

Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc.
Market: Virginia Individual
2026 Rate Filing
Rate Effective January 1, 2026 - December 31, 2026
Part II - Written Explanation of Rate Increase

Scope and Range of the Rate Increase

The filed overall average premium rate change for January 1, 2026, is 11.6%. We have estimated that premium rate changes by member, for those enrolled as of Feb 2025, will range between 6.4% and 16.4%. This includes the impact of benefit and cost sharing changes, medical inflation, changes in the morbidity of the risk pool and impacts from regulatory changes where applicable.

This average premium rate change does not indicate that every member's rate will change by this amount. Premium rates are affected by the ages of those covered, family coverage and the benefit plan chosen.

Summary of Historical Experience

Financial results for the experience period of January 1, 2024 to December 31, 2024 are:

Member Months	448,043
Premium	\$217,138,905
Medical Claims (net of RI)	-\$245,371,385
Risk Adjustment Transfer	-\$12,814,537
Administration, Taxes, Fees	-\$23,991,155
Margin	-\$65,038,173

We estimate the following financial results as a percentage of projected premium for 2026 based on the requested average change:

Medical Claims & Risk Adj	97.7%
Administrative Costs	8.0%
Taxes and Fees	2.2%
Margin	-8.0%

Changes in Medical Claims Costs

We are projecting an annual increase in base medical claims costs of 4.7% based on our analysis of past medical cost trends and prior to adjusting for expected impacts of future morbidity and demographic changes.

Changes in Benefits

28 renewing plans and 6 new plans are represented by this filing. Cost sharing for some services have been made where needed to maintain plan Actuarial Values within the allowable ranges.

Administrative Costs and Anticipated Contribution to Surplus

We project an annual increase in administrative costs of 7.4% based on anticipated administrative expenditures and expect to pay 2.2% of premium towards state and federal taxes and fees. If assumptions underlying the rate increase are realized, we expect to contribute -8.0% of revenue or -\$13.8 million towards surplus.