation Waiver for reinsurance.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Cigna Health & Life Insurance Company, 67369

**Market:** Individual **Rate Request SERFF Tracking #:** CCGH-133266106

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
Initial Requested Average Rate Change: 3.5 %  
Current Requested Average Rate Change: -19.6 %  
Range of Requested Rate Change: -21.7 % to -17.2 %  
Projected Number of Insureds Affected: 46,836

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>                    </u>
Area 2 (Charlottesville)	<u>                    </u>
Area 3 (Danville)	<u>                    </u>
Area 4 (Harrisonburg)	<u>                    </u>
Area 5 (Bristol)	<u>                    </u>
Area 6 (Lynchburg)	<u>                    </u>
Area 7 (Richmond)	<u>.999</u>
Area 8 (Roanoke)	<u>                    </u>
Area 9 (Tidewater)	<u>                    </u>
Area 10 (Northern VA)	<u>1.001</u>
Area 11 (Winchester)	<u>.986</u>
Area 12 (Non-MSA)	<u>1.001</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 78.5 %  
Administrative: 12.1 %  
Taxes and fees: 5.9 %  
Profit: 3.5 %

### Factors of Rate Change

Medical Cost (Trend) Change: 1.047  
Change in Morbidity: .996  
Change in Demographics: 1.000  
Change in Network: 1.000  
Change in Benefits: 1.001  
Change in Other (explain below): .926

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

### 1. GENERAL INFORMATION

Cigna Health & Life Insurance Company (CHLIC) is filing rates for comprehensive major medical product 41921VA002 for individuals & families, to be effective January 1, 2023 through December 2023. The proposed weighted average annual rate change for this filing is -19.6%

### 2. KEY DRIVERS OF PROPOSED RATE CHANGE

The most significant factors causing the rate decrease are:

- 1332 Reinsurance Waiver: Cigna estimates the healthcare costs will decrease due to reinsurance reimbursements.
- COVID-19 pandemic impact: Cigna estimates that healthcare costs in the individual market will decrease in 2023 compared to the high pandemic levels for 2021 where there was exceptionally high COVID-19 treatment costs, pent up demand for medical services, and vaccination costs.
- Special OEP and American Rescue Plan Act Impact: Cigna estimates that healthcare costs in the individual market will decrease in 2023 compared to 2021 where there was exceptionally high antiselection.
- Medical inflation and unit cost changes of medical services year over year: The underlying claim costs are expected to increase from 2021 to 2023, which is reflective of anticipated changes in the prices of medical services, the frequency with which consumers utilize services, as well as any changes in network contracts or provider payment mechanisms. The recent increase in Consumer Price Index (CPI) inflation is adding additional inflationary pressure for network contracts.

## Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance

Company Name - NAIC Number: Cigna Health and Life Insurance Company  
NAIC # 67369

SERFF Tracking Number: CCGH-133266106

Disposition: Closed-Approved

Approval Date: 08/15/2022

### **2023 Rates:**

Average Annual Premium Per Member: \$5,256

Overall Requested Percentage Rate Change Per Member: -19.6%

Minimum Requested Percentage Rate Change Per Member: -21.7%

Maximum Requested Percentage Rate Change Per Member: -17.2%

Number of Policy Holders Affected: 35,842

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -19.6% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 80.5% with the decrease, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are a decrease in healthcare costs due to reinsurance reimbursements under Virginia's Section 1332 Reinsurance Waiver; a reduction in COVID-19 related costs; an increase claim costs due to changes in the prices of medical services and utilization; and plan design changes and benefit modifications.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

## Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Group Hospitalization & Medical Services, Inc. (NAIC# 40308)

**Market:** Individual **Rate Request SERFF Tracking #:** CFAP-133218068

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

### Overview

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: 9.2 %  
 Current Requested Average Rate Change: -26.2 %  
 Range of Requested Rate Change: -26.4 % to -26.0 %  
 Projected Number of Insureds Affected: 824

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>N/A</u>
Area 2 (Charlottesville)	<u>N/A</u>
Area 3 (Danville)	<u>N/A</u>
Area 4 (Harrisonburg)	<u>N/A</u>
Area 5 (Bristol)	<u>N/A</u>
Area 6 (Lynchburg)	<u>N/A</u>
Area 7 (Richmond)	<u>N/A</u>
Area 8 (Roanoke)	<u>N/A</u>
Area 9 (Tidewater)	<u>N/A</u>
Area 10 (Northern VA)	<u>1.000</u>
Area 11 (Winchester)	<u>N/A</u>
Area 12 (Non-MSA)	<u>N/A</u>

### Key information

#### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 88.4 %  
 Administrative: 5.9 %  
 Taxes and fees: 4.0 %  
 Profit: 1.7 %

#### Factors of Rate Change

Medical Cost (Trend) Change: 5.50%  
 Change in Morbidity: -0.13%  
 Change in Demographics: 5.31%  
 Change in Network: 0.00%  
 Change in Benefits: 0.00%  
 Change in Other (explain below): -0.08%

### Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

The main drivers supporting the rate change are 1) increase in the base period claims experience, 2) trend, 3) lower projected morbidity, 4) higher projected risk adjustment factor, 5) higher projected demographic factor, and 6) 1332 State Innovation Waiver for reinsurance.

Taxes and fees include the exchange user fee.

Note that what this template labels as "profit" is called "contribution to reserve" in our rate filing.

The change in other projected in this rate filing is due to changes in capitation payments and drug rebates that occurred during the experience period.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Group Hospitalization and Medical Services, Inc. - NAIC Number: 53007

SERFF Tracking Number: CFAP-133218068

Disposition: Closed-Approved

Approval Date: 08/17/2022

2023 Plan Year Rates:

Average Annual Premium Per Member: \$13,392.48

Overall Requested Percentage Rate Change Per Member: -24.3%

Minimum Requested Percentage Rate Change Per Member: -24.5%

Maximum Requested Percentage Rate Change Per Member: -24.0%

Number of Policy Holders Affected: 681

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -24.3% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 88.4% with the revision, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

- increase in the base period claims experience
- trend
- lower projected morbidity
- higher projected risk adjustment factor
- higher projected demographic factor
- 1332 State Innovation Waiver for reinsurance.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Anthem HealthKeepers, Inc. #95169

**Market:** Individual **Rate Request SERFF Tracking #:** AWLP-133218886

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
Initial Requested Average Rate Change: 11.5 %  
Current Requested Average Rate Change: -10.5 %  
Range of Requested Rate Change: -13.6 % to -8.8 %  
Projected Number of Insureds Affected: 140000

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.1251</u>
Area 2 (Charlottesville)	<u>1.0466</u>
Area 3 (Danville)	<u>0.9931</u>
Area 4 (Harrisonburg)	<u>1.0539</u>
Area 5 (Bristol)	<u>0.9929</u>
Area 6 (Lynchburg)	<u>1.0471</u>
Area 7 (Richmond)	<u>0.9453</u>
Area 8 (Roanoke)	<u>1.0476</u>
Area 9 (Tidewater)	<u>0.9964</u>
Area 10 (Northern VA)	<u>0.9946</u>
Area 11 (Winchester)	<u>1.0198</u>
Area 12 (Non-MSA)	<u>0.9934</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 79.5 %  
Administrative: 9.8 %  
Taxes and fees: 4.9 %  
Profit: 5.8 %

### Factors of Rate Change

Medical Cost (Trend) Change: 8.0%  
Change in Morbidity: 1.2%  
Change in Demographics: 0.3%  
Change in Network: 0.0%  
Change in Benefits: 0.1%  
Change in Other (explain below): -20.1%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Anthem HealthKeepers is filing for a decrease to rates available for new and renewing individuals for products that are compliant with the Affordable Care Act (ACA). These rate decreases are for plans on and off exchange, and the rate change would be effective starting January 1, 2023.

The overall decrease is 10.5%. At the individual plan level, rate changes range from -13.6% to -8.8%. A member's actual rate could be higher or lower depending on their age and benefit design. The primary drivers of premium decreases are the introduction of a state-based reinsurance program and changes in expectations around risk adjustment which make up the large "Change in Other" factor. This is partially offset by increased cost of benefit expense, driven by increases in the price of services and increased utilization. Increases in the price of services are driven by technological advances, new specialty medications, and a variety of other factors. Increased utilization is driven by member-level utilization and selection patterns in the market. Morbidity is another offsetting factor, which is due to the projected sickness level (separate from aging) in the population.

Anthem is committed to working to hold down the cost of insurance and price the individual ACA market for long-term sustainability. We continue to explore innovative collaboration with providers and negotiate deeper discounts at our hospitals. We also provide members with tools to make informed decisions about where and how to receive treatment.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Company Name - NAIC Number: HealthKeepers, Inc., NAIC # 95169  
SERFF Tracking Number: AWLP-133218886  
Disposition: Closed-Approved  
Approval Date: 08/16/2022

### **2023 Rates:**

Average Annual Premium Per Member: \$6,291

Overall Requested Percentage Rate Change Per Member: -10.5%

Minimum Requested Percentage Rate Change Per Member: -13.6%

Maximum Requested Percentage Rate Change Per Member: -8.8%

Number of Policy Holders Affected: 91,117

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -10.5% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 79.5% with the decrease, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are reductions resulting from the introduction of a state-based reinsurance program and changes in expectations around risk adjustment. These decreases are partially offset by increased cost of benefit expenses, utilization, and morbidity (the projected sickness level of the covered population).

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Innovation Health Plan, Inc., 15098

**Market:** Individual **Rate Request SERFF Tracking #:** AETN-133258188

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

**Overview**

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: -11.3 %  
 Current Requested Average Rate Change: -24.8 %  
 Range of Requested Rate Change: -29.6 % to -22.9 %  
 Projected Number of Insureds Affected: 1384

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	_____
Area 2 (Charlottesville)	_____
Area 3 (Danville)	_____
Area 4 (Harrisonburg)	_____
Area 5 (Bristol)	_____
Area 6 (Lynchburg)	_____
Area 7 (Richmond)	_____
Area 8 (Roanoke)	_____
Area 9 (Tidewater)	_____
Area 10 (Northern VA)	<u>1.0000</u>
Area 11 (Winchester)	_____
Area 12 (Non-MSA)	_____

**Key information**

**Breakdown of premium**

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 84.82 %  
 Administrative: 11.03 %  
 Taxes and fees: 2.58 %  
 Profit: 1.57 %

**Factors of Rate Change**

Medical Cost (Trend) Change: 7.3%  
 Change in Morbidity: 1.000  
 Change in Demographics: 1.000  
 Change in Network: 1.000  
 Change in Benefits: 1.000  
 Change in Other (explain below): 1.000

**Explanation of requested rate change**

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Other includes: Pooling, Deductible Suppression, and Rx Other Trend (1.0 in this instance).

