

**DEPARTMENT OF INSURANCE**

**Legal Division**

45 Fremont Street, 24<sup>th</sup> Floor  
San Francisco CA 94105



**California Plain-Language  
Rate Filing Description**  
[for Web site posting, Health & Safety  
Code 1385.07(d), Insurance Code 10181.7(d)]


**Company Name:**

**SERFF Tracking Number**

**Department File Number:** (will be completed by Department)

**1. Justification for any unreasonable rate increases.**

(Include all information as to why the rate increase is justified. Attach supporting documentation to this PDF file.)



**2) Overall annual medical trend factor assumptions for all benefits**

|  |
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|  |
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**3) Actual Costs by Aggregate Benefit Category**

|  |  |
|--|--|
| Hospital Inpatient                       | Dollar Cost:                                   |
|  | Cost as Percentage of Medicare:                |
| Hospital Outpatient<br>(including ER)    | Dollar Cost:                                   |
|  | Cost as Percentage of Medicare:                |
| Physician/other<br>professional services | Dollar Cost:                                   |
|  | Cost as Percentage of Medicare:                |
| Prescription Drug                        | Dollar Cost:                                   |
|  | Cost as Percentage of Average Wholesale Price: |
| Laboratory (other<br>than inpatient)     | Dollar Cost:                                   |
|  | Cost as Percentage of Medicare:                |

|                                  |                                 |
|----------------------------------|---------------------------------|
| Radiology (other than inpatient) | Dollar Cost:                    |
|                                  | Cost as Percentage of Medicare: |
| Other (describe)                 | Dollar Cost and Description:    |

**4) Amount of Projected Trend, by Aggregate Benefit Category, Attributable to Use of Services, Price Inflation, Fees and Risk**

|                                    |  |
|------------------------------------|--|
| Hospital Inpatient                 | Trend attributable to use of services: |
|                                    | Trend attributable to price inflation: |
|                                    | Trend attributable to fees and risk:   |
| Hospital Outpatient (including ER) | Trend attributable to use of services: |
|                                    | Trend attributable to price inflation: |
|                                    | Trend attributable to fees and risk:   |

|                                       |  |
|---------------------------------------|--|
| Physician/other professional services | Trend attributable to use of services: |
|                                       | Trend attributable to price inflation: |
|                                       | Trend attributable to fees and risk:   |
| Prescription Drug                     | Trend attributable to use of services: |
|                                       | Trend attributable to price inflation: |
|                                       | Trend attributable to fees and risk:   |
| Laboratory (other than inpatient)     | Trend attributable to use of services: |
|                                       | Trend attributable to price inflation: |
|                                       | Trend attributable to fees and risk:   |
| Radiology (other than inpatient)      | Trend attributable to use of services: |
|                                       | Trend attributable to price inflation: |
|                                       | Trend attributable to fees and risk:   |
| Other (describe)                      |  |

**5) Other Information**

Complete and submit the CA Plain Language Spreadsheet.

#630302v7

CA PLAIN LANGUAGE SPREADSHEET v. 1  
 Company Name: Health Net Life Insurance Company  
 Company ID number:  
 SERFF ID number for this filing: HNU-131521821

For the expense period on which the rates are based, premium attributed to:

| Policy Form Numbers | Marketing Names      | Medical Costs prior to rate increase(1) | Medical Costs after rate increase(2) | Administrative costs prior to rate increase(3) | Administrative costs after rate increase(3) | Profit/margin projected prior to rate increase | Profit/margin projected after rate increase | Comments |
|---------------------|----------------------|---|--------------------------------------|--|---|--|---|----------|
| A22101, A20601      | Small Group PPO - GF | 78.9%                                   | 97.6%                                | 19.1%  | 12.3%                                       | 2.0%   | -9.9%                                       |          |

- (1) "Prior to rate increase" refers to the projected experience period for Q1 2018 filed rates  
 (2) "After rate increase" refers to the projected experience period for renewal months in Q4 2018  
 (3) Included in the Administrative costs are the following taxes and fees:

| Taxes and Fees   | Prior to rate increase | After rate increase |
|------------------|------------------------|---------------------|
| Income Tax       | 2.4%                   | -2.8%               |
| Premium Tax      | 0.0%                   | 0.8%                |
| Reinsurer's Fee  | 0.0%                   | 0.0%                |
| Insurer's Fee    | 2.3%                   | 0.4%                |
| PCORI / Risk Adj | 0.0%                   | 0.0%                |
| MCO              | 0.0%                   | 0.0%                |
| <b>Total</b>     | <b>4.7%</b>            | <b>-1.6%</b>        |