State:	*District of Columbia*	**Filing Company:**	*CIGNA Health and Life Insurance Company*
TOI/Sub-TOI:	*H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO*		
Product Name:	*Medical -Large Groups*		
Project Name/Number:	*CHLIC Large Group Rate Filing- Effective 1/1/2012/*		

Note To Reviewer

Created By:

Maria Mahmood on 01/30/2012 12:52 PM

Last Edited By:

Maria Mahmood

Submitted On:

01/30/2012 12:52 PM

Subject:

Status of Filing

Comments:

Hello,
Could you please let me know what is the status of this rate filing?
Thanks,

State:	District of Columbia	**Filing Company:**	CIGNA Health and Life Insurance Company
TOI/Sub-TOI:	H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO		
Product Name:	Medical -Large Groups		
Project Name/Number:	CHLIC Large Group Rate Filing- Effective 1/1/2012/		

Note To Reviewer

Created By:

Maria Mahmood on 01/09/2012 11:34 AM

Last Edited By:

Maria Mahmood

Submitted On:

01/09/2012 11:34 AM

Subject:

Status of filing

Comments:

Hello,
Could you please let me know what is the status of this rate filing?
Thanks,

State: *District of Columbia* **Filing Company:** *CIGNA Health and Life Insurance Company*
TOI/Sub-TOI: *H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO*
Product Name: *Medical -Large Groups*
Project Name/Number: *CHLIC Large Group Rate Filing- Effective 1/1/2012/*

Note To Reviewer

Created By:

Maria Mahmood on 11/11/2011 02:22 PM

Last Edited By:

Maria Mahmood

Submitted On:

11/11/2011 02:22 PM

Subject:

Status of filing

Comments:

Good afternoon,
Could you please let us know the status of this filing?
Thanks,
Maria Mahmood
860-226-5080

State: District of Columbia **Filing Company:** CIGNA Health and Life Insurance Company
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO
Product Name: Medical -Large Groups
Project Name/Number: CHLIC Large Group Rate Filing- Effective 1/1/2012/

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Neutral
Overall Percentage of Last Rate Revision: 0.000%
Effective Date of Last Rate Revision: 01/01/2011
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):
CIGNA Health and Life Insurance Company	Neutral	0.000%	0.000%	$0	0	$0	0.000%	0.000%

Product Type:	HMO	PPO	EPO	POS	HSA	HDHP	FFS	Other
Covered Lives:		1						
Policy Holders:		1						

Rate Review Detail

COMPANY:

Company Name:	CIGNA Health and Life Insurance Company
HHS Issuer Id:	67369
Product Names:	PPO, Open Access Plus & Network
Trend Factors:	9.9%

FORMS:

New Policy Forms:	n/a
Affected Forms:	n/a
Other Affected Forms:	HP-POL, et al

REQUESTED RATE CHANGE INFORMATION:

Change Period:	Annual
Member Months:	0
Benefit Change:	None
Percent Change Requested:	Min: 0.0 Max: 0.0 Avg: 0.0

PRIOR RATE:

Total Earned Premium:	0.00
Total Incurred Claims:	0.00
Annual $:	Min: 0.00 Max: 0.00 Avg: 0.00

REQUESTED RATE:

Projected Earned Premium:	0.00
Projected Incurred Claims:	0.00
Annual $:	Min: 0.00 Max: 0.00 Avg: 0.00

SERFF Tracking #:	*CCGP-127313924*	***State Tracking #:***		***Company Tracking #:***	*67369*

State:	*District of Columbia*	***Filing Company:***	*CIGNA Health and Life Insurance Company*
TOI/Sub-TOI:	*H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO*		
Product Name:	*Medical -Large Groups*		
Project Name/Number:	*CHLIC Large Group Rate Filing- Effective 1/1/2012/*		

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action*	Rate Action Information		Attachments
1		Rate manual	HP-POL, et al	Revised	*Previous State Filing Number:*	*CCGP-126587573*	RR2012 Rate Filing Tool CHC-CG Final DC LEA.pdf
					Percent Rate Change Request:		

Topic	Pages		Change
Medical Care Rates			
Medical Methodology	III EU 1-7		Yes
Medical Data Tables			
Area Factors	III EU	AF 1	Yes
Demo Factors	III EU	AS 1	Yes
ARI Copay Adjustment	III EU	AS 1	No
Consumerism Adjustment	III EU	AS 1	New
Deductible Accumulator Adjustment	III EU	AS 1	Yes
Family Deductible/Family OOP Max	III EU	AS 1	Yes
Gatekeeper Credit	III EU	AS 1	No
Health Advocacy Factor	III EU	AS 1	Yes
Lifetime Max Factor	III EU	AS 1	No
Medicare COB	III EU	AS 1	No
Medical Modular Management	III EU	AS 1	No
MRC/ARC Factor	III EU	AS 1	Yes
Office Surgery Table	III EU	AS 1	New
Utilization Dampening	III EU	AS 1	No
Base Medical/Utilization - Experience Rated	III EU	BA 1	Yes
Avg POS Load/Avg Diff between IN and OON/POS Slope	III EU	BEA 1	No
Capitation	III EU	BEA 1	No
Cost Trend	III EU	BEA 1	Yes
Mental Health Cap Rates	III EU	BEA 1	No
Claim Distribution	III EU	CD 1-2	Yes
Aggregate Deductible Adjustment	III EU	DA 1	No
Combined Deductible Adjustment	III EU	DC 1-3	Yes
Industry Load	III EU	IL 1	No
Multiple Offering Loads	III EU	MOL 1	No
Rider Claim Costs	III EU	AB 1	Yes
Rider Claim Costs - Vision	III EU	ABV 1	No

MANUAL MEDICAL RATING FORMULAS

Instructions

A. Run the census through penetration and translation assumptions to create member-level census. (Skip to B if census is already at the member level.)

B. Run each individual from the census in A through the calculation steps 1-10 to determine base medical claim costs. Hold the resulting per member per month claim costs.

B1. For EPP products, run steps 1-10 using EPP assumptions.
B2. For DPP products, run steps 1-10 once using EPP in-network assumptions and run steps 1-10 again using DPP out-of-network assumptions.
B3. For PPO products, run steps 1-10 once using PPO in-network assumptions and run steps 1-10 again using PPO out-of-network assumptions.
B4. For EPO products, run steps 1-10 once using PPO in-network assumptions.
B5. For Indemnity products, run steps 1-10 using Indemnity assumptions.
B6. For OAP products, run steps 1-10 once using OAP in-network assumptions and run steps 1-10 again using OAP out-of-network assumptions.

Step 1a - Extract the National Base Claims
Step 1b - Adjustment for Wrap and Super Major Medical Products
Step 2 - Calculate Trend Factor
Step 3 - Apply Trend Factor
Step 4 - Apply Copay Impact Factors to Cost Categories
Step 5 - Cost-Sharing Offset
Step 6 - Utilization Dampening
Step 7 - Base Medical Community Rate
Step 8 - Industry Load and Capitation Factor
Step 9 - Demographic Adjustment
Step 10 - Base Medical Community Rate by Class (CRC) PMPM

C. Other Benefits
Step 11a - Rider
Step 11b - Mental Health/Substance Abuse

D. Aggregate individual per member per month claim costs.

Step 12 - Aggregate Individual Claim Costs
Step 13 - Blending In and Out of Network - Applicable to DPP, OAP and PPO products only.

E. Create per member per month revenues by tier.

Step 14 - Final Tiered Rates

Detailed Formulas

The following steps detail the claim cost calculation process. Except where noted, the identical process is followed to determine both in-network and out-of-network claims. The specific steps are applied to each cost category, except as noted. Claim costs for each individual life are calculated separately and the results aggregated.

SECTION B

Step 1a - Extract the National Base Claims

Base claim costs are established for experience-rated business. Base Costs are set nationally for Open Access Plus product type and cost category. Major Service Categories (MSC) include: inpatient, outpatient surgical, emergency room, primary care physician, specialty care physician and other.

Within each MSC, there is also a Sub Cost Category (SCC) for services performed at those facilities. Those SCC include: Facility, Professional, Diagnostic Lab/Xray (DXL), Advanced Radiology (ARI), PCP, SCP, Surgery, and Other Services

Extract the base claims for each MSC from the applicable pricing table. Then extract the applicable percentages for each SCC:

Formula:
Base Claim Cost by MSC and SCC = Base Claim Cost by MSC x SCC %

For products that contain in-network and out-of-network features (PPO, OAP and DPP), first extract the in-network claim costs and proceed with the remaining steps 2 - 10. After completion of steps 2 - 10, extract the out-of-network claim costs and proceed with the remaining steps 2 - 10.

The Base Claims in Tables III EU BA1-5 reflect end-state, experience-rated business.

Step 1b - Adjustment for Wrap and Super Major Medical Products

If the product to be priced is Wrap or Super Major Medical, extract the category specific adjustment factor from the pricing tables corresponding to the plan design selected.

For Wrap products, the formula:
Step 2 base claims = Step 1 base claims x (1 - Blue Cross adjustment factor)

For Super Major Medical products, the formula:
Step 2 base claims = Step 1 base claims - [(step 1 base claims x Blue Cross adjustment factor) + (step 1 base claims x Blue Shield adjustment factor)]

Step 2 - Calculate Trend Factor

Determine the total trend days from the base claim period midpoint to the policy period midpoint. Calculate the trend years by exposure year and calculate applied trend. Use trend factors per the pricing tables specific to the particular product being priced.

Formulas:
Extract trend factors from the pricing tables for the particular product being priced.
Base claim period midpoint = base claim effective date + 182.5 days (use 183 days if leap year)
Policy period midpoint = (policy effective date + next policy effective date) / 2
Total trend days = policy period midpoint - base claim period midpoint

For all years between the base claim effective date and the next policy effective date, calculate the following:

(a) = first day of year n+1, where n = base claim effective date year, base claim effective date year + 1, … , up to next policy effective date year
(b) = base claim effective date + total trend days
(c) = minimum of (a) & (b)
(d) = first day of year n
(e) = base claim effective date
(f) = maximum of (d) & (e)
(g) = maximum of [0, (c - f)]
(h) = number of days in year n (365, unless leap year)
Trend exponent for exposure year n = (g) / (h)

Total trend factor = Product of [(1 + trend factor for exposure year n) ^ (trend exponent for exposure year n)] for all values of n

Step 3 - Apply Trend Factor

Apply the total trend factor determined in step 2 to each MSC and SCC in step 1.

Formulas:
Step 3 base claims = Step 1 Adjusted Base Claims x Step 2 total trend factor

Step 4 - Apply Copay Impact Factors to Cost Categories

Extract the utilization factors for each applicable base claim MSC from the applicable pricing tables (i). Extract the SCC percentages from the applicable pricing tables (ii). Extract the copays per the plan design. Calculate the dollar offset for each cost category, excluding MHSA. The impact for Mental Health & Substance Abuse is calculated in step 5B.

Formulas:
Dollar copay impact = (utilization factor for each MSC x SCC % x applicable copay for each cost category*) / 12 [do not include MHSA]
* Note that the effective ER Copay is combination of 1/3 UC Copay + 2/3 ER Copay
Step 4A adjusted base claims = Step 3 base claims - dollar copay impact
Step 4A copay employee pay percentage = (dollar copay impact) / (step 3 base claims)

Step 5 - Cost-Sharing Offset

Formulas:
Extract the individual and family out of pocket maximum from the plan design.
Extract the Deductible Adjustment Factor and OOP Max Adjustment Factor from the table based on the individual deductible and the ratio of family deductible/individual deductib

Removed reference to Medical Combined Deductible Adjustment Factor, which is no longer used.

Extract the claim cost distribution with annual frequency and claim costs for each cost category in Step 1.

Removed reference to Medical Out of Pocket Adjustment Factor, which is no longer used.

