
Part III Actuarial Memorandum

**Mountain Health Cooperative
Individual Rate Filing
Wyoming
Primary (CSR not Funded)
Effective January 1, 2026**

Prepared for:
Mountain Health Cooperative

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EXHIBIT 1. GENERAL INFORMATION

Document Overview

This document contains the Part III Actuarial Memorandum for Mountain Health Cooperative's (MHC) individual block of business, effective January 1, 2026. This actuarial memorandum is submitted in conjunction with the Part I Unified Rate Review Template (URRT).

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 URRT, 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 Wyoming Department of Insurance, the Center for Consumer Information and Insurance Oversight (CCIO), and their subcontractors to assist in the review of MHC's individual rate filing. However, we recognize that this certification may become a public document. We make 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 to us under any theory of law.

As prescribed or as instructed by Mountain Health Cooperative the premium rates developed and supported by this Actuarial Memorandum assume that Cost Share Reductions (CSR) will not be funded as is described in current regulations and guidance. Future modifications in legislation, regulation and/or court decisions may affect the extent to which the premium rates are neither excessive nor deficient. Mountain Health Cooperative reserves the right to file revised rates in the event of changes to the regulatory environment in which they were developed.

Company Identifying Information

Company Legal Name: Mountain Health Cooperative
State: The State of Wyoming has regulatory authority over these policies.
HIOS Issuer ID: 38576
Market: Individual
Effective Date: January 1, 2026

Company Contact Information

Primary Contact Name: Blair Fjeseth, CEO
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EXHIBIT 2. PROPOSED RATE CHANGES

Table 2.1 summarizes proposed rate changes by product effective January 1, 2026. The following are factors driving the proposed rate changes discussed below.

Table 2.1 Mountain Health Cooperative Breakdown of Proposed Rate Change	
Description	Value
Average 2025 Premium PMPM	\$954.27
Single Risk Pool Experience	1.0458
Trend (Medical Inflation & Increased Utilization)	1.084
Changes in Net Risk Adjustment Transfer Estimate	1.043
Changes in Market Reinsurance	1
Changes in Benefits	1
Changes in Administrative Costs	1.025
Changes in Taxes & Fees (excluding market level fees)	1.000
Change in Market Levels Fee and Contributions	1.000
Changes in Profit and Risk Margin	1.000
Average 2026 Premium PMPM	\$1,156.48
Overall Rate Change	21.19%

Medical and Prescription Drug Inflation & Utilization Trend

Allowed claims costs were increased for anticipated changes due to medical/prescription drug inflation and increased medical/prescription drug utilization. These are reported in Worksheet 1, Section II of the URRT. See Table 5.1 for a breakout of trends by service type.

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. See Exhibit 10.7 for additional information on administrative expenses, taxes, and fees.

Prospective Benefit Changes

In 2025 the projected paid to allowed factor was 0.813. In 2026 the projected paid to allowed factor is 0.835. The change in the projected paid to allowed factor is in part due to the actual mix of MHC enrollees by metal in 2026 and updated pricing assumptions by plan.

EXHIBIT 2. PROPOSED RATE CHANGES

The following table shows the projected Paid to Allowed ratios by plan based on the CMS AV Calculators:

Table 2.2		
Mountain Health Cooperative		
AV Metal Levels		
Plan	2025	2026
Peak PPO Gold	80.5%	79.6%
Peak PPO Silver	70.9%	68.9%
Peak PPO Bronze HDHP	63.0%	62.3%
Peak PPO Gold Standard	78.1%	78.0%
Peak PPO Silver Standard	70.0%	70.0%
Peak PPO Bronze Standard	63.8%	64.1%
Peak PPO Gold HDHP	79.4%	78.6%

Market Stabilization Program Changes

No state reinsurance applies in Wyoming.

Anticipated Single Risk Pool Morbidity

The average morbidity increase of the single risk pool for Wyoming is anticipated to be a factor of 1.04. This factor assumes the end of the expanded subsidies and CSR not being funded. The factor is based on actuarial judgment informed by studies of the effect of decreased enrollment and historical trends in morbidity based on enrollment change as a percentage of population.

