



CCRC
Actuaries, LLC

STATE OF WEST VIRGINIA



HEALTH INSURANCE MARKETPLACE

Regional Rating Actuarial Analysis

March 25, 2013

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West Virginia Health Insurance Marketplace Report of Independent Actuary March 2013

OVERVIEW

CCRC Actuaries, LLC (“CCRC Actuaries”) was engaged by The West Virginia Offices of the Insurance Commissioner (“WVOIC”) to perform various actuarial and economic analyses with regard to the West Virginia Health Insurance Marketplace (“Marketplace”) as defined by the Affordable Care Act (“ACA”). The analysis in this report was performed to assist the WVOIC in determining the number of rating regions the Marketplace will contain.

The ACA requires that each state establish rating areas that must be applied consistently inside and outside the Marketplace. Each state is to establish one or more rating areas within that state, but no more than the number of Metropolitan Statistical Areas in the state plus one, subject to the review and approval of the Secretary of the Department of Health and Human Services. In the case of West Virginia, the maximum number of rating areas permitted is eleven.

Rating areas are separate from service areas. Service areas are geographic regions in which an insurer elects to operate. Rating areas are geographic areas across which insurers can vary premium costs. Should the Secretary of the Department of Health and Human Services determine that the rating areas the state has developed are inadequate or incomplete, the Secretary has the authority to establish the rating areas in the State. The definition of adequacy has not yet been communicated to states, as of the date of this report.

In developing ACA-compliant rating areas, the State will need to determine whether rating areas will be non-contiguous and how much rate variation to allow in geographical rating factors. More variation will better align geographic cost variation and premiums, but it also could increase premiums in rural or otherwise underserved areas, which have less competition among delivery systems.

The State is charged with defining standard geographic rating areas, subject to approval by the Secretary. The State will need to consider how narrowly to define geographic rating areas to balance affordability and access considerations for individuals in potentially high-cost areas. The selection of geographic rating areas may also have an impact on risk adjustment in the State.

KEY ASSUMPTIONS AND METHODOLOGY

CCRC Actuaries was charged with developing the relative cost of areas in the state compared to the entire state. These relative cost factors are presented as percentage rating factors for each of the regions. The rating factors were first developed at the county level, and then summarized by various regional analyses.

Data

The data collected to complete the study was from Medicaid, PEIA, and commercial insurers which spanned a two year period from July 2010 through June 2012. Data included membership enrollment numbers, medical claim expenditures, drug claim expenditures, and risk scores of members. The data was organized by the health care plan member's mailing address.

Methodology

Total and per capita claims for each county were developed from the underlying data. Claims were then adjusted for risk, both on a concurrent and prospective risk score basis. Rating factors were developed using three different methodologies:

- 1) Unadjusted Risk Per Capita Method – Per capita claims were developed based on exposure months and claims costs. No adjustments were made for the overall risk score of the population in each county.
- 2) Concurrent Risk Adjusted Per Capita – Determines an individual's risk score for the current year, based on claims associated with episodic and chronic conditions from that year. Per capita claims were normalized for each county based on the state's overall concurrent risk score.
- 3) Prospective Risk Adjusted Per Capita - Determines an individual's risk score for a future year, based on claims associated with chronic conditions from the prior year. Per capita claims were normalized for each county based on the state's overall prospective risk score.

The average West Virginia per capita claims on an unadjusted and adjusted basis were developed using the per capita claims in each county and weighted by the most recent census numbers from 2011.

After this analysis was performed for Medicaid, PEIA, and the commercial insurers, we then took a weighted average of the three analyses to best represent what the new commercial insurance market will look like once the ACA is implemented. CCRC Actuaries applied various weightings on the three markets and found that the results of alternative weighting methods were not materially different.

Because the State can apparently have a maximum of eleven rating regions, further analysis was needed to determine possible regions in the state. CCRC Actuaries looked at four different regional methodologies:

- 1) Four rating regions which match the current Access West Virginia regions.
- 2) Six rating regions which match current West Virginia Commercial Insurers' regions.
- 3) Eight rating regions which segment current West Virginia Commercial Insurers' regions.
- 4) Eleven rating regions which further segment the eight region methodology.

