

STATE OF MAINE
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION
BUREAU OF INSURANCE

IN RE:)
)
AETNA HEALTH, INC. 2017 “WHOLE) **FIRST INFORMATION REQUEST**
HEALTH” INDIVIDUAL RATE FILING) **OF THE SUPERINTENDENT**
)
Docket No. INS-16-1001)

Superintendent of Insurance Eric Cioppa hereby directs Aetna to provide written responses and produce documents responsive to the numbered information requests below. Aetna shall furnish all requested information and documents regardless of whether it is in the possession, custody, or control of Aetna or any subsidiary, affiliate, or parent of Aetna. If Aetna refuses for any reason to provide any of the information or documents requested, Aetna must file with the Superintendent, no later than June 7, 2016, a written objection describing the reason for such refusal.

Each of the Requests below is continuing in nature. Aetna must supplement the responses provided should the information change or more information become available at any time during the pendency of this proceeding.

If hard copy, paper responses of electronic spreadsheet files are provided in response to any request, Aetna also shall file via e-mail the electronic spreadsheet version of the file (*e.g.*, Excel) with embedded formulas included (*i.e.*, active files). Designate with particularity any documents or information requested provided under claim of confidentiality, and provide a statement for the legal basis for the claim of confidentiality.

In responding, Aetna shall comply with the requirements and deadlines established by the May 16, 2016, Procedural Order issued in this proceeding.

REQUESTS

1. Please provide the URRT in Excel.
2. Why is the population risk impact (1.043 on page 2 of Section B) based on the ratio of “1 & 2” to “3+” rather than the ratio of “1 & 2” to “Total Small Grps” since it is applied to total small group experience?
3. Please provided quantitative justification for the induced utilization factors and explain why the range is so much wider than what was approved last year.
4. The paid to allowed factors for plans 73250ME0070001, 73250ME0070002, and 73250ME0070006 seem high relative to their metal levels. Please provide detailed quantitative justification.

5. Section A shows an allowed trend of 8.4% while the Section B narrative shows an allowed trend of 7.3%. Please explain or correct.
6. The Part III memo states, "Column 3 reflects the adjustment for projected administrative costs, including sales, marketing, commission expense, and profit & risk. ... These expense and profit assumptions do not vary by plan." However, Column 3 of Exhibit E-2 shows a higher adjustment for plans 73250ME0040006 and 73250ME0040007 than for the other plans. Please explain or correct.
7. Were experience period premiums on Worksheet 1 of the URRT adjusted for risk adjustment as required by the instructions? Please explain or correct.
8. Provide Part II, Written Description Justifying the Rate Increase, as required by Rule 940, Section 12 and the URRT Instructions.
9. What percent impact does discontinuance of the federal reinsurance have on rates?
10. The Rate/Rule Schedule Tab on SERFF needs to be filled in with the affected (renewing or current insured lives) and written premium for the proposed increase.
11. Please provide premium, claims, and loss ratio for first quarter 2016 for the individual block of business.
12. Why was the question regarding Exchange Intentions on the General Info tab of SERFF answered "No" but the cover letter states that the plans will be offered on and off the exchange. Does Aetna intend to sell these plans on the federal exchange? Please explain or correct.
13. Please add the HIOS plan ID to Section D description of benefits as required by Rule 940, Section 5 (C).
14. What is included in the Quality Improvement expense of 0.94%? Please provide a breakdown.
15. There may be some mislabeling in the URRT. It was our understanding that the current bronze plan would be terminated. However, the URRT labels plan 73250ME0040004 as a Silver plan? Please explain and correct if necessary to make sure it is the appropriate Plan ID, as well as checking to make sure the other items are correct in the URRT.

16. Please provide the inforce count of policyholders for the terminating Bronze plan.

PER ORDER OF THE SUPERINTENDENT OF INSURANCE

June 2, 2016



ERIC A. CIOPPA
Superintendent of Insurance