

SERFF Tracking #: AETN-128811358

State Tracking #: AETN-128811358

State Tracking #: AETN-128811358

Company Tracking #: DCAHI51-100-2Q13

DCAHI51-100-2Q13

State: District of Columbia
TOI/Sub-TOI: H21 Health - Other/H21.000 Health - Other
Product Name: Aetna Health Maintenance Organization
Project Name/Number: Aetna Health Inc. 2Q13 Large Group 51-100 HMO rate filing for DC/

Filing Company: Aetna Health Inc. PA AZ DC DE IN KY MA MD NV NC OK TN VA

Rate Information

Rate data applies to filing.

Filing Method:

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 3.900%

Effective Date of Last Rate Revision: 07/01/2012

Filing Method of Last Filing: SERFF

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Aetna Health Inc. PA AZ DC DE IN KY MA MD NV NC OK TN VA	Increase	10.400%	10.400%	\$8,194,830	160	\$78,473,311	10.800%	10.100%

Product Type:	HMO	PPO	EPO	POS	HSA	HDHP	FFS	Other
Covered Lives:	15,351			537	41	5		
Policy Holders:	104			50	4	2		

State: District of Columbia Filing Company: Aetna Health Inc. PA AZ DC DE IN KY MA MD NV NC OK TN VA
 TOI/Sub-TOI: H21 Health - Other/H21.000 Health - Other
 Product Name: Aetna Health Maintenance Organization
 Project Name/Number: Aetna Health Inc. 2Q13 Large Group 51-100 HMO rate filing for DC/

Rate Review Detail

COMPANY:

Company Name: Aetna Health Inc. PA AZ DC DE IN KY MA MD NV NC OK TN VA
 HHS Issuer Id: 73987
 Product Names: Aetna Health Maintenance Organization
 Trend Factors:

FORMS:

New Policy Forms:
 Affected Forms:
 Other Affected Forms: HMO/DC2 NAMEAMEND-1 05/02, HMO/DC2 GA-1 01/02, HMO/DC2 Amendment to GA ELR-1 05/02, HMO/DC2 COC-1 07/02, HMO DC2 COC-AMEND-1 07-03, HMO/DC2 COC-AMEND-2 07/03, HMO DC2 MEDICALLY NECESSARY 10-03, HMO AMD-COMPL-APPL-11/02-DC, HMO/DC2 COC-CONVERSION-AMEND 01/03, HMO DC2 AMEND-COB-2 10-03, HMO GEN MOP-AMEND-2 10-03, HMO DC2 SB-1 10-03, HMO/DC2 SELFREF (10/00), HMO/DC2 RIDER-HEAR-1 01/00, HMO/DC2 RIDER-UAW-1 (01/00), HMO/DC2 RIDER-RX-2003-1 (08/02), HMO/DC2 RDR-SHELL-1 06/99, HMO/DC2 RIDER-VIS-1 06/99, HMO/DC2 SERVAGREE-1 06/99, HMO/DC2 RIDER-SBF-1 06/99, HMO/DC2 AMEND-DP-1 06/99, HMO/DC2 AMEND-STNT-1 06/99, HMO/DC2 RIDER-DEN-1 06/99, HMO/DC2 BASIC-INF-AMEND 04/03, HMO GEN RIDER 2003CI-1 (07-03), HMO GEN RIDER 2003ART-1 (07-03), HMO DC2 TRANSPLANT-AMEND-1 10/03, HI DC A NUTRITSUPL V001, HI DC AAPPEALEXRE V003, HI GE APREMWAIVER V001, HI GE RPREMOFFSET V001, HI GE AGPAGRPOLPROV V001, HI A0GRPHMOHCR V001, HMO/DC2 INDHISB-1 07/00, HMO/DC2 INDCOC-1 07/00

REQUESTED RATE CHANGE INFORMATION:

Change Period: Annual
 Member Months: 192,094
 Benefit Change: None
 Percent Change Requested: Min: 10.1 Max: 10.8 Avg: 10.4

PRIOR RATE:

Total Earned Premium: 78,473,311.00
 Total Incurred Claims: 60,411,461.00
 Annual \$: Min: 213.42 Max: 472.69 Avg: 408.52

REQUESTED RATE:

Projected Earned Premium: 86,668,140.00
 Projected Incurred Claims: 64,694,799.00
 Annual \$: Min: 235.71 Max: 522.05 Avg: 451.18

SERFF Tracking #:

AETN-128811358

State Tracking #:

Company Tracking #:

DCAHI51-100-2Q13

State:

District of Columbia

Filing Company:

Aetna Health Inc. PA AZ DC DE IN KY MA MD NV NC OK TN VA

TOI/Sub-TOI:

H21 Health - Other/H21.000 Health - Other

Product Name:

Aetna Health Maintenance Organization

Project Name/Number:

