



Part III Actuarial Memorandum (Redacted)

**Blue Cross & Blue Shield of Mississippi
Small Group Rate Filing
Effective January 1, 2027**

Prepared for:
Mississippi Insurance Department

Prepared by:

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The following table summarizes the exhibits included in this document. Some exhibits may span multiple pages.

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EXHIBIT 1. GENERAL INFORMATION (REDACTED)

Document Overview

This document contains the Part III Actuarial Memorandum for Blue Cross & Blue Shield of Mississippi's (BCBSMS) small group block of business, effective January 1, 2027. This Actuarial Memorandum is submitted in conjunction with the Part I Unified Rate Review Template. The policy form numbers included in this memorandum are:

- 39204, 39205, 39206, 39207 Blue Care Group – Separate Deductible
- 39208, 39209, 39210, 39211 Blue Care Group – Integrated Deductible – Coinsurance Only
- 39216, 39217, 39218, 39219 Blue Care Group Benefit Choice – Separate Deductible
- 39220, 39221, 39222, 39223 Blue Care Group Benefit Choice – Integrated Deductible – Coinsurance Only
- 39212, 39213, 39214, 39215 Blue Care Group – High Deductible Health Plan

The purpose of the Actuarial Memorandum is to provide certain information related to the submission, including support for the values entered into the Part I Unified Rate Review Template, which supports compliance with the market rating rules and reasonableness of applicable rate increases. This information may not be appropriate for other purposes.

This information is intended for use by the State of Mississippi Insurance Department, the Center for Consumer Information and Insurance Oversight (CCIO), and their subcontractors to assist in the review of BCBSMS's rate filing. However, we recognize that this certification may become a public document. BCBSMS makes no representations or warranties regarding the contents of this letter to other users. Likewise, other users of this letter should not place reliance upon this Actuarial Memorandum that would result in the creation of any duty or liability for BCBSMS under any theory of law.

The results are actuarial projections. Differences between our projections and actual amounts depend on the extent to which future experience develops relative to the assumptions made for this analysis. It is certain that actual experience will not develop exactly to the assumptions used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience deviates from our expectations.

Company Identifying Information

Company Legal Name: Blue Cross & Blue Shield of Mississippi, A Mutual Insurance Company
State: The State of Mississippi has regulatory authority over these policies.
HIOS Issuer ID: 11721
Market: Small Group
Effective Date: January 1, 2027

Company Contact Information

EXHIBIT 2. PROPOSED RATE CHANGES (REDACTED)

Table 2.1 summarizes proposed rate changes by product effective January 1, 2027. The following are significant factors driving the proposed rate changes discussed below.

Table 2.1
Blue Cross & Blue Shield of Mississippi
Attribution Analysis of Proposed Rate Changes

The aggregate proposed rate change is 2.4% covering all calendar quarters, or 2.3% when looking only at the January change.

Medical and Prescription Drug Inflation & Utilization Trend

Medical and Prescription Drug inflation and utilization trend development is detailed in Exhibit 5.

Claims Change: Other

In addition to the trend changes detailed in Exhibit 5, we also adjusted claims for: morbidity, shifts in drug utilization, drug rebate changes, and the paid-to-allowed calibration. These adjustments are described in more detail on Exhibit 5.

New Taxes, Fees and Administrative Expenses

Changes to the overall premium level are needed because of required changes in federal/state taxes and fees. In addition, there are anticipated changes in the administrative expenses and commission arrangements. The following is a list of any anticipated changes and comments regarding the adjustment:

Table 2.2
Blue Cross & Blue Shield of Mississippi
Anticipated Non-Benefit Expenses Changes

Item	Prior Year Value	Effective Year Value	Reason for Adjustment
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EXHIBIT 2. PROPOSED RATE CHANGES (REDACTED)

Prospective Benefit Changes

EXHIBIT 2. PROPOSED RATE CHANGES (REDACTED)

Federal Transitional Reinsurance Program Changes

The federal transitional reinsurance program was a temporary program that ended in 2016. Since this program is not expected to be in place in 2027, we assume that reinsurance contributions and reinsurance recoveries will be zero.

