

SERFF Tracking Number: CELT-127378208 State: Arkansas
 Filing Company: Celtic Insurance Company State Tracking Number: 49597
 Company Tracking Number: I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231
 TOI: H16I Individual Health - Major Medical Sub-TOI: H16I.005C Individual - Other
 Product Name: Open Blocks - Celtic Basic, Celtic Preferred, HSA
 Project Name/Number: /

Filing at a Glance

Company: Celtic Insurance Company
 Product Name: Open Blocks - Celtic Basic, Celtic Preferred, HSA
 TOI: H16I Individual Health - Major Medical
 Sub-TOI: H16I.005C Individual - Other
 Filing Type: Rate
 Implementation Date Requested: 01/01/2012
 State Filing Description:

SERFF Tr Num: CELT-127378208 State: Arkansas
 SERFF Status: Closed- Disapproved
 Co Tr Num: I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231
 State Tr Num: 49597
 State Status: Disapproved-Closed
 Reviewer(s): Rosalind Minor
 Disposition Date: 08/25/2011
 Disposition Status: Disapproved
 Implementation Date:

General Information

Project Name:
 Project Number:
 Requested Filing Mode: Review & Approval
 Explanation for Combination/Other:
 Submission Type: New Submission

Overall Rate Impact: 9.5%

Deemer Date:
 Submitted By: Daniel Martinez
 PPACA: Non-Grandfathered Immed Mkt Reforms
 PPACA Notes: null

Status of Filing in Domicile:
 Date Approved in Domicile:
 Domicile Status Comments:
 Market Type: Individual
 Individual Market Type: Individual, Non Employer Group - Individual
 Filing Status Changed: 08/25/2011
 State Status Changed: 08/25/2011
 Created By: Daniel Martinez
 Corresponding Filing Tracking Number:

Filing Description:
 Enclosed for your review and approval are copies of the actuarial memorandum and revised rates for Arkansas. The experience of Celtic Basic, HSA and CeltiCare Preferred have been combined because of credibility issues due to the size of each block. These blocks contain plans that are currently available in the market. Celtic will continue to group the experience of these products for future rate filing purposes.

SERFF Tracking Number: CELT-127378208 State: Arkansas
 Filing Company: Celtic Insurance Company State Tracking Number: 49597
 Company Tracking Number: I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231
 TOI: H16I Individual Health - Major Medical Sub-TOI: H16I.005C Individual - Other
 Product Name: Open Blocks - Celtic Basic, Celtic Preferred, HSA
 Project Name/Number: /

Company and Contact

Filing Contact Information

Daniel Martinez, Contract Analyst dmartinez@celtic-net.com
 233 S. Wacker Dr. Suite 700 312-332-8387 [Phone]
 Chicago, IL 60606-6393 312-441-0822 [FAX]

Filing Company Information

Celtic Insurance Company CoCode: 80799 State of Domicile: Illinois
 Sears Tower Group Code: Company Type: LAH
 233 South Wacker Drive, Suite 700 Group Name: State ID Number:
 Chicago, IL 60606 FEIN Number: 06-0641618
 (312) 332-5401 ext. [Phone]

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? Yes
 Fee Explanation: \$50 per rate filing for IL and AR.
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Celtic Insurance Company	\$50.00	08/19/2011	50784641
Celtic Insurance Company	\$100.00	08/19/2011	50798500

SERFF Tracking Number: CELT-127378208 State: Arkansas
 Filing Company: Celtic Insurance Company State Tracking Number: 49597
 Company Tracking Number: I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231
 TOI: H16I Individual Health - Major Medical Sub-TOI: H16I.005C Individual - Other
 Product Name: Open Blocks - Celtic Basic, Celtic Preferred, HSA
 Project Name/Number: /

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Disapproved	Rosalind Minor	08/25/2011	08/25/2011

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	Rosalind Minor	08/19/2011	08/19/2011	Daniel Martinez	08/19/2011	08/19/2011
Industry Response						

SERFF Tracking Number: CELT-127378208 State: Arkansas
 Filing Company: Celtic Insurance Company State Tracking Number: 49597
 Company Tracking Number: I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231
 TOI: H16I Individual Health - Major Medical Sub-TOI: H16I.005C Individual - Other
 Product Name: Open Blocks - Celtic Basic, Celtic Preferred, HSA
 Project Name/Number: /

Disposition

Disposition Date: 08/25/2011

Implementation Date:

Status: Disapproved

HHS Status: HHS Denied

State Review: Reviewed by Actuary

Comment:

Based on percentage of increases in the past and the relative low loss ratio on this block of business, we are disapproving your request for a rate increase.

Thank you for your understanding in this matter.

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Celtic Insurance Company	9.500%	9.500%	\$15,495	77	\$163,101	9.500%	9.500%
	Percent Change Approved:						
	Minimum:	%	Maximum:	%	Weighted Average:		%

SERFF Tracking Number: *CELT-127378208* State: *Arkansas*
 Filing Company: *Celtic Insurance Company* State Tracking Number: *49597*
 Company Tracking Number: *I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231*
 TOI: *H16I Individual Health - Major Medical* Sub-TOI: *H16I.005C Individual - Other*
 Product Name: *Open Blocks - Celtic Basic, Celtic Preferred, HSA*
 Project Name/Number: */*

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Disapproved	No
Supporting Document	Exhibits	Disapproved	No

SERFF Tracking Number: CELT-127378208 State: Arkansas
Filing Company: Celtic Insurance Company State Tracking Number: 49597
Company Tracking Number: I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231
TOI: H16I Individual Health - Major Medical Sub-TOI: H16I.005C Individual - Other
Product Name: Open Blocks - Celtic Basic, Celtic Preferred, HSA
Project Name/Number: /

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 08/19/2011

Submitted Date 08/19/2011

Respond By Date

Dear Daniel Martinez,

This will acknowledge receipt of the captioned filing.

