

**Community Health Choice
2027 Individual Products****1. Scope and Range of the Rate Increase**

This submission is for individual health insurance products offered by Community Health Choice's (CHC) on and off Exchange, available for sale January 1, 2027. CHC is increasing premium rates for individual plans by 27.18% in aggregate, with a minimum of 23.97% and a maximum of 31.51%. The rate increase is an average across all geographic areas; a specific member's increase can differ from this average. As of April 2026, there are currently 180,124 members who are affected by this rate filing if they were to purchase the same plan in 2027.

2. Financial Experience of the Product

The individual market financial experience for calendar year 2025 was as follows:

Premiums Earned before Risk Adjustment:	\$918.30 Million
Risk Adjustment:	\$197.30 Million
Incurred Claims:	\$1062.00 Million
Member Months:	1,519,147

The proposed rates are projected to produce a 2027 medical loss ratio (as defined by the Affordable Care Act) of 84.61%.

3. Changes in Medical Service Costs

Components of the rate increase include updates to medical trend, changes in anticipated demographics of the enrolled population, network changes, and projected risk adjustment transfer. We have assumed the morbidity of enrollees and CHC and the market will increase as a result of the expiration of enhanced advanced premium tax credits, and this will drive an additional increase in plan costs for 2027 relative to prior years. Specifically, the market risk factor has gone up in 2025 much more than anticipated and CHC has not seen a corresponding increase in its own risk factor, leading to a reduction in the projected risk adjustment receivable, which historically has represented a significant receivable. Projected 2026 experience drives a higher baseline relative to experience, to which these changes are applied and constitutes a significant portion of the rate increase (i.e., we are adjusting rates to be commensurate with prior claim / risk adjustment experience for this business).

4. Changes in Benefits

Benefit design changes were made to a number of cost-sharing parameters, including updating maximum out-of-pockets and deductibles according to federal limits which mitigates the rate increase in many cases. We updated the load on on-exchange silver plans to be consistent with new requirements from TDI.

5. Administrative Costs and Anticipated Margins

The 2027 business plan projections for administrative expenses have been used, which are slightly higher than the assumptions used in 2026 rate development.