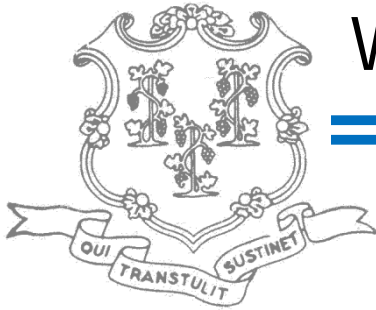


# Connecticut Health Insurance Exchange

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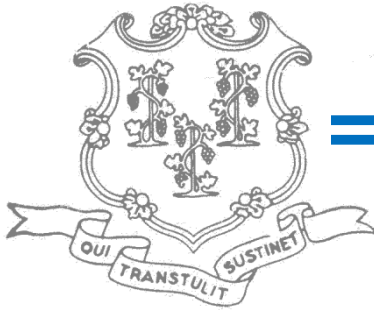
Board of Directors Meeting

*February 21, 2013*



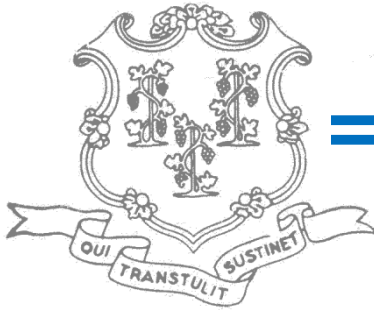
# Welcome and Introductions

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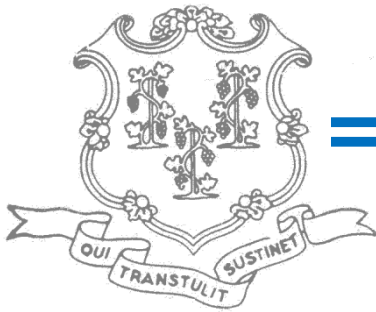
# Public Comment

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# Review and Approval of Minutes

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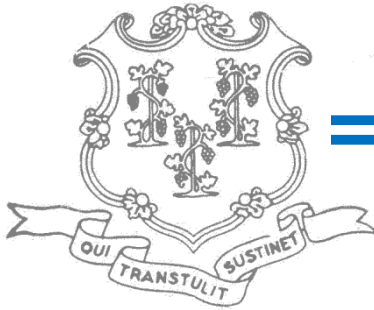


# CEO Report

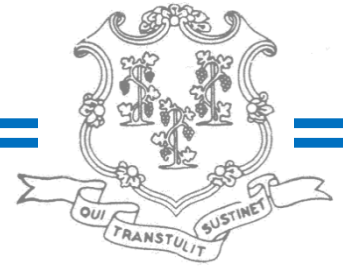
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# Operations and Information Technology Update

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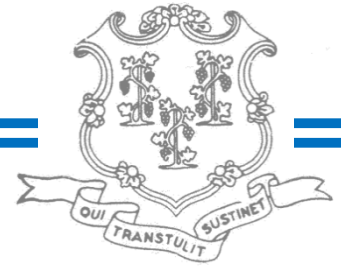


# Agenda



- Operations Update
- Information Technology Update
- Overall Health of the Program
- IEPMO Operational Dashboard
- IEPMO IT Dashboard

# Operations and Information Technology Update

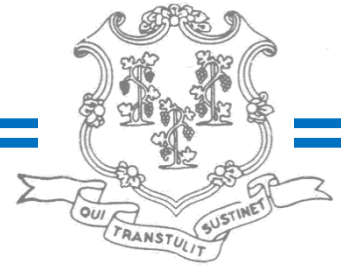


## Operations Update

- Operating Model – working with DSS to develop division of labor to effect integrated eligibility
- Call Center – Contract signed and vendor onboarding underway
- Small Employer Health Option Program(SHOP) – Vendor selection underway
- Policy – Finalize Standard Benefit Design
- Human Resources – Updating policy and procedures to provide foundation for growth in staff
- Management team – Stressing interrelationships and integration points with technology



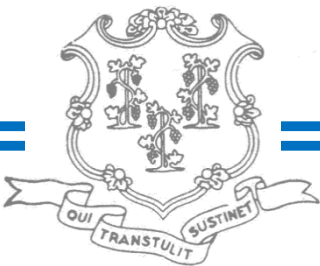
# Operations and Information Technology Update



## IT Update

- Deferral of non-critical functionality
- Approved to be 1 of first 5 states in Wave 1 testing
- Federal Detailed Design Review planned for 3/27 & 3/28
- Independent Verification and Validation (IV&V) vendor selection underway
- Consumer Experience Demonstration scheduled for March 20<sup>th</sup>
- Moved into new space at 280 Trumbull Street

# Overall Health of the Program



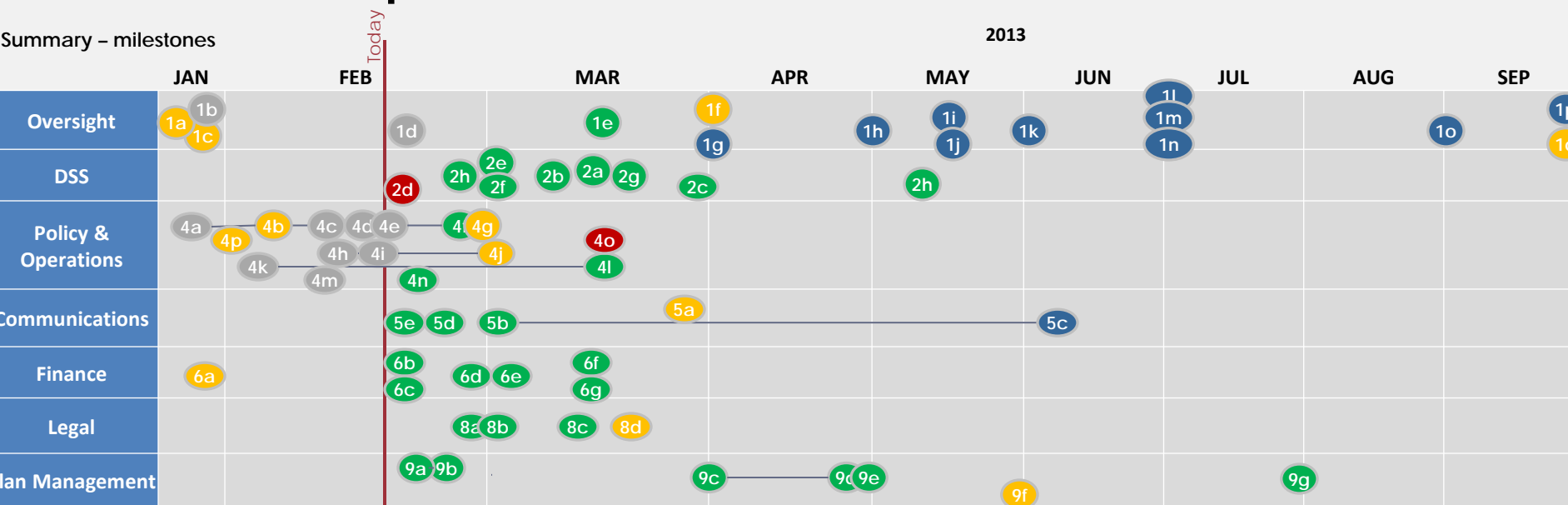
The overall status of the CTHIX Program is currently yellow due to risks which threaten Schedule, Scope and Quality. These risks are primarily attributable to: delays in design completion, funding navigators, resource constraints and incorporating evolving federal guidance.