EXHIBIT 2. PROPOSED RATE CHANGES

Rate Changes by Plan

The following table summarizes proposed changes to the calibrated plan adjusted index rates: Rate changes vary by plan due to a combination of factors including shifts in benefit relativities and non-benefit expense allocation.

Table 2.3 Mountain Health Cooperative Summary of Proposed CPAIR Changes			
<u>Product</u>	<u>2025 Rate</u>	<u>2026 Rate</u>	<u>Rate Change</u>
Peak PPO Gold	\$670.52	\$845.30	26.1%
Peak PPO Silver	\$728.32	\$920.54	26.4%
Peak PPO Bronze HDHP	\$565.11	\$708.34	25.3%
Peak PPO Gold Standard	\$651.34	\$820.40	26.0%
Peak PPO Silver Standard	\$729.84	\$922.43	26.4%
Peak PPO Bronze Standard	\$538.93	\$674.27	25.1%
Peak PPO Gold HDHP	\$672.24	\$847.57	26.1%

Single Risk Pool

MHC rates are developed using a single risk pool, established according to the requirements in 45 CFR section 156.80(d) and reflect all covered lives for every non-grandfathered product/plan combination, in the State of Wyoming Individual health insurance market.

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

The experience reported on Worksheet 1, Section I of the URRT shows MHC's earned premium, incurred and paid claims, and enrollment for the period of 1/1/2024 through 12/31/2024, with claims paid through 4/30/2025. Current enrollment and current premium on Worksheet 2, Section II are reported as of 4/30/2025.

The Co-Op changed administrators in September of 2024. The completeness, accuracy and speed of claim payment is uncertain until audit of the changes have been made. Those audits are in process. Estimates based on prior data and assumptions have been made for the IBNR and other portions of the rate calculations. We view the differences as potentially material but of unknown direction and scale.

Premiums in Experience Period

The premiums earned during the experience period (as reported on Worksheet 1, Section I of the URRT) are based on a data set provided by MHC consistent with the claim reporting.

Method for Determining Allowed Claims

The following table summarizes the experience premium and allowed claims as listed in Worksheet 1, Section I of the Part I URRT:

All allowed claims processed both in and out of the claim system were included. Of this amount, 100% was processed through the claim system. An estimate of incurred but not reported allowed claims was added to the processed amount to arrive at a final estimate of total allowed claims. The IBNR as a percentage of paid claims is 2.654%. No estimate of incurred but not reported claims was added to the prescription drug claims or capitated claims. The RX claims are net of rebates scaled by paid to allowed.

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

Method for Determining Paid Claims

The following table summarizes the experience premium and incurred claims as listed in Worksheet 1, Section I of the Part I URRT:

All paid claims processed both in and out of the claim system were included. Of this amount, 100% was processed through the claim system. An estimate of incurred but not reported claims was added to the processed amount to arrive at a final estimate of total paid claims. No estimate of incurred but not reported claims was added to the prescription drug claims or capitated claims.

Method for Determining Incurred But Not Reported Paid Claims

Incurred claims were calculated by applying a completion factor to the paid claims from the experience period. The completion factors were developed using a combination of the projection method (for most recent months) and the lag development method. The completion factors for paid and allowed claims are the same. The IBNR factor is 2.654%

The Co-Op changed administrators in September of 2024. The completeness, accuracy and speed of claim payment is uncertain until audit of the changes have been made. Those audits are in process. Estimates based on prior data and assumptions have been made for the IBNR and other portions of the rate calculations. We view the differences as potentially material but of unknown direction and scale.

Method for Determining Paid Cost Sharing

Paid member cost sharing was determined by subtracting paid claims from allowed claims for medical claims.

EXHIBIT 4. BENEFIT CATEGORIES

We assigned the experience data utilization and cost information to benefit categories as shown in Worksheet 1, Section II of the Part 1 URRT based on place and type of service using a detailed claims mapping algorithm summarized as follows:

Inpatient Hospital

The inpatient hospital category includes non-capitated 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.

Outpatient Hospital

The outpatient hospital category includes non-capitated facility services for surgery, emergency room, lab, radiology, therapy, observation, and other services provided in an outpatient facility setting and billed by the facility.

Professional

The professional category includes non-capitated primary care, specialist, therapy, the professional component of laboratory and radiology, and other professional services, other than hospital-based professionals whose payments are included in facility fees.

