

<b>State:</b>	Pennsylvania	<b>Filing Company:</b>	Capital Advantage Assurance Company
<b>TOI/Sub-TOI:</b>	H15I Individual Health - Hospital/Surgical/Medical Expense/H15I.001 Health - Hospital/Surgical/Medical Expense		
<b>Product Name:</b>	Rates - CAAC Individual PPO and EPO		
<b>Project Name/Number:</b>	/		

## Supporting Document Schedules

<b>Satisfied - Item:</b>	Public Rate Filing
<b>Comments:</b>	
<b>Attachment(s):</b>	Ind_18-12_Revised_CAAC_PPO_PublicFiling01_Supporting_20180716.pdf Ind_18-12_Revised_CAAC_PPO_PublicFiling02_Supporting_20180716.pdf Ind_18-12_Revised_CAAC_PPO_PublicFiling03_Supporting_20180716.pdf Ind_18-12_Revised_CAAC_PPO_PublicFiling04_Supporting_20180716.pdf Ind_18-12_Revised_CAAC_PPO_PublicFiling05_Supporting_20180716.pdf Ind_18-12_Revised_CAAC_PPO_PublicFiling06_Supporting_20180716.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	



**May 18, 2018**

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

**Re: Capital Advantage Assurance Company  
Individual Rates  
Filing No 18-12  
TOI Code: H15I Individual Health – Hospital/Surgical/Medical Expense  
Sub-TOI Code: H15I.001 - Hospital/Surgical/Medical Expense  
Filing Type: Rate**

Dear ██████████:

By this filing Capital BlueCross, on behalf of its wholly owned subsidiary Capital Advantage Assurance Company, submits to the Department Individual Rates effective January 1, 2019.

The following is a summary of the rate filing:

- Company Name: Capital Advantage Assurance Company (CAAC)
- NAIC: 14411
- Market: Individual
- On/Off Exchange: On/Off Exchange
- Effective Date: 1/1/2019
- Average Rate Change Requested: -19.5%
- Range of Requested Rate Change: -20.8% to -17.6%
- Total additional annual revenue generated from the proposed rate change: \$(85,339,263)
- Product: PPO
- Rating Areas: 6,7,9
- Metal Levels: Gold, Silver, Bronze
- Current Covered Lives and Policyholders: 38,227/25,435
- 2019 Number of Plans: 5
- 2018 Number of Plans and Percent Change: 4/25%
- Contract Form #: CAAC-Ind-PPO-C-v0119 & CAAC-Ind-EPO-C-v0119
- Form Filing SERFF #: CABC-131454329 & CABC-131454332
- Binder SERFF #: CABC-PA19-125079436
- HIOS Issuer ID: 45127
- HIOS Submission Tracking Number: 45127-1217445787865246721

Harrisburg, PA 17177 | [capbluecross.com](http://capbluecross.com)

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

- Individual Mandate: 0.06 added to the morbidity factor.
- Cost Sharing Reduction (CSR) Funding: 1.28 applied in the PA Rate Template, Part III, column P to the on-exchange silver plan.

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

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

Sincerely,

[REDACTED]

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

Enclosures

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

# **Attachment I**

# Rate Change Summary

## Capital Advantage Assurance Company (CAAC) – Individual Plans

Rate request filing ID # CABC-131454875 - 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:	-19.5% <sup>1</sup>
Revised requested average rate change:	-20.4%
Range of requested rate change:	-25.2% to -17.1%
Effective date:	1/1/2019
People impacted:	38,227
Available in:	Rating Area 6, Rating Area 7 and Rating Area 9

### Key information

#### Jan. 2017-Dec. 2017 financial experience

Premiums	\$ 461,073,133
Claims	\$ 313,735,624
Administrative expenses	\$ 28,757,392
Taxes & fees	\$ 31,112,324
Company made (after taxes)	<b>\$87,467,794</b>

#### How it plans to spend your premium

This is how the insurance company plans to spend the premium it collects in 2019:

Claims:	90.82%
Administrative:	6.76%
Taxes & fees:	0.42%
Profit:	2.0%

The company expects its annual medical costs to increase **11.74%**.

### Explanation of requested rate change

Stabilization of the Individual market in recent years  
Suspension of the Health Insurer Fee in 2019  
Anticipated increase in facility and physician unit costs  
Anticipated changes in prescription drug unit costs  
Continuing change in utilization

<sup>1</sup> 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.



**July 13, 2018**

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

**Re: Capital Advantage Assurance Company  
Individual Rates  
Filing No 18-12  
TOI Code: H15I Individual Health – Hospital/Surgical/Medical Expense  
Sub-TOI Code: H15I.001 - Hospital/Surgical/Medical Expense  
Filing Type: Rate**

Dear ██████████:

By this filing Capital BlueCross, on behalf of its wholly owned subsidiary Capital Advantage Assurance Company, submits to the Department Individual Rates effective January 1, 2019.

The following is a summary of the rate filing:

- Company Name: Capital Advantage Assurance Company (CAAC)
- NAIC: 14411
- Market: Individual
- On/Off Exchange: On/Off Exchange
- Effective Date: 1/1/2019
- Average Rate Change Requested: -20.4%
- Range of Requested Rate Change: -25.2% to -17.1%
- Total additional annual revenue generated from the proposed rate change: \$(89,308,145)
- Product: PPO
- Rating Areas: 6,7,9
- Metal Levels: Gold, Silver, Bronze
- Current Covered Lives and Policyholders: 38,227/25,435
- 2019 Number of Plans: 5
- 2018 Number of Plans and Percent Change: 4/25%
- Contract Form #: CAAC-Ind-PPO-C-v0119 & CAAC-Ind-EPO-C-v0119
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Harrisburg, PA 17177 | [capbluecross.com](http://capbluecross.com)

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

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

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

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

Sincerely,

[REDACTED]

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

Enclosures

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

# **CAPITAL ADVANTAGE ASSURANCE COMPANY, INC.**

## **ACTUARIAL MEMORANDUM**

### **Individual Rates**

**Effective January 1, 2019**

#### **General Information**

##### **Company Information**

- Company Legal Name: Capital Advantage Assurance Company – CAAC
- State: PA
- HIOS Issuer ID: 45127
- Market: Individual
- Effective Date: 1/1/2019

##### **PID Company Information**

- Company Name: Capital Advantage Assurance Company (CAAC)
- NAIC: 14411
- Market: Individual
- On/Off Exchange: On/Off Exchange
- Effective Date: 1/1/2019
- Average Rate Change Requested: -20.4%
- Range of Requested Rate Change: -25.2% to -17.1%
- Total additional annual revenue generated from the proposed rate change: \$(89,308,145)
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- HIOS Issuer ID: 45127
- HIOS Submission Tracking Number: 45127-1217445787865246721



### **Company Contact Information**

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

### **Scope and Purpose**

By this filing, Capital Advantage Assurance Company (CAAC), a subsidiary of Capital BlueCross (CBC), submits rates for products to be made available to individuals effective January 1, 2019. CAAC will offer individual products on and off the federally-facilitated exchange.

### **Rate History and Proposed Variations in Rate Changes**

Market	Company	Effective Date	SERFF #	Annual Increase
Individual	CAAC	1/1/2015	CABC-129635524	-8.00%
Individual	CAAC	1/1/2016	CABC-130076761	1.60%
Individual	CAAC	1/1/2017	CABC-130539561	43.3%
Individual	CAAC	1/1/2018	CABC-131022042	49.2%

### **Average Rate Change**

CAAC is proposing an aggregate annual -20.4% rate change. The rate change does vary by plan. The rate change is calculated in PA Rate Template Part III, Table 10, cell AC15.

### **Regulatory Considerations**

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

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

### **Membership**

Membership is shown in PA Rate Template Part I, Table 1. The average age is 44.

### **Benefit Changes 2018-2019**

A summary of proposed 2019 benefits is included in Exhibit A. There are several benefit changes being implemented in 2018. 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 the URRT abides by 45 CFR part 156.80(d) single risk pool requirements. The single risk pool reflects all covered lives for every non-grandfathered product/plan combination for CAAC in the individual market. The single risk pool includes transitional products/plans for purposes of base rate experience.

**Base Experience Period:** The base experience period (BEP) includes completed fee-for-service paid and incurred claims for dates of service between January 1, 2017 and December 31, 2017.

Transitional membership is included in PA Rate Exhibits Table 2, and is broken out in Exhibit G1.

**Paid Through Date:** Claims in the BEP are paid through March 31, 2018

**Premiums (net of MLR Rebate) in BEP:** Premiums are calculated on an earned basis in the BEP. MLR rebate adjustments are equal to zero as CAAC does not expect to refund any MLR rebates in the BEP.

### **Allowed and Incurred Claims in BEP:**

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

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

1. Historical fee-for-service claims are viewed by date of service and date of payment in a claims triangle.
2. The claims triangle payments are then accumulated by date of service to develop factors that represent the rate of accumulation or rate of "completion".
3. Historical rates of completion by duration are used to derive projected rates of completion. Some of the methods used to develop projected completion factors are averages (e.g. harmonic averages, time weighted averages, geometric averages) and regression methods. Numerous items are considered when viewing these averages or regression statistics, such as the impact of high claims on perceived completion patterns.

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

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

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

**Risk Adjustment in BEP:** Risk adjustment amounts in the BEP are equal to those reported by the Department on 5/9/2018.

**Loss Ratio in BEP:** Loss ratio is 68.04%

### **Credibility of Data**

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

### **Trend Identification**

Trend: 11.5%

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
- 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. Induced Utilization: Induced utilization is CBC's best estimate for increased utilization in the individual market due to unknown future regulatory changes. CBC predicts that consumers will use more services in 2019 due to unknown coverage status in 2020.
  - f. 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, to the paid trend. Estimated leveraging is calculated in Exhibit E1.
  - o Estimated costs are based on average plan benefit value in the month, calculated using CBC's internal benefit model.
  - o CBC expects the average benefit level in 2019 to be similar to current month, 201803.
  - o As of 201803, on average, Individual members pay 44.8% of costs, while CBC pays 55.2%. So for example,
    - \$2,000 in annual allowed claims results in member pay = \$896, and CBC pay = \$1,104.
    - \$2,000 trends at 5.5% = \$2,110
    - Member pay is fixed at \$896
    - CBC pay = 2,110 – 896 = \$1,214
    - Total CBC trend = 1,214/1,104 -1 = 10%
  - o With an allowed trend of 5.5%, and static cost-share, leveraging will add an additional 4.5% to trend.

4. Intensity: Intensity is defined as the amount of inputs used to provide each unit of service. This can best be seen in an example:

Year 2018		
Type of Service	Units	Cost per Unit
X-Ray	1	\$200
MRI	1	\$5,000
Total	2	\$5,200

Year 2019		
Type of Service	Units	Cost per Unit
X-Ray	0	\$200
MRI	2	\$5,000
Total	2	\$10,000

Total Annual Trend	92%
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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. CAAC 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 the URRT come directly from CBC's data warehouse. These same categories are used to develop category-level trend. See Exhibit C for a description of benefits by benefit category.

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

## **Rate Development & Change**

### **Projection Factors**

**Changes in Morbidity:** Found in URRT Worksheet 1, "Pop'l risk Morbidity", and PA Rate Template Table 5.

The changes to morbidity incorporate both the Department's Individual Mandate factor discussed above, and a Risk Score Deficiency Adjustment.

The Risk Score Deficiency Adjustment is to account for differences in the base population and projected population due to competitor narrow network plans being offered in CBC's service area. There is a significant presence of on-exchange EPO plans that are likely to attract healthy individuals who can easily change their physician and hospital preference for a lower cost plan.

Exhibit F1 shows a claims distribution table by member annual claim dollars, and associated risk scores for all ACA-compliant plan members in the 2017 experience year. About 40% of members have less than \$350 claims per year. If competitor EPO plans would attract these-low cost members, CBC claim costs would increase 65%, while the risk score would only increase 47%, resulting in an 18% deficiency.

The Risk Score Deficiency Adjustment applied in rating is 10%.

**Changes in Benefits:** Benefit changes are not applied to allowed claims as allowed should stay consistent from 2017 to 2019. Benefit changes are applied in the development of future incurred claims, due to changes in member cost-share. This calculation is shown in Exhibit D, and applied in Exhibit G. The manual cost PMPMs are developed from CBC's internal benefit relativity model, discussed in the Plan Adjusted Index Rate section below. The benefit change is equal to member-month weighted average projected manual PMPM divided by member-month weighted average manual PMPM in the BEP. This process is further discussed in the Paid-to-Allowed section below.

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

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

**Other Adjustments:** No other adjustment is applied.

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

### **Index Rate**

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

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

To calculate the projected index rate:

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

See Exhibit J for the Index Rate.

### **Paid to Allowed Ratio**

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

Projected Paid and Incurred Claims are calculated as follows:

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

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

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

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

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

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

*Trended Claim PMPM*

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

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

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

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

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

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

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

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

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

- 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:

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



- 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 MPPM by Benefit* is:

$$\begin{aligned} \text{Projected Claims MPPM Benefit A} \\ = \text{Projected Claims MPPM Base Plan} \\ \times \text{Pricing Relativity A} \end{aligned}$$

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

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

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

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

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

## **Risk Adjustment**

### **Projected Risk Adjustments MPPM:**

Relevant to 2019 pricing is the impact of Commercial Risk Adjustment (CRA) payment transfers that are expected to be earned in 2019. The pricing impact is:

$$\begin{aligned} [\text{Net Projected Risk Adjustments MPPM}] \\ = [\text{Projected CRA Transfer MPPM}] - [\text{Risk Adjustment Fee MPPM}] \end{aligned}$$

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. 2016-2017 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.

To fund the HHS-risk adjustment program, issuers will remit to HHS a fee of \$0.13 PMPM. The Risk Adjustment Fee PMPM is included in the URRT Worksheet 1, "Projected Risk Adjustments PMPM", and is found on Exhibit K.

### **Market Adjusted Index Rate**

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

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

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

### **Retention Items**

#### **Administrative Expense Load:**

1. 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 CAAC Individual products. Administrative expenses are included in the URRT Worksheet 1, "Administrative Load", and PA Rate Template Table 6.

Expense as a percentage of premium vary by plan because a fixed dollar admin PMPM is applied to each plan.

2. Broker Expense: Calculated based on CAAC's explicit per contract broker fee. Broker Expense is included in the URRT Worksheet 1, "Administrative Load", and PA Rate Template Table 6. CAAC 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. CAAC does not pay commission during Special Enrollment Periods (SEP). The 2019 broker commission schedule is yet to be finalized. Attached please find the 1/1/2018 copy of the broker agreement – redacted version. Files are as follows:
  - a. Redacted Agent Agreement: "Ind\_18-12\_Initial\_CAAC\_PPO\_WBEBrokerIndRedacted\_Supporting\_20180518.pdf"
  - b. Redacted Preferred Producer Master Agreement: "Ind\_18-12\_Initial\_CAAC\_PPO\_PPMABrokerIndRedacted\_Supporting\_20180518.pdf"
3. Member Out-Of-Pocket (OOP) and Ways to Save:
  - a. Description: These products offer enhanced transparency to cost savings potential both prospectively and retrospectively. These are new services included in each of CAAC's plans that work to decrease costs by engaging members in their health care decisions. The Member OOP program will show a member, prospectively, the value of a service and the impact of member cost-sharing when that service is incurred. It allows a member to shop for the best price while introducing transparency related to the member's expected cost share at the time of service. The "Ways to Save" program allows members to receive alerts, retrospectively, informing them of cost savings that could have been incurred had they have known about competing medical providers in the area. The alerts are retrospective and offer transparency around member's healthcare options.
  - b. Costs: Costs are aggregated into CBC's total administrative expense above. No additional fee is charged. The cost is approximately \$0.25 PMPM. Included in the URRT Worksheet 1, "Administrative Load", and PA Rate Template Table 6.
4. Value-Based Benefits (VBB): Standard with each plan, Capital BlueCross includes wellness incentives to maximize the likelihood that consumers make positive behavioral changes, which lead to better health, and curbed health care costs for employers and employees alike. The incentive is as follows:
  - a. Complete Health Risk Assessment questionnaire and receive a gift card.
  - b. Participate in an online coaching program and receive a gift card reward.
  - c. The wellness program is administered through a vendor and costs are based on vendor fees, anticipated participation, and reward card amounts.
  - d. Included in the URRT Worksheet 1, "Administrative Load", and PA Rate Template Table 6.
5. Identity Theft Coverage: Identity protection offering will include the following components:
  - a. Credit monitoring – Monitors activity that may affect credit
  - b. Fraud detection – Identifies potentially fraudulent use of identity or credit
  - c. Fraud resolution support – Assists members in addressing issues that arise in relation to credit monitoring and fraud detection

- d. Included in the URRT Worksheet 1, “Administrative Load”, and PA Rate Template Table 6.
6. Additional Quality Improvement: The Final Notice of Benefit and Payment Parameters (NBPP) for 2019 finalized the rule to allow issuers to apply a standard 0.8% of premium for quality improvement (QI) measures in the MLR calculation. Total QI amounts applied in rating equal 0.8%.

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

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

#### **Taxes and Fees:**

1. Health Insurer Fee (HIF) – Section 9010 of PPACA and Section 1406 of the Reconciliation Act (which modified PPACA) refers to HIF. The fee is a fixed-dollar amount distributed across health insurance providers. This fee has been suspended for 2019.
2. Exchange Fee – All issuers participating in a federally-facilitated exchange will remit 3.5% of premium to HHS. The exchange user fee is applied as an adjustment to the Index Rate at the market level. The calculation and amount is found in Exhibit K. The amount is also found in PA Rate Template, Table 5.
3. Federal Income Tax: Federal Income Tax will be collected on the 2% contingency built into the premium. The projected Federal Income Tax is included in the URRT Worksheet 1, “Taxes and Fees”, and PA Rate Template, Table 6.

See Exhibit H for all retention values.

### **Plan Rate Development**

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

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

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

services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.

2. Induced Demand: Please see Table 8
3. Provider Network: The Provider network is the same across all PPO plans. A network factor is applied to the EPO plan.
  - a. The Capital Advantage EPO plan is a plan built around Pinnacle Health's delivery system and is available in Cumberland, Dauphin, and Perry counties.
  - b. See Exhibit O1 for the development of the network factor.
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 Non-Benefit Expenses and Profit & Risk section above.
7. Tobacco Adjustment: Calculated as the average tobacco factor applied across the risk pool.

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

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

**Age Curve Calibration:** The average age factor is calculated by taking the member-weighted average of current individual enrollment by age in CAAC. Age factors are applied in accordance with CMS's Standard Age Curve. The age calibration factor is adjusted for contracts with greater than three children under the age of 21. Please see file Ind\_18-12\_Initial\_CAAC\_PPO\_List-Billed\_Supporting\_20180518 for the calculation.

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

**Geographic Factors:** CAAC performed regional analysis to quantify the cost difference between the three regions in our service area. The analysis gathered allowed claims in a 12-month period by region, normalized for demographics. We then compared the claim cost for each of the three regions, and found cost differentials between the regions, mostly due to differences in hospital contracting between regions. The data from the analysis is found in Exhibit Q.

**Tobacco Factor Calibration:** Average tobacco factor is calculated using 2017 member and smoking status data.

The calibration is:

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

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

## **Consumer Adjusted Premium Rate Development**

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

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

2.  $[\text{Family Consumer Adjusted Premium Rate}] = \sum [\text{Member} - \text{Level Consumer Adjusted Premium Rate}]$   
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 Worksheet 2 of the URRT were based on the federally issued AV Calculator, with the exception of one plan. This plan is noted PA Rate Tables Table 10. Unique plan justification is included with this filing.

## **AV Pricing Values**

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

## **Projected Loss Ratio**

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

## **Membership Projection**

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

## **Attachments and Examples**

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

## PA Rate Template 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 F1 - Leveraging  
Exhibit G – Paid-to-Allowed Development  
Exhibit G1 – Transitional Data  
Exhibit H – Retention  
Exhibit I – Projected Loss Ratio  
Exhibit J – Index Rate  
Exhibit K – Market Adjusted Index Rate  
Exhibit L – Rate Development by Plan  
Exhibit M – Plan Adjusted Index Rates  
Exhibit N – Calibration  
Exhibit O – Rating Factors  
Exhibit P – Quarterly Base Rates  
Exhibit Q – Regional Analysis

Broker Contracts  
List-Billed Data

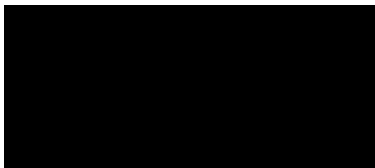
### **Actuarial Statement**

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 included in Worksheet 2, Sections III and IV 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. All factor, benefit and other changes from the prior approved filing have been disclosed in the actuarial memorandum.
  6. New plans cannot be considered modifications of existing plans under the uniform modification standards in 45 CFR 147.106.
  7. The information presented in the PA Actuarial Memorandum and PA Actuarial Memorandum Rate Exhibits is consistent with the information presented in the 2019 Rate Filing Justification.



██████████, ASA, MAAA  
Actuarial Associate  
Capital BlueCross



PA Rate Template Part I  
Data Relevant to the Rate Filing

Table 0. Identifying Information

Carrier Name:	Capital Advantage Assurance Company		
Product(s):	PPO and EPO		
Market Segment:	Individual		
Rate Effective Date:	1/1/2019	to	12/31/2019
Base Period Start Date	1/1/2017	to	12/31/2017
Date of Most Recent Membership	2/1/2018		

Table 1. Number of Members

	Member-months	Members	Member-months
	Experience Period	Current Period (as of 02-01-2018)	Projected Rating Period
Average Age	43.2	44.0	44.0
Total	605,994	38,227	450,740
17 <18	66,593	3,745	44,158
24 18-24	42,239	2,706	31,907
29 25-29	37,175	2,289	26,990
34 30-34	40,571	2,407	28,381
39 35-39	42,639	2,507	29,560
44 40-44	41,924	2,610	30,775
49 45-49	53,380	3,333	39,300
54 50-54	65,177	4,271	50,360
59 55-59	79,951	5,522	65,111
63 60-63	86,261	6,572	77,491
9999 64+	60,084	2,265	26,707

\*Tables 1, 2 and 4 must include data for all non-grandfathered business (ACA compliant and Transitional)

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
\$ 420,639,129.44	\$ 322,825,072.48	\$ 324,526,168.58	605,994	\$ 99,539,806.38	\$ 424,065,974.96	\$ -	\$ (10,790,544.71)	\$ -	\$ -	\$ 40,434,004.00
Experience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)										\$ 681.98
Loss Ratio										68.04%

\*Express Prescription Drug Rebates as a negative number

Table 3. Trend Components

Service Category	Cost*	Utilization*	Induced Demand*	Composite URRT Trend **	Weight*
Inpatient Hospital	9.28%	1.25%	1.00%	11.75%	21.35%
Outpatient Hospital	9.03%	1.50%	1.00%	11.77%	37.39%
Professional	7.45%	1.50%	1.00%	10.15%	22.20%
Other Medical	9.03%	0.00%	1.00%	10.12%	3.56%
Capitation				3.00%	0.00%
Prescription Drugs	12.18%	0.82%	1.00%	14.23%	15.50%
Total Annual Trend				11.74%	100.00%
Months of Trend				24	
Total Applied Trend Projection Factor				1.249	

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

\*\* Should = 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
201401	\$ 34,597,855.00	\$ 3,206,010.09	1.0000	\$ 3,206,010.09	13,791	\$ 232.47	\$ 7,682,495.00	\$ (12,657.31)	\$ 3,514,797.95	\$ 254.86
201402		\$ 2,840,263.77	1.0000	\$ 2,840,263.77	13,310	\$ 213.39		\$ (38,588.81)	\$ 2,873,115.94	\$ 215.86
201403		\$ 3,618,095.81	1.0000	\$ 3,618,095.81	12,792	\$ 282.84		\$ (31,551.07)	\$ 3,761,115.89	\$ 294.02
201404		\$ 3,067,249.97	1.0000	\$ 3,067,249.97	10,853	\$ 282.62		\$ (15,941.72)	\$ 3,723,425.15	\$ 343.08
201405		\$ 2,454,438.00	1.0000	\$ 2,454,438.00	10,674	\$ 229.95		\$ (19,157.30)	\$ 3,088,383.54	\$ 289.34
201406		\$ 2,514,497.01	1.0000	\$ 2,514,497.01	10,477	\$ 240.00		\$ (16,832.61)	\$ 3,111,781.69	\$ 297.01
201407		\$ 2,602,365.81	1.0000	\$ 2,602,365.81	10,306	\$ 252.51		\$ (20,353.73)	\$ 3,197,624.15	\$ 308.81
201408		\$ 2,964,213.21	1.0000	\$ 2,964,213.21	10,154	\$ 291.93		\$ (19,590.92)	\$ 3,515,772.38	\$ 346.25
201409		\$ 2,663,569.44	1.0000	\$ 2,663,569.44	10,014	\$ 265.98		\$ (131,770.06)	\$ 3,119,602.61	\$ 311.52
201410		\$ 2,943,553.37	1.0000	\$ 2,943,553.37	9,893	\$ 297.54		\$ (21,706.02)	\$ 3,523,636.66	\$ 356.17
201411		\$ 2,619,800.26	1.0000	\$ 2,619,800.26	9,753	\$ 268.61		\$ (19,282.03)	\$ 3,135,222.56	\$ 321.46
201412		\$ 3,633,785.90	1.0000	\$ 3,633,785.90	9,660	\$ 376.17		\$ (90,759.88)	\$ 4,143,782.21	\$ 428.96
201501	\$ 35,434,001.47	\$ 3,136,836.47	1.0000	\$ 3,136,836.47	9,850	\$ 318.46	\$ 9,071,782.81	\$ (18,191.41)	\$ 3,928,353.92	\$ 398.82
201502		\$ 3,426,900.72	1.0000	\$ 3,426,900.72	9,950	\$ 344.41		\$ (16,885.31)	\$ 4,155,495.91	\$ 417.64
201503		\$ 3,616,581.43	1.0000	\$ 3,616,581.43	9,901	\$ 365.27		\$ (123,563.28)	\$ 4,274,005.85	\$ 431.67
201504		\$ 3,840,662.65	1.0000	\$ 3,840,662.65	9,819	\$ 391.15		\$ (22,443.09)	\$ 4,527,543.92	\$ 461.10
201505		\$ 3,416,644.73	1.0000	\$ 3,416,644.73	9,758	\$ 350.14		\$ (23,741.41)	\$ 4,079,028.64	\$ 418.02
201506		\$ 4,101,918.51	1.0000	\$ 4,101,918.51	9,690	\$ 423.31		\$ (151,288.19)	\$ 4,613,733.86	\$ 476.13
201507		\$ 3,511,577.91	1.0000	\$ 3,511,577.91	9,620	\$ 365.03		\$ (25,660.54)	\$ 4,102,530.92	\$ 426.46
201508		\$ 3,711,810.48	1.0000	\$ 3,711,810.48	9,577	\$ 387.58		\$ (36,512.42)	\$ 4,230,588.78	\$ 441.74
201509		\$ 4,058,244.06	1.0000	\$ 4,058,244.06	9,537	\$ 425.53		\$ (171,382.93)	\$ 4,479,025.08	\$ 469.65
201510		\$ 4,775,110.58	1.0000	\$ 4,775,110.58	9,553	\$ 499.85		\$ (33,828.55)	\$ 5,345,287.25	\$ 559.54
201511		\$ 4,433,793.17	1.0000	\$ 4,433,793.17	9,511	\$ 466.18		\$ (28,982.82)	\$ 4,945,779.21	\$ 520.01
201512		\$ 4,435,196.83	1.0000	\$ 4,435,196.83	9,459	\$ 468.89		\$ (279,366.20)	\$ 4,753,060.68	\$ 502.49
201601	\$ 178,415,476.26	\$ 13,088,959.87	1.0000	\$ 13,088,959.87	35,341	\$ 370.38	\$ 50,921,379.93	\$ (272,386.54)	\$ 17,511,531.30	\$ 495.50
201602		\$ 16,398,862.54	0.9999	\$ 16,399,735.93	36,968	\$ 443.62		\$ (409,877.62)	\$ 20,922,463.74	\$ 565.96
201603		\$ 19,270,973.85	0.9999	\$ 19,272,295.78	37,776	\$ 510.17		\$ (474,623.24)	\$ 23,932,228.77	\$ 633.53
201604		\$ 16,747,993.28	0.9999	\$ 16,749,614.73	37,743	\$ 443.78		\$ (495,421.13)	\$ 20,778,613.84	\$ 550.53
201605		\$ 17,545,155.42	0.9999	\$ 17,547,119.19	37,547	\$ 467.34		\$ (497,882.11)	\$ 21,315,880.51	\$ 567.71
201606		\$ 18,825,721.52	0.9991	\$ 18,842,155.23	37,344	\$ 504.56		\$ (504,240.33)	\$ 22,560,054.29	\$ 604.11
201607		\$ 17,241,627.23	0.9964	\$ 17,303,546.77	37,202	\$ 465.12		\$ (564,387.20)	\$ 20,680,492.28	\$ 555.90
201608		\$ 20,031,025.62	0.9998	\$ 20,035,547.47	36,955	\$ 542.16		\$ (558,904.58)	\$ 23,662,522.64	\$ 640.31
201609		\$ 18,480,362.98	0.9998	\$ 18,483,559.05	36,616	\$ 504.79		\$ (575,386.97)	\$ 21,714,347.91	\$ 593.03
201610		\$ 20,119,385.41	0.9998	\$ 20,123,077.47	36,235	\$ 555.35		\$ (535,344.46)	\$ 23,260,900.66	\$ 641.95
201611		\$ 21,046,282.35	0.9996	\$ 21,053,802.21	35,747	\$ 588.97		\$ (603,639.36)	\$ 24,219,702.62	\$ 677.53
201612		\$ 22,383,464.09	0.9996	\$ 22,392,279.03	34,269	\$ 653.43		\$ (683,825.16)	\$ 25,478,951.54	\$ 743.50
201701	\$ 420,639,129.44	\$ 23,190,705.56	0.9995	\$ 23,202,627.22	51,132	\$ 453.78	\$ 99,539,806.38	\$ (555,147.30)	\$ 31,327,393.46	\$ 612.68
201702		\$ 22,494,569.23	0.9994	\$ 22,508,824.34	52,943	\$ 425.15		\$ (660,189.46)	\$ 33,179,390.20	\$ 626.70
201703		\$ 28,731,525.18	0.9993	\$ 28,750,401.84	53,497	\$ 537.42		\$ (852,868.40)	\$ 37,711,380.78	\$ 704.93
201704		\$ 26,402,246.13	0.9992	\$ 26,424,431.09	52,889	\$ 499.62		\$ (892,008.85)	\$ 34,277,623.11	\$ 648.10
201705		\$ 28,596,627.26	0.9982	\$ 28,647,301.82	52,040	\$ 550.49		\$ (920,481.56)	\$ 37,042,479.83	\$ 711.81
201706		\$ 28,037,125.38	0.9978	\$ 28,097,936.84	51,275	\$ 547.99		\$ (949,327.23)	\$ 35,485,736.61	\$ 692.07
201707		\$ 25,423,609.38	0.9973	\$ 25,492,474.19	50,545	\$ 504.35		\$ (886,563.27)	\$ 32,143,444.43	\$ 635.94
201708		\$ 27,228,685.49	0.9969	\$ 27,313,880.25	49,975	\$ 546.55		\$ (979,706.19)	\$ 34,063,048.85	\$ 681.60
201709		\$ 25,703,756.28	0.9956	\$ 25,817,447.39	49,323	\$ 523.44		\$ (992,503.69)	\$ 32,064,275.11	\$ 650.09
201710		\$ 29,163,603.28	0.9935	\$ 29,353,461.53	48,571	\$ 604.34		\$ (1,036,870.78)	\$ 35,577,165.87	\$ 732.48
201711		\$ 28,738,626.82	0.9875	\$ 29,103,761.46	47,742	\$ 609.60		\$ (968,041.29)	\$ 34,954,320.74	\$ 732.15
201712		\$ 29,113,892.49	0.9765	\$ 29,813,620.59	46,062	\$ 647.25		\$ (1,096,835.69)	\$ 35,449,171.24	\$ 769.60

