This filing is for UnitedHealthcare of Ohio, Inc.’s (UHC of OH’s) small group ACA-compliant block of business in Kentucky effective 1/1/2024. The Company is filing off-exchange products only. The loss ratio for the Company is 84.3% for 12 months ending in April 2023 (It is 76.0% for UHIC/UHC of OH/UHC of KY combined). The Company currently offers 54 plans and will renew all 54 of the plans in 2024. They will offer 57 plans in 2024, including the 54 renewing plans. The requested annualized rate increases effective 1/1/2024 for the renewing plans is 16.0%.

The following is a breakdown of the key drivers of the rate increase for the renewing plans: • Trend 11.1% • Market Morbidity 6.0% • Pricing Model Changes 2.1% • Area 0.00% • Other -3.5% • Rate Change for Renewing Plans 16.0% The minimum annualized plan increase is 6.9% and the maximum annualized plan increase is 19.7%. There are 60 groups and 517 members impacted by this rate filing as of the end of March 2023. The annualized pricing trend effective 1/1/2024 is 11.1%. The projected average members per month in 2024 is 389. The filing includes the following changes: • Base Rate Increase: Effective 1/1/2024, the Base Rate has been adjusted for trend and includes a revenue neutrality adjustment due to the impact of changes in plan relativities and area factors. The company is also proposing an additional 5% increase to the Base Rate. • Annual Pricing Trend: Effective 1/1/2024, the annual pricing trend will change from 8.8% to 11.1%. • Area Factors: The Company is proposing changes to its area factors.

The company indicated all Essential Health Benefits and all benefits mandated for group health insurance products for the small business market are included in the proposed rates and the benefits that are in excess of EHBs are estimated to be a de minimis amount. The 2024 projected loss ratio is 82.0%. The estimated Federal medical loss ratio for year 2024 is 85.2%. The Company has paid between $200,000 and $400,000 annually in MLR rebates over the past three years for its entire small group block of business in Kentucky. The Company does not anticipate paying MLR rebates in 2022, 2023, or 2024. Benefits reasonable in relation to premium The anticipated pricing loss ratio is 82.0%. Administrative expenses and Taxes and Fees are projected to be 10.9% of premium. Profit and Risk after the impact of Federal Income Tax is 7.1% (it is 9.0% prior to Federal Income Tax). DESCRIPTION OF FILING REVIEW PROCESS WITH INSURER I reviewed the filing and sent requests for additional information to the actuary on June 9 and July 13, 2023. The actuary provided me with answers and spreadsheet exhibits in response to my questions on June 23 and July 17, 2023. The Company provided satisfactory supporting documentation for its assumptions, although given the wide range of possible scenarios, magnitude and uncertainty of actual market purchaser characteristics, it is not unlikely that results will vary from the company’s assumptions. Based on the review of the material contained in this rate filing, with specific comments for each area of compliance, we find that any outstanding requirements are not, individually or in combination, substantial in effect in failing to meet the provisions of 806 KAR 17:150. Therefore, this rate filing was approved with an average rate increase of 16.0%.