



CID Review

Of 2021 Health Insurance Rates

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TO:
HEALTH CARE CABINET
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2021 Health Insurance Rates

SCOPE OF REVIEW

- 10 companies
- 14 rate filings on individual & small group
- Approx. 214,600 covered lives in Connecticut



2021 Health Insurance Rates

Items Contributing to 2021 Rate Increases

- Annual Trend (medical Inflation) – Trend is a factor that accounts for rising health care costs, including the cost of prescription drugs, the increased demand for medical services and the severity of future claims. This year, it has risen to an average increase of 8.8 percent.
- Experience Adjustments – accounting for worse than expected or better than expected experience in 2019 and recalibrating the approved base rate from 2019.



2021 Health Insurance Rates

Items Contributing to 2021 Rate Increases (con't)

- COVID-19 – Two carriers, Anthem and CTCare have increased rates 2%-2.5% due to the projected impact of COVID-19 in 2021, including pent-up demand and the potential for a vaccine.
- Deteriorating Morbidity – As the small group market continues to shrink the overall risk of the fully insured small group market continues to deteriorate.



2021 Health Insurance Rates

ON EXCHANGE - INDIVIDUAL

COMPANY	Original Average Request	Original Range	Approved Ave. Request	Approved Range	Covered Lives
*Anthem Health Plans	9.9%	-2.1% to 14.2%	1.9%	-9.3% to 5.9%	22,071
CTCare Benefits Inc.	5.5%	-2.4% to 15.0%	-0.1%	-5.5% to 8.9%	75,174



2021 Health Insurance Rates

ON EXCHANGE – SMALL GROUP

COMPANY	Original Average Request	Original Range	Approved Ave. Request	Approved Range	Covered Lives
*Anthem Health Plans	9.5%	3.8% to 13.7%	2.6%	-2.8% to 6.4%	25,500
CTCare Benefits Inc.	-0.2%	-7.5% to 5.0%	-4.1%	-10.4% to 1.7%	254



2021 Health Insurance Rates

OFF EXCHANGE – INDIVIDUAL

COMPANY	Original Average Request	Original Range	Approved Ave. Request	Approved Range	Covered Lives
CTCare Inc.	5.2%	3.3% to 6.7%	2.5%	0.7% to 4.0%	519
CTCare Insurance Co.	4.0%	-1.4% to 7.4%	-4.0%	-9.0% to -0.9%	8,606



2021 Health Insurance Rates

OFF EXCHANGE – SMALL GROUP

COMPANY	Original Average Request	Original Range	Approved Ave. Request	Approved Range	Covered Lives
Aetna Life Insurance Company	18.9%	18.9%	0.0%	0.0%	168
CTCare Inc.	10.0%	0.6% to 13.3%	4.7%	-3.3% to 8.8%	67
CTCare Insurance Co.	10.3%	-4.2% to 12.8%	4.2%	-7.9% to 8.5%	22,049
Harvard Pilgrim Health Care, Inc	12.7%	10.5% to 14.3%	11.1%	9.0% to 12.8%	5,216
HPHC Insurance Company, Inc.	8.4%	3.5% to 12.4%	6.9%	2.2% to 10.8%	8,427
Oxford Health Plans (CT), Inc.	14.5%	-3.1% to 16.9%	9.6%	-7.1% to 12.0%	3,492
Oxford Health Insurance, Inc.	13.4%	3.4% to 16.8%	8.6%	-1.0% to 11.9%	41,791
UnitedHealthcare Insurance Co.	10.3%	-2.4% to 17.4%	5.7%	-6.5% to 12.5%	1,243