Effective Deductible = Individual Deductible x Deductible Adjustment Factor
Effective OOP Max = Individual OOP Max x OOP Max Adjustment Factor

Step 5A Base Claim Costs
Adjust the Claim Cost Distribution to reflect the trended claims in Step 3.
5A.i Find the expected value of the total claim claim costs in table [Claim Distribution Table]
5A.ii Sum all expected, trended claims found in Step 3 across all MSC and SCC
5A.iii Find the ratio os 5Aii / 5Ai
5A.iv For each row of probabilities in the [Claim Distribution Table], multiply each MSC and total claims by the ratio computed in step 5A.iii

Calculate for each row of the claim distribution table, calculate the MSC by SCC by muliplying the value in 5A.iv by the percenatges extracted in step 1 for each row in the claim distribution table.
As an example:
(a) Annual Hospital Out Patient Facility Claim = OP MSC claim (5A.iv) x OP Facility %

(a) Annual Claim Total = Sum of (a) Annual Claims for each Cost Category

Step 5B Copay ; calculate for each row of the claim distribution table the (b) Claims After the Deductible for each MSC and SCC
Compute the (b) Annual Claims adjusted for plan cost and copays by multiplying annual claim cost by MSC and SCC (Step 5A) by copay offset % (step 4A)
As an example:
(b) Annual Hospital Out Patient Facility (post copay offset) = Annual Hospital Out Patient Facility x (1 - copay employee pay percentage)

(b) Annual Claim Total = Sum of (b) Annual Claims for each Cost Category
(b) Member Cost Sharing from Copays = (a) Annual Claim Total - (b) Annual Claim Total

Step 5C Deductible ; calculate for each row of the claim distribution table the (c) Claims After Deductible and Copay for each MSC and SCC
5C.i Annual Claims Before Deductible by MSC and SCC = (b) Annual Claims for each Cost Category (step 5B) to which the deductible applies.
5C.ii Total Annual Claims Before Deductible = sum of (b) Annual Claims for each Cost Category (step 5B) to which the deductible applies.
5C.iii Annual Claims After Deductible = max[(c) Total Annual Claims Before Deductible - Effective Deductible, 0]
(c) Value of Deductible = (5C.i) Before Deductible - (5C.ii) After Deductible

Compute the (c) Annual Claims After Deductible for each MSC and SCC by multiplying the ratio of 5C.i / 5C.iii to annual claims after deductible
As an example:
(c) Annual Hospital Out Patient Facility (post copay / deductible) Claim =
(5C.i) Annual Hospital Out Patient Facility (post copay offset) / (5C.ii) Total Annual Claims Before Deductible x 5C.iii Annual Claims After the Deductible

Step 5D Coinsurance*; calculate for each row of the claim distribution table the (d) Claims After Deductible, Copay, and Coinsurance for each MSC and SCC

For each row of the claim probability distribution and for each MSC and SCC, mutliply the Annual Claim Amount post copay and coinsurnace by the applicable level of coinauran
As an example:
(d) Annual Hospital Out Patient Facility (post copay / deductible / coinsurance) =
(c) Annual Hospital Out Patient Facility (post copay / deductible) x Hospital Out Patient Coinsurnace

(d) Annual Claim Total = Sum of (d) Annual Claims for each Cost Category
(d) Value of Coinsurance = (c) After Deductible - (d) Annual Claim Total
**For the product Hospital Only, an effective coinsurance level is calculated by weighting the facility and professional level coinsurance.*
For inpatient, the weighting is 89% and 11%, respectively.
For outpatient, the weighting is 48% and 52%, respectively.

Step 5E OOP Max ; calculate for each row of the claim distribution table
(e) Total Medical Claims Before OOP Max = (b) Annual Claim Total - (d) Value of Coinsurance - ('c) Value of Deductible
(e) Member Cost Sharing Applied to OOP = (d) Value of Coinsurance + (c) Value of Deductible (if deductible applies to OOP)
+ (b) Member Copay Cost Sharing from Copays (if Copays Apply to OOP Max)
(e) Total Annual Claims After OOP Max = max [(e) Total Medical Claims + (e) Member Cost Sharing - Effective OOP Max, (e) Total Medical Claims]

Step 5F Annual Max ; calculate for each row of the claim distribution table
(f) Total Annual Claims After Annual Max = min [(e) Total Annual Claims After OOP Max, Annual Maximum]

Step 5G Final Cost Sharing Offset
(g) Total PMPM After Annual Max = SumProduct[(f) Total Annual Claims After Annual Max, Annual Frequency]/12
Step 5 Total Offset Percentage = 1- [(g) Total PMPM After Annual Max / Step 3 Base Claims]

Step 5H Final Cost Sharing by Cost Category
Compute the Out of Pocket Cost Share to add back by each Cost Category
(h) Total Out of Pocket amount to add back = (e) Total Annual Claims After OOP Max - (e) Total Medical Claims Before OOP Max

For each MSC and SCC, add back a proportionate amount of the claims from deductible, copay, and coinsurance offsets. For example:

(h) OOP Hospital Out Patient Surgery Facility = ((b) Member Copay Cost Sharing from Out Patient Facility Copays (if Copays Apply to OOP Max)
+ ('c) Annual Hospital Out Patient Surgery Facility - (b) Annual Hospital Out Patient Surgery Facility (if outpatient Deductible Apply to OOP Max)
+ (d) Annual Hospital Out Patient Surgery Facility / Hospital Out Patient Surgery Facility Coinsurance Percentage
- (d) Annual Hospital Out Patient Surgery Facility) * (1 - Effective OOP Max / (h) Total Out of Pocket amount to add back)

Compute the Annual Max Cost Share to take out by each MSC and SCC. For example:

(h) Annual Max Hospital Out Patient Surgery Facility =
((d) Annual Hospital Out Patient Surgery Facility + (h) OOP Hospital Out Patient Surgery Facility) / ((d) Annual Claim Total + (h) Total Out of Pocket amount to add b
* (h) Total Annual Max amount to take out

Combine the SCC across each MSC. For example:
(h) Annual Max Hospital Out Patient = SUM[Annual Max Hospital Out Patient Facility + Annual Max Hospital Out Patient Professional + Annual Max Hospital Out Patient DXL
+ Annual Max Hospital Out Patient ARI + Annual Max Hospital Out Patient Surgery + Annual Max Hospital Out Patient Other]
(h) OOP Hospital Out Patient = SUM[OOP Hospital Out Patient Facility + OOP Hospital Out Patient Professional + OOP Hospital Out Patient DXL
+ OOP Hospital Out Patient ARI + OOP Hospital Out Patient Surgery + OOP Hospital Out Patient Other]
(d) Annual Hospital Out Patient Claim = SUM[Annual Hospital Out Patient Facility + Annual Hospital Out Patient Professional + Annual Hospital Out Patient DXL
+ Annual Hospital Out Patient ARI + Annual Hospital Out Patient Surgery + Annual Hospital Out Patient Other]

Compute the Cost Share for each MSC. For example:
(h) Step 5 Hospital Out Patient Offset Percentage = 1 - (SumProduct[(d) Annual Hospital Out Patient + (h) OOP Hospital Out Patient
+ (h) Annual Max Hospital Out Patient, Annual Frequency]/12) / Step 3 Base Claims (total Out Patient)

Step 6 - Utilization Dampening

Utilization dampening is applied to each MSC

Formulas:
Select UTILDC1, UTILDC2 from the pricing table based on cost category being priced.

CS = (h.Step 5) for each cost category
6A = EXP (UTILDC1 * CS + UTILDC2) + UTILDC3

Step 6 utilization dampening = Maximum of (6A) & (0.20)

Step 7 - Base Medical Community Rate (CR) PMPM

Total claims adjusted for copays, deductibles, coinsurance, utilization dampening, and gatekeeper credit summed for all individuals in a given area and tier.

Formula:
Base Medical Community Rate PMPM = [Step 3 base claims x (1 - Step 5(h.4) by cost category) - ARI Copay Offset(1)
x Step 6 utilization dampening x gatekeeper credit from table(if applicable)
x (1+aggregate deductible adjustment from tables (if applicable)(2)) x (1+multiple offering load from tables (if applicable))
x med area factor from tables x Product factor from tables(3) x (1+health advocacy factor (if applicable)) x (1+lifetime max factor)
x (1+Deductible Accumulation Adjustment(4)) x Hospice Adjustment x (1+Carryover Deductible Adj) x (1 + Consumerism Adj)
x (1+Office Surgery Adj) x (1 + Combined Deductible Adjustment)

(1) ARI Copay Offset is found by comparing the ARI Copay * 0.004573 less a sum of the products of copays by MSC * ARI Table Values
(2) aggregate deductible adjustment is calculated using ratio of family to individual oop max (extracted from the plan design) to determine the appropriate table to use. The adjustment is then determined by the deductible/coinsurance combination (extracted from the plan design). Note that the coinsurance value is determined by taking a weighted average of the coinsurance by cost category in Step 5d using the extracted base claim costs by cost category as weights (Step 1)

(3) This factor translates the Open Access Plus Product into other products (e.g., HMO and Indemnity)
(4) This is an adjustment to go from IN and OON deductible cross accumulation to no cross accumulation. Cross accumulation means out of network spending applies towards out-of-network deductible and in-network deductible

Select the applicable percentage attributes from the pricing table for each cost category.

Step 8 - Industry Load and Capitation Percentage

Determine applied industry load for each cost category.

Formulas:
Select the full industry load from the pricing table based on the SIC code and case size of the group being priced.
A case size of small applies for groups with less than 1,000 subscribers.
Select the capitation percentage from the pricing table for each cost category.

Adjusted industry load = (full industry load - 1) x (1 - capitation percentage)

Step 8 applied industry load (by cost category) = 1 + adjusted industry load

Step 9 - Demographic Adjustment

Apply demographic and industry loads to Community Rate PMPM summed for all individuals in a given area and tier.
Demo Loads are a function of Sex/Age/Status of the client and deductible amount. Status includes employee, spouse and children.
If status of a member cannot be determined, the Demo load are a function of Sex/Age and deductible amount.

Step 10 - Base Medical Community Rate by Class (CRC) PMPM

If status of a member can be determined, extract the age/sex/status/deductible demographic factor from the pricing tables for the particular individual being rated.
If status of a member cannot be determined, extract the age/sex/deductible demographic factor from the pricing tables for the particular individual being rated.

Formulas:
Base Medical Community Rate by Class PMPM = Step 7 Medical CR x Step 8 applied industry load
x (Step 9 age/sex/status/deductible factor OR Step 9 age/sex/deductible factor)

SECTION C2
Step 11 - Other Benefit Riders

Step 11a - Rider

Extract other benefit rider base cost pmpms per the pricing table according to the plan design. Adjust for trend, demographic and industry loads per the other benefit load table.

Formulas:
For each rider use the following:

Extract the rider base cost pmpm per the pricing table.
Trend = step 2 medical trend factor (except for Vision riders, use 1.03). Mental Health/Substance Abuse has own trend (may vary by product/rating area).
Age/sex/deductible factor = step 9 age/sex/status/deductible demographic factor
Industry load = step 8 applied industry load

Step 11 rider pmpm = rider base cost pmpm x trend x age/sex/status/deductible factor* x industry load
Step 11 total riders = sum of all rider pmpms

* age/sex/status/deductible factor applies to all rider except infertility rider pmpm. Infertility rider has its own age/sex factor that does not depend on status/deductible.
** For HMO and NWK products, the mental, 'health & substance abuse coverage is capitated and will be included as a rider to the base plan.

Step 11b - Mental Health/Substance Abuse

Extract the MHSA base cost pmpm per the pricing table.(The table key varies by deductible/copay/coinsurance)
Trend = 7.00%
FFS Adjustment = 1% (This is applied to MHSA Cap pmpm)

Step 11b MHSA pmpm = MHSA base cost pmpm x trend x FFS Adjustment
This is only for Open Access Plus and PPO product

SECTION D
Step 12 - Aggregate Medical Claim Costs

Combine the individual per member per month claim costs to determine aggregate costs by area and tier.

