

**Anthem Health Plans, Inc. – Small Group – On *and* Off Exchange  
Rate request – Average increase of 9.5 percent**

**Decision – Under Review**

**Public Comment Period: Begins July 24, 2020 and will remain open for  
30 days or until the filing is closed, whichever is later**

On July 20, 2020 Anthem Health Plans, Inc. filed a rate request for an average increase of 9.5 percent on small group health plans for employers with 50 or fewer workers.

The proposed rates are for plans marketed on and off the state's health insurance exchange and provide coverage for approximately 25,500 employees and their dependents.

The company's price calculation does account for an 10.1 percent impact from expected increases in medical costs inflation and a higher demand for services, a factor known as "trend." This includes the impact of provider contracting changes, higher demand for services and benefit modification.

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

- Morbidity: There are anticipated changes in the market-wide morbidity of the covered population in the projection period.
- Benefit modifications, including changes made to comply with updated Actuarial Value requirements.
- Changes in taxes and fees, and some non-benefit expenses, including the discontinuance of the Health Insurer Tax in 2021 and reinstatement of the PCORI in 2021.
- The overall impact on 2021 rates related to COVID-19 is \$17.57 PMPM or 2.2% of premium, which includes the cost of vaccination, testing, COVID-19 related treatments and pent-up demand due to deferral services.

If approved the new rates take effect on January 1, 2021.