Schedule Risks	Overall				
Resource Risks					
Quality Risks					
Scope Risks					
Issues	Not started	Started and on track	Minor risk / issue	Major risk / issue	Complete

CT HIX / IE PMO Operations Dashboard

2/19/13

Summary – milestones



- Oversight & Support**

  - (1a) Finalize MOU - HIX & BEST (mid Jan) 1
  - (1b) Draft Organizational Readiness Plan to HIX (Dec 12, now Jan 31)
  - (1c) \*Final Design Due (Feb 1)
  - (1d) Board Meeting (Feb 21)
  - (1e) \*Submit Establishment Design Review & IT consultation/presentation to CMS (mid March)
  - (1f) \*Development 70% Complete (Apr 1)
  - (1g) \*Preliminary IRS ACA Safeguard Procedures Report & System Security Plan due (Apr 1)
  - (1h) \*Last date to enter testing (May 1)
  - (1i) \*Privacy Impact Assessment Complete (May 15)
  - (1j) \*Preliminary Interconnection Security Agreement must be provided (May 15)
  - (1k) \*OIS State Exchange Assessment to CCIIO (Jun 1)
  - (1l) \*Final State Determination (Jul 1)
  - (1m) \*Computer Matching Agreements Complete (Jul 1)
  - (1n) \*Submit Final ACA Safeguard Procedures Report & Final System Security Plan to IRS (Jul 1)
  - (1o) \*Final Interconnection Security Agreement Due (Sep 1)
  - (1p) \*Business Partner Agreements Complete (Sep 30)
  - (1q) \*HIX Go Live (Oct 1)

**DSS**

**Management**

  - (2a) Meeting for establishment of Financial Processes between HIX and DSS (mid Mar)
  - (2b) Placeholder for Detailed Design Review ‘dry run’ with CMS/CCIIO (March 11 – TBD)
  - (2c) Draft statement for MOA (End March- TBD)
- (2d) End to end design walkthrough session planned with Deloitte (starting Feb 20)

**Tiers 2, 3 & 4**

  - (2e) Estimated potential approval from CMS of IAPD for T2 and T3 (date TBD – early March 2013)
  - (2f) Estimated potential approval from CMS of SOW for T2 and T3 (date TBD – early March 2013)

**ConneCT**

  - (2g) Document Imaging Go Live [R5] (Feb 18)
  - (2h) EMS Transitions from Case-base to Task-base [R7] (May 5)

**Operations**

**Operational Integration**

  - (4o) Develop division of labor with DSS (mid March)

**Planning for QHP (Requirements/ Solicitation)**

  - (4a) Board approved Standard Plan Design (Jan 24)
  - (4b) Decision on rating methodology for QHPs (Feb 8)
  - (4c) Develop Draft Standard for Out of Network (Feb 12)
  - (4d) Define Standard Out-of-Network Benefits (Feb 12)
  - (4e) Finalize Benefits Recommendation (Feb 14)
  - (4f) Board Approval Standard Benefits (Feb 21)
  - (4g) Communicate standard benefits to carriers (end of Feb)

**Planning for SHOP (Policy, RFP)**

  - (4h) SHOP Site Visits (Feb 11 to 14)
  - (4i) Select SHOP Vendor (Feb 15)
  - (4j) Onboard SHOP Vendor (Mar 1)

**Call Center**

  - (4k) Vendor Selection and Contract Negotiations (Jan 18- Feb 1)
  - (4l) Anticipated Contract Start Date (ASAP)

**Other Milestones**

  - (4m) Tribal Consultation (Feb 11)
  - (4n) Strategy Committee Meeting (Feb 21)
  - (4p) IV&V Vendor contracted (Feb 1, now March 20)

**Communications**

**Navigator Activities**

  - (5b) Publish Navigator RFP (Mar 1)
  - (5c) Train & Certify Navigators (Jun 3)

**Marketing/ Outreach Campaign**

  - (5d) Official Launch of New Name and Logo Complete (Feb 21)
  - (5e) Level 1 Grant Award (Feb 15)
  - (5f) Launch Continuing Education (CE) Credit Courses for CT Brokers (mid Mar)
- (By end of March)

**Finance**

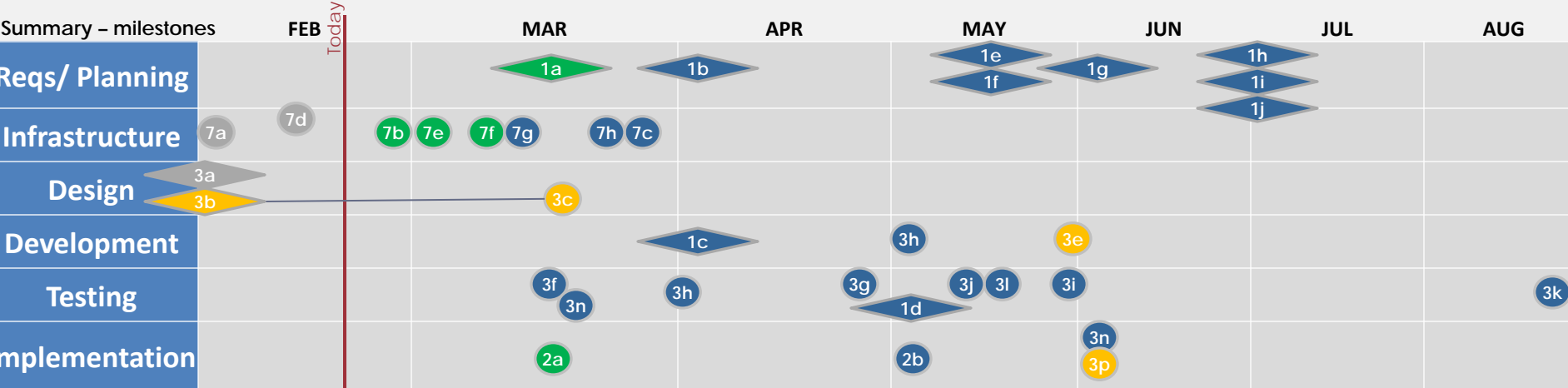
  - (6a) Agreement of cost allocation and financial reimbursement processes HIX/ DSS/ BEST (late Jan)
  - (6b) Share revenue/project budget with CMS (Feb)
  - (6c) Interviews for HIX Comptroller (Feb 11-22)
  - (6d) Establish Level 1 and 2 Grants Timesheet Distinction (Feb 28)
  - (6e) Procure remaining HIX employee benefits (Mar 1)
  - (6f) Complete Annual 2012 Fiscal Audit (Mar 14)
  - (6g) Present Revenue/ Sustainability Options to Board (Mar 14)