Other Medical

The other medical category includes non-capitated ambulance, home health care, DME, prosthetics, supplies, vision exams, dental services, and other services.

Capitation

Not applicable.

Prescription Drug

The prescription drug category includes drugs dispensed by a pharmacy. This amount is net of rebates received from drug manufacturers.

EXHIBIT 5. PROJECTION FACTORS

This section includes a description of trend factors used to project the experience period Index Rate to the projection period, and supporting information related to the development of those factors. For a demonstration of the trends, please see Table 5.1 below. This section also includes a description of adjustment factors (other than trend) that are applied to the experience period Index Rate in order to develop the projected Index Rate, and supporting information related to the development of those factors.

Trend Factors (Cost/Utilization)

This development of the CY2026 rates reflects an annual trend rate in Year 1 of 8.8% and an annual trend rate in Year 2 of 8.0%, which were developed using the following data source and methodology:

The trend factors reflect MHC's expectations regarding increases in in-network contractual reimbursement and the impact of trends in both projected in-network and out-of-network costs, as well as emerging 2025 experience. They are informed by the Milliman Health Trend Guidelines, adjusted for expected changes in contractual reimbursements and risk arrangements. The prescription drug trends implicitly reflect changes in the drug formulary, expiration of drug patents and introduction of new drugs.

Table 5.1 below documents MHC's projected trends by category and year. The factors only reflect trend applicable to the single risk pool; they have been normalized and/or adjusted when appropriate to account for other changes such as changes in age, benefit changes, seasonality patterns, and non-recurring events.

Table 5.1 Mountain Health Cooperative Annual Unit Cost and Utilization Trend Assumptions						
Service Type	Year 1			Year 2		
	Inflation	Utilization	Total	Inflation	Utilization	Total
Inpatient Hospital	5.0%	0.0%	5.0%	5.0%	0.0%	5.0%
Outpatient Hospital	5.5%	2.0%	7.6%	5.5%	2.0%	7.6%
Professional	4.5%	1.0%	5.5%	4.5%	1.0%	5.5%
Other Medical	5.5%	0.0%	5.5%	5.5%	0.0%	5.5%
Capitation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Prescription Drug	8.0%	10.0%	18.8%	8.0%	6.0%	14.5%
Total			8.8%			8.0%

Months of Trend Year 1	12.0
Months of Trend Year 2	12.0

Morbidity Adjustment

We used the following data sources in order to estimate the changes in the morbidity of the experience population to the projected population, as shown in the Morbidity Adjustment row of Worksheet 1, Section II of the URR:

- Actual 2024 MHC experience
- Emerging 2025 MHC experience

The average morbidity of the single risk pool for Wyoming is anticipated to be a factor of 1.04. This factor assumes the end of the expanded subsidies and CSR not being funded. The factor is based on actuarial judgment informed by studies of the effect of decreased enrollment and historical trends in morbidity based on enrollment growth as a percentage of population.

We made no adjustments for plan design or demographic changes.

EXHIBIT 6. MANUAL RATE ADJUSTMENTS

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

EXHIBIT 7. CREDIBILITY OF EXPERIENCE

Description of the Credibility Method Used

The Wyoming individual experience is assumed to be 100% credible.

EXHIBIT 8. ESTABLISHING THE INDEX RATE

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 MHC received in the Single Risk Pool during the experience period. There were no additional benefits offered beyond the EHB benefits. The experience period Index Rate has not been adjusted for payments and charges under the risk adjustment and reinsurance programs, or for Exchange User Fees.

The experience period Index Rate is equal to the experience period total allowed claims PMPM since there are no benefits that were offered beyond the EHB benefits.

The Index Rate for the projection period is a measurement of the average allowed claims PMPM for EHB benefits. The Projection Period Index Rate reflects the projected CY2025 mixture of smoker/non-smoker population, area factors, catastrophic/non-catastrophic enrollment, and the projected mixture of risk morbidity that MHC expects to receive in the Single Risk Pool. There were no additional benefits offered beyond the EHB benefits. The Projection Period Index Rate has not been adjusted for payments and charges projected under the risk adjustment program or for Exchange User Fees.

The Projection Period Index Rate is equal to the projected total allowed claims PMPM since there are no benefits offered beyond the EHB benefits.