Rate Request Summary Narrative

Monthly premium rates for all Individual Market products in Virginia are new for effective dates January 1, 2023 through December 31, 2023.

A. Reason for New Rates:  
 New rates for these products reflect the following:

1. Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
2. Impact of our assumptions about population morbidity and the projected population distribution;
3. Impact of cost sharing to ensure that plans comply with Actuarial Value requirements;
4. Impact of our pricing models used to determine the impact of cost sharing designs; and
5. Impact of provider networks and contracts.
6. Impact of VA's new reinsurance program

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Innovation Health Plan, Inc. – NAIC Code: 15098

SERFF Tracking Number: AETN-133258188

Disposition: Closed-Approved

Approval Date: 8/12/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$5,448

Overall Requested Percentage Rate Change Per Member: -24.8%

Minimum Requested Percentage Rate Change Per Member: -29.6%

Maximum Requested Percentage Rate Change Per Member: -22.9%

Number of Policy Holders Affected: 1,384

### **Summary of the Bureau of Insurance’s review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -24.8% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau’s consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 86.6%, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

1. Impact of medical claim trend (including changes in provider costs and increased utilization of medical services);
2. Impact of our assumptions about population morbidity and the projected population distribution;
3. Impact of cost sharing to ensure that plans comply with Actuarial Value requirements;
4. Impact of our pricing models used to determine the impact of cost sharing designs;
5. Impact of provider networks and contracts; and
6. Impact of Virginia’s new reinsurance program.

The filing summary can be reviewed on the Bureau’s webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc.

**Market:** Individual **Rate Request SERFF Tracking #:** KPMA-133247150

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: -2.5 %  
 Current Requested Average Rate Change: -12.3 %  
 Range of Requested Rate Change: -19.6 % to -8.9 %  
 Projected Number of Insureds Affected: 42195

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	N/A
Area 2 (Charlottesville)	N/A
Area 3 (Danville)	N/A
Area 4 (Harrisonburg)	N/A
Area 5 (Bristol)	N/A
Area 6 (Lynchburg)	N/A
Area 7 (Richmond)	1.000
Area 8 (Roanoke)	N/A
Area 9 (Tidewater)	N/A
Area 10 (Northern VA)	1.000
Area 11 (Winchester)	N/A
Area 12 (Non-MSA)	1.000

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 94.6 %  
 Administrative: 10.3 %  
 Taxes and fees: 2.5 %  
 Profit: -7.5 %

### Factors of Rate Change

Medical Cost (Trend) Change: 0.1%  
 Change in Morbidity: -10.0%  
 Change in Demographics: 2.5%  
 Change in Network: 0.0%  
 Change in Benefits: 1.0%  
 Change in Other (explain below): 0.0%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Four new standard plans (on and off-exchange) and one new base plan (off-exchange only) will be offered. For the renewing plans, primary factors that affect the rate change are:

- Claims experience of the single risk pool different than projected in the previous year.
- Medical inflation including increases in unit cost per service and utilization of services.
- Changes in population morbidity including impacts due to Medicaid Expansion eligible enrollment leaving the pool and Non-Enforcement of the Individual Mandate.
- Risk adjustment transfer payments into the statewide risk adjustment pool.
- Benefit plan design adjustments, including those made to comply with Actuarial Value ("AV") requirements. This results in varying rate changes by plan.
- Changes in CSR defunding loads related to changes in the distribution of subsidy eligible members across plans. The CSR defunding load result in varying rate changes between on exchange Silver plans and other plans.

The proposed average rate change is -12.3%. The average rate change does not indicate that every member's rate will change by this amount as rates are affected by the ages of those covered and benefits chosen. Proposed rate change by plan can be found in the Virginia Rate Template, Schedule V Plan Rates.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc. - NAIC Number: 95639

SERFF Tracking Number: KPMA-133247150

Disposition: Closed-Approved

Approval Date: 08/15/2022

2023 Plan Year Rates:

Average Annual Premium Per Member: \$5,485.08

Overall Requested Percentage Rate Change Per Member: -12.3%

Minimum Requested Percentage Rate Change Per Member: -19.6%

Maximum Requested Percentage Rate Change Per Member: -8.9%

Number of Policy Holders Affected: 27,986

### **Summary of the Bureau of Insurance’s review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -12.3% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau’s consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 94.6% with the revision, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

- Claims experience of the single risk pool different than projected in the previous year
- Medical inflation including increases in unit cost per service and utilization of services
- Changes in population morbidity including impacts due to Medicaid Expansion eligible enrollment leaving the pool and Non-Enforcement of the Individual Mandate
- Risk adjustment transfer payments into the statewide risk adjustment pool
- Benefit plan design adjustments, including those made to comply with Actuarial Value (“AV”) requirements
- Changes in CSR defunding loads related to changes in the distribution of subsidy eligible members across plans

The filing summary can be reviewed on the Bureau’s webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Optima Health Insurance Company 70715

**Market:** Individual **Rate Request SERFF Tracking #:** OPHL-133258558

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

**Overview**

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: -5.8 %  
 Current Requested Average Rate Change: -21.3 %  
 Range of Requested Rate Change: -21.3 % to -21.3 %  
 Projected Number of Insureds Affected: 0

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>N/A</u>
Area 2 (Charlottesville)	<u>N/A</u>
Area 3 (Danville)	<u>N/A</u>
Area 4 (Harrisonburg)	<u>N/A</u>
Area 5 (Bristol)	<u>N/A</u>
Area 6 (Lynchburg)	<u>N/A</u>
Area 7 (Richmond)	<u>N/A</u>
Area 8 (Roanoke)	<u>N/A</u>
Area 9 (Tidewater)	<u>1.000</u>
Area 10 (Northern VA)	<u>N/A</u>
Area 11 (Winchester)	<u>N/A</u>
Area 12 (Non-MSA)	<u>N/A</u>

**Key information**

**Breakdown of premium**

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 77.8 %  
 Administrative: 12.6 %  
 Taxes and fees: 4.4 %  
 Profit: 5.3 %

**Factors of Rate Change**

Medical Cost (Trend) Change: 4.9%  
 Change in Morbidity: 0.0%  
 Change in Demographics: 0.0%  
 Change in Network: 0.0%  
 Change in Benefits: -1.2%  
 Change in Other (explain below): -21.6%

**Explanation of requested rate change**

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

The proposed rate revision reflects consideration of the impact of a number of factors, including:  
 Anticipated medical cost and utilization trends  
 Historical experience for OHIC and its affiliated entity, Optima Health Plan (OHP)  
 Consideration for anticipated changes in the average morbidity of the covered population  
 Changes to reflect the applicable provisions of corporate income and ACA-related taxes and fees for 2023  
 Considerations for market activity  
 Changes in negotiated provider reimbursement arrangements and PBM contracts  
 Anticipated savings from cost management programs  
 Benefit changes and the anticipated impact of fixed cost-sharing items given increasing medical costs (i.e., paid to allowed)  
 Implementation of approved 1332 waiver, in effect beginning January 1, 2023

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Optima Health Insurance Company- NAIC Number: 70715

SERFF Tracking Number: OPHL-133258558

Disposition: Closed-Approved

Approval Date: 8/15/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$6,605

Overall Requested Percentage Rate Change Per Member: -21.34%

Minimum Requested Percentage Rate Change Per Member: -21.34%

Maximum Requested Percentage Rate Change Per Member: -21.34%

Number of Policy Holders Projected: 2

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -21.34% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 77.8%, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

1. Anticipated medical cost and utilization trends,
2. Historical experience for Optima Health Insurance Company and its affiliated entity, Optima Health Plan,
3. Consideration for anticipated changes in the average morbidity of the covered population,
4. Changes to reflect the applicable provisions of corporate income and ACA-related taxes and fees for 2023,
5. Considerations for market activity,
6. Changes in negotiated provider reimbursement arrangements and Pharmacy Benefit Manager contracts
7. Anticipated savings from cost management programs

8. Benefit changes and the anticipated impact of fixed cost-sharing items given increasing medical costs,
9. Implementation of approved 1332 reinsurance waiver, in effect beginning January 1, 2023

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Optima Health Plan 95281

**Market:** Individual **Rate Request SERFF Tracking #:** OPHL-133258574

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
Initial Requested Average Rate Change: -5.8 %  
Current Requested Average Rate Change: -21.354 %  
Range of Requested Rate Change: -23.695 % to -20.536 %  
Projected Number of Insureds Affected: 19061

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>N/A</u>
Area 2 (Charlottesville)	<u>1.041</u>
Area 3 (Danville)	<u>1.041</u>
Area 4 (Harrisonburg)	<u>1.041</u>
Area 5 (Bristol)	<u>1.041</u>
Area 6 (Lynchburg)	<u>1.041</u>
Area 7 (Richmond)	<u>1.041</u>
Area 8 (Roanoke)	<u>1.041</u>
Area 9 (Tidewater)	<u>1.000</u>
Area 10 (Northern VA)	<u>0.938</u>
Area 11 (Winchester)	<u>N/A</u>
Area 12 (Non-MSA)	<u>1.041</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 83.8 %  
Administrative: 10.6 %  
Taxes and fees: 2.6 %  
Profit: 3.0 %

### Factors of Rate Change

Medical Cost (Trend) Change: 4.9%  
Change in Morbidity: 1.0%  
Change in Demographics: 0.1%  
Change in Network: 0.0%  
Change in Benefits: -0.9%  
Change in Other (explain below): -25.1%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

- The proposed rate changes reflect consideration for the impact of a number of factors, including:
- Anticipated medical cost and utilization trends
  - Historical experience
  - Consideration for anticipated changes in the average morbidity of the covered population
  - Benefit changes
  - Changes to reflect the applicable provisions of corporate income and ACA-related taxes and fees for 2023
  - Change in the mix of business
  - Changes to estimated administrative expenses and profit and risk margin
  - Considerations for market activity
  - Changes in negotiated provider reimbursement arrangements and PBM contracts
  - Anticipated savings from cost management programs
  - Implementation of the approved 1332 waiver, in effect beginning January 1, 2023

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Optima Health Plan- NAIC Number: 95281

SERFF Tracking Number: OPHL-133258574

Disposition: Closed-Approved

Approval Date: 9/09/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$5,930

Overall Requested Percentage Rate Change Per Member: -21.354%

Minimum Requested Percentage Rate Change Per Member: -20.536%

Maximum Requested Percentage Rate Change Per Member: -23.695%

Number of Policy Holders Affected: 13,544

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -21.354% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 83.8% with the decrease, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

1. Anticipated medical cost and utilization trends,
2. Historical experience,
3. Consideration for anticipated changes in the average morbidity of the covered population,
4. Benefit changes,
5. Changes to reflect the applicable provisions of corporate income and ACA-related taxes and fees for 2023,
6. Change in the mix of business,
7. Changes to estimated administrative expenses and profit and risk margin,
8. Considerations for market activity,
9. Changes in negotiated provider reimbursement arrangements and Pharmacy Benefit Manager contracts

10. Anticipated savings from cost management programs
11. Implementation of approved 1332 reinsurance waiver, in effect beginning January 1, 2023

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Optimum Choice, Inc.