Anticipated Single Risk Pool Morbidity

Rate Changes by Plan

The following table summarizes the average proposed rate changes by product:

Table 2.3 Blue Cross & Blue Shield of Mississippi Summary of Proposed Rate Changes Prior to Impact of Recalibration			
Product	2026 Rate	2027 Rate	Rate Change

Single Risk Pool

BCBSMS rates are developed using a single risk pool, established according to the requirements in 45 CFR section 156.80(d) and reflects all BCBSMS's covered lives for every ACA-compliant small group product in the State of Mississippi small group health insurance market.

Note that the Single Risk Pool does not include transitional products/plans for purposes of the base rate experience; the experience for these policies has only been used in the projection to the extent that BCBSMS anticipates the members in those policies will be enrolled in their fully ACA-compliant plans during the projected period.

EXHIBIT 3. EXPERIENCE AND CURRENT PERIOD PREMIUM, CLAIMS, AND ENROLLMENT

The experience reported on Worksheet 1, Section I of the URRT shows BCBSMS's earned premium and incurred and paid claims for the period of 1/1/2025 through 12/31/2025, with claims paid through 4/30/2026.

Current Date

The current enrollment and premium shown on Worksheet 2, Section II of the URRT is reported as of 4/30/2026.

Method for Determining Allowed Claims

The allowed charges are summarized from BCBSMS's detailed claim-level historical data. Allowed claims were determined by combining the paid claims with the member cost sharing.

Method for Determining Incurred But Not Reported Paid Claims

We used the development method to determine the IBNR claim liability estimate, accounting for both reported and unreported claims. Our methodology develops claim completion factors from recent historical experience using an adjusted 6-month completion ratio averaging method, in which the lowest and highest values are discarded, and the remaining values are averaged. The completion factors for the most recent month for prescription drugs are based upon an estimated incurred per calendar day. Within this approach, we have examined estimates of liability based upon several methods of estimating ultimate incurred claims for the most recent incurred months. We base our best-estimate liability on several factors, including historical completion ratios, historical levels of PMPM incurred costs, trends in incurred costs, and known seasonal variations. Completion factors may be adjusted for known large claims or claim backlog changes not sufficiently accounted for in the development methodology.

Method for Determining Paid Claims

All paid claims processed both in and out of the claim system were included. Of this amount, 100% was processed through the claim system and 0% was processed outside of the claim system. An estimate of incurred but not paid claims was added to the processed amount to arrive at a final estimate of total paid claims.

Method for Determining Paid Cost Sharing

All paid member cost sharing processed both in and out of the claim system were included. Of this amount, 100% was processed through the claim system and 0% was processed outside of the claim system. An estimate of incurred but not paid member cost sharing was added to the processed amount to arrive at a final estimate of total paid member cost sharing.

EXHIBIT 4. BENEFIT CATEGORIES (REDACTED)

BCBSMS categorizes historical claims into the benefit categories in Worksheet 1, Section II using a combination of HCPCS Codes, Revenue Codes, DRGs, Specialty Codes, Diagnosis Codes, and other indicators to categorize detailed claim-level information into benefit categories. The categorization logic is updated at least once quarterly to incorporate new HCPCS Codes, Revenue Codes, DRGs, Specialty Codes, Diagnosis Codes, and other indicators, so the classification methodology remains current. The detailed benefit categories were then consolidated into the categories shown on Worksheet 1, Section II.

Inpatient Hospital

Includes facility services for medical, surgical, maternity, mental health and substance abuse, skilled nursing, and other services provided in an inpatient facility setting and billed by the facility. Utilization is measured with admits.

Outpatient Hospital

Includes services for surgery, emergency room, lab, radiology, therapy, observation and other services provided in an outpatient facility setting and billed by the facility. Utilization is measured with cases for the surgery and emergency room setting and services for the remaining categories.

Professional

Includes primary care, specialist care, therapy, laboratory and radiology services, and other professional services, other than hospital based professionals whose payments are included in facility fees. The utilization is measured with visits, consults, cases for maternity deliveries in the office setting, exams for vision, hearing, speech, and physical exams, services for physical medicine, and procedures for the remaining categories.

Other Medical

Includes ambulance, home health care, DME, prosthetics, supplies, and other services (including pediatric dental and vision). Utilization is measured with cases for ambulance services and units for the remaining categories.

Prescription Drug

Includes drugs dispensed by a pharmacy. This amount is net of rebates received from drug manufacturers.

EXHIBIT 5. PROJECTION FACTORS (REDACTED)

This section includes a description of each factor used to project the experience period Index Rate to the projection period, and supporting information related to the development of those factors.