**Legal**

  - (8a) Final agreement with HRA for Reinsurance (Feb 28)
  - (8b) SHOP Terms and Conditions (end of Feb)
  - (8c) Wording for Notices [System Design] (Mar 1)
  - (8d) Finalize all MOU’s (end of March)

**Plan Management**

  - (9a) Modify QHP Solicitation to re-post online (Feb 11-22)
  - (9b) Post Modified QHP Solicitation to HIX website (Feb 22)
  - (9c) Release QHP Application to Insurers (Apr 2)
  - (9d) Draft Model Contract for QHP Carriers (Apr 30)
  - (9e) Receive QHP responses from issuers (Apr 30)
  - (9f) Define operational procedures for Plan Management manual processes (May 31)
  - (9g) Initiate Contract to QHP Insurers (Jul 31)



Requirements and Planning

- (1a) \*Submit Establishment Design Review & IT consultation/presentation to CMS (mid March)
- (1b)\*Preliminary IRS ACA Safeguard Procedures Report & System Security Plan due (Apr 1)
- (1e) \*Privacy Impact Assessment Complete (May 15)
- (1f) \*Preliminary Interconnection Security Agreement must be provided (May 15)
- (1g) \*OIS State Exchange Assessment to CCIO (Jun 1)
- (1h) \*Final State Determination (Jul 1)
- (1i) \*Computer Matching Agreement (Jul 1)
- (1j) \*Submit Final ACA Safeguard Procedures Report & Final System Security Plan to IRS (Jul 1)

Infrastructure

- (7a) UAT VM/OS Environment Built (Jan 30)
- (7b) UAT Vanilla Software Installation Complete (Feb 28)

- (7c) UAT Software Configuration Complete (Mar 27)
- (7d) Procure QRadar for Staging Security (Feb 14)
- (7e) HIX VM/OS Staging Environment Built (Mar 1)
- (7f) Start Staging Vanilla Software Install (Mar 5)
- (7g) HIX VM/OS Production Environment Built (Mar 8)
- (7h) Start Production Vanilla Software Install (Mar 22)

Design

- (3a) \*Functional Design (Due Feb 1)
- (3b) \*Technical Design (Due Feb 1)
- (3c) R1 and R2 Design Complete (was Dec 17, now Mar 15)

Development

- (3d) R1 Development (Dec 3 to Apr 1)
- (3e) R2 Development (Dec 10 to May 31)
- (1c) \*Development 70% Complete (Apr 1)

Testing

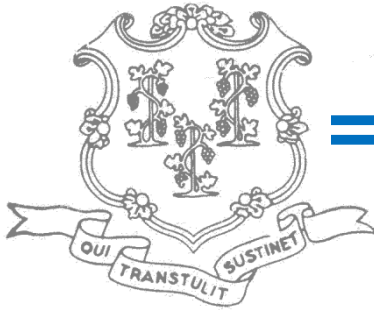
- (1d) \*Last date to enter testing (May 1)

- (3f) R1 SIT Plan Submitted (Mar 15)
- (3g) R2 SIT Plan Submitted (Apr 26)
- (3h) R1 Testing-Unit (Dec 3 to Apr 1)
- (3i) R2 Testing-Unit (Dec 10 to May 31)
- (3j) R1 SIT\Reg\Perf (April 2 to May 8)
- (3k) R2 SIT\Reg\Perf (Jun 1 to Aug 22)
- (3l) R1 UAT (Apr 15 to May 10)
- (3m) R2 UAT (Aug 5 to Sep 6)

Implementation

- (2a) ConneCT Document Imaging Go Live [R5] (mid Mar)
- (2b) EMS Transitions from Case-base to Task-base [ConneCT R7] (May 5)
- (3n) R1 Training (Apr 15 to Jun 4)
- (3o) R2 Training (Jul 29 to Oct 1)
- (3p) R1 Deployment (Jun 4)
- (3q) R2 Deployment (Oct 1)
- (3r) R1 Warranty (Jun 4, 2013 to Jun 3, 2014)
- (3s) R2 Warranty (Oct 1, 2013 Sep 30, 2014)
- (3t) R1Project Close (Jun 4, 2014)
- (3u) R2Project Close (Oct 1, 2014)

\*Indicates CMS Absolute Minimum Milestone

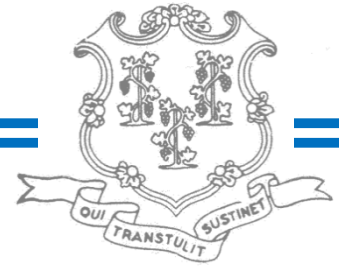


# Plan Management Update

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# Plan Management: Updated Timeline



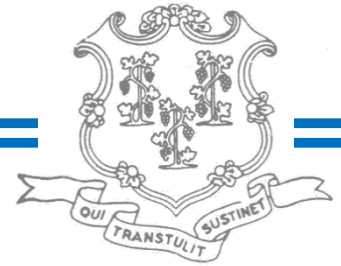
Action	Due Date*
Standard Plan Design Release	3/14/13
QHP Application Sent to Responders	3/18/13
Draft QHP Contract/Agreement Sent to Responders	3/18/13
Responses, Evaluation and Negotiation of QHP Contract/Agreement	3/18/13–7/30/13
Questions from Issuers on QHP Solicitation Due	4/01/13
Exchange Responses to Issuers QHP Questions	4/08/13
Issuers Filings due to Connecticut Insurance Department (CID)	4/30/13
QHP Application Due to Exchange	4/30/13
Evaluation and Negotiation of QHP Applications	5/01/13–7/30/13
CID Review Period Ends	7/30/13
Certification of QHPs	7/30/13–8/14/13
Issue Contract/Agreement between Issuers and Exchange	7/31/13–8/14/13
Issuer Review of Plan Data to be Published via Exchange	8/15/13

## QHP Solicitation Timeline

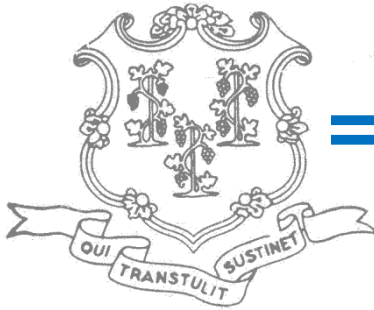
*Adjusted to include  
additional detail on  
process*

