

Virginia's Rate Regulations

- Prior to July 1, 2013
 - Only individual non-HMO, non-association required prior approval from the Commission's BOI
 - 60% minimum loss ratio
- July 1, 2013 and later
 - All individual and all small group, including HMO and associations, require prior approval from the Commission's BOI
 - 75% minimum loss ratio
 - ACA market rules (rating, GI, single risk pool, AV, EHB)
 - Due to new legislation, Virginia was deemed to be a fully effective rate review state by the Center for Consumer Information and Insurance Oversight (CCIIO), part of the federal department of Health and Human Services

Virginia Individual - Rating Variables

Pre-2014 Common Variables

- Age, with no limitations
- Gender
- Geographic location with carrier customization
- Health status including denial of coverage
- Member level rating

Post-2014 Allowed Variables (ACA and VA conforming legislation)

- Age, no more than 3:1
- ~~Gender~~
- Geographic location with areas established by HHS
- ~~Health status including denial of coverage~~
- Tobacco rating, no more than 1.5:1
- Member level rating

Virginia Small Group - Rating Variables

Pre-2014 Common Variables

- Age, with no limitations
- Gender
- Geographic location with carrier customization
- Health status (must GI group)
- Industry
- Group size
- Contribution/Participation

Post-2014 Allowed Variables (ACA and VA conforming legislation)

- Age, no more than 3:1
- ~~Gender~~
- Geographic location with areas established by HHS
- ~~Health status (must GI group)~~
- ~~Industry~~
- ~~Group size~~
- ~~Contribution/Participation~~
- Tobacco rating, no more than 1.5:1 (must be able to avoid with wellness program)
- Member level rating

2014 Rate Presentations

- Scenarios were developed to attempt to capture a range of potential rate changes that customers may experience
 - Demographic profiles were set for all issuers
 - Issuers requested to compare 2013 and 2014 plan rates based on most popular 2013 plan for that demographic, in one issuer-chosen rating area, and the most comparable 2014 plan
 - Issuers were also requested to provide some details on what is driving rate changes
 - Rating area changes were also requested
 - Companies new to the market were asked to provide some details for their 2014 rates

Company Name CareFirst BlueChoice, Inc.

Virginia Individual Market

Scenario A
Contract Type: Single Male
Age: 29
Location: same
 Richmond (or other rating area; must be the same for all Scenarios)
Health Status: this
 The most prevalent underwriting category for this policyholder
Plan: Most popular non-grandfathered plan for this policyholder, compared to the most comparable 2014 plan
 HB2 1500 HB Gold \$1500

Complete the following chart for the above scenario:

	Single	
	Monthly Premium	% Change
Premium @ 12/31/13*	\$163.00	
ACA changes	\$169.97	104.3%
Trend	\$4.31	2.6%
Other changes	\$1.24	0.7%
Premium @ 1/1/14	\$338.52	107.7%

Virginia Individual Market

Scenario B
Contract Type: Family with 2 children
Age: 45 (both adults)
Location: Richmond (or other rating area; must be the same for all Scenarios)
Health Status: The most prevalent underwriting category for this policyholder
Plan: Most popular non-grandfathered plan for this policyholder, compared to the most comparable 2014 plan

Complete the following chart for the above scenario:

	Family	
	Monthly Premium	% Change
Premium @ 12/31/13	\$899.00	
ACA changes	\$333.84	37.1%
Trend	\$23.80	2.6%
Other changes	\$1.24	0.3%
Premium @ 1/1/14	\$1,257.88	39.9%

Virginia Individual Market

Scenario C
Contract Type: Couple
Age: 60 (both adults)
Location: Richmond (or other rating area; must be the same for all Scenarios)
Health Status: The most prevalent underwriting category for this policyholder
Plan: Most popular non-grandfathered plan for this policyholder, compared to the most comparable 2014 plan

Complete the following chart for the above scenario:

	Couple	
	Monthly Premium	% Change
Premium @ 12/31/13	\$1,203.00	
ACA changes	\$405.99	33.7%
Trend	\$31.85	2.6%
Other changes	\$1.24	0.3%
Premium @ 1/1/14	\$1,642.08	36.5%

*Premium @ 1/1/14" is prior to any premium subsidies that may be available on the Exchange to eligible individuals.

Company Name Healthkeepers
, Inc.

