**State:** Pennsylvania **Filing Company:** Capital Advantage Insurance Company
**TOI/Sub-TOI:** H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical Expense
**Product Name:** Rates - CAIC Individual PPO
**Project Name/Number:** /

## Supporting Document Schedules

| | |
|---|---|
| **Satisfied - Item:** | ACA Public Rate Filing PDF |
| **Comments:** | |
| **Attachment(s):** | Ind_21-68_Initial_CAIC_PPO_PublicFiling01_Supporting_20210713.pdf<br>Ind_21-68_Initial_CAIC_PPO_PublicFiling02_Supporting_20210713.pdf<br>Ind_21-68_Initial_CAIC_PPO_PublicFiling03_Supporting_20210713.pdf<br>Ind_21-68_Initial_CAIC_PPO_PublicFiling04_Supporting_20210713.pdf<br>Ind_21-68_Initial_CAIC_PPO_PublicFiling05_Supporting_20210713.pdf |
| **Item Status:** | |
| **Status Date:** | |

Capital BLUE

**May 18, 2021**

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

Re: **Capital Advantage Insurance Company**
**Individual Rates**
**Filing No 21-68**
**TOI Code: H15I Individual Health – Hospital/Surgical/Medical Expense**
**Sub-TOI Code: H15I.001 - Hospital/Surgical/Medical Expense**
**Filing Type: Rate**

Dear Ms. Gray:

By this filing Capital BlueCross, on behalf of its wholly owned subsidiary Capital Advantage Insurance Company, submits to the Department Individual Rates effective January 1, 2022.

The following is a summary of the rate filing:

- Company Name: Capital Advantage Insurance Company (CAIC)
- NAIC: 41203
- Market: Individual
- On/Off Exchange: Off Exchange
- Effective Date: 1/1/2022
- Average Rate Change Requested: -0.4%
- Range of Requested Rate Change: -0.4% to -0.4%
- Total additional annual revenue generated from the proposed rate change: $(482)
- Product: PPO
- Rating Areas: 6,7,9
- Metal Levels: Catastrophic
- Current Covered Lives and Policyholders: 62/59
- 2022 Number of Plans: 1
- 2021 Number of Plans and Change: 1/No Plan Change
- Contract Form #: CAIC-Ind-PPO-C-v0122
- Form Filing SERFF #: CABC-132795393
- Binder SERFF #: CABC-PA22-125107202
- HIOS Issuer ID: 82795
- HIOS Submission Tracking Number: 82795-2003721964618918913



Health care benefit programs issued or administered by Capital BlueCross and/or its subsidiaries, Capital Advantage Insurance Company®, Capital Advantage Assurance Company® and Keystone Health Plan® Central. Independent licensees of the BlueCross BlueShield Association. Communications issued by Capital BlueCross in its capacity as administrator of programs and provider relations for all companies.

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

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

Sincerely,

[redacted]

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

Enclosures

cc: [redacted], FSA, MAAA, Senior Director, Actuarial Services
[redacted], ASA, MAAA, Vice President and Chief Actuary, Actuarial Services
[redacted], Associate General Counsel

# Attachment I

# Rate Change Summary

## Capital Advantage Insurance Company (CAIC) – Individual Plans

Rate request filing ID # CABC-132795942 - 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: | 0.8%[1] |
| Revised requested average rate change: | N/A[1] |
| Range of requested rate change: | 0.8% to 0.8% |
| Effective date: | 1/1/2022 |
| Mapped Members: | 62 |
| Available in: | Rating Areas 6, Rating Area 7, and Rating Area 9 |

### Key information

**Jan. 2020-Dec. 2020 financial experience**

| | |
|---|---|
| Premiums | $393,253 |
| Claims | $346,298 |
| Administrative expenses | $70,674 |
| Taxes & fees | $(37,287) |
| Company made (after taxes) | **$13,568** |

**How it plans to spend your premium**
This is how the insurance company plans to spend the premium it collects in 2022:

| | |
|---|---|
| Claims: | 78.00% |
| Administrative: | 17.26% |
| Taxes & fees: | 2.74% |
| Profit: | 2.00% |

The company expects its annual medical costs to increase **6.58%**.

### Explanation of requested rate change

Favorable Experience Net Risk Adjustment: -7.2%
Proposed change to PA Reinsurance Program: 1.5%
Future Cost and Utilization: 6.5%

CAIC only offers a catastrophic plan in the Individual market. The low premium associated with catastrophic plans results in a situation where the projected claims fall below 80% of premium (premium is low but administrative expenses are the same as other Capital plans). CAIC has performed a federal MLR rebate calculation and estimates the requested premium meets the 80% MLR rule after prescribed deductions are considered.

[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.

Capital BLUE

**July 13, 2021**

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

Re: **Capital Advantage Insurance Company**
**Individual Rates**
**Filing No 21-68**
**TOI Code: H15I Individual Health – Hospital/Surgical/Medical Expense**
**Sub-TOI Code: H15I.001 - Hospital/Surgical/Medical Expense**
**Filing Type: Rate**

Dear Ms. Gray:

By this filing Capital BlueCross, on behalf of its wholly owned subsidiary Capital Advantage Insurance Company, submits to the Department Individual Rates effective January 1, 2022.

The following is a summary of the rate filing:

- Company Name: Capital Advantage Insurance Company (CAIC)
- NAIC: 41203
- Market: Individual
- On/Off Exchange: Off Exchange
- Effective Date: 1/1/2022
- Average Rate Change Requested: 0.8%
- Range of Requested Rate Change: 0.8% to 0.8%
- Total additional annual revenue generated from the proposed rate change: $923
- Product: PPO
- Rating Areas: 6,7,9
- Metal Levels: Catastrophic
- Current Covered Lives and Policyholders: 62/59
- 2022 Number of Plans: 1
- 2021 Number of Plans and Change: 1/No Plan Change
- Contract Form #: CAIC-Ind-PPO-C-v0122
- Form Filing SERFF #: CABC-132795393
- Binder SERFF #: CABC-PA22-125107202
- HIOS Issuer ID: 82795
- HIOS Submission Tracking Number: 82795-2003721964618918913



Health care benefit programs issued or administered by Capital BlueCross and/or its subsidiaries, Capital Advantage Insurance Company®, Capital Advantage Assurance Company® and Keystone Health Plan® Central. Independent licensees of the BlueCross BlueShield Association. Communications issued by Capital BlueCross in its capacity as administrator of programs and provider relations for all companies.

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

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

Sincerely,

[redacted]

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

Enclosures

cc: [redacted], FSA, MAAA, Senior Director, Actuarial Services
[redacted], ASA, MAAA, Vice President and Chief Actuary, Actuarial Services
[redacted], Associate General Counsel

# CAPITAL ADVANTAGE INSURANCE COMPANY, INC.

## ACTUARIAL MEMORANDUM
## Individual Rates
## Effective January 1, 2022

## General Information

### Company Information

- Company Legal Name: Capital Advantage Insurance Company – CAIC
- State: PA
- HIOS Issuer ID: 82795
- Market: Individual
- Effective Date: 1/1/2022

### PID Company Information

- Company Name: Capital Advantage Insurance Company (CAIC)
- NAIC: 41203
- Market: Individual
- On/Off Exchange: Off Exchange
- Effective Date: 1/1/2022
- Average Rate Change Requested: 0.8%
- Range of Requested Rate Change: 0.8% to 0.8%
- Total additional annual revenue generated from the proposed rate change: $923
- Product: PPO
- Rating Areas: 6,7,9
- Metal Levels: Catastrophic
- Current Covered Lives and Policyholders: 62/59
- 2022 Number of Plans: 1
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- HIOS Issuer ID: 82795
- HIOS Submission Tracking Number: 82795-2003721964618918913

**Company Contact Information**

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

**Scope and Purpose**

By this filing, Capital Advantage Insurance Company (CAIC), a subsidiary of Capital BlueCross (CBC), submits rates for products to be made available effective January 1, 2022. CAIC will only offer products off the PA state-based exchange.

## Rate History and Proposed Variations in Rate Changes

| Market | Company | Effective Date | SERFF # | Annual Increase |
|---|---|---|---|---|
| Individual | CAIC | 1/1/2018 | CABC-131022047 | 20.2% |
| Individual | CAIC | 1/1/2019 | CABC-131454888 | -43.2% |
| Individual | CAIC | 1/1/2020 | CABC-131915046 | -3.8% |
| Individual | CAIC | 1/1/2021 | CABC-132354933 | -15.5% |

**Average Rate Change**

CAIC is proposing an aggregate annual 0.8% rate change. The rate change does vary by plan. The rate change is calculated in PA Rate Template Part III, Table 10, cell AC15.

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

Favorable Experience Net Risk Adjustment: -7.2%
Proposed change to PA Reinsurance Program: 1.5%
Future Cost and Utilization: 6.5%

**Regulatory Considerations**

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

- Individual Adjustment of 1.01
- Cost Sharing Reduction (CSR) Funding: Factor of 1.22 applied in the PA Rate Exhibits, Part III, column P to the on-exchange silver plan. (Does not apply to CAIC, off-exchange issuer)
- User Exchange Fee of 3% (Does not apply to CAIC, off exchange-issuer)
- Reinsurance Morbidity Adjustment of 0.999
- COVID-19 Adjustment of 1.03

- Note that no adjustment is made for the American Rescue Plan Act (ARPA) as CAIC is only offered off-exchange, with no subsidy impact.

## Membership

Membership is shown in PA Rate Template Part I, Table 1. The average age is 24.

## Benefit Changes 2021-2022

A summary of proposed 2022 benefits is included in Exhibit A.

There are several benefit changes being implemented in 2022. All benefit changes comply with the uniform modification of coverage standards described in 45 CFR 147.106(e). Any plan with a benefit change that did not meet the uniform modification of coverage standard was terminated, and a new plan was created in its place. Benefit changes by plan are listed in Exhibit B, highlighted in yellow.

## Experience Period Premium and Claims

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

**Base Experience Period**: The base experience period (BEP) includes completed fee-for-service paid and incurred claims for dates of service between January 1, 2020 and December 31, 2020.

**Paid Through Date**: Claims in the BEP are paid through February 28, 2021

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

**Allowed and Incurred Claims in BEP**:

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

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

1. Historical fee-for-service claims are viewed by date of service and date of payment in a claims triangle.
2. The claims triangle payments are then accumulated by date of service to develop factors that represent the rate of accumulation or rate of "completion".
3. Historical rates of completion by duration are used to derive projected rates of completion. Some of the methods used to develop projected completion factors are averages (e.g. harmonic averages, time weighted averages, geometric averages) and regression methods. Numerous items are considered when viewing these averages or regression statistics, such as the impact of high claims on perceived completion patterns.
4. For durations that exhibit a projected completion factor greater than the Valuation Actuary's chosen threshold (e.g. 80% complete), cumulative paid and incurred claims are divided by the projected completion factor to arrive at ultimate incurred claims. For durations that are less than the chosen threshold, a projection methodology is used. Similar to completion factor development, projection methodologies are worthy of a lengthy discussion. In general, an ultimate incurred claims PMPM is derived by projecting a recent 12-month period to the current month(s) and seasonally adjusting.
5. With all months having both a cumulative paid amount and an estimated ultimate incurred amount, the completion factors used in pricing are calculated by taking the quotient of the two. Allowed completion and incurred completion are assumed to be identical.
6. Both allowed and paid claims in the BEP are completed by applying completion factors by incurred month developed in Step 6.

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

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

**Risk Adjustment in BEP**: Risk adjustment amounts in the BEP are equal to the amounts sent by the Department on 5/9/2021.

**Loss Ratio in BEP:** Loss ratio is 88.06%

## Credibility of Data

CAIC individual data is not credible, so CBC subsidiary, Keystone Health Plan Central (KHPC) is used as the credibility manual. KHPC data is relevant to CAIC rate development because KHPC offers off-exchange Bronze and Catastrophic plans, similar to CAIC's 2022 product offering.

KHPC's data is developed in the same manner as described in Experience Period Premium and Claims above.

## Trend Identification

Trend: 6.58%

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

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

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

    a. Vendor Physician Cost Model and Internal Hospital Contracting Model
        i. The medical cost models use best estimates of Capital BlueCross (CBC)'s future contracting increases with physicians and hospitals. The models use cost estimates based on varying contract effective dates by physician and hospital. All facilities and providers are considered in this modeling effort (i.e. acute and non-acute, network and non-network, inpatient and outpatient, in- area and out-of-area). From there, a monthly anticipated cost (assuming static utilization) summary is produced which can be used in projecting future claims costs. Cost trends are determined at the CBC book of business level for all commercial business.
    b. Internal Prescription Drug Trend Model
        i. Price Inflation
        ii. Contract Pricing
        iii. Member Cost-Sharing
        iv. Units per Script
        v. Brand/Generic Mix
        vi. Therapeutic Mix
        vii. Cost per Script
        viii. Pipeline (new drugs)

2. Utilization Considerations:
    a. Intensity of medical services rendered
    b. Changes in place of service (e.g. continued migration of inpatient stays to outpatient setting)
    c. Further migration from brand prescription drugs to generic prescription drugs
    d. Favorable impacts of value based benefits designs
    e. Medical utilization estimates reviewed by CBC's Chief Medical Officer

3. Leveraging: The trend model is based on allowed cost increases. Paid claims trend at a higher rate than allowed due to leveraging. Leveraging is the impact of static cost-share, such as deductibles and copays, to the paid trend.

4. Intensity: Measure of cost increase due to change in treatment sophistication. An example is migration from x-rays to MRIs at significantly higher cost.

5. Underwriting Cycle: The underwriting cycle is defined as the tendency to swing between profitable and unprofitable periods over time. The underwriting cycle is exacerbated partly by pricing performed with incomplete information as to the level of current experience trends. A reaction delay occurs, as carriers tend to rely on measurements of past experience in developing current pricing assumptions. As a result, carriers are often increasing their pricing trends when actual experience trends have begun to decline, and decreasing their pricing trends actual trends are increasing. CBC strives to mitigate the underwriting cycle by keeping trends consistent through times of increasing and decreasing claim cost and utilization.

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

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

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

## Rate Development & Change

### Projection Factors

**Changes in Morbidity:** Found in URRT Worksheet 1, "Morbidity Adjustment", and PA Rate Exhibits, Table 5.

$$\begin{aligned} &Total\ Morbidity\ Factor \\ &\qquad = [Individual\ Factor] \times [COVID - 19\ Factor] \\ &\qquad \times [Risk\ Change\ Rel\ to\ KHPC] \times [Reinsurance\ Morbdity\ Factor] \end{aligned}$$

The Individual Factor and Reinsurance Morbidity Factor are discussed in *Regulatory Considerations* above.

**COVID-19 Factor**: CBC projects 3% change in morbidity due to COVID-19 claim suppression during 2020. The morbidity factor is based on the following analysis:

1. Gather BEP claims, membership and premium from Ib Manual Data, Table 2. This is for the filing BEP 1/1/2020-12/31/2020.
2. Develop Claim PMPM A using data from (1)
3. Gather 2019 claims, membership and premium from Ib Manual Data, Table 2 from the 2021 annual filing. This is for BEP 1/1/2019-12/31/2019. Trend the claims data 12 months to the filing BEP in (1).
4. Develop Claim PMPM B using data from (2)
5. Claim PMPM B/Claim PMPM A – 1 = 10.0%
6. 3% is applied in rating due to market competition.

**Risk Change Relative to KHPC**: In addition to the COVID-19 morbidity change, CAIC is also applying a factor of 2.41 to reflect the difference is projected Plan Liability Risk Score (PLRS) between CAIC and its subsidiary, KHPC, which is used as the manual BEP. This factor aligns the rates with similar benefits offered under CAAC and KHPC.

The above calculation is found in Exhibit Q, Morbidity Factor Calculation.

**Changes in Benefits:**

Allowed Claims: The benefit change field is being used to estimate the difference between KHPC experience, which includes bronze and catastrophic plans, and the projected CAIC catastrophic experience. The calculation is shown on Exhibit F – URRT.

Incurred Claims: In addition to the Catastrophic adjustment applied to allowed claims, benefit cost-sharing adjustment are applied in the development of future incurred claims. This calculation is shown in Exhibit D, and applied in Exhibit G. The manual cost PMPMs are developed from CBC's internal benefit relativity model, discussed in the Plan Adjusted Index Rate section below. The benefit change is equal to member-month weighted average projected manual PMPM divided by member-month weighted average manual PMPM in the BEP. This process is further discussed in the Paid-to-Allowed section below.

**Changes in Demographics:** The Demographic adjustment is show in Exhibit F – URRT. This is the difference in demographics between KHPC enrollment, which includes bronze and catastrophic plans, and the projected CAIC catastrophic enrollment.

**Changes in Network:** No network adjustment is applied.

**Other Adjustments:** No other adjustment is applied to the BEP.

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

## Index Rate

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

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

To calculate the projected index rate:

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

See Exhibit J as well as PA Rate Exhibits Table 5 for the Index Rate.

**Paid to Allowed Ratio**

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

Projected Paid and Incurred Claims are calculated as follows:

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

2. Develop BEP *Paid and Incurred Claims*:

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

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

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

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

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

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

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

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

The *Morbidity Adjustment*, and *Other Adjustment* are discussed in the Projections Factors section above. The *Benefit Adjustment* is described in more detail in step 6 below. The *Reinsurance Adjustment* is discussed in Market Adjusted Index Rate section below.

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

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

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

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

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

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

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

e. The Benefit Relativity developed in d. above is then used as a gauge to develop a final *Pricing Relativity*. This pricing relativity is developed using actuarial judgment including the following considerations:

   i. Final premium relativities must make sense based on benefits. For example, the annual cost difference between a PPO 2000 and PPO 1000 must be less than $1000.

   ii. Adjustments for plan designs that fall outside of the actuarial cost model.

a. So the *Projected Claims PMPM by Benefit* is:

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

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

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

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

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

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

**<u>Market Adjusted Index Rate</u>**

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

$$\begin{aligned} &[Market\ Adjusted\ Index\ Rate] \\ &\qquad = ([Index\ Rate]\ x\ [Paid\ to\ Allowed\ Ratio] \\ &\qquad - [Projected\ Incurred\ Reinsurace\ Recoveries] \\ &\qquad - [Projected\ Incurred\ Risk\ Adjustment\ PMPM] \\ &\qquad + [Exchange\ Fees\ PMPM]) \div [Paid\ to\ Allowed\ Ratio] \end{aligned}$$

**Projected Incurred Risk Adjustments PMPM:**

Relevant to 2022 pricing is the impact of Commercial Risk Adjustment (CRA) payment transfers that are expected to be earned in 2022. The following items are those that we deem important in generating a CRA payment transfer adjustment:

1. Risk profile of the those enrolled in CRA eligible plans for the market or state (i.e. competitors) relative to risk profile of CRA eligible membership enrolled in our plans
2. Statewide average premiums
3. Current market penetration of this company and competitors in the market and in the state
4. 2019-2020 risk adjustment results
5. Market improvement in coding risk: CBC's ACA book of business has had a churn rate that makes a multi-year perspective of member diagnosis and risk very challenging. Because closing gaps in care and coding, and a myriad of other risk adjustment functions require more than a single year of data to facilitate an accurate depiction of risk, it is believed that CBC is disadvantaged in the market. This will drive CBC's relative risk to the market down over time.

The 2022 projected risk adjustment PMPM is set equal to the 2020 amount sent by the Department on 5/9/21.

**Projected Incurred Reinsurance Recoveries:**

In order to calculate the value of reinsurance, the following is provided:

1. PA Rate Exhibits, tab II.a show the company-specific BEP claims data.
2. PA Rate Exhibits, tab II.b shows the projected Individual ACA claims using all CBC subsidiaries – CAAC, CAIC, and KHPC. The claims represent BEP claims trended at 7% to the projection period.
3. CBC is utilizing this approach in order apply a consistent reinsurance factor across all CBC Individual ACA plans regardless of issuing entity. This approach also provides credibility to the small CBC issuers (KHPC and CAIC).

**Exchange Fee PMPM:**

CAIC only offers plans off exchange, so the exchange fee is $0.

The exchange fee PMPM is calculated as:

$$Exchange\ Fee\ PMPM = [Avg\ 2022\ On - Exchange\ Premium\ PMPM] \times [\%\ Members\ On - Exchange]$$

Where

$$[Avg\ 2022\ On - Exchange\ Premium\ PMPM = [Avg\ 2021\ On - Exchange\ Premium\ PMPM\ \times (1 + [Avg\ Proposed\ Rate\ Change])$$

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

**<u>Retention Items</u>**

**Administrative Expense Load:**

1. Risk Adjustment User Fee: To fund the HHS-risk adjustment program, issuers will remit to HHS a fee of $0.25 PMPM. The Risk Adjustment Fee PMPM is included in URRT Worksheet 1, URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.
2. Administrative Expense: Calculated using an allocation method from CBC's Finance department, and trended to the rating period. Costs are allocated according to results reported through a company-wide questionnaire. On an annual basis, each cost center within the company completes a questionnaire listing the distribution of costs (in percentage terms) by product as well as by market segment. For example, the questionnaire will ask what percentage of time is spent on PPO versus HMO versus Drug versus Medicare. And separately will ask what percentage of time is spent on large group, small group, individual, and government programs. Using those distributions, all costs needed to perform the business are allocated to the proper market segments and lines of business. The administrative expense applied in the rate development is the total expense allocated to CBC individual products. Administrative expenses are included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. Expense as a percentage of premium vary by plan because a fixed dollar admin PMPM is applied to each plan.
    a. Value-Based Benefits (VBB): Standard with each plan, Capital BlueCross includes wellness incentives to maximize the likelihood that consumers make positive behavioral changes, which lead to better health, and curbed health care costs for employers and employees alike. The incentive is as follows:
        i. Complete Health Risk Assessment questionnaire and receive a gift card.
        ii. Participate in an online coaching program and receive a gift card reward.
        iii. The wellness program is administered through a vendor and costs are based on vendor fees, anticipated participation, and reward card amounts.
        iv. Fees are included in overall administrative expense fee discussed above.
        v. Included in URRT Worksheet 2 "Administrative Expense", and PA Rate Exhibits Table 6.
3. Broker Expense: Calculated based on CBC's explicit per contract broker fee. Broker Expense is included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. CBC pays commissions for new business and renewal enrollment received during open enrollment, both on and off exchange, and in all geographic areas. Commission is less on catastrophic plans due to the lower premium. CBC does not pay commission during Special Enrollment Periods (SEP). The 2021 broker commission schedule is yet to be finalized. Attached please find the 1/1/2020 copy of the broker agreement – redacted version. Files are as follows:
    a. Redacted Agent Agreement: "Ind_21-68_Initial_CAIC_PPO_WBEBrokerIndRedacted_Supporting_20210518.pdf"
    b. Redacted Preferred Producer Master Agreement: "Ind_21-68_Initial_CAIC_PPO_PPMABrokerIndRedacted_Supporting_20210518.pdf"

4. Additional Quality Improvement: Additional QI amounts applied in rating equal 0.4%. Included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.

**Profit (or Contribution to Surplus) & Risk Margin:**

5. Contingency: Contingency is included in URRT Worksheet 1, "Profit and Risk", and PA Rate Exhibits Table 6.

**Taxes and Fees:**

1. Exchange Fee – All issuers participating in the state-based-facilitated exchange will remit 3% of premium. The exchange user fee is applied as an adjustment to the Index Rate at the market level. CAIC only offers off-exchanges products, therefore no exchange fee is applied.
2. Federal Income Tax: Federal Income Tax will be collected on the 2% contingency built into the premium. The projected Federal Income Tax is included in URRT Worksheet 2, "Taxes and Fees", and PA Rate Exhibits, Table 6.
3. Premium Tax: CAIC is charged premium tax of 2%. Premium tax is included in URRT, Worksheet2, "Taxes and Fees" and PA Rate Exhibits, Table 6.

See Exhibit H as well as PA Rate Exhibits Table 6 for all retention values.

## Plan Adjusted Index Rates

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

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

1. Actuarial Value and Cost Sharing adjustment: The Actuarial Value and Cost Sharing Adjustment is determined using CAIC's actuarial cost model. CAIC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a $0 office visit copayment and a $25 ER copayment. Given a particular benefit design (for example, $20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a claim PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on CPDs, where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
2. Induced Demand: Please see Table 8. Induced Demand is calculated as:
$$[Pricing\ AV]^2 - [Pricing\ AV] + 1.24$$
Where *Pricing AV* is adjusted by the Non-Funding of CSR factor: PA Rate Exhibits, Table 10, column K x column P.

3. Provider Network: The Provider network is the same across all PPO plans.
4. Adjustment for benefits in addition to EHBs: No benefits other than EHBs are included in the plans, so no adjustment is necessary.
5. Catastrophic Plans: Applied to catastrophic plans to reflect lower morbidity.
6. Adjustment for distribution and administrative costs: Described in Retention section above.
7. Tobacco Adjustment: Calculated as the average tobacco factor applied across the risk pool.

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

## Calibrated Plan Adjusted Index Rates

**Age Curve Calibration**: The average age factor is calculated by taking the member-weighted average of current individual enrollment by age in CAIC. Age factors are applied in accordance with CMS's Standard Age Curve. The age calibration factor is adjusted for contracts with greater than three children under the age of 21. Please see file Ind_21-68_Initial_CAIC_PPO_List-Billed_Supporting_20210518 for the calculation.

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

Geographic factors are unchanged from 2021.

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

The calibration is:

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

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

## Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

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

2. $[Family\ Consumer\ Adjusted\ Premium\ Rate] = \sum[Member - Level\ Consumer\ Adjusted\ Premium\ Rate]$

With no more than three child dependents under age 21 taken into account

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

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

## AV Metal Values

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

See AV Screenshots included with the submission.

## AV Pricing Values

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

## Projected Loss Ratio

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

## Membership Projection

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

## Projected versus Actual MLR

Exhibit R shows a history of projected versus actual MLR and Member Months. Projected comes from the 2017-2019 filings. Actual comes from Table 4.

## Attachments and Examples

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

PA Rate Exhibits Part I through Part V

Table 8

Exhibit A – Benefit Summary

Exhibit B – Benefit Change Summary
Exhibit C – Benefit Categories
Exhibit D – Benefit Mix
Exhibit E – Trend
Exhibit F – URRT
Exhibit G – Paid-to-Allowed Development
Exhibit H – Retention
Exhibit I – Projected Loss Ratio
Exhibit J – Index Rate
Exhibit K – Market Adjusted Index Rate
Exhibit L – Rate Development by Plan
Exhibit M – Plan Adjusted Index Rates
Exhibit N – Calibration
Exhibit O – Rating Factors
Exhibit P – Quarterly Base Rates
Exhibit Q – Morbidity
Exhibit R – MLR Exhibit

Broker Contracts
Actuarial Value Screenshots
List-Billed Data

## Actuarial Statement

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

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

1. This filing has been prepared in accordance with the following:
    a. Actuarial Standard of Practice No. 5, "Health and Disability Claims"
    b. Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans"
    c. Actuarial Standard of Practice No. 12, "Risk Classification"
    d. Actuarial Standard of Practice No. 23, "Data Quality"
    e. Actuarial Standard of Practice No. 25, "Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverage"
    f. Actuarial Standard of Practice No. 26, "Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health Benefit Plans"
    g. Actuarial Standard of Practice No. 41, "Actuarial Communications".

2. The index rate is:
    a. Projected in compliance with all applicable state and federal statutes and regulations (45 CFR 156.80(d) (1)).

b. Developed in compliance with the applicable Actuarial Standards of Practice.
c. Reasonable in relation to the benefits provided and the population anticipated to be covered.
d. Neither excessive nor deficient.
e. Adjusted by only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) to generate plan level rates.

3. The percent of total premium that represents essential health benefits were calculated in accordance with actuarial standards of practice.

4. The AV Calculator was used to determine the AV Metal Values shown in Worksheet 2 of the Part I Unified Rate Review Template for all plans, and in accordance with CFR 156.135(b)(2) as necessary. For any plan requiring an alternative method, the development of the actuarial value is based on one of the acceptable alternative methods outlined in 156.135(b)(2) or 156.135(b)(3) for benefits that deviate substantially from the parameters of the AVC and have a material impact on the actuarial value.

   a. The analysis was
      i. conducted by a member of the American Academy of Actuaries, and
      ii. performed in accordance with generally accepted actuarial principles and methods.

5. Geographic area rating factors reflect only differences in the costs of delivery and not differences due to population morbidity.

6. All factor, benefit and other changes from the prior approved filing have been disclosed in the actuarial memorandum.

7. New plans are not considered modifications of existing plans under the uniform modification standards in 45 CFR 147.106.

8. The information presented in the PA Actuarial Memorandum and PA Actuarial Memorandum Rate Exhibits is consistent with the information presented in the Rate Filing Justification.