\*dates are subject to change

# Plan Management Activities



TIME PERIOD	MAJOR ACTIVITY
February 2013	<ul style="list-style-type: none"><li>• System design sign-off for Plan Management functions (loading of rates and benefits, validations, publishing)</li><li>• Issuer meetings on Plan Management, Enrollment &amp; Question &amp; Answer Sessions on Eligibility, Enrollment and Transactional Data</li><li>• Review of draft documents (QHP Application, Contract)</li></ul>
March 2013	<ul style="list-style-type: none"><li>• Responses due to QHP Solicitation Questions from Issuers posted to Exchange Website</li><li>• Identification of manual procedures to support Plan Management</li><li>• Draft of Policy &amp; Procedure Reference Manual for Issuers</li></ul>

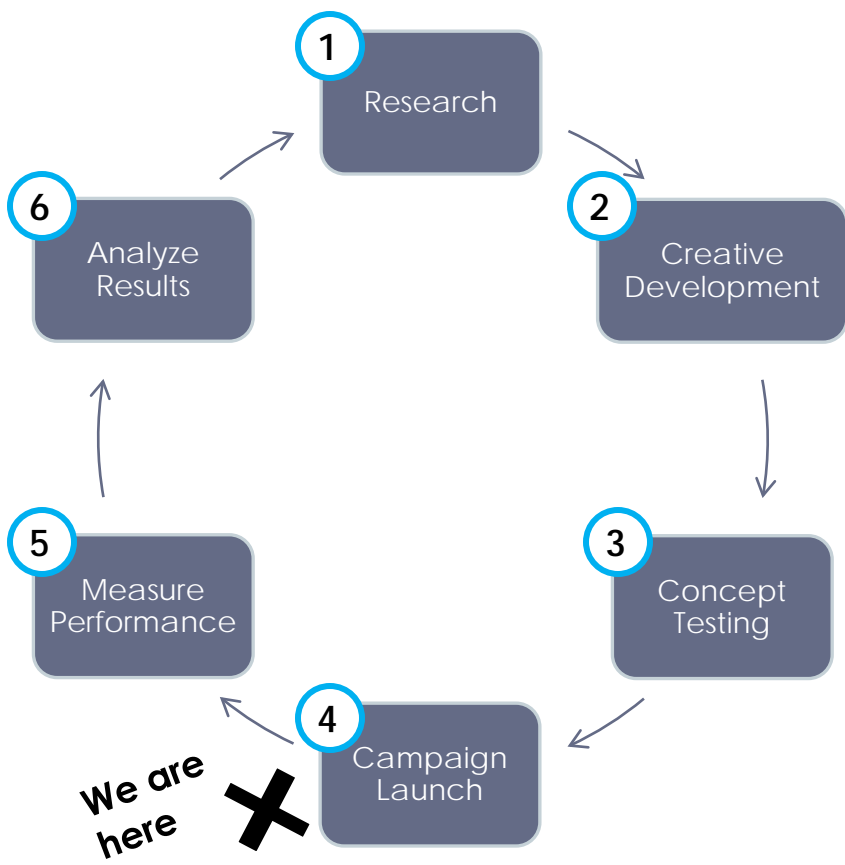
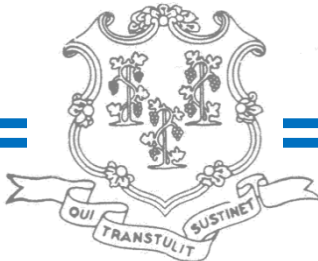


# Marketing and Communications Update

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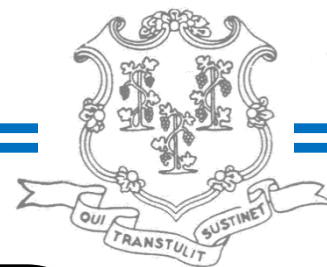


# Progress Update



- All initial research and strategy development has been complete
  - Ongoing refinement will occur as need be
- We have officially launched our new consumer brand identify
- New round of “Healthy Chats” have kicked off
  - These will be followed by an increase in the volume of local outreach activities
- Upcoming activities will focus heavily on Navigator –IPA program development

# Name & Logo Launch



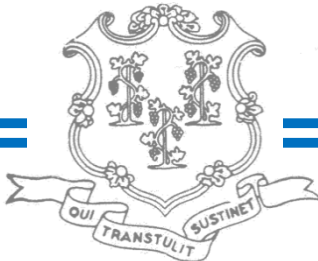
**access health CT**

Connecticut's Health Insurance Marketplace

**Extensive consumer research and testing provided guidance for our new identity**

- Appealing and interesting
- Representing something new and fresh
- Welcoming
- Demonstrating choice and quality
- Friendly as opposed to serious
- Should not appear slick or too expensive

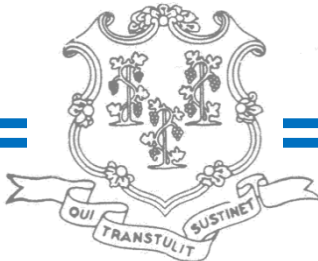
# Name & Logo Launch




Variations have been developed to ensure broad use across multiple sources

PRIMARY LOGO	 Connecticut's Health Insurance Marketplace	 Connecticut's Health Insurance Marketplace
PRIMARY LOGO		
Stacked version: use for small or restricted spaces		
Knock-out versions		


# Name & Logo Launch



Additional collateral is also being developed to fully integrate the brand into all aspects of our business



Connecticut's Health Insurance Marketplace



Connecticut's Health Insurance Marketplace

450 Capitol Avenue, MS 52 HIE  
Hartford, CT 06106-1379  
(O) 860-418-6282  
(M) 617-678-2022  
kevin.counihan@ct.gov

**Kevin J. Counihan**  
Chief Executive Officer



Connecticut's Health Insurance Marketplace

Title Slide Name Here  
Month 00, 2013

Headline with body copy

- Bullet style 1
  - Bullet style 2
    - Bullet style 3
      - Bullet style 4
        - » Bullet style 5

Table

Table Headline	Table Headline
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3

