

Objective Work Plan

Project:

Premium Review Grant

*** Year:** *** Funding Agency Goal:**

1

Premium Rate Review and the Identification of Unreasonable Rate Increases

*** Objective:**

California Department of Insurance (CDI) - expand present actuarial reviews of individual health rate filings to include detailed examination of underlying calculation accuracy and data integrity for all filings. Also develop processes to aggregate, identify, and report data for group, small employer group, and individual filings including trend increase patterns and unreasonable rate increases as defined to DHHS as required by PPACA.

*** Results or Benefits Expected:**

More extensive actuarial reviews will improve accuracy of state's determination of the submitted rate's compliance with state law regarding loss ratios, resulting in increased protection of consumers from improper rate increases.

* Activities	* Position Responsible	* Time Period Begin	* Time Period End	* Non-Salary Personnel Hours
Expand detailed examination of actuarial assumptions, actuarial formulations, and underlying calculation accuracy and data integrity for each individual health insurance rate filing.	Supervising Life Actuary, Senior Life Actuary, outside actuarial consultants	08/09/2010	09/30/2011	0
Review group, small employer group, and individual premium rate filings to assure compliance with PPACA and other applicable laws.	Supervising Life Actuary, Senior Life Actuary, outside actuarial consultants	01/01/2011	09/30/2011	0
On an ongoing basis, evaluate the program and make necessary modifications, recommend additional statutory or regulatory changes.	Supervising Life Actuary, Senior Staff Counsel, outside actuarial consultants	08/09/2010	09/30/2011	0
Publish unreasonable rates, as defined by DHHS, on the CDI web site.	Supervising Life Actuary, Senior Life Actuary, Senior Staff Counsel	01/01/2011	09/30/2011	0

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Premium Rate Review and the Identification of Unreasonable Rate Increases.

*** Objective:**

California Department of Insurance (CDI)- make necessary information technology (IT) improvements to expand rate review capability on SERFF, expand IT infrastructure to collect, analyze, and report premium rate trends and other PPACA-required data to DHHS, improve IT systems to post premium rate information to the CDI website by making SERFF rate filings retrievable by the public through the CDI website and enhance the existing public-comment functionality.

*** Results or Benefits Expected:**

A robust IT infrastructure will enhance CDI's ability to analyze individual rate filings for compliance with state law regarding loss ratios, develop data for submission to DHHS, and to optimize public transparency of the rate filings.

* Activities	* Position Responsible	* Time Period Begin	* Time Period End	* Non-Salary Personnel Hours
Purchase additional IT hardware and software for review of rate filings on SERFF system.	Chief Information Officer	08/09/2010	02/01/2011	0
Develop IT systems to post premium rate information to the CDI website by making SERFF rate filings retrievable through the CDI website and enhance the existing public-comment functionality.	Chief Information Officer	08/09/2010	01/31/2011	0
Expand IT infrastructure to collect, analyze, and report premium rate trends and other PPACA-required data to DHHS.	Chief Information Officer	11/01/2010	03/01/2011	0
				0