**Market:** Individual ACA **Rate Request SERFF Tracking #:** UHLC-133252624

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

**Overview**

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: 9.6 %  
 Current Requested Average Rate Change: -7.8 %  
 Range of Requested Rate Change: -17.5 % to -5.3 %  
 Projected Number of Insureds Affected: 26,359

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>                    </u>
Area 2 (Charlottesville)	<u>                    </u>
Area 3 (Danville)	<u>                    </u>
Area 4 (Harrisonburg)	<u>                    </u>
Area 5 (Bristol)	<u>                    </u>
Area 6 (Lynchburg)	<u>                    </u>
Area 7 (Richmond)	<u>0.970</u>
Area 8 (Roanoke)	<u>                    </u>
Area 9 (Tidewater)	<u>                    </u>
Area 10 (Northern VA)	<u>1.003</u>
Area 11 (Winchester)	<u>1.066</u>
Area 12 (Non-MSA)	<u>                    </u>

**Key information**

**Breakdown of premium**

This is how the carrier plans to spend the premium collected in plan year \$489.51:

Claims: 81.32 %  
 Administrative: 13.57 %  
 Taxes and fees: 0.11 %  
 Profit: 5.00 %

**Factors of Rate Change**

Medical Cost (Trend) Change: 5.5%  
 Change in Morbidity: -4.1%  
 Change in Demographics: Included in Morbidity  
 Change in Network: 0.4%  
 Change in Benefits: 1.3%  
 Change in Other (explain below): -10.4%

**Explanation of requested rate change**

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

The main drivers of rate change are:

- 1) Additional year of trend
- 2) Changes in benefits
- 3) Changes in projected population demographics and morbidity
- 4) Change in starting experience and risk adjustment (included under 'Other' above)
- 5) Change in non-benefit expenses such as admin, taxes, fees, etc. (included under 'Other' above)
- 6) Introduction of state reinsurance program (included under 'Other' above)

## Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance

Optimum Choice, Inc. - NAIC Number: 96940

SERFF Tracking Number: UHLC-133252624

Disposition: Closed-Approved

Approval Date: 08/15/2022

2023 Plan Year Rates:

Average Annual Premium Per Member: \$5,874.00

Overall Requested Percentage Rate Change Per Member: -7.83%

Minimum Requested Percentage Rate Change Per Member: -17.5%

Maximum Requested Percentage Rate Change Per Member: -5.3%

Number of Policy Holders Affected: 26,359

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -7.83% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 81.32% with the revision, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

- Additional year of trend
- Changes in benefits
- Changes in projected population demographics and morbidity
- Change in starting experience and risk adjustment
- Change in non-benefit expenses such as admin, taxes, fees, etc.
- Introduction of state reinsurance program

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Oscar Insurance Company 15777

**Market:** Individual **Rate Request SERFF Tracking #:** OHIN-133268617

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
Initial Requested Average Rate Change: -13.6 %  
Current Requested Average Rate Change: -13.6 %  
Range of Requested Rate Change: -16.7 % to -10.1 %  
Projected Number of Insureds Affected: 725

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	_____
Area 2 (Charlottesville)	_____
Area 3 (Danville)	_____
Area 4 (Harrisonburg)	_____
Area 5 (Bristol)	_____
Area 6 (Lynchburg)	_____
Area 7 (Richmond)	<u>1.00</u>
Area 8 (Roanoke)	_____
Area 9 (Tidewater)	_____
Area 10 (Northern VA)	_____
Area 11 (Winchester)	_____
Area 12 (Non-MSA)	_____

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 84.2 %  
Administrative: 10.9 %  
Taxes and fees: 4.9 %  
Profit: 0.0 %

### Factors of Rate Change

Medical Cost (Trend) Change: 1.063  
Change in Morbidity: 1.047  
Change in Demographics: 1.001  
Change in Network: 1.004  
Change in Benefits: 1.004  
Change in Other (explain below): 1.009

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

The significant factors driving the proposed rate change include the following:

### Medical and Prescription Drug Inflation and Utilization Trends

The projected premium rates reflect the most recent emerging experience which was trended for anticipated changes due to medical and prescription drug inflation and utilization.

### Administrative Expenses, Taxes and Fees, and Risk Margin

Changes to the overall premium level are needed because of required changes in federal and state taxes and fees. In addition, there are anticipated changes in both administrative expenses and targeted risk margin.

### Prospective Benefit Changes

Plan benefits have been revised as a result of changes in the Center for Medicare and Medicaid Services (CMS) Actuarial Value Calculator and state requirements, as well as for strategic product considerations.

### Changes in Conversion Factor

The distribution of contracts anticipated for 2023 plan year varies from those in 2022 premium rates.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Oscar Insurance Company- NAIC Number: 15777

SERFF Tracking Number: OHIN-133268617

Disposition: Closed-Approved

Approval Date: 08/12/2022

2023 Plan Year Rates:

Average Annual Premium Per Member: \$5,318.64

Overall Requested Percentage Rate Change Per Member: -13.3%

Minimum Requested Percentage Rate Change Per Member: -16.7%

Maximum Requested Percentage Rate Change Per Member: -10.1%

Number of Policy Holders Affected: 1,147

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -13.3% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 84.2% with the revision, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

- Medical and Prescription Drug Inflation and Utilization Trends
- Administrative Expenses, Taxes and Fees, and Risk Margin
- Prospective Benefit Changes
- Changes in Conversion Factor

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Piedmont Community HealthCare HMO, Inc 15791

**Market:** Individual **Rate Request SERFF Tracking #:** PDHP-133246387

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

**Overview**

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: -16.61 %  
 Current Requested Average Rate Change: -16.61 %  
 Range of Requested Rate Change: -19.96 % to -14.86 %  
 Projected Number of Insureds Affected: 5,425

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.0750</u>
Area 2 (Charlottesville)	<u>1.0144</u>
Area 3 (Danville)	<u>0.9468</u>
Area 4 (Harrisonburg)	<u>                    </u>
Area 5 (Bristol)	<u>0.9502</u>
Area 6 (Lynchburg)	<u>1.0156</u>
Area 7 (Richmond)	<u>                    </u>
Area 8 (Roanoke)	<u>1.0007</u>
Area 9 (Tidewater)	<u>0.9774</u>
Area 10 (Northern VA)	<u>                    </u>
Area 11 (Winchester)	<u>                    </u>
Area 12 (Non-MSA)	<u>0.9535</u>

**Key information**

**Breakdown of premium**

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 78.40 %  
 Administrative: 16.73 %  
 Taxes and fees: 2.87 %  
 Profit: 2.00 %

**Factors of Rate Change**

Medical Cost (Trend) Change: 1.0538  
 Change in Morbidity: 0.9961  
 Change in Demographics: 1.0117  
 Change in Network: 1.0000  
 Change in Benefits: 1.0000  
 Change in Other (explain below): 0.8988

**Explanation of requested rate change**

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

The main drivers that contributed to Piedmont's rate change from 2022 to 2023 are as follows:

- a. Expected increase to risk adjustment payments; and
- b. Impact due to the new reinsurance program under the 1332 waiver; and
- c. Changes in the underlying experience.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Piedmont Community Healthcare HMO, Inc. – NAIC Code: 15791

SERFF Tracking Number: PDHP-133246387

Disposition: Closed-Approved

Approval Date: 8/12/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$5,773

Overall Requested Percentage Rate Change Per Member: -16.60%

Minimum Requested Percentage Rate Change Per Member: -19.96%

Maximum Requested Percentage Rate Change Per Member: -14.85%

Number of Policy Holders Affected: 3,601

### **Summary of the Bureau of Insurance’s review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -16.60% for this block of individual medical insurance policy forms.

The filing was reviewed by the Bureau’s consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 78.5%, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

1. Expected increase to risk adjustment payments; and
2. Impact due to the new reinsurance program under the 1332 waiver; and
3. Changes in the underlying experience.

The filing summary can be reviewed on the Bureau’s webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# **SMALL GROUP MARKET**

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Aetna Health Inc., 95109

**Market:** Small Group **Rate Request SERFF Tracking #:** AETN-133258164

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

**Overview**

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: -0.7 %  
 Current Requested Average Rate Change: -0.7 %  
 Range of Requested Rate Change: -0.7 % to -0.7 %  
 Projected Number of Insureds Affected: 77

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>0.9141</u>
Area 2 (Charlottesville)	<u>0.9289</u>
Area 3 (Danville)	<u>0.9700</u>
Area 4 (Harrisonburg)	<u>1.0200</u>
Area 5 (Bristol)	<u>0.9800</u>
Area 6 (Lynchburg)	<u>0.9700</u>
Area 7 (Richmond)	<u>0.9475</u>
Area 8 (Roanoke)	<u>0.8971</u>
Area 9 (Tidewater)	<u>0.9909</u>
Area 10 (Northern VA)	<u>0.9600</u>
Area 11 (Winchester)	<u>0.9600</u>
Area 12 (Non-MSA)	<u>0.9792</u>

**Key information**

**Breakdown of premium**

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 83.39 %  
 Administrative: 10.47 %  
 Taxes and fees: 1.44 %  
 Profit: 4.70 %

**Factors of Rate Change**

Medical Cost (Trend) Change: 8.4%  
 Change in Morbidity: 1.037  
 Change in Demographics: .93  
 Change in Network: 1.000  
 Change in Benefits: 1.000  
 Change in Other (explain below): 1.182

**Explanation of requested rate change**

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Other includes: Pooling, Deductible Suppression, and Rx Other Trend (1.0 in this instance).