\* Express Completion Factor as a percentage

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

Carrier Name:  
Product(s):  
Market Segment:  
Rate Effective Date:

Capital Advantage Assurance Company  
PPO and EPO  
Individual  
1/1/2019

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
\$ 437,201,880.95	\$ 329,768,070.91	\$ 331,849,890.87	640,741	\$ 102,812,968.99	\$ 434,315,242.90		\$ (11,016,416.46)	\$ 347,616.96	\$ -	\$34,132,194.00
Experience Period Total Allowed EHB Claims + EHB Capitation PMPM (net of prescription drug rebates)										\$ 661.18
Loss Ratio										68.14%

\*Express Prescription Drug Rebates as a negative number

Table 3b. Manual Trend Components

Service Category	Cost*	Utilization*	Induced Utilization*	Composite URRT Trend**	Weight*
Inpatient Hospital	9.28%	1.25%	1.00%	11.75%	21.35%
Outpatient Hospital	9.03%	1.50%	1.00%	11.77%	37.39%
Professional	7.45%	1.50%	1.00%	10.15%	22.20%
Other Medical	9.03%	0.00%	1.00%	10.12%	3.56%
Capitation				3.00%	0.00%
Prescription Drugs	12.18%	0.82%	1.00%	14.23%	15.50%
Total Annual Trend				11.74%	100.00%
Months of Trend				24	
Total Applied Trend Projection Factor				1.249	

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

\*\* Should = URRT Trend

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
201401	\$ 37,297,368.20	\$ 1,851,612.28	1.0000	\$ 1,851,612.28	12,051	\$ 153.65	\$ 9,435,186.84	\$ (611,410.55)	\$ 2,190,724.58	\$ 181.79
201402		\$ 1,933,861.85	1.0000	\$ 1,933,861.85	11,871	\$ 162.91		\$ (198,253.09)	\$ 2,487,599.42	\$ 209.55
201403		\$ 2,557,886.55	1.0000	\$ 2,557,886.55	11,716	\$ 218.32		\$ (217,679.18)	\$ 3,163,218.32	\$ 269.99
201404		\$ 3,151,901.77	1.0000	\$ 3,151,901.77	11,857	\$ 265.83		\$ (352,901.21)	\$ 3,630,827.18	\$ 306.22
201405		\$ 3,339,330.38	1.0000	\$ 3,339,330.38	12,111	\$ 275.73		\$ (367,831.75)	\$ 3,789,080.27	\$ 312.86
201406		\$ 2,749,483.09	1.0000	\$ 2,749,483.09	11,893	\$ 231.18		\$ (338,516.75)	\$ 3,194,705.10	\$ 268.62
201407		\$ 2,958,902.48	1.0000	\$ 2,958,902.48	11,710	\$ 252.68		\$ (388,471.12)	\$ 3,333,423.49	\$ 284.66
201408		\$ 3,261,038.71	1.0000	\$ 3,261,038.71	11,420	\$ 285.56		\$ (418,529.23)	\$ 3,575,047.90	\$ 313.05
201409		\$ 3,157,098.41	1.0000	\$ 3,157,100.83	11,259	\$ 280.41		\$ (393,499.49)	\$ 3,524,354.61	\$ 313.03
201410		\$ 3,470,252.87	1.0000	\$ 3,470,252.87	11,105	\$ 312.49		\$ (421,737.68)	\$ 3,820,855.07	\$ 344.07
201411		\$ 2,874,872.56	1.0000	\$ 2,874,872.56	10,922	\$ 263.22		\$ (376,990.49)	\$ 3,167,928.71	\$ 290.05
201412		\$ 4,188,224.08	1.0000	\$ 4,188,226.05	10,788	\$ 388.23		\$ (388,553.80)	\$ 4,577,517.27	\$ 424.32
201501	\$ 43,966,933.85	\$ 3,866,956.25	0.9939	\$ 3,890,723.09	11,635	\$ 334.40	\$ 10,865,011.07	\$ (409,966.16)	\$ 4,505,555.25	\$ 387.24
201502		\$ 4,195,636.33	0.9933	\$ 4,223,958.29	12,101	\$ 349.06		\$ (376,295.32)	\$ 4,817,755.09	\$ 398.13
201503		\$ 4,325,269.20	0.9917	\$ 4,361,259.62	12,723	\$ 342.79		\$ (379,739.98)	\$ 5,040,497.25	\$ 396.17
201504		\$ 4,618,161.29	0.9924	\$ 4,653,344.85	12,580	\$ 369.90		\$ (439,185.67)	\$ 5,181,929.24	\$ 411.92
201505		\$ 4,208,953.73	0.9918	\$ 4,243,753.64	12,472	\$ 340.26		\$ (420,938.82)	\$ 4,783,823.74	\$ 383.57
201506		\$ 4,863,246.22	0.9928	\$ 4,898,299.49	12,389	\$ 395.37		\$ (421,261.71)	\$ 5,391,412.42	\$ 435.18
201507		\$ 4,494,507.00	0.9924	\$ 4,529,125.52	12,264	\$ 369.30		\$ (550,635.44)	\$ 4,857,934.65	\$ 396.11
201508		\$ 4,477,489.10	0.9924	\$ 4,511,812.13	12,194	\$ 370.00		\$ (481,463.61)	\$ 4,856,082.39	\$ 398.24
201509		\$ 4,889,079.73	0.9930	\$ 4,923,678.35	12,155	\$ 405.07		\$ (465,593.62)	\$ 5,300,130.37	\$ 436.05
201510		\$ 5,521,177.60	0.9939	\$ 5,555,244.91	12,101	\$ 459.07		\$ (513,974.68)	\$ 5,868,688.71	\$ 484.98
201511		\$ 5,416,794.80	0.9936	\$ 5,451,455.83	12,053	\$ 452.29		\$ (517,781.07)	\$ 5,691,462.54	\$ 472.20
201512		\$ 5,406,585.80	0.9937	\$ 5,440,687.08	11,955	\$ 455.10		\$ (601,767.26)	\$ 5,674,478.88	\$ 474.65
201601	\$ 333,214,835.19	\$ 19,209,949.32	0.9728	\$ 19,747,671.38	66,784	\$ 295.69	\$ 88,672,804.45	\$ (446,737.83)	\$ 26,643,869.08	\$ 398.96
201602		\$ 24,183,914.10	0.9767	\$ 24,761,739.93	71,327	\$ 347.16		\$ (721,081.75)	\$ 32,131,319.31	\$ 450.48
201603		\$ 30,234,877.17	0.9800	\$ 30,852,060.04	74,561	\$ 413.78		\$ (802,604.79)	\$ 38,914,298.68	\$ 521.91
201604		\$ 26,641,207.04	0.9773	\$ 27,259,758.32	74,572	\$ 365.55		\$ (831,140.04)	\$ 34,473,442.60	\$ 462.28
201605		\$ 27,875,680.39	0.9787	\$ 28,483,745.99	73,692	\$ 386.52		\$ (832,710.03)	\$ 35,291,229.25	\$ 478.90
201606		\$ 30,137,726.58	0.9812	\$ 30,716,350.31	72,853	\$ 421.62		\$ (850,801.74)	\$ 37,294,606.66	\$ 511.92
201607		\$ 27,411,235.80	0.9768	\$ 28,062,822.48	72,134	\$ 389.04		\$ (880,717.08)	\$ 34,337,437.58	\$ 476.02
201608		\$ 29,210,182.92	0.9816	\$ 29,757,228.48	71,340	\$ 417.12		\$ (925,784.18)	\$ 36,195,337.29	\$ 507.36
201609		\$ 27,433,341.13	0.9808	\$ 27,971,400.54	70,546	\$ 396.50		\$ (913,903.22)	\$ 33,853,295.20	\$ 479.88
201610		\$ 29,988,526.21	0.9829	\$ 30,511,070.69	69,225	\$ 440.75		\$ (921,225.57)	\$ 36,154,067.98	\$ 522.27
201611		\$ 31,771,682.07	0.9839	\$ 32,291,141.49	67,941	\$ 475.28		\$ (1,063,036.89)	\$ 37,913,172.20	\$ 558.03
201612		\$ 32,814,675.37	0.9850	\$ 33,314,221.83	64,951	\$ 512.91		\$ (1,127,064.07)	\$ 38,883,132.91	\$ 598.65
201701	\$ 437,201,880.95	\$ 23,527,707.49	0.9982	\$ 23,570,640.69	54,218	\$ 434.74	\$ 102,812,968.99	\$ (568,286.11)	\$ 32,043,696.30	\$ 591.02
201702		\$ 22,981,471.03	0.9980	\$ 23,027,613.64	56,130	\$ 410.26		\$ (675,476.31)	\$ 33,976,662.97	\$ 605.32
201703		\$ 29,819,587.37	0.9983	\$ 29,870,507.45	56,677	\$ 527.03		\$ (869,367.84)	\$ 39,102,398.00	\$ 689.92
201704		\$ 26,740,626.08	0.9980	\$ 26,793,937.82	55,977	\$ 478.66		\$ (908,052.91)	\$ 34,952,443.56	\$ 624.41
201705		\$ 29,313,512.28	0.9972	\$ 29,395,175.33	55,033	\$ 534.14		\$ (949,196.73)	\$ 38,085,548.29	\$ 692.05
201706		\$ 28,774,744.64	0.9968	\$ 28,865,843.61	54,187	\$ 532.71		\$ (978,627.23)	\$ 36,578,548.18	\$ 675.04
201707		\$ 25,777,667.91	0.9962	\$ 25,876,026.21	53,410	\$ 484.48		\$ (917,123.73)	\$ 32,742,510.57	\$ 613.04
201708		\$ 27,714,413.40	0.9959	\$ 27,828,895.28	52,776	\$ 527.30		\$ (993,911.81)	\$ 34,794,223.57	\$ 659.28
201709		\$ 26,228,913.93	0.9946	\$ 26,372,521.41	52,086	\$ 506.33		\$ (1,007,304.59)	\$ 32,791,352.86	\$ 629.56
201710		\$ 29,619,255.50	0.9927	\$ 29,838,205.89	51,269	\$ 581.99		\$ (1,052,211.37)	\$ 36,262,836.99	\$ 707.31
201711		\$ 29,280,915.39	0.9866	\$ 29,678,082.87	50,391	\$ 588.96		\$ (983,181.51)	\$ 35,725,418.04	\$ 708.96
201712		\$ 29,989,255.89	0.9758	\$ 30,732,440.67	48,587	\$ 632.52		\$ (1,113,676.32)	\$ 36,590,804.07	\$ 753.10

\* Express Completion Factor as a percentage

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



PA Rate Template Part II  
Rate Development and Change

Carrier Name:	Capital Advantage Assurance Company
Product(s):	PPO and EPO
Market Segment:	Individual
Rate Effective Date:	1/1/2019

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	\$ 681.98	\$ 661.18	<- Actual Experier	\$681.98
Two year trend projection Factor	1.249	1.249		
Unadjusted Projected Allowed EHB Claims PMPM	\$ 851.46	\$ 825.50		
Single Risk Pool Adjustment Factors				
Change in Morbidity	1.166	1.166	<- See URRT Instructions	
Change in Other	1.000	1.000		
Change in Demographics	1.000	1.000	<- See URRT Instructions	
Change in Network	1.000	1.000	<- See URRT Instructions	
Change in Benefits	1.000	1.000	<- See URRT Instructions	
Change in Other	1.000	1.000	<- See URRT Instructions	
Total Adjusted Projected Allowed EHB Claims PMPM	\$ 992.80	\$ 962.53		
Credibility Factors	100%	0%	<- See Instructions	
Blended Projected EHB Claims PMPM		\$ 992.80	<- Projected Ind	\$992.80
Development of the Market-Adjusted Index Rate and Total Allowed Claims				
Adjusted Projected Allowed EHB Claims PMPM	\$ 992.80		<- Index Rate for Projection Period on URRT - Individual or First Quarter Small Group	
Adjusted Projected Allowed EHB Claims PMPM [will only populate for small group filings]	\$ -			
Projected Paid to Allowed Ratio	0.722		<- Paid to Allowed Average Factor in Projection Period on URRT	
Projected Paid EHB Claims PMPM	\$ 716.41			
Market-wide Adjustments				
Projected Risk Adjustment PMPM	\$ 41.87			
Projected Paid Exchange User Fees PMPM	\$ 23.14			
Market-Adjusted Projected Paid EHB Claims PMPM	\$ 697.68			
Market-Adjusted Projected Allowed EHB Claims PMPM	\$ 966.85		<- Market-Adjusted Index	966.85
Projected Allowed Non-EHB Claims PMPM	\$ -			
Market-Adjusted Projected Paid Total Claims PMPM	\$ 697.68			
Market-Adjusted Projected Allowed Total Claims PMPM	\$ 966.85			

Table 6. Retention

Retention Items - Express in percentages	Percentages	PMPM Amounts	
Administrative Expenses	6.76%	\$51.91	
General and Claims	5.08%	\$39.06	
Agent/Broker Fees and Commissions	0.61%	\$4.66	
Quality Improvement Initiatives	1.07%	\$8.19	
Taxes and Fees	0.42%	\$3.23	
PCORI Fees	0.00%	\$0.00	
PA Premium Tax (if applicable)	0.00%	\$0.00	
Federal Income Tax	0.42%	\$3.23	
Health Insurance Providers Fee (Prorated for Small Groups only)	0.00%	\$0.00	
Profit/Contingency (after tax)	2.00%	\$15.36	
Total Retention	9.18%	\$70.50	
Projected Required Revenue PMPM	\$ 768.18		<- Single Pool Gross Premium Avg. Rate, PMPM on URRT

Table 8. Components of Rate Change

Rate Components	2018	2019	Difference	Percent Change
A. Calibrated Plan Adjusted Index Rate (PMPM)	\$ 533.86	\$ 424.89	-\$108.97	-20.4%
B. Base period allowed claims before normalization	\$ 593.01	\$ 681.98	\$88.97	16.7%
C. Normalization factor component of change	\$ (257.71)	\$ (321.46)	-\$63.74	-11.9%
D. Change in Normalized Allowed Claims Adjustment Components				
D1. Base period allowed claims after normalization	\$ 335.29	\$ 360.52	\$ 25.23	4.7%
D2. URRT Trend	\$ 95.03	\$ 89.59	\$ (5.43)	-1.0%
D3. URRT Morbidity	\$ 98.81	\$ 74.72	\$ (24.09)	-4.5%
D4. URRT Other	\$ 6.29	\$ (0.00)	\$ (6.29)	-1.2%
D5. Normalized URRT RA/RI on an allowed basis	\$ (16.99)	\$ (30.67)	\$ (13.68)	-2.6%
D6. Normalized Exchange User Fee on an allowed basis	\$ 13.74	\$ 16.95	\$ 3.21	0.6%
D7. Subtotal - Sum(D1:D6)	\$ 532.17	\$ 511.11	\$ (21.06)	-3.9%
E. Change in Allowable Plan Adjusted Level Components				
E1. Network	\$ -	\$ -	\$ -	0.0%
E2. Pricing AV	\$ (116.60)	\$ (175.96)	\$ (59.36)	-11.1%
E3. Benefit Richness	\$ 6.22	\$ 33.88	\$ 27.65	5.2%
E4. Catastrophic Eligibility	\$ -	\$ -	\$ -	0.0%
E5. Subtotal - Sum(E1:E4)	\$ (110.38)	\$ (142.08)	\$ (31.71)	-5.9%
F. Change in Retention Components				
F1. Administrative Expenses	\$ 27.08	\$ 28.71	\$ 1.63	0.3%
F2. Taxes and Fees	\$ 24.02	\$ 1.78	\$ (22.23)	-4.2%
F3. Profit and/or Contingency	\$ 10.68	\$ 8.50	\$ (2.18)	-0.4%
F4. Subtotal - Sum(F1:F3)	\$ 61.77	\$ 38.99	\$ (22.78)	-4.3%
G. Change in Miscellaneous Items	\$ (25.49)	\$ (25.49)		-4.8%
H. Sum of Components of Rate Change (should approximate the change shown in line A)	\$ 483.57	\$ 382.53	\$ (101.04)	-18.9%

For Informational Purposes only - No input required.

Blended Base Period Unadjusted Claims before Normalization	\$ 681.98	<- Index Rate of Experience Period on URRT
Blended Earned Premium	\$ 420,639,129.44	
Blended Loss Ratio	68.04%	

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

Effective Date	1/1/2019	4/1/2019	7/1/2019	10/1/2019	Total Single Risk Pool
# of Member Months Renewing in Quarter	-	-	-	-	-
Adjusted Projected Allowed EHB Claims PMPM Q1	\$ 992.80	\$ 992.80	\$ 992.80	\$ 992.80	\$ 992.80
Months of Trend	3	6	9		
Annual Trend	11.74%	11.74%	11.74%	11.74%	
Single Risk Pool Projected Allowed Claims	\$ 992.80	\$ 1,020.73	\$ 1,049.45	\$ 1,078.97	\$ -
Quarterly Trend Factor	100.0%	102.8%	105.7%	108.7%	0.0%
2019 Trend Factors by Quarter	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	

Table 7. Normalized Market-Adjusted Projected Allowed Total Claims

Normalization Factors	2018	2019	
Average Age Factor	1.700	1.826	Exhibit N
Average Geographic Factor	1.034	1.029	Exhibit N
Average Tobacco Factor	1.006	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	\$ 941.22	\$ 966.85	
Normalized Market-Adjusted Projected Allowed Total Claims PMPM	\$ 532.17	\$ 511.11	

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

	2018	2019	
Paid-to-Allowed	0.934	0.722	
URRT Trend (Total Applied Trend Factor)	1.283	1.249	<- URRT W1, S2
URRT Morbidity	1.230	1.166	<- URRT W1, S2
URRT "Other"	1.012	1.000	<- URRT W1, S2
Risk Adjustment	\$ (28.09)	\$ (41.87)	<- URRT W1, S3
Exchange User Fee	\$ 22.71	\$ 23.14	<- URRT W1, S3
Capitation	\$ -	\$ 0.30	<- URRT W1, S2
Network	1.000	1.000	
Pricing AV	0.781	0.656	
Benefit Richness	1.015	1.101	
Catastrophic Eligibility	1.000	1.000	
Administrative Expenses	5.07%	6.76%	
Taxes and Fees	4.50%	0.42%	
Profit and/or Contingency	2.00%	2.00%	



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

Carrier Name:	Capital Advantage Assurance Company
Product(s):	PPO and EPO
Market Segment:	Individual
Rate Effective Date:	1/1/2019

Plan Number	HIOS Plan ID (Standard Component)	1/1/2018 Plan Marketing Name	Discontinued, New, Modified, Existing (D,N,M,E) for 2019	1/1/2019 Plan HIOS Plan ID (If 1/1/2018 Plan Discontinued & Mapped)	Metallic Tier	Exchange On/Off or Off
Totals						
These cells auto-fill using the data entered in Table 1D.						
Plan 1	45127PA0020013	Gold PPO 2000/10/20	M		Gold	On
Plan 2	45127PA0020008	Silver PPO 5000/10/30	M		Silver	On
Plan 3	45127PA0020020	Bronze PPO 7350/0/60	M		Bronze	On
Plan 4	45127PA0020021	Silver PPO 4950/10/30	M		Silver	Off
Plan 5	45127PA0140001	Capital Advantage EPO 200	N		Gold	On
Plan 6				0	0	0
Plan 7	0	0	0	0	0	0
Plan 8	0	0	0	0	0	0
Plan 9	0	0	0	0	0	0
Plan 10	0	0	0	0	0	0
Plan 11	0	0	0	0	0	0
Plan 12	0	0	0	0	0	0



PA Rate Quarterly Template Part V  
Consumer Factors

Carrier Name:	Capital Advantage Assurance Company
Product(s):	PPO and EPO
Market Segment:	Individual
Rate Effective Date:	1/1/2019

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, Schutkill, Snyder, Union	1.000	1.000
Rating Area 7	Adams, Berks, Lancaster, York	1.030	1.030
Rating Area 8			
Rating Area 9	Cumberland, Dauphin, Franklin, Fulton, Juniata, Lebanon, Perry	1.080	1.080

Table 14. Network Factors

Projecion Period Network Factors				
Network Name	Rating Area	Current Factor	Proposed Factor	DOH Approval Date
Capital Advantage EPO	9	N/A	0.920	4/6/2018
PPO	All	1.000	1.000	

**Capital Advantage Assurance Company**  
**Individual Rates**  
**Effective 1/1/2019**  
**Table B**

<u>Plan ID</u>	<u>Plan Name</u>	<u>Metal Level</u>	<u>Projected Membership</u>	<u>Projected Allowed Claims</u>	<u>Projected Paid Claims</u>	<u>Paid to Allowed Factor</u>	<u>Average Tobacco Factor</u>	<u>AV and Cost Sharing Factor</u>	<u>(8)/(6*7) Induced Utilization</u>	<u>Induced Demand Table 10</u>
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
45127PA0020013	Gold PPO 2000/10/20	Gold	199,031	192,433,039	156,911,033	0.82	1.000	0.74	0.91	1.10
45127PA0020021	Silver PPO 4950/10/30	Silver	31,883	30,826,065	21,185,589	0.69	1.000	0.63	0.91	1.10
45127PA0020008	Silver PPO 5000/10/30	Silver	109,476	105,846,825	72,961,517	0.69	1.000	0.62	0.91	1.10
45127PA0020020	Bronze PPO 7350/0/60	Bronze	109,045	105,430,113	62,796,654	0.60	1.000	0.54	0.91	1.09
45127PA0140001	Gold Capital Advantage EPO 2000/0/25	Gold	1,305	1,160,800	963,194	0.83	1.000	0.75	0.91	1.10
Total			450,740	435,696,841	314,817,987	0.72	1.00	0.66	0.91	1.10
PMPM				966.63	698.45					
Rate Dev II				966.85	697.68					