The eight and eleven rating region methods were developed with the goal of having similar populations under the age of 65 in each region. The following chart shows the census number of West Virginians under age 65 in each of the defined regions. Appendix A displays the census of each county and which region each county is classified as.

Population Under 65 by Defined Region

Four Regions		Six Regions		Eight Regions		Eleven Regions	
North	277,437	Charleston	557,209	Charleston A	286,775	Charleston I	126,769
South	526,838	Huntington	186,600	Charleston B	270,434	Charleston II	160,006
East	345,111	Martinsburg	225,277	Huntington	186,600	Charleston III	130,863
Central	405,126	Morgantown	354,791	Martinsburg	225,277	Charleston IV	139,572
		Parkersburg	123,364	Morgantown A	176,336	Huntington	186,600
		Wheeling	107,271	Morgantown B	178,455	Martinsburg I	140,987
				Parkersburg	123,364	Martinsburg II	84,291
				Wheeling	107,271	Morgantown I	176,336
						Morgantown II	178,455
						Parkersburg	123,364
						Wheeling	107,271
Total	1,554,513		1,554,513		1,554,513		1,554,513

RESULTS

The following pages display the results on an Unadjusted Risk, Concurrent Risk, and Prospective Risk basis. The analysis were performed by medical claims, drug claims, and total claims. The percentages displayed illustrated the relative cost of the region compared to the state in total.

It should be noted that the ACA allows each state to define rating regions within the state, but it does not authorize the state to determine the rating factors for each region. Therefore, each commercial insurer would need to assess the rating factors for each region. An insurer could also combine regions dictated by the state in order to decrease administrative complications. Furthermore, insurers have the option of ignoring the rating regions as well, and only rate premiums for individuals by age, tobacco use, and family composition.

Unadjusted Risk Per Capita Method

Four Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
North	96%	107%	97%
South	108%	101%	108%
East	89%	100%	90%
Central	102%	93%	101%

Six Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston	107%	100%	107%
Huntington	106%	95%	104%
Martinsburg	85%	108%	87%
Morgantown	94%	103%	95%
Parkersburg	96%	79%	94%
Wheeling	107%	108%	107%

Eight Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston A	110%	97%	109%
Charleston B	104%	104%	104%
Huntington	106%	95%	105%
Martinsburg	85%	107%	87%
Morgantown A	92%	105%	93%
Morgantown B	96%	101%	97%
Parkersburg	96%	79%	94%
Wheeling	107%	108%	107%

Eleven Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston I	100%	88%	99%
Charleston II	116%	102%	114%
Charleston III	108%	114%	110%
Charleston IV	102%	95%	101%
Huntington	107%	95%	105%
Martinsburg I	84%	110%	86%
Martinsburg II	86%	103%	88%
Morgantown I	92%	105%	93%
Morgantown II	97%	101%	98%
Parkersburg	97%	79%	95%
Wheeling	107%	108%	108%

Concurrent Risk Adjusted Per Capita Method

Four Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
North	94%	105%	95%
South	111%	105%	111%
East	81%	93%	83%
Central	105%	96%	104%

Six Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston	110%	103%	110%
Huntington	109%	98%	107%
Martinsburg	78%	101%	80%
Morgantown	87%	96%	88%
Parkersburg	103%	85%	101%
Wheeling	115%	117%	115%

Eight Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston A	115%	102%	113%
Charleston B	105%	105%	105%
Huntington	109%	98%	108%
Martinsburg	79%	100%	81%
Morgantown A	83%	94%	83%
Morgantown B	92%	97%	93%
Parkersburg	103%	85%	101%
Wheeling	115%	117%	116%

Eleven Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston I	100%	89%	100%
Charleston II	124%	110%	122%
Charleston III	108%	115%	110%
Charleston IV	103%	98%	102%
Huntington	110%	98%	108%
Martinsburg I	77%	102%	80%
Martinsburg II	81%	97%	82%
Morgantown I	83%	95%	84%
Morgantown II	92%	97%	93%
Parkersburg	104%	85%	101%
Wheeling	116%	117%	116%

Prospective Risk Adjusted Per Capita Method

Four Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
North	95%	106%	96%
South	110%	103%	109%
East	84%	95%	85%
Central	105%	96%	104%