Rate Request Summary Narrative

Monthly premium rates for all Small Group Market products in Virginia are being revised for effective dates January 1, 2023 through December 31, 2023.

A. Reason for Rate Decrease(s):  
 Revised rates for these products reflect the following:

1. Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
2. Revisions to our assumptions about population morbidity and the projected population distribution;
3. Changes in cost sharing to ensure that plans comply with Actuarial Value requirements;
4. Changes in our pricing models used to determine the impact of cost sharing designs; and
5. Changes in provider networks and contracts.

**Qualified Health Plan Rate Request Summary**  
**Part 2 – Completed by Bureau of Insurance**

Aetna Health Inc. PA AZ DC DE IN KY MA MD NV NC OK TN VA WV- NAIC #: 95109

SERFF Tracking Number: AETN-133258164

Disposition: Closed-Approved

Approval Date: 8/30/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$6,171

Overall Requested Percentage Rate Change Per Member: -0.70%

Minimum Requested Percentage Rate Change Per Member: -0.70%

Maximum Requested Percentage Rate Change Per Member: -0.70%

Number of Policy Holders Affected: 77

**Summary of the Bureau of Insurance’s review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -0.70% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau’s consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 83.69%, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

1. Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
2. Revisions to our assumptions about population morbidity and the projected population distribution;
3. Changes in cost sharing to ensure that plans comply with Actuarial Value requirements;
4. Changes in our pricing models used to determine the impact of cost sharing designs; and
5. Changes in provider networks and contracts.

The filing summary can be reviewed on the Bureau’s webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Aetna Life Insurance Company, 60054

**Market:** Small Group **Rate Request SERFF Tracking #:** AETN-133258173

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
Initial Requested Average Rate Change: -4.5 %  
Current Requested Average Rate Change: -4.5 %  
Range of Requested Rate Change: -4.5 % to -4.5 %  
Projected Number of Insureds Affected: 170

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>0.9141</u>
Area 2 (Charlottesville)	<u>0.9289</u>
Area 3 (Danville)	<u>0.9700</u>
Area 4 (Harrisonburg)	<u>1.0200</u>
Area 5 (Bristol)	<u>0.9800</u>
Area 6 (Lynchburg)	<u>0.9700</u>
Area 7 (Richmond)	<u>0.9475</u>
Area 8 (Roanoke)	<u>0.8971</u>
Area 9 (Tidewater)	<u>0.9909</u>
Area 10 (Northern VA)	<u>0.9600</u>
Area 11 (Winchester)	<u>0.9600</u>
Area 12 (Non-MSA)	<u>0.9792</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 84.33 %  
Administrative: 7.33 %  
Taxes and fees: 3.6 %  
Profit: 4.74 %

### Factors of Rate Change

Medical Cost (Trend) Change: 8.4%  
Change in Morbidity: 1.037  
Change in Demographics: 1.01  
Change in Network: 1.000  
Change in Benefits: 1.000  
Change in Other (explain below): 1.12

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Other includes: Pooling, Deductible Suppression, and Rx Other Trend (1.0 in this instance).

### Rate Request Summary Narrative

Monthly premium rates for all Small Group Market products in Virginia are being revised for effective dates January 1, 2023 through December 31, 2023.

#### A. Reason for Rate Decrease(s):

Revised rates for these products reflect the following:

1. Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
2. Revisions to our assumptions about population morbidity and the projected population distribution;
3. Changes in cost sharing to ensure that plans comply with Actuarial Value requirements;
4. Changes in our pricing models used to determine the impact of cost sharing designs; and
5. Changes in provider networks and contracts.

**Qualified Health Plan Rate Request Summary**  
**Part 2 – Completed by Bureau of Insurance**

Aetna Life Insurance Company - NAIC #: 60054

SERFF Tracking Number: AETN-133258173

Disposition: Closed-Approved

Approval Date: 8/30/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$8,676

Overall Requested Percentage Rate Change Per Member: -4.51%

Minimum Requested Percentage Rate Change Per Member: -4.51%

Maximum Requested Percentage Rate Change Per Member: -4.51%

Number of Policy Holders Affected: 170

**Summary of the Bureau of Insurance’s review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -4.51% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau’s consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 84.6%, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

1. Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
2. Revisions to our assumptions about population morbidity and the projected population distribution;
3. Changes in cost sharing to ensure that plans comply with Actuarial Value requirements;
4. Changes in our pricing models used to determine the impact of cost sharing designs; and
5. Changes in provider networks and contracts.

The filing summary can be reviewed on the Bureau’s webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Anthem Health Plans of Virginia, Inc. #71835

**Market:** Small Group **Rate Request SERFF Tracking #:** AWLP-133218901

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
Initial Requested Average Rate Change: 8.8 %  
Current Requested Average Rate Change: 7.7 %  
Range of Requested Rate Change: 6.1 % to 9.5 %  
Projected Number of Insureds Affected: 67000

## Rating Areas Plans will be offered Area Factor

Area 1 (Blacksburg)	<u>1.0669</u>
Area 2 (Charlottesville)	<u>0.9408</u>
Area 3 (Danville)	<u>0.9855</u>
Area 4 (Harrisonburg)	<u>0.9973</u>
Area 5 (Bristol)	<u>1.0054</u>
Area 6 (Lynchburg)	<u>0.9684</u>
Area 7 (Richmond)	<u>1.0762</u>
Area 8 (Roanoke)	<u>1.0406</u>
Area 9 (Tidewater)	<u>1.0554</u>
Area 10 (Northern VA)	<u>0.9827</u>
Area 11 (Winchester)	<u>0.9388</u>
Area 12 (Non-MSA)	<u>1.0054</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 81.5 %  
Administrative: 8.1 %  
Taxes and fees: 4.1 %  
Profit: 6.3 %

### Factors of Rate Change

Medical Cost (Trend) Change: 8.0%  
Change in Morbidity: 1.0%  
Change in Demographics: -0.1%  
Change in Network: 0.0%  
Change in Benefits: 0.0%  
Change in Other (explain below): -1.2%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Anthem Health Plans of Virginia is filing for an increase to rates available for new and renewing small groups for products that are compliant with the Affordable Care Act (ACA). These rate increases are for plans off exchange, and the rate increase would be effective starting January 1, 2023.

The overall increase is 7.7%. At the individual plan level, rate increases range from 6.1% to 9.5%. A group's actual rate could be higher or lower depending on group demographic make-up, benefit design, and the quarter in which they renew. The primary drivers of premium increases are associated with increased cost of benefit expense for this ACA-compliant block. Increased cost of benefit expense is driven by increases in the price of services primarily from hospitals, physicians and pharmacies, coupled with members increasing their use of health care services, also called "utilization". Increases in the price of services are driven by technological advances, new specialty medications, and a variety of other factors. Increased utilization is driven by member-level utilization and selection patterns in the market. Morbidity is another contributing factor, which is due to the projected sickness level (separate from aging) in the population. The 'other' negative amount is mostly due to the implementation of cost-containment initiatives.

Anthem is committed to working to hold down the cost of insurance and price the individual ACA market for long-term sustainability. We continue to explore innovative collaboration with providers and negotiate deeper discounts at our hospitals. And we provide members with tools to make informed decisions about where and how to receive treatment.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Company Name - NAIC Number: Anthem Health Plans of Virginia, Inc.,  
NAIC # 71835

SERFF Tracking Number: AWLP-133218901

Disposition: Closed-Approved

Approval Date: 08/30/2022

### **2023 Rates:**

Average Annual Premium Per Member: \$7,747

Overall Requested Percentage Rate Change Per Member: 7.7%

Minimum Requested Percentage Rate Change Per Member: 6.1%

Maximum Requested Percentage Rate Change Per Member: 9.5%

Number of Policy Holders Affected: 39,033

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate increase of 7.7% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 81.53% with the increase, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are emerging experience which is different than projected; increases in the cost of services and changes in the utilization of services; anticipated changes in morbidity (the projected sickness level of the covered the population); benefit modifications, including changes made to comply with updated AV requirements; and changes in taxes, fees, and some non-benefit expenses.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** CareFirst BlueChoice, Inc. (NAIC# 96202)

**Market:** Small Group **Rate Request SERFF Tracking #:** CFAP-133255336

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: 12.20 %  
 Current Requested Average Rate Change: 12.39 %  
 Range of Requested Rate Change: 10.07 % to 17.34 %  
 Projected Number of Insureds Affected: 50,806

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>n/a</u>
Area 2 (Charlottesville)	<u>n/a</u>
Area 3 (Danville)	<u>n/a</u>
Area 4 (Harrisonburg)	<u>n/a</u>
Area 5 (Bristol)	<u>n/a</u>
Area 6 (Lynchburg)	<u>n/a</u>
Area 7 (Richmond)	<u>n/a</u>
Area 8 (Roanoke)	<u>n/a</u>
Area 9 (Tidewater)	<u>n/a</u>
Area 10 (Northern VA)	<u>1.000</u>
Area 11 (Winchester)	<u>n/a</u>
Area 12 (Non-MSA)	<u>n/a</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 82.5 %  
 Administrative: 13.3 %  
 Taxes and fees: 1.0 %  
 Profit: 3.2 %

### Factors of Rate Change

Medical Cost (Trend) Change: 7.3%  
 Change in Morbidity: 0.33%  
 Change in Demographics: 0.93%  
 Change in Network: 0.00%  
 Change in Benefits: 0.38%  
 Change in Other (explain below): -0.39%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

The annualized unit cost and utilization trends used in this filing for projecting experience by service category are 14.9% and -15.0% for inpatient, 0.8% and 7.6% for outpatient, 0.1% and 9.4% for professional, 11.1% and -5.7% for drug, and 14.2% and 3.4% for other services. In addition to these trends, one-time adjustments to the experience of 0.3% and 0.9% for the impact of changes in morbidity and the changing age of the pool (applied to all services except capitations) were made. Prescription drug allowed claims were also adjusted by an additional -2.1% to reflect a projected change in rebates. Capitations were adjusted by -0.2% to reflect the projected change in the capitation fee schedule. The overall impact of these adjustments are (rounded) annualized trends of 7.7% for projected allowed claims compared to the experience period in this filing.