The following table summarizes the factors applied to the Experience Period Index Rate to determine the Projection Period Index Rate.

Table 8.1 Mountain Health Cooperative Projection Period Index Rate Development	
Description	Experience
2024 Total Allowed Claims PMPM	\$1,021.77
2024 Non-EHB Allowed Claims PMPM	\$0.00
2024 EHB Allowed Claims PMPM	\$1,021.77
Trend	1.178
2026 EHB Allowed Claims PMPM	\$1142.31
Morbidity Adjustment	1.04
Morbidity	1.04
Demographic Shift	1
Change in Age Mix	1
Change in Tobacco Mix	1.000
Change in Geographic Mix	1
Plan Design Changes	1
Change in CSR Util.	1
Change in Metallic Util.	1.000
Other	1.0
Rx Rebates	1
Change Medical Management	1.000
Change in Provider Reimb.	1.000
Change in Cat. Elig.	1
Projected EHB Allowed Claims PMPM	\$1,188.01
Credibility	100%
Projection Period Index Rate PMPM	\$1,188.01

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

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

Table 9.1 Mountain Health Cooperative Market-Wide Adjusted Index Rate Development	
2026 Index Rate PMPM	\$1,188.01
<u>Market-Wide Adjustments (allowed basis)</u>	
Risk Adjustment Transfer Amount	-\$69.23
Net Market Reinsurance	0.0
Exchange User Fees	\$32.23
Market-Wide Adjusted Index Rate PMPM	\$1,289.47

The Market-Wide Adjusted Index Rate is not calibrated. This means that this rate reflects the average demographic characteristics of the single risk pool.

Each of the above modifiers were developed as follows:

- **Risk Adjustment Transfer Amount**
This factor includes the impact of the estimated risk adjustment transfer payment as addressed in a subsequent section of this Exhibit.
- **Net Market Reinsurance**
This factor includes any adjustments for expected reinsurance recoveries from federal or state reinsurance programs, net of the cost of the reinsurance.
- **Exchange User Fee Adjustment**
The Exchange User Fee adjustment was determined as the average of no fee and the Exchange User Fee, weighted using the expected distribution of issuer enrollment sold through versus outside the Exchange.

Projected Reinsurance Recoveries

There are no assumed state reinsurance amounts.

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

Experience Period Risk Adjustments PMPM

The following methodology was used to estimate final risk adjustment transfers for CY2024:

The experience period risk adjustment transfer estimate was calculated using the HHS risk adjuster formula. The projected CY2024 risk adjustment transfer is estimated as a payment of \$ 3.8 million from MHC on an allowed claim basis. The actual risk adjustment transfer for 2024 will not be known until late June or early July 2025.

Projected Risk Adjustments PMPM

The risk score for the plan's experience is projected to be above the expected state average risk score in CY2025. The estimates of relative risk and risk transfer payments are highly dependent on the population that enrolls with MHC and with other carriers in the state.

MHC's average risk is projected to be less than the state average risk level. As a result, premium levels have been set at the anticipated state average risk level with the expectation that a portion of this premium will be received from those carriers with lower risk levels.

The anticipated risk transfer payments, excluding the risk adjustment user fees and assumed to be \$0.18 PMPM for CY2025, are applied to the Index Rate as a market level adjustment. The overall impact of projected risk adjustment transfers is a premium increase \$69.23 PMPM as a market level index rate adjustment.

The projected 2026 risk adjustment transfer is based on a blend of the estimated 2024 risk adjustment transfer and a preliminary estimate for 2025 risk adjustment transfers based on demographic and metal shifts known for 2025. The blended estimate was then trended to 2026.

EXHIBIT 10. PLAN ADJUSTED INDEX RATE

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

- Actuarial value and cost sharing adjustment
 - The CMS Actuarial Value Calculator was used to determine the AV metal value for each plan.
 - The AV and cost sharing pricing adjustment was developed utilizing the HCGs. Relativities between plans were based on the differences in cost and utilization for varying levels of cost sharing.
- Provider network, delivery system and utilization management adjustment
 - Expected differences in claims costs due to differences in provider networks and/or utilization management were determined based on a review of anticipated changes in provider contracts for 2025 and discussions with MHC.
- Adjustment for benefits in addition to the EHBs
 - Not applicable.
- Adjustment for distribution and administrative costs
 - Adjustment is developed to indicate the impact of non-benefit expenses. This adjustment may differ 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
 - This adjustment was developed to illustrate the impact of the restricted age requirements in the Catastrophic risk pool, effect of tobacco loads applied to the expected catastrophic population, and the expected risk score specific to that population.

