This filing is for WellCare's Individual non-grandfathered ACA compliant on and off-exchange block of business effective 1.1.2027. The initially filed average requested rate increase was 20.7 percent, ranging from17.1 percent to 24.7 percent. This block is projected to have 388,106 members in 2027. This is an existing product filing which will be offered in all 8 rating areas covering approximately 90 percent of KY counties. For the 2027 plan year, the projected pricing loss ratio for the proposed rates is 83.3 percent and the federally adjusted projected loss ratio is 85.6 percent. The assumed profit margin is 3.95 percent. The 2025 Kentucky experience data was trended and adjusted to project plan year 2027 claims. The experience period includes claims paid through March 31, 2026. Key Assumptions Retention The total retention is assumed to be 16.75percent of premium, which includes a 3.95percent profit risk margin. SB188 The SB 188 minimum dispensing fee for independent pharmacies $10.64 became effective January 1, 2025 and is therefore reflected in the 2025 base period experience. Trend WellCare has assumed a 10.5 percent annual trend rate. Annualized utilization trend was 4.2 percent and unit cost trend equaled 6.1 percent. The composite trend includes an annualized prescription drug PMPM trend of 13.4 percent, a significant increase from the 10.5percent Rx trend assumed in the 2026 filing. The filing underwent thorough review. The actuary responded to all inquiries and provided supporting documentation and exhibits. While actual results may vary due to market uncertainties, the assumptions were adequately supported. Based on the review, and with no substantial compliance issues under 806 KAR 17150, the rate filing was approved with an average increase of 20.7 percent.