Six Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston	109%	102%	108%
Huntington	108%	98%	107%
Martinsburg	81%	103%	83%
Morgantown	89%	98%	90%
Parkersburg	101%	84%	99%
Wheeling	113%	115%	114%

Eight Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston A	113%	100%	112%
Charleston B	103%	104%	104%
Huntington	109%	97%	107%
Martinsburg	81%	103%	83%
Morgantown A	85%	97%	86%
Morgantown B	93%	98%	94%
Parkersburg	102%	83%	99%
Wheeling	114%	115%	114%

Eleven Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston I	100%	89%	99%
Charleston II	122%	107%	120%
Charleston III	106%	113%	108%
Charleston IV	103%	96%	102%
Huntington	109%	98%	108%
Martinsburg I	80%	105%	82%
Martinsburg II	83%	100%	84%
Morgantown I	85%	97%	86%
Morgantown II	94%	98%	95%
Parkersburg	102%	84%	100%
Wheeling	114%	115%	114%

The three risk adjustment methodologies results in similar geographical variations. This analysis will focus on the Concurrent Risk Adjusted Per Capita Method, as this is the preferred method for several reasons:

- 1) Adjusting for the risk in a population normalizes resident claims costs and creates a better understanding of each region’s health care variations in provider charges.
- 2) The statistical superiority to the prospective risk method, as the concurrent risk method has shown to have a superior r squared and lower standard deviation of error.
- 3) The HHS model is a concurrent risk model.

Overall, it seems as though it would be advantageous for the commercial insurers to use the maximum number of possible regions. This will allow them the ability to accurately rate each region, and help to reduce the amount of subsidization between areas of the state. Carriers, at their own discretion, can choose to use all regions or fewer regions.

For instance, in the Charleston area, note the following concurrent rating changes as the Charleston region is expanded:

Six Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston	110%	103%	110%
Eight Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston A	115%	102%	113%
Charleston B	105%	105%	105%
Eleven Region Rating System			
<u>Region</u>	<u>Medical</u>	<u>Drugs</u>	<u>Total</u>
Charleston I	100%	89%	100%
Charleston II	124%	110%	122%
Charleston III	108%	115%	110%
Charleston IV	103%	98%	102%

In the Six Region rating system, Charleston’s concurrent risk adjusted per capita cost is 110% of the per capita cost for the state. Going to the Eight Region method creates an 8% differential within this region. Likewise, going to the Eleven Region system creates a maximum differential of 22% within the region, going from a minimum rating of 100% to a maximum rating of 122%. Therefore, it may be in the best interest of the state to use the maximum number of rating regions so that cross area subsidization is minimized and particular regions are rated appropriately for their health care utilization.

CCRC Actuaries also performed the regional rating analysis without catastrophic claims above \$50,000. Appendix B shows the detail of the analysis with and without catastrophic claims. This analysis was performed in order to see if certain regions were deceptively rated due to a few claims which were outliers.

When focusing on the results, we will center on the concurrent risk adjusted rating parameters. The following chart shows the potential ranges in the rating systems:

Four Region Rating System		
Rating	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Minimum	83%	83%
<u>Maximum</u>	<u>111%</u>	<u>110%</u>
Differential	28%	28%

Six Region Rating System		
Region	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Minimum	80%	82%
<u>Maximum</u>	<u>115%</u>	<u>113%</u>
Differential	35%	31%

Eight Region Rating System		
Region	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Minimum	81%	82%
<u>Maximum</u>	<u>116%</u>	<u>113%</u>
Differential	35%	31%

Eleven Region Rating System		
Region	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Minimum	80%	82%
<u>Maximum</u>	<u>122%</u>	<u>118%</u>
Differential	43%	36%

Note that when excluding the catastrophic claims, the ranges of rates are compressed within the regions. The compression becomes greater as the number of regions increases. The Six Region system goes from a 35% differential to a 31% differential, while the Eleven Region system goes from a 43% differential to a 36% differential.

Although the range of rating factors is compressed when excluding catastrophic claims, the relationship of the rating factors between regions is similar whether catastrophic claims are included in the analysis or not. This can be seen in further detail in Appendix B.