Trend Factors (Cost/Utilization)

The trend factors reflect BCBSMS’s expectations regarding changes in in-network contractual reimbursement and the impact of trends in both projected in-network and out-of-network costs. The annual prescription drug trends reflect changes in the drug formulary, expiration of drug patents and introduction of new drugs.

We performed a detailed analysis of BCBSMS’s historical trend, after adjusting the data to reflect the impact of differences in age, gender, morbidity level, and area. We used this information as the basis for setting projected utilization and mix assumptions. Unit cost assumptions for medical services were provided by BCBSMS’s Provider Contracting department for fee schedule changes in 2026 and 2027. For pharmacy, we assumed unit cost changes consistent with market averages. These are reported in Worksheet 1, Section II of the URR.

Table 5.1.1 Blue Cross & Blue Shield of Mississippi Year 1 Annual Trend Assumptions # of Months Trend is Applied: 12				
Service Type	Utilization	Mix	Inflation	Total

Table 5.1.2 Blue Cross & Blue Shield of Mississippi Year 2 Annual Trend Assumptions # of Months Trend is Applied: 12				
Service Type	Utilization	Mix	Inflation	Total

Morbidity Adjustment

Plan Design Changes

Demographic Shift

The result of these adjustments is included in the projection factors of Worksheet 1, Section II under “Demographic Shift”.

EXHIBIT 5. PROJECTION FACTORS (REDACTED)

Other Adjustments

The "Other" entry of Worksheet 1, Section II contains additional adjustments from those described above. These adjustments have been made to recognize the additional anticipated changes in claims experience between the base period and the projected period. We used the following data sources and methodology in order to estimate these changes:

- Pharmacy Rebates - An adjustment was made to account for the expected Rx rebates in the projected 2027 experience.
- Paid to Allowed Calibration - An adjustment was made to calibrate the pricing period claims probability distribution (CPD) based on actual-to-expected paid to allowed ratio analysis.
- Drug utilization - Adjustments were made to the experience period claims to reflect potential shifts in drug utilization.

EXHIBIT 6. MANUAL RATE ADJUSTMENTS (REDACTED)

Not applicable. BCBSMS's experience in the base period is fully credible for the purposes of the rate projection.

EXHIBIT 7. CREDIBILITY OF EXPERIENCE (REDACTED)

Description of the Credibility Method Used

In determining an appropriate full credibility threshold, we relied on Milliman research that indicated that the number of member months needed for full credibility was 48,000. Note that this is higher than the default credibility threshold of 24,000 as set by CMS for the Medicare Advantage Program. The credibility formula is:

$$(n / 48,000)^{(1/2)}$$

where n = member months in the experience period.

With the exception of the number of member months needed to achieve full credibility, this formula is similar to that used by CMS. We believe this is appropriate given that both MA/PD and Commercial cover similar benefit categories.

Resulting Credibility Level Assigned to the Base Period Experience

The credibility assigned to the base period experience is 100%.

EXHIBIT 8. ESTABLISHING THE INDEX RATE (REDACTED)

The index rate for the experience period is a measurement of the average allowed claims PMPM for EHB benefits. The experience period index rate reflects the actual mixture of smoker/non-smoker population, area factors, catastrophic/non-catastrophic enrollment, and the actual mixture of risk morbidity that BCBSMS received in the Single Risk Pool during the experience period. Note that there are no additional benefits offered beyond the EHB benefits. The experience Index Rate has not been adjusted for payments and charges under the risk adjustment and reinsurance programs, or for Marketplace user fees.

The experience period Index Rate is equal to the experience period total allowed claims PMPM minus the total non-EHB allowed claims PMPM.

EXHIBIT 9. DEVELOPMENT OF THE MARKET-WIDE ADJUSTED INDEX RATE (REDACTED)

Market Adjusted Index Rate

The following table summarizes the factors applied to the Index Rate in the projection period to determine the Market Adjusted Index Rate.

Table 9.1
Blue Cross & Blue Shield of Mississippi
Market Adjusted Index Rate Development

The Market Adjusted Index Rate is not calibrated. This means that this rate reflects the average demographic characteristics of the single risk pool. The values given in Table 9.1 differ from the URRT due to the rounding requirements on Worksheet 1.

