Kaiser Foundation Health Plan of Georgia

Individual

Effective January 1, 2027

HIOS Issuer ID 89942

HIOS Product ID 89942GA005 (On Exchange), and 89942GA013 (On-Exchange)

89942GA007 (Off-Exchange), and 89942GA015 (Off-Exchange)

Written Description Justifying the Rate Increase

Scope and Range of the Rate Increase

The Health Maintenance Organization ("HMO") product type has an average rate increase of 20.3 percent based on projected 2027 membership by plan. This includes all plans within the HIOS Product IDs of 89942GA005, 89942GA013, 89942GA007, and 89942GA015. The average rate increase also includes new plans in which rate increases were estimated.

As of February 2026, this product type had 206,246 total covered lives currently in force that are affected by these rate adjustments. The rate increases for HMO range from 17.3 percent to 23.5 percent. Differences in rate increases by plan are due to benefit changes, CSR load, Network, and Non-EHB factors.

Financial Experience of the Product

The Individual product line was unprofitable in 2025. Unfavorable risk adjustment was a significant driver. The experience for this product type is summarized below for Non-CHC ACA business, including estimated Risk Adjustment:

	HMO
Total Revenue	$482,716,618
Total Expense	$574,242,128
Profit	-$91,525,510
Margin %	-19%

If we included experience for CHC ACA business, which is a charity product with subsidized premiums, our experience would be worse but would not accurately reflect the experience for the block.

Changes in Medical Service Costs

The expected underlying trend from 2025 to 2027 is 4.3 percent annualized or 8.8 percent over two years. We expect morbidity to worsen as a result of changes in the duration profile of membership within the block.

Changes in Benefits

Benefit changes lowered the rate increase by approximately 0.7 percent.

Administrative Costs and Anticipated Margins

Retention increased by 8 percent and is mostly due to improvement of contribution to margin. We are estimating margins to be at -0.7% for 2027.