



CID Review

Of 2020 Health Insurance Rates

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TO:
HEALTH CARE CABINET
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2020 Health Insurance Rates

SCOPE OF REVIEW

- 10 companies
- 14 rate filings on individual & small group
- Approx. 242,000 covered lives in Connecticut



2020 Health Insurance Rates

Items Contributing to 2020 Rate Increases

- Federally Mandated Health Insurer Tax - There was a moratorium on the federally mandated health insurer tax in 2019, but it has been reinstated for 2020. The reinstatement of this federally mandated tax accounts for approximately 3 percentage points of each carrier's rate increase request and approved rate changes. This means that the average requested and approved increases from above would be approximately 3 percentage points lower if this tax was not reinstated.



2020 Health Insurance Rates

Items Contributing to 2020 Rate Increases (con't)

- Annual Trend (medical Inflation) – Trend is a factor that accounts for rising health care costs, including the cost of prescription drugs, and the increased demand for medical services. This year, it has risen to an average increase of 8.2 percent.
- RADV Audit - CMS completed its 2017 benefit year Risk Adjustment Data Validation (RADV) audit. The impact of this audit varied by carrier in both the individual and small group markets.



2020 Health Insurance Rates

ON EXCHANGE - INDIVIDUAL

COMPANY	Original Average Request	Original Range	Revised Request	Revised Range	Approved Ave. Request	Approved Range	Covered Lives
*Anthem Health Plans	15.2%	0.1% to 25.7%	n/a	n/a	6.5%	-7.3% to 16.7%	27,318
CTCare Benefits Inc.	4.9%	-0.4% to 11.7%	n/a	n/a	2.0%	-3.1% to 8.7%	75,625



2020 Health Insurance Rates

ON EXCHANGE – SMALL GROUP

COMPANY	Original Average Request	Original Range	Revised Request	Revised Range	Approved Ave. Request	Approved Range	Covered Lives
*Anthem Health Plans	14.8%	3.7% to 28.5%	n/a	n/a	14.3%	3.3% to 27.6%	44,103
CTCare Benefits Inc.	4.8%	-10.0% to 9.7%	n/a	n/a	4.8%	-10.0% to 9.7%	239



2020 Health Insurance Rates

OFF EXCHANGE – INDIVIDUAL

COMPANY	Original Average Request	Original Range	Revised Request	Revised Range	Approved Ave. Request	Approved Range	Covered Lives
CTCare Inc.	-9.8%	-12.0% to -9.0%	n/a	n/a	-7.9%	-10.3% to 7.1%	551
CTCare Insurance Co.	10.6%	8.5% to 12.4%	n/a	n/a	9.7%	7.6% to 11.5%	8,884



2020 Health Insurance Rates

OFF EXCHANGE – SMALL GROUP

COMPANY	Original Average Request	Original Range	Revised Request	Revised Range	Approved Ave. Request	Approved Range	Covered Lives
Aetna Life Insurance Company	22.0%	22.0%	n/a	n/a	11.1%	11.1%	705
CTCare Inc.	2.9%	-10.7% to 3.3%	n/a	n/a	2.5%	-11.0% to 2.9%	63
CTCare Insurance Co.	3.3%	-12.4% to 15.7%	n/a	n/a	2.9%	-12.7% to 15.3%	23,827
Harvard Pilgrim Health Care of CT	10.7%	2.7% to 13.9%	n/a	n/a	7.1%	-0.7% to 10.1%	5,137
HPHC Insurance Company, Inc.	10.8%	-0.1% to 18.4%	n/a	n/a	7.1%	-3.5% to 14.5%	10,031
Oxford Health Plans (CT), Inc.	14.9%	9.9% to 20.2%	n/a	n/a	8.9%	4.0% to 14.1%	4,661
Oxford Health Insurance, Inc.	14.4%	6.9% to 19.0%	n/a	n/a	8.4%	1.2% to 13.0%	40,048
UnitedHealthcare Insurance Co.	14.3%	8.7% to 20.2%	n/a	n/a	8.4%	2.9% to 14.1%	1,162