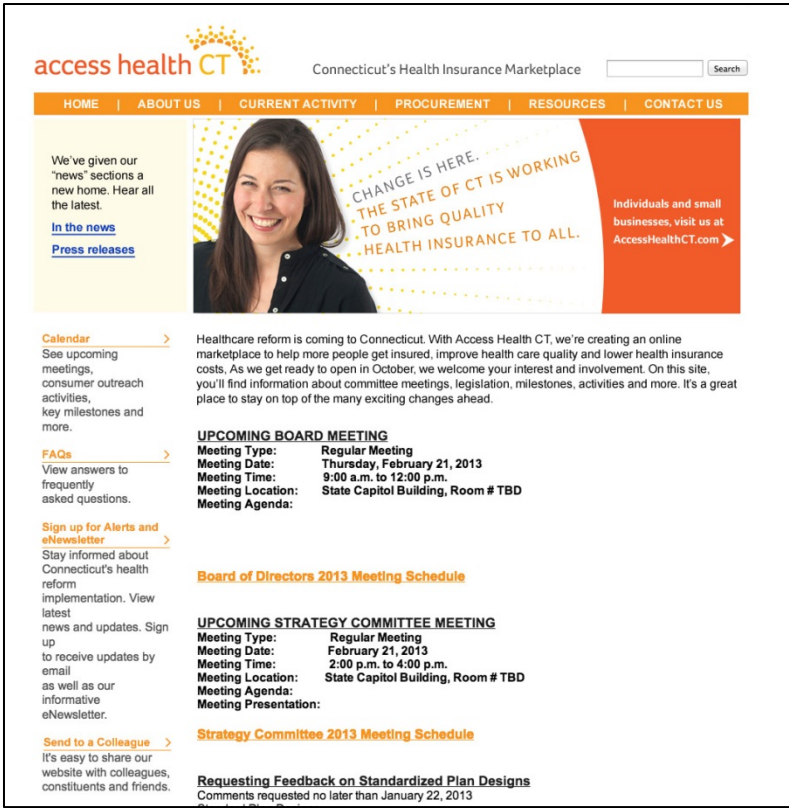
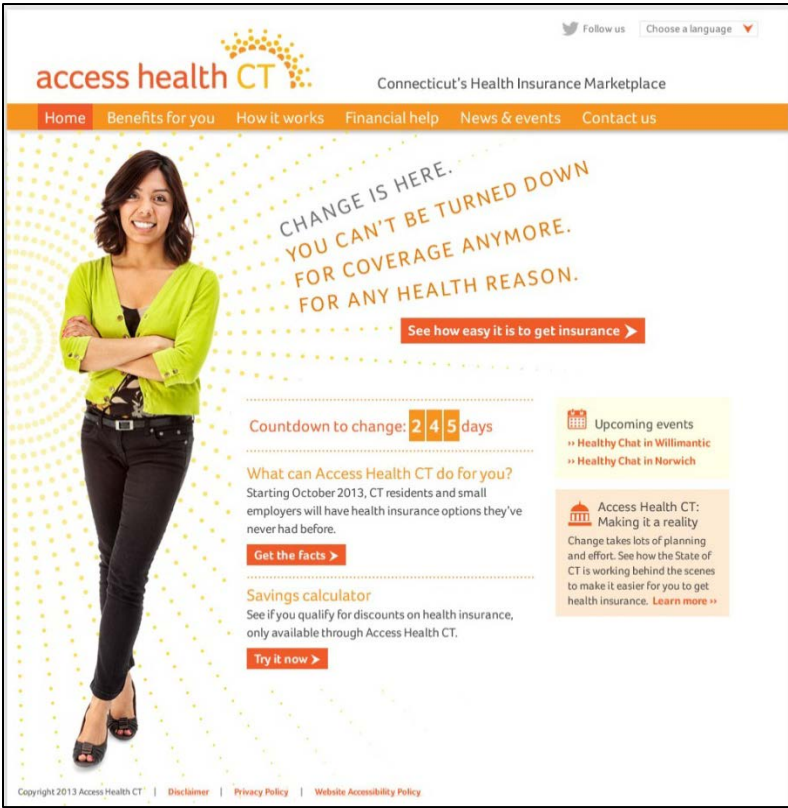


# New Web Site

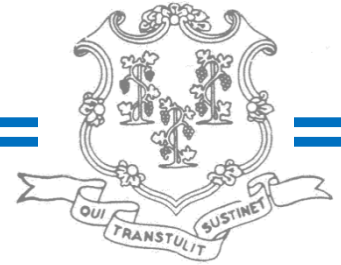


A new consumer centric sit has been developed using our new name as the URL, and our existing site has been revamped to introduce brand elements

accesshealthct.com

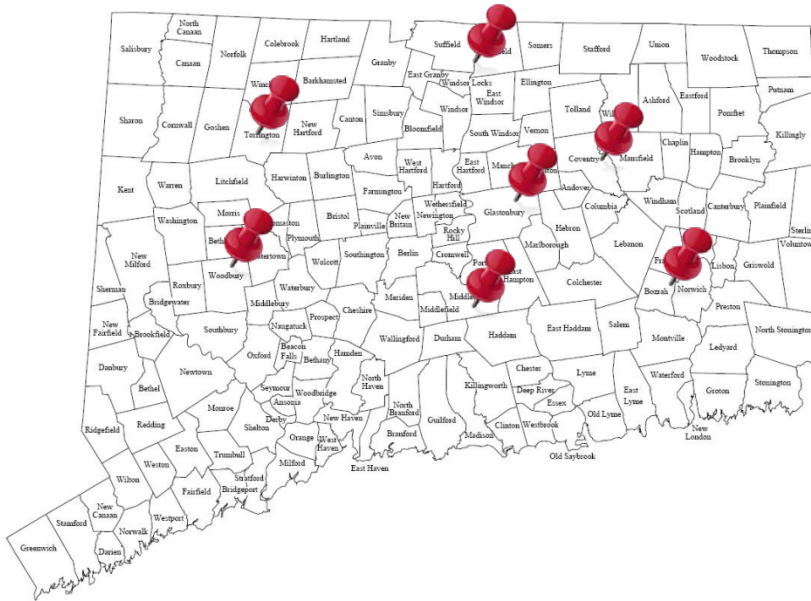


# Event Dates and Locations



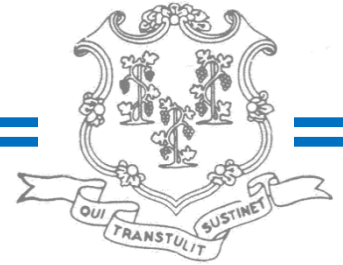
**LET'S CHAT.**

[www.healthychatct.com](http://www.healthychatct.com)



- Norwich - 2/19
- Willimantic - 2/21
- Manchester- 2/26
- Meriden - 2/28
- Torrington - 3/5
- Danbury - 3/14
- Enfield - 3/19

# Needs Assessment Overview



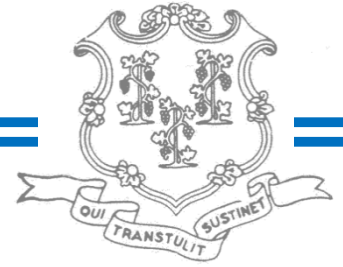
## • Macro:

- Strategies for program implementation
- Barriers to uptake of QHP
- Key grassroots messages
- Connection to existing healthcare outreach initiatives
- Strategies to eliminate racial and ethnic health disparities

## • Micro:

- Approaches in 12 communities
- Key influencers
- IPA candidates
- Marketing partners
- Training approaches
- Grassroots marketing approaches/outlets
- Recommended community supports