The following table demonstrates the Plan Adjusted Index Rate development for each plan in the projection period:

Table 10.1 Mountain Health Cooperative Projection Period Plan Adjusted Index Rate Development								
Plan Name	HIOS ID	Market Adjusted Index Rate	AV & Cost Sharing	Provider Network Adjustment	Benefits In Addition to EHBs	Admin Cost Fee	Cat. Eligibility	Plan Adj. Index Rate
Peak PPO Gold	38576WY0020001	\$1,289.47	0.893	1.000	1.000	1.223	1.000	\$1,408.72
Peak PPO Silver	38576WY0020002	\$1,289.47	0.973	1.000	1.000	1.223	1.000	\$1,534.12
Peak PPO Bronze HDHP	38576WY0020004	\$1,289.47	0.748	1.000	1.000	1.223	1.000	\$1,180.48
Peak PPO Gold Standard	38576WY0020008	\$1,289.47	0.867	1.000	1.000	1.223	1.000	\$1,367.24
Peak PPO Silver Standard	38576WY0020009	\$1,289.47	0.975	1.000	1.000	1.223	1.074	\$1,537.27
Peak PPO Bronze Standard	38576WY0020010	\$1,289.47	0.712	1.000	1.000	1.223	1.000	\$1,123.70
Peak PPO Gold HDHP	38576WY0020011	\$1,289.47	0.896	1.000	1.000	1.223	1.000	\$1,412.51

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 RATE

The components of the AV & Cost Sharing factor shown in Table 10.1 are as follows:

Table 10.2 Mountain Health Cooperative AV & Cost Sharing Development						
Plan Name	HIOS ID	Actuarial Value	CSR Shortfall	Plan Design Utilization	Tobacco Surcharge	AV & Cost Sharing
Peak PPO Gold	38576WY0020001	0.868	1.000	1.029	1.000	0.893
Peak PPO Silver	38576WY0020002	0.807	1.230	0.980	1.000	0.973
Peak PPO Bronze HDHP	38576WY0020004	0.788	1.000	0.950	1.000	0.748
Peak PPO Gold Standard	38576WY0020008	0.842	1.000	1.029	1.000	0.867
Peak PPO Silver Standard	38576WY0020009	0.809	1.230	0.980	1.000	0.975
Peak PPO Bronze Standard	38576WY0020010	0.750	1.000	0.950	1.000	0.712
Peak PPO Gold HDHP	38576WY0020011	0.870	1.000	1.029	1.000	0.896

We developed the CSR load factor by first estimating the CSR shortfall on a PMPM basis for each cost sharing plan using the AV differential between each CSR plan and its corresponding standard plan. Then we multiplied the PMPM projected shortfall amounts by the 2025 membership for each CSR plan to get a total CSR shortfall amount. The factor is then estimated by dividing the shortfall amount by the total projected silver claims, prior to the CSR shortfall.

The plan design utilization factor was based on a review of historical MHC experience, AV adjusted market premiums, and HHS induced demand factors. In order to remove the impacts of potential health status differences in MHC's experience, we considered the risk adjusted loss ratios by plan.

EXHIBIT 10. PLAN ADJUSTED INDEX RATE

The components of the Admin Costs Excluding Marketplace User Fee factor shown in Table 10.1 are as follows: 14.5% of premium, 0.75% taxes and 3% profit margin for all plans.

EXHIBIT 10. PLAN ADJUSTED INDEX RATE

EXHIBIT 10. PLAN ADJUSTED INDEX RATE

Non-Benefit Expenses, Profit, and Risk

The following summarizes retention components included in rate development. The assumed profit load is 3.0% of premium. The estimated taxes are 0.75% of premium. The administrative expenses of 14.5% are based on projected 2026 expenses. The expected enrollment for 2026 is substantially less than current enrollment which is an increase in expenses as a percent of premium.