Aetna Health Inc. 2Q13 Large Group 51-100 HMO rate filing for DC/

Rate/Rule Schedule

State: District of Columbia

Filing Company:

Aetna Health Inc. PA AZ DC DE IN KY MA MD NV NC OK TN VA

TOI/Sub-TOI: H21 Health - Other/H21.000 Health - Other

Product Name: Aetna Health Maintenance Organization

Project Name/Number: Aetna Health Inc. 2Q13 Large Group 51-100 HMO rate filing for DC/

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information		Attachments
1		DC 2Q13 51-100 rate manual	HMO/DC2 NAMEAMEND-1 05/02, HMO/DC2 GA-1 01/02, HMO/DC2 Amendment to GA ELR-1 05/02, HMO/DC2 COC-1 07/02, HMO DC2 COC-AMEND-1 07-03, HMO/DC2 COC-AMEND-2 07/03, HMO DC2 MEDICALLY NECESSARY 10-03, HMO AMD-COMPL-APPL-11/02-DC, HMO/DC2 COC-CONVERSION-AMEND 01/03, HMO DC2 AMEND-COB-2 10-03, HMO GEN MOP-AMEND-2 10-03, HMO DC2 SB-1 10-03, HMO/DC2 SELFREF (10/00), HMO/DC2 RIDER-HEAR-1 01/00, HMO/DC2 RIDER-UAW-1 (01/00), HMO/DC2 RIDER-RX-2003-1 (08/02), HMO/DC2 RDR-SHELL-1 06/99, HMO/DC2 RIDER-VIS-1 06/99, HMO/DC2 SERVAGREE-1 06/99, HMO/DC2 RIDER-SBF-1 06/99, HMO/DC2 AMEND-DP-1 06/99, HMO/DC2 AMEND-STNT-1 06/99, HMO/DC2	Revised	Previous State Filing Number:	AETN-128133161	DC 2Q13 HMO 51-100 rate page.pdf
				Percent Rate Change Request:	10.400		

SERFF Tracking #:

AETN-128811358

State Tracking #:

Company Tracking #:

DCAHI51-100-2Q13

State: District of Columbia

Filing Company:

Aetna Health Inc. PA AZ DC DE IN KY MA MD NV NC OK TN VA

TOI/Sub-TOI: H21 Health - Other/H21.000 Health - Other

Product Name: Aetna Health Maintenance Organization

Project Name/Number: Aetna Health Inc. 2Q13 Large Group 51-100 HMO rate filing for DC/

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
			RIDER-DEN-1 06/99, HMO/DC2 BASIC-INF-AMEND 04/03, HMO GEN RIDER 2003CI-1 (07-03), HMO GEN RIDER 2003ART-1 (07-03), HMO DC2 TRANSPLANT-AMEND-1 10/03, HI DC A NUTRITSUPL V001, HI DC AAPPEALEXRE V003, HI GE APREMWAIVER V001, HI GE RPREMOFFSET V001, HI GE AGPAGRPOLPROV V001, HI A0GRPHMOHCR V001, HMO/DC2 INDHISB-1 07/00, HMO/DC2 INDCOC-1 07/00			

Effective Date Factor Table

Table 4

Effective Date	Factor	Taxes & Fees Factor	Combined Effective Date Factor
Apr-13	1.5762	0.0094	1.5910
May-13	1.5762	0.0125	1.5959
Jun-13	1.5762	0.0156	1.6008
Jul-13	1.6172	0.0188	1.6475
Aug-13	1.6172	0.0219	1.6525
Sep-13	1.6172	0.0250	1.6576
Oct-13	1.6592	0.0281	1.7059
Nov-13	1.6592	0.0313	1.7111
Dec-13	1.6592	0.0344	1.7162
Jan-14	1.7024	0.0375	1.7662
Feb-14	1.7024	0.0375	1.7662
Mar-14	1.7024	0.0375	1.7662

Annual Medical/Rx Trend:

9.6%

SERFF Tracking #:

AETN-128811358

State Tracking #:

Company Tracking #:

DCAHI51-100-2Q13

State:

District of Columbia

Filing Company:

Aetna Health Inc. PA AZ DC DE IN KY MA MD NV NC OK TN VA

TOI/Sub-TOI:

H21 Health - Other/H21.000 Health - Other

Product Name:

Aetna Health Maintenance Organization

Project Name/Number:

Aetna Health Inc. 2Q13 Large Group 51-100 HMO rate filing for DC/

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Cover Letter All Filings		
Comments:	Cover letter attached.		
Attachment(s):	DC 2Q13 HMO 51-100 cover.pdf		

		Item Status:	Status Date:
Bypassed - Item:	Certificate of Authority to File		
Bypass Reason:	This filing is being made by insurer.		

