



**Office of the Health Insurance Commissioner  
May 2011 Review of Health Plan Rate Factors for 2012 Rates  
Summary of 2012 Requests**

The following 2012 premium rate increases and their contributing factors were proposed by each commercial health plan in Rhode Island to the Office of the Health Insurance Commissioner:

	Small Group (Employers with 1-50 employees)			Large Group (Employers with 51+ employees)		
	Blue Cross	United	Tufts	Blue Cross	United	Tufts
<b>Overall average premium increase</b>	<b>10.5%</b>	<b>18.0%</b>	<b>4.8%</b>	<b>10.5%</b>	<b>20.1%</b>	<b>4.8%</b>
Of the total premium dollars in 2012, the health plans propose the following:						
Portion of Premium for Administrative Costs	14.6%	13.3%	13.5%	12.7%	12.8%	13.0%
Portion of Premium for Reserves and Profit	3.3%	2.5%	0.0%	3.3%	2.2%	0.0%
Portion of Premium for Medical Costs	82.1%	84.2%	86.5%	84.0%	85.0%	87.0%
Estimated Medical Inflation Rates by category:						
Hospital Inpatient Care	6.1%	11.1%	8.3%	6.4%	11.7%	8.3%
Hospital Outpatient Care	9.8%	13.5%	8.6%	10.1%	14.2%	8.6%
Pharmacy	12.1%	11.0%	6.9%	11.2%	11.6%	6.9%
Primary Care	13.7%	12.8%	7.9%	14.0%	13.5%	7.9%
All Other Medical*	6.6%	12.8%	7.4%	6.8%	13.5%	7.4%

\*Includes specialty care, behavioral health, diagnostic testing, and ancillary services.

For additional information on how these requests compare to prior year requests and approvals, please go [here](#).

Protecting Consumers • Assuring Solvency • Engaging Providers • Improving the System

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