Experience Period Risk Adjustments PMPM

Projected Risk Adjustments PMPM

Experience Period ACA Reinsurance Recoveries Net of Reinsurance Premium

Small group membership is not eligible for reinsurance recoveries.

Projected ACA Reinsurance Recoveries Net of Reinsurance Premium (Individual and Combined Markets Only)

The Transitional Reinsurance program ended in 2016 and therefore BCBSMS is projecting no Reinsurance premium for CY2027.

Exchange User Fees

Exchange User Fees were not included as BCBSMS will not participate on the Exchange in 2027.

EXHIBIT 10. PLAN ADJUSTED INDEX RATES (REDACTED)

The Market Adjusted Index Rate is adjusted to compute the Plan Adjusted Index Rates using the following allowable adjustments:

Actuarial value and cost sharing adjustment

The CMS Actuarial Value Calculator was used to determine the actuarial value for each plan.

Provider network, delivery system and utilization management adjustment

There are no expected differences in the provider network and/or utilization management between plans.

Adjustment for benefits in addition to the EHBs

Adjustment for distribution and administrative costs

Adjustment is developed to indicate the impact of non benefit expenses. This adjustment differs by plan due to the relative impact of administrative costs that are developed as a PMPM rather than as a percent of premium.

Impact of specific eligibility categories for the catastrophic plan

Not applicable for small group.

EXHIBIT 10. PLAN ADJUSTED INDEX RATES (REDACTED)

The following table demonstrates the Plan Adjusted Index Rate development for each plan. It should be noted that the Plan Adjusted Index Rates are presented with two decimal precision, when in actuality, the value is not rounded.

Table 10.1 Blue Cross & Blue Shield of Mississippi Projection Period Plan Adjusted Index Rate Development							
Plan	Market Adjusted Index Rate	AV & Cost Sharing	Provider Network Adjustment	Benefits In Addition to EHBs	Admin Expense Load	Specific Catastrophic Eligibility	Plan Adjusted Index Rate

The Plan Adjusted Index Rates reflect the average demographic characteristics of the single risk pool and therefore are not calibrated. The Market Adjusted Index Rate and Plan Adjusted Index Rates in Table 10.1 differ from the URRT due to the rounding requirements on Worksheet 1.

EXHIBIT 10. PLAN ADJUSTED INDEX RATES (REDACTED)

Experience Period Plan Adjusted Index Rates

The following table demonstrates the Plan Adjusted Index Rate development for each filed CY2025 plan:

Table 10.2 Blue Cross & Blue Shield of Mississippi Experience Period Plan Adjusted Index Rate Development							
Plan	Market Adjusted Index Rate	AV & Cost Sharing	Provider Network Adjustment	Benefits In Addition to EHBs	Admin Expense Load	Specific Catastrophic Eligibility	Plan Adjusted Index Rate

The Plan Adjusted Index Rates reflect the average demographic characteristics of the single risk pool and therefore are not calibrated.

EXHIBIT 10. PLAN ADJUSTED INDEX RATES (REDACTED)

Non-Benefit Expenses And Profit & Risk

The following table summarizes retention components included in the rate development.

Table 10.3				
Blue Cross & Blue Shield of Mississippi				
Illustration of Administrative Expenses by URR Worksheet 2 Category				
Retention Description	PMPM	% Premium	Basis	Annotation

The proposed rates reflect a 10.3% average administrative load. The administrative costs, which include PMPM and percent of premium amounts, are applied at the plan level. For this reason, the administrative cost as a percent of total premium varies by plan. The administrative costs were developed as follows:

- Calculated 10.3% administrative load as the administrative expense costs divided by the projected premiums.

Exchange User Fees were not included as BCBSMS will not participate on the Exchange in 2027.

EXHIBIT 11. CALIBRATION (REDACTED)

A single calibration factor is applied to the Plan Adjusted Index Rates from Exhibit 10 to calibrate rates for the expected age, geographic and tobacco distribution expected to enroll in the plan. The single calibration factor is applied uniformly across all plans.

Age Curve Calibration

In order to determine the calibration factor for age, the projected distribution of members by age was determined. The weighted average of the factors in the age curve was then calculated using this distribution. The average age was then determined by finding the age of a member that would have the closest factor to the weighted average age curve calibration factor. Prior to applying the allowed rating factors for age, geography and tobacco, the plan adjusted index rates need to be divided by the age curve calibration factor.