[redacted]

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

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

## Table 0. Identifying Information

| | | | |
|---|---|---|---|
| **Carrier Name:** | Capital Advantage Insurance Company | | |
| **Product(s):** | PPO | | |
| **Market Segment:** | Individual | | |
| **Rate Effective Date:** | 1/1/2022 | to | 12/31/2022 |
| **Base Period Start Date:** | 1/1/2020 | to | 12/31/2020 |
| **Date of Most Recent Membership:** | 2/1/2021 | | |

## Table 1. Number of Members

| | Member-months | Members | Member-months |
|---|---|---|---|
| | **Experience Period** | **Current Period (as of 02-01-2021)** | **Projected Rating Period** |
| **Average Age** | 24.1 | 24.2 | 24.2 |
| Total | 1,050 | 62 | 735 |
| <18 | 124 | 5 | 59 |
| 18-24 | 203 | 14 | 166 |
| 25-29 | 608 | 43 | 510 |
| 30-34 | 115 | 0 | 0 |
| 35-39 | 0 | 0 | 0 |
| 40-44 | 0 | 0 | 0 |
| 45-49 | 0 | 0 | 0 |
| 50-54 | 0 | 0 | 0 |
| 55-59 | 0 | 0 | 0 |
| 60-63 | 0 | 0 | 0 |
| 64+ | 0 | 0 | 0 |

## Table 2. Experience Period Claims and Premiums

| Earned Premium | Paid Claims | Ultimate Incurred Claims | Member Months | Estimated Cost Sharing (Member & HHS) | Allowed Claims (Non-Capitated) | Non-EHB portion of Allowed Claims | Total Prescription Drug Rebates* | Total EHB Capitation | Total Non-EHB Capitation | Estimated Risk Adjustment | Estimated Reinsurance Recoveries |
|---|---|---|---|---|---|---|---|---|---|---|---|
| $261,200.82 | $343,825.11 | $349,559.30 | 1,050 | $84,456.27 | $434,015.57 | $0.00 | ($3,261.00) | $0.00 | $0.00 | $132,052.32 | |
| **Experience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)** | | | | | | | | | | | **$ 410.24** |
| **Loss Ratio** | | | | | | | | | | | **88.06%** |

**Express Prescription Drug Rebates as a negative number*

## Table 3. Trend Components

| Service Category | Cost* | Utilization* | Induced Demand* | Composite Trend | Weight* |
|---|---|---|---|---|---|
| Inpatient Hospital | 5.60% | 0.00% | 0.00% | 5.60% | 13.16% |
| Outpatient Hospital | 5.75% | 0.00% | 0.00% | 5.75% | 46.20% |
| Professional | 4.45% | 0.00% | 0.00% | 4.45% | 17.26% |
| Other Medical | 5.75% | 0.00% | 0.00% | 5.75% | 1.81% |
| Capitation | | | | 3.00% | 3.58% |
| Prescription Drugs | 10.55% | 1.40% | 0.00% | 12.10% | 17.98% |
| Total Annual Trend | | | | 6.58% | 100.00% |
| Months of Trend | | | | 24 | |
| Total Applied Trend Projection Factor | | | | 1.136 | |

** Express Cost, Utilization, Induced Utilization and Weight as percentages*
*** Should equal URRT Trend*

## Table 4. Historical Experience

| Month-Year | Total Annual Premium | Incurred Claims | Completion Factors* | Ultimate Incurred Claims | Members | Ultimate Incurred PMPM | Estimated Annual Cost Sharing (Member + HHS) | Prescription Drug Rebates** | Allowed Claims (Net of Prescription Drug Rebates) | Allowed PMPM |
|---|---|---|---|---|---|---|---|---|---|---|
| Jan-17 | | $96,004.32 | 1.0000 | $ 96,004.32 | 164 | $ 585.39 | | ($1,863.00) | $113,885.95 | $ 694.43 |
| Feb-17 | | $183,415.56 | 1.0000 | $ 183,415.56 | 167 | $ 1,098.30 | | ($2.00) | $193,810.20 | $ 1,160.54 |
| Mar-17 | | $269,011.47 | 1.0000 | $ 269,011.47 | 170 | $ 1,582.42 | | ($635.00) | $285,507.59 | $ 1,679.46 |
| Apr-17 | | $24,352.95 | 1.0000 | $ 24,352.95 | 159 | $ 153.16 | | $0.00 | $42,692.19 | $ 268.50 |
| May-17 | | $32,295.29 | 1.0000 | $ 32,295.29 | 157 | $ 205.70 | | ($1.00) | $50,389.73 | $ 320.95 |
| Jun-17 | | $41,261.48 | 1.0000 | $ 41,261.48 | 150 | $ 275.08 | | ($3,224.00) | $56,656.72 | $ 377.71 |
| Jul-17 | | $35,928.26 | 1.0000 | $ 35,928.26 | 148 | $ 242.76 | | ($96.00) | $49,995.26 | $ 337.81 |
| Aug-17 | | $21,891.35 | 1.0000 | $ 21,891.35 | 141 | $ 155.26 | | $0.00 | $30,216.40 | $ 214.30 |
| Sep-17 | | $69,608.33 | 1.0000 | $ 69,608.33 | 142 | $ 490.20 | | ($3,303.00) | $80,695.52 | $ 568.28 |
| Oct-17 | | $19,006.24 | 1.0000 | $ 19,006.24 | 142 | $ 133.85 | | $0.00 | $33,934.64 | $ 238.98 |
| Nov-17 | | $18,942.39 | 1.0000 | $ 18,942.39 | 144 | $ 131.54 | | $0.00 | $32,051.62 | $ 222.58 |
| Dec-17 | $1,129,039.72 | $27,692.80 | 1.0000 | $ 27,692.80 | 132 | $ 209.79 | $178,103.88 | ($3,091.00) | $35,463.50 | $ 268.66 |
| Jan-18 | | $133,315.46 | 1.0000 | $ 133,315.46 | 255 | $ 522.81 | | ($3,247.00) | $200,352.72 | $ 785.70 |
| Feb-18 | | $90,055.49 | 1.0000 | $ 90,055.49 | 256 | $ 351.78 | | ($2,990.00) | $137,909.95 | $ 538.71 |
| Mar-18 | | $105,189.54 | 1.0000 | $ 105,189.54 | 255 | $ 412.51 | | ($4,186.00) | $141,594.44 | $ 555.27 |
| Apr-18 | | $219,072.15 | 1.0000 | $ 219,072.15 | 249 | $ 879.81 | | ($3,832.00) | $260,603.68 | $ 1,046.60 |
| May-18 | | $120,111.84 | 1.0000 | $ 120,111.84 | 237 | $ 506.80 | | ($3,131.00) | $175,490.35 | $ 740.47 |
| Jun-18 | | $144,593.14 | 1.0000 | $ 144,593.14 | 233 | $ 620.57 | | ($2,832.00) | $172,799.57 | $ 741.63 |
| Jul-18 | | $269,042.05 | 1.0000 | $ 269,042.05 | 233 | $ 1,154.69 | | ($3,632.00) | $295,735.78 | $ 1,269.25 |
| Aug-18 | | $86,786.00 | 1.0000 | $ 86,786.00 | 232 | $ 374.08 | | ($7,805.00) | $107,135.98 | $ 461.79 |
| Sep-18 | | $91,594.57 | 1.0000 | $ 91,594.57 | 231 | $ 396.51 | | ($4,844.00) | $119,966.60 | $ 519.34 |
| Oct-18 | | $310,855.72 | 1.0000 | $ 310,855.72 | 221 | $ 1,406.59 | | ($4,157.00) | $351,605.94 | $ 1,590.98 |
| Nov-18 | | $228,875.15 | 1.0000 | $ 228,875.15 | 215 | $ 1,064.54 | | ($7,241.00) | $255,334.01 | $ 1,187.60 |
| Dec-18 | $2,452,839.38 | $145,180.92 | 1.0000 | $ 145,180.92 | 208 | $ 697.99 | $492,128.22 | ($5,699.00) | $164,675.23 | $ 791.71 |
| Jan-19 | | $1,342.17 | 1.0000 | $ 1,342.17 | 51 | $ 26.32 | | $0.00 | $4,179.65 | $ 81.95 |
| Feb-19 | | $4,430.49 | 1.0000 | $ 4,430.49 | 52 | $ 85.20 | | ($40.00) | $6,285.79 | $ 120.88 |
| Mar-19 | | $1,377.30 | 1.0000 | $ 1,377.30 | 57 | $ 24.16 | | $0.00 | $6,087.63 | $ 106.80 |
| Apr-19 | | $1,115.80 | 0.9999 | $ 1,115.90 | 59 | $ 18.91 | | $0.00 | $2,130.01 | $ 36.10 |
| May-19 | | $2,177.08 | 0.9999 | $ 2,177.35 | 58 | $ 37.54 | | $0.00 | $3,154.41 | $ 54.39 |
| Jun-19 | | $1,729.43 | 0.9894 | $ 1,747.90 | 61 | $ 28.65 | | $0.00 | $4,394.89 | $ 72.05 |
| Jul-19 | | $2,591.11 | 0.9998 | $ 2,591.73 | 64 | $ 40.50 | | $0.00 | $9,245.73 | $ 144.46 |
| Aug-19 | | $16,621.23 | 1.0000 | $ 16,621.84 | 69 | $ 240.90 | | $0.00 | $28,397.74 | $ 411.56 |
| Sep-19 | | $23,010.49 | 1.0000 | $ 23,011.03 | 68 | $ 338.40 | | $0.00 | $29,271.18 | $ 430.46 |
| Oct-19 | | $1,555.08 | 0.9997 | $ 1,555.48 | 65 | $ 23.93 | | ($71.00) | $7,804.56 | $ 120.07 |
| Nov-19 | | $23,488.23 | 1.0000 | $ 23,489.28 | 60 | $ 391.49 | | ($48.00) | $25,896.40 | $ 431.61 |
| Dec-19 | $183,485.53 | $40,095.69 | 0.9997 | $ 40,109.10 | 57 | $ 703.67 | $52,143.52 | ($186.00) | $44,520.10 | $ 781.05 |
| Jan-20 | | $5,237.20 | 0.9993 | $ 5,241.06 | 75 | $ 69.88 | | ($191.00) | $24,826.43 | $ 331.02 |
| Feb-20 | | $28,813.96 | 0.9996 | $ 28,826.24 | 76 | $ 379.29 | | ($191.00) | $42,324.95 | $ 556.91 |
| Mar-20 | | $15,367.27 | 0.9983 | $ 15,394.06 | 77 | $ 199.92 | | ($496.00) | $19,001.63 | $ 246.77 |
| Apr-20 | | $39,693.82 | 0.9983 | $ 39,761.07 | 79 | $ 503.30 | | ($283.00) | $56,118.07 | $ 710.36 |
| May-20 | | $73,005.95 | 0.9957 | $ 73,324.04 | 84 | $ 872.91 | | ($338.00) | $74,937.00 | $ 892.11 |
| Jun-20 | | $31,789.63 | 0.9841 | $ 32,303.20 | 85 | $ 380.04 | | $0.00 | $40,936.79 | $ 481.61 |
| Jul-20 | | $32,080.96 | 0.9974 | $ 32,163.79 | 91 | $ 353.45 | | ($48.00) | $35,081.63 | $ 385.51 |
| Aug-20 | | $47,073.41 | 0.9920 | $ 47,453.04 | 100 | $ 474.53 | | ($383.00) | $51,153.01 | $ 511.53 |
| Sep-20 | | $9,018.68 | 0.9780 | $ 9,221.19 | 98 | $ 94.09 | | ($390.00) | $12,844.96 | $ 131.07 |
| Oct-20 | | $31,165.45 | 0.9908 | $ 31,454.01 | 97 | $ 324.27 | | ($126.00) | $33,609.72 | $ 346.49 |
| Nov-20 | | $7,732.94 | 0.9456 | $ 8,177.82 | 94 | $ 87.00 | | ($689.00) | $11,323.79 | $ 120.47 |
| Dec-20 | $261,200.82 | $22,845.84 | 0.8707 | $ 26,239.78 | 94 | $ 279.15 | $84,456.27 | ($126.00) | $28,596.59 | $ 304.22 |

** Express Completion Factor as a percentage*
***Express Prescription Drug Rebates as a negative number*

| | |
|---|---|
| **Carrier Name:** | **Capital Advantage Insurance Company** |
| **Product(s):** | **PPO** |
| **Market Segment:** | **Individual** |
| **Rate Effective Date:** | **1/1/2022** |

### Table 2b. Manual Experience Period Claims and Premiums

| Earned Premium | Paid Claims | Ultimate Incurred Claims | Member Months | Estimated Cost Sharing (Member & HHS) | Allowed Claims (Non-Capitated) | Non-EHB portion of Allowed Claims | Total Prescription Drug Rebates* | Total EHB Capitation | Total Non-EHB Capitation | Estimated Risk Adjustment | Estimated Reinsurance Recoveries |
|---|---|---|---|---|---|---|---|---|---|---|---|
| $6,349,372.29 | $3,390,388.28 | $3,304,400.46 | 12,259 | $1,292,604.93 | $4,597,005.39 | | ($69,960.08) | $168,204.48 | $0.00 | ($2,072,927.93) | |
| **Experience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)** | | | | | | | | | | | **$ 383.00** |
| **Loss Ratio** | | | | | | | | | | | **79.57%** |

**Express Prescription Drug Rebates as a negative number*

### Table 3b. Manual Trend Components

| Service Category | Cost* | Utilization* | Induced Demand* | Composite Trend | Weight* |
|---|---|---|---|---|---|
| Inpatient Hospital | 5.60% | 0.00% | 0.00% | 5.60% | 13.16% |
| Outpatient Hospital | 5.75% | 0.00% | 0.00% | 5.75% | 46.20% |
| Professional | 4.45% | 0.00% | 0.00% | 4.45% | 17.26% |
| Other Medical | 5.75% | 0.00% | 0.00% | 5.75% | 1.81% |
| Capitation | | | | 3.00% | 3.58% |
| Prescription Drugs | 10.55% | 1.40% | 0.00% | 12.10% | 17.98% |
| Total Annual Trend | | | | 6.58% | 100.00% |
| Months of Trend | | | | 24 | |
| Total Applied Trend Projection Factor | | | | 1.136 | |

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

### Table 4b. Historical Manual Experience

| Month-Year | Total Annual Premium | Incurred Claims | Completion Factors* | Ultimate Incurred Claims | Members | Ultimate Incurred PMPM | Estimated Annual Cost Sharing (Member + HHS) | Prescription Drug Rebates** | Allowed Claims (Net of Prescription Drug Rebates) | Allowed PMPM |
|---|---|---|---|---|---|---|---|---|---|---|
| Jan-17 | | $270,655.89 | 1.0000 | $ 270,655.89 | 2,921 | $ 92.66 | | ($11,079.00) | $583,350.47 | $ 199.71 |
| Feb-17 | | $332,318.11 | 1.0000 | $ 332,318.11 | 3,019 | $ 110.08 | | ($131.00) | $611,139.96 | $ 202.43 |
| Mar-17 | | $848,334.60 | 1.0000 | $ 848,334.60 | 3,009 | $ 281.93 | | ($14,110.00) | $1,096,911.52 | $ 364.54 |
| Apr-17 | | $342,444.79 | 1.0000 | $ 342,444.79 | 2,928 | $ 116.96 | | $71.00 | $624,859.02 | $ 213.41 |
| May-17 | | $719,360.69 | 1.0000 | $ 719,360.69 | 2,835 | $ 253.74 | | $0.00 | $1,013,294.23 | $ 357.42 |
| Jun-17 | | $722,223.09 | 1.0000 | $ 722,223.09 | 2,761 | $ 261.58 | | ($68,020.00) | $967,330.89 | $ 350.36 |
| Jul-17 | | $344,882.18 | 1.0000 | $ 344,882.18 | 2,716 | $ 126.98 | | $26.00 | $570,752.64 | $ 210.14 |
| Aug-17 | | $490,323.07 | 1.0000 | $ 490,323.07 | 2,659 | $ 184.40 | | ($13.00) | $711,249.78 | $ 267.49 |
| Sep-17 | | $488,752.07 | 1.0000 | $ 488,752.07 | 2,616 | $ 186.83 | | ($49,756.00) | $601,824.75 | $ 230.06 |
| Oct-17 | | $469,580.79 | 1.0000 | $ 469,580.79 | 2,555 | $ 183.79 | | ($15.00) | $667,436.79 | $ 261.23 |
| Nov-17 | | $566,087.22 | 1.0000 | $ 566,087.22 | 2,502 | $ 226.25 | | $27.00 | $759,322.91 | $ 303.49 |
| Dec-17 | $15,277,780.74 | $882,711.43 | 1.0000 | $ 882,711.43 | 2,390 | $ 369.34 | $2,964,572.35 | ($41,671.00) | $1,050,102.32 | $ 439.37 |
| Jan-18 | | $370,323.44 | 1.0000 | $ 370,323.44 | 2,229 | $ 166.14 | | ($13,012.00) | $667,900.06 | $ 299.64 |
| Feb-18 | | $306,425.08 | 1.0000 | $ 306,425.08 | 2,039 | $ 150.28 | | ($13,492.00) | $521,681.17 | $ 255.85 |
| Mar-18 | | $350,103.86 | 1.0000 | $ 350,103.86 | 2,005 | $ 174.62 | | ($15,205.00) | $557,269.53 | $ 277.94 |
| Apr-18 | | $423,498.07 | 1.0000 | $ 423,498.07 | 1,965 | $ 215.52 | | ($21,750.00) | $578,642.81 | $ 294.47 |
| May-18 | | $525,544.30 | 1.0000 | $ 525,544.30 | 1,923 | $ 273.29 | | ($12,953.00) | $695,405.24 | $ 361.63 |
| Jun-18 | | $543,744.95 | 1.0000 | $ 543,744.95 | 1,894 | $ 287.09 | | ($18,213.00) | $742,634.01 | $ 392.10 |
| Jul-18 | | $467,268.61 | 1.0000 | $ 467,268.61 | 1,858 | $ 251.49 | | ($16,257.00) | $612,260.68 | $ 329.53 |
| Aug-18 | | $692,504.43 | 1.0000 | $ 692,504.43 | 1,832 | $ 378.00 | | ($19,639.00) | $872,353.68 | $ 476.18 |
| Sep-18 | | $395,518.85 | 1.0000 | $ 395,518.85 | 1,771 | $ 223.33 | | ($17,619.00) | $533,910.29 | $ 301.47 |
| Oct-18 | | $656,569.42 | 1.0000 | $ 656,569.42 | 1,736 | $ 378.21 | | ($16,421.00) | $807,252.64 | $ 465.01 |
| Nov-18 | | $539,449.69 | 1.0000 | $ 539,449.69 | 1,682 | $ 320.72 | | ($23,221.00) | $633,726.73 | $ 376.77 |
| Dec-18 | $12,647,838.69 | $658,258.54 | 1.0000 | $ 658,258.54 | 1,633 | $ 403.10 | $2,265,479.51 | ($24,487.00) | $759,382.91 | $ 465.02 |
| Jan-19 | | $617,432.71 | 1.0000 | $ 617,432.71 | 1,411 | $ 437.59 | | ($11,736.00) | $898,680.88 | $ 636.91 |
| Feb-19 | | $337,889.22 | 1.0000 | $ 337,889.22 | 1,375 | $ 245.74 | | ($11,277.00) | $494,527.66 | $ 359.66 |
| Mar-19 | | $300,788.57 | 1.0000 | $ 300,789.30 | 1,339 | $ 224.64 | | ($20,697.00) | $422,271.05 | $ 315.36 |
| Apr-19 | | $370,967.30 | 0.9999 | $ 370,987.91 | 1,322 | $ 280.63 | | ($59,381.00) | $438,923.62 | $ 332.01 |
| May-19 | | $637,792.24 | 0.9999 | $ 637,863.99 | 1,303 | $ 489.53 | | ($37,603.00) | $742,535.39 | $ 569.87 |
| Jun-19 | | $373,815.56 | 0.9907 | $ 377,322.85 | 1,272 | $ 296.64 | | ($15,663.00) | $492,399.13 | $ 387.11 |
| Jul-19 | | $392,158.01 | 0.9998 | $ 392,243.35 | 1,254 | $ 312.79 | | ($10,604.00) | $487,014.38 | $ 388.37 |
| Aug-19 | | $440,810.06 | 0.9998 | $ 440,912.43 | 1,236 | $ 356.73 | | ($13,857.00) | $561,361.32 | $ 454.18 |
| Sep-19 | | $495,098.18 | 0.9997 | $ 495,253.40 | 1,204 | $ 411.34 | | ($12,691.00) | $560,672.53 | $ 465.67 |
| Oct-19 | | $637,897.27 | 0.9997 | $ 638,106.78 | 1,190 | $ 536.22 | | ($14,607.00) | $720,670.16 | $ 605.61 |
| Nov-19 | | $376,856.41 | 0.9996 | $ 377,025.52 | 1,172 | $ 321.69 | | ($10,253.00) | $460,333.93 | $ 392.78 |
| Dec-19 | $8,045,050.93 | $614,485.18 | 0.9994 | $ 614,853.12 | 1,133 | $ 542.68 | $1,612,658.36 | ($18,699.00) | $696,880.89 | $ 615.08 |
| Jan-20 | | $251,234.48 | 0.9995 | $ 251,362.69 | 1,086 | $ 231.46 | | ($5,292.08) | $462,583.88 | $ 425.95 |
| Feb-20 | | $194,278.43 | 0.9993 | $ 194,417.88 | 1,046 | $ 185.87 | | ($4,067.00) | $315,983.51 | $ 302.09 |
| Mar-20 | | $192,827.79 | 0.9988 | $ 193,063.84 | 1,040 | $ 185.64 | | ($5,692.00) | $288,304.61 | $ 277.22 |
| Apr-20 | | $290,863.83 | 0.9969 | $ 291,757.67 | 1,054 | $ 276.81 | | ($7,922.00) | $349,834.87 | $ 331.91 |
| May-20 | | $304,696.70 | 0.9953 | $ 306,128.63 | 1,042 | $ 293.79 | | ($3,276.00) | $367,791.33 | $ 352.97 |
| Jun-20 | | $286,764.90 | 0.9891 | $ 289,939.48 | 1,026 | $ 282.59 | | ($5,917.00) | $376,986.50 | $ 367.43 |
| Jul-20 | | $340,062.91 | 0.9929 | $ 342,478.73 | 1,030 | $ 332.50 | | ($4,669.00) | $434,292.38 | $ 421.64 |
| Aug-20 | | $271,737.63 | 0.9879 | $ 275,057.14 | 1,016 | $ 270.73 | | ($6,763.00) | $377,054.75 | $ 371.12 |
| Sep-20 | | $379,612.93 | 0.9785 | $ 387,954.93 | 1,000 | $ 387.95 | | ($5,023.00) | $500,049.78 | $ 500.05 |
| Oct-20 | | $249,591.02 | 0.9749 | $ 256,010.71 | 986 | $ 259.65 | | ($6,123.00) | $354,795.41 | $ 359.83 |
| Nov-20 | | $297,190.23 | 0.9378 | $ 316,915.06 | 973 | $ 325.71 | | ($6,089.00) | $414,586.98 | $ 426.09 |
| Dec-20 | $6,349,372.29 | $331,527.43 | 0.9021 | $ 367,518.18 | 960 | $ 382.83 | $1,292,604.93 | ($9,127.00) | $452,985.79 | $ 471.86 |

** Express Completion Factor as a percentage*

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

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

| | | | |
|---|---|---|---|
| **Carrier Name:** | **Capital Advantage Insurance Company** | **Attachment Point:** | **$60,000** |
| **Product(s):** | **PPO** | **Reinsurance Cap:** | **$100,000** |
| **Market Segment:** | **Individual** | **Coinsurance Rate:** | **45%** |
| **Rate Effective Date:** | **1/1/2022** | | |
| **Incurred Dates:** | **1/1/2020 to 12/31/2020** | **Proj. Incurred Claim Impact:** | **-10.4%** |

| **Individual ACA Compliant Policies Only: Incurred Dates 1/1/2020 to 12/31/2020** | | | | | |
|---|---|---|---|---|---|
| **Annual Incurred Claims Range** | | **Unique Members** | **Member Months** | **Total Incurred Claims** | **Total Incurred Claims with Reinsurance** |
| $0 | $29,999 | 126 | 1,028 | $36,457 | $36,457 |
| $30,000 | $34,999 | 0 | 0 | $0 | $0 |
| $35,000 | $39,999 | 0 | 0 | $0 | $0 |
| $40,000 | $44,999 | 0 | 0 | $0 | $0 |
| $45,000 | $49,999 | 0 | 0 | $0 | $0 |
| $50,000 | $54,999 | 0 | 0 | $0 | $0 |
| $55,000 | $59,999 | 0 | 0 | $0 | $0 |
| $60,000 | $64,999 | 0 | 0 | $0 | $0 |
| $65,000 | $69,999 | 0 | 0 | $0 | $0 |
| $70,000 | $74,999 | 0 | 0 | $0 | $0 |
| $75,000 | $79,999 | 0 | 0 | $0 | $0 |
| $80,000 | $84,999 | 0 | 0 | $0 | $0 |
| $85,000 | $89,999 | 0 | 0 | $0 | $0 |
| $90,000 | $94,999 | 0 | 0 | $0 | $0 |
| $95,000 | $99,999 | 0 | 0 | $0 | $0 |
| $100,000 | $109,999 | 0 | 0 | $0 | $0 |
| $110,000 | $119,999 | 0 | 0 | $0 | $0 |
| $120,000 | $129,999 | 0 | 0 | $0 | $0 |
| $130,000 | $139,999 | 0 | 0 | $0 | $0 |
| $140,000 | $149,999 | 1 | 10 | $144,927 | $126,927 |
| $150,000 | $159,999 | 0 | 0 | $0 | $0 |
| $160,000 | $169,999 | 1 | 12 | $164,922 | $146,922 |
| $170,000 | $179,999 | 0 | 0 | $0 | $0 |
| $180,000 | $189,999 | 0 | 0 | $0 | $0 |
| $190,000 | $199,999 | 0 | 0 | $0 | $0 |
| $200,000 | $209,999 | 0 | 0 | $0 | $0 |
| $210,000 | $219,999 | 0 | 0 | $0 | $0 |
| $220,000 | $229,999 | 0 | 0 | $0 | $0 |
| $230,000 | $239,999 | 0 | 0 | $0 | $0 |
| $240,000 | $249,999 | 0 | 0 | $0 | $0 |
| $250,000 | $259,999 | 0 | 0 | $0 | $0 |
| $260,000 | $269,999 | 0 | 0 | $0 | $0 |
| $270,000 | $279,999 | 0 | 0 | $0 | $0 |
| $280,000 | $289,999 | 0 | 0 | $0 | $0 |
| $290,000 | $299,999 | 0 | 0 | $0 | $0 |
| $300,000 | $324,999 | 0 | 0 | $0 | $0 |
| $325,000 | $349,999 | 0 | 0 | $0 | $0 |
| $350,000 | $374,999 | 0 | 0 | $0 | $0 |
| $375,000 | $399,999 | 0 | 0 | $0 | $0 |
| $400,000 | $424,999 | 0 | 0 | $0 | $0 |
| $425,000 | $449,999 | 0 | 0 | $0 | $0 |
| $450,000 | $474,999 | 0 | 0 | $0 | $0 |
| $475,000 | $499,999 | 0 | 0 | $0 | $0 |
| $500,000 | $599,999 | 0 | 0 | $0 | $0 |
| $600,000 | $699,999 | 0 | 0 | $0 | $0 |
| $700,000 | $799,999 | 0 | 0 | $0 | $0 |
| $800,000 | $899,999 | 0 | 0 | $0 | $0 |
| $900,000 | $999,999 | 0 | 0 | $0 | $0 |
| $1,000,000+ | | 0 | 0 | $0 | $0 |
| **Total** | | **128** | **1,050** | **$346,306** | **$310,306** |

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

| | | | |
|---|---|---|---|
| **Carrier Name:** | **Capital Advantage Insurance Company** | **Attachment Point:** | **$60,000** |
| **Product(s):** | **PPO** | **Reinsurance Cap:** | **$100,000** |
| **Market Segment:** | **Individual** | **Coinsurance Rate:** | **45%** |
| **Rate Effective Date:** | **1/1/2022** | | |
| | | **Proj. Incurred Claim Impact:** | **-4.7%** |
| | | **Proj. Morbidity Impact:** | **-0.1%** |

**Reinsurance Program Impact Continuance Table Development - Plan Year 2022**

| Annual Incurred Claims Range | | Unique Members | Member Months | Total Incurred Claims | Total Incurred Claims with Reinsurance |
|---|---|---|---|---|---|
| $0 | $29,999 | 40,202 | 397,403 | $90,898,468 | $90,898,468 |
| $30,000 | $34,999 | 284 | 2,945 | $9,303,797 | $9,303,797 |
| $35,000 | $39,999 | 253 | 2,313 | $9,585,963 | $9,585,963 |
| $40,000 | $44,999 | 182 | 1,740 | $7,840,324 | $7,840,324 |
| $45,000 | $49,999 | 155 | 1,600 | $7,449,013 | $7,449,013 |
| $50,000 | $54,999 | 127 | 1,273 | $6,746,575 | $6,746,575 |
| $55,000 | $59,999 | 119 | 1,132 | $6,928,614 | $6,928,614 |
| $60,000 | $64,999 | 107 | 933 | $6,795,952 | $6,626,774 |
| $65,000 | $69,999 | 74 | 699 | $5,067,472 | $4,785,109 |
| $70,000 | $74,999 | 83 | 725 | $6,063,665 | $5,576,016 |
| $75,000 | $79,999 | 70 | 682 | $5,477,021 | $4,902,362 |
| $80,000 | $84,999 | 49 | 528 | $4,098,142 | $3,576,978 |
| $85,000 | $89,999 | 51 | 479 | $4,504,459 | $3,854,452 |
| $90,000 | $94,999 | 58 | 312 | $5,429,987 | $4,552,493 |
| $95,000 | $99,999 | 38 | 394 | $3,758,772 | $3,093,325 |
| $100,000 | $109,999 | 68 | 596 | $7,183,092 | $5,959,092 |
| $110,000 | $119,999 | 58 | 421 | $6,757,740 | $5,713,740 |
| $120,000 | $129,999 | 44 | 417 | $5,565,085 | $4,773,085 |
| $130,000 | $139,999 | 33 | 420 | $4,495,913 | $3,901,913 |
| $140,000 | $149,999 | 33 | 335 | $4,827,652 | $4,233,652 |
| $150,000 | $159,999 | 27 | 238 | $4,212,423 | $3,726,423 |
| $160,000 | $169,999 | 32 | 261 | $5,357,954 | $4,781,954 |
| $170,000 | $179,999 | 27 | 257 | $4,775,115 | $4,289,115 |
| $180,000 | $189,999 | 12 | 158 | $2,262,610 | $2,046,610 |
| $190,000 | $199,999 | 24 | 172 | $4,718,288 | $4,286,288 |
| $200,000 | $209,999 | 18 | 237 | $3,738,412 | $3,414,412 |
| $210,000 | $219,999 | 17 | 63 | $3,691,155 | $3,385,155 |
| $220,000 | $229,999 | 12 | 146 | $2,723,865 | $2,507,865 |
| $230,000 | $239,999 | 13 | 117 | $3,097,026 | $2,863,026 |
| $240,000 | $249,999 | 20 | 140 | $4,963,135 | $4,603,135 |
| $250,000 | $259,999 | 9 | 36 | $2,312,337 | $2,150,337 |
| $260,000 | $269,999 | 7 | 75 | $1,888,066 | $1,762,066 |
| $270,000 | $279,999 | 11 | 66 | $3,055,422 | $2,857,422 |
| $280,000 | $289,999 | 9 | 47 | $2,602,286 | $2,440,286 |
| $290,000 | $299,999 | 9 | 12 | $2,680,341 | $2,518,341 |
| $300,000 | $324,999 | 12 | 175 | $3,803,279 | $3,587,279 |
| $325,000 | $349,999 | 12 | 63 | $4,112,617 | $3,896,617 |
| $350,000 | $374,999 | 8 | 93 | $2,963,253 | $2,819,253 |
| $375,000 | $399,999 | 9 | 87 | $3,482,234 | $3,320,234 |
| $400,000 | $424,999 | 5 | 32 | $2,081,888 | $1,991,888 |
| $425,000 | $449,999 | 9 | 60 | $4,004,900 | $3,842,900 |
| $450,000 | $474,999 | 6 | 29 | $2,823,642 | $2,715,642 |
| $475,000 | $499,999 | 3 | 36 | $1,458,399 | $1,404,399 |
| $500,000 | $599,999 | 13 | 96 | $7,165,491 | $6,931,491 |
| $600,000 | $699,999 | 7 | 59 | $4,415,280 | $4,289,280 |
| $700,000 | $799,999 | 5 | 72 | $3,831,020 | $3,741,020 |
| $800,000 | $899,999 | 5 | 46 | $4,402,555 | $4,312,555 |
| $900,000 | $999,999 | 3 | 12 | $2,894,206 | $2,840,206 |
| $1,000,000+ | | 4 | 0 | $4,372,641 | $4,300,641 |
| **Total** | | **42,436** | **418,232** | **$312,667,542** | **$297,927,581** |

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

| | |
|---|---|
| **Carrier Name:** | **Capital Advantage Insurance Company** |
| **Product(s):** | **PPO** |
| **Market Segment:** | **Individual** |
| **Rate Effective Date:** | **1/1/2022** |

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

| Development of the Projected Index Rate | Actual Experience Data | Manual Data | |
|---|---|---|---|
| Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates) PMPM | $ 410.24 | $ 383.00 | <- Actual Experience PMPM should be consistent with the Index Rate for Experience Period on URRT |
| Two year trend projection Factor | 1.136 | 1.136 | |
| Unadjusted Projected Allowed EHB Claims PMPM | $ 466.03 | $ 435.09 | |
| Single Risk Pool Adjustment Factors | | | |
| Change in Morbidity - Impact of Reinsurance Program | 0.999 | 0.999 | |
| Change in Morbidity - All Other | 2.506 | 2.506 | <- See URRT Instructions |
| Total Non-Morbidity Changes | 0.413 | 0.413 | |
| Change in Demographics | 0.587 | 0.587 | <- See URRT Instructions |
| Change in Network | 1.010 | 1.010 | |
| Change in Benefits | 0.696 | 0.696 | <- See URRT Instructions |
| Change in Other | 1.000 | 1.000 | <- See URRT Instructions |
| Total Adjusted Projected Allowed EHB Claims PMPM | $ 481.73 | $ 449.75 | |
| Credibility Factors | **0%** | **100%** | <- See Instructions |
| Blended Projected EHB Claims PMPM | | **$ 449.75** | **<- Projected Index Rate** |
| **Development of the Market-Adjusted Index Rate and Total Allowed Claims** | | | |
| Adjusted Projected Allowed EHB Claims PMPM | $ 449.75 | <- Index Rate for Projection Period on URRT | |
| Projected Paid to Allowed Ratio | 0.688 | | |
| Projected Incurred EHB Claims PMPM | $ 309.58 | | |
| Market-wide Adjustments | | | |
| Projected Incurred Risk Adjustment PMPM | $125.76 | | |
| Projected Incurred Exchange User Fees PMPM | $0.00 | | |
| Projected Incurred Reinsurance Recoveries PMPM | $14.59 | | |
| Market-Adjusted Projected Incurred EHB Claims PMPM | $ 169.22 | | |
| Market-Adjusted Projected Allowed EHB Claims PMPM | $ 245.84 | <- Market-Adjusted Index Rate | |
| Projected Allowed Non-EHB Claims PMPM | $0.00 | | |
| Market-Adjusted Projected Incurred Total Claims PMPM | $ 169.22 | | |
| Market-Adjusted Projected Allowed Total Claims PMPM | $ 245.84 | | |

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

| | | |
|---|---|---|
| Blended Base Period Unadjusted Claims before Normalization | **$ 383.00** | **<- Index Rate of Experience Period on URRT** |
| Blended Earned Premium | **$ 6,349,372.29** | |
| Blended Loss Ratio | **79.57%** | |

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

| Effective Date | 1/1/2022 | 4/1/2022 | 7/1/2022 | 10/1/2022 | Total Single Risk Pool |
|---|---|---|---|---|---|
| # of Member Months Renewing in Quarter | | | | | - |
| Adjusted Projected Allowed EHB Claims PMPM | $ 449.75 | $ 449.75 | $ 449.75 | $ 449.75 | $ 449.75 |
| Months of Trend | - | 3 | 6 | 9 | |
| Annual Trend | 6.58% | 6.58% | 6.58% | 6.58% | |
| Single Risk Pool Projected Allowed Claims | $ 449.75 | $ 456.97 | $ 464.31 | $ 471.77 | $ - |
| Quarterly Trend Factor | 1.000 | 1.016 | 1.032 | 1.049 | 0.000 |

