



**AETNA LIFE INSURANCE COMPANY STATE OF ILLINOIS:  
ACTUARIAL MEMORANDUM  
2025 INDIVIDUAL MAJOR MEDICAL SINGLE RISK POOL FILING**

**1. GENERAL INFORMATION**

**a) Company Identifying Information**

- Company Legal Name: Aetna Life Insurance Company (Aetna)
- State: Illinois
- HIOS Issuer ID: 72547
- Market: Individual
- Effective Date: January 1, 2025
- SERFF ID: **AETN-134080250**

**b) Company Contact Information**

- Contact Name: [REDACTED]
- Contact Telephone Number: [REDACTED]
- Contact Email Address: [REDACTED]

**c) Description of Benefits**

These policies provide major medical benefits, including all Illinois Essential Health Benefits (EHBs). They also all provide the state mandated abortion non-EHB. Five plans include coverage for adult dental and vision non-EHBs.

All the Aetna plan designs are at one of the prescribed metal plan tiers, as determined using the Actuarial Value (AV) Calculator. Consumers meeting income requirements as detailed under the 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 Aetna will offer in the Illinois Marketplace in 2025 (72547IL017).

I have prepared this actuarial memorandum on behalf of Aetna Life Insurance Company (Aetna) to demonstrate compliance with the applicable laws of Illinois and applicable requirements of the Affordable Care Act (ACA). This actuarial memorandum is not intended for any other purpose.

I have relied on Aetna for material assumptions and data necessary to develop these rates.

Appended to the end of this Actuarial Memorandum, please find documentation from Aetna's actuary attesting to the assumptions submitted for reliance.

[REDACTED]

On-Exchange Individual PPO - 72547IL017			
	Composite	Minimum	Maximum
Overall Rate Change	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

**b) Reason for Rate Change**

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

[REDACTED]

**3. EXPERIENCE PERIOD PREMIUM AND CLAIMS**

Aetna entered the Illinois Individual ACA market in 2024 and, as such, does not have any individual ACA data to report for the experience period 1/1/2023 to 12/31/2023. Aetna does have current enrollment and premium to report as of [REDACTED], which is shown by plan on worksheet 2 of the URRT. The current enrollment reported in the URRT is [REDACTED] covered lives. Data from Aetna's [REDACTED] was used as manual experience to develop rates effective January 1, 2025. The manual data is described further in Section 6 of this memorandum.

**4. BENEFIT CATEGORIES**

[REDACTED]

**5. PROJECTION FACTORS**

There are no experience adjustment factors to describe since Aetna Life Insurance Company has no individual ACA experience in Illinois.

**6. CREDIBILITY MANUAL RATE DEVELOPMENT**

**a) Source and Appropriateness of the Experience Data Used**

Data from Aetna's [REDACTED] was used as manual experience to develop Individual ACA rates effective January 1, 2025, limited to members located in the State of Illinois. The manual claims data is from the incurral period 1/1/2023 to 12/31/2023.

This data was considered appropriate for use in a manual rate since it represents commercial coverage, is fully credible (with [REDACTED] member months of experience), is specific to the Illinois Individual ACA Market, and represents experience that is easily relatable to contractual agreements and care management practices specific to Aetna.

b) Adjustments Made to the Data

Changes in Morbidity of the Insured Population

[Redacted]

[Redacted]

[Redacted]

The development of this adjustment factor is shown in the table below.

[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]

Changes in Benefits

[Redacted]

[Redacted]

[Redacted]

	Manual Experience	Projection Period
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]

Trend Factors (Cost/Utilization):

[Redacted]

[Redacted]

[Redacted]

Major Service Category	Projected Annual Trend		
	Rates Utilization Trend	Unit Cost Trend	Total
Inpatient (including SNF)	[Redacted]	[Redacted]	[Redacted]
Outpatient	[Redacted]	[Redacted]	[Redacted]
Professional	[Redacted]	[Redacted]	[Redacted]
Other	[Redacted]	[Redacted]	[Redacted]
Capitation	[Redacted]	[Redacted]	[Redacted]
Drug	[Redacted]	[Redacted]	[Redacted]
Total	[Redacted]	[Redacted]	[Redacted]

**Change in Demographics**

[Redacted]

Component to Demographic Adjustment	Value
[Redacted]	[Redacted]
[Redacted]	[Redacted]
[Redacted]	[Redacted]

[Redacted]

Component to Geographic Mix Adjustment	Value
[Redacted]	[Redacted]
[Redacted]	[Redacted]

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

**Other Adjustments**

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

Components to Network Adjustment	Value
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

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

**Aggregate Manual Rate Adjustments**

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

Component to Manual Rate Projection	Value
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

**7. CREDIBILITY OF EXPERIENCE**

**a) Description of the Credibility Methodology Used**

Since Aetna [REDACTED] does not have individual ACA experience, 100% credibility was given to the manual experience. Manual experience was assumed to be fully credible at [REDACTED] member months, or

approximately [REDACTED] average members.

