

Actuarial Memorandum

1. Purpose and Limitations

The purpose of this document, which is submitted in conjunction with the Part I Unified Rate Review Template (URRT), is to comply with the requirements of the Part III Actuarial Memorandum and to support the premium rates developed for Medica Insurance Company's (Medica's) individual Affordable Care Act (ACA) products, with an effective date of January 1, 2027. These products will be offered both on and off the individual insurance exchange in Missouri. This rate filing is not intended to be used for other purposes.

This memorandum reflects Medica's current assumptions and working knowledge of the ACA's regulatory framework as of May 29, 2026. If further information is shared that puts these assumptions at risk, Medica reserves the right to modify components of the rate filing submission.

Per Health and Human Services (HHS) instruction, issuers must upload two versions of the Part III Actuarial Memorandum. [REDACTED] For reference to the redacted version of the Part III, please see the corresponding supporting document.

Medica designates the information submitted by Medica through MPMS as exempt from disclosure under Exemption 4 of the HHS's Freedom of Information Act (FOIA), with the exception of the Part I URRT, Part II Consumer Justification, redacted Part III Actuarial Memorandum, and the Rate Template, which are required to be made public by law. Additionally, Medica designates the information submitted by Medica through SERFF as trade secret, with the exception of the Part I URRT, Part II Consumer Justification, redacted Part III Actuarial Memorandum, and the Rate Template, which are required to be made public by law.

2. General Information

Company Identifying Information

- Company Legal Name: Medica Insurance Company
- State: MO
- HIOS Issuer ID: 53461
- Market: Individual
- Effective Date: January 1, 2027
- SERFF Tracking Number: MEDI-134955680
- HIOS Tracking Number: N/A
- Prior Year SERFF Tracking Number: MEDI-134552491

Company Contact Information

- Primary Contact Name: [REDACTED]
- Primary Contact Telephone Number: [REDACTED]
- Primary Contact Email Address: [REDACTED]

Policy Form Numbers

The following policies will be offered both on and off the individual insurance exchange:

MO-PC-27-01

3. Proposed Rate Change

The proposed rate change for Medica's individual business rates effective January 1, 2027 is 25.61% over rates effective January 1, 2026. This rate increase reflects an estimate of the average increase that will be offered to current members based on March 2026 in-force business absent of rate changes due to attained age.

Reason for Rate Change(s)

The significant factors driving the proposed rate change primarily include:

- Updated actual experience [REDACTED]
- Anticipated medical trend, in both utilization and the cost of services [REDACTED]
- Market morbidity trend [REDACTED]

Additional Information

- Select plans include cost sharing modifications due to actuarial value compliance.
- The proposed benefit factor changes will result in rate changes that vary across plan designs.
- There are no changes to the EHBs between the experience and projection periods. Medica's plans do not include any benefits other than EHBs.
- Medica's rate change history is documented in Exhibit B.
- Medica is modifying its plan portfolio and the corresponding plan mapping as summarized in Exhibit J.
 - On January 1, 2027, Medica will terminate the following plans: Bronze \$0 Copay PCP Visits (all networks), Silver \$0 Copay PCP Visits (all networks), Gold \$0 Copay PCP Visits (all networks), Bronze Premier (all networks), and all plans on the Select product/network. These terminations will impact 8,726 policyholders and 12,251 insureds, who have been mapped to a corresponding plan within the same network and metal level, as seen in Exhibit J, as well as 343 policyholders and 592 insureds on the Select product/network who are on plans terminating with no replacement.
 - Medica has made the decision to terminate these plans to increase administrative efficiency, increase uniformity of benefit designs across varying geographies, and to simplify broker communication. While these benefits exist, there are also disadvantages, primarily the disruption caused to members when a plan they are enrolled on is terminated. [REDACTED]
 - For any members on plans that are being offered an alternative to their current plan, we have priced with the expectations that all current membership makes a seamless transition without loss of membership.
 - Medica has included new plans this year: Bronze Share, Silver HSA, and Gold HSA. All new plan options will be available across Medica's entire service area. The current service area is assumed to see similar membership as well as some current members shifting to these new plans, and a similar metal level distribution as the current enrollment.
 - The new plans that are being offered in PY 2027 have been built to aid in alignment of plan design offerings across Medica's operating footprint. Medica believes this simplification will result in administrative efficiency, while simplifying broker communication, limiting potential member confusion while providing additional consumer choice. Medica expects the inclusion of these new plans to be similarly attractive to the existing portfolio and expects to attract a similar membership mix to the existing portfolio. Medica has not directly modeled specific member projection uptake into the newly proposed plan designs.
- Medica rate compliance with the prescribed Induced Demand / Induced Utilization and CSR loading requirements as defined in Bulletin 25-01 are driving variable rate changes by plan design as more members are projected in 87% and 94% CSR plans than assumed in current rates.
- The projected average annual premium per member is \$11,633.50 which is calculated by multiplying 12 member months by the Premium PMPM of \$969.46 sourced from Worksheet 2, Section IV of the URRT. The underlying assumptions used to develop the projected average annual premium include, but are not limited to:
 - Updated actual experience

- Anticipated medical trend, in both utilization and the cost of services
- Market morbidity trend
- Non-benefit expenses, including changes to administrative expenses, taxes & fees, and profit margin
- Age, geographic, and tobacco calibrations

4. Market Experience

4.1 Experience Period Premium and Claims

Paid Through Date

The experience period for this filing is calendar year 2025. The paid through date is March 31, 2026.

Premiums in Experience Period

As shown in Worksheet 1, Section I of the URRT, the calendar year 2025 experience period includes \$119,385,554 of earned premium. Medica does not expect to pay medical loss ratio (MLR) rebates to policyholders for the base period.

Allowed and Incurred Claims Incurred During the Experience Period

As shown in Worksheet 1, Section I of the URRT, the calendar year 2025 experience period includes \$100,597,048 of incurred claims and \$124,749,190 of allowed claims.

