



Celtic Insurance Company (Ambetter) – Individual Plans (Non-CSR)

Rate request filing SERFF Tracking #: **CELT-131164164**

Product Name: **Ambetter Individual**

This document is offered as a tool for Arkansas consumers to help explain the company's rate filing prepared and uses information submitted by the insurance company. It is not intended to describe or include all factors or information considered in AID's review process. All information is in the public domain. Financial information is based upon the annual company statement filed for the calendar year noted. For further information on this filing, visit: <https://www.insurance.arkansas.gov/uploads/pages/py2018-ind-celt-n-full.pdf>.

Overview

Requested average rate change:

21.40%

Range of requested rate change:

12.00% – 103.00%

Effective date:

January 1, 2018

Covered lives affected:

97,131

This plan is available in the following:

Service Area	Counties
Central	Cleburne, Conway, Faulkner, Grant, Lonoke, Perry, Pope, Prairie, Pulaski, Saline, Van Buren, White, Yell
Northeast	Clay, Craighead, Crittenden, Cross, Fulton, Greene, Independence, Izaard, Jackson, Lawrence, Mississippi, Poinsett, Randolph, Sharp, St. Francis, Stone, Woodruff
Northwest	Baxter, Benton, Boone, Carroll, Madison, Marion, Newton, Searcy, Washington
South Central	Clark, Garland, Hot Spring, Montgomery, Pike
Southeast	Arkansas, Ashley, Bradley, Chicot, Cleveland, Dallas, Desha, Drew, Jefferson, Lee, Lincoln, Monroe, Phillips
Southwest	Calhoun, Columbia, Hempstead, Howard, Lafayette, Little River, Miller, Nevada, Ouachita, Sevier, Union
West Central	Crawford, Franklin, Johnson, Logan, Polk, Sebastian, Scott

Financial information

Experience from January-December 2016:

Premiums written: \$227.5M
Claims paid: \$152.8M

Projection for January-December 2018:

Projected premium: \$586.2M
Projected claims: \$425.8M

Company justification for requested change

According to the company's filing, the following components make up its rate request:

"The 21.4% increase is requested because: of the following significant factors driving the proposed rate increase: Single risk pool experience, unit cost trend, utilization trend, prospective changes to benefits covered by the product or successor products, new taxes and fees imposed on the issuer, anticipated changes in the average morbidity of the risk pool, and elimination of cost-sharing reduction (CSR) subsidies."

- 6% of the 21.40% total request is due to Medical Utilization Changes.
- 13% of the 21.40% total request is due to Medical Price Changes.
- 0% of the 21.40% total request is due to Medical Benefit Changes Required by Law.
- 0% of the 21.40% total request is due to Medical Benefit Changes Not Required by Law.
- 27% of the 21.40% total request is due to Changes to Administration Costs.
- 0% of the 21.40% total request is due to Changes to Profit Margin.
- 54% of the 21.40% total request is due to Other, defined as: "Rx Trends; Risk Adjustment & Morbidity; Elimination of CSR subsidies."