Determine aggregate pmpm for each area (defined as network/pricing module/site combination):

Step 12 total aggregate PMPM by area by tier = sum the step 10 total PMPM for all individuals (members) within the given area and tier / sum of the number of members within the given area and tier

Determine aggregate pmpm for each other benefit for each area (defined as network/pricing module combination):

Step 12 aggregate riders by area by tier = sum the step 11 total riders PMPM for all individuals (members) within the given area and tier / sum of the number of members within the given area and tier

Step 12 aggregate MHSA by area by tier = sum the step 11 total MHSA PMPM for all individuals (members) within the given area and tier / sum of the number of members within the given area and tier

step 12 aggregate other benefits by area by tier = 'Step 12 aggregate MHSA by area by tier + 'Step 12 aggregate riders by area by tier

Step 13 - Blending Medical In and Out of Network

For products with an in-network and an out-of-network component, such as POS, this step blends the in-and out-of-network base medical costs to create one overall rate. Once steps 1-10 have been completed for both in-network and out-of-network, use the specific in-network and out-of-network rating factors in the following formulas. Blending is done by tier at the area level.

Formulas:
Select the applicable base POS load factor from the pricing table. POS load is the pmpm of a blended product divide by the pmpm of an lockin product.
Extract the followings from the pricing table which vary by specific areas and products.
1. A, B, and C factors
2. Average Cost Share differences between in-network and out-network (X)

After we get the average POS info, we need to calculate the case specific POS load.
Case POS Load = A*X^2 + B*X + C

Case POS load After MRC = Max(Case POS Load , 0) * MRC Factor
Calculate the in-network and OON-network utilization
In-Network Utilization = Max(Min((step 12 total aggregated in-network pmpm x (1 - Step 8 aggregated capitation percentage) * (1 + Case POS load After MRC)
- step 12 total aggregated out-of-network pmpm)
/ (step 12 total aggregated in-network pmpm x (1 - Step 8 aggregated capitation percentage) - step 12 total aggregated out-of-network pmpm) ,
Out-of-Network Utilization = 1 - In-Network Utilization
If OON pmpm is lower than IN PMPM, IN Util will be set to 100%.
Step 13 blended PMPM = [(step 12 total aggregated in-network pmpm x Step 8 aggregated capitation percentage)
+ (step 12 total aggregated in-network pmpm x (1 - Step 8 aggregated capitation percentage) x step 13 in-network utilization)
+ (step 12 total aggregated out-of-network pmpm x step 13 out-of-network utilization)]

Step 13 blended community rated PMPM = [(step 12 total community rated in-network pmpm x aggregate capitation percentage)
+ (step 12 total community rated in-network pmpm x (1 - capitation percentage) x step 13 in-network utilization)
+ (step 12 total community rated out-of-network pmpm x step 13 out-of-network utilization)]

SECTION E
Step 14 - Final Tiered Rates

Formulas:
For EPP, EPO and Indemnity products, without either FlexCare/CIGNA Pharmacy Plus or RxPrime/CIGNA Pharmacy:
Step 14 final tiered PMPMs = (step 12 total aggregate PMPM by area by tier + step 12 aggregate other benefits by area by tier + step P13 total aggregated pharmacy PMPM by area by tier) / applied loss ratio

For EPP, EPO and Indemnity products, with FlexCare/CIGNA Pharmacy Plus or RxPrime/CIGNA Pharmacy:
Step 14 final tiered PMPMs = (step 12 total aggregate PMPM by area by tier + step 12 aggregate other benefits by area by tier) / applied loss ratio

For DPP, OAP and PPO products, without either FlexCare/CIGNA Pharmacy Plus or RxPrime/CIGNA Pharmacy:
Step 14 final tiered PMPMs = (step 13 blended PMPM + step 12 aggregate other benefits by area by tier) + step P13 total aggregated pharmacy PMPM by area by tier (or RxPrime, if applicable) / applied loss ratio

For DPP, OAP and PPO and Indemnity products, with FlexCare/CIGNA Pharmacy Plus or RxPrime/CIGNA Pharmacy:
Step 14 final tiered PMPMs = (step 12 total aggregate PMPM by area by tier + step 12 aggregate other benefits by area by tier) / applied loss ratio

Experience Rating Formula for CGLIC Medical Products

Blended claims are a weighted average of the group's official experience and the manually rated claims.

The group's official experience is calculated as fee-for-service paid claims, adjusted for large claims and capitation, then multiplied by a trend factor. Large claims up to the pooling limit are added back in. The claims are then adjusted for any changes in liability. This experience could include CIGNA experience on the particular group or a portion of the group or prior carrier experience.

The manually rated claims are calculated according to the formulas and tables filed and approved with the state.

The weights used to blend the claims are based on the credibility of the group. The blended claims may be adjusted for underwriting discretion. A retention charge is then added for administrative expenses, taxes, commissions and profit. The premium is then adjusted for the Experience Protection Benefit (pooling charge) and network access fees, where applicable.

TIERED BENEFITS ADJUSTMENT

1) A manual rate will be developed for the underlying plan, consistent with this filing's base methodology and reflecting the Tier 1 level of cost sharing for Specialty office visits.
2) An adjustment will be made to this rate if the employer's premium contribution strategy will favor the Care Network option by at least 10%. (This would always be true if Tiered Benefits is offered on a full replacement basis.)

The rate adjustment will equal (1 - Savings %), according to the following formula:

Savings % = [1-% out-of-network]
x [benefit save x CCF dilution % x % non-HPN dollars +
benefit save x CCF dilution % x % no-cut dollars] x Dual Choice Adjustment

BASIC TABLES

General:

Starting Save, % non-HPN dollars, and % no-cut dollars are developed by area based on Care Network contracting data.

% out-of-network

Developed for the underlying plan, consistent with this filing's base methodology and reflecting the Tier 1 benefit level

CCF Dilution %

Deductible	Dilution %
$250	75%
$500	73%
$750	64%
$1,000	57%
$1,250	55%
$1,500	52%
Greater than $1,500	50%
not CCF	100%

Benefit Save

	From Tier 1								
To Tier 2	$10 copay	$15 copay	$20 copay	90% coins	$30 copay	$35 copay	$40 copay	$45 copay	$50 copay
$15 copay	1.3%								
$20 copay	2.6%	1.2%							
$25 copay or 90% coins	3.8%	2.4%	1.1%						
$30 copay	4.9%	3.5%	2.2%	1.1%					
$35 copay	6.0%	4.5%	3.2%	2.1%	1.0%				
$40 copay	7.0%	5.5%	4.1%	3.1%	2.0%	1.2%			
$45 copay	7.9%	6.4%	5.0%	4.0%	2.9%	2.4%	1.2%		
$50 copay or 80% coins	8.8%	7.3%	5.9%	4.8%	3.8%	3.5%	2.3%	1.1%	
$55 copay	9.7%	8.1%	6.7%	5.6%	4.6%	4.6%	3.4%	2.2%	1.1%
$60 copay	10.5%	8.9%	7.4%	6.4%	5.3%	5.7%	4.5%	3.3%	2.2%
$65 copay	11.2%	9.6%	8.1%	7.1%	6.1%	6.7%	5.5%	4.3%	3.2%
$70 copay	11.9%	10.3%	8.8%	7.8%	6.7%	7.6%	6.5%	5.2%	4.1%
$75 copay or 70% coins	12.6%	10.9%	9.4%	8.4%	7.4%	8.6%	7.5%	6.1%	5.1%
$80 copay			10.0%	9.0%	8.0%	9.5%	8.4%	7.0%	5.9%
$85 copay			10.6%	9.6%	8.6%	10.3%	9.3%	7.9%	6.8%
$90 copay			11.1%	10.1%	9.1%	11.2%	10.1%	8.7%	7.6%
$95 copay			11.6%	10.6%	9.6%	12.0%	10.9%	9.4%	8.4%
$100 copay or 60% coins	15.4%	13.7%	12.1%	11.1%	10.1%	12.7%	11.7%	10.2%	9.1%
$105 copay						13.5%	12.4%	10.9%	9.9%
$110 copay						14.2%	13.1%	11.6%	10.6%
$115 copay						14.9%	13.8%	12.2%	11.2%
$120 copay						15.5%	14.5%	12.8%	11.8%
$125 copay or 50% coins	17.6%	15.8%	14.2%	13.3%	12.3%	16.1%	15.1%	13.4%	12.5%

Dual Choice Adjustment

Are the CCN EE contributions 10% less than all other plans?

	Adjustment Factor
No	0.00
Yes	0.25
not dual choice	1.00

Medical Area Factors

NWK Area Description	NWK Base Area	Product Factor	OAP Base Area
DC, DISTRICT OF COLUMBIA	MD802F	1.019	MD300F

PPO/Indemnity Area Description	PPO/Indemnity Base Area	Product Factor	OAP Base Area
DC, DISTRICT OF COLUMBIA	MD701F	1.14	MD300F

OAP Area Description	OAP Base	Area Factor	OAP National
DC, DISTRICT OF COLUMBIA	MD300F	0.665	MD300F

Medical Modular Management

PHS	0.9%

Gatekeeper Credit

Gatekeeper Credit	-1%

Deductible Accumulation Adjustment

-0.5% No Cross Accumulation
0.0% One Way Accumulation (out of nwk to in nwk)
0.5% Cross Accumulation

Consumerism Adjustment

Adjustment	-1.5%

Removed 100% Coinsurance Adjustment

Medical Utilization Dampening Curve

Utilization Dampening Formula = **EXP (UTILDC1 * CS) + UTILDC2) + UTILDC3**
CS = Cost Share

	Inpatient	Outpatient	PCP	ER	SCP	Other
UTILDC1	-1.31	-0.59	-0.50	-0.22	-1.09	-0.98
UTILDC2	0.10	0.11	0.15	0.04	0.26	0.14
CS	IP CS	OP CS	PCP CS	ER CS	SCP CS	Other CS

CS Min	CS Max	UTILDC3
0.0%	5.0%	1.00%
5.0%	7.5%	0.50%
7.5%	20.0%	0.00%
20.0%	25.0%	-2.00%
25.0%	30.0%	-3.00%
30.0%	35.0%	-3.50%
35.0%	100.0%	-4.00%

Indemnity (NY Metro)

	Aggregate
UTILDC1	-0.10
UTILDC2	0.27
CS	Agg CS

Indemnity (NJ)

	Aggregate
UTILDC1	-0.10
UTILDC2	0.36
CS	Agg CS

Indemnity (non-NY metro and non-NJ)

	Aggregate
UTILDC1	-0.32
UTILDC2	0.22
CS	Agg CS

Medical Demographic factors

This is used only if the status of the individual can be determined.

Female Demographic Factors

Age Band	Employee Factor	Spouse Factor	Child Factor
00 - 19	0.462	0.462	0.462
20 - 24	0.833	1.336	0.680
25 - 29	0.975	1.426	1.569
30 - 34	1.179	1.401	1.541
35 - 39	1.165	1.261	1.387
40 - 44	1.212	1.302	1.432
45 - 49	1.388	1.496	1.646
50 - 54	1.574	1.807	1.988
55 - 59	1.742	2.057	2.263
60 - 64	2.136	2.543	2.797
65 - 69	2.926	2.926	3.219
70 +	3.414	3.414	3.756

Male Demographic Factors

Age Band	Employee Factor	Spouse Factor	Child Factor
00 - 19	0.483	0.483	0.483
20 - 24	0.385	0.387	0.583
25 - 29	0.461	0.656	0.721
30 - 34	0.535	0.651	0.716
35 - 39	0.632	0.871	0.959
40 - 44	0.803	0.975	1.072
45 - 49	0.993	1.298	1.427
50 - 54	1.340	1.737	1.911
55 - 59	1.700	2.198	2.418
60 - 64	2.211	2.963	3.260
65 - 69	3.658	3.658	4.024
70 +	4.243	4.243	4.668

Medical Demographic factors

Use if status can not be determined

Age Band	Male Factor	Female Factor
00 - 19	0.483	0.462
20 - 24	0.457	0.823
25 - 29	0.480	1.134
30 - 34	0.552	1.281
35 - 39	0.672	1.213
40 - 44	0.833	1.257
45 - 49	1.048	1.440
50 - 54	1.416	1.680
55 - 59	1.801	1.874
60 - 64	2.380	2.279
65 - 69	3.658	2.926
70 +	4.243	3.414

Infertility Demo Factor

Age Band	Male Factor	Female Factor
00 - 19	-	0.002
20 - 24	0.008	0.462
25 - 29	0.062	3.178
30 - 34	0.167	7.474
35 - 39	0.172	7.624
40 - 44	0.084	4.366
45 - 49	0.030	0.433
50 - 54	0.011	0.013
55 - 59	0.004	0.005
60 - 64	-	0.001
65 - 69	-	-
70 +	-	-

Minnesota Demo Factors

Age Band	Factor
00 - 19	0.472
20 - 24	0.640
25 - 29	0.807
30 - 34	0.916
35 - 39	0.943
40 - 44	1.045
45 - 49	1.244
50 - 54	1.548
55 - 59	1.837
60 - 64	2.330
65 - 69	3.292
70 +	3.829

Medicare COB Factor Language

Rates for Post-65 Medicare Eligible Retirees are adjusted to reflect the coordination of benefits with Medicare.
The Medicare COB adjustment is based on the percentage of Medicare eligible members in the population
being rated, the age/sex, the geographic location of the membership, the coordination of benefits method being applied,
the underlying medical product type, and the plan deductible, coinsurance, copay, out-of-pocket maximum, and other cost-sharing.