The Administrative Expense Loads and the Profit and Risk Loads shown above were provided by MHC based on company specific information. Commercial reinsurance recoveries are assumed to be 75% of commercial reinsurance premium.

The administrative expense load does not vary as a percent of premium by plan:

EXHIBIT 11. CALIBRATION

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 use distribution expected to enroll in the plan. The single calibration factor is applied uniformly across all plans.

Age Curve Calibration

The weighted average age curve calibration factor is 1.731. The approximate age, rounded to a whole number, that corresponds to the average age curve calibration factor is 49.

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. A development of the age curve calibration factor is given below as Table 11.2.

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

EXHIBIT 11. CALIBRATION

Tobacco Factor Calibration

MHC will not charge a tobacco surcharge for smokers. This adjustment has been developed so that the resulting Plan Adjusted Index Rate excludes the cost expected to be recouped through the tobacco surcharge.

Additional information regarding the tobacco rating factors can be found in Exhibit 12.

The following tables demonstrate the calibration performed for each plan.

Table 11.1 Mountain Health Cooperative Calibrated Plan Adjusted Index Rate Development							
Plan	HIOS ID	Plan Adjusted Index Rate	Age Calibration Factor	Geo Calibration Factor	Tobacco Calibration Factor	Calibration Factor	Calibrated Plan Adjusted Index Rate
Peak PPO Gold	38576WY0020001	\$1,463.41	1.731	1.000	1.000	1.731	\$845.30
Peak PPO Silver	38576WY0020002	\$1,593.68	1.731	1.000	1.000	1.731	\$920.54
Peak PPO Bronze HDHP	38576WY0020004	\$1,226.31	1.731	1.000	1.000	1.731	\$708.34
Peak PPO Gold Standard	38576WY0020008	\$1,420.32	1.731	1.000	1.000	1.731	\$820.40
Peak PPO Silver Standard	38576WY0020009	\$1,596.96	1.731	1.000	1.000	1.731	\$922.43
Peak PPO Bronze Standard	38576WY0020010	\$1,167.32	1.731	1.000	1.000	1.731	\$674.27
Peak PPO Gold HDHP	38576WY0020011	\$1,467.35	1.731	1.000	1.000	1.731	\$847.57

EXHIBIT 11. CALIBRATION

The following table demonstrates the calibration performed for each plan, assuming that the CSR payments are not made. A rate template is provided for the CSR-funded scenario as a supplemental file.

The following table summarizes the age rating factors based on MHC's membership distribution.

Table 11.3 Mountain Health Cooperative Development of Age Calibration Factor		
Age Band	Rating Factors	Membership Distribution
0-14 (1-3)	0.765	12.20%
0-14 (4+)	0.000	0.00%
15-20	0.904	5.54%
21-24	1.000	4.34%
25-29	1.060	8.50%
30-34	1.180	8.75%
35-39	1.241	8.39%
40-44	1.335	8.44%
45-49	1.578	7.85%
50-54	1.966	7.84%
55-59	2.442	10.45%
60-63	2.845	12.87%
64+	3.000	4.83%
Composite Rating Factor:		1.731
Age Calibration Factor:		0.577

EXHIBIT 12. CONSUMER ADJUSTED PREMIUM RATE DEVELOPMENT

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 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.

MHC's CY2026 age and tobacco rating factors are shown below. The age rating factors used by MHC are identical to those prescribed by CMS.

Table 12.1 Mountain Health Cooperative Age and Tobacco Factors					
Age Band	Age Rating Factor	Tobacco Factor	Age Band	Age Rating Factor	Tobacco Factor
0-14	0.765	1.000	40	1.278	1.000
15	0.833	1.000	41	1.302	1.000
16	0.859	1.000	42	1.325	1.000
17	0.885	1.000	43	1.357	1.000
18	0.913	1.000	44	1.397	1.000
19	0.941	1.000	45	1.444	1.000
20	0.970	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			

MHC's CY2025 geographic rating factors are shown below. These factors were developed with input from a consulting study of risk adjusted area factor study, market area factors, and risk adjusted MHC experience.

