Unified Rate Review Data Template Instructions Outline v2.0

Worksheet 1- Market Experience

General Information

General information is captured at the top of Worksheet 1. This section requires information about the issuer and to which segment of the health insurance market the proposed rate increases will apply. The instructions will specify how issuers are to populate the fields, provide definitions of the fields, and specify information to be collected in certain fields. In addition, the instructions will describe where certain information may be found, such as in HIOS or in other sections of the Part I Unified Rate Review Form. The required input fields are:

- Company Legal Name
- State
- HIOS Issuer ID
- Market
- Effective Date

All of the fields are user input fields. This section does not contain any information populated by the form.

Section I

Section I captures financial and enrollment information for the experience period on a market level basis, consistent with the single risk pool rating requirements of ACA. The experience period is the time period that represents the premium and claims experience of the issuer for the applicable market segment. The actual experience period is determined by the issuer and input into the form, but must be a twelve month period. The instructions will provide definitions of the fields so that information is populated on a consistent basis from issuer to issuer.

The required input fields in this section are:

- Experience Period
- Premiums (net of MLR Rebate) in Experience Period
- Incurred Claims in Experience Period
- Allowed Claims

- Experience Period Index Rate
- Experience Period Member Months

The form also uses the data that was input by the issuer to calculate premium and claims amounts on a per-member-per month (PMPM) basis and percent of premium basis.

Section II

Section II captures historical claims data in greater detail than is captured in Section I. Utilization per 1,000 covered members, and allowed cost per service, are captured by benefit category. The benefit categories are:

- Inpatient Hospital
- Outpatient Hospital
- Professional
- Other Medical
- Capitation
- Prescription Drug

Issuers will have some flexibility in defining the benefit categories. However, preferred definitions will be provided in the instructions.

From the historical claims data provided, the form calculates claims experience PMPM by benefit category and in total.

Next, the issuers will be instructed to enter factors that project the historical experience to the rating period. The rating period will be defined as the twelve month period starting from the effective date entered in the General Information section. The allowable projection factors are:

- Population risk morbidity
- Other adjustments
- Cost trend
- Utilization trend

The instructions will provide examples of types of population risk and other adjustment factors that issuers might reflect. Additional support for the factors will be required within the Part III

Actuarial Memorandum. Issuers will be instructed to insert cost and utilization trends on an annualized basis. Again, additional support will be required to be provided in the Part III Actuarial Memorandum.

The instructions will describe entries for the credibility manual. Issuers will be required to enter both Utilization per 1,000 members and Average Cost per Service for the credibility manual. The form will calculate the resulting PMPM amounts. Credibility manual entries will only be required if the issuer indicates the historical experience is less than 100% credible. The credibility percentage is entered by the issuer. The form calculates the credibility weighted projected allowed claims PMPM.

Section III

Section III takes the projected allowed claims from Section II, which reflect both issuer liabilities and cost sharing amounts paid by the member or by HHS on behalf of low income members, and first converts the claims from allowed claims to incurred claims. The instructions will define the paid to allowed factor that is applied to allowed claims to generate incurred claims.

The instructions will describe the risk adjustment factor that is applied to the incurred claims. The factor will adjust claims to reflect average risk in the market rather than the risk of the specific issuer. Issuers will then be instructed to project ACA reinsurance recoveries, net of the reinsurance premium, if the form is being completed for the individual or a combined individual and small group market. ACA reinsurance recoveries only apply to the individual market. Issuers will not be permitted to input reinsurance recoveries in filings for the small group market. The assessments to the small group market to pay for the reinsurance will be included in administrative expenses.

Issuers will be instructed to enter administrative expense and profit and risk loads. Definitions of these amounts will be included in the instructions. The form will calculate the average gross premium rate from the projected incurred claims net of ACA reinsurance recoveries and the administrative expense and profit and risk loads. Issuers are also expected to input their projected Index Rate which will be utilized for all product/plan combinations in the Single Risk Pool.