Company Name:		Capital Advantage Assurance Company					
Market:		Individual					
Product:		PPO and EPO					
Effective Date of Rates:		January 1, 2019		Ending date of Rates:		December 31, 2019	
HIOS Plan ID (On Exchange)=>	45127PA0020008	45127PA0020008	45127PA0020008	45127PA0020008	45127PA0020008	45127PA0020013	45127PA0020013
HIOS Plan ID (Off Exchange)=>	45127PA0020008	45127PA0020008	45127PA0020008	45127PA0020008	45127PA0020008	45127PA0020013	45127PA0020013
Plan Marketing Name =>	Silver PPO 5000/10/30	Silver PPO 5000/10/30	Silver PPO 5000/10/30	Silver PPO 5000/10/30	Silver PPO 5000/10/30	Gold PPO 2000/10/20	Gold PPO 2000/10/20
Form # =>	CAAC-Ind-PPO-C-v0119	CAAC-Ind-PPO-C-v0119	CAAC-Ind-PPO-C-v0119	CAAC-Ind-PPO-C-v0119	CAAC-Ind-PPO-C-v0119	CAAC-Ind-PPO-C-v0119	CAAC-Ind-PPO-C-v0119
Rating Area =>	6	7	9	6	6	6	6
Network =>	PPO	PPO	PPO	PPO	PPO	PPO	PPO
Metal =>	Silver	Silver	Silver	Silver	Silver	Gold	Gold
Deductible =>	\$5000 Med/Rx Combined	\$5000 Med/Rx Combined	\$5000 Med/Rx Combined	\$5000 Med/Rx Combined	\$5000 Med/Rx Combined	\$2000 Med/Rx Combined	\$2000 Med/Rx Combined
Coinsurance =>	10%	10%	10%	10%	10%	10%	10%
Copays =>	\$30/\$75/\$400 PCP/SPC/ER	\$30/\$75/\$400 PCP/SPC/ER	\$30/\$75/\$400 PCP/SPC/ER	\$30/\$75/\$400 PCP/SPC/ER	\$30/\$75/\$400 PCP/SPC/ER	\$20/\$45/\$300 PCP/SPC/ER	\$20/\$45/\$300 PCP/SPC/ER
OOP Maximum =>	\$7350 Med/Rx Combined	\$7350 Med/Rx Combined	\$7350 Med/Rx Combined	\$7350 Med/Rx Combined	\$7350 Med/Rx Combined	\$7350 Med/Rx Combined	\$7350 Med/Rx Combined
Pediatric Dental (Yes/No) =>	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco
0 - 14	\$353.73	\$353.73	\$364.34	\$364.34	\$382.03	\$382.03	\$348.99
15	\$385.17	\$385.17	\$396.73	\$396.73	\$415.98	\$415.98	\$380.01
16	\$397.19	\$397.19	\$409.11	\$409.11	\$428.97	\$428.97	\$391.88
17	\$409.22	\$409.22	\$421.49	\$421.49	\$441.95	\$441.95	\$403.74
18	\$422.16	\$422.16	\$434.83	\$434.83	\$455.94	\$455.94	\$416.51
19	\$435.11	\$435.11	\$448.16	\$448.16	\$469.92	\$469.92	\$429.28
20	\$448.52	\$448.52	\$461.97	\$461.97	\$484.40	\$484.40	\$442.51
21	\$462.39	\$473.95	\$476.26	\$488.17	\$499.38	\$511.87	\$456.20
22	\$462.39	\$473.95	\$476.26	\$488.17	\$499.38	\$511.87	\$456.20
23	\$462.39	\$473.95	\$476.26	\$488.17	\$499.38	\$511.87	\$456.20
24	\$462.39	\$473.95	\$476.26	\$488.17	\$499.38	\$511.87	\$456.20
25	\$464.24	\$475.85	\$478.17	\$490.12	\$501.38	\$513.91	\$458.02
26	\$473.49	\$485.32	\$487.69	\$499.88	\$511.37	\$524.15	\$467.15
27	\$484.58	\$496.70	\$499.12	\$511.60	\$523.35	\$536.44	\$478.10
28	\$502.62	\$515.18	\$517.70	\$530.64	\$542.83	\$556.40	\$495.89
29	\$517.41	\$530.35	\$532.94	\$546.26	\$558.81	\$572.78	\$510.49
30	\$524.81	\$537.93	\$540.56	\$554.07	\$566.80	\$580.97	\$517.79
31	\$535.91	\$549.31	\$551.99	\$565.79	\$578.78	\$593.25	\$528.74
32	\$547.01	\$560.68	\$563.42	\$577.50	\$590.77	\$605.54	\$539.68
33	\$553.94	\$567.79	\$570.56	\$584.83	\$598.26	\$613.22	\$546.53
34	\$561.34	\$575.37	\$578.18	\$592.64	\$606.25	\$621.40	\$553.83
35	\$565.04	\$579.17	\$581.99	\$596.54	\$610.24	\$625.50	\$557.48
36	\$568.74	\$582.96	\$585.80	\$600.45	\$614.24	\$629.59	\$561.13
37	\$572.44	\$586.75	\$589.61	\$604.35	\$618.23	\$633.69	\$564.78
38	\$576.14	\$590.54	\$593.42	\$608.26	\$622.23	\$637.78	\$568.43
39	\$583.54	\$598.12	\$601.04	\$616.07	\$630.22	\$645.97	\$575.72
40	\$590.93	\$635.25	\$608.66	\$654.31	\$638.21	\$686.07	\$583.02
41	\$602.03	\$647.18	\$620.09	\$666.60	\$650.19	\$698.96	\$593.97
42	\$612.67	\$658.62	\$631.05	\$678.38	\$661.68	\$711.31	\$604.46
43	\$627.46	\$674.52	\$646.29	\$694.76	\$677.66	\$728.48	\$619.06
44	\$645.96	\$694.41	\$665.34	\$715.24	\$697.64	\$749.96	\$637.31
45	\$667.69	\$734.46	\$687.72	\$756.49	\$721.11	\$793.22	\$658.75
46	\$693.58	\$762.94	\$714.39	\$785.83	\$749.07	\$823.98	\$684.30
47	\$722.72	\$794.99	\$744.40	\$818.84	\$780.53	\$858.59	\$713.04
48	\$756.01	\$831.61	\$778.69	\$856.56	\$816.49	\$898.14	\$745.89
49	\$788.84	\$867.72	\$812.50	\$893.75	\$851.94	\$937.14	\$778.28
50	\$825.83	\$949.70	\$850.60	\$978.19	\$891.89	\$1,025.68	\$814.77
51	\$862.36	\$991.71	\$888.23	\$1,021.46	\$931.35	\$1,071.05	\$850.81
52	\$902.59	\$1,037.97	\$929.66	\$1,069.11	\$974.79	\$1,121.01	\$890.50
53	\$943.28	\$1,084.77	\$971.57	\$1,117.31	\$1,018.74	\$1,171.55	\$930.65
54	\$987.20	\$1,135.28	\$1,016.82	\$1,169.34	\$1,066.18	\$1,226.11	\$973.99
55	\$1,031.13	\$1,237.36	\$1,062.06	\$1,274.48	\$1,113.62	\$1,336.34	\$1,017.33
56	\$1,078.76	\$1,294.51	\$1,111.12	\$1,333.34	\$1,165.06	\$1,398.07	\$1,064.31
57	\$1,126.84	\$1,352.21	\$1,160.65	\$1,392.78	\$1,216.99	\$1,460.39	\$1,111.76
58	\$1,178.17	\$1,413.80	\$1,213.51	\$1,456.22	\$1,272.42	\$1,526.91	\$1,162.40
59	\$1,203.60	\$1,444.32	\$1,239.71	\$1,487.65	\$1,299.89	\$1,559.87	\$1,187.49
60	\$1,254.93	\$1,568.66	\$1,292.57	\$1,615.72	\$1,355.32	\$1,694.15	\$1,238.13
61	\$1,299.32	\$1,624.14	\$1,338.30	\$1,672.87	\$1,403.26	\$1,754.08	\$1,281.92
62	\$1,328.45	\$1,660.56	\$1,368.30	\$1,710.37	\$1,434.72	\$1,793.40	\$1,310.66
63	\$1,364.98	\$1,706.22	\$1,405.92	\$1,757.41	\$1,474.17	\$1,842.72	\$1,346.70
64+	\$1,387.16	\$1,733.96	\$1,428.78	\$1,785.98	\$1,498.13	\$1,872.68	\$1,368.59



Company Name: Capital Advantage Assurance Company  
 Market: Individual  
 Product: PPO and EPO  
 Effective Date of Rates: January 1, 2019

Ending date of Rates:

December 31, 2019

HIOS Plan ID (On Exchange)=>	45127PA0020013		45127PA0020013		45127PA0020020		45127PA0020020		45127PA0020020	
HIOS Plan ID (Off Exchange)=>	45127PA0020013		45127PA0020013		45127PA0020020		45127PA0020020		45127PA0020020	
Plan Marketing Name =>	Gold PPO 2000/10/20		Gold PPO 2000/10/20		Bronze PPO 7350/0/60		Bronze PPO 7350/0/60		Bronze PPO 7350/0/60	
Form # =>	CAAC-Ind-PPO-C-v0119		CAAC-Ind-PPO-C-v0119		CAAC-Ind-PPO-C-v0119		CAAC-Ind-PPO-C-v0119		CAAC-Ind-PPO-C-v0119	
Rating Area =>	7		9		6		7		9	
Network =>	PPO		PPO		PPO		PPO		PPO	
Metal =>	Gold		Gold		Bronze		Bronze		Bronze	
Deductible =>	\$2000 Med/Rx Combined		\$2000 Med/Rx Combined		\$7350 Med/Rx Combined		\$7350 Med/Rx Combined		\$7350 Med/Rx Combined	
Coinsurance =>	10%		10%		0%		0%		0%	
Copays =>	\$20/\$45/\$300 PCP/SPC/ER		\$20/\$45/\$300 PCP/SPC/ER		\$60/\$85/\$0 PCP/SPC/ER		\$60/\$85/\$0 PCP/SPC/ER		\$60/\$85/\$0 PCP/SPC/ER	
OOP Maximum =>	\$7350 Med/Rx Combined		\$7350 Med/Rx Combined		\$7350 Med/Rx Combined		\$7350 Med/Rx Combined		\$7350 Med/Rx Combined	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	\$359.46	\$359.46	\$376.91	\$376.91	\$260.57	\$260.57	\$268.38	\$268.38	\$281.41	\$281.41
15	\$391.42	\$391.42	\$410.42	\$410.42	\$283.73	\$283.73	\$292.24	\$292.24	\$306.43	\$306.43
16	\$403.63	\$403.63	\$423.23	\$423.23	\$292.58	\$292.58	\$301.36	\$301.36	\$315.99	\$315.99
17	\$415.85	\$415.85	\$436.04	\$436.04	\$301.44	\$301.44	\$310.48	\$310.48	\$325.56	\$325.56
18	\$429.01	\$429.01	\$449.83	\$449.83	\$310.98	\$310.98	\$320.31	\$320.31	\$335.86	\$335.86
19	\$442.16	\$442.16	\$463.63	\$463.63	\$320.51	\$320.51	\$330.13	\$330.13	\$346.16	\$346.16
20	\$455.79	\$455.79	\$477.92	\$477.92	\$330.39	\$330.39	\$340.30	\$340.30	\$356.82	\$356.82
21	\$469.89	\$481.63	\$492.70	\$505.01	\$340.61	\$349.13	\$350.83	\$359.60	\$367.86	\$377.06
22	\$469.89	\$481.63	\$492.70	\$505.01	\$340.61	\$349.13	\$350.83	\$359.60	\$367.86	\$377.06
23	\$469.89	\$481.63	\$492.70	\$505.01	\$340.61	\$349.13	\$350.83	\$359.60	\$367.86	\$377.06
24	\$469.89	\$481.63	\$492.70	\$505.01	\$340.61	\$349.13	\$350.83	\$359.60	\$367.86	\$377.06
25	\$471.77	\$483.56	\$494.67	\$507.03	\$341.97	\$350.52	\$352.23	\$361.04	\$369.33	\$378.56
26	\$481.16	\$493.19	\$504.52	\$517.13	\$348.78	\$357.50	\$359.25	\$368.23	\$376.69	\$386.10
27	\$492.44	\$504.75	\$516.35	\$529.25	\$356.96	\$365.88	\$367.67	\$376.86	\$385.52	\$395.15
28	\$510.77	\$523.54	\$535.56	\$548.95	\$370.24	\$379.50	\$381.35	\$390.88	\$399.86	\$409.86
29	\$525.80	\$538.95	\$551.33	\$565.11	\$381.14	\$390.67	\$392.58	\$402.39	\$411.63	\$421.92
30	\$533.32	\$546.65	\$559.21	\$573.19	\$386.59	\$396.26	\$398.19	\$408.14	\$417.52	\$427.96
31	\$544.60	\$558.21	\$571.03	\$585.31	\$394.77	\$404.64	\$406.61	\$416.78	\$426.35	\$437.01
32	\$555.88	\$569.77	\$582.86	\$597.43	\$402.94	\$413.02	\$415.03	\$425.41	\$435.18	\$446.06
33	\$562.92	\$577.00	\$590.25	\$605.01	\$408.05	\$418.25	\$420.29	\$430.80	\$440.69	\$451.71
34	\$570.44	\$584.70	\$598.13	\$613.09	\$413.50	\$423.84	\$425.91	\$436.55	\$446.58	\$457.75
35	\$574.20	\$588.56	\$602.07	\$617.13	\$416.23	\$426.63	\$428.71	\$439.43	\$449.52	\$460.76
36	\$577.96	\$592.41	\$606.02	\$621.17	\$418.95	\$429.42	\$431.52	\$442.31	\$452.47	\$463.78
37	\$581.72	\$596.26	\$609.96	\$625.21	\$421.68	\$432.22	\$434.33	\$445.18	\$455.41	\$466.79
38	\$585.48	\$600.11	\$613.90	\$629.25	\$424.40	\$435.01	\$437.13	\$448.06	\$458.35	\$469.81
39	\$593.00	\$607.82	\$621.78	\$637.33	\$429.85	\$440.60	\$442.75	\$453.81	\$464.24	\$475.84
40	\$600.51	\$645.55	\$629.67	\$676.89	\$435.30	\$467.95	\$448.36	\$481.99	\$470.12	\$505.38
41	\$611.79	\$657.68	\$641.49	\$689.60	\$443.47	\$476.73	\$456.78	\$491.04	\$478.95	\$514.87
42	\$622.60	\$669.29	\$652.82	\$701.78	\$451.31	\$485.16	\$464.85	\$499.71	\$487.41	\$523.97
43	\$637.64	\$685.46	\$668.59	\$718.73	\$462.21	\$496.87	\$476.07	\$511.78	\$499.18	\$536.62
44	\$656.43	\$705.66	\$688.30	\$739.92	\$475.83	\$511.52	\$490.11	\$526.87	\$513.90	\$552.44
45	\$678.52	\$746.37	\$711.45	\$782.60	\$491.84	\$541.02	\$506.60	\$557.26	\$531.19	\$584.31
46	\$704.83	\$775.31	\$739.04	\$812.95	\$510.92	\$562.01	\$526.24	\$578.87	\$551.79	\$606.97
47	\$734.43	\$807.87	\$770.08	\$847.09	\$532.37	\$585.61	\$548.34	\$603.18	\$574.96	\$632.46
48	\$768.26	\$845.09	\$805.56	\$886.11	\$556.90	\$612.59	\$573.60	\$630.96	\$601.45	\$661.59
49	\$801.63	\$881.79	\$840.54	\$924.59	\$581.08	\$639.19	\$598.51	\$658.36	\$627.57	\$690.32
50	\$839.22	\$965.10	\$879.96	\$1,011.95	\$608.33	\$699.58	\$626.58	\$720.57	\$657.00	\$755.55
51	\$876.34	\$1,007.79	\$918.88	\$1,056.71	\$635.24	\$730.52	\$654.29	\$752.44	\$686.06	\$788.97
52	\$917.22	\$1,054.80	\$961.74	\$1,106.00	\$664.87	\$764.60	\$684.82	\$787.54	\$718.06	\$825.77
53	\$958.57	\$1,102.35	\$1,005.10	\$1,155.86	\$694.84	\$799.07	\$715.69	\$823.04	\$750.43	\$863.00
54	\$1,003.21	\$1,153.69	\$1,051.91	\$1,209.69	\$727.20	\$836.28	\$749.02	\$861.37	\$785.38	\$903.19
55	\$1,047.85	\$1,257.41	\$1,098.71	\$1,318.45	\$759.56	\$911.47	\$782.35	\$938.82	\$820.33	\$984.39
56	\$1,096.24	\$1,315.49	\$1,149.46	\$1,379.35	\$794.64	\$953.57	\$818.48	\$982.18	\$858.21	\$1,029.86
57	\$1,145.11	\$1,374.13	\$1,200.70	\$1,440.84	\$830.07	\$996.08	\$854.97	\$1,025.96	\$896.47	\$1,075.77
58	\$1,197.27	\$1,436.72	\$1,255.39	\$1,506.47	\$867.87	\$1,041.45	\$893.91	\$1,072.69	\$937.30	\$1,124.77
59	\$1,223.11	\$1,467.74	\$1,282.49	\$1,538.99	\$886.61	\$1,063.93	\$913.21	\$1,095.85	\$957.54	\$1,149.04
60	\$1,275.27	\$1,594.09	\$1,337.18	\$1,671.47	\$924.42	\$1,155.52	\$952.15	\$1,190.19	\$998.37	\$1,247.96
61	\$1,320.38	\$1,650.47	\$1,384.48	\$1,730.59	\$957.11	\$1,196.39	\$985.83	\$1,232.28	\$1,033.68	\$1,292.10
62	\$1,349.98	\$1,687.48	\$1,415.52	\$1,769.39	\$978.57	\$1,223.22	\$1,007.93	\$1,259.91	\$1,056.86	\$1,321.07
63	\$1,387.10	\$1,733.88	\$1,454.44	\$1,818.05	\$1,005.48	\$1,256.85	\$1,035.65	\$1,294.56	\$1,085.92	\$1,357.40
64+	\$1,409.66	\$1,762.07	\$1,478.09	\$1,847.61	\$1,021.82	\$1,277.29	\$1,052.48	\$1,315.61	\$1,103.57	\$1,379.47

Company Name:	Capital Advantage Assurance Company							
Market:	Individual							
Product:	PPO and EPO							
Effective Date of Rates:	January 1, 2019		Ending date of Rates:				December 31, 2019	
HIOS Plan ID (On Exchange)=>							45127PA0140001	
HIOS Plan ID (Off Exchange)=>	45127PA0020021		45127PA0020021		45127PA0020021		45127PA0140001	
Plan Marketing Name =>	Silver PPO 4950/10/30		Silver PPO 4950/10/30		Silver PPO 4950/10/30		Capital Advantage EPO 2000/	
Form # =>	CAAC-Ind-PPO-C-v0119		CAAC-Ind-PPO-C-v0119		CAAC-Ind-PPO-C-v0119		CAAC-Ind-EPO-C-v0119	
Rating Area =>	6		7		9		9	
Network =>	PPO		PPO		PPO		EPO	
Metal =>	Silver		Silver		Silver		Gold	
Deductible =>	\$4950 Med/Rx Combined		\$4950 Med/Rx Combined		\$4950 Med/Rx Combined		\$2000 Med/Rx Combined	
Coinsurance =>	10%		10%		10%		0%	
Copays =>	\$30/\$75/\$400 PCP/SPC/ER		\$30/\$75/\$400 PCP/SPC/ER		\$30/\$75/\$400 PCP/SPC/ER		\$25/\$50/\$300 PCP/SPC/ER	
OOP Maximum =>	\$7350 Med/Rx Combined		\$7350 Med/Rx Combined		\$7350 Med/Rx Combined		\$7350 Med/Rx Combined	
Pediatric Dental (Yes/No) =>	Yes		Yes		Yes		Yes	
Age Band	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco	Non-Tobacco	Tobacco
0 - 14	\$297.44	\$297.44	\$306.36	\$306.36	\$321.23	\$321.23	\$354.32	\$354.32
15	\$323.88	\$323.88	\$333.60	\$333.60	\$349.79	\$349.79	\$385.81	\$385.81
16	\$333.99	\$333.99	\$344.01	\$344.01	\$360.71	\$360.71	\$397.85	\$397.85
17	\$344.10	\$344.10	\$354.42	\$354.42	\$371.62	\$371.62	\$409.89	\$409.89
18	\$354.98	\$354.98	\$365.63	\$365.63	\$383.38	\$383.38	\$422.86	\$422.86
19	\$365.87	\$365.87	\$376.85	\$376.85	\$395.14	\$395.14	\$435.83	\$435.83
20	\$377.15	\$377.15	\$388.46	\$388.46	\$407.32	\$407.32	\$449.26	\$449.26
21	\$388.81	\$398.53	\$400.47	\$410.49	\$419.91	\$430.41	\$463.16	\$474.74
22	\$388.81	\$398.53	\$400.47	\$410.49	\$419.91	\$430.41	\$463.16	\$474.74
23	\$388.81	\$398.53	\$400.47	\$410.49	\$419.91	\$430.41	\$463.16	\$474.74
24	\$388.81	\$398.53	\$400.47	\$410.49	\$419.91	\$430.41	\$463.16	\$474.74
25	\$390.37	\$400.12	\$402.08	\$412.13	\$421.59	\$432.13	\$465.01	\$476.64
26	\$398.14	\$408.09	\$410.09	\$420.34	\$429.99	\$440.74	\$474.27	\$486.13
27	\$407.47	\$417.66	\$419.70	\$430.19	\$440.07	\$451.07	\$485.39	\$497.52
28	\$422.64	\$433.20	\$435.32	\$446.20	\$456.45	\$467.86	\$503.45	\$516.04
29	\$435.08	\$445.96	\$448.13	\$459.33	\$469.88	\$481.63	\$518.27	\$531.23
30	\$441.30	\$452.33	\$454.54	\$465.90	\$476.60	\$488.52	\$525.68	\$538.83
31	\$450.63	\$461.90	\$464.15	\$475.75	\$486.68	\$498.85	\$536.80	\$550.22
32	\$459.96	\$471.46	\$473.76	\$485.61	\$496.76	\$509.18	\$547.92	\$561.61
33	\$465.79	\$477.44	\$479.77	\$491.76	\$503.06	\$515.63	\$554.86	\$568.73
34	\$472.02	\$483.82	\$486.18	\$498.33	\$509.78	\$522.52	\$562.27	\$576.33
35	\$475.13	\$487.00	\$489.38	\$501.61	\$513.14	\$525.96	\$565.98	\$580.13
36	\$478.24	\$490.19	\$492.58	\$504.90	\$516.50	\$529.41	\$569.68	\$583.93
37	\$481.35	\$493.38	\$495.79	\$508.18	\$519.85	\$532.85	\$573.39	\$587.72
38	\$484.46	\$496.57	\$498.99	\$511.47	\$523.21	\$536.29	\$577.09	\$591.52
39	\$490.68	\$502.95	\$505.40	\$518.03	\$529.93	\$543.18	\$584.51	\$599.12
40	\$496.90	\$534.17	\$511.81	\$550.19	\$536.65	\$576.90	\$591.92	\$636.31
41	\$506.23	\$544.20	\$521.42	\$560.52	\$546.73	\$587.73	\$603.03	\$648.26
42	\$515.17	\$553.81	\$530.63	\$570.43	\$556.39	\$598.12	\$613.68	\$659.71
43	\$527.62	\$567.19	\$543.44	\$584.20	\$569.82	\$612.56	\$628.51	\$675.64
44	\$543.17	\$583.91	\$559.46	\$601.42	\$586.62	\$630.62	\$647.03	\$695.56
45	\$561.44	\$617.59	\$578.28	\$636.11	\$606.36	\$666.99	\$668.80	\$735.68
46	\$583.22	\$641.54	\$600.71	\$660.78	\$629.87	\$692.86	\$694.74	\$764.21
47	\$607.71	\$668.48	\$625.94	\$688.54	\$656.33	\$721.96	\$723.92	\$796.31
48	\$635.70	\$699.27	\$654.78	\$720.25	\$686.56	\$755.22	\$757.26	\$832.99
49	\$663.31	\$729.64	\$683.21	\$751.53	\$716.37	\$788.01	\$790.15	\$869.16
50	\$694.41	\$798.58	\$715.25	\$822.53	\$749.97	\$862.46	\$827.20	\$951.28
51	\$725.13	\$833.90	\$746.88	\$858.92	\$783.14	\$900.61	\$863.79	\$993.36
52	\$758.96	\$872.80	\$781.73	\$898.98	\$819.67	\$942.62	\$904.08	\$1,039.70
53	\$793.17	\$912.15	\$816.97	\$939.51	\$856.63	\$985.12	\$944.84	\$1,086.57
54	\$830.11	\$954.63	\$855.01	\$983.26	\$896.52	\$1,031.00	\$988.84	\$1,137.17
55	\$867.05	\$1,040.46	\$893.06	\$1,071.67	\$936.41	\$1,123.69	\$1,032.84	\$1,239.41
56	\$907.09	\$1,088.51	\$934.31	\$1,121.17	\$979.66	\$1,175.59	\$1,080.55	\$1,296.66
57	\$947.53	\$1,137.04	\$975.96	\$1,171.15	\$1,023.33	\$1,228.00	\$1,128.72	\$1,354.46
58	\$990.69	\$1,188.83	\$1,020.41	\$1,224.49	\$1,069.94	\$1,283.93	\$1,180.13	\$1,416.15
59	\$1,012.07	\$1,214.49	\$1,042.43	\$1,250.92	\$1,093.04	\$1,311.65	\$1,205.60	\$1,446.72
60	\$1,055.23	\$1,319.04	\$1,086.89	\$1,358.61	\$1,139.65	\$1,424.56	\$1,257.01	\$1,571.26
61	\$1,092.56	\$1,365.70	\$1,125.33	\$1,406.67	\$1,179.96	\$1,474.95	\$1,301.47	\$1,626.84
62	\$1,117.05	\$1,396.31	\$1,150.56	\$1,438.20	\$1,206.42	\$1,508.02	\$1,330.65	\$1,663.32
63	\$1,147.77	\$1,434.71	\$1,182.20	\$1,477.75	\$1,239.59	\$1,549.49	\$1,367.24	\$1,709.05
64+	\$1,166.42	\$1,458.04	\$1,201.41	\$1,501.78	\$1,259.73	\$1,574.68	\$1,389.47	\$1,736.84

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

HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange	Network	Rating Area	Counties Covered
45127PA0020008	Silver PPO 5000/10/30	PPO	Silver	On/Off	PPO	6,7,9	All
45127PA0020013	Gold PPO 2000/10/20	PPO	Gold	On/Off	PPO	6,7,9	All
45127PA0020020	Bronze PPO 7350/0/60	PPO	Bronze	On/Off	PPO	6,7,9	All
45127PA0020021	Silver PPO 4950/10/30	PPO	Silver	Off	PPO	6,7,9	All
45127PA0140001	Gold Capital Advantage EPO 2000/0/25	EPO	Gold	On/Off	EPO	9	Dauphin, Cumberland, Perry

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

02-01-2018 Number of Covered Lives by Rating County				
HIOS Plan ID	Plan Marketing Name	Product	Metal	On/Off Exchange
45127PA0020008	Silver PPO 5000/10/30	PPO	Silver	On/Off
45127PA0020013	Gold PPO 2000/10/20	PPO	Gold	On/Off
45127PA0020020	Bronze PPO 7350/0/60	PPO	Bronze	On/Off
45127PA0020021	Silver PPO 4950/10/30	PPO	Silver	Off
45127PA0140001	Gold Capital Advantage EPO 2000/0/25	EPO	Gold	On/Off

RATING AREA 6

223	274	5,174	183	28	5,161	396	1,224	255	254
Centre	Columbia	Lehigh	Mifflin	Montour	Northampton	Northumberland	Schuylkill	Snyder	Union
\$462.39	\$462.39	\$462.39	\$462.39	\$462.39	\$462.39	\$462.39	\$462.39	\$462.39	\$462.39
\$456.20	\$456.20	\$456.20	\$456.20	\$456.20	\$456.20	\$456.20	\$456.20	\$456.20	\$456.20
\$340.61	\$340.61	\$340.61	\$340.61	\$340.61	\$340.61	\$340.61	\$340.61	\$340.61	\$340.61
\$388.81	\$388.81	\$388.81	\$388.81	\$388.81	\$388.81	\$388.81	\$388.81	\$388.81	\$388.81
\$428.85	\$428.85	\$428.85	\$428.85	\$428.85	\$428.85	\$428.85	\$428.85	\$428.85	\$428.85

RATING AREA 7

1,918	3,659	4,566	7,658
Adams	Berks	Lancaster	York
\$476.26	\$476.26	\$476.26	\$476.26
\$469.89	\$469.89	\$469.89	\$469.89
\$350.83	\$350.83	\$350.83	\$350.83
\$400.47	\$400.47	\$400.47	\$400.47
\$441.72	\$441.72	\$441.72	\$441.72

RATING AREA 9

2,304	1,831	2,140	275	151	173	380
Cumberland	Dauphin	Franklin	Fulton	Juniata	Lebanon	Perry
\$499.38	\$499.38	\$499.38	\$499.38	\$499.38	\$499.38	\$499.38
\$492.70	\$492.70	\$492.70	\$492.70	\$492.70	\$492.70	\$492.70
\$367.86	\$367.86	\$367.86	\$367.86	\$367.86	\$367.86	\$367.86
\$419.91	\$419.91	\$419.91	\$419.91	\$419.91	\$419.91	\$419.91
\$463.16	\$463.16	\$463.16	\$463.16	\$463.16	\$463.16	\$463.16