All incurred and allowed claims are reported through Medica's claim system. Additional amounts are added to account for expected Risk Arrangement payouts in the experience period. Claims incurred but not paid (IBNP) as of March 31, 2026 for the calendar year 2025 experience period are estimated to be approximately 4.9% of total paid claims. Separate sets of completion factors are used for paid claims and allowed claims.

The Corporate Actuarial team calculates the IBNP and has provided the following summary:

Medica uses internal data sources to identify adjudicated claims paid in the current year and the two most recent historical years. This data contains claims reimbursed on a fee-for-service basis. A lag factor is applied to adjudicated claim amounts to arrive at a "best estimate" of incurred claims for each of the aforementioned years.

Standard methodologies have been used to develop the lag factors. For older lags (duration 5+), a pure completion method is used. This method derives a factor by selecting an appropriate averaging method using the most current claim triangles. For more recent durations (durations 1-4), both the completion and projection methods are used, along with a blending of these methods using the Bornhuetter-Ferguson (BF) technique. The projection method calculates a baseline PMPM using the average of historical, fully-credible incurred data. This baseline PMPM is then normalized for working days in the month, seasonality, and other adjustments that may affect incurred costs. PMPMs are trended to current costs using factors that vary by product. The lag factor is derived by selecting one of these three methods. The projection method is given greater weight in earlier development periods, while the lag factor and BF methods are given greater weight in later periods.

4.2 Benefit Categories

Utilization and cost information are categorized by benefit using Milliman's *Health Cost Guidelines*™ (HCGs) categories. Milliman's categories are assigned based on place and type of service using a detailed claims mapping algorithm summarized as follows:

- Inpatient Hospital (facility charges with an overnight stay)
- Outpatient Hospital (facility charges without an overnight stay)
- Professional (with units measured as a mix of visits, cases, procedures, etc.)
- Other Medical (with units measured as a mix of visits, cases, procedures, etc.)

- Capitation (not applicable)
- Prescription Drug (prescriptions not billed by a facility or professional)

4.3 Projection Factors

4.3.1 Trend Factors (Cost/Utilization)

The trend used to get from the experience period to the projection period is based on an un-leveraged prospective annual trend of 6.2%. The trend assumptions used in the projection are based on Medica's standard trend projection process. The trend assumptions do not include the impact of changes in demographics, benefit design, or morbidity.



4.3.2 Credibility Manual Rate Development

Not applicable. Medica is assuming the 2025 calendar year experience is fully credible.

Inclusion of Capitation Payments

There are no capitation payments assumed in the projection period.

4.3.3 Credibility of Experience

In accordance with *Actuarial Standards of Practice (ASOP) #25 – Credibility Procedures*, Medica's Missouri experience includes 198,201 member months and is assumed to be 100.0% credible for purposes of developing claim projections.

The methodology used determines the credibility factor as the square root of the ratio of the total number of member months over the 12-month experience period divided by 50,000. Within the context of this methodology, Medica considers experience with at least 50,000 member months to be fully credible.

4.3.4 Development of Projected Index Rate

Changes in Morbidity of the Population Insured

Medica is assuming a change in the population risk morbidity from the experience period to the projection period of 1.080. This adjustment reflects the anticipated change in claim costs outside the underlying demographics of the covered population. This change in morbidity is also assumed when estimating the risk adjustment transfer for the projection period. This is displayed in the Morbidity Adjustment in Worksheet 1, Section II of the URRT.

The assumption for the market morbidity change reflects several impacts to the ACA market. More specifically, market member attrition, macroeconomic impacts to market size, as well as the morbidity of Medica's current population were considered.

Changes in Benefits

Medica applied an adjustment to the experience period claims to account for projected changes in the average utilization of services due to differences in average cost sharing. A value of 1.000 is included in the Plan Design Changes in Worksheet 1, Section II of the URRT.

Changes in Demographics

A demographic adjustment of 1.017 was applied to the experience period claims to account for the projected changes in the age, geographic region, and network mix of the underlying experience data. This is included in the Demographic Shift in Worksheet 1, Section II of the URRT.

Other Adjustments

An adjustment of 1.011 is included in Other in Worksheet 1, Section II of the URRT. [REDACTED]

4.3.5 Development of Market-wide Adjusted Index Rate

Experience Period Risk Adjustment and Reinsurance Adjustments PMPM

Medica's estimated risk adjustment transfer for the experience period is a net payable of \$132.99 PMPM. This amount is included in Worksheet 2, Section II of the URRT.

Medica does not have any private, non-governmental reinsurance in place for this business in the experience period.

Projection Period Risk Adjustment and Reinsurance Adjustments PMPM

Medica projects a risk adjustment transfer payment of \$183.62 PMPM. This includes an assumed [REDACTED] to the High Cost Risk Pool reinsurance program. The material assumptions that impacted this estimate include the level of Medica's morbidity, the level of market morbidity, and the state average premium. Any resulting risk adjustment transfer payments are allocated proportionally across all plans in Medica's individual market single risk pool.

The risk adjustment user fee of \$0.18 PMPM is reflected in the Taxes and Fees of Worksheet 2, Section III of the URRT.

Medica does not have any private, non-governmental reinsurance in place for this business in the projection period.

Exchange User Fees

Medica assumes that on-exchange premiums will be 98.8% of total premiums. The exchange user fee of 1.90% is multiplied by the portion of premiums on-exchange, yielding 1.88% which is spread across the entire single risk pool as required by regulation.