### Table 6. Retention

| Retention Items - *Express in percentages* | Percentages | PMPM Amounts |
|---|---|---|
| Administrative Expenses | 17.26% | $37.44 |
| General and Claims | 15.01% | $32.55 |
| Agent/Broker Fees and Commissions | 1.85% | $4.02 |
| Quality Improvement Initiatives | 0.40% | $0.87 |
| Taxes and Fees | 2.74% | $5.94 |
| Risk Adjustment User Fee | 0.12% | $0.25 |
| PCORI Fee | 0.09% | $0.20 |
| PA Premium & Other Taxes (if applicable) | 2.00% | $4.34 |
| Federal Income Tax | 0.53% | $1.15 |
| Health Insurance Providers Fee (Prorated for Small Groups only) | 0.00% | $0.00 |
| Profit/Contingency (after tax) | 2.00% | $4.34 |
| Total Retention | 22.00% | $47.72 |
| Projected Required Revenue PMPM | $ 216.94 | |

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

| Normalization Factors | 2021 | 2022 |
|---|---|---|
| Average Age Factor | 0.999 | 1.016 |
| Average Geographic Factor | 1.048 | 1.041 |
| Average Tobacco Factor | 1.002 | 1.006 |
| Average Benefit Richness (induced demand) | 1.000 | 1.000 |
| Average Network Factor | 1.000 | 1.000 |
| Market-Adjusted Projected Allowed Total Claims PMPM | $236.06 | $ 245.84 |
| Normalized Market-Adjusted Projected Allowed Total Claims PMPM | $ 224.95 | $ 231.08 |

### Table 8. Components of Rate Change

| Rate Components | 2021 | 2022 | Difference | Percent Change |
|---|---|---|---|---|
| A. Calibrated Plan Adjusted Index Rate (PMPM) | $ 202.36 | $ 203.91 | $ 1.55 | 0.8% |
| B. Base period allowed claims before normalization | $452.62 | $ 383.00 | $ (69.62) | -34.4% |
| C. Normalization factor component of change | $ (21.30) | $ (23.01) | $ (1.71) | -0.8% |
| D. Change in Normalized Allowed Claims Adjustment Components | | | | |
| D1. Base period allowed claims after normalization | $ 431.32 | $ 360.00 | $ (71.32) | -35.2% |
| D2. URRT Trend | $ 60.46 | $ 48.95 | $ (11.50) | -5.7% |
| D3. URRT Morbidity | $ 4.42 | $ 615.02 | $ 610.60 | 301.7% |
| D4. URRT Other | $ (291.36) | $ (601.24) | $ (309.87) | -153.1% |
| D5. Normalized URRT Risk Adjustment on an allowed basis | $ 32.56 | $ (171.73) | $ (204.29) | -101.0% |
| D6. Normalized Exchange User Fee on an allowed basis | $ - | $ - | $ - | 0.0% |
| D7. Normalized Reinsurance Recoveries on an allowed basis | $ (12.44) | $ (19.93) | $ (7.49) | -3.7% |
| D8. Subtotal - Sum(D1:D7) | $ 224.95 | $ 231.08 | $ 6.12 | 3.0% |
| E. Change in Allowable Plan Adjusted Level Components | | | | |
| E1. Network | $ - | $ - | $ - | 0.0% |
| E2. Pricing AV | $ (68.32) | $ (72.02) | $ (3.69) | -1.8% |
| E3. Benefit Richness | $ (0.00) | $ 0.00 | $ 0.00 | 0.0% |
| E4. Catastrophic Eligibility | $ - | $ - | $ - | 0.0% |
| E5. Subtotal - Sum(E1:E4) | $ (68.32) | $ (72.02) | $ (3.69) | -1.8% |
| F. Change in Retention Components | | | | |
| F1. Administrative Expenses | $ 36.36 | $ 35.19 | $ (1.17) | -0.6% |
| F2. Taxes and Fees | $ 5.33 | $ 5.59 | $ 0.26 | 0.1% |
| F3. Profit and/or Contingency | $ 4.05 | $ 4.08 | $ 0.03 | 0.0% |
| F4. Subtotal - Sum(F1:F3) | $ 45.73 | $ 44.85 | $ (0.88) | -0.4% |
| G. Change in Miscellaneous Items | $0.00 | | $ - | 0.0% |
| H. Sum of Components of Rate Change (should approximate the change shown in line A) | $ 202.36 | $ 203.91 | $ 1.55 | 0.8% |

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

| | 2021 | 2022 | |
|---|---|---|---|
| Paid-to-Allowed | 0.696 | 0.688 | |
| URRT Trend (Total Applied Trend Factor) | 1.140 | 1.136 | <- URRT W1, S2 |
| URRT Morbidity | 1.009 | 2.504 | <- URRT W1, S2 |
| URRT "Other" | 0.413 | 0.413 | <- URRT W1, S2 |
| Risk Adjustment | $23.79 | $ (125.76) | <- URRT W1, S3 |
| Exchange User Fee | $0.00 | $ - | <- URRT W1, S3 |
| Reinsurance Recoveries | $9.09 | $ 14.59 | <- URRT W1, S3 |
| Capitation | $0.00 | | <- URRT W1, S2 |
| Network | 1.000 | 1.000 | |
| Pricing AV | 0.696 | 0.688 | <- For 2021 in cell J81, please include a factor equal to the product of the average Pricing AV and the Non-Funding of CSR Adjustment |
| Benefit Richness | 1.000 | 1.000 | |
| Catastrophic Eligibility | 1.000 | 1.000 | |
| Administrative Expenses | 17.97% | 17.26% | |
| Taxes and Fees | 2.63% | 2.74% | |
| Profit and/or Contingency | 2.00% | 2.00% | |

# PA Rate Template Part III

## Table 10. Plan Rates

| | |
|---|---|
| **Carrier Name:** | Capital Advantage Insurance Company |
| **Product(s):** | PPO |
| **Market Segment:** | Individual |
| **Rate Effective Date:** | 1/1/2022 |
| **Base Period Start Date** | 1/1/2020 |
| **Date of Most Recent Membership:** | 2/1/2021 |
| **Market Adjusted Index Rate:** | $ 245.84 |

| Calibration | |
|---|---|
| Age Calibration Factor | 1.016 |
| Geographic Calibration Factor | 1.041 |
| Tobacco Calibration Factor | 1.006 |
| Aggregate Calibration Factor | 1.064 |

| Total Covered Lives @ 02-01-2021 |
|---|
| 62 |

| Plan Number | HIOS Plan ID (Standard Component) | Product Type (HMO, POS, PPO, EPO, Indemnity, Other) | 1/1/2021 Plan Marketing Name | Existing, Modified, New, Discontinued & Mapped, Discontinued & Not Mapped (E,M,N,DM, DNM) for 2022 | 1/1/2022 HIOS Plan ID (If 1/1/2021 Plan Discontinued & Mapped) | Metallic Tier | Metallic Tier Actuarial Value | Standard AV, Approach (1), Approach (2) | Exchange On/Off or Off | 45 CFR Part 156.8 (d) (2) Allowable Factors: Pricing AV (company-determined AV) | Benefit Richness (induced demand) | Benefits in addition to EHB | Provider Network | Catastrophic Eligibility | Non-Funding of CSR Adjustment | Pure Premium | Admin Costs | Taxes & Fees (not including Exchange fees) | Profit or Contingency | Total Covered Lives Mapped into 2022 Plans @ 02-01-2021 | Total Projected Lives | 2021 Calibrated Plan Adjusted Index Rate PMPM | 2022 Calibrated Plan Adjusted Index Rate PMPM | Proposed Rate Change Compared to Prior 12 months | % of Total Covered Lives | 02-01-2021 Number of Covered Lives by Rating Area: 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Total | 2022 Continued/ Discontinued Plans Indicator |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Totals - Current Membership** | | | | | | | **0.611** | | | **0.688** | **1.000** | **1.000** | **1.000** | **1.000** | **1.000** | **$ 169.22** | **17.3%** | **2.7%** | **2.0%** | **62** | **61** | **$ 202.36** | **$ 203.91** | **0.8%** | | - | - | - | - | - | 28 | 20 | - | 14 | **62** | |
| **Total - Projected Membership** | | | | | | | **0.611** | | | **0.688** | **1.000** | **1.000** | **1.000** | **1.000** | **1.000** | **$ 169.22** | **17.3%** | **2.7%** | **2.0%** | | | | | | | | | | | | | | | | | |
| Transitional Plans | TRANSITIONAL | N/A | TRANSITIONAL | DNM | TRANSITIONAL | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | - | | N/A | N/A | N/A | N/A | | | | | | | | | | - | 0 |
| Plan 1 | 82795PA0140001 | PPO | Catastrophic PPO 8700/0/0 (CAIC) | M | | Bronze | 0.61057908 | Standard AV | Off | 0.688 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | $169.22 | 17.3% | 2.7% | 2.0% | 62 | 61 | $202.36 | $ 203.91 | 0.8% | 100.0% | | | | | | 28 | 20 | | 14 | 62 | 1 |
| Plan 2 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 3 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 4 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 5 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 6 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 7 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 8 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 9 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 10 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 11 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 12 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 13 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 14 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 15 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 16 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 17 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 18 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 19 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 20 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 21 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 22 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 23 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 24 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 25 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 26 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 27 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 28 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 29 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 30 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 31 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 32 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 33 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 34 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 35 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 36 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 37 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 38 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 39 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 40 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 41 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 42 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 43 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 44 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 45 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 46 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 47 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 48 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 49 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |
| Plan 50 | | | | | | | | | | | 1.209 | | | | | $297.27 | | | | - | | | $ 279.42 | 0.0% | 0.0% | | | | | | | | | | - | 0 |

# PA Rate Template Part IV A - Individual

## Table 11. Plan Premium Development for 21-Year-Old Non-Tobacco User

**Carrier Name:** Capital Advantage Insurance Company
**Product(s):** PPO
**Market Segment:** Individual
**Rate Effective Date:** 1/1/2022

| Plan Number | HIOS Plan ID (Standard Component) | 1/1/2021 Plan Marketing Name | Discontinued, New, Modified, Existing (D,N,M,E) for 2022 | 1/1/2022 Plan HIOS Plan ID (If 1/1/2021 Plan Discontinued & Mapped) | Metallic Tier | Exchange On/Off or Off | 2021 21-year-old, Non-Tobacco Premium PMPM | | | | | | | | | | 2022 21-year-old, Non-Tobacco Premium PMPM | | | | | | | | | | Change in 21-year-old Non-Tobacco Premium PMPM | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Average (weighted by enrollment by rating area) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Average (weighted by enrollment by rating area) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Average (weighted by enrollment by rating area) |
| **Totals** | These cells auto-fill using the data entered in Table 10. | | | | | | $ - | $ - | $ - | $ - | $ - | $ 202.36 | $ 230.69 | $ - | $ 198.31 | $ 210.58 | $ - | $ - | $ - | $ - | $ - | $ 203.91 | $ 232.46 | $ - | $ 199.83 | $ 212.20 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.8% | 0.8% | 0.0% | 0.8% | 0.8% |
| Plan 1 | 82795PA0140001 | strophic PPO 8700/0/0 (C | M | 0 | Bronze | Off | $ - | $ - | $ - | $ - | $ - | $ 202.36 | $ 230.69 | $ - | $ 198.31 | $ 210.58 | $ - | $ - | $ - | $ - | $ - | $ 203.91 | $ 232.46 | $ - | $ 199.83 | $ 212.20 | | | | | | 0.8% | 0.8% | | 0.8% | 0.8% |
| Plan 2 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 3 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 4 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 5 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 6 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 7 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 8 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 9 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 10 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 11 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 12 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 13 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 14 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 15 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 16 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 17 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 18 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 19 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 20 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 21 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 22 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 23 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 24 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 25 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 26 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 27 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 28 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 29 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 30 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 31 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 32 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 33 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 34 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 35 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 36 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 37 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 38 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 39 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 40 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 41 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 42 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 43 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 44 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 45 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 46 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 47 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 48 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 49 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |
| Plan 50 | 0 | 0 | 0 | 0 | 0 | 0 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 279.42 | $ 318.54 | $ - | $ 273.83 | $ - | | | | | | | | | | |

# PA Rate Quarterly Template Part V
# Consumer Factors

| | |
|---|---|
| **Carrier Name:** | **Capital Advantage Insurance Company** |
| **Product(s):** | **PPO** |
| **Market Segment:** | **Individual** |
| **Rate Effective Date:** | **1/1/2022** |

## Table 12. Age and Tobacco Factors

| Projection Period Age and Tobacco Factors | | | | | | |
|---|---|---|---|---|---|---|
| Age Band | Age Factor | Tobacco Factor | | Age Band | Age Factor | Tobacco Factor |
| 0-14 | 0.765 | | | 40 | 1.278 | 1.075 |
| 15 | 0.833 | | | 41 | 1.302 | 1.075 |
| 16 | 0.859 | | | 42 | 1.325 | 1.075 |
| 17 | 0.885 | | | 43 | 1.357 | 1.075 |
| 18 | 0.913 | 1.000 | | 44 | 1.397 | 1.075 |
| 19 | 0.941 | 1.000 | | 45 | 1.444 | 1.100 |
| 20 | 0.970 | 1.000 | | 46 | 1.500 | 1.100 |
| 21 | 1.000 | 1.025 | | 47 | 1.563 | 1.100 |
| 22 | 1.000 | 1.025 | | 48 | 1.635 | 1.100 |
| 23 | 1.000 | 1.025 | | 49 | 1.706 | 1.100 |
| 24 | 1.000 | 1.025 | | 50 | 1.786 | 1.150 |
| 25 | 1.004 | 1.025 | | 51 | 1.865 | 1.150 |
| 26 | 1.024 | 1.025 | | 52 | 1.952 | 1.150 |
| 27 | 1.048 | 1.025 | | 53 | 2.040 | 1.150 |
| 28 | 1.087 | 1.025 | | 54 | 2.135 | 1.150 |
| 29 | 1.119 | 1.025 | | 55 | 2.230 | 1.200 |
| 30 | 1.135 | 1.025 | | 56 | 2.333 | 1.200 |
| 31 | 1.159 | 1.025 | | 57 | 2.437 | 1.200 |
| 32 | 1.183 | 1.025 | | 58 | 2.548 | 1.200 |
| 33 | 1.198 | 1.025 | | 59 | 2.603 | 1.200 |
| 34 | 1.214 | 1.025 | | 60 | 2.714 | 1.250 |
| 35 | 1.222 | 1.025 | | 61 | 2.810 | 1.250 |
| 36 | 1.230 | 1.025 | | 62 | 2.873 | 1.250 |
| 37 | 1.238 | 1.025 | | 63 | 2.952 | 1.250 |
| 38 | 1.246 | 1.025 | | 64+ | 3.000 | 1.250 |
| 39 | 1.262 | 1.025 | | | | |

*PA follows the federal default age curve.

## Table 13. Geographic Factors

| Geographic Area Factors | | | |
|---|---|---|---|
| Area | Counties | Current Factor | Proposed Factor |
| Rating Area 1 | | | |
| Rating Area 2 | | | |
| Rating Area 3 | | | |
| Rating Area 4 | | | |
| Rating Area 5 | | | |
| Rating Area 6 | Centre, Columbia, Lehigh, Mifflin, Montour, Northampton, Northumberland, Schutlkill, Snyder, Union | 1.000 | 1.000 |
| Rating Area 7 | Adams, Berks, Lancaster, York | 1.140 | 1.140 |
| Rating Area 8 | | | |
| Rating Area 9 | Cumberland, Dauphin, Franklin, Fulton, Juniata, Lebanon, Perry | 0.980 | 0.980 |

## Table 14. Network Factors

| Projection Period Network Factors | | | | |
|---|---|---|---|---|
| Network Name | Rating Area | Current Factor | Proposed Factor | DOH Approval Date |
| PPO | All | 1.000 | 1.000 | |
| | | | | |
| | | | | |
| | | | | |
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# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Table B

| Plan ID | Plan Name | Metal Level | Projected Membership | Projected Allowed Claims | Projected Paid Claims | Paid to Allowed Factor | Average Tobacco Factor | AV and Cost Sharing Factor | (8)/(6*7) Induced Utilization | Induced Demand Table 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| (1) | | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | |
| 82795PA0140001 | Catastrophic PPO 8700/0/0 (CAIC) | Bronze | 735 | $ 180,690 | 124,375 | 0.69 | 1.000 | 0.69 | 1.00 | 1.00 |
| Total | | | 735 | 180,690 | 124,375 | 0.69 | 1.00 | 0.69 | 1.00 | 1.00 |
| PMPM | | | | 245.84 | 169.22 | | | | | |
| Rate Dev II | | | | 245.84 | 169.22 | | | | | |

| | |
|---|---|
| **Company Name:** | Capital Advantage Insurance Company (CAIC) |
| **Market:** | Individual |
| **Product:** | PPO |
| **Effective Date of Rates:** | January 1, 2022 |
| **Ending date of Rates:** | December 31, 2022 |

| **HIOS Plan ID (On Exchange)=>** | | | | | | |
|---|---|---|---|---|---|---|
| **HIOS Plan ID (Off Exchange)=>** | **82795PA0140001** | | **82795PA0140001** | | **82795PA0140001** | |
| **Plan Marketing Name =>** | **atastrophic PPO 8700/0/0 (CAIC** | | **atastrophic PPO 8700/0/0 (CAIC** | | **atastrophic PPO 8700/0/0 (CAIC** | |
| **Form # =>** | **CAIC-Ind-PPO-C-v0122** | | **CAIC-Ind-PPO-C-v0122** | | **CAIC-Ind-PPO-C-v0122** | |
| **Rating Area =>** | **6** | | **7** | | **9** | |
| **Network =>** | **PPO** | | **PPO** | | **PPO** | |
| **Metal =>** | **Bronze** | | **Bronze** | | **Bronze** | |
| **Deductible =>** | **$8700 Med/Rx Combined** | | **$8700 Med/Rx Combined** | | **$8700 Med/Rx Combined** | |
| **Coinsurance =>** | **0%** | | **0%** | | **0%** | |
| **Copays =>** | **$0/$0/$0 PCP/SPC/ER** | | **$0/$0/$0 PCP/SPC/ER** | | **$0/$0/$0 PCP/SPC/ER** | |
| **OOP Maximum =>** | **$8700 Med/Rx Combined** | | **$8700 Med/Rx Combined** | | **$8700 Med/Rx Combined** | |
| **Pediatric Dental (Yes/No) =>** | **Yes** | | **Yes** | | **Yes** | |
| **Age Band** | **Non-Tobacco** | **Tobacco** | **Non-Tobacco** | **Tobacco** | **Non-Tobacco** | **Tobacco** |
| 0 - 14 | $155.99 | $155.99 | $177.83 | $177.83 | $152.87 | $152.87 |
| 15 | $169.86 | $169.86 | $193.64 | $193.64 | $166.46 | $166.46 |
| 16 | $175.16 | $175.16 | $199.68 | $199.68 | $171.66 | $171.66 |
| 17 | $180.46 | $180.46 | $205.72 | $205.72 | $176.85 | $176.85 |
| 18 | $186.17 | $186.17 | $212.23 | $212.23 | $182.45 | $182.45 |
| 19 | $191.88 | $191.88 | $218.74 | $218.74 | $188.04 | $188.04 |
| 20 | $197.79 | $197.79 | $225.48 | $225.48 | $193.84 | $193.84 |
| 21 | $203.91 | $209.01 | $232.46 | $238.27 | $199.83 | $204.83 |
| 22 | $203.91 | $209.01 | $232.46 | $238.27 | $199.83 | $204.83 |
| 23 | $203.91 | $209.01 | $232.46 | $238.27 | $199.83 | $204.83 |
| 24 | $203.91 | $209.01 | $232.46 | $238.27 | $199.83 | $204.83 |
| 25 | $204.73 | $209.84 | $233.39 | $239.22 | $200.63 | $205.65 |
| 26 | $208.80 | $214.02 | $238.04 | $243.99 | $204.63 | $209.74 |
| 27 | $213.70 | $219.04 | $243.62 | $249.71 | $209.42 | $214.66 |
| 28 | $221.65 | $227.19 | $252.68 | $259.00 | $217.22 | $222.65 |
| 29 | $228.18 | $233.88 | $260.12 | $266.62 | $223.61 | $229.20 |
| 30 | $231.44 | $237.22 | $263.84 | $270.44 | $226.81 | $232.48 |
| 31 | $236.33 | $242.24 | $269.42 | $276.15 | $231.61 | $237.40 |
| 32 | $241.23 | $247.26 | $275.00 | $281.87 | $236.40 | $242.31 |
| 33 | $244.28 | $250.39 | $278.48 | $285.45 | $239.40 | $245.38 |
| 34 | $247.55 | $253.74 | $282.20 | $289.26 | $242.60 | $248.66 |
| 35 | $249.18 | $255.41 | $284.06 | $291.16 | $244.19 | $250.30 |
| 36 | $250.81 | $257.08 | $285.92 | $293.07 | $245.79 | $251.94 |
| 37 | $252.44 | $258.75 | $287.78 | $294.98 | $247.39 | $253.58 |
| 38 | $254.07 | $260.42 | $289.64 | $296.88 | $248.99 | $255.22 |
| 39 | $257.33 | $263.77 | $293.36 | $300.70 | $252.19 | $258.49 |
| 40 | $260.60 | $280.14 | $297.08 | $319.36 | $255.39 | $274.54 |
| 41 | $265.49 | $285.40 | $302.66 | $325.36 | $260.18 | $279.69 |
| 42 | $270.18 | $290.44 | $308.01 | $331.11 | $264.78 | $284.64 |
| 43 | $276.71 | $297.46 | $315.44 | $339.10 | $271.17 | $291.51 |
| 44 | $284.86 | $306.23 | $324.74 | $349.10 | $279.17 | $300.10 |
| 45 | $294.45 | $323.89 | $335.67 | $369.24 | $288.56 | $317.41 |
| 46 | $305.86 | $336.45 | $348.69 | $383.55 | $299.75 | $329.72 |
| 47 | $318.71 | $350.58 | $363.33 | $399.66 | $312.34 | $343.57 |
| 48 | $333.39 | $366.73 | $380.07 | $418.07 | $326.72 | $359.40 |
| 49 | $347.87 | $382.66 | $396.57 | $436.23 | $340.91 | $375.00 |
| 50 | $364.18 | $418.81 | $415.17 | $477.44 | $356.90 | $410.43 |
| 51 | $380.29 | $437.34 | $433.53 | $498.56 | $372.69 | $428.59 |
| 52 | $398.03 | $457.74 | $453.76 | $521.82 | $390.07 | $448.58 |
| 53 | $415.98 | $478.37 | $474.21 | $545.35 | $407.66 | $468.81 |
| 54 | $435.35 | $500.65 | $496.30 | $570.74 | $426.64 | $490.64 |
| 55 | $454.72 | $545.66 | $518.38 | $622.06 | $445.62 | $534.75 |
| 56 | $475.72 | $570.87 | $542.32 | $650.79 | $466.21 | $559.45 |
| 57 | $496.93 | $596.31 | $566.50 | $679.80 | $486.99 | $584.39 |
| 58 | $519.56 | $623.48 | $592.30 | $710.76 | $509.17 | $611.01 |
| 59 | $530.78 | $636.93 | $605.09 | $726.10 | $520.16 | $624.19 |
| 60 | $553.41 | $691.76 | $630.89 | $788.61 | $542.34 | $677.93 |
| 61 | $572.99 | $716.23 | $653.21 | $816.51 | $561.53 | $701.91 |
| 62 | $585.83 | $732.29 | $667.85 | $834.81 | $574.12 | $717.65 |
| 63 | $601.94 | $752.43 | $686.21 | $857.77 | $589.90 | $737.38 |
| 64+ | $611.72 | $764.66 | $697.37 | $871.72 | $599.49 | $749.37 |

**Capital Advantage Insurance Company (CAIC)**
**Individual**
**Plan Design Summary**

| HIOS Plan ID | Plan Marketing Name | Product | Metal | On/Off Exchange | Network | Rating Area | Counties Covered |
|---|---|---|---|---|---|---|---|
| 82795PA0140001 | Catastrophic PPO 8700/0/0 | PPO | Catastrophic | Off | PPO | 6,7,9 | All |

**Company Name** Capital Advantage Insurance Company (CAIC)
**Market** Individual
**RATES FOR AGE 21, NON-TOBACCO USER, BY RATING AREA AND COUNTY**

| | | | | | RATING AREA 6 | | | | | | | | | | RATING AREA 7 | | | | RATING AREA 9 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 02-01-2021 Number of Covered Lives by Rating County | | | | 0 | 1 | 15 | 0 | 0 | 4 | 2 | 1 | 4 | 1 | 0 | 6 | 9 | 5 | 6 | 5 | 2 | 0 | 0 | 0 | 1 |
| HIOS Plan ID | Plan Marketing Name | Product | Metal | On/Off Exchange | Centre | Columbia | Lehigh | Mifflin | Montour | Northampton | Northumberland | Schuylkill | Snyder | Union | Adams | Berks | Lancaster | York | Cumberland | Dauphin | Franklin | Fulton | Juniata | Lebanon | Perry |
| 82795PA0140001 | Catastrophic PPO 8700/0/0 | PPO | Catastrophic | Off | $203.91 | $203.91 | $203.91 | $203.91 | $203.91 | $203.91 | $203.91 | $203.91 | $203.91 | $203.91 | $232.46 | $232.46 | $232.46 | $232.46 | $199.83 | $199.83 | $199.83 | $199.83 | $199.83 | $199.83 | $199.83 |

# Unified Rate Review v5.3

*To add a product to Worksheet 2 - Plan Product Info, select the Add Product button or Ctrl + Shift + P.*
*To add a plan to Worksheet 2 - Plan Product Info, select the Add Plan button or Ctrl + Shift + L.*
*To validate, select the Validate button or Ctrl + Shift + I.*
*To finalize, select the Finalize button or Ctrl + Shift + F.*

| | | | |
|---|---|---|---|
| Company Legal Name: | Capital Advantage Insurance Company | State: | PA |
| HIOS Issuer ID: | 82795 | Market: | Individual |
| Effective Date of Rate Change(s): | 1/1/2022 | | |

**Market Level Calculations (Same for all Plans)**

**Section I: Experience Period Data**

Experience Period: 1/1/2020 to 12/31/2020

| | Total | PMPM |
|---|---|---|
| Allowed Claims | $430,754.57 | $410.24 |
| Reinsurance | $0.00 | $0.00 |
| Incurred Claims in Experience Period | $346,298.30 | $329.81 |
| Risk Adjustment | $132,052.32 | $125.76 |
| Experience Period Premium | $261,200.82 | $248.76 |
| Experience Period Member Months | 1,050 | |

**Section II: Projections**

| Benefit Category | Experience Period Index Rate PMPM | Year 1 Trend | | Year 2 Trend | | Trended EHB Allowed Claims PMPM |
|---|---|---|---|---|---|---|
| | | Cost | Utilization | Cost | Utilization | |
| Inpatient Hospital | $15.80 | 1.057 | 1.000 | 1.055 | 1.000 | $17.62 |
| Outpatient Hospital | $65.94 | 1.059 | 1.000 | 1.056 | 1.000 | $73.74 |
| Professional | $124.90 | 1.052 | 1.000 | 1.037 | 1.000 | $136.26 |
| Other Medical | $60.74 | 1.059 | 1.000 | 1.056 | 1.000 | $67.93 |
| Capitation | $0.00 | 1.030 | 1.000 | 1.030 | 1.000 | $0.00 |
| Prescription Drug | $142.87 | 1.104 | 1.013 | 1.107 | 1.015 | $179.53 |
| Total | $410.25 | | | | | **$475.07** |

| | |
|---|---|
| Morbidity Adjustment | 2.504 |
| Demographic Shift | 0.587 |
| Plan Design Changes | 0.696 |
| Other | 1.010 |
| Adjusted Trended EHB Allowed Claims PMPM for **1/1/2022** | **$490.86** |

| | |
|---|---|
| Manual EHB Allowed Claims PMPM | $449.54 |
| Applied Credibility % | 0.00% |

| | | Projected Period Totals |
|---|---|---|
| Projected Index Rate for **1/1/2022** | **$449.54** | $330,411.90 |
| Reinsurance | $21.20 | $15,582.00 |
| Risk Adjustment Payment/Charge | $182.71 | $134,291.85 |
| Exchange User Fees | 0.08% | $144.55 |
| Market Adjusted Index Rate | **$245.83** | **$180,682.60** |

| | |
|---|---|
| Projected Member Months | **735** |

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

## Product-Plan Data Collection

*To add a product to Worksheet 2 - Plan Product Info, select the Add Product button or Ctrl + Shift + P.*
*To add a plan to Worksheet 2 - Plan Product Info, select the Add Plan button or Ctrl + Shift + L.*
*To validate, select the Validate button or Ctrl + Shift + I.*
*To finalize, select the Finalize button or Ctrl + Shift + F.*
*To remove a product, navigate to the corresponding Product Name/Product ID field and select the Remove Product button or Ctrl + Shift + Q.*
*To remove a plan, navigate to the corresponding Plan Name/Plan ID field and select the Remove Plan button or Ctrl + Shift + A.*

| | | | |
|---|---|---|---|
| Company Legal Name: | **Capital Advantage Insurance Company** | State: | **PA** |
| HIOS Issuer ID: | **82795** | Market: | **Individual** |
| Effective Date of Rate Change(s): | **1/1/2022** | | |

**Product/Plan Level Calculations**

| Field # | **Section I: General Product and Plan Information** | | |
|---|---|---|---|
| 1.1 | Product Name | | PPO |
| 1.2 | Product ID | | 82795PA014 |
| 1.3 | Plan Name | | Catastrophic PPO |
| 1.4 | Plan ID (Standard Component ID) | | 82795PA0140001 |
| 1.5 | Metal | | Catastrophic |
| 1.6 | AV Metal Value | | 0.611 |
| 1.7 | Plan Category | | Renewing |
| 1.8 | Plan Type | | PPO |
| 1.9 | Exchange Plan? | | No |
| 1.10 | Effective Date of Proposed Rates | | 1/1/2022 |
| 1.11 | Cumulative Rate Change % (over 12 mos prior) | | 0.76% |
| 1.12 | Product Rate Increase % | | 0.76% |
| 1.13 | Submission Level Rate Increase % | | 0.76% |

| Worksheet 1 Totals | | | |
|---|---|---|---|
| | **Section II: Experience Period and Current Plan Level Information** | | |
| | 2.1 Plan ID (Standard Component ID) | Total | 82795PA0140001 |
| $430,755 | 2.2 Allowed Claims | $430,755 | $430,755 |
| $0 | 2.3 Reinsurance | $0 | $0 |
| | 2.4 Member Cost Sharing | $84,456 | $84,456 |
| | 2.5 Cost Sharing Reduction | $0 | $0 |
| $346,298 | 2.6 Incurred Claims | $346,298 | $346,298 |
| $132,052 | 2.7 Risk Adjustment Transfer Amount | $132,052 | $132,052 |
| $261,201 | 2.8 Premium | $261,201 | $261,201 |
| 1,050 | 2.9 Experience Period Member Months | 1,050 | 1,050 |
| | 2.10 Current Enrollment | 62 | 62 |
| | 2.11 Current Premium PMPM | $212.00 | $212.00 |
| | 2.12 Loss Ratio | 88.06% | 88.06% |
| | **Per Member Per Month** | | |
| | 2.13 Allowed Claims | $410.24 | $410.24 |
| | 2.14 Reinsurance | $0.00 | $0.00 |
| | 2.15 Member Cost Sharing | $80.43 | $80.43 |
| | 2.16 Cost Sharing Reduction | $0.00 | $0.00 |
| | 2.17 Incurred Claims | $329.81 | $329.81 |
| | 2.18 Risk Adjustment Transfer Amount | $125.76 | $125.76 |
| | 2.19 Premium | $248.76 | $248.76 |

| | **Section III: Plan Adjustment Factors** | | |
|---|---|---|---|
| 3.1 | Plan ID (Standard Component ID) | | 82795PA0140001 |
| 3.2 | Market Adjusted Index Rate | | $245.83 |
| 3.3 | AV and Cost Sharing Design of Plan | | 0.6883 |
| 3.4 | Provider Network Adjustment | | 1.0000 |
| 3.5 | Benefits in Addition to EHB | | 1.0000 |
| | Administrative Costs | | |
| 3.6 | Administrative Expense | | 17.26% |
| 3.7 | Taxes and Fees | | 2.74% |
| 3.8 | Profit & Risk Load | | 2.00% |
| 3.9 | Catastrophic Adjustment | | 1.0000 |
| 3.10 | **Plan Adjusted Index Rate** | | $216.93 |
| 3.11 | Age Calibration Factor | 0.9841 | 0.9841 |
| 3.12 | Geographic Calibration Factor | 0.9610 | 0.9610 |
| 3.13 | Tobacco Calibration Factor | 0.9939 | 0.9939 |
| 3.14 | **Calibrated Plan Adjusted Index Rate** | | $203.90 |

| | **Section IV: Projected Plan Level Information** | | |
|---|---|---|---|
| 4.1 | Plan ID (Standard Component ID) | Total | 82795PA0140001 |
| 4.2 | Allowed Claims | $330,412 | $330,412 |
| 4.3 | Reinsurance | $10,727 | $10,727 |
| 4.4 | Member Cost Sharing | $102,874 | $102,874 |
| 4.5 | Cost Sharing Reduction | $0 | $0 |
| 4.6 | Incurred Claims | $216,811 | $216,811 |
| 4.7 | Risk Adjustment Transfer Amount | $92,437 | $92,437 |
| 4.8 | Premium | $159,448 | $159,448 |
| 4.9 | Projected Member Months | 735 | 735 |
| 4.10 | Loss Ratio | 86.08% | 86.08% |
| | **Per Member Per Month** | | |
| 4.11 | Allowed Claims | $449.54 | $449.54 |
| 4.12 | Reinsurance | $14.59 | $14.59 |
| 4.13 | Member Cost Sharing | $139.96 | $139.96 |
| 4.14 | Cost Sharing Reduction | $0.00 | $0.00 |
| 4.15 | Incurred Claims | $294.98 | $294.98 |
| 4.16 | Risk Adjustment Transfer Amount | $125.76 | $125.76 |
| 4.17 | Premium | $216.94 | $216.94 |

## Rating Area Data Collection

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

| Rating Area | Rating Factor |
|---|---|
| Rating Area 6 | 1.0000 |
| Rating Area 7 | 1.1400 |
| Rating Area 9 | 0.9800 |

# CAPITAL ADVANTAGE INSURANCE COMPANY, INC.

## ACTUARIAL MEMORANDUM
## Individual Rates
## Effective January 1, 2022

## General Information

### Company Information

- Company Legal Name: Capital Advantage Insurance Company – CAIC
- State: PA
- HIOS Issuer ID: 82795
- Market: Individual
- Effective Date: 1/1/2022

### PID Company Information

- Company Name: Capital Advantage Insurance Company (CAIC)
- NAIC: 41203
- Market: Individual
- On/Off Exchange: Off Exchange
- Effective Date: 1/1/2022
- Average Rate Change Requested: 0.8%
- Range of Requested Rate Change: 0.8% to 0.8%
- Total additional annual revenue generated from the proposed rate change: $923
- Product: PPO
- Rating Areas: 6,7,9
- Metal Levels: Catastrophic
- Current Covered Lives and Policyholders: 62/59
- 2022 Number of Plans: 1
- 2021 Number of Plans and Change: 1/No Plan Change
- Contract Form #: CAIC-Ind-PPO-C-v0122
- Form Filing SERFF #: CABC-132795393
- Binder SERFF #: CABC-PA22-125107202
- HIOS Issuer ID: 82795
- HIOS Submission Tracking Number: 82795-2003721964618918913

**Company Contact Information**

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

**Scope and Purpose**

By this filing, Capital Advantage Insurance Company (CAIC), a subsidiary of Capital BlueCross (CBC), submits rates for products to be made available effective January 1, 2022. CAIC will only offer products off the PA state-based exchange.