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y							
1	Unified Rate Review v4.3																															
2																																
3	Company Legal Name:				Capital Advantage Assurance Company										State:			PA														
4	HIOS Issuer ID:				45127										Market:			Individual														
5	Effective Date of Rate Change(s):				1/1/2019																											
6																																
7																																
8	Market Level Calculations (Same for all Plans)																															
9																																
10																																
11	Section I: Experience period data																															
12	Experience Period:				1/1/2017			to			12/31/2017																					
13								Experience Period																								
14								Aggregate Amount			PMPM			% of Prem																		
15	Premiums (net of MLR Rebate) in Experience Period:				\$420,639,129			\$694.13			100.00%																					
16	Incurred Claims in Experience Period				\$313,735,623			517.72			74.59%																					
17	Allowed Claims:				\$413,275,429			681.98			98.25%																					
18	Index Rate of Experience Period							\$681.98																								
19	Experience Period Member Months				605,994																											
20	Section II: Allowed Claims, PMPM basis																															
21																																
22					Experience Period				Projection Period:				1/1/2019		to		12/31/2019		Mid-point to Mid-point, Experience to Projection:				24 months									
23					on Actual Experience Allowed				Adj't. from Experience to Projection Period				Annualized Trend Factors				Projections, before credibility Adjustment				Credibility Manual											
24	Benefit Category		Utilization Description		Utilization per 1,000		Average Cost/Service		PMPM		Pop'l risk Morbidity		Other		Cost		Util		Utilization per 1,000		Average Cost/Service		PMPM		Utilization per 1,000		Average Cost/Service		PMPM			
25	Inpatient Hospital		Admits		114.81		\$15,215.05		\$145.57		1.166		1.000		1.093		1.023		140.00		\$18,169.46		\$211.97		0.00		0.00		\$0.00			
26	Outpatient Hospital		Visits		4,270.00		716.61		254.99		1.166		1.000		1.090		1.025		5,232.41		851.90		371.46		0.00		0.00		0.00			
27	Professional		Visits		15,742.67		115.39		151.38		1.166		1.000		1.074		1.025		19,290.87		133.21		214.15		0.00		0.00		0.00			
28	Other Medical		Services		2,145.84		135.90		24.30		1.166		1.000		1.090		1.010		2,552.34		161.56		34.36		0.00		0.00		0.00			
29	Capitation		Benefit Period		0.00		0.00		0.00		1.000		1.000		1.030		1.000		0.00		0.00		0.00		0.00		0.00		0.00			
30	Prescription Drug		Prescriptions		10,115.11		125.43		105.73		1.166		1.000		1.122		1.018		12,230.04		157.83		160.86		0.00		0.00		0.00			
31	Total								\$681.98														\$992.80						\$0.00			
32	Section III: Projected Experience:				Projected Allowed Claims PMPM (w/applied credibility if applicable)														100.00%				0.00%				After Credibility		Projected Period Totals			
33					Paid to Allowed Average Factor in Projection Period																						0.722		\$447,496,495			
34					Projected Incurred Claims, before ACA rein & Risk Adj't, PMPM																						\$716.41		\$322,915,141			
35					Projected Risk Adjustments PMPM																						41.87		18,872,484			
36					Projected Incurred Claims, before reinsurance recoveries, net of rein prem, PMPM																						\$674.54		\$304,042,657			
37					Projected ACA reinsurance recoveries, net of rein prem, PMPM																						-23.14		(10,430,647)			
38					Projected Incurred Claims																						\$697.68		\$314,473,304			
39					Administrative Expense Load																						6.76%		51.91		23,398,155	
40					Profit & Risk Load																						2.00%		15.36		6,925,015	
41					Taxes & Fees																						0.42%		3.23		1,454,253	
42					Single Risk Pool Gross Premium Avg. Rate, PMPM																						\$768.18		\$346,250,727			
43					Index Rate for Projection Period																						\$992.80					
44					% increase over Experience Period																						10.67%					
45					% Increase, annualized:																						5.20%					
46					Projected Member Months																								450,740			
47																																
48																																
49	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.																															
50																																

Product-Plan Data Collection

Company Legal Name:  
HIOS Issuer ID:  
Effective Date of Rate Change(s):

Capital Advantage Assurance Company  
45127  
1/1/2019

State: PA  
Market: Individual

Product/Plan Level Calculations

Section I: General Product and Plan Information

Product		PPO				EPO	erminated Products
Product ID:		45127PA002				45127PA014	45127PA999
Metal:		Silver	Gold	Bronze	Silver	Gold	Not Applicable
AV Metal Value		0.682	0.760	0.626	0.682	0.762	0.000
AV Pricing Value		0.624	0.739	0.544	0.625	0.753	1.000
Plan Category		Renewing	Renewing	Renewing	Renewing	New	Terminated
Plan Type:		PPO	PPO	PPO	PPO	EPO	PPO
Plan Name		Silver PPO	Gold PPO	Bronze PPO	Silver PPO	Gold Capital Advantage EPO	2017 Experience
		5000/10/30	2000/10/20	7350/0/60	4950/10/30	3000/0/45	
Plan ID (Standard Component ID):		45127PA0020008	45127PA0020013	45127PA0020020	45127PA0020021	45127PA0140001	45127PA9999999
Exchange Plan?		Yes	Yes	Yes	No	Yes	No
Historical Rate Increase - Calendar Year - 2				1.60%		1.60%	0.00%
Historical Rate Increase - Calendar Year - 1				43.30%		43.30%	0.00%
Historical Rate Increase - Calendar Year 0				49.20%		49.20%	0.00%
Effective Date of Proposed Rates		1/1/2019	1/1/2019	1/1/2019	1/1/2019	1/1/2019	1/1/2019
Rate Change % (over prior filing)		-25.20%	-19.02%	-17.79%	-17.10%	0.00%	0.00%
Cum'tive Rate Change % (over 12 mos prior)		-25.20%	-19.02%	-17.79%	-17.10%	0.00%	0.00%
Proj'd Per Rate Change % (over Exper. Period)		27.42%	9.92%	#DIV/0!	#DIV/0!	#DIV/0!	-100.00%
Product Rate Increase %				-20.42%		0.00%	0.00%

Section II: Components of Premium Increase (PMPM Dollar Amount above Current Average Rate PMPM)

Plan ID (Standard Component ID):	Total	45127PA0020008	45127PA0020013	45127PA0020020	45127PA0020021	45127PA0140001	45127PA9999999
Inpatient	-\$31.06	-\$32.06	-\$26.09	-\$17.12	-\$18.10	\$172.41	\$0.00
Outpatient	-\$54.41	-\$56.16	-\$45.70	-\$29.99	-\$31.70	\$302.00	\$0.00
Professional	-\$32.30	-\$33.34	-\$27.13	-\$17.80	-\$18.82	\$179.29	\$0.00
Prescription Drug	-\$22.56	-\$23.28	-\$18.95	-\$12.43	-\$13.14	\$125.22	\$0.00
Other	-\$5.19	-\$5.35	-\$4.36	-\$2.86	-\$3.02	\$28.78	\$0.00
Capitation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Administration	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Taxes & Fees	-\$16.16	-\$16.40	-\$14.95	-\$10.99	-\$12.44	\$0.00	\$0.00
Risk & Profit Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Rate Increase	-\$161.69	-\$166.59	-\$137.16	-\$91.19	-\$97.22	\$807.70	\$0.00
Member Cost Share Increase	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Average Current Rate PMPM	\$944.20	\$1,093.36	\$996.38	\$732.74	\$829.53	\$0.00	\$0.00
Projected Member Months	449,435	109,476	199,031	109,045	31,883	1,305	0

Section III: Experience Period Information

Plan ID (Standard Component ID):	Total	45127PA0020008	45127PA0020013	45127PA0020020	45127PA0020021	45127PA0140001	45127PA9999999
Plan Adjusted Index Rate	\$736.40	\$727.36	\$781.65	\$0.00	\$0.00	\$0.00	\$260.76
Member Months	552,140	460,170	91,970	0	0	0	53,854
Total Premium (TP)	\$406,596,403	\$334,708,216	\$71,888,186	\$0	\$0	\$0	\$14,042,727
EHB Percent of TP, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
state mandated benefits portion of TP that are other than EHB	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other benefits portion of TP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Allowed Claims (TAC)	\$400,268,203	\$289,087,066	\$111,181,137	\$0	\$0	\$0	\$13,007,226
EHB Percent of TAC, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
state mandated benefits portion of TAC that are other than EHB	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other benefits portion of TAC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Allowed Claims which are not the issuer's obligation:	\$54,391,159	\$42,496,221	\$11,894,938	\$0	\$0	\$0	\$45,148,648
Portion of above payable by HHS's funds on behalf of insured person, in dollars	\$0	\$0	\$0	\$0		\$0	\$0
Portion of above payable by HHS on behalf of insured person, as %	0.00%	0.00%	0.00%	#DIV/0!		#DIV/0!	0.00%
Total Incurred claims, payable with issuer funds	\$345,877,044	\$246,590,844	\$99,286,200	\$0	\$0	\$0	-\$32,141,421
Net Amt of Rein	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Risk Adjustment Transfer Amount	\$40,434,004.00	-\$209,914.86	\$40,643,918.86	\$0.00	\$0.00	\$0.00	\$0.00

Incurred Claims PMPM	\$626.43	\$535.87	\$1,079.55	#DIV/0!	#DIV/0!	#DIV/0!	-\$596.83
Allowed Claims PMPM	\$724.94	\$628.22	\$1,208.88	#DIV/0!	#DIV/0!	#DIV/0!	\$241.53
EHB portion of Allowed Claims, PMPM	\$724.94	\$628.22	\$1,208.88	#DIV/0!	#DIV/0!	#DIV/0!	\$241.53

Section IV: Projected (12 months following effective date)

Plan ID (Standard Component ID):	Total	45127PA0020008	45127PA0020013	45127PA0020020	45127PA0020021	45127PA0140001	45127PA9999999
Plan Adjusted Index Rate	\$813.86	\$926.77	\$859.22	\$641.55	\$732.31	\$807.70	\$0.00
Member Months	449,435	109,476	199,031	109,045	31,883	1,305	-
Total Premium (TP)	\$365,775,767	\$101,458,984	\$171,011,245	\$69,957,439	\$23,348,100	\$1,054,047	\$0
EHB Percent of TP, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
state mandated benefits portion of TP that are other than EHB	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other benefits portion of TP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Allowed Claims (TAC)	\$509,016,477	\$149,093,996	\$211,382,860	\$114,824,520	\$33,715,101	\$1,273,087	\$0
EHB Percent of TAC, [see instructions]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
state mandated benefits portion of TAC that are other than EHB	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other benefits portion of TAC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Allowed Claims which are not the issuer's obligation	\$188,487,300	\$59,450,283	\$60,988,800	\$54,638,396	\$13,409,821	\$349,904	\$0

Portion of above payable by HHS's funds on behalf of insured person, in dollars	\$0	\$0	\$0	\$0		\$0	\$0
Portion of above payable by HHS on behalf of insured person, as %	0.00%	0.00%	0.00%	0.00%		0.00%	#DIV/0!
Total Incurred claims, payable with issuer funds	\$320,529,178	\$89,643,714	\$150,394,060	\$60,186,124	\$20,305,280	\$923,183	\$0
Net Amt of Rein	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Risk Adjustment Transfer Amount	\$18,817,843	\$4,583,760	\$8,333,428	\$4,565,714	\$1,334,941	\$54,640	\$0

# **CAPITAL ADVANTAGE ASSURANCE COMPANY, INC.**

## **ACTUARIAL MEMORANDUM**

### **Individual Rates**

**Effective January 1, 2019**

#### **General Information**

##### **Company Information**

- Company Legal Name: Capital Advantage Assurance Company – CAAC
- State: PA
- HIOS Issuer ID: 45127
- Market: Individual
- Effective Date: 1/1/2019

##### **PID Company Information**

- Company Name: Capital Advantage Assurance Company (CAAC)
- NAIC: 14411
- Market: Individual
- On/Off Exchange: On/Off Exchange
- Effective Date: 1/1/2019
- Average Rate Change Requested: -20.4%
- Range of Requested Rate Change: -25.2% to -17.1%
- Total additional annual revenue generated from the proposed rate change: \$(89,308,145)
- Product: PPO
- Rating Areas: 6,7,9
- Metal Levels: Gold, Silver, Bronze
- Current Covered Lives and Policyholders: 38,227/25,435
- 2019 Number of Plans: 5
- 2018 Number of Plans and Percent Change: 4/25%
- Contract Form #: CAAC-Ind-PPO-C-v0119 & CAAC-Ind-EPO-C-v0119
- Form Filing SERFF #: CABC-131454329 & CABC-131454332
- Binder SERFF #: CABC-PA19-125079436
- HIOS Issuer ID: 45127
- HIOS Submission Tracking Number: 45127-1217445787865246721



### **Company Contact Information**

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

### **Scope and Purpose**

By this filing, Capital Advantage Assurance Company (CAAC), a subsidiary of Capital BlueCross (CBC), submits rates for products to be made available to individuals effective January 1, 2019. CAAC will offer individual products on and off the federally-facilitated exchange.

### **Rate History and Proposed Variations in Rate Changes**

Market	Company	Effective Date	SERFF #	Annual Increase
Individual	CAAC	1/1/2015	CABC-129635524	-8.00%
Individual	CAAC	1/1/2016	CABC-130076761	1.60%
Individual	CAAC	1/1/2017	CABC-130539561	43.3%
Individual	CAAC	1/1/2018	CABC-131022042	49.2%

### **Average Rate Change**

CAAC is proposing an aggregate annual -20.4% rate change. The rate change does vary by plan. The rate change is calculated in PA Rate Template Part III, Table 10, cell AC15.

### **Regulatory Considerations**

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

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

### **Membership**

Membership is shown in PA Rate Template Part I, Table 1. The average age is 44.

### **Benefit Changes 2018-2019**

A summary of proposed 2019 benefits is included in Exhibit A. There are several benefit changes being implemented in 2018. 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 the URRT abides by 45 CFR part 156.80(d) single risk pool requirements. The single risk pool reflects all covered lives for every non-grandfathered product/plan combination for CAAC in the individual market. The single risk pool includes transitional products/plans for purposes of base rate experience.

**Base Experience Period:** The base experience period (BEP) includes completed fee-for-service paid and incurred claims for dates of service between January 1, 2017 and December 31, 2017.

Transitional membership is included in PA Rate Exhibits Table 2, and is broken out in Exhibit G1.

**Paid Through Date:** Claims in the BEP are paid through March 31, 2018

**Premiums (net of MLR Rebate) in BEP:** Premiums are calculated on an earned basis in the BEP. MLR rebate adjustments are equal to zero as CAAC does not expect to refund any MLR rebates in the BEP.

### **Allowed and Incurred Claims in BEP:**

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

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

1. Historical fee-for-service claims are viewed by date of service and date of payment in a claims triangle.
2. The claims triangle payments are then accumulated by date of service to develop factors that represent the rate of accumulation or rate of "completion".
3. Historical rates of completion by duration are used to derive projected rates of completion. Some of the methods used to develop projected completion factors are averages (e.g. harmonic averages, time weighted averages, geometric averages) and regression methods. Numerous items are considered when viewing these averages or regression statistics, such as the impact of high claims on perceived completion patterns.

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

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

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

**Risk Adjustment in BEP:** Risk adjustment amounts in the BEP are equal to those reported by the Department on 5/9/2018.

**Loss Ratio in BEP:** Loss ratio is 68.04%

### **Credibility of Data**

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

### **Trend Identification**

Trend: 11.5%

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
- 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. Induced Utilization: Induced utilization is CBC's best estimate for increased utilization in the individual market due to unknown future regulatory changes. CBC predicts that consumers will use more services in 2019 due to unknown coverage status in 2020.
  - f. 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, to the paid trend. Estimated leveraging is calculated in Exhibit E1.
  - o Estimated costs are based on average plan benefit value in the month, calculated using CBC's internal benefit model.
  - o CBC expects the average benefit level in 2019 to be similar to current month, 201803.
  - o As of 201803, on average, Individual members pay 44.8% of costs, while CBC pays 55.2%. So for example,
    - \$2,000 in annual allowed claims results in member pay = \$896, and CBC pay = \$1,104.
    - \$2,000 trends at 5.5% = \$2,110
    - Member pay is fixed at \$896
    - CBC pay = 2,110 – 896 = \$1,214
    - Total CBC trend = 1,214/1,104 -1 = 10%
  - o With an allowed trend of 5.5%, and static cost-share, leveraging will add an additional 4.5% to trend.

4. Intensity: Intensity is defined as the amount of inputs used to provide each unit of service. This can best be seen in an example:

Year 2018		
Type of Service	Units	Cost per Unit
X-Ray	1	\$200
MRI	1	\$5,000
Total	2	\$5,200

Year 2019		
Type of Service	Units	Cost per Unit
X-Ray	0	\$200
MRI	2	\$5,000
Total	2	\$10,000

Total Annual Trend	92%
--------------------	-----

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

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

## **Rate Development & Change**

### **Projection Factors**

**Changes in Morbidity:** Found in URRT Worksheet 1, "Pop'l risk Morbidity", and PA Rate Template Table 5.

The changes to morbidity incorporate both the Department's Individual Mandate factor discussed above, and a Risk Score Deficiency Adjustment.

The Risk Score Deficiency Adjustment is to account for differences in the base population and projected population due to competitor narrow network plans being offered in CBC's service area. There is a significant presence of on-exchange EPO plans that are likely to attract healthy individuals who can easily change their physician and hospital preference for a lower cost plan.

Exhibit F1 shows a claims distribution table by member annual claim dollars, and associated risk scores for all ACA-compliant plan members in the 2017 experience year. About 40% of members have less than \$350 claims per year. If competitor EPO plans would attract these-low cost members, CBC claim costs would increase 65%, while the risk score would only increase 47%, resulting in an 18% deficiency.

The Risk Score Deficiency Adjustment applied in rating is 10%.

**Changes in Benefits:** Benefit changes are not applied to allowed claims as allowed should stay consistent from 2017 to 2019. Benefit changes are applied in the development of future incurred claims, due to changes in member cost-share. This calculation is shown in Exhibit D, and applied in Exhibit G. The manual cost PMPMs are developed from CBC's internal benefit relativity model, discussed in the Plan Adjusted Index Rate section below. The benefit change is equal to member-month weighted average projected manual PMPM divided by member-month weighted average manual PMPM in the BEP. This process is further discussed in the Paid-to-Allowed section below.

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

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

**Other Adjustments:** No other adjustment is applied.

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

### **Index Rate**

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

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

To calculate the projected index rate:

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

See Exhibit J for the Index Rate.

### **Paid to Allowed Ratio**

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

Projected Paid and Incurred Claims are calculated as follows:

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

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

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

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

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

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

*Trended Claim PMPM*

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

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

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

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

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

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

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

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

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

- 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:

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



- 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 MPPM by Benefit* is:

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

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

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

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

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

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

## **Risk Adjustment**

### **Projected Risk Adjustments MPPM:**

Relevant to 2019 pricing is the impact of Commercial Risk Adjustment (CRA) payment transfers that are expected to be earned in 2019. The pricing impact is:

$$\begin{aligned} & [\text{Net Projected Risk Adjustments MPPM}] \\ &= [\text{Projected CRA Transfer MPPM}] - [\text{Risk Adjustment Fee MPPM}] \end{aligned}$$

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. 2016-2017 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.

To fund the HHS-risk adjustment program, issuers will remit to HHS a fee of \$0.13 PMPM. The Risk Adjustment Fee PMPM is included in the URRT Worksheet 1, "Projected Risk Adjustments PMPM", and is found on Exhibit K.

### **Market Adjusted Index Rate**

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

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

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

### **Retention Items**

#### **Administrative Expense Load:**

1. 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 CAAC Individual products. Administrative expenses are included in the URRT Worksheet 1, "Administrative Load", and PA Rate Template Table 6.

Expense as a percentage of premium vary by plan because a fixed dollar admin PMPM is applied to each plan.

2. Broker Expense: Calculated based on CAAC's explicit per contract broker fee. Broker Expense is included in the URRT Worksheet 1, "Administrative Load", and PA Rate Template Table 6. CAAC 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. CAAC does not pay commission during Special Enrollment Periods (SEP). The 2019 broker commission schedule is yet to be finalized. Attached please find the 1/1/2018 copy of the broker agreement – redacted version. Files are as follows:
  - a. Redacted Agent Agreement: "Ind\_18-12\_Initial\_CAAC\_PPO\_WBEBrokerIndRedacted\_Supporting\_20180518.pdf"
  - b. Redacted Preferred Producer Master Agreement: "Ind\_18-12\_Initial\_CAAC\_PPO\_PPMABrokerIndRedacted\_Supporting\_20180518.pdf"
3. Member Out-Of-Pocket (OOP) and Ways to Save:
  - a. Description: These products offer enhanced transparency to cost savings potential both prospectively and retrospectively. These are new services included in each of CAAC's plans that work to decrease costs by engaging members in their health care decisions. The Member OOP program will show a member, prospectively, the value of a service and the impact of member cost-sharing when that service is incurred. It allows a member to shop for the best price while introducing transparency related to the member's expected cost share at the time of service. The "Ways to Save" program allows members to receive alerts, retrospectively, informing them of cost savings that could have been incurred had they have known about competing medical providers in the area. The alerts are retrospective and offer transparency around member's healthcare options.
  - b. Costs: Costs are aggregated into CBC's total administrative expense above. No additional fee is charged. The cost is approximately \$0.25 PMPM. Included in the URRT Worksheet 1, "Administrative Load", and PA Rate Template Table 6.
4. Value-Based Benefits (VBB): Standard with each plan, Capital BlueCross includes wellness incentives to maximize the likelihood that consumers make positive behavioral changes, which lead to better health, and curbed health care costs for employers and employees alike. The incentive is as follows:
  - a. Complete Health Risk Assessment questionnaire and receive a gift card.
  - b. Participate in an online coaching program and receive a gift card reward.
  - c. The wellness program is administered through a vendor and costs are based on vendor fees, anticipated participation, and reward card amounts.
  - d. Included in the URRT Worksheet 1, "Administrative Load", and PA Rate Template Table 6.
5. Identity Theft Coverage: Identity protection offering will include the following components:
  - a. Credit monitoring – Monitors activity that may affect credit
  - b. Fraud detection – Identifies potentially fraudulent use of identity or credit
  - c. Fraud resolution support – Assists members in addressing issues that arise in relation to credit monitoring and fraud detection

- d. Included in the URRT Worksheet 1, “Administrative Load”, and PA Rate Template Table 6.
6. Additional Quality Improvement: The Final Notice of Benefit and Payment Parameters (NBPP) for 2019 finalized the rule to allow issuers to apply a standard 0.8% of premium for quality improvement (QI) measures in the MLR calculation. Total QI amounts applied in rating equal 0.8%.

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

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

#### **Taxes and Fees:**

1. Health Insurer Fee (HIF) – Section 9010 of PPACA and Section 1406 of the Reconciliation Act (which modified PPACA) refers to HIF. The fee is a fixed-dollar amount distributed across health insurance providers. This fee has been suspended for 2019.
2. Exchange Fee – All issuers participating in a federally-facilitated exchange will remit 3.5% of premium to HHS. The exchange user fee is applied as an adjustment to the Index Rate at the market level. The calculation and amount is found in Exhibit K. The amount is also found in PA Rate Template, Table 5.
3. Federal Income Tax: Federal Income Tax will be collected on the 2% contingency built into the premium. The projected Federal Income Tax is included in the URRT Worksheet 1, “Taxes and Fees”, and PA Rate Template, Table 6.

See Exhibit H for all retention values.

### **Plan Rate Development**

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

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

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

services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.

2. Induced Demand: Please see Table 8
3. Provider Network: The Provider network is the same across all PPO plans. A network factor is applied to the EPO plan.
  - a. The Capital Advantage EPO plan is a plan built around Pinnacle Health's delivery system and is available in Cumberland, Dauphin, and Perry counties.
  - b. See Exhibit O1 for the development of the network factor.
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 Non-Benefit Expenses and Profit & Risk section above.
7. Tobacco Adjustment: Calculated as the average tobacco factor applied across the risk pool.

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

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

**Age Curve Calibration:** The average age factor is calculated by taking the member-weighted average of current individual enrollment by age in CAAC. Age factors are applied in accordance with CMS's Standard Age Curve. The age calibration factor is adjusted for contracts with greater than three children under the age of 21. Please see file Ind\_18-12\_Initial\_CAAC\_PPO\_List-Billed\_Supporting\_20180518 for the calculation.

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

**Geographic Factors:** CAAC performed regional analysis to quantify the cost difference between the three regions in our service area. The analysis gathered allowed claims in a 12-month period by region, normalized for demographics. We then compared the claim cost for each of the three regions, and found cost differentials between the regions, mostly due to differences in hospital contracting between regions. The data from the analysis is found in Exhibit Q.

**Tobacco Factor Calibration:** Average tobacco factor is calculated using 2017 member and smoking status data.

The calibration is:

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

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

## **Consumer Adjusted Premium Rate Development**

The Consumer Adjusted Premium Rate is developed as follows:

1. Member-Level Consumer Adjusted Premium Rate:

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

2.  $[\textit{Family Consumer Adjusted Premium Rate}] = \sum [\textit{Member} - \textit{Level Consumer Adjusted Premium Rate}]$   
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 Worksheet 2 of the URRT were based on the federally issued AV Calculator, with the exception of one plan. This plan is noted PA Rate Tables Table 10. Unique plan justification is included with this filing.

## **AV Pricing Values**

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

## **Projected Loss Ratio**

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

## **Membership Projection**

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

## **Attachments and Examples**

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

## PA Rate Template 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 F1 - Leveraging  
Exhibit G – Paid-to-Allowed Development  
Exhibit G1 – Transitional Data  
Exhibit H – Retention  
Exhibit I – Projected Loss Ratio  
Exhibit J – Index Rate  
Exhibit K – Market Adjusted Index Rate  
Exhibit L – Rate Development by Plan  
Exhibit M – Plan Adjusted Index Rates  
Exhibit N – Calibration  
Exhibit O – Rating Factors  
Exhibit P – Quarterly Base Rates  
Exhibit Q – Regional Analysis

Broker Contracts  
List-Billed Data

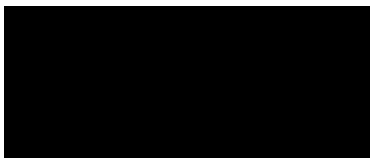
### **Actuarial Statement**

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 included in Worksheet 2, Sections III and IV 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. All factor, benefit and other changes from the prior approved filing have been disclosed in the actuarial memorandum.
  6. New plans cannot be considered modifications of existing plans under the uniform modification standards in 45 CFR 147.106.
  7. The information presented in the PA Actuarial Memorandum and PA Actuarial Memorandum Rate Exhibits is consistent with the information presented in the 2019 Rate Filing Justification.