Table 4.3.5		
Exchange User Fee, Allowed Basis		
Exchange User Fee Percentage	(A)	1.88%
Estimated 2027 Premium PMPM	(B)	\$969.46
Projected Allowed PMPM, incl Risk Adj	(C)	\$1,017.22
Projected Net to Allowed	(D)	0.8036
Allowed PMPM value of Exchange User Fee	(E) = (A x B) / (D)	\$22.65
Exchange User Fee in Allowed Dollars	(F) = 1 - [(C) / (C + E)]	2.18%

Please note that the PMPM value of the Exchange User Fee (E) in the above table will be slightly different than Table 4.4b below, which requires the fee to be divided by the Net to Allowed. The value in Table 4.3.5 is calculated from an overall Premium PMPM before specific premium values are attached to enrollment at a rate cell level while the above value uses the final Premium PMPM from the URRT, Worksheet 2. This results in a slight difference in the base Premium PMPM from the impact of deriving the specific rate cell premiums, then summarizing them back to a total value.

4.4 Non-Benefit Expenses and Profit & Risk

Administrative Expense Load

The components of the administrative expense load as shown in Worksheet 2, Section III of the URRT are summarized in Table 4.4a.

Table 4.4a Summary of Administrative Expenses		
Description	PMPM	% of Premium
Corporate Administration		
Customer Svc/Acct Installation		
IT Expenses		
Clinical & Network Svcs		
Customer Acquisition including Broker Commissions		
HCQI		
Total	\$84.80	8.75%

Medica's administrative expense load includes general administration, commissions paid to brokers and agents, and Health Care Quality Improvements (HCQI). Medica allocates administrative expenses by product, state and legal entity. Base fees paid to third party administrators on a PMPM basis are charged directly to the appropriate product. With the exception of regulatory costs and Medica Health Management (MHM) costs, the remaining administrative expenses are allocated to the market business segments to determine a PMPM. Regulatory costs are charged directly to the appropriate entity. MHM costs are captured in specific cost centers which are charged directly to MHM. The support cost centers (Human Resources, Facilities and a portion of IT and General Administration) are allocated to each of the other cost centers. Medica's Corporate Finance staff meets periodically with a representative of each cost center to review the allocation method.

Contribution to Surplus and Risk Margin

The targeted risk margin after federal income taxes is 2.37% applied proportionally to all plans. Medica feels that there is sufficient capital assets and margin in other states and products to support this.

Taxes and Fees

Table 4.4b summarizes the components of the taxes and fees shown in Worksheet 2, Section III of the URRT.

Table 4.4b Summary of Taxes and Fees		
Description	PMPM	% of Premium
State Premium Tax	\$19.39	2.00%
Health Insurer Fee	\$0.00	0.00%
PCORI Fee	\$0.35	0.04%
Exchange User Fee	\$18.20	1.88%
Risk Adjustment Fee	\$0.18	0.02%
Federal Income Tax	\$6.11	0.63%
Total	\$44.23	4.56%

The Exchange User Fee is reflected in the above table, but is not included in the Taxes and Fees total in the URRT as it is already built into the Market Adjusted Index Rate per Section 6.3.

4.5 Paid-to-Allowed Ratio

Exhibit C details the paid-to-allowed ratio by plan design and is consistent with the membership projections in Worksheet 2, Section IV of the URRT.

5. Projected Loss Ratio

The projected MLR for Medica based on the federally prescribed methodology is [REDACTED]. The numerator of the projected MLR contains projected claim costs and HCQI expenses net of receipts from the risk adjustment program. The denominator consists of total premiums net of premium taxes, income tax, and regulatory fees. Please note that the MLR presented here does not capture all adjustments, including multi-year averaging, credibility, and deductible.

Exhibit D provides a summary of the components included in the MLR projection.

6. Application of Market Reform Rating Rules

6.1 Single Risk Pool

This filing, including the URRT, complies with the single risk pool requirements documented in 45 CFR Part 156, §156.80(d). The experience period data is based on all Medica individual market policies in Missouri. The projection period reflects all projected covered lives for every non-grandfathered product/plan combination for Medica in the Missouri individual market.

6.2 Index Rate

Experience Period

As shown in Worksheet 1, Section II of the URRT, the index rate for the experience period is \$629.41. The experience period index rate reflects the estimated total combined allowed EHB claims experience PMPM in the single risk pool, and is not adjusted for payments and charges under the risk adjustment and reinsurance programs, nor for marketplace user fees.

Projection Period

The index rate, defined as the anticipated EHB portion of projected allowed claims with respect to trend, benefit, and demographics, divided by all projected single risk pool lives, is \$789.24.

6.3 Market-Adjusted Index Rate

The market-adjusted index rate is calculated as the sum of the projection period index rate, the net impact of the risk adjustment program, and the exchange user fees. Table 6.3a details the projection period index rate, allowable market-wide modifiers as defined in 45 CFR Part 156, §156.80(d)(1), and the resulting market-adjusted index rate.

Table 6.3a Market-Adjusted Index Rate	
Description	PMPM
Projection Period Index Rate	\$789.24
Net Impact of the Risk Adjustment Program	\$228.49
Net Impact of State Reinsurance Program	\$0.00
Exchange User Fee Adjustment	\$22.68
Market-Adjusted Index Rate	\$1,040.41

The adjustments in Table 6.3a reflect all of the market-wide modifiers allowed in federal regulation and the average demographic characteristics of the single risk pool. Please note the allowable market-wide modifiers were adjusted to an allowed basis in the development of the market-adjusted index rate which is consistent with the basis of the projected index rate.

6.4 Plan-Adjusted Index Rates

Exhibit E summarizes the plan-adjusted index rates, developed as the market-adjusted index rate further adjusted for all the allowable plan-level modifiers defined in 45 CFR Part 156, §156.80(d)(2).

The allowable modifiers as described in 45 CFR Part 156, §156.80(d)(2) are the following:

- Actuarial value and cost-sharing design of the plan,
- Plan's provider network and delivery system characteristics, as well as utilization management practices,
- Plan benefits in addition to the EHBs,
- Administrative costs, excluding exchange user fees, and

AV and Cost-Sharing Adjustment

Each plan's AV and cost-sharing adjustment includes a benefit factor adjustment and an adjustment to account for the expected impact of each plan's cost sharing amounts on the member's utilization of services. Medica's internal benefit factor model, which uses a single continuance table for all plans, was used to estimate how members purchase services differently based on the amount of plan-specific cost sharing. By utilizing a single continuance table, the model's adjustments assume the same demographic and risk characteristics for each plan priced and therefore exclude expected differences in the health status of members assumed to select the plan.