		Item Status:	Status Date:
Satisfied - Item:	Actuarial Memorandum		
Comments:	Attached, please find the supporting documentation for the 2Q13 DC Large Groups with 51-100 rate filing submission for Aetna Health Inc. The attachments include: the Large Group Actuarial Certification, our cover letter including form numbers and other supporting documents. The rate manual pages mentioned in the cover letter have been attached under the Rate/Rule Schedule tab also.		
Attachment(s):	DC 2Q13 HMO 51-100 Supporting Documentation.pdf		

		Item Status:	Status Date:
Bypassed - Item:	Actuarial Justification		
Bypass Reason:	This rate filing supports existing forms.		

		Item Status:	Status Date:
Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)		
Bypass Reason:	Not a P&C filing		

		Item Status:	Status Date:
Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)		

SERFF Tracking #:

AETN-128811358

State Tracking #:

Company Tracking #:

DCAHI51-100-2Q13

State: District of Columbia

Filing Company:

Aetna Health Inc. PA AZ DC DE IN KY MA MD NV NC OK TN VA

TOI/Sub-TOI: H21 Health - Other/H21.000 Health - Other

Product Name: Aetna Health Maintenance Organization

Project Name/Number: Aetna Health Inc. 2Q13 Large Group 51-100 HMO rate filing for DC/

Bypass Reason:	Not a P&C filing
----------------	------------------

Item Status:

Status Date:

Bypassed - Item:	Consumer Disclosure Form		
------------------	--------------------------	--	--

Bypass Reason:	This form does not apply to large group filings.		
----------------	--	--	--

Item Status:

Status Date:

Bypassed - Item:	Rate Summary Worksheet		
------------------	------------------------	--	--

Bypass Reason:	This worksheet does not apply to large group filings.		
----------------	---	--	--



980 Jolly Road
Mail Stop U12S
Blue Bell, PA 19422

December 13, 2012

Mr. Efren Tanhehco
Supervising Actuary
District of Columbia Department of Insurance Securities and Banking
Actuarial Analysis Division
810 First Street, NE Suite 701
Washington, D.C. 20002

RE: Aetna Health Inc. - DC
NAIC Number: 95109
District of Columbia [Large Employer Groups with 51-100 Eligible Subscribers](#) New Business
Company Tracking number: [DCAHI51-100-2Q13](#)
Forms: [see attached for list of form numbers](#)

Dear Mr. Tanhehco:

I am writing to seek approval for revisions to Section G (groups with 51-100 eligible subscribers) of the currently approved Aetna Health Inc. large group rate manual. These changes are for effective dates [April 1, 2013](#) and later for our medical plans, offered to groups with 51-100 eligible subscribers.

In accordance with the Health Insurance Rate Filing Procedures, we have included the following:

- o An actuarial certification
- o An actuarial memorandum,
- o A manual rate change summary (Exhibit A). We began offering these plans to groups with 51-100 eligible subscribers effective 8/1/2012.
- o A summary of Aetna Health Inc. District of Columbia large group experience data, including earned premiums, incurred claims, member months and loss ratios (Exhibit B). [Please note that due to current system constraints, this data is not available separately for the 51-100 block, therefore this data is identical to the data supplied in our recent Large Group 101+ rate filing submitted on September 27, 2012.](#)
- o Revised rate manual pages that have had factor/table changes. Changes have been highlighted.

The new business quarterly manual rate change requested is [3.9%](#).

This rate filing conforms with the benefit plan provisions required by the Patient Protection and Affordability Act (P.L. 111-148) of 2010.

Since Aetna Health, Inc. considers this submission to contain proprietary information, we ask that it be kept confidential to the extent possible. In particular, we believe the tables of factor adjustments would be especially valuable to competitors.

Please contact me at 215-775-2717 if you have any questions regarding the attached information.

Sincerely,

Frances Casale
LEC Actuarial - SE

Enclosures

**Aetna Health, Inc
District of Columbia**

Forms:

HMO/DC2 NAMEAMEND-1 05/02	NAME CHANGE AMENDMENT
HMO/DC2 GA-1 01/02	GROUP AGREEMENT
HMO/DC2 Amendment to GA ELR-1 05/02	GROUP AGREEMENT AMENDMENT
HMO/DC2 COC-1 07/02	CERTIFICATE OF COVERAGE (COC)
HMO DC2 COC-AMEND-1 07-03	AMENDMENT
HMO/DC2 COC-AMEND-2 07/03	AMENDMENT
HMO DC2 MEDICALLY NECESSARY 10-03	NEW DEFINITION AMENDMENT
HMO AMD-COMPL-APPL-11/02-DC	GRIEVANCE PROCESS AMENDMENT
HMO/DC2 COC-CONVERSION-AMEND 01/03	CONVERSION AMENDMENT
HMO DC2 AMEND-COB-2 10-03	COB AMENDMENT
HMO GEN MOP-AMEND-2 10-03	AMENDMENT
HMO DC2 SB-1 10-03	SCHEDULE OF BENEFITS
HMO/DC2 SELFREF (10/00)	OPEN ACCESS RIDER
HMO/DC2 RIDER-HEAR-1 01/00	HEARING AID RIDER
HMO/DC2 RIDER-UAW-1 (01/00)	NOCO RIDER
HMO/DC2 RIDER-RX-2003-1 (08/02)	RX RIDER
HMO/DC2 RDR-SHELL-1 06/99	RIDER SHELL
HMO/DC2 RIDER-VIS-1 06/99	VISION
HMO/DC2 SERVAGREE-1 06/99	SERVICE AGREEMENT
HMO/DC2 RIDER-SBF-1 06/99	MEDICAL SPENDING
HMO/DC2 AMEND-DP-1 06/99	DOMESTIC PARTNER
HMO/DC2 AMEND-STNT-1 06/99	STUDENT
HMO/DC2 RIDER-DEN-1 06/99	DENTAL RIDER
HMO/DC2 BASIC-INF-AMEND 04/03	BASIC INFERTILITY AMENDMENT
HMO GEN RIDER 2003CI-1 (07-03)	COMPREHENSIVE INFERTILITY AMENDMENT
HMO GEN RIDER 2003ART-1 (07-03)	ART AMENDMENT
HMO DC2 TRANSPLANT-AMEND-1 10/03	TRANSPLANT AMENDMENT
HMO/DC2 INDHISB-1 07/00	INDIVIDUAL CONVERSION SB HIGH OPTION
HMO/DC2 INDCOC-1 07/00	INDIVIDUAL COC



980 Jolly Road
Mail Stop U12S
Blue Bell, PA 19422

December 13, 2012

Mr. Efren Tanhehco
Supervising Actuary
District of Columbia Department of Insurance Securities and Banking
Actuarial Analysis Division
810 First Street, NE Suite 701
Washington, D.C. 20002

RE: Aetna Health Inc. - DC
NAIC Number: 95109
District of Columbia [Large Employer Groups with 51-100 Eligible Subscribers](#) New Business
Company Tracking number: DCAHI51-100-2Q13
[Forms: see attached for list of form numbers](#)

Dear Mr. Tanhehco:

I am writing to seek approval for revisions to Section G (groups with 51-100 eligible subscribers) of the currently approved Aetna Health Inc. large group rate manual. These changes are for effective dates [April 1, 2013](#) and later for our medical plans, offered to groups with 51-100 eligible subscribers.

In accordance with the Health Insurance Rate Filing Procedures, we have included the following:

- o An actuarial certification
- o An actuarial memorandum,
- o A manual rate change summary (Exhibit A). We began offering these plans to groups with 51-100 eligible subscribers effective 8/1/2012.
- o A summary of Aetna Health Inc. District of Columbia large group experience data, including earned premiums, incurred claims, member months and loss ratios (Exhibit B). [Please note that due to current system constraints, this data is not available separately for the 51-100 block, therefore this data is identical to the data supplied in our recent Large Group 101+ rate filing submitted on September 27, 2012.](#)
- o Revised rate manual pages that have had factor/table changes. Changes have been highlighted.

The new business quarterly manual rate change requested is [3.9%](#).

This rate filing conforms with the benefit plan provisions required by the Patient Protection and Affordability Act (P.L. 111-148) of 2010.

Since Aetna Health, Inc. considers this submission to contain proprietary information, we ask that it be kept confidential to the extent possible. In particular, we believe the tables of factor adjustments would be especially valuable to competitors.

Please contact me at 215-775-2717 if you have any questions regarding the attached information.

Sincerely,

Frances Casale
LEC Actuarial - SE

Enclosures

**Aetna Health, Inc
District of Columbia**

Forms:

