State:	Pennsylvania	**Filing Company:**	HM Health Insurance Company- HHIC
TOI/Sub-TOI:	H15G Group Health - Hospital/Surgical/Medical Expense/H15G.003 Small Group Only		
Product Name:	HHIC Small Group 2021 ACA Rate Filing		
Project Name/Number:	HHIC 2021 ACA Rate Filing/1A-SG-HHIC-2020		

Supporting Document Schedules

Satisfied - Item:	ACA Rate Change Request Summary
Comments:	
Attachment(s):	Attachment 1 - 2021 - HHIC 07202020.pdf Attachment 1 - 2021 - HHIC 07202020.xml
Item Status:	
Status Date:	

Attachment Attachment 1 - 2021 - HHIC 07202020.xml is not a PDF document and cannot be reproduced here.

Rate Change Summary

Highmark Health Insurance Company (HHIC) – Small Group Plans

Rate request filing ID # HGHM-132380665 - This document is prepared by the insurance company submitting the rate filing as a consumer tool to help explain the rate filing. It is not intended to describe or include all factors or information considered in the review process. For more information, see the filing at http://www.insurance.pa.gov/Consumers/ACARelatedFilings/

Overview

Initial requested average rate change:	-1.1%[1]
Revised requested average rate change:	N/A[1]
Range of requested rate change:	-1.9% to 0.5%
Effective date:	January 1, 2021
Mapped Members:	351
Available in:	Rating Areas 1, 2, 4, 5, 6, 7, 9

Key information

Jan. 2019-Dec. 2019 financial experience

Premiums	$254,292,327
Claims	$217,027,552
Administrative expenses	$30,919,302
Taxes & fees	$4,703,806
Company made (after taxes)	**$1,641,667**

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

Claims:	88.8%
Administrative:	9.1%
Taxes & fees:	2.1%
Profit:	0%

The company expects its annual medical costs to increase **9.06%**.

Explanation of requested rate change

The rate changes are being driven upwards by rising medical care costs, which are expected to continue through the remainder of 2020 and throughout 2021 as a result of both higher utilization and the increasing cost of healthcare services. These upward impacts are being offset by improvements in the morbidity of the population within HHIC's ACA products and the decreases in administration costs and taxes.

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