EXHIBIT 12. CONSUMER ADJUSTED PREMIUM RATE DEVELOPMENT

These area factors reflect differences in utilization, unit cost, and practice patterns by region. They have been normalized to remove the impact of differences in demographics and morbidity using risk scores.

Table 12.2 Mountain Health Cooperative Geographic Rating Factors	
Area	Area Rating Factor
Rating Area 1	1.118
Rating Area 2	1.217
Rating Area 3	0.972

The premium for family coverage is determined by summing the consumer adjusted premium rates for each individual family member, provided at most three child dependents under age 21 are taken into account.

The following table demonstrates the premium rate development for the Consumer Adjusted Premium Rate beginning with the Calibrated Plan Adjusted Index Rate and applying the appropriate age, area, and tobacco factors.

Table 12.3 Mountain Health Cooperative Sample Consumer Adjusted Premium Rate Development	
Peak PPO Gold - 38576WY0020001	
Calibrated Plan Adjusted Index Rate	\$845.30
Age: 21	1.000
Area: 3	0.972
Tobacco Status: Non-Tobacco User	1.000
Consumer Adjusted Premium Rate	\$821.63

EXHIBIT 13. PROJECTED LOSS RATIO

The projected medical loss ratio (MLR) is 88.5%. This loss ratio is calculated based on the MLR methodology as prescribed by 45 CFR 158.

The following table summarizes the calculation for the projected federal medical loss ratio:

Table 13.1 Mountain Health Cooperative Projected Federal Medical Loss Ratio	
	2026
Member Months	92,038
MLR Numerator Calculations	
Paid Claims PMPM	\$1,007.78
Claim-Related Retention (QI/Health IT) PMPM	\$13.53
Prior Rebate	\$0.00
Other Claim-Related Adjustments	\$0.00
Risk Adjustment Paid (Received) PMPM	\$133.71
Market Reinsurance Recoveries (Received) PMPM	\$0.00
MLR Numerator Calculations	\$1,155.02
MLR Denominator Calculations	
Premium PMPM	\$1,339.09
Other Premium-Related Adjustments	\$0.00
Premium-Related Retention (Taxes & Fees) PMPM	\$33.48
MLR Denominator	\$1,305.61
Medical Loss Ratio	88.5%

This calculation does not include a credibility or deductible adjustment, even though in practice one would apply. Additionally, the actual calculation will be based on three years of data (unlike the single year calculation shown above).

No additional state-specific projected loss ratio demonstration is required in the State of Wyoming.

EXHIBIT 14. AV METAL VALUES

The AV metal values included in Worksheet 2 are entirely based on the AV Calculator. Table 14.1 below summarizes these values for each product.

Table 14.1 Mountain Health Cooperative Actuarial Values			
Plan	HIOS ID	Actuarial Value	Source
Peak PPO Gold	38576WY0020001	0.796	Federal AV Calculator
Peak PPO Silver	38576WY0020002	0.689	Federal AV Calculator
Peak PPO Bronze HDHP	38576WY0020004	0.623	Federal AV Calculator
Peak PPO Gold Standard	38576WY0020008	0.780	Federal AV Calculator
Peak PPO Silver Standard	38576WY0020009	0.700	Federal AV Calculator
Peak PPO Bronze Standard	38576WY0020010	0.641	Federal AV Calculator
Peak PPO Gold HDHP	38576WY0020011	0.786	Federal AV Calculator

EXHIBIT 15. MEMBERSHIP PROJECTIONS

The membership projections were developed based on 2025 enrollment and assumptions about changes for 2026 in APTCs, etc. Total member months projected for MHC in the 2026 Individual market is 93,302. The projections reflect the anticipated size of the 2025 individual market in Wyoming, both on and off the exchange.

We projected cost sharing reduction (CSR) enrollment based on MHC's CY2020 to 2025 CSR membership as well as enrollment totals from the 2020 to 2024 open enrollment public use files.

EXHIBIT 16. TERMINATED PRODUCTS

There are not newly terminated products for 2026.

EXHIBIT 17. PLAN TYPE

There are no differences between the plans of MHC and the plan type selected in the drop-down box in Worksheet 2, Section I of the URRT.

EXHIBIT 18. EFFECTIVE RATE REVIEW INFORMATION (OPTIONAL)

Not applicable.