Objection 1

Comment:

Our filing fees under Rule and Regulation 57 have been updated. Please review the General Instructions for ArkansasLH or Rule and Regulation 57.

The fee for this submission is \$50.00 per form for a total of \$150.00. Please submit an additional \$100.00 for this submission.

We will begin our review of this submission upon receipt of the additional filing fee.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

SERFF Tracking Number: CELT-127378208 State: Arkansas
Filing Company: Celtic Insurance Company State Tracking Number: 49597
Company Tracking Number: I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231
TOI: H16I Individual Health - Major Medical Sub-TOI: H16I.005C Individual - Other
Product Name: Open Blocks - Celtic Basic, Celtic Preferred, HSA
Project Name/Number: /

Response Letter

Response Letter Status Submitted to State
Response Letter Date 08/19/2011
Submitted Date 08/19/2011

Dear Rosalind Minor,

Comments:

Response 1

Comments: The remaining fees have been submitted. Thank you

Related Objection 1

Comment:

Our filing fees under Rule and Regulation 57 have been updated. Please review the General Instructions for ArkansasLH or Rule and Regulation 57.

The fee for this submission is \$50.00 per form for a total of \$150.00. Please submit an additional \$100.00 for this submission.

We will begin our review of this submission upon receipt of the additional filing fee.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
Daniel Martinez

SERFF Tracking Number: CELT-127378208 State: Arkansas
 Filing Company: Celtic Insurance Company State Tracking Number: 49597
 Company Tracking Number: I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231
 TOI: H16I Individual Health - Major Medical Sub-TOI: H16I.005C Individual - Other
 Product Name: Open Blocks - Celtic Basic, Celtic Preferred, HSA
 Project Name/Number: /

Rate Information

Rate data applies to filing.

Filing Method:

Rate Change Type: %

Overall Percentage of Last Rate Revision: %

Effective Date of Last Rate Revision:

Filing Method of Last Filing:

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Celtic Insurance Company	Increase	9.500%	9.500%	\$15,495	77	\$163,101	9.500%	9.500%
Product Type:	HMO	PPO	EPO	POS	HSA	HDHP	FFS	Other
Covered Lives:		63				56		
Policy Holders:		49				28		

SERFF Tracking Number: CELT-127378208 State: Arkansas
Filing Company: Celtic Insurance Company State Tracking Number: 49597
Company Tracking Number: I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231
TOI: H16I Individual Health - Major Medical Sub-TOI: H16I.005C Individual - Other
Product Name: Open Blocks - Celtic Basic, Celtic Preferred, HSA
Project Name/Number: /

Rate Review Details

COMPANY:

Company Name: Celtic Insurance Company
HHS Issuer Id: 62141
Product Names: Celtic Basic 1.0/2.1/2.2, HSA 2.0/2.1/3.0, CeltiCare Preferred 5.0/5.1
Trend Factors: Trend assumptions to be used in future adjustment of rates will be based on claims costs of this and similar Celtic policies as well as various indices and published journals concerning health care costs, including Medical Cost component of the Consumer Price Index, Buck Consultants' Trend Survey, Oliver Wyman's Carrier Trend Report and Milliman's Health Cost Index.

FORMS:

New Policy Forms:
Affected Forms:
Other Affected Forms: I5-544-00159-AR, I5-555-00229-AR, I5-592-00193, I5-598-00231

REQUESTED RATE CHANGE

INFORMATION:

Change Period: Annual
Member Months: 850
Benefit Change: None
Percent Change Requested: Min: 9.5 Max: 9.5 Avg: 9.5

PRIOR RATE:

Total Earned Premium: 175,519.00
Total Incurred Claims: 272,462.00
Annual \$: Min: 138.00 Max: 187.00 Avg: 151.00

REQUESTED RATE:

SERFF Tracking Number: CELT-127378208 State: Arkansas
Filing Company: Celtic Insurance Company State Tracking Number: 49597
Company Tracking Number: I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231
TOI: H16I Individual Health - Major Medical Sub-TOI: H16I.005C Individual - Other
Product Name: Open Blocks - Celtic Basic, Celtic Preferred, HSA
Project Name/Number: /
Projected Earned Premium: 192,144.00
Projected Incurred Claims: 165,570.00
Annual \$: Min: 151.00 Max: 204.00 Avg: 166.00

SERFF Tracking Number: CELT-127378208 State: Arkansas
 Filing Company: Celtic Insurance Company State Tracking Number: 49597
 Company Tracking Number: I5-555-00229-AR, I5-544-00159-AR, I5-592-00193, I5-598-00231
 TOI: H16I Individual Health - Major Medical Sub-TOI: H16I.005C Individual - Other
 Product Name: Open Blocks - Celtic Basic, Celtic Preferred, HSA
 Project Name/Number: /

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Health - Actuarial Justification	Disapproved	08/25/2011
Comments:		
Attachments:		
AR-MemorandumCB.pdf		
AR-MemorandumCC5.pdf		
AR-MemorandumHD2.pdf		

	Item Status:	Status Date:
Satisfied - Item: Exhibits	Disapproved	08/25/2011
Comments:		
Attachments:		
AR-OpenBlks-FilingExhibitsCB10.pdf		
AR-OpenBlks-FilingExhibitsCC50.pdf		
AR-OpenBlks-FilingExhibitsHD20.pdf		