HMO/DC2 NAMEAMEND-1 05/02	NAME CHANGE AMENDMENT
HMO/DC2 GA-1 01/02	GROUP AGREEMENT
HMO/DC2 Amendment to GA ELR-1 05/02	GROUP AGREEMENT AMENDMENT
HMO/DC2 COC-1 07/02	CERTIFICATE OF COVERAGE (COC) AMENDMENT
HMO DC2 COC-AMEND-1 07-03	AMENDMENT
HMO/DC2 COC-AMEND-2 07/03	AMENDMENT
HMO DC2 MEDICALLY NECESSARY 10-03	NEW DEFINITION AMENDMENT
HMO AMD-COMPL-APPL-11/02-DC	GRIEVANCE PROCESS AMENDMENT
HMO/DC2 COC-CONVERSION-AMEND 01/03	CONVERSION AMENDMENT
HMO DC2 AMEND-COB-2 10-03	COB AMENDMENT
HMO GEN MOP-AMEND-2 10-03	AMENDMENT
HMO DC2 SB-1 10-03	SCHEDULE OF BENEFITS
HMO/DC2 SELFREF (10/00)	OPEN ACCESS RIDER
HMO/DC2 RIDER-HEAR-1 01/00	HEARING AID RIDER
HMO/DC2 RIDER-UAW-1 (01/00)	NOCO RIDER
HMO/DC2 RIDER-RX-2003-1 (08/02)	RX RIDER
HMO/DC2 RDR-SHELL-1 06/99	RIDER SHELL
HMO/DC2 RIDER-VIS-1 06/99	VISION
HMO/DC2 SERVAGREE-1 06/99	SERVICE AGREEMENT
HMO/DC2 RIDER-SBF-1 06/99	MEDICAL SPENDING
HMO/DC2 AMEND-DP-1 06/99	DOMESTIC PARTNER
HMO/DC2 AMEND-STNT-1 06/99	STUDENT
HMO/DC2 RIDER-DEN-1 06/99	DENTAL RIDER
HMO/DC2 BASIC-INF-AMEND 04/03	BASIC INFERTILITY AMENDMENT
HMO GEN RIDER 2003CI-1 (07-03)	COMPREHENSIVE INFERTILITY AMENDMENT
HMO GEN RIDER 2003ART-1 (07-03)	ART AMENDMENT
HMO DC2 TRANSPLANT-AMEND-1 10/03	TRANSPLANT AMENDMENT
HMO/DC2 INDHISB-1 07/00	INDIVIDUAL CONVERSION SB HIGH OPTION
HMO/DC2 INDCOC-1 07/00	INDIVIDUAL COC

To: Aetna Health Inc.
From: [David M. Walker, ASA, MAAA](#)
Date: [December 13, 2012](#)
Re: **Actuarial Certification of Premium Rates**

I, [David M. Walker](#), am an employee of Aetna Health Inc. and a member of the American Academy of Actuaries. I have reviewed the enclosed rates submitted by Aetna Health, Inc. for the District of Columbia.

These rates reflect the negotiated prices from the provider contracts and the expected utilization experience of the plan.

I relied upon financial records and summaries prepared by responsible officers and employees of Aetna Health, Inc. I also relied on guidance from responsible employees of Aetna Health Inc. for regulatory compliance matters. In other respects, my analysis included review of assumptions that I considered necessary.

For preparation of the rates, items identified above:

- (i) are computed in accordance with commonly accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles,
- (ii) meet the requirements of the District of Columbia,
- (iii) make a good and sufficient provision for all unpaid claims of the organization under the terms of its contracts and agreements, and
- (iv) include appropriate provision for all actuarial items which ought to be established where allowed by law.

A manual rate target medical loss ratio of [81.6%](#) was used in the development of the manual rates. These rates are appropriate for quotes delivered for effective dates beginning [April 1, 2013 for large groups with 51-100 eligible subscribers](#) and the increase requested is not greater than 10% over the prior year's rates (excluding demographic changes).

This rate filing conforms with the benefit plan provisions required by the Patient Protection and Affordability Act (P.L. 111-148) of 2010. This filing is made in accordance with all the applicable Actuarial Standards of Practice, including ASOP No. 8.

In my opinion, the enclosed rates are reasonable in relation to the anticipated experience of Aetna Health, Inc. They are neither excessive nor inadequate, nor unfairly discriminatory.



[December](#)

[13, 2012](#)

David M. Walker
ASA, MAAA Date

Aetna Health Inc. – District of Columbia
HMO Large Group Business with 51-100 eligible subscribers

Actuarial Memorandum

Statement of Purpose for Filing

This actuarial memorandum supports DC HMO commercial base rates for large groups (groups with 51 or more eligible subscribers) effective April 1, 2013 through March 31, 2014 for Aetna Health Inc.- District of Columbia.

The purpose of this memorandum is to comply with the District of Columbia, Department of Insurance, Securities and Banking, Health Insurance Rate Filing Procedures and to provide adequate supporting information for our proposed rates pursuant to the DC Official Code, Title 31, Subtitle IV, Chapter 34.

This rate filing conforms with the benefit plan provisions required by the Patient Protection and Affordability Act (P.L. 111-148) of 2010.

A. Description of Benefits

The Aetna Health Inc. – District of Columbia offers group medical benefit coverage for the inpatient, outpatient, primary care, specialist services, pharmacy, DME and vision. Rate manual Section G included in this rate filing contains worksheets and instructions for calculating the premium rates for the benefit plans available for groups with 51-100 eligible subscribers.

B. Renewability Provision

Group contracts are effective for a 12 month period at the end of which they are renewable upon agreement between both Aetna and the employer.

C. Applicability

The benefit plans and corresponding rates apply to large group new business with 51-100 eligible subscribers.

D. Marketing Method

AHI uses brokers as well as internal sales staff to market our large group benefit plans.

