

**Part II Consumer Justification Narrative  
Mending Health of Oklahoma  
2026 Individual Products for Primary Filing**

**1. Scope and Range of the Rate Increase**

This submission is for individual health insurance products offered by Mending Health (Mending) in the Oklahoma individual market, available for sale January 1, 2026. Mending is increasing premium rates for individual plans by 20.9% in aggregate, with a minimum of 19.8% and a maximum of 26.4%. As of March 2025, there are 6,638 members who are affected by this rate filing if they were to purchase the same plan in 2026.

**2. Financial Experience of the Product**

The individual market financial experience for calendar year 2024 was as follows:

Premiums Earned before Risk Adjustment:	\$2,770,888
Incurred Claims before Risk Adjustment or Reinsurance:	\$1,945,707
Member Months:	4,033

The proposed rates are projected to produce a 2026 medical loss ratio (as reflected in the URR Part III) of 84.2%.

**3. Changes in Medical Service Costs**

Components of the rate increase include normal secular medical and prescription drug inflation, expected changes in the quantity and type of services used, revised estimates of provider reimbursement levels and changes to the morbidity levels of 2026 enrollees. As a result, six plans (HIOS IDs 58944OK0010002, 58944OK0010003, 58944OK0010006, 58944OK0010007, 58944OK0010008, and 58944OK0010009) have a premium increase for 2026 of greater than 15%.

**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 and some adjustments to select copays to remain in compliance with actuarial value limits. The majority of these changes were prescribed by the Center for Consumer Information and Insurance Oversight (CCIO) via Standard plan designs. The highest rate increase is for a silver plan (HIOS ID 58944OK0010008).

**5. Administrative Costs and Anticipated Margins**

Administrative costs changed to be consistent with the 2026 business plan and taking into account the membership loss due to the subsidy expiration at the end of 2025.