The benefit induced utilization factors are determined using the methodology specified in Bulletin 25-01, which utilizes the AV Metal Value for each plan, as shown in the Benefit Induced Utilization Renormalization table in Exhibit I.

Adjustment for Benefits in Addition to the EHBs

Medica's plans do not include any benefits other than EHBs (neither supplemental benefits nor state mandates eligible for state reimbursement).

Plan's Provider Network and Delivery System Characteristics

Network adjustments are developed based on an analysis of variation in cost by provider network. The adjustments are developed by analyzing the cost variation among providers in the care system networks. The analysis uses provider cost relativities and actual network experience when available, adjusted for population demographics. Additionally, network-specific discounts are applied to the cost relativities, where applicable.

Exhibit F provides a summary of the proposed provider network adjustments applied to the plan-adjusted index rates.

Expected Impact of the Specific Eligibility Categories for the Catastrophic Plan

Not applicable. Medica did not offer catastrophic plans in PY2026 and is not offering them for PY2027.

6.5 Calibration

A single calibration adjustment is applied uniformly to all plans. The market-wide calibration factor is 0.578. Detailed support of the calibration factor is provided in Exhibit H. Due to having a different membership distribution than was assumed in the prior filing, both the average age factor and average tobacco factor changed.

Age Curve Calibration

The average age factor used in the calibration process is 1.713, resulting in an age calibration factor of 0.584 as displayed in Worksheet 2, Section III of the URRT. This was determined by applying the standard age curve established by HHS to

the projected member distribution by age, with an adjustment for the maximum of three child dependents under the age of 21.

Under this methodology, the approximate average age rounded to a whole number associated to the single risk pool average age factor is 49.

Geographic Factor Calibration

The average geographic rating factor is 1.004, resulting in a geographic calibration factor of 0.996 as displayed in Worksheet 2, Section III of the URRT.

Exhibit G provides a summary of the proposed geographic rating factors applied to the plan-adjusted index rates.

The geographic rating factors were developed using assumed differences in provider cost levels by rating area. Because Medica has no Missouri-specific experience data for use in developing geographic rating factors, the proposed factors reflect known differences in contracted rates with providers in those areas.

Tobacco Factor Calibration

The average tobacco rating factor used in the calibration process is 1.005, resulting in a tobacco calibration factor of 0.995 as displayed in Worksheet 2, Section III of the URRT. A tobacco load is applied to adult tobacco users age 21 and older.

6.6 Consumer-Adjusted Premium Rate Development

Medica derives consumer-adjusted premium rates by calibrating the plan-adjusted index rate and applying the rating factors specified by 45 CFR Part 147, §147.102. See Exhibit A for the proposed rate manual and sample rate calculation.

7. Plan Product Information

7.1 AV Metal Values

For all plans described below, the AV metal levels were developed using only the federal AV calculator. Medica does not believe any of these plans require an alternative methodology.

AV Pricing Values

Exhibit I provides a summary of the AV pricing values by plan as displayed in Worksheet 2, Section II of the URRT and a breakdown of the components attributable to each of the allowable modifiers to the index rate as described in 45 CFR Part 156, §156.80(d)(2).

7.2 Membership Projections

Medica projected membership as displayed in Worksheet 2, Section IV of the URRT by considering the size of the projected Missouri individual market in the current year and an assumed penetration rate of this market.

For silver level plans in the individual market, an estimate was made for the portion of projected enrollment that will be eligible for cost sharing reduction (CSR) subsidies at each subsidy level. Table 7.2a displays the distribution and projected members for all the silver plans, including the alternative silver plans which CSR eligible members can purchase.

Table 7.2 Distribution of Membership Across Silver Metal Tier		
Silver Metal Tier	Membership Distribution	Membership
Standard		
94% AV Level Silver Plan		
87% AV Level Silver Plan		
73% AV Level Silver Plan		
Limited Cost Sharing		
Zero Cost Sharing		
Total	100.00%	1,913

7.3 Terminated Products

Exhibit J summarizes any discontinued plans that were included in the single risk pool during the experience period or made available thereafter and the corresponding mapped plans.

7.4 Plan Type

Not Applicable. The plan types listed in Worksheet 2, Section I of the URRT appropriately describe Medica’s plans.

None of the filed plans have a “joint” status as defined in the CMS instructions.

7.5 Warning Alerts

All warning alerts are related to plans that terminated after the experience period, and thus have no current period enrollment or premium.

8. Miscellaneous Instructions

8.1 Effective Rate Review Information

Description of the Location of In-Network Providers

All counties within Medica’s service area will contain at least one participating provider, although not necessarily for all specialties. NCQA network adequacy guidelines are followed for all counties within our service area.

Intent Regarding Revised Federal Interpretation of Guaranteed Availability per §147.104

Medica’s intent is to apply the member’s premium payment to the earliest balance due unless the member specifically requests to do otherwise.

8.2 CSR Payment and Recoveries in the Experience and Projection Periods

Federal CSR Payments

The federal government did not pay CSR subsidies in the experience period, and we do not expect them to be paid in the projection period. All plans in the URRT show a \$0 Federal CSR payment for the experience and projection periods.

Issuer CSR Payments



In aggregate, Medica approximates that it paid \$3,900,197 in excess cost sharing beyond the standard cost sharing for members in CSR variant plans.

For the projection period, Medica assumes that the issuer CSR payments, equal to the CSR recovery payments, less anticipated state premium tax, federal income tax, exchange user fees, and risk margin, will be \$3,610,123 as shown in URRT Worksheet 2, line 4.6.

Recoveries from CSR Load

For the experience period, CSR loads were applied uniformly to all on-exchange silver plans as a percent of premium. The percent of premium silver load was 17.4%. The actual amount recovered as a result of this load across the entire block is \$3,715,402, as shown in URRT Worksheet 2, Line 2.7.