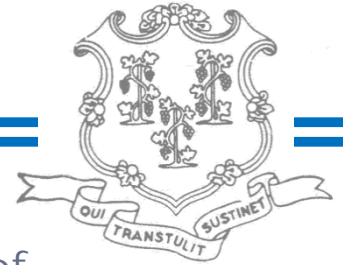
# Needs Assessment Strategy



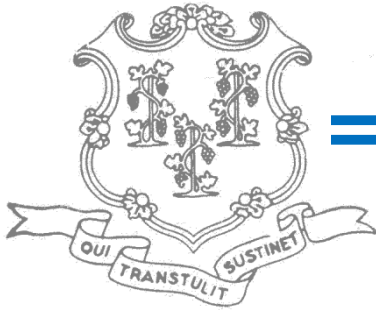
- Give community-based organizations the opportunity to help people access health care – the grants make it possible for them to do that – they aren't doing it for the money
- In-depth work in one community-Waterbury – to learn the questions and the concerns and craft the materials
- Identify channels to reach the "people behind the data"
- Access statewide networks – including faith-based, age-based, cultural, ethnic, health-based, nontraditional
- Influencers on specific communities and from different angles



# Needs Assessment Findings

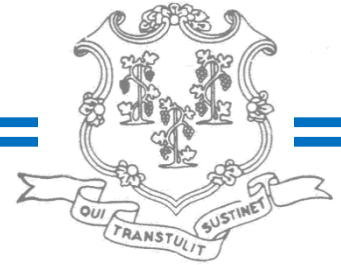


- Most people and agencies are almost completely unaware of the impact of the changes of the ACA
- Even people who have been involved in the health reform process know nothing about IPAs
- The organizations that we most want to have IPAs are not likely to apply – we will have to reach them during this Assessment process or heavily market the program to them during the RFP process
- IPAs and Navigators will be vital for the successful enrollment of the uninsured.



# Finance Update

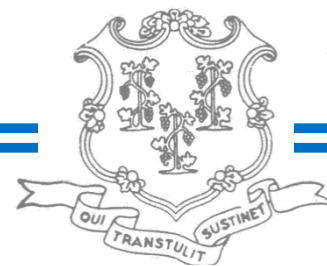
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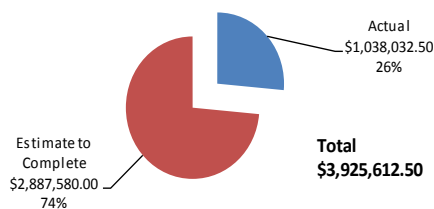
- Employee Benefit plan assistance
- Prepared, compiled and filed semi-annual (December 31, 2012) Exchange Performance Progress Report with the Center for Consumer Information and Insurance Oversight (CCIIO)
- Commencing business insurance renewals
- Wrapping up FY 2012 financial audit with Whittlesey and Hadley, P.C.
- Commenced project to evaluate revenue options for sustainability
- Establishing grant drawdown rhythm and processes
- Establishing financial management processes with the Department of Social Services (DSS) and the Bureau of Enterprise Systems and Technology (BEST)
- Creating financial metrics

# Financial Dashboard

## Design, Development and Implementation (DDI) Project

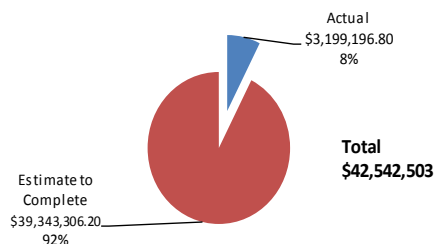


**KPMG Total DDI Project Costs**



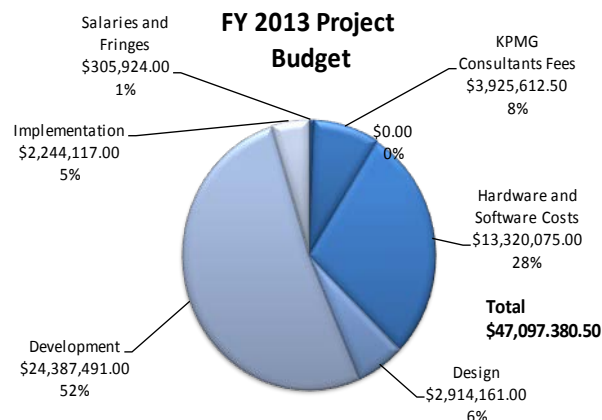
**Burn Rate 26.44%**

**Deloitte Total DDI Contract Costs**

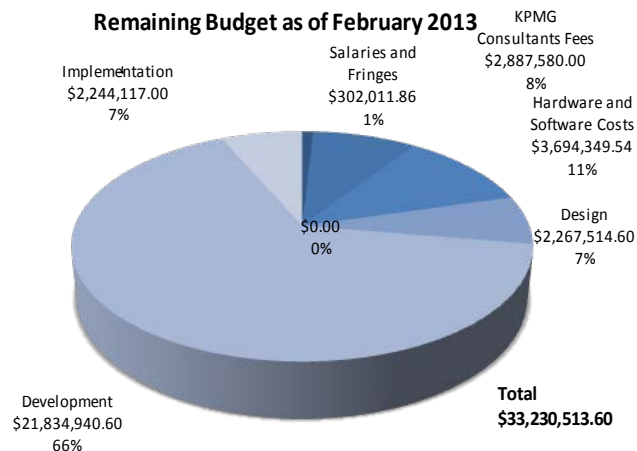


**Burn Rate 7.52%**

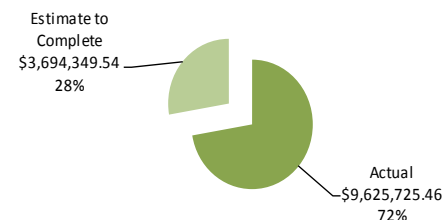
**FY 2013 Project Budget**



**Remaining Budget as of February 2013**

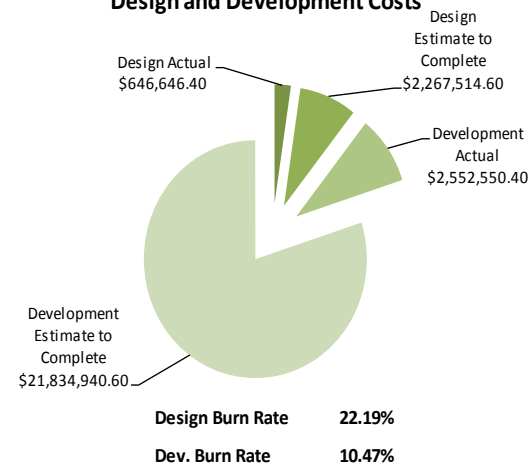


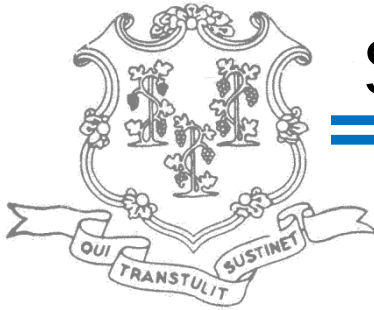
**Hardware and Software Costs**



**Burn Rate 72.26%**

**Design and Development Costs**

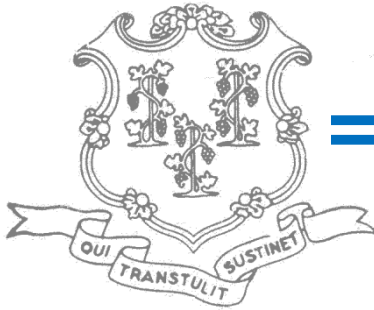




# Strategy Committee Update

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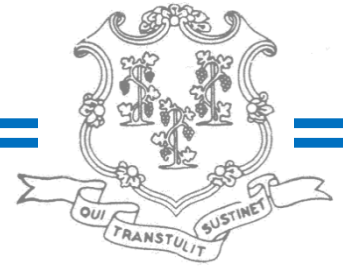