STATEMENT OF ACTUARIAL OPINION

I, Dave Bond, Managing Partner of CCRC Actuaries, LLC, hereby certify that I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries. I meet the actuarial qualification standards to render Statements of Actuarial Opinion for the WVOIC. I have been retained by the WVOIC to render a Statement of Actuarial Opinion regarding the methods and underlying assumptions developed and used in this analysis.

This Statement of Actuarial Opinion was prepared in a manner consistent with the Code of Professional Conduct and Qualification Standards of the American Academy of Actuaries, and the Standards of Practice of the Actuarial Standards Board. Concerning the projection of health care expenses, I am of the opinion that the data and assumptions used are appropriate.



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March 25, 2013

County Demographic and Regional Analysis - Sorted By County

<u>County</u>	<u>Census < 65</u>	<u>4 Regions</u>	<u>6 Regions</u>	<u>8 Regions</u>	<u>11 Regions</u>
Barbour	13,745	East	Morgantown	Morgantown B	Morgantown II
Berkeley	93,377	East	Martinsburg	Martinsburg	Martinsburg I
Boone	20,949	South	Charleston	Charleston B	Charleston III
Braxton	11,921	Central	Charleston	Charleston A	Charleston I
Brooke	19,314	North	Wheeling	Wheeling	Wheeling
Cabell	81,285	Central	Huntington	Huntington	Huntington
Calhoun	6,236	Central	Charleston	Charleston A	Charleston I
Clay	7,851	South	Charleston	Charleston A	Charleston I
Doddridge	6,880	Central	Morgantown	Morgantown A	Morgantown I
Fayette	38,022	South	Charleston	Charleston A	Charleston I
Gilmer	7,486	Central	Morgantown	Morgantown A	Morgantown I
Grant	9,632	East	Martinsburg	Martinsburg	Martinsburg II
GreenBrier	28,855	South	Charleston	Charleston A	Charleston I
Hampshire	19,788	East	Martinsburg	Martinsburg	Martinsburg II
Hancock	24,793	North	Wheeling	Wheeling	Wheeling
Hardy	11,519	East	Martinsburg	Martinsburg	Martinsburg II
Harrison	57,840	Central	Morgantown	Morgantown B	Morgantown II
Jackson	24,065	Central	Parkersburg	Parkersburg	Parkersburg
Jefferson	47,610	East	Martinsburg	Martinsburg	Martinsburg I
Kanawha	160,006	South	Charleston	Charleston A	Charleston II
Lewis	13,412	East	Morgantown	Morgantown A	Morgantown I
Lincoln	18,253	South	Charleston	Charleston B	Charleston III
Logan	30,806	South	Charleston	Charleston B	Charleston III
Marion	46,966	North	Morgantown	Morgantown A	Morgantown I
Marshall	27,060	North	Wheeling	Wheeling	Wheeling
Mason	22,575	Central	Huntington	Huntington	Huntington
McDowell	18,122	South	Charleston	Charleston B	Charleston III
Mercer	51,221	South	Charleston	Charleston B	Charleston IV
Mineral	23,202	East	Martinsburg	Martinsburg	Martinsburg II
Mingo	22,897	South	Charleston	Charleston B	Charleston III
Monongalia	88,478	North	Morgantown	Morgantown A	Morgantown I
Monroe	10,814	South	Charleston	Charleston B	Charleston IV
Morgan	14,203	East	Martinsburg	Martinsburg	Martinsburg II
Nicholas	21,671	South	Charleston	Charleston A	Charleston I
Ohio	36,105	North	Wheeling	Wheeling	Wheeling
Pendleton	5,947	East	Martinsburg	Martinsburg	Martinsburg II
Pleasants	6,363	Central	Parkersburg	Parkersburg	Parkersburg
Pocahontas	7,064	East	Morgantown	Morgantown B	Morgantown II
Preston	28,260	East	Morgantown	Morgantown B	Morgantown II
Putnam	47,775	Central	Huntington	Huntington	Huntington
Raleigh	66,388	South	Charleston	Charleston B	Charleston IV
Randolph	24,073	East	Morgantown	Morgantown B	Morgantown II
Ritchie	8,452	Central	Parkersburg	Parkersburg	Parkersburg
Roane	12,213	Central	Charleston	Charleston A	Charleston I
Summers	11,149	South	Charleston	Charleston B	Charleston IV
Taylor	14,193	North	Morgantown	Morgantown B	Morgantown II
Tucker	5,554	East	Morgantown	Morgantown B	Morgantown II
Tyler	7,415	North	Parkersburg	Parkersburg	Parkersburg
Upshur	20,212	East	Morgantown	Morgantown B	Morgantown II
Wayne	34,965	Central	Huntington	Huntington	Huntington
Webster	7,516	East	Morgantown	Morgantown B	Morgantown II
Wetzel	13,114	North	Morgantown	Morgantown A	Morgantown I
Wirt	4,846	Central	Parkersburg	Parkersburg	Parkersburg
Wood	72,222	Central	Parkersburg	Parkersburg	Parkersburg
Wyoming	19,836	South	Charleston	Charleston B	Charleston III