Health Advocacy Factors

Well Aware Factor	New	Renewal
High Risk Obesity	-0.24%	-0.24%
Targeted Conditions	-0.14%	-0.14%
Depression Management	-0.19%	-0.19%
Asthma	-0.14%	-0.14%
Low Back Pain	-0.09%	-0.09%
Cardiac	-0.47%	-0.47%
COPD	-0.09%	-0.09%
Diabetes	-0.28%	-0.28%

Your Health First Factor	New	Renewal
Your Health First 300	-1.64%	-1.64%
Your Health First 250	-1.64%	-1.64%
Your Health First 200	-1.64%	-1.64%
Your Health First 100	-0.82%	-0.82%

Clinical Program Factors	PMPM
Healthy Babies - Option 1	-$0.36
Healthy Babies - Option 2	-$0.36
Healthy Babies - Option 3	-$0.36
Oncology	-$0.20

Lifetime Max

Amount	Factor
50,000	-2.0%
100,000	-1.5%
150,000	-1.3%
200,000	-1.0%
300,000	-0.8%
400,000	-0.7%
500,000	-0.5%
750,000	-0.4%
1,000,000	-0.3%
2,000,000	-0.1%
3,000,000	-0.1%
4,000,000	0.0%
5,000,000+	0.0%

ARI Copay Table

MSC	Factor
IP	0.00002
OP	0.00294
ER	0.00001
PCP	0.00014
SCP	0.00145

Medical MRC / ARC Factor

300% Medicare Stacked	1.00
200% Medicare Stacked	0.63
150% Medicare Stacked	0.56
110% Medicare Stacked	0.48
110% Medicare Only	0.25
ACR Factor	0.70

Removed ambulance pricing table for Facets platform

Office Surgery Table

Waive Deductible	0.001
Waive Deductible and Coinsurance	0.002

Medical
Family Deductible

DEDUCTIBLE ADJ FOR FAMILY LIMIT

	0	50	100	150	200	300	400	500	750	1000	1500	2000	2500	3000	3500	4000	4500	5000
1.00	1.00	0.67	0.67	0.67	0.68	0.68	0.69	0.70	0.72	0.73	0.77	0.80	0.84	0.88	0.91	0.95	0.99	1.00
2.00	1.00	0.80	0.80	0.80	0.81	0.81	0.82	0.83	0.84	0.85	0.87	0.89	0.91	0.93	0.96	0.98	1.00	1.00
2.25	1.00	0.83	0.83	0.84	0.84	0.85	0.86	0.86	0.88	0.89	0.91	0.93	0.95	0.97	0.99	1.00	1.00	1.00
2.50	1.00	0.87	0.87	0.87	0.88	0.88	0.89	0.90	0.92	0.93	0.95	0.96	0.98	0.99	1.00	1.00	1.00	1.00
2.75	1.00	0.90	0.90	0.90	0.91	0.91	0.92	0.92	0.94	0.95	0.96	0.97	0.98	0.99	1.00	1.00	1.00	1.00
3.00	1.00	0.93	0.94	0.93	0.94	0.94	0.95	0.95	0.96	0.97	0.97	0.98	0.98	0.99	1.00	1.00	1.00	1.00
3.25	1.00	0.94	0.94	0.94	0.95	0.95	0.96	0.96	0.97	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00
3.50	1.00	0.94	0.95	0.95	0.96	0.96	0.97	0.97	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00	1.00
3.75	1.00	0.95	0.96	0.96	0.97	0.97	0.98	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00
4.00	1.00	0.96	0.97	0.97	0.98	0.98	0.98	0.98	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Medical
Family OOP Max

OOP MAX ADJ FOR FAMILY LIMIT

	0	500	1000	1500	2000	3000	4000	5000	7500	10000	15000	20000	25000	30000	35000	40000	45000	50000
1.00	1.00	0.92	0.92	0.92	0.92	0.92	0.92	0.93	0.93	0.94	0.95	0.95	0.96	0.97	0.97	0.98	0.99	0.99
2.00	1.00	0.95	0.95	0.95	0.95	0.95	0.95	0.96	0.96	0.96	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00
2.25	1.00	0.96	0.96	0.96	0.96	0.96	0.96	0.97	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00
2.50	1.00	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.98	0.98	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
2.75	1.00	0.97	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
3.00	1.00	0.98	0.98	0.98	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00
3.25	1.00	0.98	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00
3.50	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
3.75	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
4.00	1.00	0.99	0.99	0.99	0.99	0.99	0.99	0.99	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Medical

Base Claims

Network, Experience Rated PPO, Open Access Plus (in-network)	Service Category					
	In Patient (IP)	Out Patient (OP)	Primary Care Physician	Emergency Room	Specialty Physician	Other
	105.36	44.01	36.46	32.19	56.20	49.36

Network, Experience Rated PPO, Indemnity, Open Access Plus (Out-of Network)	Service Category					
	In Patient (IP)	Out Patient (OP)	Primary Care Physician	Emergency Room	Specialty Physician	Other
	187.18	77.77	57.57	44.30	93.67	92.21

Utilization

Network	Service Category						
	In Patient - Per Day	In Patient - Per Admit	Out Patient (OP)	Primary Care Physician	Emergency Room	Specialty Physician	Other
	Use Avg Days from Table below x 0.09	0.09	0.12	2.45	0.30	3.30	0.00

Number of Copays Per Admit Adjustment																				
Maximum Days	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Average Days	0.00	1.00	1.80	2.34	2.71	2.96	3.15	3.29	3.42	3.52	3.61	3.68	3.75	3.81	3.85	3.90	3.93	3.96	3.99	4.02

Experience Rated PPO, Indemnity, Open Access Plus	Service Category								
	In Patient - Per Day	In Patient - Per Admit	Out Patient (OP)	Primary Care Physician	Emergency Room	Specialty Physician	Other	Specialty Physician	Other
	Use Avg Days from Table below x 0.09	0.09	0.12	2.45	0.30	3.3	0.00	3.3	0.00

Number of Copays Per Admit Adjustment																				
Maximum Days	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Average Days	0.00	1.00	1.80	2.34	2.71	2.96	3.15	3.29	3.42	3.52	3.61	3.68	3.75	3.81	3.85	3.90	3.93	3.96	3.99	4.02

Sub Categories by Major Service Categories

	Major Sevice Category - PROCLAIM, NWK						Major Sevice Category - FACETS					
Sub category	Inpatient (Hospital)	Outpatient (Hospital)	ER	PCP	SPC	Other	Inpatient (Hospital)	Outpatient (Hospital)	ER	PCP	SPC	Other
Facility	100%	100%	100%	100%	100%	100%	100%	73%	100%	0%	0%	100%
Professional	0%	0%	0%	0%	0%	0%	0%	0%	0%	92%	84%	0%
Diagnostic Lab/Xray (DXL)	0%	0%	0%	0%	0%	0%	0%	23%	0%	8%	12%	0%
Adv Radiology (ARI)	0%	0%	0%	0%	0%	0%	0%	4%	0%	0%	5%	0%
Surgery	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other Services	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Medical
Claim Distribution Table

Annual Frequency	Total Annual Claim	In Patient	Out Patient	ER	PCP	SCP	Other
0.1512	$ -	$ -	$ -	$ -	$ -	$ -	$ -
0.0057	$ 16.70	$ 0.03	$ 0.14	$ 0.30	$ 12.71	$ 2.70	$ 0.81
0.0285	$ 38.85	$ 0.06	$ 0.34	$ 0.70	$ 29.56	$ 6.29	$ 1.89
0.0327	$ 57.89	$ 0.10	$ 0.50	$ 1.05	$ 44.06	$ 9.37	$ 2.82
0.0305	$ 79.00	$ 0.13	$ 0.68	$ 1.43	$ 60.12	$ 12.78	$ 3.85
0.0266	$ 97.95	$ 0.16	$ 0.85	$ 2.26	$ 74.05	$ 15.85	$ 4.78
0.0247	$ 124.33	$ 0.20	$ 1.22	$ 3.50	$ 92.29	$ 20.12	$ 7.01
0.0230	$ 152.33	$ 0.25	$ 1.82	$ 5.04	$ 109.53	$ 24.65	$ 11.04
0.0213	$ 181.97	$ 0.30	$ 2.48	$ 6.94	$ 126.42	$ 30.86	$ 14.98
0.0200	$ 207.59	$ 0.34	$ 3.09	$ 8.95	$ 140.91	$ 35.39	$ 18.90
0.0190	$ 232.93	$ 0.38	$ 3.62	$ 11.20	$ 154.97	$ 40.62	$ 22.13
0.0345	$ 268.55	$ 0.44	$ 4.49	$ 13.95	$ 174.42	$ 47.70	$ 27.55
0.0311	$ 315.08	$ 0.59	$ 5.76	$ 16.17	$ 199.00	$ 58.15	$ 35.41
0.0278	$ 359.51	$ 0.69	$ 7.01	$ 19.82	$ 219.85	$ 68.86	$ 43.28
0.0250	$ 405.31	$ 0.92	$ 8.55	$ 24.32	$ 237.84	$ 81.41	$ 52.28
0.0223	$ 450.51	$ 0.99	$ 10.50	$ 29.17	$ 254.11	$ 94.31	$ 61.44
0.0469	$ 528.15	$ 1.38	$ 14.55	$ 41.57	$ 277.01	$ 117.45	$ 76.19
0.0376	$ 640.84	$ 1.90	$ 22.69	$ 62.22	$ 304.07	$ 154.01	$ 95.95
0.0305	$ 753.87	$ 2.98	$ 32.15	$ 86.19	$ 328.05	$ 190.18	$ 114.33
0.0253	$ 863.66	$ 4.07	$ 42.25	$ 111.69	$ 348.51	$ 224.78	$ 132.36
0.0213	$ 973.41	$ 5.93	$ 52.05	$ 139.49	$ 365.07	$ 261.06	$ 149.80
0.0184	$ 1,084.12	$ 8.41	$ 62.27	$ 167.89	$ 385.44	$ 293.56	$ 166.56
0.0301	$ 1,246.94	$ 13.65	$ 80.41	$ 204.39	$ 412.89	$ 343.28	$ 192.32
0.0241	$ 1,471.47	$ 22.26	$ 108.29	$ 254.41	$ 449.05	$ 408.52	$ 228.93
0.0198	$ 1,699.50	$ 33.44	$ 138.54	$ 306.58	$ 478.60	$ 476.65	$ 265.69
0.0168	$ 1,926.68	$ 46.55	$ 174.84	$ 344.07	$ 504.02	$ 547.30	$ 309.89
0.0144	$ 2,158.74	$ 64.03	$ 211.31	$ 385.91	$ 533.05	$ 612.18	$ 352.26
0.0237	$ 2,497.56	$ 87.34	$ 272.07	$ 443.59	$ 561.26	$ 709.53	$ 423.76
0.0185	$ 2,959.13	$ 117.59	$ 361.09	$ 527.10	$ 598.98	$ 833.16	$ 521.20
0.0149	$ 3,431.05	$ 155.08	$ 458.11	$ 602.33	$ 633.96	$ 961.71	$ 619.86
0.0121	$ 3,908.86	$ 193.07	$ 571.93	$ 682.70	$ 659.94	$ 1,085.74	$ 715.47
0.0102	$ 4,377.80	$ 246.49	$ 689.52	$ 760.44	$ 679.71	$ 1,199.79	$ 801.86
0.0200	$ 5,180.97	$ 382.20	$ 901.07	$ 879.21	$ 689.19	$ 1,383.67	$ 945.64
0.0149	$ 6,378.60	$ 755.62	$ 1,201.35	$ 983.60	$ 705.13	$ 1,605.34	$ 1,127.54
0.0117	$ 7,528.60	$ 1,305.30	$ 1,435.81	$ 1,052.72	$ 700.41	$ 1,765.27	$ 1,269.09
0.0093	$ 8,655.78	$ 1,882.25	$ 1,635.53	$ 1,149.41	$ 701.89	$ 1,904.71	$ 1,381.99
0.0076	$ 9,743.04	$ 2,506.80	$ 1,826.66	$ 1,200.00	$ 700.48	$ 2,014.08	$ 1,495.03
0.0062	$ 10,800.18	$ 3,037.01	$ 2,024.37	$ 1,294.74	$ 713.92	$ 2,130.10	$ 1,600.05
0.0094	$ 12,230.96	$ 3,791.63	$ 2,281.32	$ 1,410.21	$ 731.05	$ 2,265.33	$ 1,751.42