# Standardized Plan Design Recommendations

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# Agenda

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- Out-of-Network Benefits
- Stand Alone Dental Benefits
- Vote

## Dental, Standard “High” & “Low” Plans



### Recommendation (Appendix A):

#### Proposed Dental Benefits, Standard High and Low Plans

Adult standard dental benefits that meet the following cost sharing criteria:

	“Low” Plan	“High” Plan
Approximate metal tier	Silver+ 75% Actuarial Value	Gold+ 85% Actuarial Value
Diagnostic & Preventative	100% no deductible	100% no deductible
Basic Restorative	60% after deductible	80% after deductible
Major Restorative	50% after deductible	60% after deductible
Deductible	\$50 per member (up to maximum of \$150)	\$50 per member (up to maximum of \$150)
Dental Plan Annual Maximum	\$1,000	\$2,000

Coverage afforded for pediatric dental will be embedded in Medicare plan



## Dental, Wellness-Only Plan



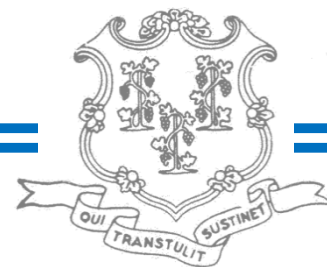
### Recommendation (Appendix A):

#### Proposed Dental Solicitation, Basic Plan

Access Health CT should allow dental carriers to offer an independent, basic dental plan. These wellness-only plans will be a less comprehensive and lower cost alternative to the “High” and “Low” options. The plan would only cover diagnostic and preventative services and basic restorative care (i.e. fillings and simple extractions after a 6 month waiting period). It would not cover any major services, but the dental carrier could offer discounted rates on in-network providers.

	Wellness-Only Plan
Approximate metal tier	n/a
Diagnostic and Preventative Services (as defined for comprehensive plans)	100% no deductible
Basic Restorative (as defined for comprehensive plans)	50% after deductible
Deductible	\$50 per member
Annual Plan Maximum	\$500 per member

## Out-Of-Network Benefits, Standard Plans

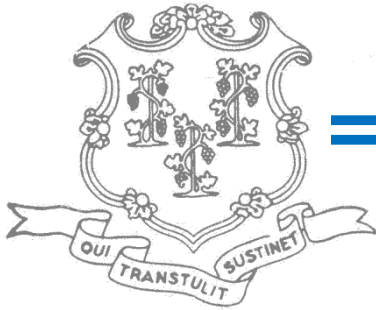


### Recommendation (Appendix B):

	Bronze	Silver [3]	Gold	Platinum
<b>Deductible [1]</b>	\$8,000	\$5,000	\$3,000	\$2,000
<b>Co-Insurance</b>	50%	60%	70%	80%
<b>Maximum Out-of-Pocket [2]</b>	\$12,500	\$12,500	\$6,000	\$4,000
<b>Exceptions to Deductible</b>	<ul style="list-style-type: none"> <li>preventative care services (subject to coinsurance)</li> <li>ambulance and emergency room services (\$150 copay applies to ER)</li> <li>pediatric vision services</li> </ul>			

#### NOTES:

1. The OON deductible will be integrated and apply to both medical and prescription drug benefits. For Bronze and Silver metal tier it will be set at twice the In-Network deductible. Presumably, \$4,000 and \$2,500 respectively—subject to potential revisions required by final AV Calculator.
2. The Maximum Out of Pocket (“MOOP”) limit will be set at twice the In-Network MOOP. The above reflect an anticipated reduction in the In-Network MOOPs after release of the final AV Calculator. As originally approved by the Board, the standard QHPs had Max OOP of \$6,250 for Bronze/Silver and \$5,000 for Gold/Platinum.
3. The OON benefits for the Silver Cost Sharing Reduction plans will be the same as the Silver benchmark. Per federal regulations, the cost sharing reductions exclude reductions in premiums, spending on non-covered services, and balance billing amounts for non-network providers.



# Adjournment

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# Connecticut Insurance Department

## Connecticut Insurance Dept. Health Insurance Rate Review Process

Prepared for Access Health CT

February 21, 2013



# Rate Filing Requirements

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- ✓ Description of policy forms affected & effective date of requested increase
- ✓ Historical experience from inception-to-date
  - Premium
  - Incurred claims
  - Members
  - Actual Loss Ratio and Expected Loss Ratio
- ✓ A demonstration that experience data is consistent with financial statement
- ✓ Unit cost by service category
- ✓ Impact of cost sharing
- ✓ Medical technology trend



# Requirements (Cont'd)

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- ✓ Cost of new benefit mandates (state and federal laws)
- ✓ List of PPACA components and pricing impact of each
- ✓ Benefit buy-down analysis and impact on trend
- ✓ Claim lag triangles
- ✓ Carrier's current capital and surplus
- ✓ Comparison of proposed retention charge to the most recently filed statutory financial statement



# Requirements (Cont'd)

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- ✓ Demonstration that requested increase will generate MLR
  - 80% for individual and small group
  - 85% for large group
- ✓ Actuarial certification signed by a Member of the American Academy of Actuaries (MAAA)
- ✓ Any additional information the Commissioner deems necessary



# Transparency

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- ✓ Entire filing posted on the CID Web site upon receipt:
  - All correspondence between carrier and CID
  - Carrier calculations, assumptions, methodology
  - Easy-to-read summary for consumers
  - Section to enter public comment
  - Final detailed disposition
  
- ✓ Public also informed by:
  - Carrier notification letter when rate is filed
  - CID e-alerts, CID social media



## COMPLAINT/QUESTION

## CONSUMER FAQs

## BULLETINS

## NOTICES

## ORDERS

## QUICKLINKS

Helping Our Citizens Protect  
What Matters Most...Thomas B. Leonardi  
Commissioner

Thank you for visiting the Connecticut Insurance Department Web site. You will find numerous resources and easy-to-use services to help you with all your insurance and business needs. Keeping the public well informed is essential to our mission of protecting consumers.