Additional information regarding the age curve can be found on Exhibit 12.

Geographic Factor Calibration

In order to determine the calibration factor for geography, the projected distribution of members by area was determined. The weighted average of the area factors was then determined using this distribution. The area factors used are reflective of differences in delivery costs (including unit cost and provider practice pattern differences) only, and do not reflect any difference in population morbidity. Prior to applying the allowed rating factors for age, geography and tobacco, the plan adjusted index rates need to be divided by the geography calibration factor.

Additional information regarding the area rating factors can be found on Exhibit 12.

Tobacco Factor Calibration

EXHIBIT 11. CALIBRATION (REDACTED)

The following table demonstrates the calibration performed for each plan. It should be noted that the Calibrated Plan Adjusted Index Rates are presented with two decimal precision, when in actuality, the value is not rounded. These values differ from the URRT Worksheet 2 due to the rounding requirements on Worksheet 2.

Table 11.1 Blue Cross & Blue Shield of Mississippi Plan Adjusted Index Rate Calibration						
Plan	Plan Adjusted Index Rate	Age Calibration Factor	Geography Calibration Factor	Tobacco Calibration Factor	Calibration Factor	Calibrated Plan Adjusted Index Rate

EXHIBIT 12. CONSUMER ADJUSTED PREMIUM RATE DEVELOPMENT (REDACTED)

The Consumer Adjusted Premium Rate is the final premium rate for a plan that is charged to an individual, family, or small employer group utilizing the rating and premium adjustments as articulated in the applicable Market Reform Rating Rules. It is the product of the Calibrated Plan Adjusted Index Rate, the geographic rating factor, the age rating factor and the tobacco status rating factor. All rating factors are described and shown below.

BCBSMS's 2027 age and tobacco rating factors are shown below. As approved by CMS, the state of Mississippi will maintain the 2017 federal age curve. Tobacco factors were not used for 2027 rating.

Table 12.1 Blue Cross & Blue Shield of Mississippi 2027 Age and Tobacco Factors						
Age Band	Rate Factor	Tobacco Factor		Age Band	Rate Factor	Tobacco Factor
0-14	0.635	1.000		40	1.278	1.000
15	0.635	1.000		41	1.302	1.000
16	0.635	1.000		42	1.325	1.000
17	0.635	1.000		43	1.357	1.000
18	0.635	1.000		44	1.397	1.000
19	0.635	1.000		45	1.444	1.000
20	0.635	1.000		46	1.500	1.000
21	1.000	1.000		47	1.563	1.000
22	1.000	1.000		48	1.635	1.000
23	1.000	1.000		49	1.706	1.000
24	1.000	1.000		50	1.786	1.000
25	1.004	1.000		51	1.865	1.000
26	1.024	1.000		52	1.952	1.000
27	1.048	1.000		53	2.040	1.000
28	1.087	1.000		54	2.135	1.000
29	1.119	1.000		55	2.230	1.000
30	1.135	1.000		56	2.333	1.000
31	1.159	1.000		57	2.437	1.000
32	1.183	1.000		58	2.548	1.000
33	1.198	1.000		59	2.603	1.000
34	1.214	1.000		60	2.714	1.000
35	1.222	1.000		61	2.810	1.000
36	1.230	1.000		62	2.873	1.000
37	1.238	1.000		63	2.952	1.000
38	1.246	1.000		64+	3.000	1.000
39	1.262	1.000				

BCBSMS's 2027 geographic rating factors are shown below.

Table 12.2 Blue Cross & Blue Shield of Mississippi 2027 Geographic Area Factors	
Area	Rate Factor

EXHIBIT 12. CONSUMER ADJUSTED PREMIUM RATE DEVELOPMENT (REDACTED)

The premium for family coverage is determined by summing the consumer adjusted premium rates for each adult family member, and the three oldest child dependents under age 21.