██████████, ASA, MAAA  
Actuarial Associate  
Capital BlueCross





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

Rate Decrease Considerations:

- Stabilization of the Individual market in recent years
- Suspension of the Health Insurer Fee in 2019

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

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

2019 Rates Table Template v8.1		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* Federal TIN* Rate Effective Date* Rate Expiration Date* Rating Method*	45127				
	45-5492167				
	1/1/2019				
	12/31/2019				
	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
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	0-14	353.73	353.73
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	15	385.17	385.17
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	16	397.19	397.19
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	17	409.22	409.22
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	18	422.16	422.16
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	19	435.11	435.11
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	20	448.52	448.52
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	21	462.39	473.95
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	22	462.39	473.95
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	23	462.39	473.95
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	24	462.39	473.95
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	25	464.24	475.85
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	26	473.49	485.32
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	27	484.58	496.70
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	28	502.62	515.18
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	29	517.41	530.35
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	30	524.81	537.93
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	31	535.91	549.31
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	32	547.01	560.68
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	33	553.94	567.79
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	34	561.34	575.37
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	35	565.04	579.17
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	36	568.74	582.96
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	37	572.44	586.75
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	38	576.14	590.54
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	39	583.54	598.12
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	40	590.93	635.25
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	41	602.03	647.18
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	42	612.67	658.62
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	43	627.46	674.52
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	44	645.96	694.41
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	45	667.69	734.46
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	46	693.58	762.94
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	47	722.72	794.99
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	48	756.01	831.61
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	49	788.84	867.72
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	50	825.83	949.70
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	51	862.36	991.71
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	52	902.59	1037.97
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	53	943.28	1084.77
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	54	987.20	1135.28
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	55	1031.13	1237.36
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	56	1078.76	1294.51
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	57	1126.84	1352.21
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	58	1178.17	1413.80
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	59	1203.60	1444.32
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	60	1254.93	1568.66
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	61	1299.32	1624.14
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	62	1328.45	1660.56
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	63	1364.98	1706.22
45127PA0020008	Rating Area 6	Tobacco User/Non-Tobacco User	64 and over	1387.16	1733.96
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	0-14	364.34	364.34
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	15	396.73	396.73
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	16	409.11	409.11
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	17	421.49	421.49
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	18	434.83	434.83
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	19	448.16	448.16
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	20	461.97	461.97
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	21	476.26	488.17
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	22	476.26	488.17
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	23	476.26	488.17
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	24	476.26	488.17
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	25	478.17	490.12
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	26	487.69	499.88
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	27	499.12	511.60
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	28	517.70	530.64
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	29	532.94	546.26
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	30	540.56	554.07
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	31	551.99	565.79
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	32	563.42	577.50
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	33	570.56	584.83
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	34	578.18	592.64
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	35	581.99	596.54
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	36	585.80	600.45
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	37	589.61	604.35
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	38	593.42	608.26
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	39	601.04	616.07
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	40	608.66	654.31
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	41	620.09	666.60
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	42	631.05	678.38
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	43	646.29	694.76
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	44	665.34	715.24
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	45	687.72	756.49
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	46	714.39	785.83
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	47	744.40	818.84
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	48	778.69	856.56
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	49	812.50	893.75
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	50	850.60	978.19
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	51	888.23	1021.46
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	52	929.66	1069.11
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	53	971.57	1117.31
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	54	1016.82	1169.34
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	55	1062.06	1274.48
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	56	1111.12	1333.34
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	57	1160.65	1392.78
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	58	1213.51	1456.22
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	59	1239.71	1487.65
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	60	1292.57	1615.72
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	61	1338.30	1672.87
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	62	1368.30	1710.37
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	63	1405.92	1757.41
45127PA0020008	Rating Area 7	Tobacco User/Non-Tobacco User	64 and over	1428.78	1785.98
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	0-14	382.03	382.03
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	15	415.98	415.98
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	16	428.97	428.97
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	17	441.95	441.95
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	18	455.94	455.94
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	19	469.92	469.92
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	20	484.40	484.40
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	21	499.38	511.87
45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	22	499.38	511.87

	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	23	499.38	511.87
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	24	499.38	511.87
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	25	501.38	513.91
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	26	511.37	524.15
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	27	523.35	536.44
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	28	542.83	556.40
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	29	558.81	572.78
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	30	566.80	580.97
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	31	578.78	593.25
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	32	590.77	605.54
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	33	598.26	613.22
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	34	606.25	621.40
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	35	610.24	625.50
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	36	614.24	629.59
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	37	618.23	633.69
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	38	622.23	637.78
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	39	630.22	645.97
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	40	638.21	686.07
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	41	650.19	698.96
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	42	661.68	711.31
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	43	677.66	728.48
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	44	697.64	749.96
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	45	721.11	793.22
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	46	749.07	823.98
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	47	780.53	858.59
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	48	816.49	898.14
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	49	851.94	937.14
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	50	891.89	1025.68
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	51	931.35	1071.05
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	52	974.79	1121.01
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	53	1018.74	1171.55
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	54	1066.18	1226.11
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	55	1113.62	1336.34
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	56	1165.06	1398.07
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	57	1216.99	1460.39
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	58	1272.42	1526.91
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	59	1299.89	1559.87
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	60	1355.32	1694.15
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	61	1403.26	1754.08
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	62	1434.72	1793.40
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	63	1474.17	1842.72
	45127PA0020008	Rating Area 9	Tobacco User/Non-Tobacco User	64 and over	1498.13	1872.68
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	0-14	348.99	348.99	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	15	380.01	380.01	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	16	391.88	391.88	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	17	403.74	403.74	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	18	416.51	416.51	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	19	429.28	429.28	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	20	442.51	442.51	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	21	456.20	467.60	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	22	456.20	467.60	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	23	456.20	467.60	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	24	456.20	467.60	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	25	458.02	469.48	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	26	467.15	478.83	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	27	478.10	490.05	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	28	495.89	508.29	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	29	510.49	523.25	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	30	517.79	530.73	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	31	528.74	541.95	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	32	539.68	553.18	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	33	546.53	560.19	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	34	553.83	567.67	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	35	557.48	571.41	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	36	561.13	575.15	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	37	564.78	578.89	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	38	568.43	582.64	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	39	575.72	590.12	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	40	583.02	626.75	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	41	593.97	638.52	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	42	604.46	649.80	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	43	619.06	665.49	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	44	637.31	685.11	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	45	658.75	724.63	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	46	684.30	752.73	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	47	713.04	784.34	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	48	745.89	820.48	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	49	778.28	856.10	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	50	814.77	936.99	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	51	850.81	978.43	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	52	890.50	1024.08	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	53	930.65	1070.25	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	54	973.99	1120.09	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	55	1017.33	1220.79	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	56	1064.31	1277.18	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	57	1111.76	1334.11	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	58	1162.40	1394.88	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	59	1187.49	1424.99	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	60	1238.13	1547.66	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	61	1281.92	1602.40	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	62	1310.66	1638.33	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	63	1346.70	1683.38	
45127PA0020013	Rating Area 6	Tobacco User/Non-Tobacco User	64 and over	1368.59	1710.75	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	0-14	359.46	359.46	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	15	391.42	391.42	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	16	403.63	403.63	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	17	415.85	415.85	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	18	429.01	429.01	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	19	442.16	442.16	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	20	455.79	455.79	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	21	469.89	481.63	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	22	469.89	481.63	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	23	469.89	481.63	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	24	469.89	481.63	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	25	471.77	483.56	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	26	481.16	493.19	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	27	492.44	504.75	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	28	510.77	523.54	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	29	525.80	538.95	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	30	533.32	546.65	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	31	544.60	558.21	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	32	555.88	569.77	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	33	562.92	577.00	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	34	570.44	584.70	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	35	574.20	588.56	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	36	577.96	592.41	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	37	581.72	596.26	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	38	585.48	600.11	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	39	593.00	607.82	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	40	600.51	645.55	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	41	611.79	657.68	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	42	622.60	669.29	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	43	637.64	685.46	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	44	656.43	705.66	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	45	678.52	746.37	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	46	704.83	775.31	
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	47	734.43	807.87	

45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	48	768.26	845.09
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	49	801.63	881.79
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	50	839.22	965.10
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	51	876.34	1007.79
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	52	917.22	1054.80
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	53	958.57	1102.35
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	54	1003.21	1153.69
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	55	1047.85	1257.41
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	56	1096.24	1315.49
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	57	1145.11	1374.13
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	58	1197.27	1436.72
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	59	1223.11	1467.74
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	60	1275.27	1594.09
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	61	1320.38	1650.47
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	62	1349.98	1687.48
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	63	1387.10	1733.88
45127PA0020013	Rating Area 7	Tobacco User/Non-Tobacco User	64 and over	1409.66	1762.07
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	0-14	376.91	376.91
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	15	410.42	410.42
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	16	423.23	423.23
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	17	436.04	436.04
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	18	449.83	449.83
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	19	463.63	463.63
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	20	477.92	477.92
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	21	492.70	505.01
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	22	492.70	505.01
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	23	492.70	505.01
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	24	492.70	505.01
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	25	494.67	507.03
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	26	504.52	517.13
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	27	516.35	529.25
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	28	535.56	548.95
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	29	551.33	565.11
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	30	559.21	573.19
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	31	571.03	585.31
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	32	582.86	597.43
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	33	590.25	605.01
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	34	598.13	613.09
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	35	602.07	617.13
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	36	606.02	621.17
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	37	609.96	625.21
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	38	613.90	629.25
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	39	621.78	637.33
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	40	629.67	676.89
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	41	641.49	689.60
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	42	652.82	701.78
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	43	668.59	718.73
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	44	688.30	739.92
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	45	711.45	782.60
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	46	739.04	812.95
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	47	770.08	847.09
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	48	805.56	886.11
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	49	840.54	924.59
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	50	879.96	1011.95
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	51	918.88	1056.71
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	52	961.74	1106.00
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	53	1005.10	1155.86
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	54	1051.91	1209.69
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	55	1098.71	1318.45
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	56	1149.46	1379.35
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	57	1200.70	1440.84
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	58	1255.39	1506.47
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	59	1282.49	1538.99
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	60	1337.18	1671.47
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	61	1384.48	1730.59
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	62	1415.52	1769.39
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	63	1454.44	1818.05
45127PA0020013	Rating Area 9	Tobacco User/Non-Tobacco User	64 and over	1478.09	1847.61
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	0-14	260.57	260.57
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	15	283.73	283.73
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	16	292.58	292.58
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	17	301.44	301.44
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	18	310.98	310.98
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	19	320.51	320.51
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	20	330.39	330.39
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	21	340.61	349.13
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	22	340.61	349.13
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	23	340.61	349.13
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	24	340.61	349.13
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	25	341.97	350.52
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	26	348.78	357.50
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	27	356.96	365.88
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	28	370.24	379.50
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	29	381.14	390.67
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	30	386.59	396.26
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	31	394.77	404.64
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	32	402.94	413.02
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	33	408.05	418.25
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	34	413.50	423.84
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	35	416.23	426.63
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	36	418.95	429.42
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	37	421.68	432.22
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	38	424.40	435.01
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	39	429.85	440.60
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	40	435.30	467.95
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	41	443.47	476.73
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	42	451.31	485.16
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	43	462.21	496.87
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	44	475.83	511.52
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	45	491.84	541.02
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	46	510.92	562.01
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	47	532.37	585.61
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	48	556.90	612.59
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	49	581.08	639.19
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	50	608.33	699.58
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	51	635.24	730.52
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	52	664.87	764.60
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	53	694.84	799.07
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	54	727.20	836.28
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	55	759.56	911.47
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	56	794.64	953.57
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	57	830.07	996.08
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	58	867.87	1041.45
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	59	886.61	1063.93
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	60	924.42	1155.52
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	61	957.11	1196.39
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	62	978.57	1223.22
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	63	1005.48	1256.85
45127PA0020020	Rating Area 6	Tobacco User/Non-Tobacco User	64 and over	1021.82	1277.29
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	0-14	268.38	268.38
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	15	292.24	292.24
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	16	301.36	301.36
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	17	310.48	310.48
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	18	320.31	320.31
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	19	330.13	330.13

45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	20	340.30	340.30
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	21	350.83	359.60
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	22	350.83	359.60
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	23	350.83	359.60
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	24	350.83	359.60
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	25	352.23	361.04
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	26	359.25	368.23
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	27	367.67	376.86
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	28	381.35	390.88
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	29	392.58	402.39
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	30	398.19	408.14
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	31	406.61	416.78
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	32	415.03	425.41
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	33	420.29	430.80
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	34	425.91	436.55
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	35	428.71	439.43
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	36	431.52	442.31
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	37	434.33	445.18
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	38	437.13	448.06
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	39	442.75	453.81
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	40	448.36	481.99
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	41	456.78	491.04
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	42	464.85	499.71
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	43	476.07	511.78
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	44	490.11	526.87
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	45	506.60	557.26
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	46	526.24	578.87
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	47	548.34	603.18
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	48	573.60	630.96
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	49	598.51	658.36
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	50	626.58	720.57
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	51	654.29	752.44
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	52	684.82	787.54
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	53	715.69	823.04
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	54	749.02	861.37
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	55	782.35	938.82
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	56	818.48	982.18
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	57	854.97	1025.96
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	58	893.91	1072.69
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	59	913.21	1095.85
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	60	952.15	1190.19
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	61	985.83	1232.28
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	62	1007.93	1259.91
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	63	1035.65	1294.56
45127PA0020020	Rating Area 7	Tobacco User/Non-Tobacco User	64 and over	1052.48	1315.61
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	0-14	281.41	281.41
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	15	306.43	306.43
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	16	315.99	315.99
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	17	325.56	325.56
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	18	335.86	335.86
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	19	346.16	346.16
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	20	356.82	356.82
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	21	367.86	377.06
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	22	367.86	377.06
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	23	367.86	377.06
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	24	367.86	377.06
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	25	369.33	378.56
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	26	376.69	386.10
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	27	385.52	395.15
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	28	399.86	409.86
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	29	411.63	421.92
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	30	417.52	427.96
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	31	426.35	437.01
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	32	435.18	446.06
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	33	440.69	451.71
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	34	446.58	457.75
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	35	449.52	460.76
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	36	452.47	463.78
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	37	455.41	466.79
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	38	458.35	469.81
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	39	464.24	475.84
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	40	470.12	505.38
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	41	478.95	514.87
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	42	487.41	523.97
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	43	499.18	536.62
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	44	513.90	552.44
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	45	531.19	584.31
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	46	551.79	606.97
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	47	574.96	632.46
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	48	601.45	661.59
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	49	627.57	690.32
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	50	657.00	755.55
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	51	686.06	788.97
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	52	718.06	825.77
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	53	750.43	863.00
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	54	785.38	903.19
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	55	820.33	984.39
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	56	858.21	1029.86
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	57	896.47	1075.77
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	58	937.30	1124.77
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	59	957.54	1149.04
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	60	998.37	1247.96
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	61	1033.68	1292.10
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	62	1056.86	1321.07
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	63	1085.92	1357.40
45127PA0020020	Rating Area 9	Tobacco User/Non-Tobacco User	64 and over	1103.57	1379.47
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	0-14	297.44	297.44
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	15	323.88	323.88
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	16	333.99	333.99
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	17	344.10	344.10
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	18	354.98	354.98
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	19	365.87	365.87
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	20	377.15	377.15
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	21	388.81	398.53
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	22	388.81	398.53
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	23	388.81	398.53
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	24	388.81	398.53
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	25	390.37	400.12
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	26	398.14	408.09
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	27	407.47	417.66
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	28	422.64	433.20
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	29	435.08	445.96
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	30	441.30	452.33
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	31	450.63	461.90
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	32	459.96	471.46
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	33	465.79	477.44
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	34	472.02	483.82
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	35	475.13	487.00
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	36	478.24	490.19
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	37	481.35	493.38
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	38	484.46	496.57
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	39	490.68	502.95
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	40	496.90	534.17
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	41	506.23	544.20
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	42	515.17	553.81



45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	43	527.62	567.19
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	44	543.17	583.91
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	45	561.44	617.59
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	46	583.22	641.54
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	47	607.71	668.48
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	48	635.70	699.27
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	49	663.31	729.64
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	50	694.41	798.58
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	51	725.13	833.90
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	52	758.96	872.80
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	53	793.17	912.15
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	54	830.11	954.63
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	55	867.05	1040.46
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	56	907.09	1088.51
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	57	947.53	1137.04
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	58	990.69	1188.83
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	59	1012.07	1214.49
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	60	1055.23	1319.04
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	61	1092.56	1365.70
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	62	1117.05	1396.31
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	63	1147.77	1434.71
45127PA0020021	Rating Area 6	Tobacco User/Non-Tobacco User	64 and over	1166.42	1458.04
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	0-14	306.36	306.36
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	15	333.60	333.60
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	16	344.01	344.01
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	17	354.42	354.42
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	18	365.63	365.63
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	19	376.85	376.85
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	20	388.46	388.46
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	21	400.47	410.49
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	22	400.47	410.49
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	23	400.47	410.49
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	24	400.47	410.49
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	25	402.08	412.13
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	26	410.09	420.34
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	27	419.70	430.19
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	28	435.32	446.20
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	29	448.13	459.33
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	30	454.54	465.90
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	31	464.15	475.75
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	32	473.76	485.61
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	33	479.77	491.76
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	34	486.18	498.33
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	35	489.38	501.61
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	36	492.58	504.90
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	37	495.79	508.18
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	38	498.99	511.47
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	39	505.40	518.03
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	40	511.81	550.19
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	41	521.42	560.52
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	42	530.63	570.43
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	43	543.44	584.20
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	44	559.46	601.42
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	45	578.28	636.11
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	46	600.71	660.78
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	47	625.94	688.54
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	48	654.78	720.25
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	49	683.21	751.53
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	50	715.25	822.53
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	51	746.88	858.92
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	52	781.73	898.98
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	53	816.97	939.51
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	54	855.01	983.26
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	55	893.06	1071.67
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	56	934.31	1121.17
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	57	975.96	1171.15
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	58	1020.41	1224.49
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	59	1042.43	1250.92
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	60	1086.89	1358.61
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	61	1125.33	1406.67
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	62	1150.56	1438.20
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	63	1182.20	1477.75
45127PA0020021	Rating Area 7	Tobacco User/Non-Tobacco User	64 and over	1201.41	1501.78
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	0-14	321.23	321.23
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	15	349.79	349.79
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	16	360.71	360.71
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	17	371.62	371.62
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	18	383.38	383.38
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	19	395.14	395.14
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	20	407.32	407.32
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	21	419.91	430.41
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	22	419.91	430.41
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	23	419.91	430.41
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	24	419.91	430.41
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	25	421.59	432.13
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	26	429.99	440.74
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	27	440.07	451.07
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	28	456.45	467.86
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	29	469.88	481.63
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	30	476.60	488.52
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	31	486.68	498.85
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	32	496.76	509.18
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	33	503.06	515.63
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	34	509.78	522.52
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	35	513.14	525.96
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	36	516.50	529.41
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	37	519.85	532.85
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	38	523.21	536.29
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	39	529.93	543.18
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	40	536.65	576.90
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	41	546.73	587.73
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	42	556.39	598.12
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	43	569.82	612.56
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	44	586.62	630.62
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	45	606.36	666.99
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	46	629.87	692.86
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	47	656.33	721.96
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	48	686.56	755.22
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	49	716.37	788.01
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	50	749.97	862.46
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	51	783.14	900.61
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	52	819.67	942.62
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	53	856.63	985.12
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	54	896.52	1031.00
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	55	936.41	1123.69
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	56	979.66	1175.59
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	57	1023.33	1228.00
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	58	1069.94	1283.93
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	59	1093.04	1311.65
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	60	1139.65	1424.56
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	61	1179.96	1474.95
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	62	1206.42	1508.02
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	63	1239.59	1549.49
45127PA0020021	Rating Area 9	Tobacco User/Non-Tobacco User	64 and over	1259.73	1574.68
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	0-14	354.32	354.32

45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	15	385.81	385.81
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	16	397.85	397.85
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	17	409.89	409.89
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	18	422.86	422.86
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	19	435.83	435.83
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	20	449.26	449.26
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	21	463.16	474.74
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	22	463.16	474.74
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	23	463.16	474.74
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	24	463.16	474.74
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	25	465.01	476.64
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	26	474.27	486.13
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	27	485.39	497.52
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	28	503.45	516.04
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	29	518.27	531.23
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	30	525.68	538.83
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	31	536.80	550.22
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	32	547.92	561.61
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	33	554.86	568.73
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	34	562.27	576.33
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	35	565.98	580.13
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	36	569.68	583.93
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	37	573.39	587.72
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	38	577.09	591.52
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	39	584.51	599.12
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	40	591.92	636.31
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	41	603.03	648.26
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	42	613.68	659.71
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	43	628.51	675.64
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	44	647.03	695.56
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	45	668.80	735.68
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	46	694.74	764.21
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	47	723.92	796.31
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	48	757.26	832.99
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	49	790.15	869.16
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	50	827.20	951.28
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	51	863.79	993.36
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	52	904.08	1039.70
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	53	944.84	1086.57
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	54	988.84	1137.17
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	55	1032.84	1239.41
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	56	1080.55	1296.66
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	57	1128.72	1354.46
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	58	1180.13	1416.15
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	59	1205.60	1446.72
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	60	1257.01	1571.26
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	61	1301.47	1626.84
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	62	1330.65	1663.32
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	63	1367.24	1709.05
45127PA0140001	Rating Area 9	Tobacco User/Non-Tobacco User	64 and over	1389.47	1736.84

Capital Advantage Assurance Company  
Individual Rates  
Effective 1/1/2019  
Benefit Summary

INDIVIDUAL PORTFOLIO

Changes	Plan Name	HIOS ID		Deductible (2x Family)	Coinsurance	Out-of-Pocket Maximum	PCP	Specialist	Emergency Room	Urgent Care	IP Hospital per day, maximum of 5 days	Hi-Tech Imaging	Lab Ind   Hos	OP Surgery ASC   ACH	Small Group: Rx \$0 Individual: Rx	Small Group: Rx \$250 (brand only deductible) Individual: N/A
		Small Group: Rx \$0 Individual: Rx	Small Group: Rx \$250 (brand only deductible) Individual: N/A													
PLATINUM PRODUCTS																
GOLD PRODUCTS																
Changes	Gold PPO 2000/10/20	45127PA0020013		\$2,000	10%	\$7,350	\$20	\$45	D/300	\$75	N/A	D/25%	D/10%   25	D/75   250	Rx Ded: Combined, Rx Gen - Ded Applies? N, Retail: 10/0/25/75, Mail: 20/0/50/150	
New Plan	Gold Capital Advantage EPO 2000/0/25	45127PA0140001		\$2,000	0%	\$7,350	\$25	\$50	D/300	\$75	N/A	D	D   D/25	D/25   D/100	Rx Ded: Combined, Rx Gen - Ded Applies? N, Retail: 10/0/50/100, Mail: 20/0/100/200	
SILVER PRODUCTS																
Changes	Silver PPO 4950/10/30	45127PA0020021		\$4,950	10%	\$7,350	\$30	\$75	D/400	\$75	N/A	D/25%	D/10%   25	D/75   250	Rx Ded: Combined, Rx Gen - Ded Applies? N, Retail: 10/0/50/100, Mail: 20/0/100/200	
Changes	Silver PPO 5000 CSR73	45127PA002000804		\$4,500	8%	\$5,850	\$10	\$20	D/200	\$45	N/A	D/18%	D/8%   20	D/60   200	Rx Ded: Combined, Rx Gen - Ded Applies? N, Retail: 5/0/25/55, Mail: 10/0/50/110	
Changes	Silver PPO 5000 CSR87	45127PA002000805		\$1,200	5%	\$2,450	\$5	\$10	D/75	\$35	N/A	D/15%	D/5%   15	D/40   100	Rx Ded: Combined, Rx Gen - Ded Applies? N, Retail: 3/0/15/40, Mail: 6/0/30/80	
Changes	Silver PPO 5000 CSR94	45127PA002000806		\$250	0%	\$1,250	\$3	\$5	D/50	\$20	N/A	D/10%	D   10	D/20   50	Rx Ded: Combined, Rx Gen - Ded Applies? N, Retail: 2/0/10/25, Mail: 4/0/20/50	
Changes	Silver PPO 5000/10/30	45127PA0020008		\$5,000	10%	\$7,350	\$30	\$75	D/400	\$75	N/A	D/25%	D/10%   25	D/75   250	Rx Ded: Combined, Rx Gen - Ded Applies? N, Retail: 10/0/50/100, Mail: 20/0/100/200	
BRONZE PRODUCTS																
Changes	Bronze PPO 7350/0/60	45127PA0020020		\$7,350	0%	\$7,350	\$60	\$85	D	D	N/A	D	D   25	D   250	Rx Ded: Combined, Rx Gen - Ded Applies? Y, Retail: 0/0/0/0, Mail: 0/0/0/0	

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



Capital Advantage Assurance Company  
Individual Rates  
Effective 1/1/2019  
Benefit Change Summary

Line	On/Off Exchange	New/Existing	HIOS	Med Description	Rx Description	AV		Metal Level		HRA Amount		Deductible(2x Family)		Coinsurance		MOOP	
						2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
1	On Exchange	Existing	45127PA0020013	Gold PPO 2000/10/20	Combined w/Med	76.3%	76.0%	Gold	Gold	0	0	2,000	2,000	10%	10%	7,350	7,350
2	Off Exchange	Existing	45127PA0020021	Silver PPO 4950/10/30	Combined w/Med	66.7%	68.3%	Silver	Silver	0	0	4,950	4,950	10%	10%	7,350	7,350
3	On Exchange	Existing	45127PA002000804	Silver PPO 5000 CSR73	Combined w/Med	72.3%	73.4%	Silver	Silver	0	0	4,500	4,500	8%	8%	5,850	5,850
4	On Exchange	Existing	45127PA002000805	Silver PPO 5000 CSR87	Combined w/Med	86.3%	86.6%	Gold	Gold	0	0	1,200	1,200	5%	5%	2,450	2,450
5	On Exchange	Existing	45127PA002000806	Silver PPO 5000 CSR94	Combined w/Med	94.5%	94.2%	Platinum	Platinum	0	0	250	250	0%	0%	1,250	1,250
6	On Exchange	Existing	45127PA0020008	Silver PPO 5000/10/30	Combined w/Med	66.6%	68.2%	Silver	Silver	0	0	5,000	5,000	10%	10%	7,350	7,350
7	Off Exchange	Existing	53789PA0100008	Bronze HMO 7350/0/60	Combined w/Med	61.3%	62.6%	Bronze	Bronze	0	0	7,350	7,350	0%	0%	7,350	7,350
8	On Exchange	Existing	45127PA0020020	Bronze PPO 7350/0/60	Combined w/Med	61.3%	62.6%	Bronze	Bronze	0	0	7,350	7,350	0%	0%	7,350	7,350
9	Off Exchange	Existing	53789PA0100004	Catastrophic HMO 7900/0/75	Combined w/Med	60.3%	60.0%	Catastrophic	Catastrophic	0	0	7,350	7,900	0%	0%	7,350	7,900
10	Off Exchange	New	82795PA0140001	Catastrophic PPO 7900/0/75	Combined w/Med		60.0%		Catastrophic		0		7,900		0%		7,900
11	On Exchange	New	45127PA0140001	Gold Capital Advantage EPO 2000/0/25	Combined w/Med		76.2%		Gold		0		2,000		0%		7,350

Line	On/Off Exchange	New/Existing	HIOS	Med Description	Rx Description	ACA PCP		Non-ACA PCP		SPC		ER		UC		IP Hosp Copay Per Day		Hi-Tech Imaging		Low End Imaging		Lab Independent		Lab Hospital-Based		OP Surg ASC	
						2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
1	On Exchange	Existing	45127PA0020013	Gold PPO 2000/10/20	Combined w/Med	20	20	20	20	50	45	D/300	D/300	75	75	N/A	N/A	D/10%	D/25%	D/10%	D/10%	25	25	D/75	D/75	D	250
2	Off Exchange	Existing	45127PA0020021	Silver PPO 4950/10/30	Combined w/Med	30	30	30	30	75	75	D/400	D/400	75	75	N/A	N/A	D/10%	D/25%	D/10%	D/10%	25	25	D/75	D/75	D	250
3	On Exchange	Existing	45127PA002000804	Silver PPO 5000 CSR73	Combined w/Med	10	10	10	10	20	20	D/200	D/200	45	45	N/A	N/A	D/8%	D/18%	D/8%	D/8%	20	20	D/60	D/60	D	200
4	On Exchange	Existing	45127PA002000805	Silver PPO 5000 CSR87	Combined w/Med	5	5	5	5	10	10	D/75	D/75	35	35	N/A	N/A	D/5%	D/15%	D/5%	D/5%	15	15	D/40	D/40	D	100
5	On Exchange	Existing	45127PA002000806	Silver PPO 5000 CSR94	Combined w/Med	3	3	3	3	5	5	D/50	D/50	20	20	N/A	N/A	D/0%	D/10%	D	D	10	10	D/20	D/20	D	50
6	On Exchange	Existing	45127PA0020008	Silver PPO 5000/10/30	Combined w/Med	30	30	30	30	75	75	D/400	D/400	75	75	N/A	N/A	D/10%	D/25%	D/10%	D/10%	25	25	D/75	D/75	D	250
7	Off Exchange	Existing	53789PA0100008	Bronze HMO 7350/0/60	Combined w/Med	60	60	60	60	85	85	D	D	D	D	N/A	N/A	D	D	D	D	25	25	D	D	D	250
8	On Exchange	Existing	45127PA0020020	Bronze PPO 7350/0/60	Combined w/Med	60	60	60	60	85	85	D	D	D	D	N/A	N/A	D	D	D	D	25	25	D	D	D	250
9	Off Exchange	Existing	53789PA0100004	Catastrophic HMO 7900/0/75	Combined w/Med	75	75	75	75	D	D	D	D	D	D	N/A	N/A	D	D	D	D	25	D	D	D	D	D
10	Off Exchange	New	82795PA0140001	Catastrophic PPO 7900/0/75	Combined w/Med		75		75		D		D		D		N/A		D	D		D		D		D	
11	On Exchange	New	45127PA0140001	Gold Capital Advantage EPO 2000/0/25	Combined w/Med		25		25		50		D/300		75		N/A		D	D		D/25		D/25		D/100	