County Demographic and Regional Analysis - Sorted By Region

<u>County</u>	<u>Census < 65</u>	<u>4 Regions</u>	<u>6 Regions</u>	<u>8 Regions</u>	<u>11 Regions</u>
Braxton	11,921	Central	Charleston	Charleston A	Charleston I
Calhoun	6,236	Central	Charleston	Charleston A	Charleston I
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Fayette	38,022	South	Charleston	Charleston A	Charleston I
GreenBrier	28,855	South	Charleston	Charleston A	Charleston I
Nicholas	21,671	South	Charleston	Charleston A	Charleston I
Roane	12,213	Central	Charleston	Charleston A	Charleston I
Kanawha	160,006	South	Charleston	Charleston A	Charleston II
Boone	20,949	South	Charleston	Charleston B	Charleston III
Lincoln	18,253	South	Charleston	Charleston B	Charleston III
Logan	30,806	South	Charleston	Charleston B	Charleston III
McDowell	18,122	South	Charleston	Charleston B	Charleston III
Mingo	22,897	South	Charleston	Charleston B	Charleston III
Wyoming	19,836	South	Charleston	Charleston B	Charleston III
Mercer	51,221	South	Charleston	Charleston B	Charleston IV
Monroe	10,814	South	Charleston	Charleston B	Charleston IV
Raleigh	66,388	South	Charleston	Charleston B	Charleston IV
Summers	11,149	South	Charleston	Charleston B	Charleston IV
Cabell	81,285	Central	Huntington	Huntington	Huntington
Mason	22,575	Central	Huntington	Huntington	Huntington
Putnam	47,775	Central	Huntington	Huntington	Huntington
Wayne	34,965	Central	Huntington	Huntington	Huntington
Berkeley	93,377	East	Martinsburg	Martinsburg	Martinsburg I
Jefferson	47,610	East	Martinsburg	Martinsburg	Martinsburg I
Grant	9,632	East	Martinsburg	Martinsburg	Martinsburg II
Hampshire	19,788	East	Martinsburg	Martinsburg	Martinsburg II
Hardy	11,519	East	Martinsburg	Martinsburg	Martinsburg II
Mineral	23,202	East	Martinsburg	Martinsburg	Martinsburg II
Morgan	14,203	East	Martinsburg	Martinsburg	Martinsburg II
Pendleton	5,947	East	Martinsburg	Martinsburg	Martinsburg II
Doddridge	6,880	Central	Morgantown	Morgantown A	Morgantown I
Gilmer	7,486	Central	Morgantown	Morgantown A	Morgantown I
Lewis	13,412	East	Morgantown	Morgantown A	Morgantown I
Marion	46,966	North	Morgantown	Morgantown A	Morgantown I
Monongalia	88,478	North	Morgantown	Morgantown A	Morgantown I
Wetzel	13,114	North	Morgantown	Morgantown A	Morgantown I
Barbour	13,745	East	Morgantown	Morgantown B	Morgantown II
Harrison	57,840	Central	Morgantown	Morgantown B	Morgantown II
Pocahontas	7,064	East	Morgantown	Morgantown B	Morgantown II
Preston	28,260	East	Morgantown	Morgantown B	Morgantown II
Randolph	24,073	East	Morgantown	Morgantown B	Morgantown II
Taylor	14,193	North	Morgantown	Morgantown B	Morgantown II
Tucker	5,554	East	Morgantown	Morgantown B	Morgantown II
Upshur	20,212	East	Morgantown	Morgantown B	Morgantown II
Webster	7,516	East	Morgantown	Morgantown B	Morgantown II
Jackson	24,065	Central	Parkersburg	Parkersburg	Parkersburg
Pleasants	6,363	Central	Parkersburg	Parkersburg	Parkersburg
Ritchie	8,452	Central	Parkersburg	Parkersburg	Parkersburg
Tyler	7,415	North	Parkersburg	Parkersburg	Parkersburg
Wirt	4,846	Central	Parkersburg	Parkersburg	Parkersburg
Wood	72,222	Central	Parkersburg	Parkersburg	Parkersburg
Brooke	19,314	North	Wheeling	Wheeling	Wheeling
Hancock	24,793	North	Wheeling	Wheeling	Wheeling
Marshall	27,060	North	Wheeling	Wheeling	Wheeling
Ohio	36,105	North	Wheeling	Wheeling	Wheeling

