

**California Plain-Language Rate Filing Description**

Company Name:

Blue Shield of California Life & Health Insurance Company

SERFF Tracking Number:

1) Justification for any unreasonable rate increases

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

2) Actual Allowed Costs by Aggregate Benefit Category for the most recently completed calendar year in PMPM:

Service Category	Allowed Cost PMPM	Cost as % of Medicare
Hospital Inpatient	\$136.07	211.0%
Hospital Outpatient (including ER)	\$165.42	350.0%
Physician/Other Professional Services	\$143.77	110.0%
Prescription Drug	\$71.26	56.0%
Laboratory (other than inpatient)	\$10.76	110.0%
Radiology (other than inpatient)	\$9.49	110.0%
Capitation (professional)	N/A	
Capitation (institutional)	N/A	
Capitation (other)	\$17.00	
Other (describe here)	\$12.82	

3) Overall annual medical trend assumptions for all benefits

3.4%

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

Service Category	Trend attributable to: Use of Services	Trend attributable to: Price Inflation	Trend attributable to: Fees and Risk
Hospital Inpatient	-5.3%	3.4%	0.0%
Hospital Outpatient (including ER)	-0.6%	3.7%	0.0%
Physician/Other Professional Services	3.5%	2.4%	0.0%
Prescription Drug	2.3%	5.4%	0.0%
Laboratory (other than inpatient)	-7.3%	2.7%	0.0%
Radiology (other than inpatient)	-7.3%	2.7%	0.0%
Capitation (professional)	N/A	N/A	0.0%
Capitation (institutional)	N/A	N/A	0.0%
Capitation (other)	0.0%	12.8%	0.0%
Other (describe here)	0.0%	0.0%	0.0%

**California Plain-Language Spreadsheet**

Company Name: Blue Shield of California Life & Health Insurance Company

SERFF Tracking Number:

	From	To
After Rate Change	01/2023	12/2023
Prior to Rate Change	01/2022	12/2022

For the expense period on which the rates are based, premium attributed to (in percentage):												
Marketing Names (Product Name)	Enrollee Months Prior to Rate Change	Enrollee Months After Rate Change	Premium PMPM Prior to Rate Change	Premium PMPM After Rate Change	Medical Costs Prior to Rate Change	Medical Costs After Rate Change	*Administrative Costs Prior to Rate Change	*Administrative Costs After Rate Change	Taxes and Fees Prior to Rate Change	Taxes and Fees Prior After Rate Change	After-tax Profit/Margin Prior to Rate Change	After-tax Profit/Margin After Rate Change
Active Start Plan 35	3,619	3,485	\$779.22	\$821.95	56.3%	59.1%	13.4%	11.8%	2.4%	2.4%	27.9%	26.7%
Balance Plan 1000	10,487	8,986	\$632.61	\$662.74	69.0%	80.4%	15.4%	13.6%	2.4%	2.4%	13.3%	3.6%
Balance Plan 1700	8,635	6,804	\$652.39	\$678.20	70.1%	78.4%	15.1%	13.4%	2.4%	2.4%	12.5%	5.8%
Balance Plan 2500	44,183	37,494	\$572.09	\$598.74	70.7%	78.9%	16.5%	14.6%	2.4%	2.4%	10.5%	4.2%
Shield Savings 1800/3600	9,508	8,255	\$608.05	\$638.62	76.1%	75.6%	15.8%	14.0%	2.4%	2.4%	5.7%	8.1%
Shield Savings 4000/8000	37,936	N/A	\$549.66	N/A	93.2%	N/A	16.9%	N/A	2.4%	2.4%	-12.5%	N/A
Shield Savings 3500	16,379	14,576	\$563.58	\$586.99	102.2%	106.1%	16.6%	14.8%	2.4%	2.4%	-21.2%	-23.2%
Shield Savings 5200	11,770	9,857	\$561.28	\$576.50	91.7%	99.5%	16.7%	15.0%	2.4%	2.4%	-10.8%	-16.9%
Vital Shield Plan 900	6,116	4,945	\$463.17	\$498.11	66.9%	83.6%	19.2%	16.6%	2.4%	2.4%	11.6%	-2.6%
Vital Shield Plan 2900	10,852	8,288	\$433.08	\$454.43	72.3%	92.3%	20.2%	17.8%	2.4%	2.4%	5.2%	-12.4%
Vital Shield Plus 900 (Generic Rx)	4,897	3,807	\$470.57	\$495.45	64.2%	87.7%	19.0%	16.7%	2.4%	2.4%	14.5%	-6.8%
Shield Spectrum PPO Plan 5000	15,098	11,618	\$609.75	\$637.56	93.0%	74.2%	15.8%	14.0%	2.4%	2.4%	-11.1%	9.4%

\*Administrative expenses, i.e., non-claims costs other than taxes and regulatory fees, includes the following:

- (i) Cost containment and quality improvement expenses - § 158.150 and § 158.151.
- (ii) Loss adjustment expenses not classified as a cost containment expense.
- (iii) Direct sales salaries, workforce salaries and benefits.
- (iv) Agent and brokers fees and commissions.
- (v) General and administrative expenses.
- (vi) Community benefit expenditures.
- (vii) Beginning with the 2022 MLR reporting year, prescription drug rebates and other price concessions that are received and retained by an entity providing pharmacy benefit management services to the issuer and are associated with administering the issuer's prescription drug benefits.