

SERFF Tracking #:

UPMC-132364637

State Tracking #:

UPMC-132364637

Company Tracking #:

State:

Pennsylvania

Filing Company:

UPMC Health Options, Inc.

TOI/Sub-TOI:

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

Product Name:

2021 IND Health Options

Project Name/Number:

/

Supporting Document Schedules

| | |
|--------------------------|---|
| Satisfied - Item: | ACA Rate Change Request Summary |
| Comments: | |
| Attachment(s): | UPMC Health Options, Inc. Individual Rate Change Request UPMC-132364637.pdf |
| Item Status: | |
| Status Date: | |

Attachment I

Rate Change Summary

UPMC Health Options, Inc. – Individual Plans

Rate request filing ID UPMC-132364637 - This document is prepared by the insurance company submitting the rate filing as a consumer tool to help explain the rate filing. It is not intended to describe or include all factors or information considered in the review process. For more information, see the filing at <http://www.insurance.pa.gov/Consumers/ACARelatedFilings/>

Overview

| | |
|--|-------------------------------------|
| Initial requested average rate change: | 1.28% ¹ |
| Revised requested average rate change: | N/A |
| Range of requested rate change: | -7.51% to 17.29% |
| Effective date: | 1/1/2021 |
| Mapped Members: | 121,706 |
| Available in: | Rating Areas 1, 2, 3, 4, 5, 6, 7, 9 |

Key information

Jan. 2019-Dec. 2019 financial experience

| | |
|----------------------------|---------------------|
| Premiums | \$845,528,609 |
| Claims | \$696,948,423 |
| Administrative expenses | \$115,840,771 |
| Taxes & fees | \$702,797 |
| Company made (after taxes) | \$32,036,617 |

How it plans to spend your premium

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

| | |
|-----------------|--------|
| Claims: | 84.19% |
| Administrative: | 13.73% |
| Taxes & fees: | 0.08% |
| Profit: | 2.00% |

The company expects its annual medical costs to increase **6.01%**.

Explanation of requested rate change

Increasing cost and utilization of medical trends; Elimination of the Health Insurance Providers Fee; Introduction of a state-based reinsurance program; Increase in projected administrative costs.

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