Note that what this template labels as "profit" includes "contribution to reserve" in our rate filing.

The change in other projected in this rate filing is due to changes in capitation payments, drug rebates, and the smart shopper incentive program.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Company Name - NAIC Number: CareFirst BlueChoice, Inc., NAIC # 96202  
SERFF Tracking Number: CFAP-133255336  
Disposition: Closed-Approved  
Approval Date: 08/16/2022

### **2023 Rates:**

Average Annual Premium Per Member: \$7,298

Overall Requested Percentage Rate Change Per Member: 12.39%

Minimum Requested Percentage Rate Change Per Member: 10.07%

Maximum Requested Percentage Rate Change Per Member: 17.34%

Number of Policy Holders Affected: 25,552

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate increase of 12.39% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 82.6% with the increase, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are an increase in the base period claims experience, an increase in the Actuarial Values, and a decrease in trend.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Group Hospitalization & Medical Services, Inc. (NAIC# 40308)

**Market:** Small Group **Rate Request SERFF Tracking #:** CFAP-133255338

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

**Overview**

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: -0.950 %  
 Current Requested Average Rate Change: -1.265 %  
 Range of Requested Rate Change: -2.84 % to 0.37 %  
 Projected Number of Insureds Affected: 12,526

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>n/a</u>
Area 2 (Charlottesville)	<u>n/a</u>
Area 3 (Danville)	<u>n/a</u>
Area 4 (Harrisonburg)	<u>n/a</u>
Area 5 (Bristol)	<u>n/a</u>
Area 6 (Lynchburg)	<u>n/a</u>
Area 7 (Richmond)	<u>n/a</u>
Area 8 (Roanoke)	<u>n/a</u>
Area 9 (Tidewater)	<u>n/a</u>
Area 10 (Northern VA)	<u>1.00</u>
Area 11 (Winchester)	<u>n/a</u>
Area 12 (Non-MSA)	<u>n/a</u>

**Key information**

**Breakdown of premium**

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 83.9 %  
 Administrative: 9.7 %  
 Taxes and fees: 3.0 %  
 Profit: 3.4 %

**Factors of Rate Change**

Medical Cost (Trend) Change: 6.9%  
 Change in Morbidity: -1.60%  
 Change in Demographics: 1.08%  
 Change in Network: 0.00%  
 Change in Benefits: 0.83%  
 Change in Other (explain below): -0.40%

**Explanation of requested rate change**

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

The annualized unit cost and utilization trends used in this filing for projecting experience by service category are -3.5% and 3.3% for IP, -8.4% and 13.2% for OP, -0.3% and 13.3 for Professional, 9.5% and -6.1% for other services, 10.9% and -2.5% for drug, and 0.0% and 0.0 for capitations. In addition to these trends, one-time adj to the exp of -1.6% and 1.1% for the impact of changes in morb and the changing age of the pool (applied to all serv except cap) were made. Rx allowed claims were also adj by an additional -1.8% to reflect a proj change in rebates and capitations were adj by -0.02% to reflect the proj fee schedule. The overall impact of these adjustments are (rounded) annualized trends of 6.9% for projected allowed claims compared to the experience period in this filing.

Note that what this template labels as "profit" includes "contribution to reserve" in our rate filing.

The change in other projected in this rate filing is due to changes in capitation payments, drug rebates, and the smart shopper incentive program.

## Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance

Company Name - NAIC Number: Group Hospitalization and Medical Services, Inc.  
NAIC # 53007

SERFF Tracking Number: CFAP-133255338

Disposition: Closed-Approved

Approval Date: 08/16/2022

### **2023 Rates:**

Average Annual Premium Per Member: \$8,868

Overall Requested Percentage Rate Change Per Member: -1.27%

Minimum Requested Percentage Rate Change Per Member: -2.84%

Maximum Requested Percentage Rate Change Per Member: 0.37%

Number of Policy Holders Affected: 6,646

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -1.27% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 83.9% with the decrease, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are an increase in the base period claims experience, an increase in the Actuarial Values, and a decrease in trend.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Anthem HealthKeepers, Inc. #95169

**Market:** Small Group **Rate Request SERFF Tracking #:** AWLP-133218874

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
Initial Requested Average Rate Change: 8.7 %  
Current Requested Average Rate Change: 7.6 %  
Range of Requested Rate Change: 5.9 % to 11.8 %  
Projected Number of Insureds Affected: 73000

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.0604</u>
Area 2 (Charlottesville)	<u>0.9400</u>
Area 3 (Danville)	<u>0.9815</u>
Area 4 (Harrisonburg)	<u>0.9891</u>
Area 5 (Bristol)	<u>0.9927</u>
Area 6 (Lynchburg)	<u>0.9712</u>
Area 7 (Richmond)	<u>1.0262</u>
Area 8 (Roanoke)	<u>1.0335</u>
Area 9 (Tidewater)	<u>0.9721</u>
Area 10 (Northern VA)	<u>0.9987</u>
Area 11 (Winchester)	<u>0.9552</u>
Area 12 (Non-MSA)	<u>0.9727</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 82.9 %  
Administrative: 9.0 %  
Taxes and fees: 2.3 %  
Profit: 5.8 %

### Factors of Rate Change

Medical Cost (Trend) Change: 8.0%  
Change in Morbidity: 1.0%  
Change in Demographics: -0.1%  
Change in Network: 0.0%  
Change in Benefits: 0.0%  
Change in Other (explain below): -1.3%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Anthem HealthKeepers is filing for an increase to rates available for new and renewing small groups for products that are compliant with the Affordable Care Act (ACA). These rate increases are for plans off exchange, and the rate increase would be effective starting January 1, 2023.

The overall increase is 7.6%. At the individual plan level, rate increases range from 5.9% to 11.8%. A group's actual rate could be higher or lower depending on group demographic make-up, benefit design, and the quarter in which they renew. The primary drivers of premium increases are associated with increased cost of benefit expense for this ACA-compliant block. Increased cost of benefit expense is driven by increases in the price of services primarily from hospitals, physicians and pharmacies, coupled with members increasing their use of health care services, also called "utilization". Increases in the price of services are driven by technological advances, new specialty medications, and a variety of other factors. Increased utilization is driven by member-level utilization and selection patterns in the market. Morbidity is another contributing factor, which is due to the projected sickness level (separate from aging) in the population. The 'other' negative amount is mostly due to the implementation of cost-containment initiatives.

Anthem is committed to working to hold down the cost of insurance and price the individual ACA market for long-term sustainability. We continue to explore innovative collaboration with providers and negotiate deeper discounts at our hospitals. And we provide members with tools to make informed decisions about where and how to receive treatment.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Company Name - NAIC Number: HealthKeepers, Inc., NAIC # 95169  
SERFF Tracking Number: AWLP-133218874  
Disposition: Closed-Approved  
Approval Date: 08/30/2022

### **2023 Rates:**

Average Annual Premium Per Member: \$6,955  
Overall Requested Percentage Rate Change Per Member: 7.6%  
Minimum Requested Percentage Rate Change Per Member: 5.9%  
Maximum Requested Percentage Rate Change Per Member: 11.8%  
Number of Policy Holders Affected: 43,386

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate increase of 7.6% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 82.85% with the increase, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are emerging experience different than projected; increases in the price of services coupled with members increasing their use of health care services; anticipated changes in the market-wide morbidity (projected sickness level) of the covered population; benefit modifications; and changes in taxes, fees, and some non-benefit expenses.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Innovation Health Insurance Company, 15097

**Market:** Small Group **Rate Request SERFF Tracking #:** AETN-133258185

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: 3.1 %  
 Current Requested Average Rate Change: 3.1 %  
 Range of Requested Rate Change: -6.4 % to 9.1 %  
 Projected Number of Insureds Affected: 1473

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>0.0000</u>
Area 2 (Charlottesville)	<u>0.0000</u>
Area 3 (Danville)	<u>0.0000</u>
Area 4 (Harrisonburg)	<u>0.0000</u>
Area 5 (Bristol)	<u>0.0000</u>
Area 6 (Lynchburg)	<u>0.0000</u>
Area 7 (Richmond)	<u>0.0000</u>
Area 8 (Roanoke)	<u>0.0000</u>
Area 9 (Tidewater)	<u>0.0000</u>
Area 10 (Northern VA)	<u>1.0000</u>
Area 11 (Winchester)	<u>1.0000</u>
Area 12 (Non-MSA)	<u>1.0000</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 84.65 %  
 Administrative: 9.99 %  
 Taxes and fees: 2.99 %  
 Profit: 2.37 %

### Factors of Rate Change

Medical Cost (Trend) Change: 8.4%  
 Change in Morbidity: 1.037  
 Change in Demographics: 1.013  
 Change in Network: 1.000  
 Change in Benefits: 1.000  
 Change in Other (explain below): 0.813

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Other includes: Pooling, Deductible Suppression, and Rx Other Trend (1.0 in this instance).

Rate Request Summary Narrative

Monthly premium rates for all Small Group Market products in Virginia are being revised for effective dates January 1, 2023 through December 31, 2023.

A. Reason for Rate Decrease(s):  
 Revised rates for these products reflect the following:

- Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
- Revisions to our assumptions about population morbidity and the projected population distribution;
- Changes in cost sharing to ensure that plans comply with Actuarial Value requirements;
- Changes in our pricing models used to determine the impact of cost sharing designs; and
- Changes in provider networks and contracts.