## Rate History and Proposed Variations in Rate Changes

| Market | Company | Effective Date | SERFF # | Annual Increase |
|---|---|---|---|---|
| Individual | CAIC | 1/1/2018 | CABC-131022047 | 20.2% |
| Individual | CAIC | 1/1/2019 | CABC-131454888 | -43.2% |
| Individual | CAIC | 1/1/2020 | CABC-131915046 | -3.8% |
| Individual | CAIC | 1/1/2021 | CABC-132354933 | -15.5% |

**Average Rate Change**

CAIC is proposing an aggregate annual 0.8% rate change. The rate change does vary by plan. The rate change is calculated in PA Rate Template Part III, Table 10, cell AC15.

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

Favorable Experience Net Risk Adjustment: -7.2%
Proposed change to PA Reinsurance Program: 1.5%
Future Cost and Utilization: 6.5%

**Regulatory Considerations**

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

- Individual Adjustment of 1.01
- Cost Sharing Reduction (CSR) Funding: Factor of 1.22 applied in the PA Rate Exhibits, Part III, column P to the on-exchange silver plan. (Does not apply to CAIC, off-exchange issuer)
- User Exchange Fee of 3% (Does not apply to CAIC, off exchange-issuer)
- Reinsurance Morbidity Adjustment of 0.999
- COVID-19 Adjustment of 1.03

- Note that no adjustment is made for the American Rescue Plan Act (ARPA) as CAIC is only offered off-exchange, with no subsidy impact.

## Membership

Membership is shown in PA Rate Template Part I, Table 1. The average age is 24.

## Benefit Changes 2021-2022

A summary of proposed 2022 benefits is included in Exhibit A.

There are several benefit changes being implemented in 2022. All benefit changes comply with the uniform modification of coverage standards described in 45 CFR 147.106(e). Any plan with a benefit change that did not meet the uniform modification of coverage standard was terminated, and a new plan was created in its place. Benefit changes by plan are listed in Exhibit B, highlighted in yellow.

## Experience Period Premium and Claims

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

**Base Experience Period**: The base experience period (BEP) includes completed fee-for-service paid and incurred claims for dates of service between January 1, 2020 and December 31, 2020.

**Paid Through Date**: Claims in the BEP are paid through February 28, 2021

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

**Allowed and Incurred Claims in BEP**:

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

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

1. Historical fee-for-service claims are viewed by date of service and date of payment in a claims triangle.
2. The claims triangle payments are then accumulated by date of service to develop factors that represent the rate of accumulation or rate of "completion".
3. Historical rates of completion by duration are used to derive projected rates of completion. Some of the methods used to develop projected completion factors are averages (e.g. harmonic averages, time weighted averages, geometric averages) and regression methods. Numerous items are considered when viewing these averages or regression statistics, such as the impact of high claims on perceived completion patterns.
4. For durations that exhibit a projected completion factor greater than the Valuation Actuary's chosen threshold (e.g. 80% complete), cumulative paid and incurred claims are divided by the projected completion factor to arrive at ultimate incurred claims. For durations that are less than the chosen threshold, a projection methodology is used. Similar to completion factor development, projection methodologies are worthy of a lengthy discussion. In general, an ultimate incurred claims PMPM is derived by projecting a recent 12-month period to the current month(s) and seasonally adjusting.
5. With all months having both a cumulative paid amount and an estimated ultimate incurred amount, the completion factors used in pricing are calculated by taking the quotient of the two. Allowed completion and incurred completion are assumed to be identical.
6. Both allowed and paid claims in the BEP are completed by applying completion factors by incurred month developed in Step 6.

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

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

**Risk Adjustment in BEP**: Risk adjustment amounts in the BEP are equal to the amounts sent by the Department on 5/9/2021.

**Loss Ratio in BEP:** Loss ratio is 88.06%

## Credibility of Data

CAIC individual data is not credible, so CBC subsidiary, Keystone Health Plan Central (KHPC) is used as the credibility manual. KHPC data is relevant to CAIC rate development because KHPC offers off-exchange Bronze and Catastrophic plans, similar to CAIC's 2022 product offering.

KHPC's data is developed in the same manner as described in Experience Period Premium and Claims above.

## Trend Identification

Trend: 6.58%

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

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

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

    a. Vendor Physician Cost Model and Internal Hospital Contracting Model
        i. The medical cost models use best estimates of Capital BlueCross (CBC)'s future contracting increases with physicians and hospitals. The models use cost estimates based on varying contract effective dates by physician and hospital. All facilities and providers are considered in this modeling effort (i.e. acute and non-acute, network and non-network, inpatient and outpatient, in- area and out-of-area). From there, a monthly anticipated cost (assuming static utilization) summary is produced which can be used in projecting future claims costs. Cost trends are determined at the CBC book of business level for all commercial business.
    b. Internal Prescription Drug Trend Model
        i. Price Inflation
        ii. Contract Pricing
        iii. Member Cost-Sharing
        iv. Units per Script
        v. Brand/Generic Mix
        vi. Therapeutic Mix
        vii. Cost per Script
        viii. Pipeline (new drugs)

2. Utilization Considerations:
    a. Intensity of medical services rendered
    b. Changes in place of service (e.g. continued migration of inpatient stays to outpatient setting)
    c. Further migration from brand prescription drugs to generic prescription drugs
    d. Favorable impacts of value based benefits designs
    e. Medical utilization estimates reviewed by CBC's Chief Medical Officer

3. Leveraging: The trend model is based on allowed cost increases. Paid claims trend at a higher rate than allowed due to leveraging. Leveraging is the impact of static cost-share, such as deductibles and copays, to the paid trend.

4. Intensity: Measure of cost increase due to change in treatment sophistication. An example is migration from x-rays to MRIs at significantly higher cost.

5. Underwriting Cycle: The underwriting cycle is defined as the tendency to swing between profitable and unprofitable periods over time. The underwriting cycle is exacerbated partly by pricing performed with incomplete information as to the level of current experience trends. A reaction delay occurs, as carriers tend to rely on measurements of past experience in developing current pricing assumptions. As a result, carriers are often increasing their pricing trends when actual experience trends have begun to decline, and decreasing their pricing trends actual trends are increasing. CBC strives to mitigate the underwriting cycle by keeping trends consistent through times of increasing and decreasing claim cost and utilization.

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

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

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

## Rate Development & Change

### Projection Factors

**Changes in Morbidity:** Found in URRT Worksheet 1, "Morbidity Adjustment", and PA Rate Exhibits, Table 5.

$$\begin{aligned} &Total\ Morbidity\ Factor \\ &\qquad = [Individual\ Factor] \times [COVID - 19\ Factor] \\ &\qquad \times [Risk\ Change\ Rel\ to\ KHPC] \times [Reinsurance\ Morbdity\ Factor] \end{aligned}$$

The Individual Factor and Reinsurance Morbidity Factor are discussed in *Regulatory Considerations* above.

**COVID-19 Factor**: CBC projects 3% change in morbidity due to COVID-19 claim suppression during 2020. The morbidity factor is based on the following analysis:

1. Gather BEP claims, membership and premium from Ib Manual Data, Table 2. This is for the filing BEP 1/1/2020-12/31/2020.
2. Develop Claim PMPM A using data from (1)
3. Gather 2019 claims, membership and premium from Ib Manual Data, Table 2 from the 2021 annual filing. This is for BEP 1/1/2019-12/31/2019. Trend the claims data 12 months to the filing BEP in (1).
4. Develop Claim PMPM B using data from (2)
5. Claim PMPM B/Claim PMPM A – 1 = 10.0%
6. 3% is applied in rating due to market competition.

**Risk Change Relative to KHPC**: In addition to the COVID-19 morbidity change, CAIC is also applying a factor of 2.41 to reflect the difference is projected Plan Liability Risk Score (PLRS) between CAIC and its subsidiary, KHPC, which is used as the manual BEP. This factor aligns the rates with similar benefits offered under CAAC and KHPC.

The above calculation is found in Exhibit Q, Morbidity Factor Calculation.

**Changes in Benefits:**

Allowed Claims: The benefit change field is being used to estimate the difference between KHPC experience, which includes bronze and catastrophic plans, and the projected CAIC catastrophic experience. The calculation is shown on Exhibit F – URRT.

Incurred Claims: In addition to the Catastrophic adjustment applied to allowed claims, benefit cost-sharing adjustment are applied in the development of future incurred claims. This calculation is shown in Exhibit D, and applied in Exhibit G. The manual cost PMPMs are developed from CBC's internal benefit relativity model, discussed in the Plan Adjusted Index Rate section below. The benefit change is equal to member-month weighted average projected manual PMPM divided by member-month weighted average manual PMPM in the BEP. This process is further discussed in the Paid-to-Allowed section below.

**Changes in Demographics:** The Demographic adjustment is show in Exhibit F – URRT. This is the difference in demographics between KHPC enrollment, which includes bronze and catastrophic plans, and the projected CAIC catastrophic enrollment.

**Changes in Network:** No network adjustment is applied.

**Other Adjustments:** No other adjustment is applied to the BEP.

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

## Index Rate

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

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

To calculate the projected index rate:

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

See Exhibit J as well as PA Rate Exhibits Table 5 for the Index Rate.

**Paid to Allowed Ratio**

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

Projected Paid and Incurred Claims are calculated as follows:

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

2. Develop BEP *Paid and Incurred Claims*:

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

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

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

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

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

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

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

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

The *Morbidity Adjustment*, and *Other Adjustment* are discussed in the Projections Factors section above. The *Benefit Adjustment* is described in more detail in step 6 below. The *Reinsurance Adjustment* is discussed in Market Adjusted Index Rate section below.

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

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

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

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

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

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

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

e. The Benefit Relativity developed in d. above is then used as a gauge to develop a final *Pricing Relativity*. This pricing relativity is developed using actuarial judgment including the following considerations:

   i. Final premium relativities must make sense based on benefits. For example, the annual cost difference between a PPO 2000 and PPO 1000 must be less than $1000.

   ii. Adjustments for plan designs that fall outside of the actuarial cost model.

a. So the *Projected Claims PMPM by Benefit* is:

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

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

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

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

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

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

**<u>Market Adjusted Index Rate</u>**

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

$$\begin{aligned} &[Market\ Adjusted\ Index\ Rate] \\ &\qquad = ([Index\ Rate]\ x\ [Paid\ to\ Allowed\ Ratio] \\ &\qquad - [Projected\ Incurred\ Reinsurace\ Recoveries] \\ &\qquad - [Projected\ Incurred\ Risk\ Adjustment\ PMPM] \\ &\qquad + [Exchange\ Fees\ PMPM]) \div [Paid\ to\ Allowed\ Ratio] \end{aligned}$$

**Projected Incurred Risk Adjustments PMPM:**

Relevant to 2022 pricing is the impact of Commercial Risk Adjustment (CRA) payment transfers that are expected to be earned in 2022. The following items are those that we deem important in generating a CRA payment transfer adjustment:

1. Risk profile of the those enrolled in CRA eligible plans for the market or state (i.e. competitors) relative to risk profile of CRA eligible membership enrolled in our plans
2. Statewide average premiums
3. Current market penetration of this company and competitors in the market and in the state
4. 2019-2020 risk adjustment results
5. Market improvement in coding risk: CBC's ACA book of business has had a churn rate that makes a multi-year perspective of member diagnosis and risk very challenging. Because closing gaps in care and coding, and a myriad of other risk adjustment functions require more than a single year of data to facilitate an accurate depiction of risk, it is believed that CBC is disadvantaged in the market. This will drive CBC's relative risk to the market down over time.

The 2022 projected risk adjustment PMPM is set equal to the 2020 amount sent by the Department on 5/9/21.

**Projected Incurred Reinsurance Recoveries:**

In order to calculate the value of reinsurance, the following is provided:

1. PA Rate Exhibits, tab II.a show the company-specific BEP claims data.
2. PA Rate Exhibits, tab II.b shows the projected Individual ACA claims using all CBC subsidiaries – CAAC, CAIC, and KHPC. The claims represent BEP claims trended at 7% to the projection period.
3. CBC is utilizing this approach in order apply a consistent reinsurance factor across all CBC Individual ACA plans regardless of issuing entity. This approach also provides credibility to the small CBC issuers (KHPC and CAIC).

**Exchange Fee PMPM:**

CAIC only offers plans off exchange, so the exchange fee is $0.

The exchange fee PMPM is calculated as:

$$Exchange\ Fee\ PMPM = [Avg\ 2022\ On - Exchange\ Premium\ PMPM] \times [\%\ Members\ On - Exchange]$$

Where

$$[Avg\ 2022\ On - Exchange\ Premium\ PMPM = [Avg\ 2021\ On - Exchange\ Premium\ PMPM\ \times (1 + [Avg\ Proposed\ Rate\ Change])$$

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

**<u>Retention Items</u>**

**Administrative Expense Load:**

1. Risk Adjustment User Fee: To fund the HHS-risk adjustment program, issuers will remit to HHS a fee of $0.25 PMPM. The Risk Adjustment Fee PMPM is included in URRT Worksheet 1, URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.
2. Administrative Expense: Calculated using an allocation method from CBC's Finance department, and trended to the rating period. Costs are allocated according to results reported through a company-wide questionnaire. On an annual basis, each cost center within the company completes a questionnaire listing the distribution of costs (in percentage terms) by product as well as by market segment. For example, the questionnaire will ask what percentage of time is spent on PPO versus HMO versus Drug versus Medicare. And separately will ask what percentage of time is spent on large group, small group, individual, and government programs. Using those distributions, all costs needed to perform the business are allocated to the proper market segments and lines of business. The administrative expense applied in the rate development is the total expense allocated to CBC individual products. Administrative expenses are included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. Expense as a percentage of premium vary by plan because a fixed dollar admin PMPM is applied to each plan.
    a. Value-Based Benefits (VBB): Standard with each plan, Capital BlueCross includes wellness incentives to maximize the likelihood that consumers make positive behavioral changes, which lead to better health, and curbed health care costs for employers and employees alike. The incentive is as follows:
        i. Complete Health Risk Assessment questionnaire and receive a gift card.
        ii. Participate in an online coaching program and receive a gift card reward.
        iii. The wellness program is administered through a vendor and costs are based on vendor fees, anticipated participation, and reward card amounts.
        iv. Fees are included in overall administrative expense fee discussed above.
        v. Included in URRT Worksheet 2 "Administrative Expense", and PA Rate Exhibits Table 6.
3. Broker Expense: Calculated based on CBC's explicit per contract broker fee. Broker Expense is included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6. CBC pays commissions for new business and renewal enrollment received during open enrollment, both on and off exchange, and in all geographic areas. Commission is less on catastrophic plans due to the lower premium. CBC does not pay commission during Special Enrollment Periods (SEP). The 2021 broker commission schedule is yet to be finalized. Attached please find the 1/1/2020 copy of the broker agreement – redacted version. Files are as follows:
    a. Redacted Agent Agreement: "Ind_21-68_Initial_CAIC_PPO_WBEBrokerIndRedacted_Supporting_20210518.pdf"
    b. Redacted Preferred Producer Master Agreement: "Ind_21-68_Initial_CAIC_PPO_PPMABrokerIndRedacted_Supporting_20210518.pdf"

4. Additional Quality Improvement: Additional QI amounts applied in rating equal 0.4%. Included in URRT Worksheet 2, "Administrative Expense", and PA Rate Exhibits Table 6.

**Profit (or Contribution to Surplus) & Risk Margin:**

5. Contingency: Contingency is included in URRT Worksheet 1, "Profit and Risk", and PA Rate Exhibits Table 6.

**Taxes and Fees:**

1. Exchange Fee – All issuers participating in the state-based-facilitated exchange will remit 3% of premium. The exchange user fee is applied as an adjustment to the Index Rate at the market level. CAIC only offers off-exchanges products, therefore no exchange fee is applied.
2. Federal Income Tax: Federal Income Tax will be collected on the 2% contingency built into the premium. The projected Federal Income Tax is included in URRT Worksheet 2, "Taxes and Fees", and PA Rate Exhibits, Table 6.
3. Premium Tax: CAIC is charged premium tax of 2%. Premium tax is included in URRT, Worksheet2, "Taxes and Fees" and PA Rate Exhibits, Table 6.

See Exhibit H as well as PA Rate Exhibits Table 6 for all retention values.

## Plan Adjusted Index Rates

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

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

1. Actuarial Value and Cost Sharing adjustment: The Actuarial Value and Cost Sharing Adjustment is determined using CAIC's actuarial cost model. CAIC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a $0 office visit copayment and a $25 ER copayment. Given a particular benefit design (for example, $20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a claim PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on CPDs, where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.
2. Induced Demand: Please see Table 8. Induced Demand is calculated as:
$$[Pricing\ AV]^2 - [Pricing\ AV] + 1.24$$
Where *Pricing AV* is adjusted by the Non-Funding of CSR factor: PA Rate Exhibits, Table 10, column K x column P.

3. Provider Network: The Provider network is the same across all PPO plans.
4. Adjustment for benefits in addition to EHBs: No benefits other than EHBs are included in the plans, so no adjustment is necessary.
5. Catastrophic Plans: Applied to catastrophic plans to reflect lower morbidity.
6. Adjustment for distribution and administrative costs: Described in Retention section above.
7. Tobacco Adjustment: Calculated as the average tobacco factor applied across the risk pool.

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

## Calibrated Plan Adjusted Index Rates

**Age Curve Calibration**: The average age factor is calculated by taking the member-weighted average of current individual enrollment by age in CAIC. Age factors are applied in accordance with CMS's Standard Age Curve. The age calibration factor is adjusted for contracts with greater than three children under the age of 21. Please see file Ind_21-68_Initial_CAIC_PPO_List-Billed_Supporting_20210518 for the calculation.

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

Geographic factors are unchanged from 2021.

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

The calibration is:

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

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

## Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

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

2. $[Family\ Consumer\ Adjusted\ Premium\ Rate] = \sum[Member - Level\ Consumer\ Adjusted\ Premium\ Rate]$

With no more than three child dependents under age 21 taken into account

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

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

## AV Metal Values

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

See AV Screenshots included with the submission.

## AV Pricing Values

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

## Projected Loss Ratio

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

## Membership Projection

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

## Projected versus Actual MLR

Exhibit R shows a history of projected versus actual MLR and Member Months. Projected comes from the 2017-2019 filings. Actual comes from Table 4.

## Attachments and Examples

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

PA Rate Exhibits Part I through Part V

Table 8

Exhibit A – Benefit Summary

Exhibit B – Benefit Change Summary
Exhibit C – Benefit Categories
Exhibit D – Benefit Mix
Exhibit E – Trend
Exhibit F – URRT
Exhibit G – Paid-to-Allowed Development
Exhibit H – Retention
Exhibit I – Projected Loss Ratio
Exhibit J – Index Rate
Exhibit K – Market Adjusted Index Rate
Exhibit L – Rate Development by Plan
Exhibit M – Plan Adjusted Index Rates
Exhibit N – Calibration
Exhibit O – Rating Factors
Exhibit P – Quarterly Base Rates
Exhibit Q – Morbidity
Exhibit R – MLR Exhibit

Broker Contracts
Actuarial Value Screenshots
List-Billed Data

## Actuarial Statement

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

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

1. This filing has been prepared in accordance with the following:
    a. Actuarial Standard of Practice No. 5, "Health and Disability Claims"
    b. Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans"
    c. Actuarial Standard of Practice No. 12, "Risk Classification"
    d. Actuarial Standard of Practice No. 23, "Data Quality"
    e. Actuarial Standard of Practice No. 25, "Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverage"
    f. Actuarial Standard of Practice No. 26, "Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health Benefit Plans"
    g. Actuarial Standard of Practice No. 41, "Actuarial Communications".

2. The index rate is:
    a. Projected in compliance with all applicable state and federal statutes and regulations (45 CFR 156.80(d) (1)).

b. Developed in compliance with the applicable Actuarial Standards of Practice.
c. Reasonable in relation to the benefits provided and the population anticipated to be covered.
d. Neither excessive nor deficient.
e. Adjusted by only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) to generate plan level rates.

3. The percent of total premium that represents essential health benefits were calculated in accordance with actuarial standards of practice.

4. The AV Calculator was used to determine the AV Metal Values shown in Worksheet 2 of the Part I Unified Rate Review Template for all plans, and in accordance with CFR 156.135(b)(2) as necessary. For any plan requiring an alternative method, the development of the actuarial value is based on one of the acceptable alternative methods outlined in 156.135(b)(2) or 156.135(b)(3) for benefits that deviate substantially from the parameters of the AVC and have a material impact on the actuarial value.

    a. The analysis was
        i. conducted by a member of the American Academy of Actuaries, and
        ii. performed in accordance with generally accepted actuarial principles and methods.

5. Geographic area rating factors reflect only differences in the costs of delivery and not differences due to population morbidity.

6. All factor, benefit and other changes from the prior approved filing have been disclosed in the actuarial memorandum.

7. New plans are not considered modifications of existing plans under the uniform modification standards in 45 CFR 147.106.

8. The information presented in the PA Actuarial Memorandum and PA Actuarial Memorandum Rate Exhibits is consistent with the information presented in the Rate Filing Justification.

[redacted]

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

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

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

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



Health care benefit programs issued or administered by Capital BlueCross and/or its subsidiaries, Capital Advantage Insurance Company®, Capital Advantage Assurance Company® and Keystone Health Plan® Central. Independent licensees of the BlueCross BlueShield Association. Communications issued by Capital BlueCross in its capacity as administrator of programs and provider relations for all companies.

**2022 Rates Table Template v11.0**

*All fields with an asterisk ( * ) are required. To validate press Validate button or Ctrl + Shift + I. To finalize, press Finalize button or Ctrl + Shift + F.*

*If you are in a community rating state, select Family-Tier Rates under Rating Method and fill in all columns.*

*If you are not in a community rating state, select Age-Based Rates under Rating Method and provide an Individual Rate for every age band.*

*If Tobacco is Tobacco User/Non-Tobacco User, you must give a rate for Tobacco Use and Non-Tobacco Use.*

*To add a new sheet, press the Add Sheet button, or Ctrl + Shift + H. All plans must have the same dates on a sheet.*

| | |
|---|---|
| **HIOS Issuer ID*** | 82795 |
| **Rate Effective Date*** | 1/1/2022 |
| **Rate Expiration Date*** | 12/31/2022 |
| **Rating Method*** | Age-Based Rates |

| Plan ID* | Rating Area ID* | Tobacco* | Age* | Individual Rate* | Individual Tobacco Rate* |
|---|---|---|---|---|---|
| **Required:** Enter the 14-character Plan ID | **Required:** Select the Rating Area ID | **Required:** Select if Tobacco use of subscriber is used to determine if a person is eligible for a rate from a plan | **Required:** Select the age of a subscriber eligible for the rate | **Required:** Enter the rate of an Individual Non-Tobacco or No Preference enrollee on a plan | **Required:** Enter the rate of an Individual tobacco enrollee on a plan |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 0-14 | 155.99 | 155.99 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 15 | 169.86 | 169.86 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 16 | 175.16 | 175.16 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 17 | 180.46 | 180.46 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 18 | 186.17 | 186.17 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 19 | 191.88 | 191.88 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 20 | 197.79 | 197.79 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 21 | 203.91 | 209.01 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 22 | 203.91 | 209.01 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 23 | 203.91 | 209.01 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 24 | 203.91 | 209.01 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 25 | 204.73 | 209.84 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 26 | 208.80 | 214.02 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 27 | 213.70 | 219.04 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 28 | 221.65 | 227.19 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 29 | 228.18 | 233.88 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 30 | 231.44 | 237.22 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 31 | 236.33 | 242.24 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 32 | 241.23 | 247.26 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 33 | 244.28 | 250.39 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 34 | 247.55 | 253.74 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 35 | 249.18 | 255.41 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 36 | 250.81 | 257.08 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 37 | 252.44 | 258.75 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 38 | 254.07 | 260.42 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 39 | 257.33 | 263.77 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 40 | 260.60 | 280.14 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 41 | 265.49 | 285.40 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 42 | 270.18 | 290.44 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 43 | 276.71 | 297.46 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 44 | 284.86 | 306.23 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 45 | 294.45 | 323.89 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 46 | 305.86 | 336.45 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 47 | 318.71 | 350.58 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 48 | 333.39 | 366.73 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 49 | 347.87 | 382.66 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 50 | 364.18 | 418.81 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 51 | 380.29 | 437.34 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 52 | 398.03 | 457.74 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 53 | 415.98 | 478.37 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 54 | 435.35 | 500.65 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 55 | 454.72 | 545.66 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 56 | 475.72 | 570.87 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 57 | 496.93 | 596.31 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 58 | 519.56 | 623.48 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 59 | 530.78 | 636.93 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 60 | 553.41 | 691.76 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 61 | 572.99 | 716.23 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 62 | 585.83 | 732.29 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 63 | 601.94 | 752.43 |
| 82795PA0140001 | Rating Area 6 | Tobacco User/Non-Tobacco User | 64 and over | 611.72 | 764.66 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 0-14 | 177.83 | 177.83 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 15 | 193.64 | 193.64 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 16 | 199.68 | 199.68 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 17 | 205.72 | 205.72 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 18 | 212.23 | 212.23 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 19 | 218.74 | 218.74 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 20 | 225.48 | 225.48 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 21 | 232.46 | 238.27 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 22 | 232.46 | 238.27 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 23 | 232.46 | 238.27 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 24 | 232.46 | 238.27 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 25 | 233.39 | 239.22 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 26 | 238.04 | 243.99 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 27 | 243.62 | 249.71 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 28 | 252.68 | 259.00 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 29 | 260.12 | 266.62 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 30 | 263.84 | 270.44 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 31 | 269.42 | 276.15 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 32 | 275.00 | 281.87 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 33 | 278.48 | 285.45 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 34 | 282.20 | 289.26 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 35 | 284.06 | 291.16 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 36 | 285.92 | 293.07 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 37 | 287.78 | 294.98 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 38 | 289.64 | 296.88 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 39 | 293.36 | 300.70 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 40 | 297.08 | 319.36 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 41 | 302.66 | 325.36 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 42 | 308.01 | 331.11 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 43 | 315.44 | 339.10 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 44 | 324.74 | 349.10 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 45 | 335.67 | 369.24 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 46 | 348.69 | 383.55 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 47 | 363.33 | 399.66 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 48 | 380.07 | 418.07 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 49 | 396.57 | 436.23 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 50 | 415.17 | 477.44 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 51 | 433.53 | 498.56 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 52 | 453.76 | 521.82 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 53 | 474.21 | 545.35 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 54 | 496.30 | 570.74 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 55 | 518.38 | 622.06 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 56 | 542.32 | 650.79 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 57 | 566.50 | 679.80 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 58 | 592.30 | 710.76 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 59 | 605.09 | 726.10 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 60 | 630.89 | 788.61 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 61 | 653.21 | 816.51 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 62 | 667.85 | 834.81 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 63 | 686.21 | 857.77 |
| 82795PA0140001 | Rating Area 7 | Tobacco User/Non-Tobacco User | 64 and over | 697.37 | 871.72 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 0-14 | 152.87 | 152.87 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 15 | 166.46 | 166.46 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 16 | 171.66 | 171.66 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 17 | 176.85 | 176.85 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 18 | 182.45 | 182.45 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 19 | 188.04 | 188.04 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 20 | 193.84 | 193.84 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 21 | 199.83 | 204.83 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 22 | 199.83 | 204.83 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 23 | 199.83 | 204.83 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 24 | 199.83 | 204.83 |

| | | | | | |
|---|---|---|---|---|---|
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 25 | 200.63 | 205.65 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 26 | 204.63 | 209.74 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 27 | 209.42 | 214.66 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 28 | 217.22 | 222.65 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 29 | 223.61 | 229.20 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 30 | 226.81 | 232.48 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 31 | 231.61 | 237.40 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 32 | 236.40 | 242.31 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 33 | 239.40 | 245.38 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 34 | 242.60 | 248.66 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 35 | 244.19 | 250.30 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 36 | 245.79 | 251.94 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 37 | 247.39 | 253.58 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 38 | 248.99 | 255.22 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 39 | 252.19 | 258.49 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 40 | 255.39 | 274.54 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 41 | 260.18 | 279.69 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 42 | 264.78 | 284.64 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 43 | 271.17 | 291.51 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 44 | 279.17 | 300.10 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 45 | 288.56 | 317.41 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 46 | 299.75 | 329.72 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 47 | 312.34 | 343.57 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 48 | 326.72 | 359.40 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 49 | 340.91 | 375.00 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 50 | 356.90 | 410.43 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 51 | 372.69 | 428.59 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 52 | 390.07 | 448.58 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 53 | 407.66 | 468.81 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 54 | 426.64 | 490.64 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 55 | 445.62 | 534.75 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 56 | 466.21 | 559.45 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 57 | 486.99 | 584.39 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 58 | 509.17 | 611.01 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 59 | 520.16 | 624.19 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 60 | 542.34 | 677.93 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 61 | 561.53 | 701.91 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 62 | 574.12 | 717.65 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 63 | 589.90 | 737.38 |
| 82795PA0140001 | Rating Area 9 | Tobacco User/Non-Tobacco User | 64 and over | 599.49 | 749.37 |

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Benefit Summary

### INDIVIDUAL PORTFOLIO

| | Plan Name | HIOS ID | | Deductible (2x Family) | Coinsurance | Out-of-Pocket Maximum | PCP | Specialist | Emergency Room | Urgent Care | IP Hospital per day, maximum of 5 days | Hi-Tech Imaging | Lab Tier 1 \| Tier 2 | OP Surgery Tier 1 \| Tier 2 | Small Group: Rx $0 Individual: Rx |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Small Group: Rx $0 Individual: Rx | Small Group: Rx $250 (brand only deductible) Individual: N/A | In-Network | In-Network | In-Network | In-Network | In-Network | In-Network | In-Network | In-Network | In-Network | In-Network | In-Network | |
| | **BRONZE PRODUCTS** | | | | | | | | | | | | | | |
| 1 | Catastrophic PPO 8700/0/0 (CAIC) | 82795PA014000100 | | $8,700 | 0% | $8,700 | D/0 | D | D | D | D | D | D \| D | D \| D | Rx Ded: Combined, Rx Gen - Ded Applies? Y, Retail: D\|D\|D\|D, Mail: D\|D\|D\|D |