Virginia Small Group Market

Scenario A
Eight single male
Group Type: employees
Ages: 29
Richmond (or other rating area; must be the same
Location: the same
for all
Scenarios)
The most prevalent underwriting
Health Status: category for this
policyholder
Most popular non-grandfathered plan
Plan: for
this policyholder, compared to the most comparable
2014
plan

Virginia Small Group Market

Scenario B
Group Type: Eight single employees, four male and four female
Ages: 45
Location: Richmond (or other rating area; must be the same
for all Scenarios)
Health Status: The most prevalent underwriting category for this
policyholder
Plan: Most popular non-grandfathered plan for
this policyholder, compared to the most comparable
2014 plan

Virginia Small Group Market

Scenario C
Group Type: Eight single female employees
Ages: 60
Location: Richmond (or other rating area; must be the same
for all Scenarios)
Health Status: The most prevalent underwriting category for this
policyholder
Plan: Most popular non-grandfathered plan for
this policyholder, compared to the most comparable
2014 plan

Complete the following chart for the above scenario:

	Group Monthly Premium	% Change
Premium @ 12/31/13	\$1,350	
ACA changes	\$1,346	99.7%
Trend	\$23	1.7%
Other changes	(\$32)	-2.3%
Premium @ 1/1/14	\$2,688	99.1%

Complete the following chart for the above scenario:

	Group Monthly Premium	% Change
Premium @ 12/31/13	\$3,159	
ACA changes	\$329	10.4%
Trend	\$54	1.7%
Other changes	(\$74)	-2.3%
Premium @ 1/1/14	\$3,469	9.8%

Complete the following chart for the above scenario:

	Group Monthly Premium	% Change
Premium @ 12/31/13	\$5,929	
ACA changes	\$626	10.6%
Trend	\$102	1.7%
Other changes	(\$139)	-2.3%
Premium @ 1/1/14	\$6,519	9.9%

"Premium @ 1/1/14" is prior to any tax credit that may be available on the Exchange to eligible small employers, and prior to any employer contribution.

2015 Rate Presentations

- The 2015 Rate Presentations, held on July 23, 2014, were the second annual informational review of ACA rates.
- For the 2014 Rate Presentations, held on July 13, 2013, companies were asked to compare their most popular non-grandfathered plans to the closest ACA-compliant plan
- Companies were also given detailed demographics to show the impact of ACA rating rules
- The 2015 Rate Presentations were much more straightforward, as covered benefits (EHBs) and rating rules were not changing

Company Name BlueChoice, Inc.
 Market Individual

Rates are for rating area __10__, non-tobacco user

Most Popular Plan*

2nd Most Popular Plan*

3rd Most Popular Plan*

* based on statewide enrollment as of 3/31/14

* based on statewide enrollment as of 3/31/14

* based on statewide enrollment as of 3/31/14

Metal level: Silver
 Brief benefit description: BlueChoice HSA Silver \$1300 On Exchange

Metal level: Bronze
 Brief benefit description: BlueChoice HSA Bronze \$6000 On Exchange

Metal level: Silver
 Brief benefit description: BlueChoice Silver \$2000 On Exchange

Comparison**	\$	% Change
Rate on 1/1/14	\$213.61	
ACA Changes	\$6.42	3.0%
Trend	\$19.29	9.0%
Other Changes	\$19.14	9.0%
Rate on 1/1/15	\$258.46	21.0%

** rate for age 25

Comparison**	\$	% Change
Rate on 1/1/14	\$138.16	
ACA Changes	\$4.15	3.0%
Trend	\$12.48	9.0%
Other Changes	\$0.32	0.2%
Rate on 1/1/15	\$155.11	12.3%

** rate for age 25

Comparison**	\$	% Change
Rate on 1/1/14	\$215.47	
ACA Changes	\$6.48	3.0%
Trend	\$19.46	9.0%
Other Changes	\$16.91	7.8%
Rate on 1/1/15	\$258.31	19.9%

** rate for age 25

Comparison**	\$	% Change
Rate on 1/1/14	\$271.91	
ACA Changes	\$8.18	3.0%
Trend	\$24.55	9.0%
Other Changes	\$24.36	9.0%
Rate on 1/1/15	\$329.00	21.0%

** rate for age 40

Comparison**	\$	% Change
Rate on 1/1/14	\$175.87	
ACA Changes	\$4.15	3.0%
Trend	\$12.48	9.0%
Other Changes	\$4.94	2.8%
Rate on 1/1/15	\$197.44	12.3%

