

This filing is for UnitedHealthcare Insurance Company's (UHIC's) small group ACA-compliant block of business in Kentucky effective 1/1/2026. The Company is filing off-exchange products only. The risk-adjusted loss ratio for the Company is 73.2% for 12 months ending in March 2025 (It is 86.2% for UHIC/UHC of OH/UHC of KY combined). The Company currently offers three plans and will renew all of the plans in 2026. There are no new plans in 2026.

The requested annualized rate increases effective 1/1/2026 for the renewing plans is 12.9%. The following is a breakdown of the key drivers of the rate increase for the renewing plans:

Metric	Impact
Trend	9.4%
Market Morbidity	6.0%
Other	-2.6%
Rate Change for Renewing Plans	12.9%

The minimum annualized plan increase is 8.9% and the maximum annualized plan increase is 14.4%. There are 30 groups and 237 members impacted by this rate filing as of the end of February 2025. The annualized pricing trend effective 1/1/2026 is 9.8%. The projected average members per month in 2026 is 160.

The filing includes the following changes:

- Base Rate Increase: Effective 1/1/2026, the company is proposing a 2.3% base rate increase, in addition to trend and a revenue-neutral adjustment to offset the impact of re-sloping plan relativities.
- Annual Pricing Trend: Effective 1/1/2026, the annual pricing trend will change from 9.4% to 9.8%.
- Area Factors: The Company is proposing no changes to its area factors.

DESCRIPTION OF FILING REVIEW PROCESS WITH INSURER

The filing was reviewed, and requests were sent for additional information to the actuary. The actuary provided answers, and spreadsheet exhibits in response to my questions.

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 to be found in the body of this report, 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 12.9%.