E. Underwriting Method

Generally for groups with less than 300 eligible subscribers, Aetna requires the completion of a group medical questionnaire. We may use the information contained in the questionnaire to adjust a case appropriately for the given risk.

F. Issue Age Limits

Not applicable

G. Premium Basis

The base claim costs (medical and pharmacy) for this filing was for dates of service [July 2011 through June 2012 paid thru June 2012](#) (our most recent 12 months of experience data) projected forward and then retention added. Since data is not available in our systems separately for groups with 51-100 eligible subscribers, the total large group experience was used.

H. Nature of Rate Change and Proposed Rate/Methodology Change

There are no proposed rating methodology changes proposed in this rate filing. There are no requested changes in the effective date factors, they are the same factors that are in our currently approved rate manual. The manual rate change results from the effect of PPACA Taxes and Fees on Premium.

Effect of PPACA Taxes and Fees on Premiums

The Patient Protection and Affordable Care Act (PPACA) created several new fees assessed on insurers or health insurance. Two of these fees go into effect in 2014, described further below. Both fees are applicable to premium earned in 2014, regardless of when the policy renews. Policies sold or renewed beginning in February 2013 will have some premium earned in 2014. For example, a policy renewed in July 2013 will have six months of premium in 2013 and six months in 2014.

1. Reinsurance Contribution (RC): This is a temporary fee, designed to fund the temporary reinsurance program that will cover the individual markets for the years 2014 through 2016. The fee is assessed on fully insured and self-insured group health plans. There will be a standard national assessment for the RC, as well as the option for states to assess an additional state-level assessment. The total amount to be collected under the national assessment in 2014 is \$12 billion, declining to \$8 billion in 2015 and \$5 billion in 2016. Aetna has calculated the impact for the 2014 RC fee based on current regulations for policies issued to be worth approximately 1.3% of premium.
2. Health Insurer Fee (HIF): This permanent industry fee will be assessed based on each insurer's share of the fully insured market, in order to collect a total of \$8.0 billion for 2014. The total assessment will increase each year, to \$14.3 billion in 2018 and increasing at the rate of premium growth thereafter. Aetna has calculated the impact for the 2014 HIF fee based on current regulations to be approximately 2.4% of premium.

These two fees must be incorporated into premium rates to reflect the added costs. We will incorporate them on a "stepped" basis in order to reflect the actual portion of each policy's premium that will be subject to these fees. The table below shows the impact of these fees on premiums by renewal date. The factors shown in the fourth column are applied by multiplying the factor with the normal effective date factor to produce the revised effective date factors attached and highlighted in Section R.

Renewal / Effective Date	No. of Months of Premium in 2014	RC Factor	HIF Factor	Total Premium Impact
Apr-2013	3	1.003	1.006	0.9%
May-2013	4	1.004	1.008	1.2%
Jun-2013	5	1.006	1.010	1.6%
Jul-2013	6	1.007	1.012	1.9%
Aug-2013	7	1.008	1.014	2.2%
Sep-2013	8	1.009	1.016	2.5%
Oct-2013	9	1.010	1.018	2.8%
Nov-2013	10	1.011	1.020	3.1%
Dec-2013	11	1.012	1.022	3.4%
Jan-2014	12	1.013	1.024	3.7%
Feb-2014	0	1.013	1.024	3.7%
Mar-2014	0	1.013	1.024	3.7%

I. For Each Change, Indication if New or Modified

This is a new request for a manual base rate change for this time period.

J. For Each Change Comparison to Status Quo

Not applicable

K. Summary of How Each Proposed Modification Differs from Corresponding Current/Approved Rate/Methodology

There are no proposed rating methodology changes in this rate filing.

L. Summary of Each Proposed New Rule

Not Applicable

M. Overall Premium Impact of Filing on DC Policyholders

The new business average quarterly manual rate change requested for 2Q13 is 3.9% and is reflected in our Effective Date Factors table. This rate filing does not impact renewing business.

N. Filed Minimum Required Loss Ratio

A manual rate target medical loss ratio of 81.6% was used in the development of the manual rates.

O. Interest Rate Assumptions

Not Applicable

P. Trend Assumptions

The medical cost trend assumptions used in the development of these manual rates is the trend included in our currently approved rate manual of 9.6%.

Q. Persistency

Not Applicable

R. Long Term Care Insurance

Not Applicable

S. Actuarial Certification

An Actuarial Certification is attached.

