

AETNA STATE OF DELAWARE: ACTUARIAL MEMORANDUM 2025 INDIVIDUAL MAJOR MEDICAL SINGLE RISK POOL FILING

1. GENERAL INFORMATION

a) Company Identifying Information

- Company Legal Name: **Aetna Health Inc. (a PA corp.)**
- State: Delaware
- HIOS Issuer ID: 67190
- Market: Individual
- Effective Date: January 1, 2025
- NAIC Company Code: **95109**
- SERFF ID: AETN-134055297

b) Company Contact Information

█ [REDACTED]
█ [REDACTED]
█ [REDACTED]

c) Description of Benefits

These policies provide major medical benefits, including all Delaware Essential Health Benefits (EHBs). Some plans will also include non-EHB adult dental and vision benefits in addition to the EHBs.

All the Aetna plan designs are at one of the prescribed metal plan tiers, as determined using the Actuarial Value (AV) Calculator. A range of cost-sharing options will be provided to consumers. Consumers meeting income requirements as detailed under the Affordable Care Act (ACA) will be able to access Cost Share Reduction (CSR) plans.

2. SCOPE AND PURPOSE, PROPOSED RATE CHANGE

a) Scope and Purpose

This filing is a rate submission for the ACA-compliant individual major medical policies that will be offered in the Delaware market in 2025 (67190DE010).

This actuarial memorandum has been prepared to demonstrate compliance with the applicable Delaware laws and the applicable requirements of the ACA. This actuarial memorandum is not intended for any other purpose.

The average rate changes by product are shown in the table below. These rate changes are based on current enrollment for this block of business as of March 2024, which is consistent with the current enrollment reported in Worksheet 2 of the URR. The average rate change across all products is [REDACTED].

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Rate change differences across the products reflect updates for cost sharing, including updates to the models used to evaluate cost sharing, differences in underlying cost sharing, and changes to plan design to comply with metal requirements, and standard plan design requirements.

b) Reason for Rate Change

Rates are updated to be applicable to calendar year 2025. The rate change includes adjustments to reflect:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

3. EXPERIENCE PERIOD PREMIUM AND CLAIMS

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[Redacted]

4. BENEFIT CATEGORIES

[Redacted]

5. PROJECTION FACTORS

- [Redacted]

[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]

[Redacted]

[Redacted]

- [Redacted]

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6. CREDIBILITY MANUAL RATE DEVELOPMENT

■ [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

■ [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
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[REDACTED]
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[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

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[REDACTED]

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[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]



7. CREDIBILITY OF EXPERIENCE

■ [Redacted]

[Redacted]

8. PAID-TO-ALLOWED RATIO

[Redacted]

[Redacted Table]

