



Plan Year 2024 – Premium Rate Justification Notice

This document details the reasons behind the premium rates for the 2024 health plans for individuals and families with Alliant Health Plans, Inc.

Reinsurance from the State of Georgia: Reinsurance involves sharing the financial risk of large medical expenses among insurance companies. The state of Georgia requires a reinsurance program that has been beneficial, but with the upcoming changes they made to this program, Alliant will receive less financial support in 2024. Consequently, higher costs for certain claims will be paid by Alliant, leading to a need for increases.

Medical Service Costs: Alliant anticipates a rise in medical and pharmacy expenses of over 12%, reflected in the premium calculations. This increase aligns with the general upward trend in health care costs and the escalating demand for medical services.

Retention: Retention refers to the portion of premium income that Alliant retains to cover operational expenditures and reserves for unforeseen events. Due to the current unpredictability and instability in the health care market, retention projections for the upcoming year have been adjusted.

Financial Performance: Financial stability has required a delicate equilibrium between the premiums collected and the claims paid out. The expected reduction in support from Georgia's reinsurance program compels Alliant to raise premiums to continue providing reliable services.

Benefit Changes: Alliant has adjusted its benefits to comply with the 2024 Actuarial Value Calculator and to meet strategic positioning objectives. Enhancements or reductions in benefit offerings directly influence the structure of premiums.

Scope of Rate Increase: The premium revisions will impact approximately 49,000 members, with increases varying between 16% to 25%. These changes result from updated cost-sharing arrangements and assumptions about savings, which affect the structure of our diverse range of plans.

Alliant aims to provide a clear explanation for the premium changes and remains dedicated to maintaining the highest standards of value and quality in providing your health insurance options.

For further discussion, please reach out to us at 1-866-403-2785.

Thank you for being a valued member of the Alliant Health Plans community.