**Qualified Health Plan Rate Request Summary**  
**Part 2 – Completed by Bureau of Insurance**

Innovation Health Insurance Company - NAIC #: 15097

SERFF Tracking Number: AETN-133258185

Disposition: Closed-Approved

Approval Date: 8/30/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$6,802

Overall Requested Percentage Rate Change Per Member: 3.90%

Minimum Requested Percentage Rate Change Per Member: -6.38%

Maximum Requested Percentage Rate Change Per Member: 9.11%

Number of Policy Holders Affected: 1,473

**Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate increase of 3.90% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 85.0%, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

1. Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
2. Revisions to our assumptions about population morbidity and the projected population distribution;
3. Changes in cost sharing to ensure that plans comply with Actuarial Value requirements;
4. Changes in our pricing models used to determine the impact of cost sharing designs; and
5. Changes in provider networks and contracts.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Innovation Health Plan, Inc., 15098

**Market:** Small Group **Rate Request SERFF Tracking #:** AETN-133258194

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

**Overview**

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: -1.6 %  
 Current Requested Average Rate Change: -1.6 %  
 Range of Requested Rate Change: -2.8 % to 1.2 %  
 Projected Number of Insureds Affected: 379

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	_____
Area 2 (Charlottesville)	_____
Area 3 (Danville)	_____
Area 4 (Harrisonburg)	_____
Area 5 (Bristol)	_____
Area 6 (Lynchburg)	_____
Area 7 (Richmond)	_____
Area 8 (Roanoke)	_____
Area 9 (Tidewater)	_____
Area 10 (Northern VA)	<u>1.0000</u>
Area 11 (Winchester)	<u>1.0000</u>
Area 12 (Non-MSA)	<u>1.0000</u>

**Key information**

**Breakdown of premium**

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 81.26 %  
 Administrative: 12.59 %  
 Taxes and fees: 1.45 %  
 Profit: 4.70 %

**Factors of Rate Change**

Medical Cost (Trend) Change: 8.4%  
 Change in Morbidity: 1.037  
 Change in Demographics: 0.978  
 Change in Network: 1.000  
 Change in Benefits: 1.000  
 Change in Other (explain below): .952

**Explanation of requested rate change**

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Other includes: Pooling, Deductible Suppression, and Rx Other Trend (1.0 in this instance).

Rate Request Summary Narrative

Monthly premium rates for all Small Group Market products in Virginia are being revised for effective dates January 1, 2023 through December 31, 2023.

A. Reason for Rate Decrease(s):  
 Revised rates for these products reflect the following:

- Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
- Revisions to our assumptions about population morbidity and the projected population distribution;
- Changes in cost sharing to ensure that plans comply with Actuarial Value requirements;
- Changes in our pricing models used to determine the impact of cost sharing designs; and
- Changes in provider networks and contracts.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Company Name: Innovation Health Plan, Inc. NAIC Number: 15098

SERFF Tracking Number: AETN-133258194

Disposition: Closed-Approved

Approval Date: 8/30/2022

2023 Rates

Average Annual Premium Per Member: \$5,571

Overall Requested Percentage Rate Change Per Member: -1.600%

Minimum Requested Percentage Rate Change Per Member: -2.770%

Maximum Requested Percentage Rate Change Per Member: 1.230%

Number of Policy Holders Affected: 379

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate (increase/decrease) of -1.60% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 83.2%, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

1. Impact of medical claim trend (including changes in provider unit costs and increased utilization of medical cost services);
2. Revisions to our assumptions about population morbidity and the projected population distribution;
3. Changes in cost sharing to ensure that plans comply with Actuarial Value requirements;
4. Changes in our pricing models used to determine the impact of cost sharing designs; and
5. Changes in provider networks and contacts.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

## Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc. - NAIC#95639

**Market:** Small Group **Rate Request SERFF Tracking #:** KPMA-133247173

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

### Overview

Effective Date:	1/1/2023
Initial Requested Average Rate Change:	9.0 %
Current Requested Average Rate Change:	9.0 %
Range of Requested Rate Change:	7.5 % to 10.5 %
Projected Number of Insureds Affected:	16119

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	N/A
Area 2 (Charlottesville)	N/A
Area 3 (Danville)	N/A
Area 4 (Harrisonburg)	N/A
Area 5 (Bristol)	N/A
Area 6 (Lynchburg)	N/A
Area 7 (Richmond)	1.000
Area 8 (Roanoke)	N/A
Area 9 (Tidewater)	N/A
Area 10 (Northern VA)	1.000
Area 11 (Winchester)	N/A
Area 12 (Non-MSA)	1.000

### Key information

#### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims:	98.6 %
Administrative:	12.9 %
Taxes and fees:	0.1 %
Profit:	-11.5 %

#### Factors of Rate Change

Medical Cost (Trend) Change:	1.8%
Change in Morbidity:	0.0%
Change in Demographics:	0.4%
Change in Network:	-0.3%
Change in Benefits:	0.2%
Change in Other (explain below):	0.0%

### Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

All current benefit plans are renewing in 2023 with the exception of the Bronze 8700/0%/Vision plan. Primary factors that affect the rate change for these plans are:

- Claims experience of the single risk pool different than projected in the previous year.
- Medical inflation including increases in unit cost per service and utilization of services.
- Changes in population morbidity and demographic make-up of the pool.
- Risk adjustment transfer payments into the statewide risk adjustment pool.
- Benefit plan design adjustments, including those made to comply with Actuarial Value ("AV") requirements. This results in varying rate changes by plan.
- Federal and state taxes and fees.

The proposed average rate change is 9.0%. The average rate change does not indicate that every member's rate will change by this amount as rates are affected by the ages of those covered and benefits chosen. Proposed rate change by plan can be found in the Virginia Rate Template, Schedule V Plan Rates.

## Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance

Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc. - NAIC Number: 95639

SERFF Tracking Number: KPMA-133247173

Disposition: Closed-Approved

Approval Date: 08/16/2022

2023 Plan Year Rates:

Average Annual Premium Per Member: \$6,134.28

Overall Requested Percentage Rate Change Per Member: 9.00%

Minimum Requested Percentage Rate Change Per Member: 0.20%

Maximum Requested Percentage Rate Change Per Member: 13.00%

Number of Policy Holders Affected: 9,835

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate increase of 9.00% for this block of small group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 98.60% with the increase, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

- Claims experience of the single risk pool different than projected in the previous year.
- Medical inflation including increases in unit cost per service and utilization of services.
- Changes in population morbidity and demographic make-up of the pool.
- Risk adjustment transfer payments into the statewide risk adjustment pool.
- Benefit plan design adjustments, including those made to comply with Actuarial Value ("AV") requirements.
- Federal and state taxes and fees.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Optima Health Insurance Company 70715

**Market:** Small Group **Rate Request SERFF Tracking #:** OPHL-133258545

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
Initial Requested Average Rate Change: -3.2 %  
Current Requested Average Rate Change: 0.3 %  
Range of Requested Rate Change: -18.1 % to 8.1 %  
Projected Number of Insureds Affected: 1239

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>0.988</u>
Area 2 (Charlottesville)	<u>0.977</u>
Area 3 (Danville)	<u>0.988</u>
Area 4 (Harrisonburg)	<u>1.010</u>
Area 5 (Bristol)	<u>0.988</u>
Area 6 (Lynchburg)	<u>0.903</u>
Area 7 (Richmond)	<u>0.947</u>
Area 8 (Roanoke)	<u>0.988</u>
Area 9 (Tidewater)	<u>0.946</u>
Area 10 (Northern VA)	<u>0.902</u>
Area 11 (Winchester)	<u>0.988</u>
Area 12 (Non-MSA)	<u>0.988</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 82.2 %  
Administrative: 13.6 %  
Taxes and fees: 2.7 %  
Profit: 1.5 %

### Factors of Rate Change

Medical Cost (Trend) Change: 5.9%  
Change in Morbidity: -0.1%  
Change in Demographics: -1.2%  
Change in Network: -2.1%  
Change in Benefits: -0.2%  
Change in Other (explain below): -3.2%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Optima Health Insurance Company is filing for a change to rates available for new and renewing small groups for products that are compliant with the Affordable Care Act (ACA). These rate changes are for plans off exchange and would be effective starting January 1, 2023.

The overall rate change is 0.3% with a range of -18.1% to 8.1% at the individual plan level. 'Change in Other' includes an update to the supporting pricing models and adjustments made to the projection period. Drivers of the decrease include a change in the components of retention, a change in our pharmacy costs, a change to the risk adjustment.

**Qualified Health Plan Rate Request Summary**  
**Part 2 – Completed by Bureau of Insurance**

Optima Health Insurance Company - NAIC #: 70715

SERFF Tracking Number: OPHL-133258545

Disposition: Closed-Approved

Approval Date: 9/20/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$8,293

Overall Requested Percentage Rate Change Per Member: 0.274%

Minimum Requested Percentage Rate Change Per Member: -18.067%

Maximum Requested Percentage Rate Change Per Member: 8.135%

Number of Policy Holders Affected: 557

**Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate increase of 0.274% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 82.2% with the increase, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

1. A change in the components of retention,
2. A change in our pharmacy costs, and
3. A change to the risk adjustment.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Optima Health Plan 95281

**Market:** Small Group **Rate Request SERFF Tracking #:** OPHL-133258531

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: -0.1 %  
 Current Requested Average Rate Change: 1.1 %  
 Range of Requested Rate Change: -15.1 % to 9.5 %  
 Projected Number of Insureds Affected: 30351

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.047</u>
Area 2 (Charlottesville)	<u>1.035</u>
Area 3 (Danville)	<u>1.047</u>
Area 4 (Harrisonburg)	<u>1.070</u>
Area 5 (Bristol)	<u>1.047</u>
Area 6 (Lynchburg)	<u>0.957</u>
Area 7 (Richmond)	<u>1.003</u>
Area 8 (Roanoke)	<u>1.047</u>
Area 9 (Tidewater)	<u>0.946</u>
Area 10 (Northern VA)	<u>0.956</u>
Area 11 (Winchester)	<u>1.047</u>
Area 12 (Non-MSA)	<u>1.047</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 84.7 %  
 Administrative: 13.6 %  
 Taxes and fees: 0.1 %  
 Profit: 1.5 %

### Factors of Rate Change

Medical Cost (Trend) Change: 5.9%  
 Change in Morbidity: 0.0%  
 Change in Demographics: -1.6%  
 Change in Network: -3.1%  
 Change in Benefits: 0.0%  
 Change in Other (explain below): -1.4%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

Optima Health Plan is filing for a change to rates available for new and renewing small groups for products that are compliant with the Affordable Care Act (ACA). These rate changes are for plans off exchange and would be effective starting January 1, 2023.

