

ConnectiCare Inc. – HMO Individual

Rate request – 20.9 percent for medical and pharmacy

Decision – Smaller increase approved, effective Jan. 1, 2011

On November 17, 2010, ConnectiCare Inc., filed for new rates that would raise premiums on average of 20.9 percent for renewals of approximately 3,700 members in Connecticut. The rates affect those grandfathered policies written before September 1, 2009. The company sought the new rates citing increasing pharmacy costs due to a shift away from lower-cost generic drugs, higher medical costs and greater demand for medical services. Based on the actuarial analysis, the CID, on Dec. 8, 2010, rejected the request, but granted a smaller average increase of 18.9 percent ruling that the revised rate increase was reasonable in relationship to the benefits being offered.