Medical
Claim Distribution Table (continued)

Annual Frequency	Total Annual Claim	In Patient	Out Patient	ER	PCP	SCP	Other
0.0055	$ 16,724.03	$ 5,490.26	$ 3,171.14	$ 1,795.75	$ 940.52	$ 2,963.19	$ 2,363.18
0.0040	$ 19,070.24	$ 6,587.77	$ 3,575.81	$ 2,011.77	$ 1,033.63	$ 3,207.91	$ 2,653.36
0.0030	$ 21,599.70	$ 7,910.20	$ 3,973.08	$ 2,177.35	$ 1,117.89	$ 3,471.53	$ 2,949.66
0.0024	$ 24,113.30	$ 9,480.43	$ 4,282.42	$ 2,273.22	$ 1,180.75	$ 3,722.97	$ 3,173.51
0.0035	$ 27,598.38	$ 11,522.41	$ 4,640.73	$ 2,322.58	$ 1,315.21	$ 4,141.62	$ 3,655.84
0.0025	$ 32,326.83	$ 15,084.74	$ 4,937.11	$ 2,411.35	$ 1,404.95	$ 4,378.53	$ 4,110.15
0.0019	$ 36,762.51	$ 18,125.20	$ 5,189.89	$ 2,467.04	$ 1,483.15	$ 4,863.61	$ 4,633.63
0.0014	$ 41,781.13	$ 21,225.25	$ 5,802.55	$ 2,565.90	$ 1,635.74	$ 5,266.20	$ 5,285.48
0.0020	$ 48,540.50	$ 25,157.27	$ 6,599.64	$ 2,729.97	$ 1,767.51	$ 5,967.07	$ 6,319.04
0.0014	$ 58,123.31	$ 31,615.11	$ 7,321.71	$ 2,946.71	$ 1,955.31	$ 6,546.52	$ 7,737.95
0.0009	$ 67,410.55	$ 37,304.58	$ 7,879.01	$ 3,065.83	$ 2,331.77	$ 7,415.86	$ 9,413.50
0.0007	$ 76,703.65	$ 41,975.20	$ 8,943.78	$ 3,021.77	$ 2,663.66	$ 8,974.98	$ 11,124.26
0.0005	$ 87,952.37	$ 47,825.45	$ 9,652.22	$ 3,268.12	$ 3,021.32	$ 10,736.07	$ 13,449.18
0.0007	$ 97,706.76	$ 54,763.72	$ 10,412.96	$ 3,620.50	$ 3,484.14	$ 10,450.80	$ 14,974.64
0.0006	$ 115,932.60	$ 65,434.30	$ 11,936.35	$ 3,622.21	$ 4,137.30	$ 12,474.08	$ 18,328.37
0.0004	$ 136,084.94	$ 78,152.56	$ 14,303.75	$ 4,033.30	$ 4,220.71	$ 12,519.40	$ 22,855.21
0.0003	$ 157,281.59	$ 95,079.23	$ 15,573.86	$ 3,918.57	$ 4,149.40	$ 13,339.67	$ 25,220.85
0.0002	$ 187,978.55	$ 115,033.41	$ 19,826.02	$ 4,622.01	$ 3,876.41	$ 13,368.64	$ 31,252.06
0.0002	$ 239,386.00	$ 159,106.90	$ 21,607.82	$ 5,186.25	$ 3,803.15	$ 12,003.94	$ 37,677.94
0.0001	$ 310,117.83	$ 215,564.90	$ 26,953.67	$ 4,894.12	$ 4,418.47	$ 11,984.35	$ 46,302.32
0.0000	$ 462,647.00	$ 356,238.19	$ 29,122.26	$ 7,895.86	$ 5,666.37	$ 5,696.78	$ 58,027.55
0.0000	$ 480,268.84	$ 384,215.07	$ 25,428.81	$ 5,757.11	$ 4,921.66	$ 4,953.23	$ 54,992.96
0.0000	$ 509,957.74	$ 413,065.77	$ 21,901.17	$ 6,113.00	$ 4,205.99	$ 4,239.50	$ 60,432.31
0.0000	$ 536,591.94	$ 440,005.39	$ 17,679.11	$ 6,432.27	$ 3,352.47	$ 3,387.74	$ 65,734.95
0.0000	$ 578,453.60	$ 480,116.49	$ 13,273.79	$ 6,934.08	$ 2,457.11	$ 2,495.13	$ 73,177.01
0.0000	$ 619,560.02	$ 520,430.42	$ 8,021.46	$ 7,426.83	$ 1,392.59	$ 2,672.44	$ 79,616.28
0.0000	$ 672,760.97	$ 571,846.82	$ 7,364.74	$ 8,064.57	$ 1,512.17	$ 2,901.92	$ 81,070.75
0.0000	$ 712,834.54	$ 613,037.70	$ 6,377.75	$ 8,544.94	$ 1,602.25	$ 3,074.77	$ 80,197.12
0.0000	$ 757,575.30	$ 659,090.51	$ 5,262.90	$ 9,081.26	$ 1,702.81	$ 3,267.76	$ 79,170.06
0.0000	$ 788,481.35	$ 693,863.59	$ 3,900.64	$ 9,451.74	$ 1,772.28	$ 3,401.07	$ 76,092.03
0.0000	$ 874,241.80	$ 778,075.20	$ 4,324.90	$ 10,479.77	$ 1,965.05	$ 3,770.99	$ 75,625.89
0.0000	$ 930,633.18	$ 837,569.86	$ 4,603.87	$ 11,155.75	$ 2,091.80	$ 4,014.23	$ 71,197.67
0.0000	$ 995,086.28	$ 905,528.52	$ 4,922.72	$ 11,928.37	$ 2,236.67	$ 4,292.25	$ 66,177.76
0.0000	$ 1,049,651.78	$ 965,679.64	$ 5,192.66	$ 12,582.46	$ 2,359.32	$ 4,527.61	$ 59,310.09
0.0000	$ 1,123,649.73	$ 1,033,757.75	$ 5,558.73	$ 13,469.49	$ 2,525.64	$ 4,846.80	$ 63,491.31
0.0000	$ 1,273,312.21	$ 1,171,447.23	$ 6,299.12	$ 15,263.54	$ 2,862.04	$ 5,492.36	$ 71,947.92
0.0000	$ 1,412,075.94	$ 1,299,109.87	$ 6,985.58	$ 16,926.93	$ 3,173.94	$ 6,090.91	$ 79,788.71
0.0000	$ 1,769,158.71	$ 1,627,626.01	$ 8,752.08	$ 21,207.38	$ 3,976.56	$ 7,631.16	$ 99,965.50
0.0000	$ 2,013,930.35	$ 1,852,815.92	$ 9,962.98	$ 24,141.52	$ 4,526.74	$ 8,686.97	$ 113,796.21
0.0000	$ 4,115,545.46	$ 3,786,301.82	$ 20,359.73	$ 49,334.15	$ 9,250.57	$ 17,752.17	$ 232,547.01

Medical **Revised**

Network

Network	Site	Capitation Penetration	In Network Cost Trend			OON Network Cost Trend			Mental Health Cost Trend			MHSA Minimum CAP Rate	MHSA Maximum CAP Rate
			2010/2009	2011/2010	2012/2011	2010/2009	2011/2010	2012/2011	2010/2009	2011/2010	2012/2011		
DC, DISTRICT OF COLUMBIA	MD802F	8.72%	10.34%	10.35%	10.59%	14.28%	10.00%	10.00%	6.00%	6.00%	6.00%	$7.18	$11.73

Experience Rated PPO and Indemnity

Network	Site	Experience Rated PPO			Experience Rated Indemnity			Mental Health Cost Trend			MHSA Minimum CAP Rate	MHSA Maximum CAP Rate
		2010/2009	2011/2010	2012/2011	2010/2009	2011/2010	2012/2011	2010/2009	2011/2010	2012/2011		
DC, DISTRICT OF COLUMBIA	MD701F	10.59%	11.53%	11.74%	14.28%	10.00%	10.00%	7.00%	6.00%	6.00%	$7.18	$11.73

Open Access Plus

Network	Site	Experience Rated OAP			Experience Rated Indemnity			Mental Health Cost Trend			MHSA Minimum CAP Rate	MHSA Maximum CAP Rate
		2010/2009	2011/2010	2012/2011	2010/2009	2011/2010	2012/2011	2010/2009	2011/2010	2012/2011		
DC, DISTRICT OF COLUMBIA	MD300F	9.72%	9.55%	9.82%	14.28%	10.00%	10.00%	7.00%	6.00%	6.00%	$7.18	$11.73

Network

Network	Site	A - Average POS load	B - Avg Diff between OON and IN Cost Share	C - POS Slope
DC, DISTRICT OF COLUMBIA	MD802F	55.00%	-43.00%	8.00%

OAP

Network	Site	A - Average POS load	B - Avg Diff between OON and IN Cost Share	C - POS Slope
DC, DISTRICT OF COLUMBIA	MD300F	25.00%	-24.00%	8.27%

PPO/Indemnity

Network	Site	A - Average POS load	B - Avg Diff between OON and IN Cost Share	C - POS Slope
DC, DISTRICT OF COLUMBIA	MD701F	55.00%	-43.00%	7.58%

Medical
Aggregate Deductible Adjustment

Average Factor	Deductible Level						
Family Multiplier	500	1000	1500	2000	2500	3000	4000
1	-0.2%	-3.8%	-3.8%	-3.8%	-3.8%	-3.8%	-3.8%
2	-1.1%	-5.8%	-6.9%	-8.1%	-9.3%	-10.4%	-12.5%
2.5	-2.3%	-8.0%	-10.0%	-12.0%	-13.9%	-15.6%	-18.4%
3	-3.6%	-10.4%	-13.3%	-16.0%	-18.3%	-20.3%	-23.4%

Max of Factor	Deductible Level						
Family Multiplier	500	1000	1500	2000	2500	3000	4000
1	0.0%	-1.3%	-1.3%	-1.3%	-1.3%	-1.3%	-1.3%
2	-0.6%	-2.4%	-2.9%	-3.4%	-3.9%	-4.3%	-5.1%
2.5	-1.2%	-3.4%	-4.2%	-5.0%	-5.6%	-6.2%	-7.2%
3	-1.8%	-4.3%	-5.4%	-6.3%	-7.2%	-7.8%	-8.9%