The overall rate change is 1.1% with a range of -15.1% to 9.5% at the individual plan level. 'Change in Other' includes an update to the supporting pricing models and adjustments made to the projection period. Drivers of the decrease include a change in the components of retention, a change in our pharmacy costs, a change to the risk adjustment.

**Qualified Health Plan Rate Request Summary**  
**Part 2 – Completed by Bureau of Insurance**

Optima Health Plan - NAIC #: 95281

SERFF Tracking Number: OPHL-133258531

Disposition: Closed-Approved

Approval Date: 9/09/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$6,654

Overall Requested Percentage Rate Change Per Member: 1.132%

Minimum Requested Percentage Rate Change Per Member: -15.055%

Maximum Requested Percentage Rate Change Per Member: 9.480%

Number of Policy Holders Affected: 16,413

**Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate increase of 1.132% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 84.7%, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

1. A change in the components of retention,
2. A change in our pharmacy costs, and
3. A change to the risk adjustment.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Optimum Choice, Inc. 96940

**Market:** Small Group **Rate Request SERFF Tracking #:** UHLC-133251043

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: 3.7 %  
 Current Requested Average Rate Change:         %  
 Range of Requested Rate Change: -1.7% % to 11.8 %  
 Projected Number of Insureds Affected: 2429

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.02</u>
Area 2 (Charlottesville)	<u>.945</u>
Area 3 (Danville)	<u>1.02</u>
Area 4 (Harrisonburg)	<u>1.02</u>
Area 5 (Bristol)	<u>1.02</u>
Area 6 (Lynchburg)	<u>1.02</u>
Area 7 (Richmond)	<u>.997</u>
Area 8 (Roanoke)	<u>1.01</u>
Area 9 (Tidewater)	<u>.935</u>
Area 10 (Northern VA)	<u>.884</u>
Area 11 (Winchester)	<u>.884</u>
Area 12 (Non-MSA)	<u>.975</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 85.0 %  
 Administrative: 11.1 %  
 Taxes and fees: 2.3 %  
 Profit: 1.6 %

### Factors of Rate Change

Medical Cost (Trend) Change: 0.4%  
 Change in Morbidity: -0.4%  
 Change in Demographics: 6.1%  
 Change in Network: 0.0%  
 Change in Benefits: -1.2%  
 Change in Other (explain below): -2.0%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

There are many different healthcare cost trends that contribute to increases in the overall U.S. healthcare spending each year. These trend factors affect health insurance premiums, which can mean a premium rate increase to cover costs. Some of the key healthcare cost trends that have affected this year's rate actions include:

- Increasing cost of medical services: Annual increases in reimbursement rates to healthcare providers, such as hospitals, doctors, and pharmaceutical companies.
- Increased utilization: The number of office visits and other services continues to grow. In addition, total healthcare spending will vary by the intensity of care and use of different types of health services. The price of care can be affected by the use of expensive procedures such as surgery versus simply monitoring or providing medications.
- Higher costs from deductible leveraging: Healthcare costs continue to rise every year. If deductibles and copayments remain the same, a higher percentage of healthcare costs need to be covered by health insurance premiums each year.
- Cost shifting from the public to the private sector: Reimbursements from the Centers for Medicare and Medicaid Services (CMS) to hospitals do not generally cover the cost of providing care to these patients. Hospitals typically make up this reimbursement shortfall by charging private health plans more.
- Impact of new technology: Improvements to medical technology and clinical practice often result in the use of more expensive services, leading to increased healthcare spending and utilization.

## **Qualified Health Plan Rate Request Summary Part 2 –To Be Completed by Bureau of Insurance**

Optimum Choice, Inc – NAIC Number - 96940

SERFF Tracking Number: UHLC-133251043

Disposition: Closed-Approved

Approval Date: 9/20/2022

2023 Plan Year Rates:

Average Annual Premium Per Member: \$6,527.76

Overall Requested Percentage Rate Change Per Member: 3.70%

Minimum Requested Percentage Rate Change Per Member: -1.70%

Maximum Requested Percentage Rate Change Per Member: 11.80%

Number of Policy Holders Affected: 412

### **Summary of the Bureau of Insurance’s review of the rate request:**

The Company requested and the Bureau approved a rate increase of 3.70% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau’s consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 85.0% with the increase, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

- Increasing cost of medical services
- Increased utilization
- Higher costs from deductible leveraging
- Cost shifting from the public to the private sector
- Impact of new technology

The filing summary can be reviewed on the Bureau’s webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Piedmont Community Healthcare HMO, Inc. 15791

**Market:** Small Group **Rate Request SERFF Tracking #:** PDHP-133219400

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

**Overview**

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: -0.152 %  
 Current Requested Average Rate Change: -0.152 %  
 Range of Requested Rate Change: -1.157 % to 1.414 %  
 Projected Number of Insureds Affected: 1,808

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.0902</u>
Area 2 (Charlottesville)	<u>0.9668</u>
Area 3 (Danville)	<u>1.0553</u>
Area 4 (Harrisonburg)	<u>                    </u>
Area 5 (Bristol)	<u>0.9935</u>
Area 6 (Lynchburg)	<u>0.9772</u>
Area 7 (Richmond)	<u>                    </u>
Area 8 (Roanoke)	<u>1.0708</u>
Area 9 (Tidewater)	<u>1.0026</u>
Area 10 (Northern VA)	<u>                    </u>
Area 11 (Winchester)	<u>                    </u>
Area 12 (Non-MSA)	<u>1.0452</u>

**Key information**

**Breakdown of premium**

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 85.73 %  
 Administrative: 17.15 %  
 Taxes and fees: 0.12 %  
 Profit: -3.00 %

**Factors of Rate Change**

Medical Cost (Trend) Change: 1.0487  
 Change in Morbidity: 0.9372  
 Change in Demographics: 1.0500  
 Change in Network: 1.0000  
 Change in Benefits: 1.0000  
 Change in Other (explain below): 0.9574

**Explanation of requested rate change**

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

The Piedmont premiums rates are being adjusted for reasons further detailed in the Small Group Actuarial Memorandum. The items that contributed most to Piedmont's rate change are:

- a. Prospective enrollment growth leading to administrative cost per member savings; and
- b. Medical and pharmacy unit cost and utilization trend; and
- c. Impacts due to COVID-19

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Piedmont Community Healthcare HMO, Inc. - NAIC #: 15791

SERFF Tracking Number: PDHP-133219400

Disposition: Closed-Approved

Approval Date: 9/20/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$5,999

Overall Requested Percentage Rate Change Per Member: -0.15%

Minimum Requested Percentage Rate Change Per Member: -1.16%

Maximum Requested Percentage Rate Change Per Member: 1.41%

Number of Policy Holders Affected: 2,316

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate decrease of -0.15% for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 90.9% with the decrease, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

1. Prospective enrollment growth leading to administrative cost per member savings; and
2. Medical and pharmacy unit cost and utilization trend; and
3. Impacts due to COVID-19

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** Piedmont Community HealthCare, Inc 95811

**Market:** Small Group **Rate Request SERFF Tracking #:** PDHP-133205826

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

**Overview**

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: N/A %  
 Current Requested Average Rate Change: N/A %  
 Range of Requested Rate Change: N/A % to N/A %  
 Projected Number of Insureds Affected: N/A

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.0899</u>
Area 2 (Charlottesville)	<u>0.9666</u>
Area 3 (Danville)	<u>1.0550</u>
Area 4 (Harrisonburg)	<u>                    </u>
Area 5 (Bristol)	<u>0.9932</u>
Area 6 (Lynchburg)	<u>0.9769</u>
Area 7 (Richmond)	<u>                    </u>
Area 8 (Roanoke)	<u>1.0705</u>
Area 9 (Tidewater)	<u>1.0024</u>
Area 10 (Northern VA)	<u>                    </u>
Area 11 (Winchester)	<u>                    </u>
Area 12 (Non-MSA)	<u>1.0449</u>

**Key information**

**Breakdown of premium**

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 84.88 %  
 Administrative: 15.76 %  
 Taxes and fees: 2.36 %  
 Profit: -3.00 %

**Factors of Rate Change**

Medical Cost (Trend) Change: N/A  
 Change in Morbidity: N/A  
 Change in Demographics: N/A  
 Change in Network: N/A  
 Change in Benefits: N/A  
 Change in Other (explain below): N/A

**Explanation of requested rate change**

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

N/A

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

Piedmont Community Healthcare, Inc. - NAIC#: 95811

SERFF Tracking Number: PDHP-133205826

Disposition: Closed-Approved

Approval Date: 9/20/2022

Plan Year Rates: 2023

Average Annual Premium Per Member: \$6,548

Overall Requested Percentage Rate Change Per Member: new

Minimum Requested Percentage Rate Change Per Member: new

Maximum Requested Percentage Rate Change Per Member: new

Number of Policy Holders Projected: 187

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved the rate requested for this block of group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 93.5%, which exceeds the minimum required loss ratio of 75%.