For small group plans, the result from above would further be multiplied by a quarterly trend factor. Since the consumer adjusted premium rate developed above is effective for first quarter only, an adjusted trend factor must be applied to develop the other quarters. The following shows the adjusted trend factor for each quarter and how it was developed:

Table 12.3 Blue Cross & Blue Shield of Mississippi Small Group Quarterly Trend Factors						
Trend	Qrtly	Member	Weighted	Adjusted		Final
Effective	Trend	Month	Avg Trend	Trend		Trend
Date	Factor	Weights	Factor	Factor		Factor

Below is an example of how to arrive at the January 1 rate for an age 35 individual in rating area 1 that is a non-smoker:

Table 12.4 Blue Cross & Blue Shield of Mississippi Sample Consumer Adjusted Premium Rate Development						
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BCBSMS may choose to offer 4-tier composite premium methodology, in compliance with Mississippi Insurance Department Bulletin 2016-5 (Source: <http://www.mid.ms.gov/legal/bulletins/20165bul.pdf>).

EXHIBIT 13. PROJECTED LOSS RATIO (REDACTED)

Table 13.1 Blue Cross & Blue Shield of Mississippi Detailed Calculation of the Anticipated Traditional Loss Ratio and Federal MLR				
	Federal	Traditional	Basis	Annotation

EXHIBIT 14. AV METAL VALUES (REDACTED)

The AV metal values included in Worksheet 2 are based on the AV Calculator. See Appendix A for a detailed description of the adjustments made to the cost sharing features of the BCBSMS plans and the AV screenshots of the plan designs being filed. Table 14.1 below summarizes these values for each product.

Table 14.1 Blue Cross & Blue Shield of Mississippi Actuarial Values		
Plan	Actuarial Value	Actuarial Value Source

EXHIBIT 15. MEMBERSHIP PROJECTIONS (REDACTED)

The projected membership (as displayed in Worksheet 2, Section IV of the URRT) represents BCBSMS's expectations for 2027 plan year enrollment.

We estimated the groups that would select each of BCBSMS's benefit plans based on the current selection of BCBSMS's plans. Enrollment for the new plans was estimated by the sales team based on enrollment for similarly situated plans.

EXHIBIT 16. TERMINATED PLANS AND PRODUCTS (REDACTED)

There are no terminated Small Group ACA products.

EXHIBIT 17. PLAN TYPE (REDACTED)

There are no differences between the plans of BCBSMS and the plan type selected in the drop-down box in Worksheet 2, Section I of the Part I Unified Rate Review Template.

EXHIBIT 18. EFFECTIVE RATE REVIEW INFORMATION (OPTIONAL) (REDACTED)

Not applicable.

EXHIBIT 19. RELIANCE (REDACTED)

In the preparation of this filing, I relied upon data and analyses provided by the following:

We performed general reasonableness checks, but we have not audited the data and have relied upon its accuracy. To the extent that the underlying data is inaccurate, this filing may also be inaccurate. Actual results will vary from those projected in the filing. This is due to random fluctuations, unexpected large claims, changes in population and other such factors.

EXHIBIT 20. ACTUARIAL CERTIFICATION (REDACTED)

We have written the preceding Actuarial Memorandum to describe the rates intended to be used for these products and the development of the underlying per contract per month medical cost. This section of the Actuarial Memorandum constitutes an Actuarial Certification per Mississippi Regulation 73-4 and Bulletin 2011-7. To the best of our knowledge, the entire rate filing is in compliance with the applicable laws of the State of Mississippi and with the rules of the Department of Insurance.

We certify to the best of our knowledge and judgment:

1. The projected index rate is
 - In compliance with all applicable State and Federal Statutes and Regulations (45 CFR 156.80(d)(1) and CFR
 - Developed in compliance with the applicable Actuarial Standards of Practice.
 - Reasonable in relation to the benefits provided and the population anticipated to be covered.
 - Neither excessive nor deficient based on my best estimates of the 2027 Small Group market.
2. The index rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan level rates.
3. The geographic rating factors used reflect only differences in the cost of delivery, and do not include differences for population morbidity by geographic area.
4. Adjustments to the CMS Actuarial Value Calculator were used to determine the AV Metal values shown in Worksheet 2, Section 1 of the URRT for all plans. Separate actuarial certifications are attached.

The 2027 plan year premium rates in this Actuarial Memorandum are contingent upon the status of the ACA statutes and regulations including any regulatory guidance, court decisions, or otherwise. Changes have the potential to greatly impact the 2027 plan year premium rates provided in this Actuarial Memorandum. Changes include, but are not limited to, any legislative or regulatory amendment, court decision, or a decision by Congress, the Health and Human Services Secretary or the Centers for Medicare and Medicaid Services director to not fund any aspect of the ACA.

Differences between the projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.