** rate for age 40

Comparison**	\$	% Change
Rate on 1/1/14	\$274.27	
ACA Changes	\$8.25	3.0%
Trend	\$24.77	9.0%
Other Changes	\$21.52	7.8%
Rate on 1/1/15	\$328.80	19.9%

** rate for age 40

Comparison**	\$	% Change
Rate on 1/1/14	\$577.43	
ACA Changes	\$17.36	3.0%
Trend	\$52.14	9.0%
Other Changes	\$51.74	9.0%
Rate on 1/1/15	\$698.67	21.0%

** rate for age 60

Comparison**	\$	% Change
Rate on 1/1/14	\$373.47	
ACA Changes	\$4.15	3.0%
Trend	\$12.48	9.0%
Other Changes	\$29.19	7.8%
Rate on 1/1/15	\$419.29	12.3%

** rate for age 60

Comparison**	\$	% Change
Rate on 1/1/14	\$582.45	
ACA Changes	\$17.51	3.0%
Trend	\$52.59	9.0%
Other Changes	\$45.71	7.8%
Rate on 1/1/15	\$698.26	19.9%

** rate for age 60

Company Name Anthem Health Plans of Virginia, Inc.
Market Small Group

Rates are for rating area Richmond (7), non-tobacco user

Most Popular Plan*

* based on statewide enrollment as of 3/31/14

Metal level: Platinum
 Brief benefit description: 1st dollar copays/no Ded; \$ 3000 OOP

Comparison*	\$	% Change
Rate on 1/1/14	\$362.76	
ACA Changes	\$2.36	0.7%
Trend	\$26.88	7.4%
Other Changes	-\$22.06	-6.1%
Rate on 1/1/15	\$369.94	2.0%

** rate for age 25

Comparison*	\$	% Change
Rate on 1/1/14	\$461.75	
ACA Changes	\$3.01	0.7%
Trend	\$34.21	7.4%
Other Changes	-\$28.07	-6.1%
Rate on 1/1/15	\$470.90	2.0%

** rate for age 40

Comparison*	\$	% Change
Rate on 1/1/14	\$980.60	
ACA Changes	\$6.38	0.7%
Trend	\$72.66	7.4%
Other Changes	-\$59.61	-6.1%
Rate on 1/1/15	\$1,000.03	2.0%

** rate for age 60

2nd Most Popular Plan*

* based on statewide enrollment as of 3/31/14

Metal level: Gold
 Brief benefit description: \$ 1000 Ded; 20% Coins. \$3000 OOP

Comparison*	\$	% Change
Rate on 1/1/14	\$320.66	
ACA Changes	\$2.09	0.7%
Trend	\$23.76	7.4%
Other Changes	-\$19.19	-6.0%
Rate on 1/1/15	\$327.32	2.1%

** rate for age 25

Comparison*	\$	% Change
Rate on 1/1/14	\$408.17	
ACA Changes	\$2.66	0.7%
Trend	\$30.24	7.4%
Other Changes	-\$24.42	-6.0%
Rate on 1/1/15	\$416.65	2.1%

** rate for age 40

Comparison*	\$	% Change
Rate on 1/1/14	\$866.80	
ACA Changes	\$5.64	0.7%
Trend	\$64.23	7.4%
Other Changes	-\$51.85	-6.0%
Rate on 1/1/15	\$884.82	2.1%

** rate for age 60

3rd Most Popular Plan*

* based on statewide enrollment as of 3/31/14

Metal level: Gold
 Brief benefit description: \$ 500 Ded; 20% Coins; \$3500 OOP

Comparison**	\$	% Change
Rate on 1/1/14	\$328.66	
ACA Changes	\$2.14	0.7%
Trend	\$24.35	7.4%
Other Changes	-\$18.80	-5.7%
Rate on 1/1/15	\$336.35	2.3%

** rate for age 25

Comparison**	\$	% Change
Rate on 1/1/14	\$418.35	
ACA Changes	\$2.72	0.7%
Trend	\$31.00	7.4%
Other Changes	-\$23.93	-5.7%
Rate on 1/1/15	\$428.14	2.3%

** rate for age 40

Comparison**	\$	% Change
Rate on 1/1/14	\$888.43	
ACA Changes	\$5.78	0.7%
Trend	\$65.83	7.4%
Other Changes	-\$50.82	-5.7%
Rate on 1/1/15	\$909.22	2.3%

** rate for age 60

