

Request of:

Excellus Health Plan, Inc. doing business as

- **Excellus BlueCross BlueShield**
- **Univera Healthcare**

To:

The Department of Financial Services of the State of New York

For approval of Medicare Supplemental rate increases in 2020

Filed: on or about July 31, 2019

NARRATIVE SUMMARY

Excellus Health Plan, Inc. (NAIC code number 55107) has applied to the Superintendent of the Department of Financial Services to adjust premium rates for its Medicare Supplemental community-rated products.

OVERVIEW

The proposed rate adjustment is based on anticipated increases in medical costs along with the need to make and keep the product self-supporting. The rates being sought for 2020 are so that the health plan can maintain sufficient reserves and to support a risk-based capital ratio within a reasonable target range.

Excellus Health Plan and related companies provide health insurance and administrative services for about 1.5 million upstate New Yorkers in 39 counties. The proposed premium rates affect about 8,800 members or 0.5% percent of the health plan's total membership. Its proposed rates are subject to review by the New York Department of Financial Services pursuant to section 4308 (c) of the New York Insurance Law. The Department may approve the proposed rate adjustment as requested, modify the proposed rate adjustment, or disapprove the proposed rate increase in its entirety. The determination by the Department shall be supported by sound actuarial assumptions and methods.

The rate application will be filed with the Department on or about July 31, 2019. The actual rate increases approved by the Department will be communicated to the impacted parties at least 60 days prior to the date the new rate is implemented for the subscriber. Excellus Health Plan's policyholders with renewal dates during 2020 would, if approved, receive the indicated rate adjustments on their next anniversary date on or after January 1, 2020.

Excellus Health Plan is required by New York State law to develop rates that assume that the loss ratio testing requirement is met, are actuarially sound, cover all claim costs, and provide a contribution to ensure adequate reserves. Excellus Health Plan's 2019 and 2020 Medicare Supplemental experience is expected to be at or exceed the benchmark medical loss ratio.

Rate Changes

Excellus Health Plan is requesting the Superintendent of DFS to grant the following premium adjustments for its Medicare Supplemental plans to take effect on January 1, 2020. The proposed rate changes are necessary to cover increasing costs, mitigate potential refunds and maintain competitive rates.

	Individual	Group
Plan A	2.0%	9.0%
Plan B	2.0%	9.0%
Plan C	2.0%	9.0%
Plan F	2.0%	9.0%
Plan F+	2.0%	9.0%
Plan H	2.0%	9.0%
Plan H No Rx	2.0%	9.0%
Plan N	2.0%	9.0%