## 8. PAID-TO-ALLOWED RATIO

[REDACTED]

[REDACTED]

Summary of Paid-to-Allowed Ratios				
Metal Level	Member Months	Paid Claims PMPM	Allowed Claims PMPM	Paid to Allowed Ratio
Gold	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Silver	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Bronze	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

## 9. RISK ADJUSTMENT AND REINSURANCE

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## 10. NON-BENEFIT EXPENSES AND PROFIT AND RISK

### a) Administrative Expense Load

Aetna developed administrative expense assumptions based on a review of historical and projected expense levels as well as prospective adjustments to reflect future expectations.

Administrative Expense Item	Value
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

Administrative expense adjustments are applied equally as a PMPM to all plans per the table above in the derivation of the Plan Adjusted Index Rates in Appendix A.

### b) Profit or Contribution to Surplus and Risk Margin

[REDACTED]

### c) Taxes and Fees

Taxes and fees assumed in the rate development are shown in the table below. Exchange user fees are shown below in the taxes and fees section of non-benefit expenses. They are applied in the rate development process in the development of the market-adjusted index rate, per 45 § C.F.R. 156.80(d).

Taxes and Fees Item	Value	Application
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

## 11. INDEX RATE

[REDACTED]

[REDACTED]





[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## 14. CALIBRATION

### a) Age Curve Calibration

[REDACTED]

### b) Geographic Factor Calibration

[REDACTED]

Area	Geographic Factor	Weight
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

The application of the geographic factors in the consumer adjusted premium rate development is shown in Appendix B.

[REDACTED]

c) Tobacco Calibration

[REDACTED]

## 15. CONSUMER-ADJUSTED PREMIUM RATE DEVELOPMENT

In accordance with the ACA, rates in the individual market will only vary by plan, age, family composition, and geography. Appendix B includes a complete listing of the rating factors along with a sample rate calculation.

Individual premiums are calculated for each member in a family unit, with a family unit defined as a primary, spouse, and any child dependents of the primary. The premium for an entire family unit is calculated by summing the individual premiums for all individuals aged 18 and over and the premiums for the first three dependents under the age of 18 for a given primary.

## 16. PROJECTED LOSS RATIO

[REDACTED]

## 17. AV METAL VALUES

The AV Metal Values on Worksheet 2 were based on the AV Calculator. As applicable, entries were modified to reflect the plan appropriately and/or adjustments were made for plan design features that could not be entered in the calculator per 45 CFR Part 156, §156.135. The accompanying certification discusses how the benefits were modified to fit the parameters and the development of any adjustments. The AV screen shots provide detail on the modified entries and adjustments to AV, as applicable.

## 18. MEMBERSHIP PROJECTIONS

a) Marketing Method

All products included in this filing will be marketed to individuals through existing Aetna brokers. All plans will also be available through the Exchange.

b) Development of Membership Projections

The membership projections are based on recent Aetna enrollment distributions, changes in Aetna enrollment and projections based on competitive intelligence. Enrollment projections by plan are shown in Worksheet 2 of the URRT.

[REDACTED]

CSR Variations	Projected Share of Enrollment
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

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

## 19. TERMINATED PRODUCTS

Below is a table of HIOS Plan IDs that will be terminated in the projection period and the HIOS IDs that the terminated plans will be mapped to.

Terminated HIOS ID	Mapped HIOS ID
72547IL0180001	72547IL0170001
72547IL0180002	72547IL0170002
72547IL0180003	72547IL0170003
72547IL0180004	72547IL0170004
72547IL0180005	72547IL0170005
72547IL0180006	72547IL0170006
72547IL0180007	72547IL0170006
72547IL0170010	72547IL0170006
72547IL0180008	72547IL0170006
72547IL0170008	72547IL0170006
72547IL0180009	72547IL0170009

## 20. PLAN TYPE

The plan types selected in the drop-down box on Worksheet 2, Section I are representative of the proposed plans included with this filing.

## 21. RELIANCE

I have relied upon individuals at Aetna for certain data and assumptions. Included with the submission of this actuarial memorandum [REDACTED]

## 22. ACTUARIAL CERTIFICATION

This certification includes only the prescribed wording set forth in the Illinois 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 Illinois 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.

[REDACTED]

[REDACTED]

Oliver Wyman  
June 5, 2025

# Appendix A

<Image Redacted>

## Appendix B

<Image Redacted>

## Appendix C

<Image Redacted>



# Appendix D

<Image Redacted>