Worksheet 2- Plan/Product Information

Section I

Basic information on each product and plan option offered by the issuer is collected in Section I. This includes the product and plan names and IDs, the metallic levels and the effective dates. In addition the form requires various rate change percentage amounts be reported. All products included in the single risk pool of the issuer for the specified market must be listed in this worksheet. The instructions will specify how issuers are to populate the fields, provide

definitions of the fields and specify how the collected information must be entered. The fields in this section are:

- Product
- Product ID
- Metal
- Benefit AV Value
- Pricing AV Value
- Plan Type
- Plan Name
- Plan ID
- Exchange Plan indicator
- Historical Rate Increase – Calendar Year – 2
- Historical Rate Increase – Calendar Year – 1
- Historical Rate Increase – Calendar Year – 0
- Effective Date of Proposed Rates
- Rate Change % (over prior filing)
- Cumulative Rate Change % (over 12 months prior)
- Projected Period Rate Change % (over Experience Period)
- Product Threshold Rate Increase % (Calculated Field)

All but one field are user input fields. The Projected Period Rate Change % (over Experience Period) is an auto-calculated field in the form.

Section II: Components of Premium Increase (PMPM Dollar Amount above Current Average Rate PMPM)

Section II displays the components of the premium increase requested in the rate filing, broken down by the major benefit categories (e.g. inpatient hospital) and non-claims expenses (e.g.

administrative expenses) on a per member per month (PMPM) basis for each plan. The section captures the expected increase in cost sharing in addition to the average current premium, and the projected member months for each plan. The instructions will provide definitions of the fields so the information is collected on a consistent basis.

The premium increase component fields in this section include:

- Benefit categories (inpatient, outpatient, professional, prescription drug, other and capitation)
- Non-claims expenses (administrative expenses, risk & profit charge)
- Cost sharing

All but one field are user input fields in this section.

Section III: Experience Period Information

The information collected in Section III represents historical financial and enrollment experience in the experience period for each plan. In general, the total premium and claims for this period across all plans in this section should be within a reasonable range of the premium and claims experience shown in Worksheet 1, Section I. There are automated checks within the form to help issuers complete the form correctly.

The historical financial information collected is categorized into two areas: premium and claims. The instructions will define and describe each of the components so the information is collected on a consistent basis across issuers.

The details of the premium captured in this section include (optional years 2013 and 2014):

- The portion related to the essential health benefits (EHBs)
- The portion related to state mandated benefits that are not defined as an EHB
- The portion related to other non-EHB benefits

Detailed claims information is captured on an allowed basis in categories similar to the premium components. In addition, other claims information captured includes the issuer's liability, the amount of cost sharing subsidies, the net federal reinsurance amounts and the net risk adjustment transfers by plan.

Incurred, allowed, and EHB only claims for the experience period are also shown on a PMPM basis in this section. These fields are calculated by the form.

Section IV: Projected (12 months following effective date)

Section IV collects projected financial and enrollment experience for each plan for a period of 12 months following the effective date. The total premium and claims for this period across all plans in this section should be within a reasonable range of the premium and claims for the projection period shown in Worksheet 1, Section III. There are automated checks within the form to help issuers complete the form correctly.

The projected financial information collected is categorized into two areas: premium and claims. The instructions will define and describe each of the components of so the information is collected on a consistent basis across issuers.

The details of the premium captured in this section include:

- The portion related to the essential health benefits (EHBs)
- The portion related to state mandated benefits that are not defined as an EHB
- The portion related to other non-EHB benefits

Detailed claims information is captured on an allowed basis in categories similar to the premium components. In addition, other claims information captured includes the expected issuer's liability, the expected amount of cost sharing subsidies, the expected net federal reinsurance amounts and the expected net risk adjustment transfers by plan.

Expected incurred, allowed, and EHB only claims for the projection period are also shown on a PMPM basis in this section. These fields are calculated by the form.