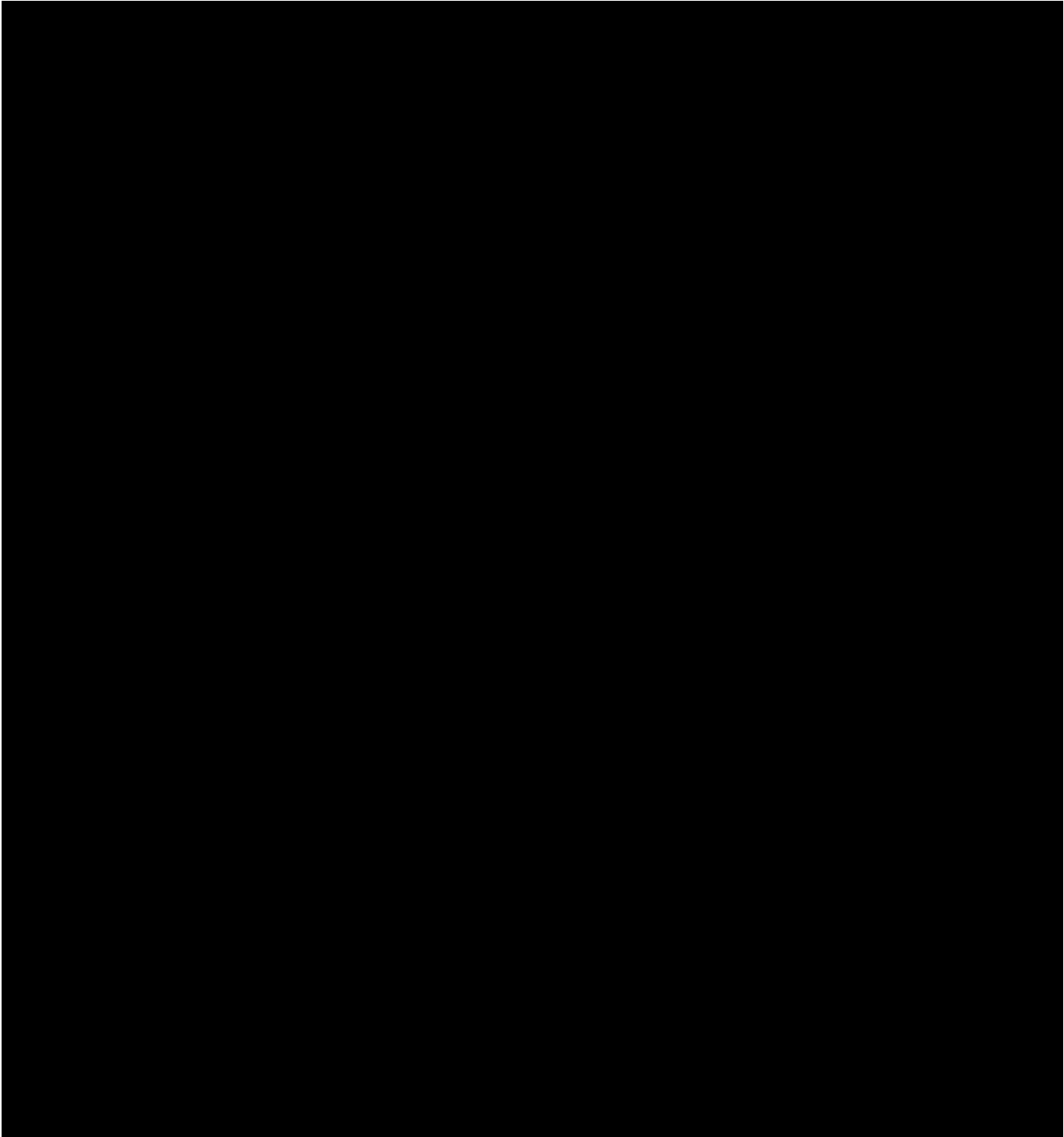
9. RISK ADJUSTMENT AND REINSURANCE

■ [Redacted text]

■ [Redacted text]

[Redacted text]

[Redacted text]



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█ [REDACTED]
█ [REDACTED]

█ [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

10. NON-BENEFIT EXPENSES AND PROFIT AND RISK

█ [REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]
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[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] the

[REDACTED]

11. INDEX RATE

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

12. MARKET-ADJUSTED INDEX RATE

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

13. PLAN-ADJUSTED INDEX RATES

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

14. CALIBRATION

- [REDACTED]

- [REDACTED]

- [REDACTED]

[REDACTED]

15. CONSUMER-ADJUSTED PREMIUM RATE DEVELOPMENT

[REDACTED]

[REDACTED]

16. PROJECTED LOSS RATIO

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

17. AV METAL VALUES

[REDACTED]

18. MEMBERSHIP PROJECTIONS

[REDACTED]

[REDACTED]

- [REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

19. TERMINATED PRODUCTS

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

20. PLAN TYPE

[REDACTED]

21. ON/OFF EXCHANGE ATTESTATION

[REDACTED]

22. ACTUARIAL CERTIFICATION

This certification includes only the prescribed wording set forth in the Delaware Actuarial Memorandum and Certification Template.

I, [REDACTED], am a member of the American Academy of Actuaries (Academy) and I meet the Academy qualification standards for rendering this opinion.