For the projection period, CSR loads will be applied uniformly to all on-exchange Silver plans as a percent of premium. The percent of premium CSR load is estimated at 18.3%. The estimated recovery as a result of this load across the entire block is \$3,876,733, as shown in URRT Worksheet 2, Line 4.7.

8.3 Reliance

Below contains processes, assumptions and models I have relied upon in the development of premium pricing and filing assumptions. I have reviewed results for reasonableness, but have not performed data audits.

Actuarial Services staff not under my direct supervision:

- Compilation of experience data and development of IBNP
- Trend projections

Corporate Finance staff not under my direct supervision:

- Administrative cost assumptions
- Applicable federal and state income tax rates
- HCQI expense expectation as used in the MLR calculation

Product staff not under my direct supervision:

- Development and implementation of plan-specific cost sharing levers

Network Management staff not under my direct supervision:

- Assumed provider network reimbursement contracts will be finalized at the levels projected

Consultant and other public data sources:

- Experience period risk adjustment estimates
- CMS Open Enrollment Public Use Files

8.4 Actuarial Certification

I, [REDACTED], I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

I hereby certify that the projected index rate is, to the best of my knowledge and understanding:

- In compliance with all applicable state and federal statutes and regulations (45 CFR 156.80 and 147.102),
- Developed in compliance with the applicable Actuarial Standards of Practice,
- Reasonable in relation to the benefits provided and the population anticipated to be covered, and
- Neither excessive nor deficient.

I further certify that:

- 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,
- The geographic rating factors reflect only differences in the costs of delivery and do not include differences for population morbidity by geographic area, and
- The AV calculator was used to determine the AV metal values shown in Worksheet 2 of the Part I URRT for all plans except as noted in Section 7.
- The rate factors in this filing correspond to and are supported by the variability in the approved policy forms.

The Part I URRT does not demonstrate the process used to develop proposed premium rates. It is representative of information required by federal regulation to be provided in support of the review of rate increases, for certification of qualified health plans for federally facilitated exchanges and for certification that the index rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

[REDACTED]

[REDACTED]
Fellow, Society of Actuaries
Member, American Academy of Actuaries
Medica

[REDACTED]
July 8, 2026

Exhibit A

Rate Manual

Sample Rate Calculation			
<u>Rate Formula:</u>			
= Plan-Adjusted Index Rate x Age Factor x Geographic Factor x Tobacco Factor x Calibration Factor			
<u>Sample Member Information:</u>	<u>Description</u>	<u>Factor</u>	<u>Source</u>
	Balance by Medica Bronze Share	\$847.66	Table 1
	27-year-old	1.048	Table 2
	Rating Area 8	0.904	Table 3
	Smoker		Table 4
	Calibration Factor	0.578	Table 5
<u>Sample Rate Calculation:</u>			
= \$847.66 x 1.048 x 0.904 x x 0.578 =			

Exhibit A (continued)

Rate Manual

Table 1 - Plan-Adjusted Index Rates and Actuarial Values

Plan Name	HIOS Plan ID	Metal Level	Actuarial Value	Plan-Adjusted Index Rate
Medica with MU Health Care Gold Standard Copay	53461MO0070055	Gold	0.780	\$1,030.82
Medica with MU Health Care Silver Standard Copay	53461MO0070057	Silver	0.700	\$1,102.27
Medica with MU Health Care Bronze Standard Copay	53461MO0070073	Bronze	0.619	\$849.54
Medica with MU Health Care Gold Share	53461MO0070074	Gold	0.780	\$1,030.22
Medica with MU Health Care Silver Share	53461MO0070075	Silver	0.700	\$1,105.92
Medica with MU Health Care Bronze Share	53461MO0070076	Bronze	0.580	\$800.38
Medica with MU Health Care Gold HSA	53461MO0070077	Gold	0.781	\$1,042.65
Medica with MU Health Care Silver HSA	53461MO0070078	Silver	0.701	\$1,118.28
Balance by Medica Gold Standard Copay	53461MO0080055	Gold	0.780	\$1,091.71
Balance by Medica Silver Standard Copay	53461MO0080057	Silver	0.700	\$1,167.38
Balance by Medica Bronze Standard Copay	53461MO0080073	Bronze	0.619	\$899.72
Balance by Medica Gold Share	53461MO0080074	Gold	0.780	\$1,091.08
Balance by Medica Silver Share	53461MO0080075	Silver	0.700	\$1,171.25
Balance by Medica Bronze Share	53461MO0080076	Bronze	0.580	\$847.66
Balance by Medica Gold HSA	53461MO0080077	Gold	0.781	\$1,104.23
Balance by Medica Silver HSA	53461MO0080078	Silver	0.701	\$1,184.34

Exhibit A (continued)

Rate Manual

Table 2 - Age	
Age	Factor
0-14	0.765
15	0.833
16	0.859
17	0.885
18	0.913
19	0.941
20	0.970
21	1.000
22	1.000
23	1.000
24	1.000
25	1.004
26	1.024
27	1.048
28	1.087
29	1.119
30	1.135
31	1.159
32	1.183
33	1.198
34	1.214
35	1.222
36	1.230
37	1.238
38	1.246
39	1.262
40	1.278
41	1.302
42	1.325
43	1.357
44	1.397
45	1.444
46	1.500
47	1.563
48	1.635
49	1.706
50	1.786
51	1.865
52	1.952
53	2.040
54	2.135
55	2.230
56	2.333
57	2.437
58	2.548
59	2.603
60	2.714
61	2.810
62	2.873
63	2.952
64+	3.000

Table 3 - Geographic	
Rating Area	Area Factor
Rating Area 4	1.209
Rating Area 5	1.151
Rating Area 6	0.892
Rating Area 7	1.021
Rating Area 8	0.904
Rating Area 9	1.002

Table 4 - Tobacco	
Tobacco Factor	

Table 5 - Calibration	
Calibration Factor	
	0.5784

Exhibit B

Rate Change, Membership, and Loss Ratio History

Missouri			
Plan Year[1]	Rate Change	Member Months	Loss Ratio[1]
2020	2.8%	36,581	78.7%
2021	-6.2%	232,595	110.9%
2022	8.5%	235,972	97.3%
2023	17.7%	147,957	79.8%
2024	-0.2%	147,644	106.6%
2025	-5.5%	198,201	108.1%

[1] Loss ratio is defined as incurred claims (which is inclusive of paid claims, reinsurance, Rx Rebates, etc) over revenue (includes premium and risk adjustment).