## Forms and Applications

## Enforcement Actions

## Dates and Deadlines

## Glossary

## Consumers

**Consumer Helpline (800) 203-3447**  
Find An Insurance Company

**Consumer Services:**

- Auto Insurance
- Homeowners Insurance
- Health Insurance (including Dental & Vision)
- Life and Annuity Insurance
- Long-Term Care Insurance
- Flood Insurance
- Consumer Alerts
- Consumer Services/Outreach and Education
- Consumer Resources Library
- Request a Speaker

## Industry

How to Change License Information  
Licensing Online System  
Verify and Print a License  
Company Appointment Lists

**Licensing:(Producers/Agents/Brokers/  
Adjusters and more)**

- General Information
- Producer Renewal Notification
- Licenses - All Types
- Continuing Education
- Renewal Dates and Fees

**Companies - Financial Regulation:**

- Apply for/Amend Certificate of authority
- Filing and Financial Requirements
- Industry Information



## CID Spotlight

[Bail Bonds Regulation](#)[Captive Insurance Regulation](#)[COBRA](#)[Doing Business with CID](#)[Employment & Internships](#)[Healthcare Benefit Review](#)[Healthcare Reform](#)[Health Insurance Rate Filings](#)[Long-Term Care Rate Filings](#)[Third Party Administrators](#)[Translation Disclaimer](#)**What's New**

1/9/2013

**Current List of Bulletins**

BULLETIN HC-89-13 (PDF) Annual Filing Requirements Pursuant to Section 38a-591b(e) Of The Connecticut General Statutes

1/9/2013

**Financial (FS) Bulletins**

to the Connecticut Insurance Department's Rate Filing section, a comprehensive site that lists all rate increase requests from health insurance companies that serve policyholders in Connecticut. The filings are listed by company name and types of policies within that company.

Concise summary for each request accompanies all data, actuarial tables and correspondence and includes:

the type of policy (individual, small employer 1-50 employees, large employer, more than 50 employees)

number of policy holders potentially affected in Connecticut

the date of initial request

the company's reason for raising rates

rates that new rates, if approved, take effect

the deadline for public comment period for each filing

Sign up for [e-alerts](#) to be notified when filings are posted

tions:

Now access filings made for major medical/comprehensive health insurance offered by insurance companies or health care centers (HMOs) in Connecticut. Choose individual or group insurance. Click on the company, all filings will be listed. When you click on a filing, you can view the complete rate filing, a summary of the filing labeled Appendix A, correspondence between the company and the Department, and the status of the filing if the review has been completed.

Comment on a Specific Rate Filing:

Select a company from the menu below

Select a specific filing from that company's list of filings

[Connecticut Health Care Reform Website](#)

[Rate Filing, Rate Reviews and Approval of Health Insurance Rates in Connecticut](#)

Company Filing Type:

Click on the column heading to sort.

COMPANY NAME		NAIC
Aetna Life Insurance Company		60054
American National Insurance Company		60739
American Republic Insurance Company		60836
Anthem Health Plans, Inc		60217
AXA Equitable Life Insurance Company		62944
Celtic Insurance Company		80799

## Connecticut Insurance Department - Health Insurance Rate Filing

[Rate Filing, Rate Reviews and Approval of Health Insurance Rates in Connecticut](#)

**ConnectiCare Insurance Company, Inc**

Click on the column heading to sort.

	<u>DESCRIPTION</u>	<u>DATE FILED</u>	<u>DATE CLOSED</u>
<a href="#">Select</a>	January 2013 Grandfathered	10/08/2012	12/03/2012
<a href="#">Select</a>	January 2013 Non-Grandfathered	10/08/2012	12/03/2012
<a href="#">Select</a>	4th Quarter 2012	07/18/2012	09/13/2012
<a href="#">Select</a>	Grandfathered First Quarter 2012	09/23/2011	11/04/2011
<a href="#">Select</a>	Fourth Quarter 2011	07/09/2011	08/18/2011
<a href="#">Select</a>	First Quarter 2011	11/17/2010	12/07/2010
<a href="#">Select</a>	Fourth Quarter 2010	07/15/2010	10/15/2010

*You are viewing page 1 of 1*

## Connecticut Insurance Department - Health Insurance Rate Filing

[Back to Health Insurance Rate Filings](#)

\*\*\* The comment period for this filing has ended and the filing is closed. \*\*\*

### ConnectiCare Insurance Company, Inc

Filing Description: **January 2013 Non-Grandfathered**

Date Opened: 10/08/2012

Date Closed: 12/03/2012

#### DOCUMENT LIST

[Executive Summary](#)

[Initial Filing](#)

[Correspondence](#)

[Disposition](#)

[Final Filing](#)



# Trend

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**Trend is the change in claims experience over time**

- ✓ **Cost of medical services**
- ✓ **Demand for medical services**
- ✓ **Type of medical services**

**Trend varies by each carrier's book of business based upon demographics and experience**



# How a Rate is Developed

**Actual Claims from Experience Period: \$165**

**Trend Developed from Unit Cost and Utilization: 13%**

**Expected Claims in Rating Period:**

$$\text{\$165} \times 1.13 = \text{\$186.45}$$

**Retention: Admin. Expenses + Tax + Commissions + Profit**

•Admin. Exp.: 9.75%

•Tax: 1.75%

•Commission: 3.00%

•Explicit Profit: 3.00%  
17.50%

**Expected Loss Ratio: 82.5% = 1 – 17.5%**

**New Premium: Expected Claims/Expected Loss Ratio**

$$\text{\$186.45}/(82.5\%) = \text{\$226}$$



# Rate Request Year 2

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## Scenario 1: Actual Claims Meet Expectations

**Actual Claims – \$186.45**

**Claim trend for next rating period – 15%**

**Claim projected to rating period – \$214.42**

**Retention – 17.5%**

- **Admin – 9.75%**
- **Tax – 1.75%**
- **Commission – 3%**
- **Explicit Profit – 3%**

**New Premium - \$259**

**Rate Increase – 15%**



# Rate Request Year 2

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## Scenario 2: Actual Claims 5% Higher than Expected

**Actual Claims – \$195.77**

**Claim trend for next rating period – 15%**

**Claim projected to rating period – \$225.14**

**Retention – 17.5%**

- **Admin – 9.75%**
- **Tax – 1.75%**
- **Commission – 3%**
- **Explicit Profit – 3%**

**New Premium - \$272    Rate Increase – 21%**





# Rate Request Year 2

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## Scenario 3: Actual Claims 5% Lower than Expected

**Actual Claims – \$177.13**

**Claim trend for next rating period – 15%**

**Claim projected to rating period – \$225.14**

**Retention – 17.5%**

- **Admin – 9.75%**
- **Tax – 1.75%**
- **Commission – 3%**
- **Explicit Profit – 3%**

**New Premium - \$246.91      Rate Increase – 9%**



## PPACA Requirements Eff. 1/1/14

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- **Changes in Underwriting**
- **3-to-1 Ratio for Age**
- **Elimination of Gender**
- **Tobacco Use Adjustment**
- **Industry Adjustment**
- **Case Size Adjustment**
- **Geographic Adjustment**
- **Cost Sharing and Metal Plans**
- **Regulatory Fees**



# 2014 Pricing Changes

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**Carriers will begin to submit rate filings in mid-2013 for these changes that will be effective for new business and renewals on or after 1/1/14**

**These rating changes are in addition to the impact of trend (i.e. increase in health care costs and use of services)**