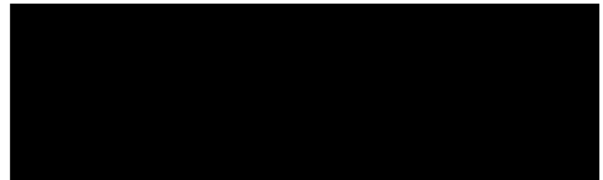
I certify that, to the best of my knowledge and judgment:

- The entire rate filing is in compliance with the applicable laws of the state of Delaware and with the rules of the Office of the Commissioner of Insurance,
- The development of the projected index rate and all rating factors is in compliance with all applicable federal statutes and regulations,
- The index rate and allowable modifiers as described in 45 CFR § 156.80 (d)(2) and 45 CFR § 156.80 (d)(3) are used in the development of plan-specific premium rates,
- The essential health benefit portion of premium, upon which advanced payment of premium tax credits (APTCs) are based, is appropriate and was developed in accordance with Actuarial Standards of Practice,
- The methodology used to calculate the AV Metal Value for each plan complies with federal regulations,
- The geographic rating factors reflect only differences in the costs of delivery and do not include differences for population morbidity by geographic area,
- The entire rate filing, including development of the projected index rate and all rating factors, complies with all applicable Actuarial Standards of Practice,
- The projected index rate and rating factors are reasonable in relation to the benefits provided and the population anticipated to be covered, and
- The premium schedule, including the projected index rate and rating factors, is not excessive, deficient, nor unfairly discriminatory.

While I have reviewed the reasonableness of the assumptions in support of both the preparation of the Part I Unified Rate Review Template and the assumptions in support of the rate development applicable to the products discussed in this filing, I relied on the expertise of other Aetna and CVS Health employees, as well as external consultants, along with work products produced at their direction, for the following items:

- Manual Experience Period Data
- Medical Cost and Utilization Trend
- Rx Cost and Utilization Trend
- Projection of demographic adjustments between manual and projection populations
- Projection of induced utilization between manual and projection populations
- Valuation of Network Arrangements
- Projection of DE Reinsurance program parameters and corresponding claim reduction
- Population Risk Morbidity
- Risk Transfer

- Actuarial Value, Modifications, and Benefit Relativities, including CSR adjustments and Induced Demand
- Components of Retention/Administrative Fees
- Development of Market Adjusted Index Rates, Plan Adjusted Index Rates, and Calibrated Plan Adjusted Index Rates

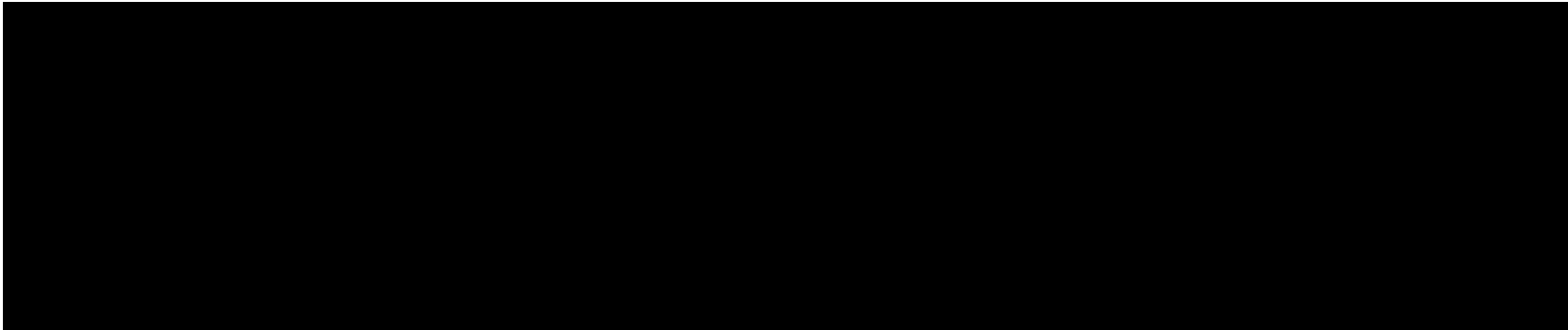


Appendix A

Blindly following the path



Appendix B



Appendix C