Line	On/Off Exchange	New/Existing	HIOS	Med Description	Rx Description	OP Surg AHC		Rx Ded		Rx Gen - Ded Applies?		Rx Gen Pref		Rx Gen Non-Pref		Rx Brand Pref		Rx Brand Non-Pref		Rx Specialty Coin Tier 1		Rx Specialty Max Tier 1		Rx Specialty Coin Tier 2		Rx Specialty Max Tier 2		
						2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
1	On Exchange	Existing	45127PA0020013	Gold PPO 2000/10/20	Combined w/Med	D/10%	D/10%	Combined	Combined	N	N	3	10	3	0	25	25	75	75	40%	40%	1000	800	40%	40%	1000	1000	
2	Off Exchange	Existing	45127PA0020021	Silver PPO 4950/10/30	Combined w/Med	D/10%	D/10%	Combined	Combined	N	N	10	10	10	0	50	50	100	100	50%	50%	1000	800	50%	50%	1000	1000	
3	On Exchange	Existing	45127PA002000804	Silver PPO 5000 CSR73	Combined w/Med	D/8%	D/8%	Combined	Combined	N	N	5	5	5	0	25	25	55	55	40%	40%	800	700	40%	40%	800	800	
4	On Exchange	Existing	45127PA002000805	Silver PPO 5000 CSR87	Combined w/Med	D/5%	D/5%	Combined	Combined	N	N	3	3	3	0	15	15	40	40	30%	30%	500	400	30%	30%	500	500	
5	On Exchange	Existing	45127PA002000806	Silver PPO 5000 CSR94	Combined w/Med	D	D	Combined	Combined	N	N	2	2	2	0	10	10	25	25	10%	10%	300	200	10%	10%	300	300	
6	On Exchange	Existing	45127PA0020008	Silver PPO 5000/10/30	Combined w/Med	D/10%	D/10%	Combined	Combined	N	N	10	10	10	0	50	50	100	100	50%	50%	1000	800	50%	50%	1000	1000	
7	Off Exchange	Existing	53789PA0100008	Bronze HMO 7350/0/60	Combined w/Med	D	D	Combined	Combined	Y	Y	0	0	0	0	0	0	0	0	50%	50%	0	0	50%	50%	0	0	
8	On Exchange	Existing	45127PA0020020	Bronze PPO 7350/0/60	Combined w/Med	D	D	Combined	Combined	Y	Y	0	0	0	0	0	0	0	0	50%	50%	0	0	50%	50%	0	0	
9	Off Exchange	Existing	53789PA0100004	Catastrophic HMO 7900/0/75	Combined w/Med	D	D	Combined	Combined	Y	Y	0	0	0	0	0	0	0	0	0%	0%	0	0	0%	0%	0	0	
10	Off Exchange	New	82795PA0140001	Catastrophic PPO 7900/0/75	Combined w/Med		D		Combined		Y		0		0		0			0%			0		0%		0	
11	On Exchange	New	45127PA0140001	Gold Capital Advantage EPO 2000/0/25	Combined w/Med		D/100		Combined		N		10		0		50		100		50%			800		50%		1000

Line	On/Off Exchange	New/Existing	HIOS	Med Description	Rx Description	Rx Gen Pref Coins		Rx Gen Non-Pref Coins		Rx Brand Pref Coin		Rx Brand Non-Pref Coins		Rx Gen Pref Mail Copay		Rx Gen Non-Pref Mail Copay		Rx Brand Pref Mail Copay		Rx Brand Non-Pref Mail Copay	
						2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
1	On Exchange	Existing	45127PA0020013	Gold PPO 2000/10/20	Combined w/Med	0%	0%	0%	25%	0%	0%	0%	0%	8	20	8	0	63	50	188	150
2	Off Exchange	Existing	45127PA0020021	Silver PPO 4950/10/30	Combined w/Med	0%	0%	0%	25%	0%	0%	0%	0%	25	20	25	0	125	100	250	200
3	On Exchange	Existing	45127PA002000804	Silver PPO 5000 CSR73	Combined w/Med	0%	0%	0%	18%	0%	0%	0%	0%	13	10	13	0	63	50	138	110
4	On Exchange	Existing	45127PA002000805	Silver PPO 5000 CSR87	Combined w/Med	0%	0%	0%	15%	0%	0%	0%	0%	8	6	8	0	38	30	100	80
5	On Exchange	Existing	45127PA002000806	Silver PPO 5000 CSR94	Combined w/Med	0%	0%	0%	10%	0%	0%	0%	0%	5	4	5	0	25	20	63	50
6	On Exchange	Existing	45127PA0020008	Silver PPO 5000/10/30	Combined w/Med	0%	0%	0%	25%	0%	0%	0%	0%	25	20	25	0	125	100	250	200
7	Off Exchange	Existing	53789PA0100008	Bronze HMO 7350/0/60	Combined w/Med	0%	0%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0	0
8	On Exchange	Existing	45127PA0020020	Bronze PPO 7350/0/60	Combined w/Med	0%	0%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0	0
9	Off Exchange	Existing	53789PA0100004	Catastrophic HMO 7900/0/75	Combined w/Med	0%	0%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0	0
10	Off Exchange	New	82795PA0140001	Catastrophic PPO 7900/0/75	Combined w/Med				0%		0%		0%		0		0		0		0
11	On Exchange	New	45127PA0140001	Gold Capital Advantage EPO 2000/0/25	Combined w/Med		0%		25%		0%		0%		20		0		100		200

Capital Advantage Assurance Company  
Individual Rates  
Effective 1/1/2019  
Benefit Categories

Exhibit C\_BoneCut

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 - Physical Therapy
Professional	Pathology/Lab - IP
Professional	Preventive care - Hearing/Speech Exams
Professional	Preventive care - Immunization
Professional	Preventive care - Other
Professional	Preventive care - Physical Exams
Professional	Preventive care - Well Baby Exams
Professional	Radiology - IP
Professional	Unmapped
Professional	ADDL Benefits Other
Professional	Hearing Aids
Professional	IP Visits - Medical
Professional	Independent Lab
Professional	Maternity - Cesarean Deliveries
Professional	Maternity - Non Deliveries
Professional	Maternity - Normal Deliveries
Professional	OP Visits - OP Psychiatric
Professional	OP Visits - OP Substance Abuse
Professional	Office Administered Drugs
Professional	Office/Misc - Allergy Immunotherapy
Professional	Office/Misc - Allergy Testing
Professional	Office/Misc - Misc. Medical
Professional	Office/Misc - Office/Home Visits
Professional	Office/Misc - Urgent Care
Professional	Other Physician - Cardiovascular
Professional	Other Physician - Chiropractor
Professional	Other Physician - Consults
Professional	Other Physician - Emergency Room Visits
Professional	Other Physician - Physical Therapy
Professional	Outpatient Surgery - Anesthesia
Professional	Outpatient Surgery - Office
Professional	Outpatient Surgery - Outpatient Facility
Professional	Pathology/Lab - OP
Professional	Pathology/Lab - Office
Professional	Preventive care - Hearing/Speech Exams
Professional	Preventive care - Immunization
Professional	Preventive care - Other
Professional	Preventive care - Physical Exams
Professional	Preventive care - Well Baby Exams
Professional	Radiology - OP - CT/MRI/PET
Professional	Radiology - OP - General
Professional	Radiology - Office - CT/MRI/PET
Professional	Radiology - Office - General
Professional	Unmapped
Other Medical	Unmapped
Other Medical	OP - Ambulance
Other Medical	OP - DME
Other Medical	OP - Home Health/PDN
Other Medical	OP - Medical Surgical Supplies
Other Medical	Dental
Other Medical	Other - Ambulance
Other Medical	Other - DME
Other Medical	Other - Glasses/Contacts
Other Medical	Other - PDN/Home Health
Other Medical	Other - Prosthetics
Other Medical	Preventive care - Vision Exams
Other Medical	Dental
Other Medical	Other - Ambulance
Other Medical	Other - DME
Other Medical	Other - Glasses/Contacts
Other Medical	Other - PDN/Home Health
Other Medical	Other - Prosthetics
Other Medical	Preventive care - Vision Exams

Capital Advantage Assurance Company  
Individual Rates  
Effective 1/1/2019  
Benefit Mix Changes

Benefit Mix Calculation			
	Med Manual Cost	Rx Manual Cost	Manual Cost PMPM
Average in Experience Period			338.70
Average in Rating Period			303.20
Benefit Mix Adjustment			0.90

BEP Manual Cost Calculation							
Company	HIOS 14 Digit	Med Plan	Rx Plan	Med Man Cost PMPM	Rx Man Cost PMPM	Manual Cost PMPM	BEP MM
CAAC	45127PA002000800	PPOIJ310				333.29	57,247
CAAC	45127PA002000801	PPOIJ304				333.29	144,631
CAAC	45127PA002000802	PPOIJ305				333.29	83
CAAC	45127PA002000803	PPOIJ306				333.29	7
CAAC	45127PA002001300	PPOIJ335				350.57	35,325
CAAC	45127PA002001301	PPOIJ332				350.57	56,637
CAAC	45127PA002001302	PPOIJ333				350.57	1
CAAC	45127PA002001303	PPOIJ334				350.57	4
KHPC	53789PA010000400	HMOIJ712				295.6	8,616
KHPC	53789PA010000800	HMOIJ725				248.18	24,315
CAIC	82795PA012000100	PGOIJ500				356.26	1,816

Projected 2019 Manual Cost Calculation				303.20	450,740
Mapped 2019 Plan	Med Man Cost PMPM	Rx Man Cost PMPM	Total	Proj	Member
45127PA0020013	278.59	61.15	339.74		199,031
45127PA0020008	237.86	52.21	290.07		109,476
45127PA0020020	201.6	51.28	252.88		109,045
45127PA0020021	238.26	52.3	290.56		31,883
45127PA0140001	284.1618	62.11	346.2718		1,305

Capital Advantage Assurance Company  
Individual Rates  
Effective 1/1/2019  
Trend

Trend by Service Category						
Category	Cost	Util	Induced Demand	Total	Weights	Total Weights
Inpatient Hospital	9.3%	1.3%	1.0%	11.8%	25%	21%
Outpatient Hospital	9.0%	1.5%	1.0%	11.8%	44%	37%
Professional	7.4%	1.5%	1.0%	10.1%	26%	22%
Other Medical	9.0%	0.0%	1.0%	10.1%	4%	4%
Capitation	3.0%	0.0%	0.0%	3.0%	0%	0%
Prescription Drug	12.2%	0.8%	1.0%	14.2%	100%	16%
Dental & Vision	1.0%	2.0%	0.0%	3.0%	100%	100%

Aggregate Pricing Trend	
Total	11.7%
Medical	11.3%
Drug	14.2%
Agg Med + Rx Trend	11.7%
Dental and Vision	3.0%

Raw Trends			
URRT Categories	Cost	Utilization	Composite
Inpatient Hospital	5.2%	1.3%	6.5%
Outpatient Hospital	5.0%	1.5%	6.5%
Professional	3.4%	1.5%	4.9%
Other Medical	5.0%	0.0%	5.0%
Capitation	3.0%		3.0%
Prescription Drugs	6.8%	0.8%	7.7%
Dental & Vision	1.0%	2.0%	3.0%

\*From Hospital Trend Model

Adjustments to Pricing Trend			
Medical		Drug	
Intensity	0.5%	Contracting	-0.1%
Leveraging	3.6%	Leveraging	3.0%
Demographics	0.0%	Demographics	0.0%
Buy-Downs	0.0%	Buy-Downs	0.0%
Other	0.0%	Pipeline	2.5%
Total	4.1%	Total	5.4%

\*Adjustments in Drug Trend Model

**Capital Advantage Assurance Company**  
**Individual Rates**  
**Effective 1/1/2019**  
**Leveraging Calculation**

## Individual Leveraging Model

Zero Cost share Manual Rate:

479.2

Allowed Trend:

5.5%

<u>Market</u>	<u>Date</u>	<u>Expected Cost</u>	<u>Enrollment</u>	<u>PMPM</u>	<u>Implied AV</u>	<u>Fixed Cost Share</u>	<u>Leveraging</u>
IND	201803	10,699,088.08	40,445	264.53	0.5520	0.4480	3.6%

		1.10%	20% of members see increase in member cost share
Year	Issuer cost	Member Cost	Total
2018	264.53	214.67	479.20
2019	288.53	217.03	505.56
Trend	9.1%	1.1%	5.5%



Capital Advantage Assurance Company

Individual Rates

Effective 1/1/2019

URRT

Exhibit F\_URRT

Section II: Allowed Claims, PMPM basis

Benefit Category	Experience Period				Adj't. from Experience to Projection Period		Annualized Trend Factors		Projections		
	Utilization Description	Allowed			Pop'l risk MorbidityOther		CostUtil		Utilization per 1,000Average Cost/ServicePMPM		
		Utilization per 1,000	Average Cost/Service	PMPM							
Inpatient Hospital	Admits	114.81	15,215.05	145.57	1.166	1.000	1.093	1.023	140.00	18,169.46	211.97
Outpatient Hospital	Visits	4,270.00	716.61	254.99	1.166	1.000	1.090	1.025	5,232.41	851.90	371.46
Professional	Visits	15,742.67	115.39	151.38	1.166	1.000	1.074	1.025	19,290.87	133.21	214.15
Other Medical	Services	2,145.84	135.90	24.30	1.166	1.000	1.090	1.010	2,552.34	161.56	34.36
Capitation	Benefit Period	0.00	0.00	0.00	1.000	1.000	1.030	1.000	0.00	0.00	0.00
Prescription Drug	Prescriptions	10,115.11	125.43	105.73	1.166	1.000	1.122	1.018	12,230.04	157.83	160.86
Total	\$681.98				\$992.80						

\*Other

Change in Demographics1.000

Change in Network1.000

Change in Benefits1.000

Change in Other1.000

Capital Advantage Assurance Company  
Individual Rates  
Effective 1/1/2019  
Risk Score Deficiency Calculation

										Average Annual Cost		\$6,009											
										Lose 25% of members claims <\$6,100		0.75											
										Gain 25% of members claims > \$6,100		1.25											
2017 Dates of Service for all CBC ACA-Compliant Members														1.27		1.43		1.13					
														1.94		714.25							

Capital Advantage Assurance Company  
Individual Rates  
Effective 1/1/2019  
Paid to Allowed Ratio Development

Medical Rate Development		
Base Experience Period:	1/1/2017-12/31/2017	
Data as of	3/31/2018	
Rating Period:	1/1/2019 - 12/31/2019	
Trend Months:	24	
Trend:	11.3%	

Drug Rate Development		
Base Experience Period:	1/1/2017-12/31/2017	
Data as of	3/31/2018	
Rating Period:	1/1/2019 - 12/31/2019	
Trend Months:	24	
Trend:	14.2%	

Pediatric Dental Rate Development		
Base Experience Period:	1/1/2017-12/31/2017	
Data as of	3/31/2018	
Rating Period:	1/1/2019 - 12/31/2019	
Trend Months:	24	
Trend:	3.0%	

Pediatric Vision Rate Development		
Base Experience Period:	1/1/2017-12/31/2017	
Data as of	3/31/2018	
Rating Period:	1/1/2019 - 12/31/2019	
Trend Months:	24	
Trend:	3.0%	

1	Medical Paid and Incurred Claims*	264,863,209
2	Completion Factor	0.99
3	BEP Completed Claims (1) / (2)	266,542,801
4	BEP Member Months	605,994
5	BEP Completed Claim PMPM (3) / (4)	439.84
6	Trend Factor	1.24
7	Trended Claim PMPM (5) x (6)	544.58
8	Benefit Change Factor	0.90
9	Morbidity Adjustment	1.17
10	Capitation	0
11	Capitation PMPM	0.00
12	Other Adjustment	1.000
13	Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) + (11)] x (12)	568.44

Expected Claim PMPM in Rating Period	
Medical	568.44
Drug	146.19
Pediatric Dental	1.61
Pediatric Vision	0.17
Expected Distribution of Embedded Dental Benefit	
100%	
Total Expected Incurred in Rating Period	
716.41	
Total Expected Incurred in Rating Period Net RA	
674.54	

Projected Allowed	992.80
Paid to Allowed Ratio	0.722

\*Medical Paid and Incurred Claims are net of CSR

1	BEP Paid and Incurred Claims	56,391,666
2	Completion Factor	1.000
3	BEP Completed Claims (1) / (2)	56,391,707
4	BEP Member Months	599,196
5	BEP Completed Claim PMPM (3) / (4)	94.11
6	Trend Factor	1.30
7	Trended Claim PMPM (5) x (6)	122.80
8	Benefit Change Factor	0.90
9	Morbidity Adjustment	1.17
10	Rx Rebates	10,790,545
11	Rx Rebates PMPM	18.01
12	Other Adjustment	1.000
13	Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) + (11)] x (12)	146.19

1	BEP Paid and Incurred Claims	1,422,572
2	Completion Factor	0.987
3	BEP Completed Claims (1) / (2)	1,441,482
4	BEP Member Months	1,104,438
5	BEP Completed Claim PMPM (3) / (4)	1.31
6	Trend Factor	1.06
7	Trended Claim PMPM (5) x (6)	1.38
8	Benefit Change Factor	1.00
9	Morbidity Adjustment	1.17
10		
11		
12	Other Adjustment	1.000
13	Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) + (11)] x (12)	1.61

1	BEP Paid and Incurred Claims	147,626
2	Completion Factor	0.983
3	BEP Completed Claims (1) / (2)	150,178
4	BEP Member Months	1,104,310
5	BEP Completed Claim PMPM (3) / (4)	0.14
6	Trend Factor	1.06
7	Trended Claim PMPM (5) x (6)	0.14
8	Benefit Change Factor	1.00
9	Morbidity Adjustment	1.17
10		
11		
12	Other Adjustment	1.000
13	Total Benefit Adjusted Claim PMPM [(7) x (8) x (9) x (10) + (11)] x (12)	0.17

**Capital Advantage Assurance Company**  
**Individual Rates**  
**Effective 1/1/2019**  
**Transitional Data**

<u>Market</u>	<u>Company</u>	<u>Type</u>	<u>Date</u>	<u>Total Paid Claims</u>	<u>Completion</u>	<u>Incurred Claims</u>	<u>Total Premium</u>	<u>Members</u>
Individual	CAAC	Transitional	201701	\$860,871	1.00	\$861,314	\$1,023,112	4,756
Individual	CAAC	Transitional	201702	\$872,791	1.00	\$873,344	\$1,010,097	4,708
Individual	CAAC	Transitional	201703	\$824,792	1.00	\$825,331	\$992,276	4,648
Individual	CAAC	Transitional	201704	\$770,032	1.00	\$770,679	\$981,285	4,598
Individual	CAAC	Transitional	201705	\$667,755	1.00	\$668,938	\$970,249	4,563
Individual	CAAC	Transitional	201706	\$812,870	1.00	\$814,633	\$957,105	4,513
Individual	CAAC	Transitional	201707	\$679,574	1.00	\$681,414	\$945,063	4,465
Individual	CAAC	Transitional	201708	\$982,385	1.00	\$985,459	\$935,020	4,423
Individual	CAAC	Transitional	201709	\$629,013	1.00	\$631,796	\$917,416	4,360
Individual	CAAC	Transitional	201710	\$833,205	0.99	\$838,630	\$905,170	4,307
Individual	CAAC	Transitional	201711	\$789,735	0.99	\$799,769	\$890,830	4,251
Individual	CAAC	Transitional	201712	\$916,731	0.98	\$938,764	\$869,241	4,153
Total				\$9,639,754		\$9,690,070	\$11,396,866	53,745

Capital Advantage Assurance Company  
Individual Rates  
Effective 1/1/2019  
Retention

	<u>Medical + Rx</u>	<u>Dental</u>	<u>Vision</u>	<u>Total</u>	<u>% of Premium</u>
Reinsurance Contribution	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
Risk Adjustment Fee	\$0.13	\$0.00	\$0.00	\$0.13	0.0%
Admin PMPM	\$39.56	\$0.60	\$0.09	\$40.25	5.0%
Broker PMPM	\$4.80	\$0.00	\$0.00	\$4.80	0.6%
Value Based Benefits	\$5.20	\$0.00	\$0.00	\$5.20	0.6%
BCBSA Identity Theft Protection	\$0.02	\$0.00	\$0.00	\$0.02	0.0%
Quality Improvement	0.4%	0.4%	0.4%	0.4%	0.4%
Contingency	2.0%	2.0%	2.0%	2.0%	2.0%
HRA Admin Fee PMPM *	\$2.66	\$0.00	\$0.00	\$2.66	0.3%
Patient-Centered Outcomes Research Trust Fund:	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
Insurer Tax	0.0%	0.0%	0.0%	0.0%	0.0%
Exchange Fee	\$23.14	\$0.00	\$0.00	\$23.14	2.9%
Federal Income Tax	0.4%	0.4%	0.4%	0.4%	0.4%
Premium Tax	0.0%	0.0%	0.0%	0.0%	0.0%

\* HRA Admin fee in charged to HRA plans only

<u>Insurer Tax and Admin Fee Calc</u>					
Applied HIF to All Quarters		0.00%			
Quarter	% of Enrollees	HIF	2019 assessmen	2020 assessment	
1	100%	0.00%	0	0%	2.3%
			3	0%	2.3%
			6	0%	2.3%
			9	0%	2.3%

	<u>Admin</u>	<u>Profit</u>	<u>Taxes</u>
	6.3%	2.0%	3.3%
Claims	5.1%		
Broker	0.6%		
Quality Improvement	1.1%		

Expected Incurred	674.54
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	Gold PPO	Silver PPO	Silver PPO	Bronze PPO	Gold Capital Advantage EPO
Plan	2000/10/20	4950/10/30	5000/10/30	7350/0/60	2000/0/25
Deductible	2000	4950	5000	7350	2000
Expected Claim Cost	807.10	683.21	818.48	594.61	756.81
Expected Premium PMPM *	\$862.99	\$735.49	\$874.70	\$644.32	\$811.24
<u>Allowed Adjustments to Premium for MLR</u>					
Reinsurance Contribution	0.00	0.00	0.00	0.00	0.00
Patient-Centered Outcomes Research Trust Fund:	0.00	0.00	0.00	0.00	0.00
Risk Adjustment Fee	0.13	0.13	0.13	0.13	0.13
Premium Tax	0.00	0.00	0.00	0.00	0.00
Insurer Tax	0.00	0.00	0.00	0.00	0.00
Exchange Fee	23.14	23.14	23.14	23.14	23.14
Quality Improvement	3.45	2.94	3.50	2.58	3.24
Federal Income Tax**	3.62	3.09	3.67	2.71	3.41
MLR Adjusted Premium	\$832.64	\$706.19	\$844.26	\$615.76	\$781.31
Expected Member Distribution	44.2%	7.1%	24.3%	24.2%	0.3%

Unadjusted Premium	\$803.76
Expected MLR Adjusted Premium	\$773.90

MLR	87.2%
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\* From Exhibit L  
\*\*21% of profit or contingency (assumed to be 2%)

**Capital Advantage Assurance Company**  
**Individual Rates**  
**Effective 1/1/2019**  
**Projected Index Rate**

Projected Index Rate	\$992.80
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<u>Effective Date</u>	<u>Total Index Rate</u>	<u>Trend</u>	<u>Distribution of Members</u>	<u>Projected Allowed</u>	<u>Market Adjusted Index Rate</u>
January - December	\$992.80		100%	\$992.80	

Average for Projection Period	\$992.80			\$992.80	\$966.85
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\* From URRT and Exhibit B

## Individual Rates

Effective 1/1/2019

## Market Adjusted Index Rate

**Development of Market Adjusted Index Rate**

Q1 Index Rate	992.80
Paid to Allowed	0.72
Q1 Projected Claims	716.41
Net Projected ACA Reinsurace Recoveries	0.00
Net Projected Risk Adjustments PMPM	41.87
Exchange User Fee Adjustment	23.14
Q1 Market-Adjusted Projected Paid EHB Claims PMPM	697.68
Q1 Market Adjusted Index Rate	966.85

**Development of Exchange User Fee**

Average Exchange Premium	\$779.75
Average Exchange Fee	\$27.29
Percentage of Membership on Exchange	85%
Exchange Fee to Add to Market Index Rate	\$23.14

**Development of Risk Adjustment Projection**

Projected 2019 Risk Adjustment Payment	\$42.00
Projected 2017 Risk Adjustment	\$40,434,004
2017 MemberMonths	560,694
Projected 2017 Risk Adjustment Payment PMPM	\$72.11
Capital Advantage Assurance Company	\$40,434,004
Keystone Health Plan Central	-\$5,734,115
Capital Advantage Insurance Company	-\$567,695



**Adjust Base Experience Period to Base Plan**

	<u>Medical</u>	<u>Rx</u>	<u>Ped Dental</u>	<u>Ped Vision</u>	<u>Total</u>
Expected Claim PMPM in Rating Period	568.44	146.19	1.61	0.17	716.41
Adjustment to Base Plan	0.887	0.887	1.000	1.000	0.887
Adjustment for Network	1.000	1.000	1.000	1.000	1.000
Adjustment for Induced Demand	1.000	1.000	1.000	1.000	1.000
Expected Claim Base Plan	640.58	164.74	1.61	0.17	807.10

<u>Rate Development by Benefit Option</u>	On Exchange	Off Exchange	On Exchange	On Exchange	On Exchange
Level of Coverage	Gold	Silver	Silver	Bronze	Gold
HIOS	45127PA0020013	45127PA0020021	45127PA0020008	45127PA0020020	45127PA0140001
Med Plan Name:	Gold PPO 2000/10/20	Silver PPO 4950/10/30	Silver PPO 5000/10/30	Bronze PPO 7350/0/60	Gold Capital Advantage
Rx:	Combined	Combined	Combined	Combined	EPO 2000/0/25
					Combined
Plan Type:	PPO	PPO	PPO	PPO	Capital Advantage EPO
HRA	N	N	N	N	N
Q1 Market Adjusted Index Rate	966.85	966.85	966.85	966.85	966.85

AV and Cost-Sharing Adjustment	0.74	0.63	0.62	0.54	0.75
Network	1.000	1.000	1.000	1.000	0.920
Non-Funding of CSR Adjustment	1.000	1.000	1.200	1.000	1.000
Induced Demand	1.10	1.10	1.10	1.09	1.10

<u>Plan Pricing Relativities:</u>					
Manual PMPM	341.68	289.23	288.75	251.72	348.25
Pricing Relativity	1.000	0.846	1.014	0.737	0.938
Projected Claims	807.10	683.21	818.48	594.61	756.81
Total Projected Claims PMPM + Market Level Adjustments:	788.37	664.48	799.75	575.88	738.08

<u>Retention</u>					
Admin PMPM	\$40.25	\$40.25	\$40.25	\$40.25	\$40.25
Broker PMPM	\$4.80	\$4.80	\$4.80	\$4.80	\$4.80
Patient-Centered Outcomes Research Trust Fund:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HRA Admin Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Value-Based Benefits	\$5.20	\$5.20	\$5.20	\$5.20	\$5.20
BCBSA Identity Theft	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
Premium Tax	0.0%	0.0%	0.0%	0.0%	0.0%
Federal Income Tax	0.4%	0.4%	0.4%	0.4%	0.4%
Insurer Tax	0.0%	0.0%	0.0%	0.0%	0.0%
Contingency	2.0%	2.0%	2.0%	2.0%	2.0%
Quality Improvement	0.4%	0.4%	0.4%	0.4%	0.4%

Premium Neutrality	1.89	1.89	1.89	1.89	1.89
Total Premium Single Rate:	\$456.21	\$388.81	\$462.40	\$340.61	\$428.85
Plan Adjusted Index Rates	\$862.99	\$735.49	\$874.70	\$644.32	\$811.24
Expected Member Distribution	44.2%	7.1%	24.3%	24.2%	0.3%

<u>Relativity Checks</u>					
Claims	1.00	0.85	0.85	0.74	1.02
Premium	1.00	0.85	1.01	0.75	0.94

	\$50.27	\$50.27	\$50.27	\$50.27	\$50.27
Admin	6%	7%	6%	8%	7%
Taxes	0.4%	0.4%	0.4%	0.4%	0.4%