*1 Drug copays/costsharing listed are Preferred Generic|Non-Preferred Generic|Preferred Brand|Non-Preferred Brand*

*2 PPO Choice plans show costsharing for Choice 1 and Choice 2 providers, costsharing is separated by "|"*

*3 Tiered Lab benefits. Independent labs | Hospital based labs*

*4 D = Deductible D/# = Deductible applies first then a copay*

*5 Plan naming convention = Metal level, Plan type, Deductible/Coinsurance/Office Visit Copay - HRA funding*

**Capital Advantage Insurance Company**
**Individual Rates**
**Effective 1/1/2022**
**Benefit Change Summary**

| Line | On/Off Exchange | New/Existing | HIOS | Med Description | Rx Description | Counties | AV 2021 | AV 2022 | Pricing AV 2021 | Pricing AV 2022 | Metal Level 2021 | Metal Level 2022 | Deductible: Tier 1(2x Family) 2021 | Deductible: Tier 1(2x Family) 2022 | Deductible: Tier 2(2x Family) 2021 | Deductible: Tier 2(2x Family) 2022 | Coinsurance: Tier 1 2021 | Coinsurance: Tier 1 2022 | Coinsurance: Tier 2 2021 | Coinsurance: Tier 2 2022 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | On Exchange | Existing | 45127PA002002601 | Gold Simple Blue PPO 0/0/25 | Rx 0 | All (excluding Lancaster) | 80.2% | 79.8% | 91.0% | | Gold | Gold | 0 | 0 | 0 | 0 | 0% | 0% | 0% | 0% |
| 2 | On Exchange | Existing | 45127PA002001301 | Gold PPO 2150/10/20 | Combined | All (excluding Lancaster) | 78.7% | 78.7% | 88.8% | | Gold | Gold | 2,150 | 2,150 | 2,150 | 2,150 | 10% | 10% | 10% | 10% |
| 3 | On Exchange | New | 45127PA002002801 | Gold PPO 3250/10/25 | Combined | All (excluding Lancaster) | | 76.1% | | | | Gold | | 3,250 | | 3,250 | | 10% | | 10% |
| 4 | Off Exchange | New | 45127PA002003000 | Silver QHDHP PPO 2200/10/40 | Combined | All (excluding Lancaster) | | 71.4% | | | | Silver | | 2,000 | | 2,000 | | 10% | | 10% |
| 5 | Off Exchange | Existing | 45127PA002002100 | Silver PPO 5950/20/40 | Combined | All (excluding Lancaster) | 67.7% | 67.7% | 76.0% | | Silver | Silver | 5,950 | 5,950 | 5,950 | 5,950 | 20% | 20% | 20% | 20% |
| 6 | On Exchange | Existing | 45127PA002000801 | Silver PPO 6000/20/40 | Combined | All (excluding Lancaster) | 67.7% | 67.7% | 75.6% | | Silver | Silver | 6,000 | 6,000 | 6,000 | 6,000 | 20% | 20% | 20% | 20% |
| 7 | On Exchange | Existing | 45127PA002000804 | Silver PPO 6000 CSR73 | Combined | All (excluding Lancaster) | 74.0% | 74.0% | 75.6% | | Silver | Silver | 5,500 | 5,500 | 5,500 | 5,500 | 15% | 15% | 15% | 15% |
| 8 | On Exchange | Existing | 45127PA002000805 | Silver PPO 6000 CSR87 | Combined | All (excluding Lancaster) | 87.9% | 87.9% | 75.6% | | Gold | Gold | 1,500 | 1,500 | 1,500 | 1,500 | 5% | 5% | 5% | 5% |
| 9 | On Exchange | Existing | 45127PA002000806 | Silver PPO 6000 CSR94 | Combined | All (excluding Lancaster) | 93.4% | 93.4% | 75.6% | | Platinum | Platinum | 425 | 425 | 425 | 425 | 0% | 0% | 0% | 0% |
| 10 | On Exchange | New | 45127PA002003101 | Bronze QHDHP PPO 6300/0/50 | Combined | All (excluding Lancaster) | | 64.9% | | | | Bronze | | 5,600 | | 5,600 | | 0% | | 0% |
| 11 | On Exchange | Existing | 45127PA002002001 | Bronze PPO 7450/0/50 | Combined | All (excluding Lancaster) | 64.5% | 64.9% | 69.0% | | Bronze | Bronze | 8,000 | 7,450 | 8,000 | 7,450 | 0% | 0% | 0% | 0% |
| 12 | On Exchange | Existing | 45127PA002002701 | Catastrophic PPO 8700/0/0 | Combined | All | 61.3% | 61.1% | 68.6% | | Bronze | Bronze | 8,550 | 8,700 | 8,550 | 8,700 | 0% | 0% | 0% | 0% |
| 13 | On Exchange | Existing | 45127PA002002201 | Gold PPO Choice 2000/0/30 | Combined | Lancaster | 80.7% | 80.7% | 90.1% | | Gold | Gold | 2,000 | 2,000 | 4,000 | 4,000 | 0% | 0% | 30% | 30% |
| 14 | On Exchange | New | 45127PA002002901 | Gold PPO Choice 3000/0/35 | Combined | Lancaster | | 77.2% | | | | Gold | | 3,000 | | 6,000 | | 0% | | 30% |
| 15 | Off Exchange | Existing | 45127PA002002300 | Silver PPO Choice 3950/20/35 | Combined | Lancaster | 70.5% | 70.5% | 77.5% | | Silver | Silver | 3,950 | 3,950 | 8,550 | 8,550 | 20% | 20% | 0% | 0% |
| 16 | On Exchange | Existing | 45127PA002002401 | Silver PPO Choice 4000/20/35 | Combined | Lancaster | 70.4% | 70.4% | 77.1% | | Silver | Silver | 4,000 | 4,000 | 8,550 | 8,550 | 20% | 20% | 0% | 0% |
| 17 | On Exchange | Existing | 45127PA002002404 | Silver PPO Choice 4000 CSR73 | Combined | Lancaster | 73.8% | 73.8% | 77.1% | | Silver | Silver | 3,800 | 3,800 | 6,800 | 6,800 | 15% | 15% | 0% | 0% |
| 18 | On Exchange | Existing | 45127PA002002405 | Silver PPO Choice 4000 CSR87 | Combined | Lancaster | 86.7% | 86.7% | 77.1% | | Gold | Gold | 1,500 | 1,500 | 2,850 | 2,850 | 0% | 0% | 0% | 0% |
| 19 | On Exchange | Existing | 45127PA002002406 | Silver PPO Choice 4000 CSR94 | Combined | Lancaster | 93.4% | 93.4% | 77.1% | | Platinum | Platinum | 500 | 500 | 1,000 | 1,000 | 0% | 0% | 0% | 0% |
| 20 | Off Exchange | New | 45127PA002003200 | Silver QHDHP PPO Choice 2200/10/35 | Combined | Lancaster | | 72.0% | | | | Silver | | 2,000 | | 5,000 | | 10% | | 30% |
| 21 | On Exchange | New | 45127PA002003301 | Bronze QHDHP PPO Choice 6300/0/50 | Combined | Lancaster | | 65.0% | | | | Bronze | | 5,600 | | 8,550 | | 0% | | 0% |
| 22 | On Exchange | Existing | 45127PA002002501 | Bronze PPO Choice 7100/0/50 | Combined | Lancaster | 65.0% | 65.0% | 69.6% | | Bronze | Bronze | 7,100 | 7,100 | 8,550 | 8,550 | 0% | 0% | 0% | 0% |
| 23 | On Exchange | Existing | 45127PA014000201 | Gold Valley Advantage EPO 2150/10/20 | Combined | Lehigh and Northampton | 79.4% | 79.4% | 88.8% | | Gold | Gold | 2,150 | 2,150 | 2,150 | 2,150 | 10% | 10% | 10% | 10% |
| 24 | On Exchange | New | 45127PA014001101 | Gold Valley Advantage EPO 3250/10/25 | Combined | Lehigh and Northampton | | 76.5% | | | | Gold | | 3,250 | | 3,250 | | 10% | | 10% |
| 25 | Off Exchange | Existing | 45127PA014000300 | Silver Valley Advantage EPO 5950/20/40 | Combined | Lehigh and Northampton | 67.7% | 67.7% | 76.0% | | Silver | Silver | 5,950 | 5,950 | 5,950 | 5,950 | 20% | 20% | 20% | 20% |
| 26 | On Exchange | Existing | 45127PA014000401 | Silver Valley Advantage EPO 6000/20/40 | Combined | Lehigh and Northampton | 67.7% | 67.7% | 75.6% | | Silver | Silver | 6,000 | 6,000 | 6,000 | 6,000 | 20% | 20% | 20% | 20% |
| 27 | On Exchange | Existing | 45127PA014000404 | Silver Valley Advantage EPO 6000 CSR73 | Combined | Lehigh and Northampton | 73.8% | 73.8% | 75.6% | | Silver | Silver | 5,500 | 5,500 | 5,500 | 5,500 | 15% | 15% | 15% | 15% |
| 28 | On Exchange | Existing | 45127PA014000405 | Silver Valley Advantage EPO 6000 CSR87 | Combined | Lehigh and Northampton | 87.6% | 87.6% | 75.6% | | Gold | Gold | 1,500 | 1,500 | 1,500 | 1,500 | 5% | 5% | 5% | 5% |
| 29 | On Exchange | Existing | 45127PA014000406 | Silver Valley Advantage EPO 6000 CSR94 | Combined | Lehigh and Northampton | 94.2% | 94.2% | 75.6% | | Platinum | Platinum | 425 | 425 | 425 | 425 | 0% | 0% | 0% | 0% |
| 30 | On Exchange | Existing | 45127PA014000501 | Bronze Valley Advantage EPO 7450/0/50 | Combined | Lehigh and Northampton | 64.4% | 64.9% | 69.0% | | Bronze | Bronze | 8,000 | 7,450 | 8,000 | 7,450 | 0% | 0% | 0% | 0% |
| 31 | On Exchange | New | 45127PA014000601 | Gold Capital Advantage EPO 2150/10/20 | Combined | Cumberland, Perry, Dauph | | 79.4% | | | | Gold | | 2,150 | | 2,150 | | 10% | | 10% |
| 32 | On Exchange | New | 45127PA014000701 | Gold Capital Advantage EPO 3250/10/25 | Combined | Cumberland, Perry, Dauph | | 76.5% | | | | Gold | | 3,250 | | 3,250 | | 10% | | 10% |
| 33 | Off Exchange | New | 45127PA014000800 | Silver Capital Advantage EPO 5950/20/40 | Combined | Cumberland, Perry, Dauph | | 67.7% | | | | Silver | | 5,950 | | 5,950 | | 20% | | 20% |
| 34 | On Exchange | New | 45127PA014000901 | Silver Capital Advantage EPO 6000/20/40 | Combined | Cumberland, Perry, Dauph | | 67.7% | | | | Silver | | 6,000 | | 6,000 | | 20% | | 20% |
| 35 | On Exchange | New | 45127PA014000904 | Silver Capital Advantage EPO 6000 CSR73 | Combined | Cumberland, Perry, Dauph | | 73.8% | | | | Silver | | 5,500 | | 5,500 | | 15% | | 15% |
| 36 | On Exchange | New | 45127PA014000905 | Silver Capital Advantage EPO 6000 CSR87 | Combined | Cumberland, Perry, Dauph | | 87.6% | | | | Gold | | 1,500 | | 1,500 | | 5% | | 5% |
| 37 | On Exchange | New | 45127PA014000906 | Silver Capital Advantage EPO 6000 CSR94 | Combined | Cumberland, Perry, Dauph | | 94.2% | | | | Platinum | | 425 | | 425 | | 0% | | 0% |
| 38 | On Exchange | New | 45127PA014001001 | Bronze Capital Advantage EPO 7450/0/50 | Combined | Cumberland, Perry, Dauph | | 64.9% | | | | Bronze | | 7,450 | | 7,450 | | 0% | | 0% |
| 39 | Off Exchange | Existing | 53789PA010000800 | Bronze HMO 7450/0/50 | Combined | All (excluding Lancaster) | 64.5% | 64.9% | 72.0% | | Bronze | Bronze | 8,000 | 7,450 | 8,000 | 7,450 | 0% | 0% | 0% | 0% |
| 40 | Off Exchange | Existing | 53789PA010000400 | Catastrophic HMO 8700/0/0 | Combined | All | 61.3% | 61.1% | 71.5% | | Bronze | Bronze | 8,550 | 8,700 | 8,550 | 8,700 | 0% | 0% | 0% | 0% |
| 41 | Off Exchange | Existing | 82795PA014000100 | Catastrophic PPO 8700/0/0 (CAIC) | Combined | All | 61.3% | 61.1% | 69.6% | 68.8% | Bronze | Bronze | 8,550 | 8,700 | 8,550 | 8,700 | 0% | 0% | 0% | 0% |

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Benefit Change Summary

| Line | On/Off Exchange | New/Existing | HIOS | Med Description | Rx Description | Counties | MOOP | | PCP: Tier 1 | | PCP: Tier 2 | | SPC: Tier 1 | | SPC: Tier 2 | | ER | | UC | | IP Hosp Copay Per Day | | IP Hosp | | High-End Imaging | | Low-End Imaging | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 |
| 1 | On Exchange | Existing | 45127PA002002601 | Gold Simple Blue PPO 0/0/25 | Rx 0 | All (excluding Lancaster) | 8,550 | 8,550 | 25 | 25 | 25 | 25 | 50 | 50 | 50 | 50 | 200 | 200 | 50 | 50 | N/A | N/A | 4000 | 4,000 | 200 | 200 | 25 | 25 |
| 2 | On Exchange | Existing | 45127PA002001301 | Gold PPO 2150/10/20 | Combined | All (excluding Lancaster) | 8,550 | 8,550 | 20 | 20 | 20 | 20 | 45 | 45 | 45 | 45 | D/300 | D/300 | 75 | 75 | N/A | N/A | D/10% | D/10% | D/25% | D/25% | D/10% | D/10% |
| 3 | On Exchange | New | 45127PA002002801 | Gold PPO 3250/10/25 | Combined | All (excluding Lancaster) | | 8,550 | | 25 | | 25 | | 45 | | 45 | | D/350 | | 75 | | N/A | | D/10% | | D/25% | | D/10% |
| 4 | Off Exchange | New | 45127PA002003000 | Silver QHDHP PPO 2200/10/40 | Combined | All (excluding Lancaster) | | 8,550 | | D/40 | | D/40 | | D/85 | | D/85 | | D/400 | | D/100 | | N/A | | D/10% | | D/25% | | D/10% |
| 5 | Off Exchange | Existing | 45127PA002002100 | Silver PPO 5950/20/40 | Combined | All (excluding Lancaster) | 8,550 | 8,550 | 40 | 40 | 40 | 40 | 85 | 85 | 85 | 85 | D/400 | D/400 | 100 | 100 | N/A | N/A | D/20% | D/20% | D/35% | D/35% | D/20% | D/20% |
| 6 | On Exchange | Existing | 45127PA002000801 | Silver PPO 6000/20/40 | Combined | All (excluding Lancaster) | 8,550 | 8,550 | 40 | 40 | 40 | 40 | 85 | 85 | 85 | 85 | D/400 | D/400 | 100 | 100 | N/A | N/A | D/20% | D/20% | D/35% | D/35% | D/20% | D/20% |
| 7 | On Exchange | Existing | 45127PA002000804 | Silver PPO 6000 CSR73 | Combined | All (excluding Lancaster) | 6,500 | 6,500 | 10 | 10 | 10 | 10 | 20 | 20 | 20 | 20 | D/200 | D/200 | 45 | 45 | N/A | N/A | D/15% | D/15% | D/25% | D/25% | D/15% | D/15% |
| 8 | On Exchange | Existing | 45127PA002000805 | Silver PPO 6000 CSR87 | Combined | All (excluding Lancaster) | 2,450 | 2,450 | 5 | 5 | 5 | 5 | 10 | 10 | 10 | 10 | D/75 | D/75 | 35 | 35 | N/A | N/A | D/5% | D/5% | D/15% | D/15% | D/5% | D/5% |
| 9 | On Exchange | Existing | 45127PA002000806 | Silver PPO 6000 CSR94 | Combined | All (excluding Lancaster) | 1,250 | 1,250 | 3 | 3 | 3 | 3 | 5 | 5 | 5 | 5 | D/50 | D/50 | 20 | 20 | N/A | N/A | D | D | D/10% | D/10% | D | D |
| 10 | On Exchange | New | 45127PA002003101 | Bronze QHDHP PPO 6300/0/50 | Combined | All (excluding Lancaster) | | 8,550 | | D/50 | | D/50 | | D/85 | | D/85 | | D | | D | | N/A | | D | | D | | D |
| 11 | On Exchange | Existing | 45127PA002002001 | Bronze PPO 7450/0/50 | Combined | All (excluding Lancaster) | 8,550 | 8,550 | 50 | 50 | 50 | 50 | 85 | 85 | 85 | 85 | D | D | D | D | N/A | N/A | D | D | D | D | D | D |
| 12 | On Exchange | Existing | 45127PA002002701 | Catastrophic PPO 8700/0/0 | Combined | All | 8,550 | 8,700 | D/75 | D/0 | D/75 | D/0 | D | D | D | D | D | D | D | D | N/A | N/A | D | D | D | D | D | D |
| 13 | On Exchange | Existing | 45127PA002002201 | Gold PPO Choice 2000/0/30 | Combined | Lancaster | 8,550 | 8,550 | 30 | 30 | 50 | 50 | 50 | 50 | 75 | 75 | D/200 | D/200 | 75 | 75 | N/A | N/A | D | D | D | D | D | D |
| 14 | On Exchange | New | 45127PA002002901 | Gold PPO Choice 3000/0/35 | Combined | Lancaster | | 8,550 | | 35 | | 55 | | 55 | | 80 | | D/300 | | 75 | | N/A | | D | | D | | D |
| 15 | Off Exchange | Existing | 45127PA002002300 | Silver PPO Choice 3950/20/35 | Combined | Lancaster | 8,550 | 8,550 | 35 | 35 | 60 | 60 | 65 | 65 | 85 | 85 | D/400 | D/400 | 100 | 100 | N/A | N/A | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% |
| 16 | On Exchange | Existing | 45127PA002002401 | Silver PPO Choice 4000/20/35 | Combined | Lancaster | 8,550 | 8,550 | 35 | 35 | 60 | 60 | 65 | 65 | 85 | 85 | D/400 | D/400 | 100 | 100 | N/A | N/A | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% |
| 17 | On Exchange | Existing | 45127PA002002404 | Silver PPO Choice 4000 CSR73 | Combined | Lancaster | 6,800 | 6,800 | 25 | 25 | 60 | 60 | 50 | 50 | 85 | 85 | D/200 | D/200 | 45 | 45 | N/A | N/A | D/15% | D/15% | D/15% | D/15% | D/15% | D/15% |
| 18 | On Exchange | Existing | 45127PA002002405 | Silver PPO Choice 4000 CSR87 | Combined | Lancaster | 2,850 | 2,850 | 15 | 15 | 40 | 40 | 30 | 30 | 60 | 60 | D/75 | D/75 | 35 | 35 | N/A | N/A | D/0% | D/0% | D/0% | D/0% | D/0% | D/0% |
| 19 | On Exchange | Existing | 45127PA002002406 | Silver PPO Choice 4000 CSR94 | Combined | Lancaster | 1,000 | 1,000 | 5 | 5 | 20 | 20 | 10 | 10 | 30 | 30 | D/50 | D/50 | 20 | 20 | N/A | N/A | D/0% | D/0% | D/0% | D/0% | D/0% | D/0% |
| 20 | Off Exchange | New | 45127PA002003200 | Silver QHDHP PPO Choice 2200/10/35 | Combined | Lancaster | | 8,550 | | D/35 | | D/60 | | D/65 | | D/85 | | D/400 | | D/100 | | N/A | | D/10% | | D/10% | | D/10% |
| 21 | On Exchange | New | 45127PA002003301 | Bronze QHDHP PPO Choice 6300/0/50 | Combined | Lancaster | | 8,550 | | D/50 | | D/0 | | D/85 | | D | | D | | D | | N/A | | D | | D | | D |
| 22 | On Exchange | Existing | 45127PA002002501 | Bronze PPO Choice 7100/0/50 | Combined | Lancaster | 8,550 | 8,550 | 50 | 50 | 0 | 0 | 85 | 85 | D | D | D | D | D | D | N/A | N/A | D | D | D | D | D | D |
| 23 | On Exchange | Existing | 45127PA014000201 | Gold Valley Advantage EPO 2150/10/20 | Combined | Lehigh and Northampton | 8,550 | 8,550 | 20 | 20 | 20 | 20 | 45 | 45 | 45 | 45 | D/300 | D/300 | 75 | 75 | N/A | N/A | D/10% | D/10% | D/25% | D/25% | D/10% | D/10% |
| 24 | On Exchange | New | 45127PA014001101 | Gold Valley Advantage EPO 3250/10/25 | Combined | Lehigh and Northampton | | 8,550 | | 25 | | 25 | | 45 | | 45 | | D/350 | | 75 | | N/A | | D/10% | | D/25% | | D/10% |
| 25 | Off Exchange | Existing | 45127PA014000300 | Silver Valley Advantage EPO 5950/20/40 | Combined | Lehigh and Northampton | 8,550 | 8,550 | 40 | 40 | 40 | 40 | 85 | 85 | 85 | 85 | D/400 | D/400 | 100 | 100 | N/A | N/A | D/20% | D/20% | D/35% | D/35% | D/20% | D/20% |
| 26 | On Exchange | Existing | 45127PA014000401 | Silver Valley Advantage EPO 6000/20/40 | Combined | Lehigh and Northampton | 8,550 | 8,550 | 40 | 40 | 40 | 40 | 85 | 85 | 85 | 85 | D/400 | D/400 | 100 | 100 | N/A | N/A | D/20% | D/20% | D/35% | D/35% | D/20% | D/20% |
| 27 | On Exchange | Existing | 45127PA014000404 | Silver Valley Advantage EPO 6000 CSR73 | Combined | Lehigh and Northampton | 6,500 | 6,500 | 10 | 10 | 10 | 10 | 20 | 20 | 20 | 20 | D/200 | D/200 | 45 | 45 | N/A | N/A | D/15% | D/15% | D/25% | D/25% | D/15% | D/15% |
| 28 | On Exchange | Existing | 45127PA014000405 | Silver Valley Advantage EPO 6000 CSR87 | Combined | Lehigh and Northampton | 2,450 | 2,450 | 10 | 10 | 10 | 10 | 20 | 20 | 20 | 20 | D/75 | D/75 | 35 | 35 | N/A | N/A | D/5% | D/5% | D/15% | D/15% | D/5% | D/5% |
| 29 | On Exchange | Existing | 45127PA014000406 | Silver Valley Advantage EPO 6000 CSR94 | Combined | Lehigh and Northampton | 1,250 | 1,250 | 3 | 3 | 3 | 3 | 5 | 5 | 5 | 5 | D/50 | D/50 | 20 | 20 | N/A | N/A | D | D | D/10% | D/10% | D | D |
| 30 | On Exchange | Existing | 45127PA014000501 | Bronze Valley Advantage EPO 7450/0/50 | Combined | Lehigh and Northampton | 8,550 | 8,550 | 50 | 50 | 50 | 50 | 85 | 85 | 85 | 85 | D | D | D | D | N/A | N/A | D | D | D | D | D | D |
| 31 | On Exchange | New | 45127PA014000601 | Gold Capital Advantage EPO 2150/10/20 | Combined | Cumberland, Perry, Dauph | | 8,550 | | 20 | | 20 | | 45 | | 45 | | D/300 | | 75 | | N/A | | D/10% | | D/25% | | D/10% |
| 32 | On Exchange | New | 45127PA014000701 | Gold Capital Advantage EPO 3250/10/25 | Combined | Cumberland, Perry, Dauph | | 8,550 | | 25 | | 25 | | 45 | | 45 | | D/350 | | 75 | | N/A | | D/10% | | D/25% | | D/10% |
| 33 | Off Exchange | New | 45127PA014000800 | Silver Capital Advantage EPO 5950/20/40 | Combined | Cumberland, Perry, Dauph | | 8,550 | | 40 | | 40 | | 85 | | 85 | | D/400 | | 100 | | N/A | | D/20% | | D/35% | | D/20% |
| 34 | On Exchange | New | 45127PA014000901 | Silver Capital Advantage EPO 6000/20/40 | Combined | Cumberland, Perry, Dauph | | 8,550 | | 40 | | 40 | | 85 | | 85 | | D/400 | | 100 | | N/A | | D/20% | | D/35% | | D/20% |
| 35 | On Exchange | New | 45127PA014000904 | Silver Capital Advantage EPO 6000 CSR73 | Combined | Cumberland, Perry, Dauph | | 6,500 | | 10 | | 10 | | 20 | | 20 | | D/200 | | 45 | | N/A | | D/15% | | D/25% | | D/15% |
| 36 | On Exchange | New | 45127PA014000905 | Silver Capital Advantage EPO 6000 CSR87 | Combined | Cumberland, Perry, Dauph | | 2,450 | | 10 | | 10 | | 20 | | 20 | | D/75 | | 35 | | N/A | | D/5% | | D/15% | | D/5% |
| 37 | On Exchange | New | 45127PA014000906 | Silver Capital Advantage EPO 6000 CSR94 | Combined | Cumberland, Perry, Dauph | | 1,250 | | 3 | | 3 | | 5 | | 5 | | D/50 | | 20 | | N/A | | D | | D/10% | | D |
| 38 | On Exchange | New | 45127PA014001001 | Bronze Capital Advantage EPO 7450/0/50 | Combined | Cumberland, Perry, Dauph | | 8,550 | | 50 | | 50 | | 85 | | 85 | | D | | D | | N/A | | D | | D | | D |
| 39 | Off Exchange | Existing | 53789PA010000800 | Bronze HMO 7450/0/50 | Combined | All (excluding Lancaster) | 8,550 | 8,550 | 50 | 50 | 50 | 50 | 85 | 85 | 85 | 85 | D | D | D | D | N/A | N/A | D | D | D | D | D | D |
| 40 | Off Exchange | Existing | 53789PA010000400 | Catastrophic HMO 8700/0/0 | Combined | All | 8,550 | 8,700 | D/75 | D/0 | D/75 | D/0 | D | D | D | D | D | D | D | D | N/A | N/A | D | D | D | D | D | D |
| 41 | Off Exchange | Existing | 82795PA014000100 | Catastrophic PPO 8700/0/0 (CAIC) | Combined | All | 8,550 | 8,700 | D/75 | D/0 | D/75 | D/0 | D | D | D | D | D | D | D | D | N/A | N/A | D | D | D | D | D | D |

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Benefit Change Summary

| Line | On/Off Exchange | New/Existing | HIOS | Med Description | Rx Description | Counties | Lab: Tier 1 | | Lab: Tier 2 | | OP Facility: Tier 1 | | OP Facility: Tier 2 | | OP Surgery: Tier 1 | | OP Surgery: Tier 2 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 |
| 1 | On Exchange | Existing | 45127PA002002601 | Gold Simple Blue PPO 0/0/25 | Rx 0 | All (excluding Lancaster) | 25 | 25 | 50 | 50 | 2,000 | 2,000 | 2,000 | 2,000 | 0 | 0 | 0 | 0 |
| 2 | On Exchange | Existing | 45127PA002001301 | Gold PPO 2150/10/20 | Combined | All (excluding Lancaster) | 25 | 25 | D/75 | D/75 | D/10% | D/10% | D/10% | D/10% | D/10% | D/10% | D/10% | D/10% |
| 3 | On Exchange | New | 45127PA002002801 | Gold PPO 3250/10/25 | Combined | All (excluding Lancaster) | | 25 | | D/75 | | D/10% | | D/10% | | D/10% | | D/10% |
| 4 | Off Exchange | New | 45127PA002003000 | Silver QHDHP PPO 2200/10/40 | Combined | All (excluding Lancaster) | | D/25 | | D/75 | | D/10% | | D/10% | | D/10% | | D/10% |
| 5 | Off Exchange | Existing | 45127PA002002100 | Silver PPO 5950/20/40 | Combined | All (excluding Lancaster) | 25 | 25 | D/75 | D/75 | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% |
| 6 | On Exchange | Existing | 45127PA002000801 | Silver PPO 6000/20/40 | Combined | All (excluding Lancaster) | 25 | 25 | D/75 | D/75 | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% |
| 7 | On Exchange | Existing | 45127PA002000804 | Silver PPO 6000 CSR73 | Combined | All (excluding Lancaster) | 20 | 20 | D/60 | D/60 | D/15% | D/15% | D/15% | D/15% | D/15% | D/15% | D/15% | D/15% |
| 8 | On Exchange | Existing | 45127PA002000805 | Silver PPO 6000 CSR87 | Combined | All (excluding Lancaster) | 15 | 15 | D/40 | D/40 | D/5% | D/5% | D/5% | D/5% | D/5% | D/5% | D/5% | D/5% |
| 9 | On Exchange | Existing | 45127PA002000806 | Silver PPO 6000 CSR94 | Combined | All (excluding Lancaster) | 10 | 10 | D/20 | D/20 | D | D | D | D | D | D | D | D |
| 10 | On Exchange | New | 45127PA002003101 | Bronze QHDHP PPO 6300/0/50 | Combined | All (excluding Lancaster) | | D/25 | | D/75 | | D | | D | | D | | D |
| 11 | On Exchange | Existing | 45127PA002002001 | Bronze PPO 7450/0/50 | Combined | All (excluding Lancaster) | 25 | 25 | D | D/75 | D | D | D | D | D | D | D | D |
| 12 | On Exchange | Existing | 45127PA002002701 | Catastrophic PPO 8700/0/0 | Combined | All | D | D | D | D | D | D | D | D | D | D | D | D |
| 13 | On Exchange | Existing | 45127PA002002201 | Gold PPO Choice 2000/0/30 | Combined | Lancaster | D | D | D | D | D | D | D/30% | D/30% | D | D | D/30% | D/30% |
| 14 | On Exchange | New | 45127PA002002901 | Gold PPO Choice 3000/0/35 | Combined | Lancaster | | D | | D | | D | | D/30% | | D | | D/30% |
| 15 | Off Exchange | Existing | 45127PA002002300 | Silver PPO Choice 3950/20/35 | Combined | Lancaster | D | D | D | D | D/20% | D/20% | D | D | D/20% | D/20% | D | D |
| 16 | On Exchange | Existing | 45127PA002002401 | Silver PPO Choice 4000/20/35 | Combined | Lancaster | D | D | D | D | D/20% | D/20% | D | D | D/20% | D/20% | D | D |
| 17 | On Exchange | Existing | 45127PA002002404 | Silver PPO Choice 4000 CSR73 | Combined | Lancaster | D | D | D | D | D/15% | D/15% | D | D | D/15% | D/15% | D | D |
| 18 | On Exchange | Existing | 45127PA002002405 | Silver PPO Choice 4000 CSR87 | Combined | Lancaster | D | D | D | D | D | D | D | D | D | D | D | D |
| 19 | On Exchange | Existing | 45127PA002002406 | Silver PPO Choice 4000 CSR94 | Combined | Lancaster | D | D | D | D | D | D | D | D | D | D | D | D |
| 20 | Off Exchange | New | 45127PA002003200 | Silver QHDHP PPO Choice 2200/10/35 | Combined | Lancaster | | D | | D | | D/10% | | D/30% | | D/10% | | D/30% |
| 21 | On Exchange | New | 45127PA002003301 | Bronze QHDHP PPO Choice 6300/0/50 | Combined | Lancaster | | D | | D | | D | | D | | D | | D |
| 22 | On Exchange | Existing | 45127PA002002501 | Bronze PPO Choice 7100/0/50 | Combined | Lancaster | D | D | D | D | D | D | D | D | D | D | D | D |
| 23 | On Exchange | Existing | 45127PA014000201 | Gold Valley Advantage EPO 2150/10/20 | Combined | Lehigh and Northampton | D | D | D | D | D/10% | D/10% | D/10% | D/10% | D/10% | D/10% | D/10% | D/10% |
| 24 | On Exchange | New | 45127PA014001101 | Gold Valley Advantage EPO 3250/10/25 | Combined | Lehigh and Northampton | | D | | D | | D/10% | | D/10% | | D/10% | | D/10% |
| 25 | Off Exchange | Existing | 45127PA014000300 | Silver Valley Advantage EPO 5950/20/40 | Combined | Lehigh and Northampton | D | D | D | D | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% |
| 26 | On Exchange | Existing | 45127PA014000401 | Silver Valley Advantage EPO 6000/20/40 | Combined | Lehigh and Northampton | D | D | D | D | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% | D/20% |
| 27 | On Exchange | Existing | 45127PA014000404 | Silver Valley Advantage EPO 6000 CSR73 | Combined | Lehigh and Northampton | D | D | D | D | D/15% | D/15% | D/15% | D/15% | D/15% | D/15% | D/15% | D/15% |
| 28 | On Exchange | Existing | 45127PA014000405 | Silver Valley Advantage EPO 6000 CSR87 | Combined | Lehigh and Northampton | D | D | D | D | D/5% | D/5% | D/5% | D/5% | D/5% | D/5% | D/5% | D/5% |
| 29 | On Exchange | Existing | 45127PA014000406 | Silver Valley Advantage EPO 6000 CSR94 | Combined | Lehigh and Northampton | D | D | D | D | D | D | D | D | D | D | D | D |
| 30 | On Exchange | Existing | 45127PA014000501 | Bronze Valley Advantage EPO 7450/0/50 | Combined | Lehigh and Northampton | D | D | D | D | D | D | D | D | D | D | D | D |
| 31 | On Exchange | New | 45127PA014000601 | Gold Capital Advantage EPO 2150/10/20 | Combined | Cumberland, Perry, Dauph | | D | | D | | D/10% | | D/10% | | D/10% | | D/10% |
| 32 | On Exchange | New | 45127PA014000701 | Gold Capital Advantage EPO 3250/10/25 | Combined | Cumberland, Perry, Dauph | | D | | D | | D/10% | | D/10% | | D/10% | | D/10% |
| 33 | Off Exchange | New | 45127PA014000800 | Silver Capital Advantage EPO 5950/20/40 | Combined | Cumberland, Perry, Dauph | | D | | D | | D/20% | | D/20% | | D/20% | | D/20% |
| 34 | On Exchange | New | 45127PA014000901 | Silver Capital Advantage EPO 6000/20/40 | Combined | Cumberland, Perry, Dauph | | D | | D | | D/20% | | D/20% | | D/20% | | D/20% |
| 35 | On Exchange | New | 45127PA014000904 | Silver Capital Advantage EPO 6000 CSR73 | Combined | Cumberland, Perry, Dauph | | D | | D | | D/15% | | D/15% | | D/15% | | D/15% |
| 36 | On Exchange | New | 45127PA014000905 | Silver Capital Advantage EPO 6000 CSR87 | Combined | Cumberland, Perry, Dauph | | D | | D | | D/5% | | D/5% | | D/5% | | D/5% |
| 37 | On Exchange | New | 45127PA014000906 | Silver Capital Advantage EPO 6000 CSR94 | Combined | Cumberland, Perry, Dauph | | D | | D | | D | | D | | D | | D |
| 38 | On Exchange | New | 45127PA014001001 | Bronze Capital Advantage EPO 7450/0/50 | Combined | Cumberland, Perry, Dauph | | D | | D | | D | | D | | D | | D |
| 39 | Off Exchange | Existing | 53789PA010000800 | Bronze HMO 7450/0/50 | Combined | All (excluding Lancaster) | 25 | 25 | D | D/75 | D | D | D | D | D | D | D | D |
| 40 | Off Exchange | Existing | 53789PA010000400 | Catastrophic HMO 8700/0/0 | Combined | All | D | D | D | D | D | D | D | D | D | D | D | D |
| 41 | Off Exchange | Existing | 82795PA014000100 | Catastrophic PPO 8700/0/0 (CAIC) | Combined | All | D | D | D | D | D | D | D | D | D | D | D | D |