EXHIBIT 19. RELIANCE

We have developed certain models to estimate the values included in this report. The intent of the models was to estimate MHC's future claims and develop premiums. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice (ASOP). The models, including all input, calculations, and output may not be appropriate for any other purpose.

The models rely on data and information as input to the models. In performing this analysis, we relied on data and other information provided by MHC. We performed a limited review of the data used directly in our analysis for reasonableness and consistency and have not found material defects in the data. In our review there are material differences in timing of paid claims and other amounts compared to the prior year. Understanding is that these are due to a change in TPA in September of 2024. We have made estimates of these effects and relied on prior year information where appropriate. If there are material defects in the data, it is possible that they would be uncovered by an audit or detailed, systematic review and comparison of the data to search for data values that are questionable, or for relationships that are materially inconsistent. Such a review was beyond the scope of our assignment. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete.

Our data and information reliance includes claims, premium, enrollment, and financial data provided by MHC.

EXHIBIT 20. ACTUARIAL CERTIFICATION

I am the Actuarial Analytics Officer of University of Utah Health Plans. Mountain Health Cooperative engaged me to provide the opinion herein.

Guidelines issued by the American Academy of Actuaries require actuaries to include their professional qualifications in all actuarial communications. I am a member of the American Academy of Actuaries, and I meet its qualification standards to perform the analysis and render the actuarial opinion contained herein.

I certify to the best of my knowledge and judgment:

1. The projected Index Rate is
 - 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
 - Neither excessive nor deficient based on my best estimates of the 2026 individual 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 shown in Worksheet 3 of the URRT reflect only differences in the cost of delivery, and do not include differences for population morbidity by geographic area.
4. The CMS Actuarial Value Calculator was used to determine the AV Metal Values shown in Worksheet 2, Section I of the URRT for all plans. For plans included in the AV certification, the AV Calculator was used, but with actuarial estimates modifying the member cost sharing inputs. See the AV certification included with this memo.


The 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 and for certification that the Index Rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

The 2026 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 2026 plan year premium rates provided in this Actuarial Memorandum. Changes include, but are not limited to, any legislative or regulatory amendments, court decisions, or decisions by Congress, the Health and Human Services Secretary or the Centers for Medicare and Medicaid Services director.

The information provided in this actuarial memorandum is in support of the items illustrated in the URRT and does not provide an actuarial opinion regarding the process used to develop proposed premium rates. It does certify that rates were developed in accordance with applicable regulations, as noted.

EXHIBIT 20. ACTUARIAL CERTIFICATION

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.

2025  Troy Pritchett Signed: _____

Name: Troy J. Pritchett, FSA, MAAA

Title: Actuarial Analytics Officer,
UUHP

Date: June 2, 2025

EXHIBIT 20. ACTUARIAL CERTIFICATION

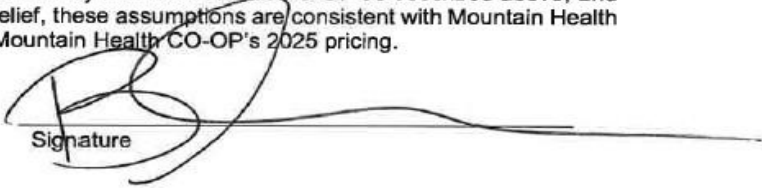
Mountain Health CO-OP
Statement Regarding Accuracy of Data and Reliance on Assumptions Provided
2025 Pricing Actuarial Memorandum

I, Blair Fjeseth, of Mountain Health CO-OP, hereby affirm that to the best of my knowledge and belief, the underlying data sources and information relied upon by Milliman, Inc. for use in preparing Mountain Health CO-OP's 2025 Pricing are accurate and complete. These items include:

- A. Financial Statements
- B. Expense Information
- C. Enrollment Information
- D. Policy Information
- E. Claims Information
- F. Investment Information
- G. Capitation Information

Further, I acknowledge that in providing the 2025 Pricing Actuarial Memorandum, rates, and templates Milliman has relied on certain assumptions provided by Mountain Health CO-OP as described above, and I affirm that to the best of my knowledge and belief, these assumptions are consistent with Mountain Health CO-OP's reasonable expectations regarding Mountain Health CO-OP's 2025 pricing.

5/30/24
Date


Signature