

Community is increasing rates effective January 1, 2018 for its Health Insurance Marketplace (HIM) product 27248TX001. The increase is the result of multiple factors including:

- Cost and utilization trends
- Provider reimbursement changes
- Increased administrative oversight and cost
- Increased Selling and Broker Cost expectations
- RX trend and new therapies coming to market
- Proposed risk adjustment treatment of CSR eligible plans
- Assumption of no Cost Share Reductions (100% of this increase has been applied to silver plans.)
- Uncertainty regarding Laws, regulations, and environment that will exist at the time the proposed rates take effect.
- Uncertainty around the enforcement of the individual mandate

These uncertainties, amongst others, have a potentially significant impact on rates, persistence, and morbidity in the statewide market. Taking all these factors into account, our average increase is 43.2% for adults age 21+ and 45.8% for all members, including changes to federally required rating factors for children.

Community is also revising its premium relativities between plans to reflect network differences in medical management and provider reimbursement levels that impact cost, thus the premium increases will vary by plan.

Effective January 1, 2018 benefits have changed for all plans except the HMO Gold 005 and HMO Silver 002 and 004 CSR 87 and 94 plans based on new Actuarial Value Calculator testing. Changes were necessary to maintain plans that complied with requirements to be classified as Gold, Silver, and Bronze.