Unadjusted Risk Per Capita Method

Four Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
North	97%	96%
South	108%	107%
East	90%	90%
Central	101%	102%

Six Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Charleston	107%	106%
Huntington	104%	105%
Martinsburg	87%	88%
Morgantown	95%	95%
Parkersburg	94%	96%
Wheeling	107%	105%

Eight Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Charleston A	109%	106%
Charleston B	104%	106%
Huntington	105%	105%
Martinsburg	87%	89%
Morgantown A	93%	94%
Morgantown B	97%	95%
Parkersburg	94%	96%
Wheeling	107%	105%

Eleven Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Charleston I	99%	99%
Charleston II	114%	111%
Charleston III	110%	111%
Charleston IV	101%	103%
Huntington	105%	105%
Martinsburg I	86%	89%
Martinsburg II	88%	88%
Morgantown I	93%	94%
Morgantown II	98%	95%
Parkersburg	95%	96%
Wheeling	108%	105%

Concurrent Risk Adjusted Per Capita Method

Four Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
North	95%	95%
South	111%	110%
East	83%	83%
Central	104%	105%

Six Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Charleston	110%	109%
Huntington	107%	108%
Martinsburg	80%	82%
Morgantown	88%	88%
Parkersburg	101%	103%
Wheeling	115%	113%

Eight Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Charleston A	113%	111%
Charleston B	105%	108%
Huntington	108%	108%
Martinsburg	81%	82%
Morgantown A	83%	85%
Morgantown B	93%	91%
Parkersburg	101%	103%
Wheeling	116%	113%

Eleven Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Charleston I	100%	99%
Charleston II	122%	118%
Charleston III	110%	111%
Charleston IV	102%	105%
Huntington	108%	108%
Martinsburg I	80%	82%
Martinsburg II	82%	82%
Morgantown I	84%	85%
Morgantown II	93%	91%
Parkersburg	101%	103%
Wheeling	116%	113%

Prospective Risk Adjusted Per Capita Method

Four Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
North	96%	95%
South	109%	109%
East	85%	85%
Central	104%	104%

Six Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Charleston	108%	108%
Huntington	107%	107%
Martinsburg	83%	84%
Morgantown	90%	90%
Parkersburg	99%	101%
Wheeling	114%	111%

Eight Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Charleston A	112%	109%
Charleston B	104%	106%
Huntington	107%	107%
Martinsburg	83%	85%
Morgantown A	86%	87%
Morgantown B	94%	92%
Parkersburg	99%	101%
Wheeling	114%	112%

Eleven Region Rating System		
<u>Region</u>	<u>With Claims > \$50k</u>	<u>Without Claims > \$50k</u>
Charleston I	99%	99%
Charleston II	120%	116%
Charleston III	108%	109%
Charleston IV	102%	104%
Huntington	108%	108%
Martinsburg I	82%	85%
Martinsburg II	84%	84%
Morgantown I	86%	87%
Morgantown II	95%	93%
Parkersburg	100%	101%
Wheeling	114%	112%