Benefit Plans																										
		100%	450,740																				Annual Trend			
#	Combo Description	Projected Membership	Proj MM	New or Existing	Product ID	Plan ID	On/Off Exchange	Metal Level	Metal Value	Pricing Value	Network	Induced Demand	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	Medical & Rx	Dental & Vision	Aggregate Trend
1	Gold PPO 2000/10/20	44.2%	199,031	Existing	45127PA002	45127PA0020013	On Exchange	Gold	76.0%	73.9%	1.00	1.10	PPO	Gold PPO 2000/10/20	2000	Combined	Embedded	Embedded	\$862.98	\$862.98				11.73%	3.0%	11.73%
2	Silver PPO 4950/10/30	7.1%	31,883	Existing	45127PA002	45127PA0020021	Off Exchange	Silver	68.3%	62.5%	1.00	1.10	PPO	Silver PPO 4950/10/30	4950	Combined	Embedded	Embedded	\$735.49	\$735.49				11.73%	3.0%	11.73%
3	Silver PPO 5000/10/30	24.3%	109,476	Existing	45127PA002	45127PA0020008	On Exchange	Silver	68.2%	62.4%	1.00	1.10	PPO	Silver PPO 5000/10/30	5000	Combined	Embedded	Embedded	\$874.69	\$874.69				11.73%	3.0%	11.73%
4	Bronze PPO 7350/0/60	24.2%	109,045	Existing	45127PA002	45127PA0020020	On Exchange	Bronze	62.6%	54.4%	1.00	1.09	PPO	Bronze PPO 7350/0/60	7350	Combined	Embedded	Embedded	\$644.32	\$644.32				11.73%	3.0%	11.73%
5	Gold Capital Advantage EPO 2000/0/25	0.3%	1,305	New	45127PA014	45127PA0140001	On Exchange	Gold	76.2%	75.3%	0.92	1.10	Capital Advantage EPO	Gold Capital Advantage EPO 2000/0/25	2000	Combined	Embedded	Embedded	\$811.23	\$811.23				11.73%	3.0%	11.73%
6																										

Capital Advantage Assurance Company  
Individual Rates  
Effective 1/1/2019  
Calibration

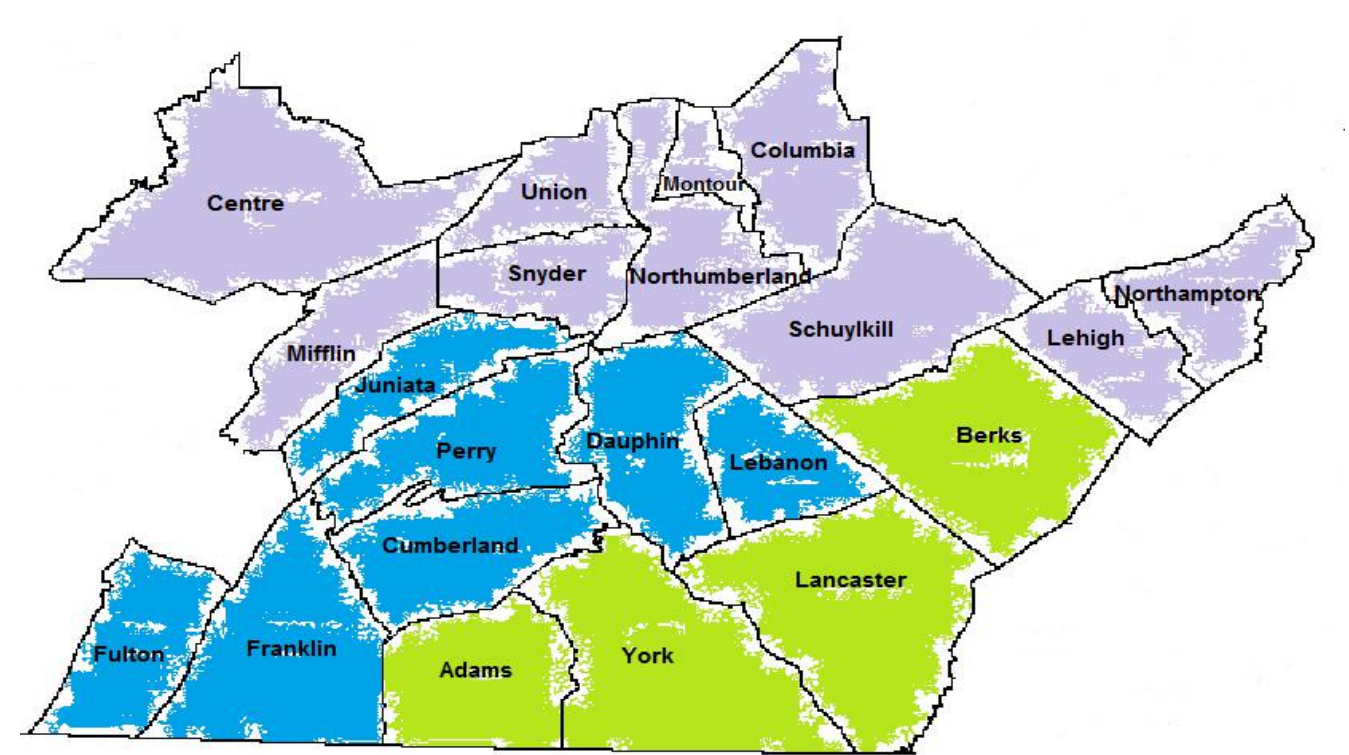
Expected Average Age Factor:	1.833
List-Billed Adjustment for Max 3 Children	1.004
Adjusted Average Age Factor	1.826
Expected Average Region Factor:	1.03
Expected Average Tobacco Factor	1.006
Cumulative Rating Factors (Premium Neutrality):	1.892

Age Factors			Region Factors			Tobacco		
Age	Distribution of Population	Age Factor	Region	Distribution of Population	Factor	PPO	HMO	Final Factor
0-14	7.6%	0.7650	6	34.5%	1.00	1.007	1.003	1.006
15	0.7%	0.8330	7	46.6%	1.03	Product Type		
16	0.7%	0.8590	9	19.0%	1.08	PPO	HMO	
17	0.8%	0.8850	Total Current Month Members			48622	2850	
18	0.8%	0.9130	Members without Tobacco Surcharge			PPO	HMO	Tobacco Factor
19	1.0%	0.9410				45619	2738	1
20	1.1%	0.9700	Members with Tobacco Surcharge					
21	1.2%	1.0000				Age	Members 201702	Tobacco Factor
22	1.1%	1.0000				0	0	1
23	1.0%	1.0000				1	0	1
24	0.9%	1.0000				2	0	1
25	0.9%	1.0040				3	0	1
26	1.3%	1.0240				4	0	1
27	1.3%	1.0480				5	0	1
28	1.3%	1.0870				6	0	1
29	1.3%	1.1190				7	0	1
30	1.3%	1.1350				8	0	1
31	1.3%	1.1590				9	0	1
32	1.3%	1.1830				10	0	1
33	1.2%	1.1980				11	0	1
34	1.3%	1.2140				12	0	1
35	1.2%	1.2220				13	0	1
36	1.4%	1.2300				14	0	1
37	1.4%	1.2380				15	0	1
38	1.3%	1.2460				16	0	1
39	1.3%	1.2620				17	0	1
40	1.2%	1.2780				18	1	0
41	1.2%	1.3020				19	3	1
42	1.3%	1.3250				20	6	1
43	1.5%	1.3570				21	6	1.025
44	1.6%	1.3970				22	13	1.025
45	1.5%	1.4440				23	26	5.025
46	1.6%	1.5000				24	31	4.025
47	1.9%	1.5630				25	33	1.025
48	1.8%	1.6350				26	74	5.025
49	1.9%	1.7060				27	65	10.025
50	2.0%	1.7860				28	95	7.025
51	2.1%	1.8650				29	73	5.025
52	2.2%	1.9520				30	59	3.025
53	2.4%	2.0400				31	63	3.025
54	2.4%	2.1350				32	43	3.025
55	2.6%	2.2300				33	67	1.025
56	2.8%	2.3330				34	63	1.025
57	2.9%	2.4370				35	81	3.025
58	3.0%	2.5480				36	73	3.025
59	3.3%	2.6030				37	78	3.025
60	3.7%	2.7140				38	79	2.025
61	3.9%	2.8100				39	71	0.025
62	4.4%	2.8730				40	59	1.075
63	5.2%	2.9520				41	74	3.075
64+	5.9%	3.0000				42	70	0.075
						43	68	0.075
						44	84	0.075
						45	74	2.1
						46	74	2.1
						47	91	4.1
						48	73	6.1
						49	87	1.1
						50	91	2.1
						51	76	2.1
						52	94	4.1
						53	76	2.1
						54	99	0.1
						55	61	3.2
						56	79	2.2
						57	65	3.2
						58	66	4.2
						59	85	2.2
						60	75	0.2
						61	61	3.2
						62	74	1.2
						63	75	0.2
						64	66	2.2
						65	0	0.2
						66	0	0.2
						67	3	0.2
						68	0	0.2
						69	0	0.2
						70	0	0.2
						71	0	0.2
						72	0	0.2
						73	0	0.2
						74	0	0.2
						75	0	0.2
						76	0	0.2
						77	0	0.2
						78	0	0.2
						79	0	0.2
						80	0	0.2
						81	0	0.2
						82	0	0.2
						83	0	0.2
						84	0	0.2
						85	0	0.2
						86	0	0.2
						87	0	0.2
						88	0	0.2
						89	0	0.2
						90	0	0.2

Capital Advantage Assurance Company  
Individual Rates  
Effective 1/1/2019  
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	1.00
7	1.03
9	1.08

Network	Factor
Capital Advantage EPO	0.920
PPO	1.00

Capital Advantage Assurance Company  
Individual Rates  
Effective 1/1/2019  
Network Factor

Network Factor Development

<b>EPO Savings</b>		
18% discount on facility	18.0%	
0% discount on physician	0.0%	
<b>Pinnacle/Non-Pinnacle Split</b>		
Pinnacle	75%	Assumes 75% of facility claims will be through a Pinnacle Facility
Non-Pinnacle	25%	
Blended Contract Hospital Savings	14%	
Hospital Rating Factor	87%	
Total Rating Factor	0.92	

Aggregate Calculation to apply to URR

Category	Network Factor	PMPM
Inpatient Hospital	0.870	145.57
Outpatient Hospital	0.870	254.99
Professional	1	151.38
Other Medical	1	24.30
Capitation	1	0.00
Prescription Drug	1	105.73
Total	0.92	681.98

Benefit Plans													Base Rates													
#	Combo Description	Projected Membership	Prod 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	Base Rates		Total	Medical & Rx	Annual Trend		
																				10/2019 - 12/31/2019	10/2019 - 12/31/2019			10/2019 - 12/31/2019	10/2019 - 12/31/2019	
1	Combo Description	Gold PPO 2000/10/20	44.2%	199,031	Existing	45127PA002	45127PA0020013	On Exchange	Gold	76.0%	73.9%	1.10	PPO	Gold PPO 2000/10/20	2000	Combined	Embedded	Embedded	\$454.87	\$172.99	\$81.88	\$1.19	\$0.14	\$456.20	11.7%	3.0%
2	Silver PPO 4000/10/30	7.1%	31,883	Existing	45127PA002	45127PA0020021	Off Exchange	Silver	68.3%	62.5%	1.10	PPO	Silver PPO 4000/10/30	4000	Combined	Embedded	Embedded	\$387.48	\$117.73	\$69.75	\$1.19	\$0.14	\$388.81	11.7%	3.0%	
3	Silver PPO 5000/10/30	24.3%	109,476	Existing	45127PA002	45127PA0020008	On Exchange	Silver	68.2%	62.4%	1.10	PPO	Silver PPO 5000/10/30	5000	Combined	Embedded	Embedded	\$461.06	\$179.07	\$82.99	\$1.19	\$0.14	\$462.39	11.7%	3.0%	
4	Bronze PPO 7500/10/60	24.2%	109,045	Existing	45127PA002	45127PA0020020	On Exchange	Bronze	62.6%	54.4%	1.09	PPO	Bronze PPO 7500/10/60	7500	Combined	Embedded	Embedded	\$339.26	\$278.21	\$61.07	\$1.19	\$0.14	\$340.61	11.7%	3.0%	
5	Gold Capital Advantage EPO 2000/10/25	0.3%	1,303	New	45127PA014	45127PA0140001	On Exchange	Gold	76.2%	75.3%	1.10	1 Advantage	Gold Capital Advantage EPO 2000/10/25	2000	Combined	Embedded	Embedded	\$427.52	\$150.56	\$76.96	\$1.19	\$0.14	\$428.85	11.7%	3.0%	

Individual Rates

Effective 1/1/2019

Regional Analysis

Results

<u>Region</u>	<u>DemoUnits</u>	<u>MemberMonths</u>	<u>AdjustedPaid</u>	<u>AllowedAmount</u>	<u>Adjusted Allowed</u>	<u>Allowed PMPM</u>	<u>Demo</u>	<u>Relative Demo</u>	<u>Normalized Allowed</u>	<u>Relative Value Normalized</u>	<u>Rating Factor</u>
6	368,356	296,531	90,261,766	107,236,316	116,957,368	394.42	1.2422	1.00	393.16	-3.2%	1.00
7	362,378	294,970	89,289,240	107,114,203	118,932,154	403.20	1.2285	0.99	406.39	0.1%	1.03
9	248,747	199,516	64,263,901	75,473,210	85,405,208	428.06	1.2468	1.01	425.14	4.7%	1.08
						406.18	1.24	1.00	406.16	0.0%	

Data - Claims and Enrollment for 12 Months Ending December 2016 and Hospital and Phsyician Contracting thru 2018

Total		979,481	791,017	243,814,906	289,823,729	1.11	321,294,730	366.39	1.2383	1.00	405.98	
<u>Region</u>	<u>Group County Name</u>	<u>DemoUnits</u>	<u>MemberMonths</u>	<u>AdjustedPaid</u>	<u>AllowedAmount</u>	<u>Contracted Increase</u>	<u>Adjusted Allowed</u>	<u>Allowed PMPM w Increase</u>	<u>Demo</u>	<u>Relative Demo</u>	<u>Normalized Allowed</u>	<u>Relative Value Normalized</u>
7	ADAMS	13,679	10,443	3,394,184	3,973,174	1.14	4,512,605	432.12	1.3099	1.06	408.48	100.6%
7	BERKS	125,887	100,900	32,916,422	39,021,187	1.10	43,051,624	426.68	1.2476	1.01	423.47	104.3%
6	CENTRE	19,922	17,590	5,658,648	6,477,963	1.10	7,109,452	404.18	1.1326	0.91	441.89	108.8%
6	COLUMBIA	5,415	4,139	1,163,209	1,406,248	1.11	1,555,268	375.76	1.3082	1.06	355.67	87.6%
9	CUMBERLAND	74,534	61,189	19,135,213	22,553,892	1.11	25,078,821	409.86	1.2181	0.98	416.64	102.6%
9	DAUPHIN	95,161	75,619	26,105,853	30,417,196	1.13	34,369,550	454.51	1.2584	1.02	447.22	110.2%
9	FRANKLIN	39,366	31,689	8,899,778	10,555,168	1.15	12,097,676	381.76	1.2423	1.00	380.53	93.7%
9	FULTON	4,396	3,536	1,268,027	1,403,703	1.16	1,624,041	459.29	1.2431	1.00	457.49	112.7%
9	JUNIATA	2,419	1,763	1,007,291	1,112,588	1.03	1,145,491	649.74	1.3721	1.11	586.35	144.4%
7	LANCASTER	135,437	114,895	31,644,795	38,454,128	1.10	42,405,854	369.08	1.1788	0.95	387.70	95.5%
9	LEBANON	28,061	22,155	6,645,000	8,007,213	1.20	9,624,084	434.40	1.2666	1.02	424.68	104.6%
6	LEHIGH	155,388	125,195	36,288,278	43,695,605	1.09	47,444,604	378.97	1.2412	1.00	378.08	93.1%
6	MIFFLIN	4,933	4,057	1,125,642	1,281,771	1.11	1,420,226	350.07	1.2159	0.98	356.51	87.8%
6	MONTOUR	1,354	1,070	523,520	606,126	1.12	680,642	636.11	1.2650	1.02	622.65	153.4%
6	NORTHAMPTON	122,092	97,609	28,885,496	34,516,080	1.09	37,718,646	386.43	1.2508	1.01	382.54	94.2%
6	NORTHUMBERLAND	12,764	9,899	4,070,566	4,622,745	1.10	5,093,158	514.51	1.2894	1.04	494.09	121.7%
9	PERRY	4,810	3,565	1,202,738	1,423,449	1.03	1,465,544	411.09	1.3492	1.09	377.29	92.9%
6	SCHUYLKILL	34,409	27,296	9,431,239	11,009,074	1.10	12,089,177	442.89	1.2606	1.02	435.04	107.2%
6	SNYDER	7,182	5,779	2,054,579	2,351,995	1.03	2,421,549	419.03	1.2427	1.00	417.51	102.8%
6	UNION	4,898	3,897	1,060,590	1,268,710	1.12	1,424,644	365.57	1.2570	1.02	360.13	88.7%
7	YORK	87,375	68,732	21,333,839	25,665,715	1.13	28,962,071	421.38	1.2712	1.03	410.44	101.1%





**June 22, 2018**

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

**Re: Capital Advantage Assurance Company  
Individual Rates  
Filing No 18-12  
TOI Code: H15I Individual Health – Hospital/Surgical/Medical Expense  
Sub-TOI Code: H15I.001 - Hospital/Surgical/Medical Expense  
Filing Type: Rate**

Dear ██████████:

CAAC received an objection letter from the Department dated June 15, 2018. CAAC is providing the following in response to the objection letter:

- Q&A written response
- Q&A exhibits
- Correction to List-Billed data file
- Correction to Actuarial Memo – correction to 2017 rate SERFF filing number
- Correction to Memo Exhibits, Exhibit E – Trend

These changes do not impact rates.

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

Sincerely,

██████████

██████████, ASA, MAAA  
Manager, Actuarial Services  
Capital BlueCross

Enclosures

Harrisburg, PA 17177 | [capbluecross.com](http://capbluecross.com)

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

# CAPITAL ADVANTAGE ASSURANCE COMPANY, INC.

## Question and Answer Individual Rates Effective January 1, 2019

With this response, please find corresponding Q&A Exhibits in Ind\_18-12\_Initial\_CAAC\_PPO\_Q&AExhibits1\_Supporting\_20180622.xlsx

**Question 1.** Please answer the following questions regarding the trend factors used (tab “Exhibit E\_Trend”):

- a. The leveraging calculation assumes all member cost sharing is static (“Fixed Cost Share” column on tab “Exhibit E1\_Lever”), but all plans have benefits which are subject to the deductible and/or coinsurance which would increase, to some extent, with allowed costs. Please explain why you think it is appropriate to assume all cost sharing is static.
- b. The leveraging calculation in “ExhibitE1\_Lever” assumes allowed cost sharing is 5.5%. However, in the Raw Trends shown in “Exhibit E\_Trend” none of the service categories have trends that high, and the weighted average, including drug but not dental/vision, appears to be closer to 5.3%. Please provide an explanation for why you used 5.5% in the calculation and a quantitative build-up of the 5.5% if it is not changing.
- c. The leveraging calculation in “ExhibitE1\_Lever” compares projected paid costs by month to a plan with zero cost sharing (essentially an allowed amount since there is no cost sharing). However, it does not appear as if induced utilization is accounted for in the calculation. Based on the HHS curve, a zero cost sharing plan (1.00 AV) would have 24% higher utilization and, as a result, 24% higher allowed costs than a bronze plan (0.60 AV). Please provide an explanation for why induced utilization is not accounted for in the calculation.
- d. Please provide a quantitative buildup of the “leveraging adjustment” for the drug trend.
- e. Please provide a quantitative buildup of the “pipeline adjustment” for the drug trend and describe the adjustment and why it is necessary.
- f. Please explain the following regarding the dental and vision trends:
  - i. Please provide an explanation on the development of the final cost and utilization trends shown in cells B14 and C14 of the “Exhibit E\_Trend” tab.
  - ii. Please provide an explanation on how the composite factor shown in cell C31 relates to the raw trends in cells B31 and C31.
- g. The final trends shown in cells B8:C14 tie to the trends on WS1 of the URRT as well as the rate development on tab “II Rate Development & Change.” These trends are applied to allowed claims. Please explain why you think it is necessary to make an adjustment to account for paid claim trend leveraging when trending allowed claims forward.
- h. Please provide an explanation and quantitative buildup of the induced demand adjustment. Include an explanation regarding how the higher utilization and, as a result, higher paid costs are accounted for in the calculation of the leveraging factor.

**Answer 1.**

- a. While, in some cases, the amount the consumer pays out of pocket increases as allowed claims increase, the consumer-paid percentage-of-total decreases due to fixed dollar cost-sharing such as deductible and copayments. For a member with a \$2,000 deductible, incurring \$1000 in allowed claims year 1 and \$1100 in year 2 (10% allowed trend, for example), their cost-sharing increased, and they paid 100% of allowed claims in both years. But if that same member incurred \$5,000 in allowed claims year 1 (paid \$2,000 in deductible), and \$5,500 year 2, the insurer's paid trend is  $3,500/3,000 - 1 = 17\%$ , and the member's out-of-pocket trend is 0%. This is because the member's percentage-of-total out-of-pocket expenses decrease when fixed deductibles and copays apply. The leveraging calculation factors in all scenarios, showing the average impact of cost-sharing on a large population, measuring in aggregate how paid claims rise faster than allowed as the insurer percentage-of-total claims rises over time.
- b. For this example, 5.5% allowed trend is used because it falls within the range of reasonable allowed trends. This small group filing is requesting a lower than average trend due to competitive pressures. While the raw trend shows 5.3%, induced demand drives that trend up 3 points.
- c. This calculation uses CBC's internal manual cost model to determine benefit relativities. While this model accounts for induced utilization as cost-sharing decreases, it does not use the same assumptions as the AV calculator.
- d. For Individual business, medical and Rx deductible are combined, and the average AV is Silver (approx. \$5,000 deductible on average). These larger deductibles applied to Rx creates leveraging values between 2% and 4%. Please see Q&A Exhibit 1 for a comparison of paid and allowed trends by market segment. While Individual historical trends do not reflect pricing trend (the high trend is attributable to a changes in morbidity), the difference between paid and allowed is 3%, attributable to leveraging.
- e. The pipeline adjustment is used to account for new drugs expected to enter the market in 2019. Since these drugs are new, their cost is not accounted for in the BEP. CBC has compiled pipeline reports from our PBM and Specialty Rx vendor to quantify which drugs could potentially be entering the market in 2019. While there are many unknowns as to which drugs will become available and utilization of those drugs, through this process, the group decided to apply 1% pipeline to the group market. For the individual market, it is reasonable to assume a higher pipeline adjustment due to higher specialty trend (the vast majority of pipeline drugs are specialty – low incidence, high cost). Please see Q&A Exhibit 2 for specialty trend by market segment.
- f.
  - i. We applied standard pricing trend to dental and vision. Because Individual and Small Group enrollment has fluctuated, and embedded pediatric dental and vision coverage is fairly new to the market, it is difficult to estimate changes in utilization and mix of services. Due to these factors, 3% pricing trend is applied to these components.
  - ii. The composite dental and vision trend is not correct. It is being corrected with this submission.

- g. While it is not necessary to apply paid trends to allowed claims, the format of the exhibits makes it preferable to do so. If I apply allowed trends to allowed claims, and paid trends to paid claims, the final proposed rates do not change, only the paid-to-allowed ratio changes.
- h. Induced Utilization: Induced utilization is CBC's best estimate for increased utilization in the individual market due to unknown future regulatory changes. CBC predicts that consumers will use more services in 2019 due to unknown coverage status in 2020. Association Health Plans also play a role in driving out healthier individuals from the ACA-compliant market, resulting in higher utilization trends over time. While induced utilization is not explicitly included in the leveraging calculation, it is reasonable to assume that induced utilization could further drive leveraging (paid costs).

**Question 2.** Please provide support for the assumption that all members with less than \$350 PMPM in paid costs, and only those members, would move to a narrow network competitor between the experience and projection period.

**Answer 2.** Exhibit F1 – Risk Score Deficiency Calculation is designed to show how healthier members leaving the ACA pool completely (Association Health Plans) or moving to competitor's narrow network plans impact claim and risk scores differently, resulting in risk adjustment deficiency. The example was used to show the impact if the healthiest members (members with claims < \$350/year) left CBC. But the data shows that this difference in risk and claims is not only attributable to that one scenario. It is unlikely that a member that regularly uses services, has a known health issues, or expects to have a high cost service(s) in the upcoming year will move to a narrow network plan, with the risk of surprise high out-of-pocket costs and/or changing a trusted doctor. Individual market allows each consumer to make choices based on their own needs, so only healthy members will take the chance of a narrow network.

The example used (members with claims < \$350/year) shows a morbidity factor of 1.18 is justifiable. But the 1.10 morbidity (in addition to 1.06 for individual mandate) is applied in rating.

**Question 3.** Please provide quantitative and qualitative support for the 0.920 network factor on the "III Plan Rates" tab.

**Answer 3.** The Provider network is the same across all PPO plans. A network factor is applied to the EPO plan.

- a. The Capital Advantage EPO plan is built around Pinnacle Health's delivery system and is available in Cumberland, Dauphin, and Perry counties.
  - i. Pinnacle offers an 18% discount on facility claims
  - ii. We assume that 75% of claims will be performed at a Pinnacle facility (EPO plans are offered as multi-options within groups, lowering the overall cost savings as high cost members stay in PPO plans).
  - iii. The rating factor of 0.92 is the aggregate factor applied to the total medical, Rx, Dental and Vision premium given that the discount only impacts facility claims.

**Question 4.** Please provide the quantitative and qualitative development of the projected 2019 risk adjustment payment of \$42.00 shown in Exhibit K.

**Answer 4.** The PID released projected 2017 RA estimates in May of \$72 PMPM. Prior to the estimate, CAAC estimated an RA receivable of \$38 PMPM. Small changes in assumptions have markedly large impacts on the RA amount. CAAC is submitting an estimate of \$42 PMPM with the following considerations in mind:

- a) 2019 proposed premium decrease. CBC is proposing a significant premium decrease in 2019. If CBC's decision is reflective of the statewide final 2019 premium changes, that will drive RA payments down.
- b) Capital BlueCross is a small plan with limited resources. The industry has commercially available services to improve coding efforts through exhaustive use of data and provider outreach programs. While CBC is engaged in the efforts of accurate, timely submission of RA data, we feel that the industry will outpace CBC in its ability to maximize value going into 2019.
- c) Internal coding difficulties: CBC's individual ACA book of business has had a churn rate that has made a multi-year perspective of member diagnosis and risk impossible. As of 2016, CBC had 70,000 members. In 2017, 50% of CBC Individual ACA business dropped coverage, and CBC gained roughly 30,000 new members. And in 2018, CBC lost 20,000 members and gained 10,000 new members. This places CBC at a disadvantage in terms of ability to assess a member's ability to assess a member's risk. Since risk adjustment, 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 believe that CBC is disadvantaged in the market. The amount is ultimately unknown, but it is estimated that it will have an unfavorable impact.

**Question 5.** Please provide an explanation for the why the "Benefit Richness (induced demand)" information in column L of the "III Plan Rates" tab does not result in a weighted average factor of 1.0 as directed in the Rate Filing Guidance.

**Answer 5.** The induced demand factor is designed to adjust the AV and Cost-Sharing factors so that, in aggregate, they equate to the Paid-to-Allowed ratio. In this filing, the AV and Cost-Sharing factors aggregate to 0.66. But the Paid-to-Allowed ratio is 0.72. The induced demand factor of 1.10 is applied to 0.66 to bring claims up to 0.72 level.  $0.66 \times 1.1 = 0.72$ . So projected claims by plan aggregate to equal projected claims calculated in total. Projected claims were not increased by applying induced demand (impact of 1.0), which is demonstrated in the fact that projected claims = [allowed claims] x [average AV and cost-sharing factor] x [average induced demand]. This is demonstrated in Table B.

**Question 6.** Please review and update your calculation of the "List-Billed Adjustment for Max 3 Children" as the work provided has factors in column N which are different than those in column M even when there are 3 or fewer children (e.g., rows 8 and 612).

**Answer 6.** The List-Billed Adjustment for Max 3 Children file has been corrected with this response.

**Question 7.** The Federal Income Tax in “Exhibit H\_Ret” is calculated as a subset of the Contingency amount (21% of the 2% Contingency). However, it is included in the rate development as an amount in addition to the 2% Contingency amount. Please provide an explanation as to why this approach is appropriate and does not double-count the impact of Federal Income Tax.

**Answer 7.** Please see Q&A Exhibit 3 for an example of how federal income tax and contingency are applied to establish a net contingency (net of taxes) that is still less than 2%. The example shows a premium build with and without federal income tax applied. While federal income tax is applied “below the line” or to operating margin, creating a circular calculation, the goal in the premium build is to apply an assumption that accounts for this item. In the first calculation, net contingency falls to 1.58%. The second calculation results in a net contingency of 1.91%, closer to the 2% goal.