Min of Factor	Deductible Level						
Family Multiplier	500	1000	1500	2000	2500	3000	4000
1	-1.2%	-6.5%	-6.5%	-6.5%	-6.5%	-6.5%	-6.5%
2	-1.9%	-8.8%	-10.1%	-11.7%	-13.2%	-14.7%	-17.6%
2.5	-3.1%	-11.6%	-14.3%	-17.0%	-19.5%	-21.9%	-25.9%
3	-4.6%	-15.1%	-18.9%	-22.7%	-25.9%	-28.7%	-33.1%

Medical

Combined Deductible Adjustment

Med CS Band	Rx CS Band	Apply Ded to Physician	Exclude Prev Rx from Ded	Proposed Loads	
				Medical Load	Rx Load
<0.1	<0.1	Y	N	1.30%	-5.25%
<0.1	0.1 - 0.15	Y	N	1.40%	-4.75%
<0.1	0.15 - 0.2	Y	N	1.50%	-4.25%
<0.1	0.2 - 0.25	Y	N	1.60%	-3.75%
<0.1	0.25 - 0.3	Y	N	1.70%	-3.25%
<0.1	0.3 - 0.35	Y	N	1.80%	-2.75%
<0.1	>0.35	Y	N	1.90%	-2.25%
0.1 - 0.15	<0.1	Y	N	1.65%	-10.95%
0.1 - 0.15	0.1 - 0.15	Y	N	1.75%	-10.45%
0.1 - 0.15	0.15 - 0.2	Y	N	1.85%	-9.95%
0.1 - 0.15	0.2 - 0.25	Y	N	1.95%	-9.45%
0.1 - 0.15	0.25 - 0.3	Y	N	2.05%	-8.95%
0.1 - 0.15	0.3 - 0.35	Y	N	2.15%	-8.45%
0.1 - 0.15	>0.35	Y	N	2.25%	-7.95%
0.15 - 0.2	<0.1	Y	N	3.10%	-23.40%
0.15 - 0.2	0.1 - 0.15	Y	N	3.20%	-22.90%
0.15 - 0.2	0.15 - 0.2	Y	N	3.30%	-22.40%
0.15 - 0.2	0.2 - 0.25	Y	N	3.40%	-21.90%
0.15 - 0.2	0.25 - 0.3	Y	N	3.50%	-21.40%
0.15 - 0.2	0.3 - 0.35	Y	N	3.60%	-20.90%
0.15 - 0.2	>0.35	Y	N	3.70%	-20.40%
0.2 - 0.25	<0.1	Y	N	4.25%	-32.75%
0.2 - 0.25	0.1 - 0.15	Y	N	4.35%	-32.25%
0.2 - 0.25	0.15 - 0.2	Y	N	4.45%	-31.75%
0.2 - 0.25	0.2 - 0.25	Y	N	4.55%	-31.25%
0.2 - 0.25	0.25 - 0.3	Y	N	4.65%	-30.75%
0.2 - 0.25	0.3 - 0.35	Y	N	4.75%	-30.25%
0.2 - 0.25	>0.35	Y	N	4.85%	-29.75%
0.25 - 0.3	<0.1	Y	N	4.50%	-38.50%
0.25 - 0.3	0.1 - 0.15	Y	N	4.60%	-37.50%
0.25 - 0.3	0.15 - 0.2	Y	N	4.70%	-36.50%
0.25 - 0.3	0.2 - 0.25	Y	N	4.80%	-35.50%
0.25 - 0.3	0.25 - 0.3	Y	N	4.90%	-34.50%
0.25 - 0.3	0.3 - 0.35	Y	N	5.00%	-33.50%
0.25 - 0.3	>0.35	Y	N	5.10%	-32.50%
0.3 - 0.35	<0.1	Y	N	4.95%	-46.20%
0.3 - 0.35	0.1 - 0.15	Y	N	5.05%	-45.20%
0.3 - 0.35	0.15 - 0.2	Y	N	5.15%	-44.20%
0.3 - 0.35	0.2 - 0.25	Y	N	5.25%	-43.20%
0.3 - 0.35	0.25 - 0.3	Y	N	5.35%	-42.20%
0.3 - 0.35	0.3 - 0.35	Y	N	5.45%	-41.20%
0.3 - 0.35	>0.35	Y	N	5.55%	-40.20%
>0.35	<0.1	Y	N	5.20%	-49.75%
>0.35	0.1 - 0.15	Y	N	5.30%	-48.75%
>0.35	0.15 - 0.2	Y	N	5.40%	-47.75%
>0.35	0.2 - 0.25	Y	N	5.50%	-46.75%
>0.35	0.25 - 0.3	Y	N	5.60%	-45.75%
>0.35	0.3 - 0.35	Y	N	5.70%	-44.75%
>0.35	>0.35	Y	N	5.80%	-43.75%
<0.1	<0.1	N	N	1.20%	-20.25%
<0.1	0.1 - 0.15	N	N	1.30%	-19.75%
<0.1	0.15 - 0.2	N	N	1.40%	-19.25%
<0.1	0.2 - 0.25	N	N	1.50%	-18.75%
<0.1	0.25 - 0.3	N	N	1.60%	-18.25%
<0.1	0.3 - 0.35	N	N	1.70%	-17.75%
<0.1	>0.35	N	N	1.80%	-17.25%
0.1 - 0.15	<0.1	N	N	1.55%	-25.95%
0.1 - 0.15	0.1 - 0.15	N	N	1.65%	-25.45%
0.1 - 0.15	0.15 - 0.2	N	N	1.75%	-24.95%
0.1 - 0.15	0.2 - 0.25	N	N	1.85%	-24.45%
0.1 - 0.15	0.25 - 0.3	N	N	1.95%	-23.95%
0.1 - 0.15	0.3 - 0.35	N	N	2.05%	-23.45%
0.1 - 0.15	>0.35	N	N	2.15%	-22.95%
0.15 - 0.2	<0.1	N	N	3.00%	-38.40%
0.15 - 0.2	0.1 - 0.15	N	N	3.10%	-37.90%
0.15 - 0.2	0.15 - 0.2	N	N	3.20%	-37.40%
0.15 - 0.2	0.2 - 0.25	N	N	3.30%	-36.90%
0.15 - 0.2	0.25 - 0.3	N	N	3.40%	-36.40%
0.15 - 0.2	0.3 - 0.35	N	N	3.50%	-35.90%
0.15 - 0.2	>0.35	N	N	3.60%	-35.40%

Medical

Combined Deductible Adjustment

Med CS Band	Rx CS Band	Apply Ded to Physician	Exclude Prev Rx from Ded	Proposed Loads	
				Medical Load	Rx Load
0.2 - 0.25	<0.1	N	N	4.15%	-47.75%
0.2 - 0.25	0.1 - 0.15	N	N	4.25%	-47.25%
0.2 - 0.25	0.15 - 0.2	N	N	4.35%	-46.75%
0.2 - 0.25	0.2 - 0.25	N	N	4.45%	-46.25%
0.2 - 0.25	0.25 - 0.3	N	N	4.55%	-45.75%
0.2 - 0.25	0.3 - 0.35	N	N	4.65%	-45.25%
0.2 - 0.25	>0.35	N	N	4.75%	-44.75%
0.25 - 0.3	<0.1	N	N	4.40%	-53.50%
0.25 - 0.3	0.1 - 0.15	N	N	4.50%	-52.50%
0.25 - 0.3	0.15 - 0.2	N	N	4.60%	-51.50%
0.25 - 0.3	0.2 - 0.25	N	N	4.70%	-50.50%
0.25 - 0.3	0.25 - 0.3	N	N	4.80%	-49.50%
0.25 - 0.3	0.3 - 0.35	N	N	4.90%	-48.50%
0.25 - 0.3	>0.35	N	N	5.00%	-47.50%
0.3 - 0.35	<0.1	N	N	4.85%	-61.20%
0.3 - 0.35	0.1 - 0.15	N	N	4.95%	-60.20%
0.3 - 0.35	0.15 - 0.2	N	N	5.05%	-59.20%
0.3 - 0.35	0.2 - 0.25	N	N	5.15%	-58.20%
0.3 - 0.35	0.25 - 0.3	N	N	5.25%	-57.20%
0.3 - 0.35	0.3 - 0.35	N	N	5.35%	-56.20%
0.3 - 0.35	>0.35	N	N	5.45%	-55.20%
>0.35	<0.1	N	N	5.10%	-64.75%
>0.35	0.1 - 0.15	N	N	5.20%	-63.75%
>0.35	0.15 - 0.2	N	N	5.30%	-62.75%
>0.35	0.2 - 0.25	N	N	5.40%	-61.75%
>0.35	0.25 - 0.3	N	N	5.50%	-60.75%
>0.35	0.3 - 0.35	N	N	5.60%	-59.75%
>0.35	>0.35	N	N	5.70%	-58.75%
<0.1	<0.1	Y	Y	1.20%	-4.25%
<0.1	0.1 - 0.15	Y	Y	1.30%	-3.75%
<0.1	0.15 - 0.2	Y	Y	1.40%	-3.25%
<0.1	0.2 - 0.25	Y	Y	1.50%	-2.75%
<0.1	0.25 - 0.3	Y	Y	1.60%	-2.25%
<0.1	0.3 - 0.35	Y	Y	1.70%	-1.75%
<0.1	>0.35	Y	Y	1.80%	-1.25%
0.1 - 0.15	<0.1	Y	Y	1.55%	-9.95%
0.1 - 0.15	0.1 - 0.15	Y	Y	1.65%	-9.45%
0.1 - 0.15	0.15 - 0.2	Y	Y	1.75%	-8.95%
0.1 - 0.15	0.2 - 0.25	Y	Y	1.85%	-8.45%
0.1 - 0.15	0.25 - 0.3	Y	Y	1.95%	-7.95%
0.1 - 0.15	0.3 - 0.35	Y	Y	2.05%	-7.45%
0.1 - 0.15	>0.35	Y	Y	2.15%	-6.95%
0.15 - 0.2	<0.1	Y	Y	3.00%	-22.40%
0.15 - 0.2	0.1 - 0.15	Y	Y	3.10%	-21.90%
0.15 - 0.2	0.15 - 0.2	Y	Y	3.20%	-21.40%
0.15 - 0.2	0.2 - 0.25	Y	Y	3.30%	-20.90%
0.15 - 0.2	0.25 - 0.3	Y	Y	3.40%	-20.40%
0.15 - 0.2	0.3 - 0.35	Y	Y	3.50%	-19.90%
0.15 - 0.2	>0.35	Y	Y	3.60%	-19.40%
0.2 - 0.25	<0.1	Y	Y	4.15%	-29.75%
0.2 - 0.25	0.1 - 0.15	Y	Y	4.25%	-29.25%
0.2 - 0.25	0.15 - 0.2	Y	Y	4.35%	-28.75%
0.2 - 0.25	0.2 - 0.25	Y	Y	4.45%	-28.25%
0.2 - 0.25	0.25 - 0.3	Y	Y	4.55%	-27.75%
0.2 - 0.25	0.3 - 0.35	Y	Y	4.65%	-27.25%
0.2 - 0.25	>0.35	Y	Y	4.75%	-26.75%
0.25 - 0.3	<0.1	Y	Y	4.40%	-35.50%
0.25 - 0.3	0.1 - 0.15	Y	Y	4.50%	-34.50%
0.25 - 0.3	0.15 - 0.2	Y	Y	4.60%	-33.50%
0.25 - 0.3	0.2 - 0.25	Y	Y	4.70%	-32.50%
0.25 - 0.3	0.25 - 0.3	Y	Y	4.80%	-31.50%
0.25 - 0.3	0.3 - 0.35	Y	Y	4.90%	-30.50%
0.25 - 0.3	>0.35	Y	Y	5.00%	-29.50%
0.3 - 0.35	<0.1	Y	Y	4.85%	-43.20%
0.3 - 0.35	0.1 - 0.15	Y	Y	4.95%	-42.20%
0.3 - 0.35	0.15 - 0.2	Y	Y	5.05%	-41.20%
0.3 - 0.35	0.2 - 0.25	Y	Y	5.15%	-40.20%
0.3 - 0.35	0.25 - 0.3	Y	Y	5.25%	-39.20%
0.3 - 0.35	0.3 - 0.35	Y	Y	5.35%	-38.20%
0.3 - 0.35	>0.35	Y	Y	5.45%	-37.20%

