

**DEPARTMENT OF MANAGED HEALTH CARE**

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**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.)

A large, empty rectangular box with a thin black border, intended for the user to provide a justification for any unreasonable rate increases and to attach supporting documentation. The box is currently blank.

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

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

Hospital Inpatient	Dollar Cost:
	Cost as Percentage of Medicare:
Hospital Outpatient (including ER)	Dollar Cost:
	Cost as Percentage of Medicare:
Physician/other professional services	Dollar Cost:
	Cost as Percentage of Medicare:
Prescription Drug	Dollar Cost:
	Cost as Percentage of Medicare:
Laboratory (other than inpatient)	Dollar Cost:
	Cost as Percentage of Medicare:

Radiology (other than inpatient)	Dollar Cost:
	Cost as Percentage of Medicare:
Capitation (professional)	Dollar Cost and Description:
Capitation (institutional)	Dollar Cost and Description:
Capitation (other)	Dollar Cost and Description:
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:

Capitation (professional)	Trend attributable to use of services:
	Trend attributable to price inflation:
	Trend attributable to fees and risk:
Capitation (institutional)	Trend attributable to use of services:
	Trend attributable to price inflation:
	Trend attributable to fees and risk:
Capitation (other)	Trend attributable to use of services:
	Trend attributable to price inflation:
	Trend attributable to fees and risk:
Other (describe)	Trend attributable to use of services:
	Trend attributable to price inflation:
	Trend attributable to fees and risk:

**5) Other Information**

Complete and submit the CA Plain Language Spreadsheet.

CA PLAIN LANGUAGE SPREADSHEET v. 1

Company Name: Health Net of California  
 Company ID number:  
 SERFF ID number for this filing:

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

Policy Form Numbers	Marketing Names	Medical Costs prior to rate increase <sup>(1)</sup>	Medical Costs after rate increase <sup>(2)</sup>	Administrative costs prior to rate increase <sup>(3)</sup>	Administrative costs after rate increase <sup>(3)</sup>	Profit/margin projected prior to rate increase	Profit/margin projected after rate increase	Comments
	Small Group HMO, EOA - GF	74.9%	76.5%	22.6%	20.3%	2.6%	3.2%	

(1) "Prior to rate increase" refers to the projected experience period for February 2015 filed rates

(2) "After rate increase" refers to the projected experience period for renewal months in Q4 2016

(3) Included in the Administrative costs are the following taxes and fees:

Taxes and Fees	Prior to rate increase	After rate increase
Income Tax	3.0%	2.4%
Premium Tax	0.0%	0.0%
Payroll Tax	0.2%	N/A
Reinsurer's Fee	0.7%	N/A
Insurer's Fee	1.8%	0.3%
PCORI / Risk Adj	0.0%	0.0%
MCO	N/A	1.0%
<b>Total</b>	<b>5.8%</b>	<b>3.8%</b>