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** UnitedHealthcare Insurance Company, 25978

**Market:** Small Group **Rate Request SERFF Tracking #:** UHLC-133251058

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
Initial Requested Average Rate Change: 1.9 %  
Current Requested Average Rate Change:         %  
Range of Requested Rate Change: -3.1 % to 11.9 %  
Projected Number of Insureds Affected: 46858

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.02</u>
Area 2 (Charlottesville)	<u>.945</u>
Area 3 (Danville)	<u>1.02</u>
Area 4 (Harrisonburg)	<u>1.02</u>
Area 5 (Bristol)	<u>1.02</u>
Area 6 (Lynchburg)	<u>1.02</u>
Area 7 (Richmond)	<u>.997</u>
Area 8 (Roanoke)	<u>1.01</u>
Area 9 (Tidewater)	<u>.935</u>
Area 10 (Northern VA)	<u>.884</u>
Area 11 (Winchester)	<u>.884</u>
Area 12 (Non-MSA)	<u>.975</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 85.0 %  
Administrative: 11.1 %  
Taxes and fees: 2.3 %  
Profit: 1.6 %

### Factors of Rate Change

Medical Cost (Trend) Change: 0.4%  
Change in Morbidity: -0.4%  
Change in Demographics: -0.9%  
Change in Network: 0%  
Change in Benefits: 0.4%  
Change in Other (explain below): -1.6%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

There are many different healthcare cost trends that contribute to increases in the overall U.S. healthcare spending each year. These trend factors affect health insurance premiums, which can mean a premium rate increase to cover costs. Some of the key healthcare cost trends that have affected this year's rate actions include:

- Increasing cost of medical services: Annual increases in reimbursement rates to healthcare providers, such as hospitals, doctors, and pharmaceutical companies.
- Increased utilization: The number of office visits and other services continues to grow. In addition, total healthcare spending will vary by the intensity of care and use of different types of health services. The price of care can be affected by the use of expensive procedures such as surgery versus simply monitoring or providing medications.
- Higher costs from deductible leveraging: Healthcare costs continue to rise every year. If deductibles and copayments remain the same, a higher percentage of healthcare costs need to be covered by health insurance premiums each year.
- Cost shifting from the public to the private sector: Reimbursements from the Centers for Medicare and Medicaid Services (CMS) to hospitals do not generally cover the cost of providing care to these patients. Hospitals typically make up this reimbursement shortfall by charging private health plans more.
- Impact of new technology: Improvements to medical technology and clinical practice often result in the use of more expensive services, leading to increased healthcare spending and utilization.

## **Qualified Health Plan Rate Request Summary Part 2 –To Be Completed by Bureau of Insurance**

Company Name: UnitedHealthcare Insurance Company      NAIC Number: 79413

SERFF Tracking Number: UHLC-133251058

Disposition: Closed-Approved

Approval Date: 9/29/2022

2023 Plan Year Rates:

Average Annual Premium Per Member: \$6,858.24

Overall Requested Percentage Rate Change Per Member: 1.90%

Minimum Requested Percentage Rate Change Per Member: -3.10%

Maximum Requested Percentage Rate Change Per Member: 11.90%

Number of Policy Holders Affected: 4,880

### **Summary of the Bureau of Insurance’s review of the rate request:**

The Company requested and the Bureau approved a rate increase of 1.90% for this block of small group medical insurance policy forms.

The filing was reviewed by the Bureau’s consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 85.0% with the revision, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

- Increasing cost of medical services
- Increased utilization
- Higher costs from deductible leveraging
- Cost shifting from the public to the private sector
- Improvements to medical technology

The filing summary can be reviewed on the Bureau’s webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** UnitedHealthcare of the Mid-Atlantic, Inc. 95025

**Market:** Small Group **Rate Request SERFF Tracking #:** UHLC-133251055

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 1/1/2023  
 Initial Requested Average Rate Change: 2.8 %  
 Current Requested Average Rate Change:         %  
 Range of Requested Rate Change: -2.1 % to 11.7 %  
 Projected Number of Insureds Affected: 6435

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>1.02</u>
Area 2 (Charlottesville)	<u>.945</u>
Area 3 (Danville)	<u>1.02</u>
Area 4 (Harrisonburg)	<u>1.02</u>
Area 5 (Bristol)	<u>1.02</u>
Area 6 (Lynchburg)	<u>1.02</u>
Area 7 (Richmond)	<u>.997</u>
Area 8 (Roanoke)	<u>1.01</u>
Area 9 (Tidewater)	<u>.935</u>
Area 10 (Northern VA)	<u>.884</u>
Area 11 (Winchester)	<u>.884</u>
Area 12 (Non-MSA)	<u>.975</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023 :

Claims: 85.0 %  
 Administrative: 11.1 %  
 Taxes and fees: 2.3 %  
 Profit: 1.6 %

### Factors of Rate Change

Medical Cost (Trend) Change: 0.4%  
 Change in Morbidity: -0.4%  
 Change in Demographics: 3.6%  
 Change in Network: 0%  
 Change in Benefits: -1.5%  
 Change in Other (explain below): -0.7%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

There are many different healthcare cost trends that contribute to increases in the overall U.S. healthcare spending each year. These trend factors affect health insurance premiums, which can mean a premium rate increase to cover costs. Some of the key healthcare cost trends that have affected this year's rate actions include:

- Increasing cost of medical services: Annual increases in reimbursement rates to healthcare providers, such as hospitals, doctors, and pharmaceutical companies.
- Increased utilization: The number of office visits and other services continues to grow. In addition, total healthcare spending will vary by the intensity of care and use of different types of health services. The price of care can be affected by the use of expensive procedures such as surgery versus simply monitoring or providing medications.
- Higher costs from deductible leveraging: Healthcare costs continue to rise every year. If deductibles and copayments remain the same, a higher percentage of healthcare costs need to be covered by health insurance premiums each year.
- Cost shifting from the public to the private sector: Reimbursements from the Centers for Medicare and Medicaid Services (CMS) to hospitals do not generally cover the cost of providing care to these patients. Hospitals typically make up this reimbursement shortfall by charging private health plans more.
- Impact of new technology: Improvements to medical technology and clinical practice often result in the use of more expensive services, leading to increased healthcare spending and utilization.

## **Qualified Health Plan Rate Request Summary Part 2 –To Be Completed by Bureau of Insurance**

Company Name: UnitedHealthcare of the Mid-Atlantic, Inc.

NAIC Number: 95025

SERFF Tracking Number: UHLC-133251055

Disposition: Closed-Approved

Approval Date: 9/29/2022

2023 Plan Year Rates:

Average Annual Premium Per Member: \$6,802.32

Overall Requested Percentage Rate Change Per Member: 2.80%

Minimum Requested Percentage Rate Change Per Member: -2.10%

Maximum Requested Percentage Rate Change Per Member: 11.70%

Number of Policy Holders Affected: 928

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate increase of 2.80% for this block of small group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 85.0% with the revision, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

- Increasing cost of medical services
- Increased utilization
- Higher costs from deductible leveraging
- Cost shifting from the public to the private sector
- Improvements to medical technology

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.

# Rate Change Request Summary (RRS)

**Carrier Name and NAIC#:** UnitedHealthcare Plan of the River Valley, Inc. NAIC Company Code = 95378

**Market:** Small Group ACA **Rate Request SERFF Tracking #:** UHLC-133266273

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the carrier's request. It is not intended to describe or include all factors or information considered in the review process. For more information, refer to the complete filing at <https://filingaccess.serff.com/sfa/home/va>. A glossary of terms used on this form can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RateRevSumGloss.pdf>. A map of rating areas can be found at <https://www.scc.virginia.gov/boi/SERFFInquiry/RatingAreaMap.pdf>.

## Overview

Effective Date: 01/01/2023  
 Initial Requested Average Rate Change: 3.2 %  
 Current Requested Average Rate Change: 3.2 %  
 Range of Requested Rate Change: -3.1 % to 14.0 %  
 Projected Number of Insureds Affected: 1975

Rating Areas Plans will be offered	Area Factor
Area 1 (Blacksburg)	<u>0.8682</u>
Area 2 (Charlottesville)	<u>0.8682</u>
Area 3 (Danville)	<u>0.8682</u>
Area 4 (Harrisonburg)	<u>0.8682</u>
Area 5 (Bristol)	<u>0.7898</u>
Area 6 (Lynchburg)	<u>0.8682</u>
Area 7 (Richmond)	<u>0.8682</u>
Area 8 (Roanoke)	<u>0.8682</u>
Area 9 (Tidewater)	<u>0.8682</u>
Area 10 (Northern VA)	<u>0.8682</u>
Area 11 (Winchester)	<u>0.8682</u>
Area 12 (Non-MSA)	<u>0.7898</u>

## Key information

### Breakdown of premium

This is how the carrier plans to spend the premium collected in plan year 2023:

Claims: 79.9 %  
 Administrative: 12.0 %  
 Taxes and fees: 1.8 %  
 Profit: 6.4 %

### Factors of Rate Change

Medical Cost (Trend) Change: 7.6%  
 Change in Morbidity: \_\_\_\_\_  
 Change in Demographics: \_\_\_\_\_  
 Change in Network: \_\_\_\_\_  
 Change in Benefits: \_\_\_\_\_  
 Change in Other (explain below): -4.1%

## Explanation of requested rate change

Provide a narrative below to summarize the key information used to develop the rates including the main drivers for new or revised rates. Include additional pages as needed. Data filed within this document must remain current and concur with data contained in the Rate Filing Template as well as on the Rate/Rule Schedule.

In this filing, UHC is proposing an average 3.0% decrease to base rates, aside from quarterly trend.

The key information leading to these proposals are as such:

First, actual historical claims information is projected forward to the new effective date. From there, expenses such as administrative costs are considered. Once totaled, this is compared against the current rate environment to determine a base rate. Individual plans' structures are then considered as well as the ages and locations of the members to determine final rates.

Additionally, the components of "Change in Other" are comprised of the following:

- Composite Rating
- Catastrophic Claims Adjustment
- Trend Adjustment
- Lining up premium with expected claims

These adjustments are explained in detail in Section 6 of the Part III Actuarial Memorandum.

## **Qualified Health Plan Rate Request Summary Part 2 – Completed by Bureau of Insurance**

UnitedHealthcare Plan of the River Valley, Inc. - NAIC Number: 95378

SERFF Tracking Number: UHLC-133266273

Disposition: Closed-Approved

Approval Date: 9/27/2022

2023 Plan Year Rates:

Average Annual Premium Per Member: \$6,810.12

Overall Requested Percentage Rate Change Per Member: 3.22%

Minimum Requested Percentage Rate Change Per Member: -3.08%

Maximum Requested Percentage Rate Change Per Member: 14.05%

Number of Policy Holders Affected: 1,907

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested and the Bureau approved a rate increase of 3.22% for this block of small group medical insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and was determined to comply with the requirements for a rate increase set forth in 14VAC5-130-65 of the Virginia Administrative Code. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 79.9% with the revision, which exceeds the minimum required loss ratio of 75%.

The Company provided that the primary reasons for the rate changes are:

- Claims History
- Administrative expenses
- Composite Rating
- Catastrophic Claims Adjustment
- Trend

The filing summary can be reviewed on the Bureau's webpage under the Tips, Guides & Publications at <https://www.scc.virginia.gov/pages/Tips,-Guides-Publications> or you may access the filing at <https://filingaccess.serff.com/sfa/home/va>.