**Aetna Health Inc.
 District of Columbia
 Manual Rate Change Summary
 Groups with 51-100 Eligible Subscribers**

	Effective Date Factor	Base Rate Male EE 30-34	Effective Base Rate *		
08/01/2012	1.4595	\$105.53	\$154.02		
09/01/2012	1.4595	\$105.53	\$154.02		
10/01/2012	1.4974	\$105.53	\$158.02		
11/01/2012	1.4974	\$105.53	\$158.02	Monthly	Quarterly
12/01/2012	1.4974	\$105.53	\$158.02		
01/01/2013	1.5363	\$105.53	\$162.13	2.6%	
02/01/2013	1.5363	\$105.53	\$162.13	0.0%	
03/01/2013	1.5363	\$105.53	\$162.13	0.0%	
04/01/2013	1.5910	\$105.53	\$167.89	3.6%	3.6%
05/01/2013	1.5959	\$105.53	\$168.42	0.3%	3.9%
06/01/2013	1.6008	\$105.53	\$168.94	0.3%	4.2%
07/01/2013	1.6475	\$105.53	\$173.86	2.9%	3.6%
08/01/2013	1.6525	\$105.53	\$174.39	0.3%	3.5%
09/01/2013	1.6576	\$105.53	\$174.93	0.3%	3.5%
10/01/2013	1.7059	\$105.53	\$180.02	2.9%	3.5%
11/01/2013	1.7111	\$105.53	\$180.57	0.3%	3.5%
12/01/2013	1.7162	\$105.53	\$181.12	0.3%	3.5%
01/01/2014	1.7662	\$105.53	\$186.39	2.9%	3.5%
02/01/2014	1.7662	\$105.53	\$186.39	0.0%	3.2%
03/01/2014	1.7662	\$105.53	\$186.39	0.0%	2.9%

Aetna Health Inc.
 District of Columbia
 Commercial Data

Exhibit B

	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
Member Months	31,307	31,359	31,202	31,217	31,188	31,486	31,383	31,350	31,644	31,330	31,161	30,958
Incurred Claims	\$ 7,972,182	\$ 8,427,237	\$ 9,583,431	\$ 8,697,389	\$ 8,260,237	\$ 8,360,600	\$ 10,031,266	\$ 9,331,282	\$ 8,376,682	\$ 8,977,095	\$ 8,617,585	\$ 8,624,499
Claims PMPM	\$254.65	\$268.73	\$307.14	\$278.61	\$264.85	\$265.53	\$319.64	\$297.65	\$264.72	\$286.53	\$276.55	\$278.59
Member Premium	\$ 11,580,295	\$ 11,549,660	\$ 11,542,063	\$ 11,572,823	\$ 11,526,165	\$ 12,508,896	\$ 11,602,149	\$ 11,605,788	\$ 11,770,926	\$ 11,618,571	\$ 11,485,826	\$ 11,528,033
	68.8%	73.0%	83.0%	75.2%	71.7%	66.8%	86.5%	80.4%	71.2%	77.3%	75.0%	74.8%

Rolling 12 Months Ending:

Dec-09

Member Months	375,585
Incurred Claims	\$ 105,259,485
Claims PMPM	\$280.25
Member Premium	\$ 139,891,195
	75.2%

Aetna Health Inc.
 District of Columbia
 Commercial Data

Exhibit B

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
Member Months	19,816	19,718	19,684	19,639	19,652	19,692	19,663	19,619	19,597	19,660	19,743	20,018
Incurred Claims	\$ 4,678,263	\$ 4,075,095	\$ 5,548,161	\$ 5,353,096	\$ 5,456,142	\$ 5,144,601	\$ 5,793,261	\$ 4,622,737	\$ 4,839,317	\$ 5,377,099	\$ 5,298,269	\$ 5,918,027
Claims PMPM	\$236.09	\$206.67	\$281.86	\$272.57	\$277.64	\$261.25	\$294.63	\$235.63	\$246.94	\$273.50	\$268.36	\$295.64
Member Premium	\$ 7,136,395	\$ 7,216,933	\$ 7,213,649	\$ 7,193,957	\$ 7,212,063	\$ 7,206,848	\$ 7,214,979	\$ 7,200,857	\$ 7,196,301	\$ 7,219,675	\$ 7,202,877	\$ 7,262,654
	65.6%	56.5%	76.9%	74.4%	75.7%	71.4%	80.3%	64.2%	67.2%	74.5%	73.6%	81.5%
Rolling 12 Months Ending:	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
Member Months	364,094	352,453	340,935	329,357	317,821	306,027	294,307	282,576	270,529	258,859	247,441	236,501
Incurred Claims	\$ 101,965,565	\$ 97,613,423	\$ 93,578,153	\$ 90,233,861	\$ 87,429,765	\$ 84,213,767	\$ 79,975,762	\$ 75,267,217	\$ 71,729,852	\$ 68,129,855	\$ 64,810,539	\$ 62,104,067
Claims PMPM	\$280.05	\$276.95	\$274.48	\$273.97	\$275.09	\$275.18	\$271.74	\$266.36	\$265.15	\$263.19	\$261.92	\$262.60
Member Premium	\$ 135,447,294	\$ 131,114,568	\$ 126,786,153	\$ 122,407,287	\$ 118,093,184	\$ 112,791,136	\$ 108,403,966	\$ 103,999,035	\$ 99,424,410	\$ 95,025,514	\$ 90,742,565	\$ 86,477,187
	75.3%	74.4%	73.8%	73.7%	74.0%	74.7%	73.8%	72.4%	72.1%	71.7%	71.4%	71.8%