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Benefit Change Summary

| Line | On/Off Exchange | New/Existing | HIOS | Med Description | Rx Description | Counties | Rx Ded | | Rx Gen Pref: Ded Applies? | | Rx Gen Pref: Coins | | Rx Gen Pref: Retail Copay | | Rx Gen Pref: Mail Copay | | Rx Gen Non-Pref: Ded Applies | | Rx Gen Non-Pref: Coins | | Rx Gen Non-Pref: Retail Copa | | Rx Gen Non-Pref: Mail Copay | | Rx Brand Pref: Ded Applies? | | Rx Brand Pref: Coins | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 |
| 1 | On Exchange | Existing | 45127PA002002601 | Gold Simple Blue PPO 0/0/25 | Rx 0 | All (excluding Lancaster) | $0 | $0 | N | N | 100% | 100% | 4 | 4 | 8 | 8 | N | N | 0% | 0% | 15 | 15 | 30 | 30 | N | N | 100% | 100% |
| 2 | On Exchange | Existing | 45127PA002001301 | Gold PPO 2150/10/20 | Combined | All (excluding Lancaster) | Combined | Combined | N | N | 10% | 10% | 10 | 10 | 20 | 20 | N | N | 25% | 25% | 0 | 0 | 0 | 0 | Y | Y | 10% | 10% |
| 3 | On Exchange | New | 45127PA002002801 | Gold PPO 3250/10/25 | Combined | All (excluding Lancaster) | | Combined | | N | | 10% | | 10 | | 20 | | N | | 25% | | 0 | | 0 | | Y | | 10% |
| 4 | Off Exchange | New | 45127PA002003000 | Silver QHDHP PPO 2200/10/40 | Combined | All (excluding Lancaster) | | Combined | | Y | | 10% | | 10 | | 20 | | Y | | 25% | | 0 | | 0 | | Y | | 10% |
| 5 | Off Exchange | Existing | 45127PA002002100 | Silver PPO 5950/20/40 | Combined | All (excluding Lancaster) | Combined | Combined | N | N | 20% | 20% | 10 | 10 | 20 | 20 | N | N | 25% | 25% | 0 | 0 | 0 | 0 | Y | Y | 20% | 20% |
| 6 | On Exchange | Existing | 45127PA002000801 | Silver PPO 6000/20/40 | Combined | All (excluding Lancaster) | Combined | Combined | N | N | 20% | 20% | 10 | 10 | 20 | 20 | N | N | 25% | 25% | 0 | 0 | 0 | 0 | Y | Y | 20% | 20% |
| 7 | On Exchange | Existing | 45127PA002000804 | Silver PPO 6000 CSR73 | Combined | All (excluding Lancaster) | Combined | Combined | N | N | 15% | 15% | 5 | 5 | 10 | 10 | N | N | 18% | 18% | 0 | 0 | 0 | 0 | Y | Y | 15% | 15% |
| 8 | On Exchange | Existing | 45127PA002000805 | Silver PPO 6000 CSR87 | Combined | All (excluding Lancaster) | Combined | Combined | N | N | 5% | 5% | 3 | 3 | 6 | 6 | N | N | 15% | 15% | 0 | 0 | 0 | 0 | Y | Y | 5% | 5% |
| 9 | On Exchange | Existing | 45127PA002000806 | Silver PPO 6000 CSR94 | Combined | All (excluding Lancaster) | Combined | Combined | N | N | 0% | 0% | 2 | 2 | 4 | 4 | N | N | 10% | 10% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 10 | On Exchange | New | 45127PA002003101 | Bronze QHDHP PPO 6300/0/50 | Combined | All (excluding Lancaster) | | Combined | | Y | | 0% | | 0 | | 0 | | Y | | 0% | | 0 | | 0 | | Y | | 0% |
| 11 | On Exchange | Existing | 45127PA002002001 | Bronze PPO 7450/0/50 | Combined | All (excluding Lancaster) | Combined | Combined | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 12 | On Exchange | Existing | 45127PA002002701 | Catastrophic PPO 8700/0/0 | Combined | All | Combined | Combined | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 13 | On Exchange | Existing | 45127PA002002201 | Gold PPO Choice 2000/0/30 | Combined | Lancaster | Combined | Combined | N | N | 0% | 0% | 10 | 10 | 20 | 20 | N | N | 25% | 25% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 14 | On Exchange | New | 45127PA002002901 | Gold PPO Choice 3000/0/35 | Combined | Lancaster | | Combined | | N | | 0% | | 10 | | 20 | | N | | 25% | | 0 | | 0 | | Y | | 0% |
| 15 | Off Exchange | Existing | 45127PA002002300 | Silver PPO Choice 3950/20/35 | Combined | Lancaster | Combined | Combined | N | N | 0% | 0% | 10 | 10 | 20 | 20 | N | N | 25% | 25% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 16 | On Exchange | Existing | 45127PA002002401 | Silver PPO Choice 4000/20/35 | Combined | Lancaster | Combined | Combined | N | N | 0% | 0% | 10 | 10 | 20 | 20 | N | N | 25% | 25% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 17 | On Exchange | Existing | 45127PA002002404 | Silver PPO Choice 4000 CSR73 | Combined | Lancaster | Combined | Combined | N | N | 15% | 15% | 5 | 5 | 10 | 10 | N | N | 18% | 18% | 0 | 0 | 0 | 0 | Y | Y | 15% | 15% |
| 18 | On Exchange | Existing | 45127PA002002405 | Silver PPO Choice 4000 CSR87 | Combined | Lancaster | Combined | Combined | N | N | 0% | 0% | 3 | 3 | 6 | 6 | N | N | 15% | 15% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 19 | On Exchange | Existing | 45127PA002002406 | Silver PPO Choice 4000 CSR94 | Combined | Lancaster | Combined | Combined | N | N | 0% | 0% | 2 | 2 | 4 | 4 | N | N | 10% | 10% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 20 | Off Exchange | New | 45127PA002003200 | Silver QHDHP PPO Choice 2200/10/35 | Combined | Lancaster | | Combined | | Y | | 0% | | 10 | | 20 | | Y | | 25% | | 0 | | 0 | | Y | | 0% |
| 21 | On Exchange | New | 45127PA002003301 | Bronze QHDHP PPO Choice 6300/0/50 | Combined | Lancaster | | Combined | | Y | | 0% | | 0 | | 0 | | Y | | 0% | | 0 | | 0 | | Y | | 0% |
| 22 | On Exchange | Existing | 45127PA002002501 | Bronze PPO Choice 7100/0/50 | Combined | Lancaster | Combined | Combined | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 23 | On Exchange | Existing | 45127PA014000201 | Gold Valley Advantage EPO 2150/10/20 | Combined | Lehigh and Northampton | Combined | Combined | N | N | 10% | 10% | 10 | 10 | 20 | 20 | N | N | 25% | 25% | 0 | 0 | 0 | 0 | Y | Y | 10% | 10% |
| 24 | On Exchange | New | 45127PA014001101 | Gold Valley Advantage EPO 3250/10/25 | Combined | Lehigh and Northampton | | Combined | | N | | 10% | | 10 | | 20 | | N | | 25% | | 0 | | 0 | | Y | | 10% |
| 25 | Off Exchange | Existing | 45127PA014000300 | Silver Valley Advantage EPO 5950/20/40 | Combined | Lehigh and Northampton | Combined | Combined | N | N | 20% | 20% | 10 | 10 | 20 | 20 | N | N | 25% | 25% | 0 | 0 | 0 | 0 | Y | Y | 20% | 20% |
| 26 | On Exchange | Existing | 45127PA014000401 | Silver Valley Advantage EPO 6000/20/40 | Combined | Lehigh and Northampton | Combined | Combined | N | N | 20% | 20% | 10 | 10 | 20 | 20 | N | N | 25% | 25% | 0 | 0 | 0 | 0 | Y | Y | 20% | 20% |
| 27 | On Exchange | Existing | 45127PA014000404 | Silver Valley Advantage EPO 6000 CSR73 | Combined | Lehigh and Northampton | Combined | Combined | N | N | 15% | 15% | 5 | 5 | 10 | 10 | N | N | 18% | 18% | 0 | 0 | 0 | 0 | Y | Y | 15% | 15% |
| 28 | On Exchange | Existing | 45127PA014000405 | Silver Valley Advantage EPO 6000 CSR87 | Combined | Lehigh and Northampton | Combined | Combined | N | N | 5% | 5% | 3 | 3 | 6 | 6 | N | N | 15% | 15% | 0 | 0 | 0 | 0 | Y | Y | 5% | 5% |
| 29 | On Exchange | Existing | 45127PA014000406 | Silver Valley Advantage EPO 6000 CSR94 | Combined | Lehigh and Northampton | Combined | Combined | N | N | 0% | 0% | 2 | 2 | 4 | 4 | N | N | 10% | 10% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 30 | On Exchange | Existing | 45127PA014000501 | Bronze Valley Advantage EPO 7450/0/50 | Combined | Lehigh and Northampton | Combined | Combined | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 31 | On Exchange | New | 45127PA014000601 | Gold Capital Advantage EPO 2150/10/20 | Combined | Cumberland, Perry, Dauph | | Combined | | N | | 10% | | 10 | | 20 | | N | | 25% | | 0 | | 0 | | Y | | 10% |
| 32 | On Exchange | New | 45127PA014000701 | Gold Capital Advantage EPO 3250/10/25 | Combined | Cumberland, Perry, Dauph | | Combined | | N | | 10% | | 10 | | 20 | | N | | 25% | | 0 | | 0 | | Y | | 10% |
| 33 | Off Exchange | New | 45127PA014000800 | Silver Capital Advantage EPO 5950/20/40 | Combined | Cumberland, Perry, Dauph | | Combined | | N | | 20% | | 10 | | 20 | | N | | 25% | | 0 | | 0 | | Y | | 20% |
| 34 | On Exchange | New | 45127PA014000901 | Silver Capital Advantage EPO 6000/20/40 | Combined | Cumberland, Perry, Dauph | | Combined | | N | | 20% | | 10 | | 20 | | N | | 25% | | 0 | | 0 | | Y | | 20% |
| 35 | On Exchange | New | 45127PA014000904 | Silver Capital Advantage EPO 6000 CSR73 | Combined | Cumberland, Perry, Dauph | | Combined | | N | | 15% | | 5 | | 10 | | N | | 18% | | 0 | | 0 | | Y | | 15% |
| 36 | On Exchange | New | 45127PA014000905 | Silver Capital Advantage EPO 6000 CSR87 | Combined | Cumberland, Perry, Dauph | | Combined | | N | | 5% | | 3 | | 6 | | N | | 15% | | 0 | | 0 | | Y | | 5% |
| 37 | On Exchange | New | 45127PA014000906 | Silver Capital Advantage EPO 6000 CSR94 | Combined | Cumberland, Perry, Dauph | | Combined | | N | | 0% | | 2 | | 4 | | N | | 10% | | 0 | | 0 | | Y | | 0% |
| 38 | On Exchange | New | 45127PA014001001 | Bronze Capital Advantage EPO 7450/0/50 | Combined | Cumberland, Perry, Dauph | | Combined | | Y | | 0% | | 0 | | 0 | | Y | | 0% | | 0 | | 0 | | Y | | 0% |
| 39 | Off Exchange | Existing | 53789PA010000800 | Bronze HMO 7450/0/50 | Combined | All (excluding Lancaster) | Combined | Combined | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 40 | Off Exchange | Existing | 53789PA010000400 | Catastrophic HMO 8700/0/0 | Combined | All | Combined | Combined | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |
| 41 | Off Exchange | Existing | 82795PA014000100 | Catastrophic PPO 8700/0/0 (CAIC) | Combined | All | Combined | Combined | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% |

**Capital Advantage Insurance Company**
**Individual Rates**
**Effective 1/1/2022**
**Benefit Change Summary**

| Line | On/Off Exchange | New/Existing | HIOS | Med Description | Rx Description | Counties | Rx Brand Pref 2021 |
|---|---|---|---|---|---|---|---|
| 1 | On Exchange | Existing | 45127PA002002601 | Gold Simple Blue PPO 0/0/25 | Rx 0 | All (excluding Lancaster) | 45 |
| 2 | On Exchange | Existing | 45127PA002001301 | Gold PPO 2150/10/20 | Combined | All (excluding Lancaster) | 25 |
| 3 | On Exchange | New | 45127PA002002801 | Gold PPO 3250/10/25 | Combined | All (excluding Lancaster) | |
| 4 | Off Exchange | New | 45127PA002003000 | Silver QHDHP PPO 2200/10/40 | Combined | All (excluding Lancaster) | |
| 5 | Off Exchange | Existing | 45127PA002002100 | Silver PPO 5950/20/40 | Combined | All (excluding Lancaster) | 50 |
| 6 | On Exchange | Existing | 45127PA002000801 | Silver PPO 6000/20/40 | Combined | All (excluding Lancaster) | 50 |
| 7 | On Exchange | Existing | 45127PA002000804 | Silver PPO 6000 CSR73 | Combined | All (excluding Lancaster) | 25 |
| 8 | On Exchange | Existing | 45127PA002000805 | Silver PPO 6000 CSR87 | Combined | All (excluding Lancaster) | 15 |
| 9 | On Exchange | Existing | 45127PA002000806 | Silver PPO 6000 CSR94 | Combined | All (excluding Lancaster) | 10 |
| 10 | On Exchange | New | 45127PA002003101 | Bronze QHDHP PPO 6300/0/50 | Combined | All (excluding Lancaster) | |
| 11 | On Exchange | Existing | 45127PA002002001 | Bronze PPO 7450/0/50 | Combined | All (excluding Lancaster) | 0 |
| 12 | On Exchange | Existing | 45127PA002002701 | Catastrophic PPO 8700/0/0 | Combined | All | 0 |
| 13 | On Exchange | Existing | 45127PA002002201 | Gold PPO Choice 2000/0/30 | Combined | Lancaster | 25 |
| 14 | On Exchange | New | 45127PA002002901 | Gold PPO Choice 3000/0/35 | Combined | Lancaster | |
| 15 | Off Exchange | Existing | 45127PA002002300 | Silver PPO Choice 3950/20/35 | Combined | Lancaster | 50 |
| 16 | On Exchange | Existing | 45127PA002002401 | Silver PPO Choice 4000/20/35 | Combined | Lancaster | 50 |
| 17 | On Exchange | Existing | 45127PA002002404 | Silver PPO Choice 4000 CSR73 | Combined | Lancaster | 25 |
| 18 | On Exchange | Existing | 45127PA002002405 | Silver PPO Choice 4000 CSR87 | Combined | Lancaster | 15 |
| 19 | On Exchange | Existing | 45127PA002002406 | Silver PPO Choice 4000 CSR94 | Combined | Lancaster | 10 |
| 20 | Off Exchange | New | 45127PA002003200 | Silver QHDHP PPO Choice 2200/10/35 | Combined | Lancaster | |
| 21 | On Exchange | New | 45127PA002003301 | Bronze QHDHP PPO Choice 6300/0/50 | Combined | Lancaster | |
| 22 | On Exchange | Existing | 45127PA002002501 | Bronze PPO Choice 7100/0/50 | Combined | Lancaster | 0 |
| 23 | On Exchange | Existing | 45127PA014000201 | Gold Valley Advantage EPO 2150/10/20 | Combined | Lehigh and Northampton | 25 |
| 24 | On Exchange | New | 45127PA014001101 | Gold Valley Advantage EPO 3250/10/25 | Combined | Lehigh and Northampton | |
| 25 | Off Exchange | Existing | 45127PA014000300 | Silver Valley Advantage EPO 5950/20/40 | Combined | Lehigh and Northampton | 50 |
| 26 | On Exchange | Existing | 45127PA014000401 | Silver Valley Advantage EPO 6000/20/40 | Combined | Lehigh and Northampton | 50 |
| 27 | On Exchange | Existing | 45127PA014000404 | Silver Valley Advantage EPO 6000 CSR73 | Combined | Lehigh and Northampton | 25 |
| 28 | On Exchange | Existing | 45127PA014000405 | Silver Valley Advantage EPO 6000 CSR87 | Combined | Lehigh and Northampton | 15 |
| 29 | On Exchange | Existing | 45127PA014000406 | Silver Valley Advantage EPO 6000 CSR94 | Combined | Lehigh and Northampton | 10 |
| 30 | On Exchange | Existing | 45127PA014000501 | Bronze Valley Advantage EPO 7450/0/50 | Combined | Lehigh and Northampton | 0 |
| 31 | On Exchange | New | 45127PA014000601 | Gold Capital Advantage EPO 2150/10/20 | Combined | Cumberland, Perry, Dauph | |
| 32 | On Exchange | New | 45127PA014000701 | Gold Capital Advantage EPO 3250/10/25 | Combined | Cumberland, Perry, Dauph | |
| 33 | Off Exchange | New | 45127PA014000800 | Silver Capital Advantage EPO 5950/20/40 | Combined | Cumberland, Perry, Dauph | |
| 34 | On Exchange | New | 45127PA014000901 | Silver Capital Advantage EPO 6000/20/40 | Combined | Cumberland, Perry, Dauph | |
| 35 | On Exchange | New | 45127PA014000904 | Silver Capital Advantage EPO 6000 CSR73 | Combined | Cumberland, Perry, Dauph | |
| 36 | On Exchange | New | 45127PA014000905 | Silver Capital Advantage EPO 6000 CSR87 | Combined | Cumberland, Perry, Dauph | |
| 37 | On Exchange | New | 45127PA014000906 | Silver Capital Advantage EPO 6000 CSR94 | Combined | Cumberland, Perry, Dauph | |
| 38 | On Exchange | New | 45127PA014001001 | Bronze Capital Advantage EPO 7450/0/50 | Combined | Cumberland, Perry, Dauph | |
| 39 | Off Exchange | Existing | 53789PA010000800 | Bronze HMO 7450/0/50 | Combined | All (excluding Lancaster) | 0 |
| 40 | Off Exchange | Existing | 53789PA010000400 | Catastrophic HMO 8700/0/0 | Combined | All | 0 |
| 41 | Off Exchange | Existing | 82795PA014000100 | Catastrophic PPO 8700/0/0 (CAIC) | Combined | All | 0 |

**Capital Advantage Insurance Company**
**Individual Rates**
**Effective 1/1/2022**
**Benefit Change Summary**

| Line | On/Off Exchange | New/Existing | HIOS | Med Description | Rx Description | Counties | : Retail Copay 2022 | Rx Brand Pref: Mail Copay 2021 | 2022 | Brand Non-Pref: Ded Applic 2021 | 2022 | Rx Brand Non-Pref: Coins 2021 | 2022 | Brand Non-Pref: Retail Copa 2021 | 2022 | Brand Non-Pref: Mail Copa 2021 | 2022 | Specialty Tier 1: Ded Applic 2021 | 2022 | Rx Specialty Tier 1: Coins 2021 | 2022 | Rx Specialty Tier 1: Max 2021 | 2022 | Specialty Tier 2: Ded Applic 2021 | 2022 | Rx Specialty Tier 2: Coins 2021 | 2022 | Rx Specialty Tier 2: Max 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | On Exchange | Existing | 45127PA002002601 | Gold Simple Blue PPO 0/0/25 | Rx 0 | All (excluding Lancaster) | 45 | 90 | 90 | N | N | 100% | 100% | 70 | 70 | 140 | 140 | N | N | 20% | 20% | 250 | 250 | N | N | 20% | 20% | 350 | 350 |
| 2 | On Exchange | Existing | 45127PA002001301 | Gold PPO 2150/10/20 | Combined | All (excluding Lancaster) | 25 | 50 | 50 | Y | Y | 10% | 10% | 75 | 75 | 150 | 150 | Y | Y | 40% | 40% | 800 | 800 | Y | Y | 40% | 40% | 1000 | 1000 |
| 3 | On Exchange | New | 45127PA002002801 | Gold PPO 3250/10/25 | Combined | All (excluding Lancaster) | 25 | | 50 | | Y | | 10% | | 75 | | 150 | | Y | | 40% | | 800 | | Y | | 40% | | 1000 |
| 4 | Off Exchange | New | 45127PA002003000 | Silver QHDHP PPO 2200/10/40 | Combined | All (excluding Lancaster) | 25 | | 50 | | Y | | 10% | | 75 | | 150 | | Y | | 50% | | 800 | | Y | | 50% | | 1000 |
| 5 | Off Exchange | Existing | 45127PA002002100 | Silver PPO 5950/20/40 | Combined | All (excluding Lancaster) | 50 | 100 | 100 | Y | Y | 20% | 20% | 100 | 100 | 200 | 200 | Y | Y | 50% | 50% | 800 | 800 | Y | Y | 50% | 50% | 1000 | 1000 |
| 6 | On Exchange | Existing | 45127PA002000801 | Silver PPO 6000/20/40 | Combined | All (excluding Lancaster) | 50 | 100 | 100 | Y | Y | 20% | 20% | 100 | 100 | 200 | 200 | Y | Y | 50% | 50% | 800 | 800 | Y | Y | 50% | 50% | 1000 | 1000 |
| 7 | On Exchange | Existing | 45127PA002000804 | Silver PPO 6000 CSR73 | Combined | All (excluding Lancaster) | 25 | 50 | 50 | Y | Y | 15% | 15% | 55 | 55 | 110 | 110 | Y | Y | 40% | 40% | 700 | 700 | Y | Y | 40% | 40% | 800 | 800 |
| 8 | On Exchange | Existing | 45127PA002000805 | Silver PPO 6000 CSR87 | Combined | All (excluding Lancaster) | 15 | 30 | 30 | Y | Y | 5% | 5% | 40 | 40 | 80 | 80 | Y | Y | 30% | 30% | 400 | 400 | Y | Y | 30% | 30% | 500 | 500 |
| 9 | On Exchange | Existing | 45127PA002000806 | Silver PPO 6000 CSR94 | Combined | All (excluding Lancaster) | 10 | 20 | 20 | Y | Y | 0% | 0% | 25 | 25 | 50 | 50 | Y | Y | 10% | 10% | 200 | 200 | Y | Y | 10% | 10% | 300 | 300 |
| 10 | On Exchange | New | 45127PA002003101 | Bronze QHDHP PPO 6300/0/50 | Combined | All (excluding Lancaster) | 0 | | 0 | | Y | | 0% | | 0 | | 0 | | Y | | 50% | | 0 | | Y | | 50% | | 0 |
| 11 | On Exchange | Existing | 45127PA002002001 | Bronze PPO 7450/0/50 | Combined | All (excluding Lancaster) | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | N | N | 50% | 50% | 0 | 0 | N | N | 50% | 50% | 0 | 0 |
| 12 | On Exchange | Existing | 45127PA002002701 | Catastrophic PPO 8700/0/0 | Combined | All | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 |
| 13 | On Exchange | Existing | 45127PA002002201 | Gold PPO Choice 2000/0/30 | Combined | Lancaster | 25 | 50 | 50 | Y | Y | 0% | 0% | 75 | 75 | 150 | 150 | Y | Y | 40% | 40% | 800 | 800 | Y | Y | 40% | 40% | 1000 | 1000 |
| 14 | On Exchange | New | 45127PA002002901 | Gold PPO Choice 3000/0/35 | Combined | Lancaster | 25 | | 50 | | Y | | 0% | | 75 | | 150 | | Y | | 40% | | 800 | | Y | | 40% | | 1000 |
| 15 | Off Exchange | Existing | 45127PA002002300 | Silver PPO Choice 3950/20/35 | Combined | Lancaster | 50 | 100 | 100 | Y | Y | 0% | 0% | 100 | 100 | 200 | 200 | Y | Y | 50% | 50% | 800 | 800 | Y | Y | 50% | 50% | 1000 | 1000 |
| 16 | On Exchange | Existing | 45127PA002002401 | Silver PPO Choice 4000/20/35 | Combined | Lancaster | 50 | 100 | 100 | Y | Y | 0% | 0% | 100 | 100 | 200 | 200 | Y | Y | 50% | 50% | 800 | 800 | Y | Y | 50% | 50% | 1000 | 1000 |
| 17 | On Exchange | Existing | 45127PA002002404 | Silver PPO Choice 4000 CSR73 | Combined | Lancaster | 25 | 50 | 50 | Y | Y | 15% | 15% | 55 | 55 | 110 | 110 | Y | Y | 40% | 40% | 700 | 700 | Y | Y | 40% | 40% | 800 | 800 |
| 18 | On Exchange | Existing | 45127PA002002405 | Silver PPO Choice 4000 CSR87 | Combined | Lancaster | 15 | 30 | 30 | Y | Y | 0% | 0% | 40 | 40 | 80 | 80 | Y | Y | 30% | 30% | 400 | 400 | Y | Y | 30% | 30% | 500 | 500 |
| 19 | On Exchange | Existing | 45127PA002002406 | Silver PPO Choice 4000 CSR94 | Combined | Lancaster | 10 | 20 | 20 | Y | Y | 0% | 0% | 25 | 25 | 50 | 50 | Y | Y | 10% | 10% | 200 | 200 | Y | Y | 10% | 10% | 300 | 300 |
| 20 | Off Exchange | New | 45127PA002003200 | Silver QHDHP PPO Choice 2200/10/35 | Combined | Lancaster | 50 | | 100 | | Y | | 0% | | 100 | | 200 | | Y | | 50% | | 800 | | Y | | 50% | | 1000 |
| 21 | On Exchange | New | 45127PA002003301 | Bronze QHDHP PPO Choice 6300/0/50 | Combined | Lancaster | 0 | | 0 | | Y | | 0% | | 0 | | 0 | | Y | | 50% | | 0 | | Y | | 50% | | 0 |
| 22 | On Exchange | Existing | 45127PA002002501 | Bronze PPO Choice 7100/0/50 | Combined | Lancaster | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | N | N | 50% | 50% | 0 | 0 | N | N | 50% | 50% | 0 | 0 |
| 23 | On Exchange | Existing | 45127PA014000201 | Gold Valley Advantage EPO 2150/10/20 | Combined | Lehigh and Northampton | 25 | 50 | 50 | Y | Y | 10% | 10% | 75 | 75 | 150 | 150 | Y | Y | 40% | 40% | 800 | 800 | Y | Y | 40% | 40% | 1000 | 1000 |
| 24 | On Exchange | New | 45127PA014001101 | Gold Valley Advantage EPO 3250/10/25 | Combined | Lehigh and Northampton | 25 | | 50 | | Y | | 10% | | 75 | | 150 | | Y | | 40% | | 800 | | Y | | 40% | | 1000 |
| 25 | Off Exchange | Existing | 45127PA014000300 | Silver Valley Advantage EPO 5950/20/40 | Combined | Lehigh and Northampton | 50 | 100 | 100 | Y | Y | 20% | 20% | 100 | 100 | 200 | 200 | Y | Y | 50% | 50% | 800 | 800 | Y | Y | 50% | 50% | 1000 | 1000 |
| 26 | On Exchange | Existing | 45127PA014000401 | Silver Valley Advantage EPO 6000/20/40 | Combined | Lehigh and Northampton | 50 | 100 | 100 | Y | Y | 20% | 20% | 100 | 100 | 200 | 200 | Y | Y | 50% | 50% | 800 | 800 | Y | Y | 50% | 50% | 1000 | 1000 |
| 27 | On Exchange | Existing | 45127PA014000404 | Silver Valley Advantage EPO 6000 CSR73 | Combined | Lehigh and Northampton | 25 | 50 | 50 | Y | Y | 15% | 15% | 55 | 55 | 110 | 110 | Y | Y | 40% | 40% | 700 | 700 | Y | Y | 40% | 40% | 800 | 800 |
| 28 | On Exchange | Existing | 45127PA014000405 | Silver Valley Advantage EPO 6000 CSR87 | Combined | Lehigh and Northampton | 15 | 30 | 30 | Y | Y | 5% | 5% | 40 | 40 | 80 | 80 | Y | Y | 30% | 30% | 400 | 400 | Y | Y | 30% | 30% | 500 | 500 |
| 29 | On Exchange | Existing | 45127PA014000406 | Silver Valley Advantage EPO 6000 CSR94 | Combined | Lehigh and Northampton | 10 | 20 | 20 | Y | Y | 0% | 0% | 25 | 25 | 50 | 50 | Y | Y | 10% | 10% | 200 | 200 | Y | Y | 10% | 10% | 300 | 300 |
| 30 | On Exchange | Existing | 45127PA014000501 | Bronze Valley Advantage EPO 7450/0/50 | Combined | Lehigh and Northampton | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | N | N | 50% | 50% | 0 | 0 | N | N | 50% | 50% | 0 | 0 |
| 31 | On Exchange | New | 45127PA014000601 | Gold Capital Advantage EPO 2150/10/20 | Combined | Cumberland, Perry, Dauph | 25 | | 50 | | Y | | 10% | | 75 | | 150 | | Y | | 40% | | 800 | | Y | | 40% | | 1000 |
| 32 | On Exchange | New | 45127PA014000701 | Gold Capital Advantage EPO 3250/10/25 | Combined | Cumberland, Perry, Dauph | 25 | | 50 | | Y | | 10% | | 75 | | 150 | | Y | | 40% | | 800 | | Y | | 40% | | 1000 |
| 33 | Off Exchange | New | 45127PA014000800 | Silver Capital Advantage EPO 5950/20/40 | Combined | Cumberland, Perry, Dauph | 50 | | 100 | | Y | | 20% | | 100 | | 200 | | Y | | 50% | | 800 | | Y | | 50% | | 1000 |
| 34 | On Exchange | New | 45127PA014000901 | Silver Capital Advantage EPO 6000/20/40 | Combined | Cumberland, Perry, Dauph | 50 | | 100 | | Y | | 20% | | 100 | | 200 | | Y | | 50% | | 800 | | Y | | 50% | | 1000 |
| 35 | On Exchange | New | 45127PA014000904 | Silver Capital Advantage EPO 6000 CSR73 | Combined | Cumberland, Perry, Dauph | 25 | | 50 | | Y | | 15% | | 55 | | 110 | | Y | | 40% | | 700 | | Y | | 40% | | 800 |
| 36 | On Exchange | New | 45127PA014000905 | Silver Capital Advantage EPO 6000 CSR87 | Combined | Cumberland, Perry, Dauph | 15 | | 30 | | Y | | 5% | | 40 | | 80 | | Y | | 30% | | 400 | | Y | | 30% | | 500 |
| 37 | On Exchange | New | 45127PA014000906 | Silver Capital Advantage EPO 6000 CSR94 | Combined | Cumberland, Perry, Dauph | 10 | | 20 | | Y | | 0% | | 25 | | 50 | | Y | | 10% | | 200 | | Y | | 10% | | 300 |
| 38 | On Exchange | New | 45127PA014001001 | Bronze Capital Advantage EPO 7450/0/50 | Combined | Cumberland, Perry, Dauph | 0 | | 0 | | Y | | 0% | | 0 | | 0 | | N | | 50% | | 0 | | N | | 50% | | 0 |
| 39 | Off Exchange | Existing | 53789PA010000800 | Bronze HMO 7450/0/50 | Combined | All (excluding Lancaster) | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | N | N | 50% | 50% | 0 | 0 | N | N | 50% | 50% | 0 | 0 |
| 40 | Off Exchange | Existing | 53789PA010000400 | Catastrophic HMO 8700/0/0 | Combined | All | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 |
| 41 | Off Exchange | Existing | 82795PA014000100 | Catastrophic PPO 8700/0/0 (CAIC) | Combined | All | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 | Y | Y | 0% | 0% | 0 | 0 |