Nationwide			
Plan Year[1]	Rate Change	Member Months	Loss Ratio[1]
2020			
2021			
2022			
2023			
2024			
2025			

[1] Loss ratio is defined as incurred claims (which is inclusive of paid claims, reinsurance, Rx Rebates, etc) over revenue (includes premium and risk adjustment).

Exhibit C

Paid-to-Allowed Ratio

Paid-to-Allowed Average Factor				
Plan	Projected Member Months	Allowed Claims PMPM ^[1]	Paid Claims PMPM ^[1]	Paid / Allowed
Medica with MU Health Care Gold Standard Copay	10,980	\$791.21	\$673.61	0.851
Medica with MU Health Care Silver Standard Copay	10,296	\$762.87	\$720.30	0.944
Medica with MU Health Care Bronze Standard Copay	18,396	\$743.56	\$555.15	0.747
Medica with MU Health Care Gold Share	3,672	\$791.31	\$673.22	0.851
Medica with MU Health Care Silver Share	3,528	\$762.89	\$722.69	0.947
Medica with MU Health Care Bronze Share	5,772	\$737.90	\$523.03	0.709
Medica with MU Health Care Gold HSA	12	\$791.48	\$681.34	0.861
Medica with MU Health Care Silver HSA	12	\$762.96	\$730.76	0.958
Balance by Medica Gold Standard Copay	22,584	\$837.94	\$713.40	0.851
Balance by Medica Silver Standard Copay	6,912	\$807.93	\$762.84	0.944
Balance by Medica Bronze Standard Copay	41,364	\$787.48	\$587.94	0.747
Balance by Medica Gold Share	6,804	\$838.05	\$712.99	0.851
Balance by Medica Silver Share	1,440	\$807.95	\$765.37	0.947
Balance by Medica Bronze Share	15,264	\$781.48	\$553.92	0.709
Balance by Medica Gold HSA	12	\$838.23	\$721.58	0.861
Balance by Medica Silver HSA	12	\$808.02	\$773.93	0.958
Total	147,060	\$788.74	\$633.84	0.804

[1] Before risk adjustment.

Exhibit D

Medical Loss Ratio (MLR)

Projected MLR for 2027		
Inurred Claims	\$633.84	A
Risk Adjustment	\$183.62	B
Reinsurance	\$0.00	C
HCQI		D
MLR Numerator		$E = A + B + C + D$
Revenue	\$969.46	F
Exchange Fees	\$18.20	G
ACA Health Insurer Fees	\$0.00	H
Federal PCORI Fees	\$0.35	I
Risk Adjustment Fees	\$0.18	J
State Premium Tax	\$19.39	K
Federal Income Tax	\$6.11	L
MLR Denominator	\$925.23	$M = F - G - H - I - J - K - L$
Projected MLR		$N = E / M$

Exhibit E

Plan-Adjusted Index Rates

Market-Adjusted Index Rates, AV Pricing Values, and Plan-Adjusted Index Rates					
Plan Name	HIOS Plan ID	Metal Level	Market-Adjusted Index Rate	Actuarial Value	Plan-Adjusted Index Rate
Medica with MU Health Care Gold Standard Copay	53461M00070055	Gold	\$1,040.41	0.991	\$1,030.82
Medica with MU Health Care Silver Standard Copay	53461M00070057	Silver	\$1,040.41	1.059	\$1,102.27
Medica with MU Health Care Bronze Standard Copay	53461M00070073	Bronze	\$1,040.41	0.817	\$849.54
Medica with MU Health Care Gold Share	53461M00070074	Gold	\$1,040.41	0.990	\$1,030.22
Medica with MU Health Care Silver Share	53461M00070075	Silver	\$1,040.41	1.063	\$1,105.92
Medica with MU Health Care Bronze Share	53461M00070076	Bronze	\$1,040.41	0.769	\$800.38
Medica with MU Health Care Gold HSA	53461M00070077	Gold	\$1,040.41	1.002	\$1,042.65
Medica with MU Health Care Silver HSA	53461M00070078	Silver	\$1,040.41	1.075	\$1,118.28
Balance by Medica Gold Standard Copay	53461M00080055	Gold	\$1,040.41	1.049	\$1,091.71
Balance by Medica Silver Standard Copay	53461M00080057	Silver	\$1,040.41	1.122	\$1,167.38
Balance by Medica Bronze Standard Copay	53461M00080073	Bronze	\$1,040.41	0.865	\$899.72
Balance by Medica Gold Share	53461M00080074	Gold	\$1,040.41	1.049	\$1,091.08
Balance by Medica Silver Share	53461M00080075	Silver	\$1,040.41	1.126	\$1,171.25
Balance by Medica Bronze Share	53461M00080076	Bronze	\$1,040.41	0.815	\$847.66
Balance by Medica Gold HSA	53461M00080077	Gold	\$1,040.41	1.061	\$1,104.23
Balance by Medica Silver HSA	53461M00080078	Silver	\$1,040.41	1.138	\$1,184.34

Exhibit F

Provider Network Adjustments

Network	Member Distribution	Current Adjustment	Proposed Adjustment
Select by Medica	0.0%	1.155	n/a
Medica with MU Health Care	35.8%	0.910	0.963
Balance by Medica	64.2%	1.021	1.020
Total	100.0%	0.981	1.000