Aetna Health Inc.
 District of Columbia
 Commercial Data

Exhibit B

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
Member Months	20,011	19,887	19,897	19,940	19,730	19,670	19,582	19,615	19,587	19,563	19,381	19,392
Incurred Claims	\$ 6,181,662	\$ 6,140,229	\$ 6,302,316	\$ 5,713,098	\$ 4,977,134	\$ 5,988,711	\$ 5,357,818	\$ 5,512,917	\$ 6,542,858	\$ 5,809,806	\$ 5,529,949	\$ 6,303,321
Claims PMPM	\$308.91	\$308.76	\$316.75	\$286.51	\$252.26	\$304.46	\$273.61	\$281.06	\$334.04	\$296.98	\$285.33	\$325.05
Member Premium	\$ 7,757,005	\$ 7,702,221	\$ 7,704,732	\$ 7,707,129	\$ 7,620,990	\$ 7,565,499	\$ 7,554,523	\$ 7,557,352	\$ 7,527,411	\$ 7,511,933	\$ 7,408,614	\$ 5,974,671
	79.7%	79.7%	81.8%	74.1%	65.3%	79.2%	70.9%	72.9%	86.9%	77.3%	74.6%	105.5%
Rolling 12 Months Ending:	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
Member Months	236,696	236,865	237,078	237,379	237,457	237,435	237,354	237,350	237,340	237,243	236,881	236,255
Incurred Claims	\$ 63,607,466	\$ 65,672,600	\$ 66,426,755	\$ 66,786,757	\$ 66,307,749	\$ 67,151,859	\$ 66,716,417	\$ 67,606,596	\$ 69,310,137	\$ 69,742,844	\$ 69,974,525	\$ 70,359,819
Claims PMPM	\$268.73	\$277.26	\$280.19	\$281.35	\$279.24	\$282.82	\$281.08	\$284.84	\$292.03	\$293.97	\$295.40	\$297.81
Member Premium	\$ 87,097,797	\$ 87,583,085	\$ 88,074,167	\$ 88,587,339	\$ 88,996,267	\$ 89,354,918	\$ 89,694,463	\$ 90,050,958	\$ 90,382,068	\$ 90,674,326	\$ 90,880,063	\$ 89,592,080
	73.0%	75.0%	75.4%	75.4%	74.5%	75.2%	74.4%	75.1%	76.7%	76.9%	77.0%	78.5%

Aetna Health Inc.
 District of Columbia
 Commercial Data

Exhibit B

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12
Member Months	16,331	16,168	16,142	15,944	15,971	15,934
Incurring Claims	\$ 5,729,845	\$ 4,908,029	\$ 4,556,310	\$ 4,703,182	\$ 4,965,429	\$ 5,049,355
Claims PMPM	\$350.86	\$303.56	\$282.26	\$294.98	\$310.90	\$316.89
Member Premium	\$ 6,629,805	\$ 6,590,260	\$ 6,592,957	\$ 6,517,143	\$ 6,536,717	\$ 6,513,154
	86.4%	74.5%	69.1%	72.2%	76.0%	77.5%
Rolling 12 Months Ending:	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12
Member Months	232,575	228,856	225,101	221,105	217,346	213,610
Incurring Claims	\$ 69,908,001	\$ 68,675,801	\$ 66,929,795	\$ 65,919,879	\$ 65,908,174	\$ 64,968,818
Claims PMPM	\$300.58	\$300.08	\$297.33	\$298.14	\$303.24	\$304.15
Member Premium	\$ 88,464,880	\$ 87,352,919	\$ 86,241,145	\$ 85,051,159	\$ 83,966,886	\$ 82,914,541
	79.0%	78.6%	77.6%	77.5%	78.5%	78.4%

Effective Date Factor Table

Table 4

Effective Date	Factor	Taxes & Fees Factor	Combined Effective Date Factor
Apr-13	1.5762	0.0094	1.5910
May-13	1.5762	0.0125	1.5959
Jun-13	1.5762	0.0156	1.6008
Jul-13	1.6172	0.0188	1.6475
Aug-13	1.6172	0.0219	1.6525
Sep-13	1.6172	0.0250	1.6576
Oct-13	1.6592	0.0281	1.7059
Nov-13	1.6592	0.0313	1.7111
Dec-13	1.6592	0.0344	1.7162
Jan-14	1.7024	0.0375	1.7662
Feb-14	1.7024	0.0375	1.7662
Mar-14	1.7024	0.0375	1.7662

Annual Medical/Rx Trend:

9.6%