**Capital Advantage Insurance Company**
**Individual Rates**
**Effective 1/1/2022**
**Benefit Categories**

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

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Benefit Mix Changes

**Benefit Mix Calculation**

| | Med Manual Cost | Rx Manual Cost | Manual Cost PMPM |
|---|---|---|---|
| Average in Experience Period | | | 251.70 |
| Average in Rating Period | | | 249.97 |
| Benefit Mix Adjustment | | | 0.993 |

**BEP Manual Cost Calculation** 251.70 12,259

| Company | HIOS 14 Digit | Manual Cost PMPM | BEP MM |
|---|---|---|---|
| KHPC | 53789PA0100008 | 251.97 | 10,379 |
| KHPC | 53789PA0100004 | 250.22 | 1,880 |

**Projected 2021 Manual Co** 249.97 735

| Mapped 2020 Plan | Total | Proj Member Dist |
|---|---|---|
| 82795PA0140001 | 249.97 | 735 |

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Trend

Trend by Service Category

| Category | Year 1 Cost | Year 1 Util | Year 1 Induced Demand | Year 2 Cost | Year 2 Util | Year 2 Induced Demand | Total Year 1 | Total Year 2 | Weights | Total Weights |
|---|---|---|---|---|---|---|---|---|---|---|
| Inpatient Hospital | 5.70% | 0.00% | 0.00% | 5.50% | 0.00% | 0.0% | 5.7% | 5.5% | 16.1% | 13% |
| Outpatient Hospital | 5.90% | 0.00% | 0.00% | 5.60% | 0.00% | 0.0% | 5.9% | 5.6% | 56.3% | 46% |
| Professional | 5.20% | 0.00% | 0.00% | 3.70% | 0.00% | 0.0% | 5.2% | 3.7% | 21.0% | 17% |
| Other Medical | 5.90% | 0.00% | 0.00% | 5.60% | 0.00% | 0.0% | 5.9% | 5.6% | 2.2% | 2% |
| Capitation | 3.00% | 0.00% | 0.00% | 3.00% | 0.00% | 0.0% | 3.0% | 3.0% | 4.4% | 4% |
| Prescription Drug | 10.40% | 1.30% | 0.00% | 10.70% | 1.50% | 0.0% | 11.8% | 12.4% | 100.0% | 18% |
| Dental & Vision | 1.00% | 1.00% | 0.00% | 1.00% | 1.00% | 0.0% | 2.0% | 2.0% | 100.0% | 100% |

| Aggregate Pricing Trend Year 1 | |
|---|---|
| Total | 6.7% |
| Medical | 5.6% |
| Drug | 11.8% |
| Agg Med + Rx Trend | 6.7% |
| Dental and Vision | 2.0% |

| Aggregate Pricing Trend Year 2 | |
|---|---|
| Total | 6.4% |
| Medical | 5.1% |
| Drug | 12.4% |
| Agg Med + Rx Trend | 6.4% |
| Dental and Vision | 2.0% |

| URRT Categories | Year 1 Raw Trends* Cost | Utilization | Induced Demand | Composite | Year 2 Raw Trends* Cost | Utilization | | Composite |
|---|---|---|---|---|---|---|---|---|
| Inpatient Hospital | 5.1% | 0.0% | 0.0% | 5.1% | 4.9% | 0.0% | 0.0% | 4.9% |
| Outpatient Hospital | 5.3% | 0.0% | 0.0% | 5.3% | 5.0% | 0.0% | 0.0% | 5.0% |
| Professional | 4.6% | 0.0% | 0.0% | 4.6% | 3.1% | 0.0% | 0.0% | 3.1% |
| Other Medical | 5.3% | 0.0% | 0.0% | 5.3% | 5.0% | 0.0% | 0.0% | 5.0% |
| Capitation | 3.0% | 0.0% | 0.0% | 3.0% | 3.0% | 0.0% | 0.0% | 3.0% |
| Prescription Drugs | 9.8% | 1.3% | 0.0% | 11.1% | 10.1% | 1.5% | 0.0% | 11.8% |
| Dental & Vision | 1.0% | 1.0% | 0.0% | 2.0% | 1.0% | 1.0% | 0.0% | 2.0% |

*From Hospital and Physician Trend Models

Adjustments to Pricing Trend

| Medical | | Drug | |
|---|---|---|---|
| Intensity | 0.0% | Contracting | 0.0% |
| Leveraging | 0.6% | Leveraging | 0.6% |
| Demographics | 0.0% | Demographics | 0.0% |
| Buy-Downs | 0.0% | Buy-Downs | 0.0% |
| Other | 0.0% | Pipeline | 0.0% |
| Total | 0.6% | Total | 0.60% |

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## URRT

**Experience Period Member Months** 1,050

**Section II: Projections**

| Benefit Category | Experience Period Index Rate PMPM | Year 1 Trend Cost | Year 1 Trend Utilization | Year 2 Trend Cost | Year 2 Trend Utilization | Trended EHB Allowed Claims PMPM | Incurred | Allowed | PMPM |
|---|---|---|---|---|---|---|---|---|---|
| Inpatient Hospital | $ 15.80 | 1.057 | 1.000 | 1.055 | 1.000 | 17.62 | $ 5,114 | $ 16,589 | $ 15.80 |
| Outpatient Hospital | $ 65.94 | 1.059 | 1.000 | 1.056 | 1.000 | 73.74 | $ 50,539 | $ 69,237 | $ 65.94 |
| Professional | $ 124.90 | 1.052 | 1.000 | 1.037 | 1.000 | 136.26 | $ 106,289 | $ 131,144 | $ 124.90 |
| Other Medical | $ 60.74 | 1.059 | 1.000 | 1.056 | 1.000 | 67.93 | $ 48,487 | $ 63,774 | $ 60.74 |
| Capitation | $ - | 1.030 | 1.000 | 1.030 | 1.000 | 0.00 | $ - | $ - | $ - |
| Prescription Drug | $ 142.87 | 1.104 | 1.013 | 1.107 | 1.015 | 179.53 | $ 135,869 | $ 150,009 | $ 142.87 |
| Total | $ 410.25 | | | | | 475.07 | | | $ 410.25 |

| | |
|---|---|
| Change in Morbidity - Impact of Reinsurance Progr. | 0.999 |
| Change in Morbidity - All Other | 2.506 |
| Total Morbidity | 2.504 |
| *Other | |
| Change in Demographics | 0.587 |
| Change in Network | 1.010 |
| Change in Benefits | 0.696 |
| Change in Other | 1.000 |
| | |
| Projected Index Rate | 491.10 |

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Paid to Allowed Ratio Development

### Medical Rate Development

| | |
|---|---|
| Base Experience Period: | 1/1/2020-12/31/2020 |
| Data as of | 2/28/2021 |
| Rating Period: | 1/1/2022 - 12/31/2022 |
| Trend Months: | 24 |
| Trend: | 5.6% |

| | | |
|---|---|---|
| 1 | Medical Paid and Incurred Claims | 2,478,102 |
| 2 | Completion Factor | 0.97 |
| 3 | BEP Completed Claims (1) / (2) | 2,559,538 |
| 4 | BEP Member Months | 12,259 |
| 5 | BEP Completed Claim PMPM (3) / (4) | 208.79 |
| 6 | Trend Factor | 1.12 |
| 7 | Trended Claim PMPM (5) x (6) | 232.80 |
| 8 | Benefit Change Factor (Including Cat Adj and Demo) | 0.41 |
| 9 | Morbidity Adjustment | 2.51 |
| 10 | Network | 1.01 |
| 11 | Capitation | 168,204 |
| 12 | Capitation PMPM | 13.72 |
| 13 | Other Adjustment (Reinsurance) | 0.952 |
| 14 | Other Adjustment | 1.000 |
| 15 | Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) + (12)] x (13) x (14) | 240.77 |

| | Expected Claim PMPM in Rating Period |
|---|---|
| Medical | 240.77 |
| Drug | 67.34 |
| Pediatric Dental | 1.22 |
| Pediatric Vision | 0.10 |
| Expected Distribution of Embedded Dental Benefit | 100% |
| Total Expected Incurred in Rating Period | 309.43 |
| Total Expected Incurred in Rating Period Net RA and Reinsurance + Exchange Fee | 169.07 |

| | |
|---|---|
| Projected Allowed | 449.54 |
| Paid to Allowed Ratio | 0.688 |

### Drug Rate Development

| | |
|---|---|
| Base Experience Period: | 1/1/2020-12/31/2020 |
| Data as of | 2/28/2021 |
| Rating Period: | 1/1/2022 - 12/31/2022 |
| Trend Months: | 24 |
| Trend: | 11.8% |

| | | |
|---|---|---|
| 1 | BEP Paid and Incurred Claims** | 729,171 |
| 2 | Completion Factor | 1.000 |
| 3 | BEP Completed Claims (1) / (2) | 729,171 |
| 4 | BEP Member Months | 12,259 |
| 5 | BEP Completed Claim PMPM (3) / (4) | 59.48 |
| 6 | Trend Factor | 1.25 |
| 7 | Trended Claim PMPM (5) x (6) | 74.39 |
| 8 | Benefit Change Factor | 0.41 |
| 9 | Morbidity Adjustment | 2.51 |
| 10 | Network | 1.01 |
| 11 | Rx Rebates | 69,960 |
| 12 | Rx Rebates PMPM | 5.71 |
| 13 | Other Adjustment (Reinsurance) | 0.952 |
| 14 | Other Adjustment | 1.000 |
| 15 | Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) - (12)] x (13) x (14) | 67.34 |

### Pediatric Dental Rate Development

| | |
|---|---|
| Base Experience Period: | 1/1/2020-12/31/2020 |
| Data as of | 2/28/2021 |
| Rating Period: | 1/1/2022 - 12/31/2022 |
| Trend Months: | 24 |
| Trend: | 2.0% |

| | | |
|---|---|---|
| 1 | BEP Paid and Incurred Claims | 13,724 |
| 2 | Completion Factor | 0.948 |
| 3 | BEP Completed Claims (1) / (2) | 14,481 |
| 4 | BEP Member Months | 12,259 |
| 5 | BEP Completed Claim PMPM (3) / (4) | 1.18 |
| 6 | Trend Factor | 1.04 |
| 7 | Trended Claim PMPM (5) x (6) | 1.23 |
| 8 | Benefit Change Factor (Including Cat Adj) | 0.41 |
| 9 | Morbidity Adjustment | 2.51 |
| 10 | Network | 1.01 |
| 11 | | |
| 12 | | |
| 13 | Other Adjustment (Reinsurance) | 0.952 |
| 14 | Other Adjustment | 1.000 |
| 15 | Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10)] x (13) x (14) | 1.22 |

### Pediatric Vision Rate Development

| | |
|---|---|
| Base Experience Period: | 1/1/2020-12/31/2020 |
| Data as of | 2/28/2021 |
| Rating Period: | 1/1/2022 - 12/31/2022 |
| Trend Months: | 24 |
| Trend: | 2.0% |

| | | |
|---|---|---|
| 1 | BEP Paid and Incurred Claims | 1,187 |
| 2 | Completion Factor | 0.981 |
| 3 | BEP Completed Claims (1) / (2) | 1,210 |
| 4 | BEP Member Months | 12,259 |
| 5 | BEP Completed Claim PMPM (3) / (4) | 0.10 |
| 6 | Trend Factor | 1.04 |
| 7 | Trended Claim PMPM (5) x (6) | 0.10 |
| 8 | Benefit Change Factor (Including Cat Adj) | 0.41 |
| 9 | Morbidity Adjustment | 2.51 |
| 10 | Network | 1.01 |
| 11 | | |
| 12 | | |
| 13 | Other Adjustment (Reinsurance) | 0.952 |
| 14 | Other Adjustment | 1.000 |
| 15 | Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10)] x (13) x (14) | 0.10 |

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Retention

| | Medical + Rx | Dental | Vision | Total | % of Premium |
|---|---|---|---|---|---|
| Reinsurance Contribution | $0.00 | $0.00 | $0.00 | $0.00 | 0.0% |
| Risk Adjustment Fee | $0.25 | $0.00 | $0.00 | $0.25 | 0.12% |
| | | | | | |
| Admin PMPM | $31.86 | $0.60 | $0.09 | $32.55 | 15.0% |
| Broker PMPM | $4.02 | $0.00 | $0.00 | $4.02 | 1.9% |
| Placeholder1 | $0.00 | $0.00 | $0.00 | $0.00 | 0.0% |
| Placeholder2 | $0.00 | $0.00 | $0.00 | $0.00 | 0.0% |
| Placeholder3 | $0.00 | $0.00 | $0.00 | $0.00 | 0.0% |
| Quality Improvement | 0.4% | 0.4% | 0.4% | 0.4% | 0.4% |
| Contingency | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| | | | | | |
| Patient-Centered Outcomes Research Trust Fund: | $0.20 | $0.00 | $0.00 | $0.20 | 0.1% |
| Insurer Tax | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Exchange Fee | $0.00 | $0.00 | $0.00 | $0.00 | 0.0% |
| Federal Income Tax | 0.5% | 0.5% | 0.5% | 0.5% | 0.5% |
| Premium Tax | 2.0% | 0.0% | 0.0% | 2.0% | 2.0% |

Insurer Tax and Admin Fee Calc

Applied HIF to All Quarters 0.00%

| Quarter | % of Enrollees | HIF |
|---|---|---|
| 1 | 100% | 0.00% |

| | 2021 assessmen | 2022 assessment |
|---|---|---|
| 0 | 0.0% | 0.0% |
| 3 | 0.0% | 0.0% |
| 6 | 0.0% | 0.0% |
| 9 | 0.0% | 0.0% |

| | Admin | Profit | Taxes |
|---|---|---|---|
| | 17.3% | 2.0% | 2.7% |
| Claims | 15.0% | | |
| Broker | 1.9% | | |
| Quality Improvement | 0.4% | | |

**Cell:** C10
**Comment:** Admin Fees Adjusted to stay above MLR threshold

| | |
|---|---|
| | Catastrophic PPO |
| Plan | 8700/0/0 (CAIC) |
| Deductible | 8700 |
| Expected Claim Cost | 169.22 |
| Expected Premium PMPM * | $216.93 |
| | |
| Allowed Adjustments to Premium for MLR | |
| Reinsurance Contribution | 0.00 |
| Patient-Centered Outcomes Research Trust Fund: | 0.20 |
| Risk Adjustment Fee | 0.25 |
| Premium Tax | 4.34 |
| Insurer Tax | 0.00 |
| Exchange Fee | 0.00 |
| Quality Improvement | 0.87 |
| Federal Income Tax** | 0.91 |
| | |
| MLR Adjusted Claims | $170.09 |
| MLR Adjusted Premium | $211.23 |
| Expected Member Distribution | 100.0% |

| | |
|---|---|
| Unadjusted Claims | $169.22 |
| Unadjusted Premium | $216.93 |
| Expected MLR Adjusted Claims | $170.09 |
| Expected MLR Adjusted Premium | $211.23 |

| | |
|---|---|
| **MLR** | **80.5%** |

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

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Projected Index Rate

| | |
|---|---|
| Projected Index Rate | $449.75 |

| Effective Date | Total Index Rate | Trend | Distribution of Members | Projected Allowed | Market Adjusted Index Rate |
|---|---|---|---|---|---|
| January - December | $449.75 | | 100% | $449.75 | |
| Average for Projection Period | $449.75 | | | $449.75 | $245.84 |

* From URRT and Exhibit B

# Capital Advantage Insurance Company
# Individual Rates
# Effective 1/1/2022
# Market Adjusted Index Rate

**Development of Market Adjusted Index Rate**

| | | |
|---|---|---|
| Q1 Index Rate | 449.75 | Index Rate Calculated in II Rate Development & ( |
| Paid to Allowed | 0.69 | Differs slightly from URRT due to rounding |
| Q1 Projected Claims | 309.58 | |
| | | |
| Net Projected ACA Reinsurace Recoveries | 14.59 | |
| Net Projected Risk Adjustments PMPM | 125.76 | |
| Exchange User Fee Adjustment | 0.00 | |
| | | |
| Q1 Market-Adjusted Projected Paid EHB Claims PMPM | 169.22 | |
| | | |
| Q1 Market Adjusted Index Rate | 245.84 | |

**Development of Exchange User Fee**

| | |
|---|---|
| Average Exchange Premium | $0.00 |
| Average Exchange Fee | $0.00 |
| Percentage of Membership on Exchange | 0% |
| Exchange Fee to Add to Market Index Rate | $0.00 |

**Development of Risk Adjustment Projection**

| | |
|---|---|
| Projected 2022 Risk Adjustment Transfer | $125.76 |

| | |
|---|---|
| Projected 2020 Risk Adjustment | $132,052 |
| 2020 MemberMonths | 1,050 |
| Projected 2020 Risk Adjustment Payment PMPM | $125.76 |
| | |
| Capital Advantage Insurance Company | $132,052 |

| | |
|---|---|
| Show Network is Normalized | 1.00 |
| Show Induced Demand is Normalized | 1.00 |

| **Rate Development by Benefit Option** | Off Exchange |
|---|---|
| **Level of Coverage** | **Bronze** |
| **HIOS 16 Digit** | **82795PA014000100** |
| **HIOS Plan ID** | **82795PA0140001** |
| **Med Plan Name:** | **Catastrophic PPO 8700/0/0 (CAIC)** |
| **Rx:** | **Combined** |
| **Plan Type:** | **PPO** |
| HRA | N |
| Q1 Market Adjusted Index Rate | 245.84 |
| | |
| AV and Cost-Sharing Adjustment | 0.69 |
| Network | 1.000 |
| Non-Funding of CSR Adjustment | 1.000 |
| Catastrophic Adjustment | 1.000 |
| Induced Demand | 1.000 |
| | |
| **Plan Pricing Relativities:** | |
| Pricing Relativity | 1.000 |
| Total Projected Claims PMPM + Market Level Adjustments: | 169.22 |
| | |
| **Retention** | |
| Admin PMPM | $32.55 |
| Broker PMPM | $4.02 |
| Risk Adjustment User Fee | $0.25 |
| PCORTF | $0.20 |
| Value-Based Benefits | $0.00 |
| BCBSA Identity Theft | $0.00 |
| Premium Tax | 2.0% |
| Federal Income Tax | 0.5% |
| Insurer Tax | 0.0% |
| Contingency | 2.0% |
| Quality Improvement | 0.4% |
| | |
| Premium Neutrality | 1.06 |
| Total Premium Single Rate: | $203.90 |
| Plan Adjusted Index Rates | $216.93 |
| Expected Member Distribution | 100.0% |
| | |
| | $36.57 |
| Admin | 17.3% |
| Taxes | 2.7% |

## Benefit Plans

| # | Combo Description | Projected Membership | Proj MM | New or Existing | Product ID | Plan ID (14) | On/Off Exchange | Metal Level | Metal Value | Pricing Value | Network | Induced Demand | Catastophic | Product | Med Plan Description | Deductible | Drug Plan | Pediatric Dental | Pediatric Vision | Average Plan Adj. Index Rate | Q1 Plan Adj Index Rate | Q2 Plan Adj Index Rate | Q3 Plan Adj Index Rate | Q4 Plan Adj Index Rate | Annual Trend Medical & Rx | Annual Trend Dental & Vision | Annual Trend Aggregate Trend | Q1 Calibrated Plan Index | Q2 Calibrated Plan Index | Q3 Calibrated Plan Index | Q4 Calibrated Plan Index | Calibrated Index from PA Exhibits | % Admin | % Taxes | Plan ID (14) | HIOS ID (16) | All Plan Names | Company |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 100% | 735 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Catastrophic PPO 8700/0/0 (CAIC) | 100.0% | 735 | Existing | 82795PA014 | 82795PA0140001 | Off Exchange | Bronze | 61.1% | 68.8% | 1.00 | 1.00 | 1.00 | PPO | Catastrophic PPO 8700/0/0 (CAIC) | 8700 | Combined | Embedded | Embedded | $216.94 | $216.94 | | | | 6.72% | 2.0% | 6.72% | $203.91 | | | | 203.91 | 17.3% | 2.7% | 82795PA0140001 | 82795PA014000100 | ausstrophic PPO 8700/0/0 (CAI | CAIC |

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Calibration

| | |
|---|---|
| Expected Average Age Factor: | 1.019 |
| List-Billed Adjustment for Max 3 Children | 1.003 |
| Adjusted Average Age Factor | 1.016 |
| Expected Average Region Factor: | 1.04 |
| Expected Average Tobacco Factor | 1.006 |
| Cumulative Rating Factors (Premium Neutrality): | 1.06 |

**Age Factors**

| Age | Distribution of Poplulation | Age Factor |
|---|---|---|
| 0-14 | 4.84% | 0.765 |
| 15 | 1.61% | 0.833 |
| 16 | 0.00% | 0.859 |
| 17 | 1.61% | 0.885 |
| 18 | 1.61% | 0.913 |
| 19 | 4.84% | 0.941 |
| 20 | 0.00% | 0.970 |
| 21 | 6.45% | 1.000 |
| 22 | 3.23% | 1.000 |
| 23 | 3.23% | 1.000 |
| 24 | 3.23% | 1.000 |
| 25 | 4.84% | 1.004 |
| 26 | 16.13% | 1.024 |
| 27 | 27.42% | 1.048 |
| 28 | 9.68% | 1.087 |
| 29 | 11.29% | 1.119 |
| 30 | 0.00% | 1.135 |
| 31 | 0.00% | 1.159 |
| 32 | 0.00% | 1.183 |
| 33 | 0.00% | 1.198 |
| 34 | 0.00% | 1.214 |
| 35 | 0.00% | 1.222 |
| 36 | 0.00% | 1.230 |
| 37 | 0.00% | 1.238 |
| 38 | 0.00% | 1.246 |
| 39 | 0.00% | 1.262 |
| 40 | 0.00% | 1.278 |
| 41 | 0.00% | 1.302 |
| 42 | 0.00% | 1.325 |
| 43 | 0.00% | 1.357 |
| 44 | 0.00% | 1.397 |
| 45 | 0.00% | 1.444 |
| 46 | 0.00% | 1.500 |
| 47 | 0.00% | 1.563 |
| 48 | 0.00% | 1.635 |
| 49 | 0.00% | 1.706 |
| 50 | 0.00% | 1.786 |
| 51 | 0.00% | 1.865 |
| 52 | 0.00% | 1.952 |
| 53 | 0.00% | 2.040 |
| 54 | 0.00% | 2.135 |
| 55 | 0.00% | 2.230 |
| 56 | 0.00% | 2.333 |
| 57 | 0.00% | 2.437 |
| 58 | 0.00% | 2.548 |
| 59 | 0.00% | 2.603 |
| 60 | 0.00% | 2.714 |
| 61 | 0.00% | 2.810 |
| 62 | 0.00% | 2.873 |
| 63 | 0.00% | 2.952 |
| 64+ | 0.00% | 3.000 |

**Region Factors**

| Region | Distribution of Population | Factor |
|---|---|---|
| 6 | 45% | 1.0000 |
| 7 | 32% | 1.1400 |
| 9 | 23% | 0.9800 |

**Tobacco Factors**

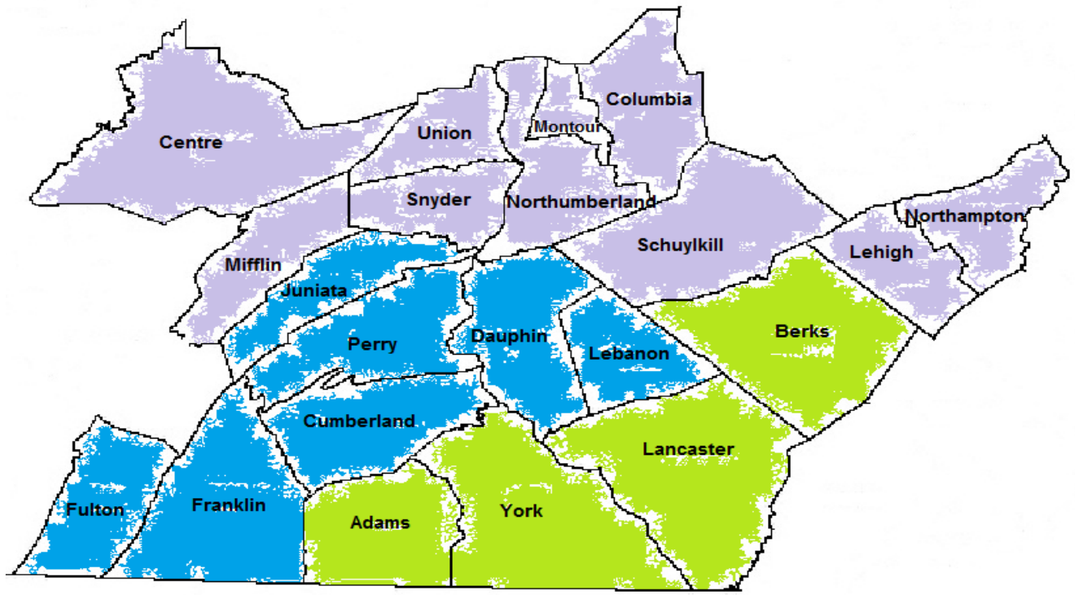
| PPO | HMO | Final Factor |
|---|---|---|
| 1.006 | 1.007 | 1.006 |

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Rating Factors

**Age Factors**

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

## Region




| Region | Factor |
|---|---|
| 6 | 1 |
| 7 | 1.14 |
| 9 | 0.98 |

| Network | Factor |
|---|---|
| PPO | 1.00 |
| | |
| | |

| Benefit Plans | | | | | | | | | | | | | | | Base Rates 1/1/2022 - 12/31/2022 | | | | | | | | | | Annual Trend | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| # | Combo Description | Projected Membership | Proj MM | New or Existing | Product ID | Plan ID | On/Off Exchange | Metal Level | Metal Value | Pricing Value | Induced Demand | Product | Medical Plan Description | Deductible | Drug Plan Desc | Pediatric Dental | Pediatric Vision | Medical + Rx | Medical | Rx | Pediatric Dental | Pediatric Vision | Total | Medical & Rx | Dental & Vision |
| 1 | Catastrophic PPO 8700/0/0 (CAJC) | 100.0% | 735 | Existing | 82795PA014 | 82795PA0140001 | Off Exchange | Bronze | 61.1% | 68.8% | 1.00 | PPO | Catastrophic PPO 8700/0/0 (CAJC) | 8700 | Combined | Embedded | Embedded | $201.98 | $165.62 | $36.36 | $1.75 | $0.18 | $203.91 | 6.7% | 2.0% |

# Capital Advantage Insurance Company
## Individual Rates
## Effective 1/1/2022
## Morbidity Factor Calculation

### From Ib Manual Data Table 2 - All Companies Combined

| Earned Premium | Ultimate Incurred Claims | Member Months | Total Prescription Drug Rebates* | Total EHB Capitation | Risk Adjustment |
|---|---|---|---|---|---|
| $ 328,900,418.52 | $ 266,990,877.92 | 418,232 | $ (7,717,938.99) | $ 168,204.48 | $ 29,623,611.29 |

| Premium PMPM | Incurred Clm PMPM | RA PMPM | Loss Ratio* |
|---|---|---|---|
| $ 786.41 | $ 620.33 | $ 70.83 | 72.4% |

*Loss Ratio net of risk adjustment

### 2019 BEP from 2021 Annual Filing - All Companies Combined

| Earned Premium | Ultimate Incurred Claims | Member Months | Total Prescription Drug Rebates* | Total EHB Capitation | Risk Adjustment |
|---|---|---|---|---|---|
| $ 426,554,969.41 | $ 360,870,798.78 | 538,933 | $ (14,451,272.20) | $ 161,270.03 | $ 35,890,954.00 |

| Premium PMPM | Incurred Clm PMPM | RA PMPM | Loss Ratio* |
|---|---|---|---|
| $ 791.48 | $ 643.09 | $ 66.60 | 74.9% |

| | BEP Start | BEP End | BEP MidPoint |
|---|---|---|---|
| Annual Filing BEP (pre-COVID) | 1/1/2019 | 12/31/2019 | 7/2/2019 |
| New BEP (w COVID) | 1/1/2020 | 12/31/2020 | 7/1/2020 |
| | Trend Months | | 12 |
| | Total Claims Trend | | 6.4% |
| | Rx Trend for Rebates | | 12.4% |
| | Capitation Trend | | 3% |

### 2019 BEP Trended to New BEP

| Earned Premium | Ultimate Incurred Claims | Member Months | Total Prescription Drug Rebates* | Total EHB Capitation | Risk Adjustment |
|---|---|---|---|---|---|
| $ 423,820,485.41 | $ 383,899,374.34 | 538,933 | $ (16,237,521.70) | $ 164,885.17 | $ 35,890,954.00 |

| Premium PMPM | Incurred Clm PMPM | RA PMPM | Loss Ratio* |
|---|---|---|---|
| $ 786.41 | $ 682.51 | $ 66.60 | 80.0% |

*Loss Ratio net of risk adjustment

| Change in Incurred Claims | Change in LR | COVID Morbidity Factor | Department Individual Factor | Risk Change from KHPC* |
|---|---|---|---|---|
| 10.0% | 10.6% | 1.030 | 1.010 | 2.41 |

| Total Morbidity Factor |
|---|
| 2.506 |

*Note this factor depends on the final risk adjustmest tranfer amount
Currently, we expect a payable in KHPC and receivable in CAIC indicating that CAIC to higher morbidity than KHPC

# Capital Advantage Insurance Company
# Individual Rates
# Effective 1/1/2022
# MLR Exhibit

| | MLR | | Member Months | |
|---|---|---|---|---|
| Calendar Year | Actual | Pricing | Actual | Pricing |
| 2017 | 147.36% | 86.25% | 1,816 | 180 |
| 2018 | 73.35% | 84.22% | 2,825 | 1,992 |
| 2019 | 76.68% | 83.11% | 721 | 2,609 |

Capital BLUE

**June 25, 2021**

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

Re: **Capital Advantage Insurance Company**
**Individual Rates**
**Filing No 21-68**
**TOI Code: H15I Individual Health – Hospital/Surgical/Medical Expense**
**Sub-TOI Code: H15I.001 - Hospital/Surgical/Medical Expense**
**Filing Type: Rate**

Dear Ms. Gray:

CAIC received an objection letter from the Department dated June 10, 2021. CAIC is providing the following in response to the objection letter:

- Q&A written response
- Q&A exhibits
- Trend leveraging calculation workbook
- Revised rate development workbook
- Revised PAAM exhibits
- Revised URRT
- Revised rates (PA and Federal templates)
- Revised memos – Actuarial, Cover Letter, Rate Change Summary
- Revised Service Area Maps

All changes are due to PID requests/questions and have been disclosed in the Q&A written response. Additionally, below is a summary of changes:

- Question 4: Change to Trend: leveraging
- Question 6: Change to Exhibit Q, additional morbidity factor
- Question 9: Change to Table 5, Morbidity
- Question 10: Change to Table 5, Network
- Question 11: Change to Table 6, Risk Adjustment User Fee
- Question 12: Change to Table 6, PCORI fee
- Question 13: Correction to Table 6, Federal Income Tax
- Question 14: Change to Table 10, Catastrophic factor



Health care benefit programs issued or administered by Capital BlueCross and/or its subsidiaries, Capital Advantage Insurance Company®, Capital Advantage Assurance Company® and Keystone Health Plan® Central. Independent licensees of the BlueCross BlueShield Association. Communications issued by Capital BlueCross in its capacity as administrator of programs and provider relations for all companies.