Exhibit G

Geographic Rating Factors

Rating Area	Member Distribution	Current Adjustment	Proposed Adjustment
Rating Area 4	█	1.208	1.209
Rating Area 5	█	1.150	1.151
Rating Area 6	█	0.886	0.892
Rating Area 7	█	0.992	1.021
Rating Area 8	█	0.915	0.904
Rating Area 9	█	1.011	1.002
Total	100.0%	1.007	1.004

Exhibit H

Calibration Development

Age Calibration		
Age	Member Distribution	Age Factor
0-14		0.765
15		0.833
16		0.859
17		0.885
18		0.913
19		0.941
20		0.970
21		1.000
22		1.000
23		1.000
24		1.000
25		1.004
26		1.024
27		1.048
28		1.087
29		1.119
30		1.135
31		1.159
32		1.183
33		1.198
34		1.214
35		1.222
36		1.230
37		1.238
38		1.246
39		1.262
40		1.278
41		1.302
42		1.325
43		1.357
44		1.397
45		1.444
46		1.500
47		1.563
48		1.635
49		1.706
50		1.786
51		1.865
52		1.952
53		2.040
54		2.135
55		2.230
56		2.333
57		2.437
58		2.548
59		2.603
60		2.714
61		2.810
62		2.873
63		2.952
64+		3.000
Average	100.0%	1.713

Geographic Calibration		
Rating Area	Member Distribution	Area Factor
Rating Area 4		1.209
Rating Area 5		1.151
Rating Area 6		0.892
Rating Area 7		1.021
Rating Area 8		0.904
Rating Area 9		1.002
Total	100.0%	1.004

Tobacco Factor Calibration		
Smoking Status	Member Distribution	Tobacco Factor
Yes		
No		
Average	100.0%	1.0048

Exhibit I

AV Pricing Values

Plan Name	HIOS Plan ID	Metal Level	AV/Cost-Sharing Adjustment	CSR Load	Benefit Induced Utilization	Provider Network	EHB Adjustment	Catastrophic Eligibility	Administrative Costs	AV Pricing Value
			A	B	C	D	E	F	G	H
Medica with MU Health Care Gold Standard Copay	53461M00070055	Gold	■	1.000	■	0.964	1.000	1.000	1.160	0.991
Medica with MU Health Care Silver Standard Copay	53461M00070057	Silver	■	1.183	■	0.964	1.000	1.000	1.160	1.059
Medica with MU Health Care Bronze Standard Copay	53461M00070073	Bronze	■	1.000	■	0.964	1.000	1.000	1.160	0.817
Medica with MU Health Care Gold Share	53461M00070074	Gold	■	1.000	■	0.964	1.000	1.000	1.160	0.990
Medica with MU Health Care Silver Share	53461M00070075	Silver	■	1.183	■	0.964	1.000	1.000	1.160	1.063
Medica with MU Health Care Bronze Share	53461M00070076	Bronze	■	1.000	■	0.964	1.000	1.000	1.160	0.769
Medica with MU Health Care Gold HSA	53461M00070077	Gold	■	1.000	■	0.964	1.000	1.000	1.160	1.002
Medica with MU Health Care Silver HSA	53461M00070078	Silver	■	1.183	■	0.964	1.000	1.000	1.160	1.075
Balance by Medica Gold Standard Copay	53461M00080055	Gold	■	1.000	■	1.020	1.000	1.000	1.160	1.049
Balance by Medica Silver Standard Copay	53461M00080057	Silver	■	1.183	■	1.020	1.000	1.000	1.160	1.122
Balance by Medica Bronze Standard Copay	53461M00080073	Bronze	■	1.000	■	1.020	1.000	1.000	1.160	0.865
Balance by Medica Gold Share	53461M00080074	Gold	■	1.000	■	1.020	1.000	1.000	1.160	1.049
Balance by Medica Silver Share	53461M00080075	Silver	■	1.183	■	1.020	1.000	1.000	1.160	1.126
Balance by Medica Bronze Share	53461M00080076	Bronze	■	1.000	■	1.020	1.000	1.000	1.160	0.815
Balance by Medica Gold HSA	53461M00080077	Gold	■	1.000	■	1.020	1.000	1.000	1.160	1.061
Balance by Medica Silver HSA	53461M00080078	Silver	■	1.183	■	1.020	1.000	1.000	1.160	1.138

Exhibit I (cont.)

Benefit Induced Utilization Renormalization

Plan Name	HIOS Plan ID	Metal Level	AV Metal Level	State Mandated Induced Utilization	Induced Utilization Renormalization	Benefit Induced Utilization Renormalized
			<i>A</i>	$B = 1.24 \cdot A + A^2$	<i>C</i>	$D = B \cdot C$
Medica with MU Health Care Gold Standard Copay	53461M00070055	Gold	0.780	1.068		
Medica with MU Health Care Silver Standard Copay	53461M00070057	Silver	0.700	1.030		
Medica with MU Health Care Bronze Standard Copay	53461M00070073	Bronze	0.619	1.004		
Medica with MU Health Care Gold Share	53461M00070074	Gold	0.780	1.069		
Medica with MU Health Care Silver Share	53461M00070075	Silver	0.700	1.030		
Medica with MU Health Care Bronze Share	53461M00070076	Bronze	0.580	0.996		
Medica with MU Health Care Gold HSA	53461M00070077	Gold	0.781	1.069		
Medica with MU Health Care Silver HSA	53461M00070078	Silver	0.701	1.030		
Balance by Medica Gold Standard Copay	53461M00080055	Gold	0.780	1.068		
Balance by Medica Silver Standard Copay	53461M00080057	Silver	0.700	1.030		
Balance by Medica Bronze Standard Copay	53461M00080073	Bronze	0.619	1.004		
Balance by Medica Gold Share	53461M00080074	Gold	0.780	1.069		
Balance by Medica Silver Share	53461M00080075	Silver	0.700	1.030		
Balance by Medica Bronze Share	53461M00080076	Bronze	0.580	0.996		
Balance by Medica Gold HSA	53461M00080077	Gold	0.781	1.069		
Balance by Medica Silver HSA	53461M00080078	Silver	0.701	1.030		

Note: Induced Utilization Normalization adjusts the State Mandated Induced Utilization values uniformly to result in a 1.000 overall induced utilization.