Medical

Combined Deductible Adjustment

				Proposed Loads	
Med CS Band	Rx CS Band	Apply Ded to Physician	Exclude Prev Rx from Ded	Medical Load	Rx Load
>0.35	<0.1	Y	Y	5.10%	-44.75%
>0.35	0.1 - 0.15	Y	Y	5.20%	-43.75%
>0.35	0.15 - 0.2	Y	Y	5.30%	-42.75%
>0.35	0.2 - 0.25	Y	Y	5.40%	-41.75%
>0.35	0.25 - 0.3	Y	Y	5.50%	-40.75%
>0.35	0.3 - 0.35	Y	Y	5.60%	-39.75%
>0.35	>0.35	Y	Y	5.70%	-38.75%
<0.1	<0.1	N	Y	1.10%	-19.25%
<0.1	0.1 - 0.15	N	Y	1.20%	-18.75%
<0.1	0.15 - 0.2	N	Y	1.30%	-18.25%
<0.1	0.2 - 0.25	N	Y	1.40%	-17.75%
<0.1	0.25 - 0.3	N	Y	1.50%	-17.25%
<0.1	0.3 - 0.35	N	Y	1.60%	-16.75%
<0.1	>0.35	N	Y	1.70%	-16.25%
0.1 - 0.15	<0.1	N	Y	1.45%	-24.95%
0.1 - 0.15	0.1 - 0.15	N	Y	1.55%	-24.45%
0.1 - 0.15	0.15 - 0.2	N	Y	1.65%	-23.95%
0.1 - 0.15	0.2 - 0.25	N	Y	1.75%	-23.45%
0.1 - 0.15	0.25 - 0.3	N	Y	1.85%	-22.95%
0.1 - 0.15	0.3 - 0.35	N	Y	1.95%	-22.45%
0.1 - 0.15	>0.35	N	Y	2.05%	-21.95%
0.15 - 0.2	<0.1	N	Y	2.90%	-37.40%
0.15 - 0.2	0.1 - 0.15	N	Y	3.00%	-36.90%
0.15 - 0.2	0.15 - 0.2	N	Y	3.10%	-36.40%
0.15 - 0.2	0.2 - 0.25	N	Y	3.20%	-35.90%
0.15 - 0.2	0.25 - 0.3	N	Y	3.30%	-35.40%
0.15 - 0.2	0.3 - 0.35	N	Y	3.40%	-34.90%
0.15 - 0.2	>0.35	N	Y	3.50%	-34.40%
0.2 - 0.25	<0.1	N	Y	4.05%	-44.75%
0.2 - 0.25	0.1 - 0.15	N	Y	4.15%	-44.25%
0.2 - 0.25	0.15 - 0.2	N	Y	4.25%	-43.75%
0.2 - 0.25	0.2 - 0.25	N	Y	4.35%	-43.25%
0.2 - 0.25	0.25 - 0.3	N	Y	4.45%	-42.75%
0.2 - 0.25	0.3 - 0.35	N	Y	4.55%	-42.25%
0.2 - 0.25	>0.35	N	Y	4.65%	-41.75%
0.25 - 0.3	<0.1	N	Y	4.30%	-50.50%
0.25 - 0.3	0.1 - 0.15	N	Y	4.40%	-49.50%
0.25 - 0.3	0.15 - 0.2	N	Y	4.50%	-48.50%
0.25 - 0.3	0.2 - 0.25	N	Y	4.60%	-47.50%
0.25 - 0.3	0.25 - 0.3	N	Y	4.70%	-46.50%
0.25 - 0.3	0.3 - 0.35	N	Y	4.80%	-45.50%
0.25 - 0.3	>0.35	N	Y	4.90%	-44.50%
0.3 - 0.35	<0.1	N	Y	4.75%	-58.20%
0.3 - 0.35	0.1 - 0.15	N	Y	4.85%	-57.20%
0.3 - 0.35	0.15 - 0.2	N	Y	4.95%	-56.20%
0.3 - 0.35	0.2 - 0.25	N	Y	5.05%	-55.20%
0.3 - 0.35	0.25 - 0.3	N	Y	5.15%	-54.20%
0.3 - 0.35	0.3 - 0.35	N	Y	5.25%	-53.20%
0.3 - 0.35	>0.35	N	Y	5.35%	-52.20%
>0.35	<0.1	N	Y	5.00%	-59.75%
>0.35	0.1 - 0.15	N	Y	5.10%	-58.75%
>0.35	0.15 - 0.2	N	Y	5.20%	-57.75%
>0.35	0.2 - 0.25	N	Y	5.30%	-56.75%
>0.35	0.25 - 0.3	N	Y	5.40%	-55.75%
>0.35	0.3 - 0.35	N	Y	5.50%	-54.75%
>0.35	>0.35	N	Y	5.60%	-53.75%

Industry Load	min	max	median
Agriculture	1.00	1.15	1.00
Mining	1.05	1.15	1.15
Construction	1.00	1.20	1.00
Manufacturing	0.92	1.05	0.95
Transportation, Communication, & Utilities	0.95	1.10	1.00
Wholesale Trade	0.95	1.05	0.95
Retail Trade	1.00	1.20	1.05
Finance, Insurance and Real Estate	0.95	1.10	1.00
Services	0.95	1.15	1.05
Public Administration	1.05	1.15	1.05

ADVERSE SELECTION ADJUSTMENT FOR MULTIPLE CHOICE SCENARIOS WITH LESS THAN 6 OFFERINGS

Multiple Offering Loads

Offerings	Load
1	0.0%
2	2.0%
3	2.5%
4-5	3.0%

ADVERSE SELECTION ADJUSTMENT FOR MULTIPLE CHOICE SCENARIOS WITH MORE THAN 5 OFFERINGS

An adjustment based on the following methodology will be made to the rates for all plans if there are more than 5 benefit plan options:

i) A base selection load is looked up from the Base Selection Load table based on the maximum single employee contribution differential pmpm and the maximum manual rate differential pmpm. If contribution information is not available, a maximum contribution differential of $40 is assumed.

ii) A multiplicative adjustment is made to the base load depending on the number of plan designs being offered to employees. See table Plan Design Count Adjustment.

iii) The final load is bounded by the range 3% to 7%

Base Selection Load Table

Maximum Manual Rate Differential PMPM	Maximum Single Contribution Differential PMPM						
	$0 - 09.99	**$10 - 24.99**	**$25 - 39.99**	**$40 - 59.99**	**$60 - 79.99**	**$80 - 99.99**	**$100+**
$00 - 09.99	3.0%	3.0%	2.5%	2.0%	1.5%	1.0%	1.0%
$10 - 24.99	3.0%	3.5%	3.5%	3.0%	2.5%	2.0%	2.0%
$25 - 39.99	2.5%	3.5%	4.0%	4.0%	3.5%	3.0%	3.0%
$40 - 59.99	2.0%	3.0%	4.0%	4.5%	4.5%	4.0%	4.0%
$60 - 79.99	1.5%	2.5%	3.5%	4.5%	5.0%	5.0%	5.0%
$80 - 99.99	1.0%	2.0%	3.0%	4.0%	5.0%	6.0%	6.0%
$100+	1.0%	2.0%	3.0%	4.0%	5.0%	6.0%	7.0%

Plan Design Count Adjustment

# Plans	Factor
5 - 9	1.00
10 - 49	1.10
50 - 249	1.25
250+	1.40

Medical

Additional Benefits -Vision

EPP		Medical Riders - Vision Option			
Network	**Site**	High	Medium	Low	LowPlus
DC, DISTRICT OF COLUMBIA	MD802F	3.13	1.89	1.07	1.89

		Medical Riders - Vision Option						
PPO/Experience Rated Indemnity	**Site**	Schedule 1-1	Schedule 1-2	Schedule 2-1	Schedule 2-2	Schedule 3-1	Schedule 3-2	Usual and Customary
DC, DISTRICT OF COLUMBIA	MD701F	1.66	1.36	2.11	1.73	2.56	2.11	9.79

Open Access Plus		Medical Riders - Vision Option						
Network	**Site**	Schedule 1-1	Schedule 1-2	Schedule 2-1	Schedule 2-2	Schedule 3-1	Schedule 3-2	Usual and Customary
DC, DISTRICT OF COLUMBIA	MD300F	1.67	1.37	2.12	1.74	2.58	2.12	9.86

Medical

Additional Benefits -MHSA
EPP/DPP

		Medical Riders - MHSA Option																
Network	**Site**	OPT2-100%	OPT2E-100%	OPT3-100%	OPT3E-100%	OPT4-100%	OPT4F-100%	OPT4G-100%	OPT4H-100%	OPT4J-100%	OPT4K-100%	OTHER	OPT2-80%	OPT2-90%	OPT2A-80%	OPT2A-90%	OPT2A-100%	OPT2B-80%	OPT2B-90%
DC, DISTRICT OF COLUMBIA	MD802F	1.02	0.41	1.37	0.89	1.75	1.75	1.75	1.37	1.65	1.27	1.13	0.37	0.68	0.00	0.31	0.65	0.37	0.68

		Medical Riders - MHSA Option																
Network	**Site**	OPT2B-100%	OPT2C-80%	OPT2C-90%	OPT2C-100%	OPT2D	OPT3-80%	OPT3-90%	OPT3A-80%	OPT3A-90%	OPT3A-100%	OPT3B-80%	OPT3B-90%	OPT3B-100%	OPT3C-80%	OPT3C-90%	OPT3C-100%	OPT3D	OPT4-80%
DC, DISTRICT OF COLUMBIA	MD802F	1.01	0.00	0.31	0.65	0.77	0.75	1.07	0.37	0.68	1.01	0.75	1.07	1.38	0.37	0.68	1.01	1.28	1.12

		Medical Riders - MHSA Option																
Network	**Site**	OPT4-90%	OPT4A-80%	OPT4A-90%	OPT4A-100%	OPT4B-80%	OPT4B-90%	OPT4B-100%	OPT4C-80%	OPT4C-90%	OPT4C-100%	OPT4D-80%	OPT4D-90%	OPT4D-100%	OPT4E-80%	OPT4E-90%	OPT4E-100%	OPT4I	
DC, DISTRICT OF COLUMBIA	MD802F	1.43	1.12	1.43	1.75	0.75	1.07	1.38	1.12	1.43	1.75	1.12	1.43	1.75	0.75	1.07	1.38	1.64	