**Question 8.** Please provide an explanation of why the “AV and Cost-Sharing Adjustment” factors (row 26 of Exhibit L) are consistently lower than, and in some cases significantly lower than, the midpoint of the metal level ranges (e.g., 0.80 for a Gold plan).

**Answer 8.** The Actuarial Value and Cost Sharing Adjustment is determined using CBC’s actuarial cost model. CBC uses an actuarial cost model to measure the impact of cost-sharing designs on cost and utilization amounts by service category. The cost model shows frequency per 1,000 per year by type of service (IP, OP, Professional), and allowed cost per service for each of the same types of service, normalized to a \$0 office visit copayment and a \$25 ER copayment. Given a particular benefit design (for example, \$20 office visit copayment), utilization is adjusted from the benchmark based on assumed utilization change factors, and cost per service is reduced by the copayment or coinsurance per service. Cost and utilization are multiplied together to derive a claim PMPM by service, summed for all services. The impact of global deductible, coinsurance, and out-of-pocket max is then measured based on CPDs, where the value of services that apply to the CPDs adjusts the level of the curve, as well as global utilization adjustments.

CBC’s model values coinsurance at a higher value than the AV calculator, creating consistently lower pricing AVs.

**Question 9.** Each response to a Department data call must contain a cover letter that details the changes made to the PA Actuarial Memorandum Exhibits and the reasons why the changes were made, e.g., in response to Department question number 5.

**Answer 9.** A cover letter is being provided with this response.

**Question 10.** Please confirm that you have tested to ensure that the rates in Table 11 of the Actuarial Memorandum Exhibits, the PA Plan Design Summary and Rate Tables, the Federal Rates Template, and in the binder are identical.

**Answer 10.** I confirm that I have tested to ensure the rates in Table 11 of the Actuarial Memorandum Exhibits, the PA Plan Design Summary and Rate Tables, the Federal Rates Template, and in the binder are identical.

**Question 11.** For the expanded bronze plans, please demonstrate that the copay is less than or equal to 50% coinsurance for that category.

**Answer 11.** The expanded bronze plan meets requirements under 45 CFR 156.140(c) because the plan covers specialty drugs at 50% coinsurance.

**Question 12.** Page 2 of the actuarial memo list a SERFF number for the rate filing effective 1/1/2017 that is incorrect. The SERFF number references a form filing. Please correct this.

**Answer 12.** Changes have been made to the actuarial memo.

**Question 13.** In the 2019 Guidance published on the Department's website, the Department required that all issuers file uniform factors for the Individual Adjustment of 1.06 and the CSR Defunding Adjustment of 1.28. In addition, the Department indicated that as the rate review process moves forward and federal healthcare reform efforts are clarified, the Department would consider issuer specific requests. We can now advise that the aforementioned factors of 1.06 for the Individual Adjustment and 1.28 for CSR Defunding Adjustment constitute ceilings. If your company desires lower adjustments than those stated in the Department's 2019 Guidance, you may provide updated materials (PA Actuarial Memorandum and Exhibits, Part III Actuarial Memorandum, Part I URRT and corresponding rate tables – State and Federal) and justification for the lower Adjustment factor(s) with your first round response due June 22, 2018. The Department will not consider adjustment factors greater than those stated in the 2019 Guidance.

**Answer 13.** CAAC will continue to apply the recommended factors. No changes are being made.



**Capital Advantage Assurance Company**  
**Individual Rates**  
**Q&A Exhibit 1**  
**Rx Leveraging**

**Individual**

**All Drugs**

	12 Months Ending 201703			12 Months Ending 201803			Trend		
	Days/1000	Cost/Day	PMPM	Days/1000	Cost/Day	PMPM	Days/1000	Cost/Day	PMPM
Allowed	367,433	\$ 2.91	\$ 89.03	438,934	\$ 3.18	\$ 116.31	19.5%	9.4%	30.6%
Paid			\$ 70.43			\$ 94.00			33.5%

**SmallGroup**

**All Drugs**

	12 Months Ending 201703			12 Months Ending 201803			Trend		
	Days/1000	Cost/Day	PMPM	Days/1000	Cost/Day	PMPM	Days/1000	Cost/Day	PMPM
Allowed	355,574	\$ 3.20	\$ 94.86	352,476	\$ 3.46	\$ 101.63	-0.9%	8.1%	7.1%
Paid			\$ 78.90			\$ 86.05			9.1%

**Capital Advantage Assurance Company**  
**Individual Rates**  
**Q&A Exhibit 2**  
**Specialty Trend Considerations for Pipeline Adjustment**

**Individual**

**Specialty Drugs**

	12 Months Ending 201703			12 Months Ending 201803				Trend		
	Days/1000	Cost/Day	PMPM	Days/1000	Cost/Day	PMPM		Days/1000	Cost/Day	PMPM
Allowed	1,852	\$ 251.86	\$ 38.86	2,831	\$ 236.69	\$ 55.83		52.9%	-6.0%	43.7%
Paid			\$ 36.39			\$ 94.97				161.0%

**SmallGroup**

**Specialty Drugs**

	12 Months Ending 201703			12 Months Ending 201803				Trend		
	Days/1000	Cost/Day	PMPM	Days/1000	Cost/Day	PMPM		Days/1000	Cost/Day	PMPM
Allowed	1,900	\$ 208.53	\$ 33.02	2,197	\$ 223.00	\$ 40.83		15.6%	6.9%	23.7%
Paid			\$ 31.64			\$ 38.76				22.5%

**Capital Advantage Assurance Company**  
**Individual Rates**  
**Q&A Exhibit 3**  
**Federal Income Tax and Contingency Examples**

<u>Item</u>	<u>Without Fed Income Tax</u>	<u>With Fed Income Tax</u>
Claims	\$350.00	\$350.00
Admin	\$35.00	\$35.00
Contingency	2%	2%
Federal Taxes	0%	0.4%
Premium	\$392.86	\$394.55
Expected Profit	\$7.86	\$9.55
Federal Taxes	\$1.65	\$2.01
Profit Net Taxes	\$6.21	\$7.54
Net Contingency*	1.58%	1.91%

\*Net Contingency is below 2% in both calculations, but adding an assumption for federal income tax increases contingency closer to the 2% goal.



**July 13, 2018**

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

**Re: Capital Advantage Assurance Company  
Individual Rates  
Filing No 18-12  
TOI Code: H15I Individual Health – Hospital/Surgical/Medical Expense  
Sub-TOI Code: H15I.001 - Hospital/Surgical/Medical Expense  
Filing Type: Rate**

Dear ██████████:

CAAC received an objection letter from the Department dated July 6, 2018. CAAC is providing the following in response to the objection letter:

- Q&A written response
- Q&A exhibits
- Correction to list-billed portion of the age calibration, Memo Exhibits, Exhibit N Calibration
- Correction and modification to Memo Exhibits, Exhibit E – Trend
  - Correction to displayed dental and vision trend
  - Modification to leveraging adjustment, which impacts overall trend
- Updated rates based on trend and list-billed changes

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

Sincerely,

██████████

██████████, ASA, MAAA  
Manager, Actuarial Services  
Capital BlueCross

Harrisburg, PA 17177 | [capbluecross.com](http://capbluecross.com)

Enclosures

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

# CAPITAL ADVANTAGE ASSURANCE COMPANY, INC.

## Question and Answer Individual Rates Effective January 1, 2019

With this response, please find corresponding Q&A Exhibits in Ind\_18-12\_Initial\_CAAC\_PPO\_Q&AExhibits2\_Supporting\_20180716.xlsx

### **Questions from Actuarial Consultant:**

**Question 1.** In response to Question 1a you state the leveraging calculation represents the “average impact of cost sharing on a large population.” This calculation assumes zero increase to member cost sharing from year to year. Your explanation indicates some members may see no change to their cost sharing (members with allowed claims over the deductible in your example) and some members would see increases to their cost sharing (members with allowed claims under the deductible in your example). Please provide quantitative support for the assumption that there is no change to the average member cost sharing percentage as that would assume all members had allowed claims above their deductible amount.

**Answer 1.** In reviewing the calculation, I see how the fixed cost sharing column did not account for member cost share increases as allowed claims increase. Exhibit E1\_Lever has been updated to account for trend in member cost share. The assumption is that 20% of members see increase in their cost sharing due to allowed trend, or  $5.5\% \times 0.2 = 1.1\%$  annual trend. With this change, leveraging is reduced from 4.5% to 3.6%.

**Question 2.** In response to Question 1b you state induced demand drives raw trend up by 3 points. The induced demand shown on the “Exhibit E\_Trend” tab only shows induced demand at 1%. Please explain this discrepancy.

**Answer 2.** The response to Question 1b mistakenly said 3% for induced demand. Induced demand does account for 1%.

**Question 3.** In response to Question 1c you state your “model accounts for induced utilization as cost-sharing decreases.” However, in your calculation of the “Implied AV” on the “Exhibit E1\_Lever” tab, the paid PMPM amount is always divided by the allowed amount for a plan with no cost sharing. This calculation does not appear to account for the lower allowed amount which would occur for leaner plans because of induced utilization. Please provide quantitative support for how the “Implied AV” amounts account for induced utilization when compared to a plan with no cost sharing or update the calculation accordingly if they currently do not.

**Answer 3.** In reviewing the calculation, induced utilization is not explicitly shown, as the allowed amount is static for all months. While Exhibit E1\_Lever originally showed several months of data, the calculation only uses the most current month (201803). So to simplify the exhibit, I’ve removed the months prior to 201803. The implied AVs (developed in conjunction with the Zero

Cost Share Manual rate) for that month are correct. The new exhibit also incorporates an annual increase in member cost share, as noted above.

**Question 4.** In response to Question 1f you updated the total composite trend for Dental and Vision to be 3%. It appears cost trend and utilization trend are still not consistent between rows 31 and 14 of the 'Exhibit E\_Trend' tab. Please provide an explanation for which is the correct assumption and please ensure all other pricing and documentation files match, as this could have a slight impact on final rates.

**Answer 4.** With this submission, Exhibit E\_Trend has been corrected to be consistent between rows 31 and 14.

**Question 5.** The Individual Adjustment factor prescribed by the Pennsylvania Insurance Department is a maximum of 1.06 and includes the impact of the \$0 individual mandate penalty, association health plans, and short term limited duration policies. In response to Question 1h you state the induced utilization factor includes the impact of "unknown future regulatory changes" and association health plans. Please remove the portion of the induced utilization factor caused by those two items as they are prescribed to be included in the 1.06 morbidity factor separately included in the rate development.

**Answer 5.** My response mistakenly quoted Association Health Plans as part of the induced demand trend factor. As for unknown future regulatory changes, the Department has mandated a factor of 1.06 for the impact of healthier individuals leaving the PPACA market due to dropped coverage, short term limited duration policies, or Association Health Plan. The Induced Demand trend factor of 1% is intended to account for increased utilization by existing members who are concerned about losing coverage due market sabotage or ACA regulation change. These are members that need Essential Health Benefits (EHBs) covered and are concerned about losing comprehensive coverage. They are likely to use more services in the upcoming year due to fear of losing coverage in 2020.

**Question 6.** The Individual Adjustment factor prescribed by the Pennsylvania Insurance Department is a maximum of 1.06 and includes the impact of the \$0 individual mandate penalty, association health plans, and short term limited duration policies. In response to Question 2 you state the 1.10 morbidity factor separately applied includes the impact of association health plans. Please remove the portion of the morbidity factor caused by association health plans as they are prescribed to be included in the 1.06 morbidity factor separately included in the rate development.

**Answer 6.** My response mistakenly quoted Association Health Plans as part of the morbidity factor. The morbidity factor is designed to show population changes due to Capital on-exchange PPO offerings in competition with EPOs and other narrow network plans.

**Question 7.** Please answer the following question regarding your response to Question 2 (morbidity assumption of 1.10):

- a. What historical benchmarks, experience, and/or studies did you use to determine which members will move to a competitor's narrow network plan?

- b. What is the justification for assuming only the lowest cost members, and no one else, will move to a competitor's narrow network plan?
- c. How was year-over-year reversion to the mean (i.e., a member with high claim costs in one year will have lower claim costs the next year) accounted for in the development of the factor?

**Answer 7.**

- a. The following benchmarks and studies were used to infer movement of the healthiest members to narrow network plans. Reference to several industry articles with citations are as follows:

In the following article published by the American Academy of Actuaries (<http://www.actuary.org/files/publications/RiskPoolingFAQ071417.pdf>), Adverse Selection is defined as follows: *"Adverse Selection" describes a situation in which an insurer (or an insurance market as a whole) attracts a disproportionate share of unhealthy individuals. It occurs because individuals with greater health care needs, when given the opportunity, are more likely to purchase health insurance and to purchase health insurance with richer benefits than the individuals with fewer health care needs.* In that definition, richer benefits is synonymous with richer network. A narrow network plan, specifically those couple with a EPO or HMO benefit design, limit the choice of where members can receive service. Sometimes those limits when compared to a robust network PPO are very dramatic. When faced with that choice, consumers will make decision that maximize value.

Another key article, worthy of multiple citations was written by Mark Shepard from the Harvard Kennedy School and NBER. That article can be found at this link: [http://scholar.harvard.edu/files/mshepard/files/mshepard\\_jmp\\_hospital\\_networks\\_adverse\\_selection.pdf](http://scholar.harvard.edu/files/mshepard/files/mshepard_jmp_hospital_networks_adverse_selection.pdf). The article focuses on what is referred to as "star" hospitals, and the selection associated with plans covering "star" hospitals (noting that this type of adverse selection is distinct from standard selection on medical risk). Refer to the conclusion on Page 43 that states *"This paper has shown evidence from the Massachusetts exchange that there is meaningful residual selection against plans covering expensive stars hospitals"*.

Lastly, I'll refer to the experience in the Pennsylvania ACA market between 2014 and 2017. Specifically I'll refer to the Central PA (21 county) market. There are three primary competitors in that market: Capital BlueCross, Highmark and Geisinger. Of those, Geisinger and Capital BlueCross are mostly regional, i.e. Highmark is statewide, but Geisinger and Capital BlueCross have less presence in the Western and Southeastern part of the state. Refer specifically to the movement of payment transfers between 2015, 2016 and 2017. Capital BlueCross introduced a narrow network HMO plan in 2016 that attracted tens of thousands of members. The risk of that membership (and claims experience) was considerably better than the statewide average, resulting in a large RA payment transfer from Capital BlueCross to the state (using Keystone Health Plan Central). While claims experience was better than average, the RA payment transfer increase outpaced the favorable claims decrease. KHPC had a large RA payment transfer and ended 2016 at well in excess of 100% MLR. In 2017, KHPC discontinued the narrow network HMO offering and Geisinger had a strong presence with a HMO offering. Based upon the most recent RA payment transfer report, Geisinger experienced a similar shift in payment transfer. It seems plausible to infer that Geisinger's unfavorable payment transfer outpaced the favorable claims experience in a similar fashion. Below are payment transfers by year for the Individual market.



Individual Payment Transfer by Company by Year							
STA	PARENT COMPANY	HIOS	HIOS INPUTTED INSURANCE COMPANY NAME	2014	2015	2016	2017
PA	Capital Blue Cross	45127	Capital Advantage Assurance Company	395,777	6,863,660	13,226,705	40,434,004
PA	Capital Blue Cross	53789	Keystone Health Plan Central	238,390	298,017	(35,510,815)	(5,734,115)
PA	Capital Blue Cross	82795	Capital Advantage Insurance Company CAIC	3,395,486	-	(52,068)	(567,695)
PA	Geisinger Health System	22444	Geisinger Health Plan	1,759,835	11,417,707	2,695,563	(13,036,354)
PA	Geisinger Health System	75729	Geisinger Quality Options	490,533	1,142,253	7,409,434	541,607

- b. With this submission, Exhibit F1\_Morbidity has been updated to show a more reasonable movement of membership. While the original exhibit was illustrative of the gap between risk adjustment and claims (using losing member with <\$350 in claims as an example), it is correct that we would not expect that exact scenario. Instead, we would assume a different distribution of membership with movement toward higher cost buckets. Here are the summary points:
- The updated exhibit shows that the current member average annual cost is \$6,000.
  - Assume loss of 25% of members with claims <\$6,100 (end point of a bucket)
  - Assume gain 25% of members with claims >\$6,100
  - With that shift, membership in the <\$6,100 category moves from 85% of the population to 78%, a reasonable shift.
  - Given these parameters, the claim PMPM increase 43%, while the risk score increases 27%, a 13% shortfall. 10% is applied in rating.
- c. Reversion to the mean is not explicitly considered. While a high-cost member may revert to the mean in the projection period, the HHS risk score is concurrent and should also revert to the mean. This exercise is purely to calculate the shortfall in risk adjustment compared to claims as a population shifts to riskier members.

**Question 8.** As a follow up to Question 3, please provide a quantitative buildup of the 0.920 factor in Excel, with formulas based on the discounts and utilization patterns described in your initial response.

**Answer 8.** The quantitative buildup of the network factor is found in IND\_18-12\_Revised\_CAAC\_PPO\_PARateandMemoExhibits\_Supporting\_20180716.xlsm, Exhibit O1\_EPONetwork.

**Question 9.** As a follow up to Question 4, please provide a quantitative buildup of the \$42 risk adjustment amount in Excel, with formulas based on the assumptions described in your initial response. In addition, please provide 2016 and 2017 average risk scores and member months for members broken into two categories: new members and existing members.

**Answer 9.** Please see Q&A Exhibit 1 for the CBC's best estimate to date of CAAC Individual 2018 risk adjustment transfer payment PMPM. While 2017 actual transfer payment is useful in calculating future years, our best estimate of 2018 given our current population is most indicative of 2019 payments. Q&A Exhibit 1a lists the assumptions used to determine the payment. The following are key points:

- CBC collects and tracks member risk score information using the HHS risk model. This is referred to as Care Modeler data in the documentation.
- The data for this analysis is CAAC Individual member risk for members effective 1/1/2018 – 5/31/2018.

- CBC recognizes that risk through 5 months of the year requires maturity factors to estimate a 12 month risk score. 1.2955 maturity factor is applied to the 5 month risk scores, which is calculated from 2017 actual risk score factor growth.
- Market risk scores are assumed flat from 2017.

Please see Q&A Exhibit 2 for 2016 and 2017 average risk scores and member months split by new and existing members.

**Question 10.** Thank you for correcting the List-Billed Adjustment file. Please explain why this change did not have a resulting impact on rates.

**Answer 10.** With this submission, the filing has been updated to include the impact of the List-Billed factor change.

**Questions from PID:**

**Question 1.** As was communicated in an email of July 3, 2018 the Department has determined that an Individual Adjustment Factor of 1.06 and a CSR Defunding Adjustment Factor of 1.20 will be used in the 2019 rate development for the Individual Market. Issuers overwhelmingly recommended standardization of these factors. As such, issuers may not deviate from these factors. Updated materials (PA Actuarial Memorandum and Exhibits and the Plan Design Summary worksheets, including the State rate tables) reflecting these factors, Risk Adjustment updates (based on the June 30th release of the Federal Risk Adjustment Report) and other Department requested changes must be provided with your second-round response due July 13, 2018. Other than these three preceding changes, no other modifications will be accepted.

**Answer 1.** These changes, as prescribed, are being made with this submission.

**Question 2.** Each response to a Department data call must contain a cover letter that details the changes made to the PA Actuarial Memorandum Exhibits and the reasons why the changes were made, e.g., in response to Department question number 5.

**Answer 2.** A cover letter is being provided with this response.

**Question 3.** Please confirm that you have tested to ensure that the rates in Table 11 of the Actuarial Memorandum Exhibits, the PA Plan Design Summary and Rate Tables, the Federal Rates Template, and in the binder are identical.

**Answer 3.** I confirm that I have tested to ensure the rates in Table 11 of the Actuarial Memorandum Exhibits, the PA Plan Design Summary and Rate Tables, the Federal Rates Template, and in the binder are identical.

**Capital Advantage Assurance Company**  
**Individual Market**  
**Q&A Exhibit 1**  
**2018 RA Transfer Payment Impact - Estimate**

**CAAC - PPO**

**Market / Risk Pool Assumptions**

<b>Total Member Months</b>	5,876,348
<b>State Average Premium</b>	\$518.61
<b>Client Market Share</b>	6.8%

**Transfer Payment Calculator - Baseline Risk**

<b>Measure/Factor</b>	<b>Client</b>	<b>Competitors</b>	<b>Market</b>
<b>Market Share</b>	6.8%	93.2%	100.0%
<b>Billable Member Months</b>	398,628	5,477,719	5,876,348
<b>PMPM Premium Amount</b>	\$518.61	\$518.61	\$518.61
<b>Total Annual Revenue</b>	<b>\$206,732,690</b>	<b>\$2,840,802,576</b>	<b>\$3,047,535,266</b>
<b>PLRS</b>	1.962	1.641	1.662
<b>AV</b>	0.720	0.701	0.703
<b>ARF</b>	1.881	1.711	1.722
<b>GCF</b>	1.354	0.971	0.997
<b>IDF</b>	1.045	1.033	1.034
<b>Cost with Risk Factor</b>	2.777	1.647	1.724
<b>Cost without Risk Factor</b>	1.917	1.205	1.253
<b>Normalized Risk Factor</b>	1.611	0.956	1.000
<b>Normalized Non-Risk Factor</b>	1.530	0.961	1.000
<b>Risk Selection Factor</b>	0.0809	-0.006	
<b>Transfer Payment (PMPM)</b>	<b>\$41.96</b>	<b>(\$3.05)</b>	
<b>Total Transfers</b>	<b>\$16,727,216</b>	<b>(\$16,727,216)</b>	<b>(\$0)</b>

Capital Advantage Assurance Company  
Individual Market  
Q&A Exhibit 1a  
2018 RA Transfer Payment Impact Assumptions

	CBC	Market
Total Member Months		Assumed flat from 2017
State Average Premium		Assumed flat from 2017
Client Market Share	Member Months from RRR Exchange Member through 5/31 and divided by Market's Total Member Months	
Market Share	Client Market Share	Total Member Months
Billable Member Months	Member Months from RRR Exchange Member through 5/31	Assumed flat from 2017
PMPM Premium Amount		Assumed flat from 2017
Total Annual Revenue	Billable Member Months * PMPM Premium Amount	Billable Member Months * PMPM Premium Amount
	Data from Care Modeler through 5/31:	
PLRS	PLRS multiplied by % increase from May 2017 RATEE to May 2018 RATEE for all Markets and Issuers, except for Catastrophic	Assumed flat from 2017
AV	Member Months from RRR Exchange Member through 5/31	Assumed flat from 2017
ARF	Member Months from RRR Exchange Member through 5/31	Assumed flat from 2017
GCF	Member Months from RRR Exchange Member through 5/31 using 2017 factors	Assumed flat from 2017
IDF	Member Months from RRR Exchange Member through 5/31	Assumed flat from 2017
Cost with Risk Factor	PLRS * GCF * IDF	PLRS * GCF * IDF
Cost without Risk Factor	AV * ARF * GCF * IDF	AV * ARF * GCF * IDF
Normalized Risk Factor	CBC's Cost with Risk Factor divided by Market's Cost with Risk Factor	
Normalized Non-Risk Factor	CBC's Cost without Risk Factor divided by Market's Cost without Risk Factor	
Risk Selection Factor	Normalized Risk Factor - Normalized Non-Risk Factor	

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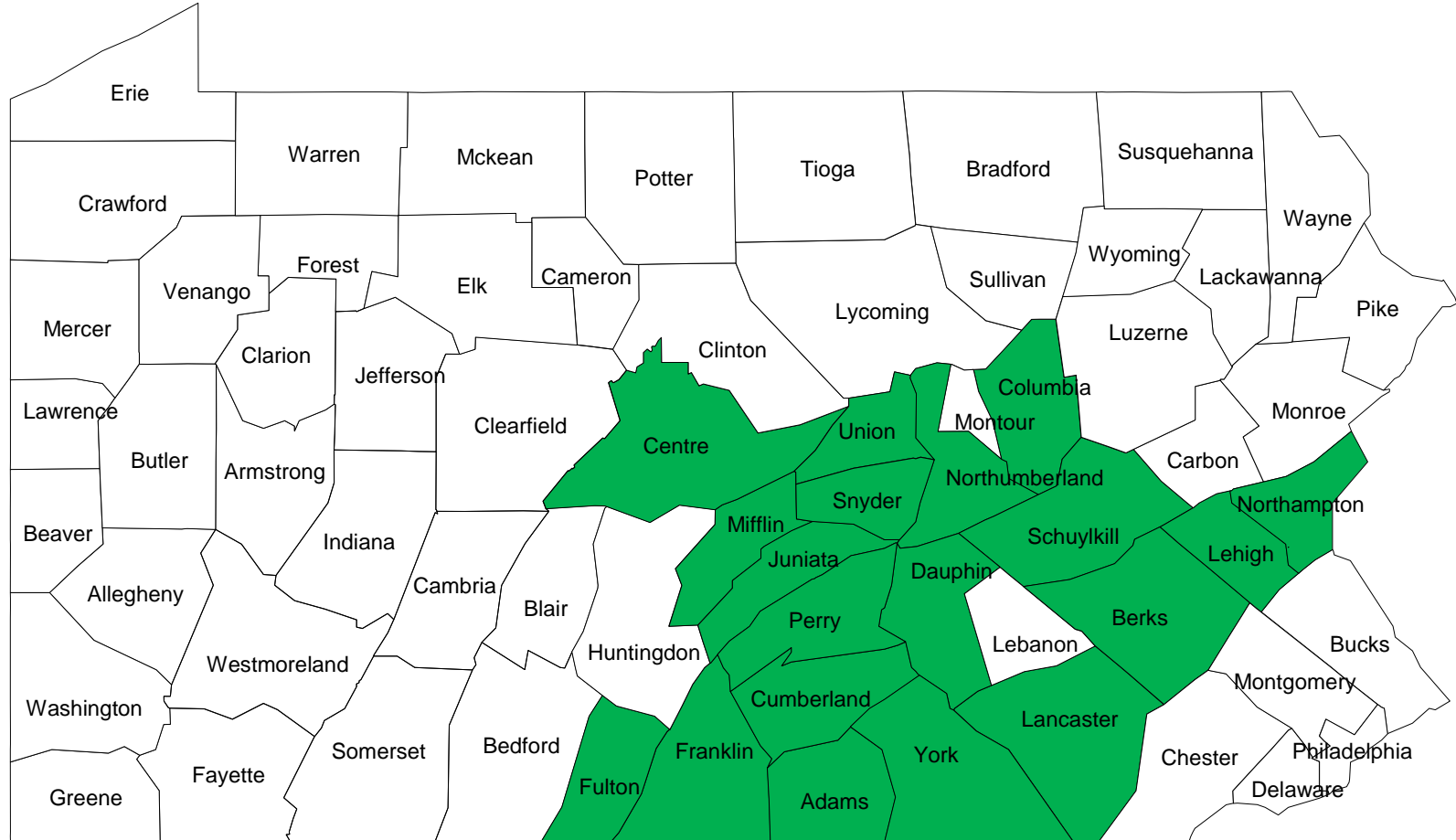
**Capital Advantage Assurance Company**  
**Individual Market**  
**Q&A Exhibit 2**  
**2018 RA Transfer Payment Impact Assumptions**

<u>Year</u>	<u>Issuer</u>	<u>NewExist</u>	<u>Member Months</u>	<u>Total Risk Weight</u>	<u>MM Weighted Avg Risk Score</u>
2017	CAAC	Exist	326,275	613,587	1.88
2017	CAAC	New	231,747	438,619	1.89
2017	KHPC	Exist	24,629	16,353	0.66
2017	KHPC	New	8,649	7,119	0.82
2017	CAIC	Exist	739	534	0.72
2017	CAIC	New	1,099	1,077	0.98
2016	CAAC	Exist	61,512	144,605	2.35
2016	CAAC	New	319,991	545,302	1.70
2016	KHPC	Exist	47,364	62,206	1.31
2016	KHPC	New	368,494	454,539	1.23
2016	CAIC	Exist	3	2	0.53
2016	CAIC	New	161	87	0.54

# 2018 Service Area


Issuer: 45127

Market: Individual



**Key** (*modify as needed*)

 : 2018 on-exchange service area

 : 2018 off-exchange only service area

**Market: Individual**