Exhibit I (cont.) CSR Load Exhibit

Plan Type	Market Members	Medica Members	Allowed Plan Factor	Standard Plan N2A	Plan Variation N2A	CSR Plan Variation Multiplier	Allowed PMPM	Projected CSR Payment	Standard Silver Plan	CSR Load
Silver Standard										
73% Cost Sharing										
87% Cost Sharing										
94% Cost Sharing										
Total										18.3%

Exhibit J

Terminated Plan Cross-Walk

Terminated Plan Name	Terminated HIOS ID	Mapped Plan Name	Mapped HIOS ID
<i>Plans offered during the 2025 plan year and terminated prior to the 2026 plan year.</i>			
Select by Medica Catastrophic	53461M00010013		
Medica with MU Health Care Catastrophic	53461M00070013		
Balance by Medica Catastrophic	53461M00080013		
<i>Plans offered during the 2026 plan year and terminated prior to the 2027 plan year.</i>			
Select by Medica Gold Standard	53461M00010055		
Select by Medica Silver Standard	53461M00010057		
Select by Medica Expanded Bronze Standard	53461M00010073		
Select by Medica Gold \$0 Copay PCP Visits	53461M00010045		
Select by Medica Silver \$0 Copay PCP Visits	53461M00010047		
Select by Medica Bronze \$0 Copay PCP Visits	53461M00010041		
Select by Medica Gold Share	53461M00010074		
Select by Medica Silver Share	53461M00010075		
Select by Medica Bronze Share	53461M00010029		
Medica with MU Health Care Gold \$0 Copay PCP Visits	53461M00070045	Medica with MU Health Care Gold Standard Copay	53461M00070055
Medica with MU Health Care Silver \$0 Copay PCP Visits	53461M00070047	Medica with MU Health Care Silver Standard Copay	53461M00070057
Medica with MU Health Care Bronze \$0 Copay PCP Visits	53461M00070041	Medica with MU Health Care Bronze Standard Copay	53461M00070073
Medica with MU Health Care Bronze Premier	53461M00070051	Medica with MU Health Care Bronze Share	53461M00070076
Balance by Medica Gold \$0 Copay PCP Visits	53461M00080045	Balance by Medica Gold Standard Copay	53461M00080055
Balance by Medica Silver \$0 Copay PCP Visits	53461M00080047	Balance by Medica Silver Standard Copay	53461M00080057
Balance by Medica Bronze \$0 Copay PCP Visits	53461M00080041	Balance by Medica Bronze Standard Copay	53461M00080073
Balance by Medica Bronze Premier	53461M00080051	Balance by Medica Bronze Share	53461M00080076

Exhibit K

Assumed Premium Allocation

Premium Allocation for 2027	
Incurred Claims	86.20%
Claims Reserves	0.00%
Issue Age Reserves	0.00%
Administrative Costs Other than Commissions	7.07%
Weighted Commissions	1.68%
Premium Tax	2.00%
Any other Taxes and Fees	0.68%
Profit Margin	2.37%
Contingency Margin	0.00%
Total	100.00%

Exhibit L

Form Filing Information by Plan ID

Plan Name	HIOS ID	Form Filing Number	SERFF Tracking Number (Rate)	SERFF Tracking Number (Form)
Medica with MU Health Care Gold Standard Copay	53461MO0070055	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Medica with MU Health Care Silver Standard Copay	53461MO0070057	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Medica with MU Health Care Bronze Standard Copay	53461MO0070073	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Medica with MU Health Care Gold Share	53461MO0070074	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Medica with MU Health Care Silver Share	53461MO0070075	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Medica with MU Health Care Bronze Share	53461MO0070076	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Medica with MU Health Care Gold HSA	53461MO0070077	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Medica with MU Health Care Silver HSA	53461MO0070078	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Balance by Medica Gold Standard Copay	53461MO0080055	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Balance by Medica Silver Standard Copay	53461MO0080057	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Balance by Medica Bronze Standard Copay	53461MO0080073	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Balance by Medica Gold Share	53461MO0080074	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Balance by Medica Silver Share	53461MO0080075	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Balance by Medica Bronze Share	53461MO0080076	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Balance by Medica Gold HSA	53461MO0080077	MO-PC-27-01	MEDI-134955680	MEDI-134917160
Balance by Medica Silver HSA	53461MO0080078	MO-PC-27-01	MEDI-134955680	MEDI-134917160

Exhibit M

History of MLR Rebates

Missouri					
Plan Year	Total MLR Rebate Dollars Paid	Policyholders Receiving an MLR Rebate	Average MLR Rebate per Policyholder	Rebates for Policyholders Unable to Locate	Invest Income on Retained Rebates
2019	\$0	0	\$0	\$0	\$0
2020	\$0	0	\$0	\$0	\$0
2021	\$0	0	\$0	\$0	\$0
2022	\$0	0	\$0	\$0	\$0
2024	\$0	0	\$0	\$0	\$0
2025	\$0	0	\$0	\$0	\$0
2026	\$0	0	\$0	\$0	\$0

Exhibit N

Individual In-Force Coverage

Population	March 2026 Subscribers	March 2026 Membership
Missouri		12,843

Exhibit O

Historical Trend

Year	Assumed Trend	Actual Trend
2023	5.4%	
2024	2.6%	
2025	5.3%	

Note: Please note that assumed trends are exclusive of changes in demographics, changes in network/provider contracts, and changes in morbidity, while actual trends represent observed changes in allowed claims which are net of actual changes to demographics, provider contracts, member morbidity, and member plan selection.