- Question 15: Correction to Table 12, include tobacco factors of 1.0 for ages 18-20
- Question 16: Correction to Service Area Map

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

Sincerely,

[redacted]

[redacted], ASA, MAAA
Director, Actuarial Services
Capital BlueCross

Enclosures

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

# CAPITAL ADVANTAGE INSURANCE COMPANY, INC.

## Question and Answer
### Individual Rates
### Effective January 1, 2022

With this response, please find corresponding Q&A Exhibits in Ind_21-68_Initial_CAIC_PPO_Q&AExhibits1_Supporting_20210625.xlsx

**Question 1.** Please provide the quantitative development and support for the 1.03 COVID morbidity factor. Please include responses for the following specific questions as well.

a. For the COVID factor development, please include demonstration for how the 2019 and 2020 calendar years were adjusted for any differences in morbidity, demographics, plan design, geography, trend, etc. in the development of the factor.
b. In the LR calculation for the support for the COVID factor on the 'Exhibit Q_Morbidity' tab, the claims are trended from 2019 to 2020 but the premium is not. Please provide support for this apparent disconnect.

**Answer 1.**

a. For this estimate, morbidity, demographics, plan design, and geography are assumed to be the same between 2019 and 2020. Please note that the analysis shows 10% difference in claims, but only 3% is applied in rating.
b. Exhibit Q has been corrected to reflect 2020 premium PMPM.

**Question 2.** The following questions pertain to the development of the 2022 risk adjustment estimate.

a. Please provide support for applying no changes to the 2020 risk adjustment results in projecting the 2022 information.
b. Please provide support for assuming no changes to the statewide average premium would occur between 2020 and 2022.

**Answer 2.**

a. Rate development is being performed on an experience net risk adjustment basis. That means that we are neither making an issuer-specific morbidity adjustment to the base experience period or an adjustment to risk adjustment. This approach assumes that experience net risk adjustment is the best predictor of future experience.
b. The statewide average premium is assumed to be equal between 2020 and 2022. This is because premiums statewide decreased in 2021 and we expect them to be at or below trend in 2022. The net result is estimated to be no change from 2020.
c. We expect ARPA to have a uniform impact to each issuer across the state. Therefore, Capital's risk will improve, but the statewide risk will also improve, netting no change to Capital's relative risk to the market.

**Question 3.** Please provide support for not including any utilization trend in the Medical trend amounts.

**Answer 3.** Annually, the actuarial team meets with our Chief Medical Officer to discuss utilization trends by market segment based on provider conversations and emerging trends in the medical community. Based on those conversations, her best estimate is no change in utilization from 2020 to 2022. Please note this is pre-Covid-19, as Covid-19 factors are applied separately.

**Question 4.** Please provide quantitative support for the 0.5% leveraging adjustment utilized on the 'Exhibit E_Trend' tab.

**Answer 4.** Please see Ind_21-68_Initial_CAIC_PPO_Leveraging_Supporting_20210625.xlsx, tab: LeveragingINDAllData. In order to determine the future impact of leveraging, including the impact of increasing cost sharing due to allowed costs rising, the exhibit shows a claim probability distribution with allowed amounts by range. The data is 2020 CBC ACA single risk pool population. The average pricing AV in the Individual market is approximately 0.81 (from Exhibit G, Paid-to-Allowed Ratio). From the data, I can infer that a deductible (applying to all services) of $1,621 is equal to 81% AV for this population. Using that deductible amount, I can measure incurred claims and member cost-sharing trend, given an allowed trend of 6.0%. Claims are trended in a database in order to move claims into the correct buckets. Please note that the total allowed amounts are increasing at 6.0% annually (columns P and Z). Given the deductible and allowed trend, incurred claims trend at 6.6%, member cost-share at 1.6% and leveraging is 6.6%-6.0% = 0.6%. Exhibit E has been updated to reflect the leveraging calculation, changing the leveraging adjustment of 0.5% to 0.6%.

**Question 5.** Please provide the quantitative development of the area factors noted in the Actuarial Memorandum. These are referenced in "Exhibit_Q", but no such exhibit can be found. The support and development of these factors should provide sufficient detail to confirm that any morbidity differences between regions has been removed in the analysis.

a. For each region, assuming 2020 data was utilized, please include total premium, total membership, total allowed claims, allowed claims for members with over $500K in paid claims in 2020, total paid claims, paid claims for members with over $500K in paid claims in 2020, average 2020 risk score, and average AV as used in the risk adjustment calculation (i.e., 0.60 for bronze plans, 0.70 for silver plans, etc.). Please also include any additional data and adjustments used in the factor development.

**Answer 5.** In order to minimize market disruption, area factors are unchanged from 2021. A regional analysis was not performed this year, as market stabilization and competition continue to be a high priority. I was unable to find the reference to Exhibit Q. Please advise and I will remove the reference with the next submission.

**Question 6.** In the Actuarial Memorandum, page 7, Risk Change Relative to KHPC, it states "CAIC is also applying a factor of 3.15 to reflect the difference is projected Plan Liability Risk Score (PLRS) between CAIC and its subsidiary, KHPC, which is used as the manual BEP."

a. Please quantitively show the development of the 3.15 factor used.

b. Please confirm that this difference in projected Plan Liability Risk Score (PLRS) is indicating that the morbidity of the individuals enrolled through CAIC is much higher than the morbidity of the individuals enrolled through KHPC.

**Answer 6.**

a. We are required to use CAIC specific risk-adjustment estimates in the rating of CAIC. In order to align rates across issuers (CAAC, CAIC, KHPC), the morbidity factor is developed. We did not use a comparison of PLRS, but instead used the morbidity factor to align rate relativities across issuers. The rate relativity between plans offered in CAAC, CAIC and KHCP is consistent with 2021. This approach allows consumers to shop CBC based on benefit differences and lessens market confusion. Please note that CAIC catastrophic rates closely align with both CAAC and KHPC catastrophic rates. Please note that changes were made to the PLRS due to the response to question 14 below. The Risk Change Relative to KHPC is changed from 3.15 to 2.41.
b. I confirm that this difference in projected Plan Liability Risk Score (PLRS) is indicating that the morbidity of the individuals enrolled through CAIC is much higher than the morbidity of the individuals enrolled through KHPC.

**Question 7.** Per Pennsylvania Final Rate Filing Guidance, the trend listed in Table 3 of the PA AM Exhibits should match the aggregate 2-year trend in the URRT. The composite 2-year trend used in Table 5, row 12, is 1.134. However, the composite 2-year trend for the URRT comes out to 1.156. Please explain the difference or update, as necessary.

**Answer 7.** For both Table 5 and the URRT, the components of trend (IP, OP, Prof, etc.) match. The aggregate varies because the manual data (CAAC, CAIC, KHPC combined) is used to develop the average trend for rate development. In contrast, the URRT uses company-specific data in Section II: Projections, and then allows for a manual PMPM. The URRT manual PMPM comes directly from Table 5, and therefore uses the aggregrate trend from Table 5.

**Question 8.** A COVID-19 morbidity adjustment factor was used to bring the 2020 base experience in line with a BEP not influenced by COVID19. Currently, there is no mention of a COVID-19 adjustment being made to the projected claims. Please confirm that Capital is expecting no impact to Plan Year 2022 claims as a result from COVID-19.

**Answer 8.** This confirms that Capital is not making an additional adjustment for COVID-19 in 2022. We assume that 2020 adjusted for COVID-19 and trended is the best predictor of 2022.

**Question 9.** In Table 5, the Change in Morbidity – All Other formula is listed as the Issuer Assumption * 1. Please update the formula to represent the Issuer Assumption * 1.01. Note that we do recognize that the factor is calculated correctly based on the Supporting Exhibit but for standard consistency we need to have the individual adjustment factor separated in the formula.

**Answer 9.** The formula has been updated to reflect the Issuer Assumption.

**Question 10.** In the PA AM Exhibits, Table 5, the Change in Network factor is listed as 1.000. Given the manual data being used is KHPC and their network is an HMO and CAIC's network is

a PPO, please explain why it is appropriate to not incorporate a change in network factor to represent CAIC's network more accurately.

**Answer 10.** Table 5, Change in Network has been corrected to more appropriately reflect the difference between the PPO and HMO network. Consistent with 2021, a network factor of 1.01 is applied. Please note that the proposed CAIC catastrophic rate is 1% higher than the proposed KHPC catastrophic rate.

**Question 11.** Per HHS' Final 2022 Notice of Benefit and Payment Parameters, the 2022 risk adjustment user fee is to be $0.25 PMPM. Per Table 6, the risk adjustment user fee is $0.13 PMPM. Please update the percentage value in cell C54 to achieve the set $0.25 PMPM amount.

**Answer 11.** The Risk Adjustment User Fee PMPM amount has been corrected to $0.25.

**Question 12.** Per Table 6, Retention, the PCORI fee is listed as $0.30 PMPM. However, in the supporting exhibit calculations, the PCORI fee is listed as $0.20 PMPM. Please update the exhibits so that the PCORI fee is consistent throughout all exhibits.

**Answer 12.** The PCORI Fee PMPM has been updated on Table 6 to the actual amount of $0.20.

**Question 13.** Per the PA Final Rate Filing Guidance, the profit listed in Table 6 is an after-tax amount. Given, that the profit is after-tax, the federal income tax percentage, in Table 6, is understated. In Table 6, the Federal Income Tax is listed as 0.42%. Please either update the estimated federal income tax percentage to 0.5316456% or change the after-tax profit to 1.58%. Please update all affected exhibits and documents.

**Answer 13.** The Federal Income Tax has been corrected to 0.5316456%.

**Question 14.** In the PA AM Exhibits, Table 10, the current catastrophic factor listed is 0.66.

a. Last year, a catastrophic factor of 1.00 was used in Table 10. Given that the manual data has been adjusted to reflect CAIC experience and the only plan being offered is a catastrophic plan, why is it still necessary to include a catastrophic factor.
b. Please explain the reason for the difference in approach from last year compared to this year. Given that the rates are remaining relatively similar, where in the filing from last year was the catastrophic factor inputted.
c. Please quantitatively show the development of the 0.66 catastrophic factor.

**Answer 14.**

a. This has been corrected to use the same approach as last year. Please note that in order to align rates with CBC subsidiaries, the issuer-specific morbidity factor has been lowered.
b. This has been corrected to align with last year.
c. No catastrophic adjustment is being applied.

**Question 15.** In Table 12. Age and Tobacco Factors, please fill in the tobacco factor for Age Bands: 18, 19, and 20 to be listed as 1.000.

**Answer 15.** Table 12 has been corrected to include a Tobacco Factor of 1.000 for ages 18, 19, and 20.

**Question 16.** Please update the 2021 and 2022 Service Area document as the current document indicates that the service area is an On-Exchange Service Area and CAIC is only offered Off-Exchange.

**Answer 16.** The Service Area document has been updated to include the correct shading.

**Question 17.** The current submitted broker contract agreement is not for this upcoming plan year. When does Capital expect to have their commission schedules finalized? Once finalized, please provide the current broker contract agreement. Please note that once rates have been finalized, a change to rates will not be allowed to change even if the commission schedule changes.

**Answer 17.** We expect to have 2022 broker contracts finalized by August. We acknowledge that a change to rates will not be allowed once rates are finalized.

**Question 18.** Please provide an exhibit that quantitatively shows a comparison of the actual to projected claim cost PMPMs for calendar years 2017 – 2020, as applicable.

**Answer 18.** Please see Q&A Exhibit 1 for the requested data.

**Question 19.** Please confirm that you have tested to ensure that the rates in Table 11 of the PA AM Exhibits, PA Plan Design Summary and Rate Table, Federal Rates Template, and binder are identical.

**Answer 19.** I confirm that the exhibits above have been tested to ensure that rates are identical.

**Question 20.** For each month between January 2021 and the most recent date available (e.g., June 11, 2021), please provide the average count of Individual ACA enrollment, split by On-Exchange APTC, On-Exchange non-APTC, and Off-Exchange members. Please provide the enrollment data for each available month separately.

**Answer 20.** Please see Q&A Exhibit 2 for the requested data.

**Question 21.** For the On-Exchange non-APTC members who are currently enrolled as of the most recent date available, please specify the percentage of those individuals that you expect will enroll through the Exchange in 2022 and take advantage of the enhanced and expanded subsidies as a result of ARPA.

**Answer 21.** CAIC does not have on-exchange membership.

**Question 22.** For the Off-Exchange members who are currently enrolled as of the most recent date available, please specify the percentage of those individuals that you expect will enroll through the Exchange in 2022 and take advantage of the enhanced and expanded subsidies as a result of ARPA.

**Answer 22.** We expect about 50% of off-exchange members to enroll through the exchange and take advantage of enhanced and expanded subsidies in 2022.

# Capital Advantage Insurance Company
## Individual Rates
## Q&A Exhibit 1
## Projected vs. Actual

| | Paid | | Risk Adjustment | | Exhange User Fees | | Market Adjusted Paid | |
|---|---|---|---|---|---|---|---|---|
| Year | Projected | Actual | Projected | Actual | Projected | Actual | Projected | Actual |
| 2017 | $516.23 | $455.50 | $0.13 | -$312.61 | $0.00 | $0.00 | $516.10 | --- |
| 2018 | $660.32 | $669.41 | $28.09 | $45.34 | $0.00 | $0.00 | $632.23 | $624.06 |
| 2019 | $154.42 | $165.36 | -$191.67 | -$37.29 | $0.00 | $0.00 | $346.09 | $202.65 |
| 2020 | $176.56 | $329.81 | $0.00 | $125.76 | $0.00 | $0.00 | $176.56 | $204.04 |

# Capital Advantage Insurance Company
# Individual Rates
# Q&A Exhibit 2
# Average Individual ACA Enrollment Count

| | | 202101 | 202102 | 202103 | 202104 | 202105 |
|---|---|---|---|---|---|---|
| | | **Jan-21** | **Feb-21** | **Mar-21** | **Apr-21** | **May-21** |
| **On-Exchange** | **APTC** | 0 | 0 | 0 | 0 | 0 |
| | **Non-APTC** | 0 | 0 | 0 | 0 | 0 |
| **Off-Exchange** | | 65 | 63 | 60 | 58 | 57 |

Capital BLUE

**July 13, 2021**

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

Re: **Capital Advantage Insurance Company**
**Individual Rates**
**Filing No 21-68**
**TOI Code: H15I Individual Health – Hospital/Surgical/Medical Expense**
**Sub-TOI Code: H15I.001 - Hospital/Surgical/Medical Expense**
**Filing Type: Rate**

Dear Ms. Gray:

CAIC received an objection letter from the Department dated July 6, 2021. CAIC is providing the following in response to the objection letter:

- Q&A written response
- Q&A exhibits
- Revised rate development workbook
- Revised PAAM exhibits
- Revised URRT
- Revised rates (PA and Federal templates)
- Revised memos – Actuarial, Cover Letter, Rate Change Summary
- Public filing PDF

All changes are due to PID requests/questions and have been disclosed in the Q&A written response. Additionally, below is a summary of changes:

- Question 4: Update to Exhibit Q
- Question 5: Update to BEP risk adjustment transfer amount
- Question 7: Correction to actuarial memo, references to Exhibit Q
- Question 8: Correction to Table 6, risk adjustment user fee
- Question 9: Correction to Table 6, PCORI fee

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



Health care benefit programs issued or administered by Capital BlueCross and/or its subsidiaries, Capital Advantage Insurance Company®, Capital Advantage Assurance Company® and Keystone Health Plan® Central. Independent licensees of the BlueCross BlueShield Association. Communications issued by Capital BlueCross in its capacity as administrator of programs and provider relations for all companies.

Sincerely,

[redacted]

[redacted], ASA, MAAA
Director, Actuarial Services
Capital BlueCross

Enclosures

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

# CAPITAL ADVANTAGE INSURANCE COMPANY, INC.

## Question and Answer
### Individual Rates
### Effective January 1, 2022

With this response, please find corresponding Q&A Exhibits in Ind_21-68_Initial_CAIC_PPO_Q&AExhibits2_Supporting_20210713.xlsx

**Question 1.** Does CAIC have any transitional membership? If so, has there recently been a significant drop in transitional membership? Do you anticipate a drop in 2022?

**Answer 1.** CAIC does not have transitional enrollment.

**Question 2.** In the PAAM Exhibits, II.a.Reins Table – Exp tab, please update the Coinsurance Rate, in cell E5, to 40%.

**Answer 2.** The Department has informed us to continue using 45% as the coinsurance parameter in an email sent to us on July 8th.

**Question 3.** Please provide a list of any assumptions that have changed because of the change in the coinsurance rate and explain why.

**Answer 3.** There is no change in the coinsurance rate. Please see Answer 2 for further details.

**Question 4.** As a follow-up to question 1, please provide the 2019 and 2020 average risk score (using the same HHS model), average age factor, average actuarial value, and average geographic factor to support the assumption that the morbidity, demographic, plan design, and geography mix is the same between 2019 and 2020.

**Answer 4.** Please see Q&A Exhibit 1 for the requested information. While the factors do vary between 2019 and 2020, the method used to estimate the impact of COVID shown in Exhibit Q is reasonable. In order to account for changes in risk, I have updated Exhibit Q to include the impact of risk adjustment on the 2019 and 2020 loss ratios. While the average risk score (PLRS) went down between 2019 and 2020, the risk adjustment receivable PMPM amount increased. So if we compare the loss ratio net risk adjustment of 2020 compared to the loss ratio of 2019 claims and premium trended to 2020 (with risk adjustment equal to 2019), the difference is 10.6%. This would suggest that results are 10.6% better in 2020 than 2019 would have predicted. Using the loss ratio approach accounts for changes in geography and age since those are allowable rating factors so are included in premium. The addition of the risk adjustment transfer amount to the loss ratio means that change in risk is also considered. While the calculation suggests a COVID-19 impact of 10.6%, 3% is applied in rating.

**Question 5.** Please update the 2020 experience period risk adjustment amount, in Table 2, to reflect the final CMS risk adjustment amount released on June 30th.

**Answer 5.** The risk adjustment amount in Table 2 has been updated to the CMS amount released on June 30th.

**Question 6.** If the projected risk adjustment transfer amount in Table 5 was modified due to the final CMS transfer amount published on June 30th, please provide narrative and detailed supporting data to justify the proposed changes.

**Answer 6.** The risk adjustment amount in Table 5 was not adjusted.

**Question 7.** As a follow-up to Objection 5, "Exhibit Q – Regional Analysis" is referenced in the Actuarial Memorandum on page 16. Please update this to state "Exhibit Q – Morbidity"

**Answer 7.** Updated the reference to the correct Exhibit Q, "Morbidity" on page 16.

**Question 8.** Per HHS' Final 2022 Notice of Benefit and Payment Parameters, the 2022 risk adjustment user fee is to be $0.25 PMPM. Per Table 6, the risk adjustment user fee is $0.17 PMPM. Please update the percentage value in cell C54 to achieve the set $0.25 PMPM amount.

**Answer 8.** The risk adjustment user fee has been corrected in Table 6.

**Question 9.** Per Answer 12 from the round 1 data call, the PCORI fee PMPM in Table 6 should be $0.20. However, the current PCORI fee listed in Table 6 is $0.14 PMPM. Please update.

**Answer 9.** The PCORI fee has been corrected in Table 6.

**Question 10.** Please provide an exhibit showing the actual experience for calendar years 2016 – 2020 and the projection experience for 2021 and 2022 for the following categories: Member Months, Total Administrative Expenses, Total Incurred Claims, Total Premium, Total Actual Paid Taxes and Fees, Profit, Total Underwriting Gain/Loss and Underwriting Gain/Loss PMPM.

**Answer 10.** Please see Q&A Exhibit 2 for the requested data.

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

**Answer 11.** I confirm that the exhibits above have been tested to ensure that rates are identical.

**Question 12.** Please ensure that the 7/13/21 versions of the following items are posted in SERFF with your July 13th response to this data call.

a. Cover Letter identifying all changes made and the reasons for the change. Also, show the revised rate change.
b. PA Actuarial Memorandum
c. PA Actuarial Memorandum Exhibits

d. Department's Plan Design Summary and Rate Template Exhibits (please ensure that the rate template by county is populated with only numeric values – no "NA"
e. URRT
f. Federal Rate Template
g. Part III: Actuarial Memorandum
h. Updated Rate Change Request Summary (Attachment I)
i. Public PDF with limited redactions as previously directed in the Guidance (includes all correspondence and supporting exhibits after the initial submission, in addition to all the above items).

**Answer 12.** I confirm the requested information has been submitted.

**Question 13.** Please be aware that the final coinsurance parameter will be communicated on Friday, July 16th. Then, the revised exhibits and rates will be due on Tuesday, July 20th.

**Answer 13.** I confirm we are prepared to respond to further communication from the Department regarding the final coinsurance parameter on July 16.

**Question 14.** While this information was previously requested in Round 1, please provide updated information regarding the following items:

a. For each month between January 2021 and the most recent date available, please provide the average count of Individual ACA enrollment, split by On-Exchange APTC, On-Exchange non-APTC, and Off-Exchange members. Please provide the enrollment data for each available month separately.
b. For the On-Exchange non-APTC members who are currently enrolled as of the most recent date available, please specify the percentage of those individuals that you expect will enroll through the Exchange in 2022 and take advantage of the enhanced and expanded subsidies as a result of ARPA.
c. For the Off-Exchange members who are currently enrolled as of the most recent date available, please specify the percentage of those individuals that you expect will enroll through the Exchange in 2022 and take advantage of the enhanced and expanded subsidies as a result of ARPA.

**Answer 14.**

a. Please see Q&A Exhibit 3 for the requested data.
b. CAIC does not have on-exchange membership.
c. We expect about 50% of off-exchange members to enroll through the exchange and take advantage of enhanced and expanded subsidies in 2022.

# Capital Advantage Insurance Company
# Individual Rates
# Q&A Exhibit 1
# Risk Score, Induced Demand, Geography, AV and Age

| | | | | Risk | Induced Demand | Geography | Actuarial Value | Age |
|---|---|---|---|---|---|---|---|---|
| Year | Issuer | Market | Billed MemberMoths | Issuer Avg PLRS | Issuer Avg IDF | Issuer Avg GCF | Issuer Avg AV | Issuer Avg ARF |
| 2019 | 45127 | Individual | 526,780 | 1.8869 | 1.0397 | 1.3563 | 0.7079 | 1.8435 |
| 2019 | 53789 | Individual | 15,310 | 0.9097 | 1.0000 | 1.3016 | 0.5936 | 1.6662 |
| 2019 | 82795 | Individual | 732 | 0.3862 | 1.0000 | 1.0944 | 0.5700 | 0.9929 |
| 2020 | 45217 | Individual | 410,084 | 1.6615 | 1.0337 | 1.2625 | 0.6934 | 1.8670 |
| 2020 | 53789 | Individual | 12,399 | 0.7800 | 1.0000 | 1.2331 | 0.5954 | 1.7227 |
| 2020 | 82795 | Individual | 1,068 | 0.6860 | 1.0000 | 1.0578 | 0.5700 | 1.0081 |
| | | | | | | | | |
| 2019 | All | Individual | 542,821 | 1.8573 | 1.0385 | 1.3544 | 0.7045 | 1.8374 |
| 2020 | All | Individual | 423,550 | 1.6332 | 1.0327 | 1.2611 | 0.6903 | 1.8606 |

**Capital Advantage Insurance Company**
**Individual Rates**
**Q&A Exhibit 2**
**Financial History & Projection**

| | Year | Member Months | Total Premium | Total Incurred | Total Admin | Total Taxes & Fees | Total Profit | Annual Underwriting gain/loss | Annual Underwriting gain/loss PMPM |
|---|---|---|---|---|---|---|---|---|---|
| | 2016 | 161 | $35,848 | -$94,650 | $46,861 | $20,816 | $62,821 | $62,821 | $390.19 |
| | 2017 | 1,826 | $1,045,474 | $2,221,781 | $76,820 | $152,711 | -$1,405,838 | -$1,405,838 | -$769.90 |
| | 2018 | 2,829 | $2,337,814 | -$130,051 | $458,084 | $93,040 | $1,916,741 | $1,916,741 | $677.53 |
| | 2019 | 724 | $255,736 | $47,829 | $146,380 | $5,896 | $55,631 | $55,631 | $76.84 |
| | 2020 | 1,054 | $365,744 | $89,561 | $70,674 | -$37,287 | $242,796 | $242,796 | $230.36 |
| Projected | 2021 | 2,005 | $1,254,917 | $658,079 | $76,500 | $11,206 | $509,132 | $509,132 | $253.93 |
| Projected | 2022 | 735 | $159,448 | $124,375 | $27,517 | $4,367 | $3,189 | $3,189 | $4.34 |

2016-2020 is directly from Supplemental Health Care Exhibits
2021 is from the corporate budget
2022 is projected based on the proposed filing

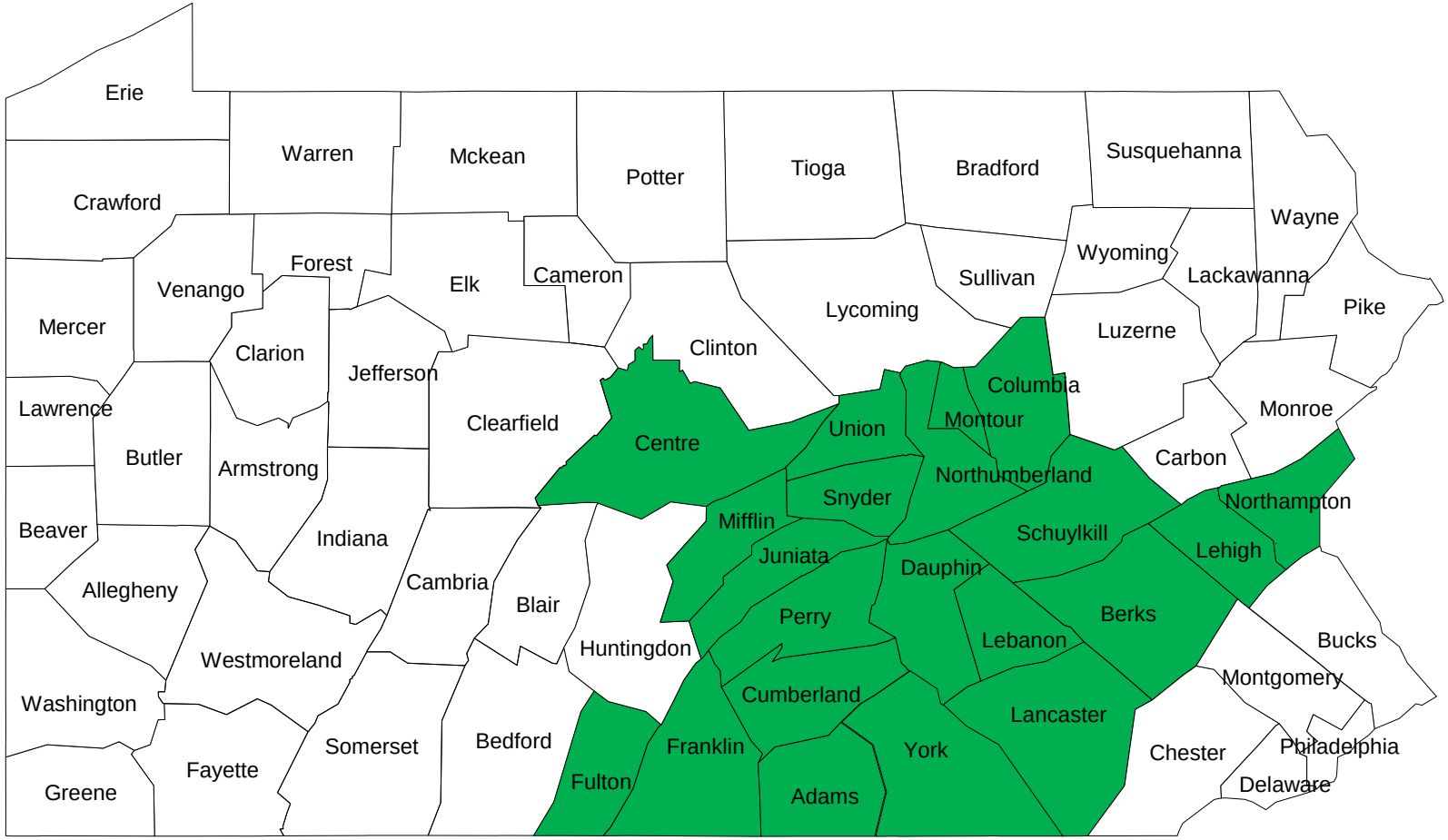
# Capital Advantage Insurance Company
## Individual Rates
## Q&A Exhibit 3
## Average Individual ACA Enrollment Count

| | | 202101 | 202102 | 202103 | 202104 | 202105 | 202106 |
|---|---|---|---|---|---|---|---|
| | | **Jan-21** | **Feb-21** | **Mar-21** | **Apr-21** | **May-21** | **Jun-21** |
| **On-Exchange** | **APTC** | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Non-APTC** | 0 | 0 | 0 | 0 | 0 | 2 |
| **Off-Exchange** | | 65 | 63 | 60 | 58 | 57 | 55 |

# 2021 Service Area

## Issuer: 82795

## Market: Individual




Key (modify as needed)

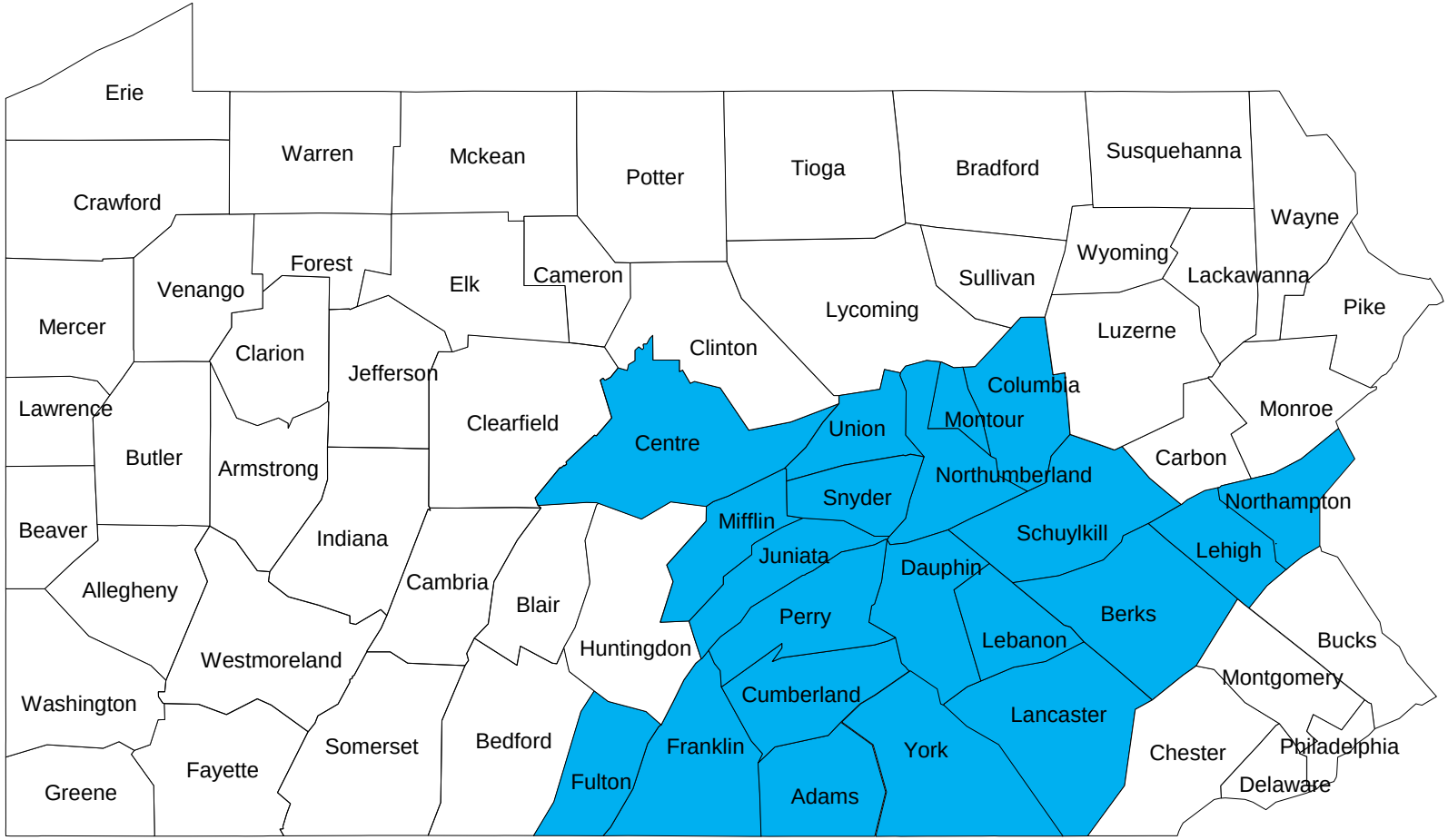
: 2021 On-exchange service area

: 2021 Off-exchange service area

# 2022 Service Area

## Issuer: 82795

## Market: Individual




Key (modify as needed)

: 2022 On-exchange service area

: 2022 Off-exchange service area