

**Anthem Health Plans, Inc. – Individual – On *and* Off Exchange
Rate request – Average increase of 33.8 percent**

Decision – Disapproved, approved increase of 31.7 percent based on recalculation accounting for lack of federal CSR payments

On May 1, 2017, Anthem Health Plans, Inc. filed a rate request for an average 33.8 percent increase on individual health plans marketed on and off the state’s health insurance exchange.

There are 35,000 people covered under in Connecticut.

The company says the plans marketed through Access Health CT will meet all the Essential Health Benefits criteria mandated under the federal Affordable Care Act (ACA).

The company’s price calculation does account for a 13.4 percent impact of medical cost inflation and increased demand for those medical services, a factor known as “trend.”

According to Anthem, the key factors of the price calculation are:

- Continued federal funding of Cost Sharing Reduction (CSR) subsidies under the ACA.
- Increased benefit costs and forecasts of a shrinking risk pool. The company said the cost of benefit expense in the individual ACA market “has continued to outpace premium increases.”
- Fees and taxes associated with the ACA.

A public hearing was held on this rate request on June 14, 2017.

Because of continuing uncertainty in Washington over Cost Sharing Reduction (CSR) payments, the Department on August 23, 2017 required the company to submit a supplemental filing accounting for the pricing impact from the lack of CSRs and apply the resulting increase to Silver plans sold through Access Health CT. In addition the Department also determined the company overestimated the impact of medical inflation and required that be accounted for as well. That supplemental filing was reviewed on September 13, 2017, the Department approved the recalculations, which resulted in an average increase of 31.7 percent.