

Geisinger Health Plan – Small Group Plans

Rate request filing ID # GSHP-133664985 – 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 <https://www.insurance.pa.gov/Consumers/HealthInsuranceFilings/Pages/ACA-Health-Rate-Filings.aspx>

Overview

| | |
|---|-----------------------------------|
| Initial request average rate change: | -3.5% |
| Revised requested average rate change: ¹ | -3.5% |
| Range of requested: | -7.2% to 5.1% |
| Effective date: | January 1st, 2024 |
| Mapped members: | 1,543 |
| Available in: | Rating Areas 2, 3, 5, 6, 7, and 9 |

Key Information

Jan. 2022 – Dec. 2022 financial experience

| | |
|----------------------------|--------------|
| Premiums | \$16,280,209 |
| Claims | \$12,929,239 |
| Administrative Expenses | \$1,386,932 |
| Taxes & Fees | \$786,238 |
| Insurer made (after taxes) | \$1,177,799 |

How insurer plans to spend your premium

This is how the insurance company plans to spend the premium it collects in 2024

| | |
|-----------------|-----|
| Claims: | 87% |
| Administrative: | 11% |
| Taxes & Fees: | 0% |
| Profit: | 2% |

The insurer expects its annual medical costs to increase 7%.

Explanation of Requested Rate Change:

Geisinger Health Plan has proposed an overall base rate decrease of 3.5% for Small Group HMO/POS members renewing in the Marketplace effective January 1, 2024 through December 1, 2024. The actual range of proposed rate changes vary from -7.2% to 5.1%. The key drivers of this decrease are changes in URRT morbidity, risk adjustment, pricing AVs, and benefit richness. The total projected 2024 administrative costs are slightly higher than those used for the current 2023 rates. As required by federal regulations and using the Federally prescribed MLR methodology, the projected loss ratio

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.



Rate Change Summary – 2024

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exceeds 80%. There were minimal benefit changes proposed for 2024 to maintain the desired metallic level.