Platform	Riders
Proclaim and Facets	All riders are multiplied by **(1) Area Factor, (2) Medical Trend (IN or OON where appropriate), (3) Rider Load** (this incorporates the Multiple Offering, Deductible Accumulation, Open Access, 100% Coinsurance, Preventive Care, CCF, & Collective Deductible) **(4) Demographic Factor** (equivalent to the medical demographic factor load), and **(5) Industry Load** **Couple of exceptions for Vision and Infertility
**	Vision has a different trend. Infertility has a different area factor and a different demographic adjustment.
	Preventive - Routine Care Age <= 2 (OON Buy Up
Proclaim	1.573 is the PMPM charged when selecting the OON buy-up. This value is constant.
	Preventive - Routine Care Age 3+ (Max Amt) and **FACETS_PreventativeOtherServicesThresholdFor100PctCoverage_II**
Proclaim and Facets	The value of 4.31900392 is the PMPM charged when Preventive Care is not selected The value of 0.0013005 is the slope, which is multiplied the max dollar amount chosen for preventive services. This number would be added to the value of 4.31900392. The PMPM is capped at 6.46482892
	Preventive - Routine Care Age 3+ (OON Buy Up and **FACETS_PreventativeOtherServicesThresholdFor100PctCoverage_OOI**
Proclaim and Facets	IN PMPM multiplied by the POS load
	PreventativeCareCovered100Pct and **FACETS_PreventativeCareOVCoverage_IN** and **FACETS_PreventativeCareOVCoverage_OON** (if Indemnity)
Proclaim and Facets	This is the pricing per 100% preventive coverage per PPACA. A multiplicative factor is applied to the medical expected claims, the riders (mentioned above as the "Preventive Care" load in #3), and to the Rx expected claims. This factor ranges from 1.0 to 1.03655 based on the richness of the plan design (closer to 1 the richer the plan).
	Outpatient Short Term Rehab Therapy and Chiro (Max Visi
Proclaim	0.193597 is slope for the first 30 visits 0.133689 is the slope for all visits after the first 30 visits (1/0.8) is the multiplier used so that this field takes into account both STR and Chiro combined. example: If 45 days were selected, to get you PMPM you would do the following: (30*0.193597 + 15*0.133689)*(1/0.8) The PMPM is capped at 15.818 (approx. 66 visits)
	Chiropractic Care (Max Amt) and **FACETS_ChiroMaxAm**
Proclaim and Facets	For the first $577 of the Max Amount, take the (Max Amount/19.241393)*0.193597 * Notice how the same slope was used as in the Max Visit above. (Max Amount/19.241393) transforms the dollar amount into a Max Visits amount. For all Max Amount dollars after $578 use slope of 0.133689. The PMPM is capped at 12.65 (approx. $1300 Max Amount)
	Chiropractic Care (Max Visit) and **FACETS_ChiroMaxDays**
Proclaim and Facets	0.193597 is slope for the first 30 visits 0.133689 is the slope for all visits after the first 30 visits The PMPM is capped at 12.65 (approx. 81 visits)
	FACETS_OutpatientPT_STRMaxDays_IN
Facets	0.193597 is slope for the first 30 visits 0.133689 is the slope for all visits after the first 30 visits (1/0.8) is the multiplier used so that this field takes into account both STR and Chiro combined. Two Facets of loads of 0.85 and 0.25 are applied to remove combination of STR and Chiro because these are separate benefits on Facets. Total factor then is (1/0.8) * 0.85 * 0.25 example: If 45 days were selected, to get you PMPM you would do the following: (30*0.193597 + 15*0.133689)*(1/0.8)*0.85*0.25 The PMPM is capped at 2.688125 (approx. 62 visits)
	FACETS_OutpatientSpeechHearingOccupationalMaxDay
Facets	0.193597 is slope for the first 30 visits 0.133689 is the slope for all visits after the first 30 visits Two Facets of loads of 0.25 and 0.15 are applied. Total factor then is 0.25 * 0.15 example: If 45 days were selected, to get you PMPM you would do the following: (30*0.193597 + 15*0.133689)*0.25*0.15 The PMPM is capped at 0.43125 (approx. 43 visits)
	FACETS_OutpatientSpeechHearingOccupationalMaxAm
Facets	For the first $577 of the Max Amount, take the (Max Amount/19.241393)*0.193597 * Notice how the same slope was used as in the Max Visit above. (Max Amount/19.241393) transforms the dollar amount into a Max Visits amount. For all Max Amount dollars after $578 use slope of 0.133689. Two Facets of loads of 0.25 and 0.15 are applied. Total factor then is 0.25 * 0.15 The PMPM is capped at 0.43125 (approx. $827 Max Amount)
	PAR Infertility Treatment - Buy Up #1 and **Facets Family Planning 1**
Proclaim and Facets	2.1869133 is the PMPM charged when selecting this option. This value is constant.
	PAR Infertility Treatment - Buy Up #1 OON and **Facets Family Planning 1 OON**
Proclaim and Facets	IN PMPM multiplied by the POS load
	Infertility Treatment - Buy Up #2 and **Facets Family Planning 2**
Proclaim and Facets	All PMPMs are based of the value 8.4317519 Slope = ((Max/18,500)^(0.5)) Final PMPM = 8.4317519*Slope The PMPM is capped at 16.4014015

Platform	Riders
	Infertility Treatment - Buy Up #2 OON and **Facets Family Planning 2 OON**
Proclaim and Facets	IN PMPM multiplied by the POS load
	Alternative Care (Acupuncture, Naturopath, Massage
	Options for Acupuncture and Naturopath therapy with or without Massage are available at $300 or $600 annual maximums. The PMPM's withc
Proclaim and Facets	Massage are 1.4355 and 2.0955 respectively, and with Massage they are 1.6555 and 3.0855 respectively
	Acupuncture (if any Alternative Care option is elected, then this doesn't appl
Proclaim and Facets	IN PMPM equals 0.517 for 12 visits, and equals 0.7755 for 20 and 24 visit options.
	Organ Transplants OON Covered
Proclaim and Facets	0.22 is the PMPM charged when selecting the OON Transplants buy-up. This value is constant.
	Durable Medical Equipmen
Proclaim	The Standard (free) DME benefit is a $700 max.
	The value of 0.000136 is the slope multiplied to the difference in actual Max Amount selected and the standard max of $700. This value will give the PMPM amount
	The PMPM is capped at 0.759
	Durable Medical Equipment OON Buy Up
Proclaim	IN PMPM multiplied by the POS load
	External Prosthetic Appliances
Proclaim	The Standard (free) EPA benefit is a $1,000 max.
	The value of 0.00001 is the slope multiplied to the difference in actual Max Amount selected and the standard max of $1,000. This value will give you the PMPM amount
	The PMPM is capped at 0.176
	External Prosthetic Appliances OON Buy Up
Proclaim	IN PMPM multiplied by the POS load
	Durable Medical Equipment and External Prosthetic Appliance
	Same as Proclaim methodology and assumptions except to combine these benefits on Facets uses a weighted sum of Proclaim PMPM's. The
Facets	PMPM on Facets = 90% * (DME PMPM on Proclaim) + 10% * (EPA PMPM on Proclaim).
	Durable Medical Equipment and External Prosthetic Appliances OON Buy U
Facets	IN PMPM multiplied by the POS load
	Routine Foot Disorders Buy Up
Proclaim and Facets	0.935 is the PMPM charged for Max Amounts less than 1,000. 1.10 is the PMPM charged for Max Amounts larger than $1,000
	Routine Foot Disorders Buy Up OON
Proclaim and Facets	IN PMPM multiplied by the POS load
	Home Health Care (Max Visit)
Proclaim and Facets	The Standard (free) benefit is a 60 day max
	(-1.144) is the PMPM charged when Max Visits is set to zero.
	The value of 0.01733333 is the slope multiplied by the number of Max days selected. This product is then added to the value of (-1.144). This corresponds to 60 max days being the Standard (free) benefit.
	The PMPM is capped at 1.243
	TMJ
Proclaim and Facets	0.341 is the PMPM charged when selecting the TMJ buy-up. This value is constant
	Bariatric Surgery
Proclaim and Facets	2.97 is the PMPM charged for Max Amounts less than or equal to $8,000 and the value of 3.157 is the PMPM charged for Max amounts greater than $8,000
	Complex Psych Program Savings
Proclaim and Facets	(-0.165) is the PMPM charged when this benefit is selected. This value is constant
	Narcotics Therapy Program Savings
Proclaim and Facets	(-0.165) is the PMPM charged when this benefit is selected. This value is constant

SERFF Tracking #:	*CCGP-127313924*	***State Tracking #:***	***Company Tracking #:*** *67369*

State:	*District of Columbia*	***Filing Company:***	*CIGNA Health and Life Insurance Company*
TOI/Sub-TOI:	*H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO*		
Product Name:	*Medical -Large Groups*		
Project Name/Number:	*CHLIC Large Group Rate Filing- Effective 1/1/2012/*		

Supporting Document Schedules

		Item Status:	**Status Date:**
Satisfied - Item:	Actuarial Justification		
Comments:			
Attachment(s):			
LEA - DC actuarial memo.pdf			

ACTUARIAL MEMORANDUM

Scope and Purpose

The purpose of this filing is to submit CIGNA Health and Life Insurance Company's group manual rating methodology. Our pricing model was developed to provide a consistent rating methodology across products. This filing includes Open Access Plus, PPO, Network, Indemnity, and retiree medical insurance product, and is applicable for groups of 51 or more lives. Methodology is also included for Pharmacy products.

Benefit Description

The benefits covered in this memorandum include group health insurance coverage as described in CIGNA Health and Life Insurance Company forms HP-POL et al, and HC-TOC et al.

Census

Member level census will be used when available. If only subscriber level data is available, penetration and translation assumptions will be used to create a member level census for manual rate development. The penetration and translation assumptions used are developed from studies of our book of business, which includes experience from similar Connecticut General Life Insurance Company ("CGLIC") policies. Penetration estimates the number of subscribers that will select the CIGNA Health and Life Insurance Company plan; the translation process develops projected subscribers and members within rating tiers.

Adjustments to Base Claims

The base claim rates by area are adjusted for certain group and member characteristics. These include industry loads and discounts, age and sex demographic adjustments, and trends. Adjustments for industry (SIC) are developed from a study of our book of business, which includes experience from similar CGLIC policies, combined with results from an outside consultant's national industry factor assessment study.

Age and sex demographic adjustments are developed from a study of our book of business, which includes experience from similar CGLIC policies. The resulting age/sex slopes are normalized to represent the national census.

Trends reflect historical experience from CIGNA's group medical experience, which includes experience from similar CGLIC policies, and projections for future levels. Medical trend rates are applied on a daily basis.

Benefit Plan Adjustments

Base claims are reduced for specific cost sharing features of the product and benefit plan selected. Copay and other cost sharing benefit design related adjustments are made using assumptions regarding utilization levels by base claim component. Claim distributions are used to determine the impact of deductibles, coinsurance and out of pocket maximums. In addition, a utilization dampening factor is applied to reflect lower utilization levels as cost sharing rises.

Renewability Clause

The benefit plans covered under this memorandum are guaranteed renewable.

Applicability

CIGNA Health and Life Insurance Company anticipates both renewals and new issues from the forms currently filed.

Marketing Method
These products are sold to employer-employee groups, labor union groups and association groups through CIGNA Health and Life Insurance Company group sales offices.

Underwriting
Groups are medically underwritten to some extent, though the effects are not currently quantified.

Premium Classes
Premium rates may vary by product, plan design, geographic area, group demographics, industry, effective date, experience, and underwriting discretion.

Issue Age Range
There are no issue age restrictions in our policy forms; however, eligibility requirements must be fulfilled.

Premium Modalization Rules
The CIGNA Health and Life Insurance Company Health Manual produces monthly premiums. Modalization factors are expressed as a function of these monthly rates as follows:

Annual	11.8227
Semi-Annual	5.9557
Quarterly	2.9852

Distribution of Business
Rates vary by geographic location and group specific characteristics, including demographics. Target distribution is to groups with both single employees and employees with dependents, assuming a 40/60 distribution.

Experience Rating
The group rates filed represent the rate level we expect to be necessary to achieve a desired average loss ratio for all group contracts. Accordingly, actual rates for groups will vary as a result of a variety of factors. These include variation in benefit plan, age, gender, family composition, size, industry, area, healthplan claim experience, and underwriting discretion. Depending upon group size, case specific claim experience may be used to adjust the rate.

Credibility is based on group size and months of experience. Rates for partially credible groups are based on a blend of experience and manual rating.

Anticipated Loss Ratio
The methodology and supporting factors apply to groups of 51 or more employees.
The anticipated large group loss ratio for this policy is 85%, using the loss ratio definition consistent with PPACA.

ACTUARIAL CERTIFICATION

Opinion

In my opinion, the rates were developed using reasonable actuarial assumptions, and the rate levels are reasonable in relationship to the benefits provided. The actuarial data and experience will be maintained by the company and available for review by the Commissioner of Insurance upon request.

I certify that to the best of my knowledge and judgment, this rate filing is in compliance with the applicable laws and regulations of the State. In summary, I believe that the rating assumptions proposed will produce rates which are not excessive, inadequate, or unfairly discriminatory.

David Myers, ASA, MAAA
Actuarial Director

8/24/11

Date