



# UnitedHealthcare Insurance Company

Part III: Primary Actuarial Memorandum

Wyoming 2026 Individual Exchange Rates

July 15, 2025



# Contents

<b>1</b>	<b><i>Actuarial Memorandum</i></b>	<b>3</b>
<b>2</b>	<b><i>General Information Section</i></b>	<b>3</b>
<b>3</b>	<b><i>Proposed Rate Changes</i></b>	<b>4</b>
<b>4</b>	<b><i>Market Experience</i></b>	<b>4</b>
4.1	Experience and Current Period Premium, Claims, and Enrollment	4
4.2	Benefit Categories	4
4.3	Projection Factors	4
4.4	Plan Adjusted Index Rate	7
4.5	Calibration	8
4.6	Consumer Adjusted Premium Rate Development	9
<b>5</b>	<b><i>Projected Loss Ratio</i></b>	<b>10</b>
<b>6</b>	<b><i>Plan Product Information</i></b>	<b>10</b>
6.1	AV Metal Values	10
6.2	Membership Projections	10
6.3	Terminated Plans and Products	11
6.4	Plan Type	11
<b>7</b>	<b><i>Miscellaneous Instructions</i></b>	<b>11</b>
7.1	Effective Rate Review Information	11
7.2	Reliance	11
7.3	Actuarial Certification	11
	<b><i>Appendix A: Proposed Plans</i></b>	<b>13</b>
	<b><i>Appendix B: Rate Manual</i></b>	<b>14</b>
	<b><i>Appendix C: Plan-Level Modifiers</i></b>	<b>15</b>
	<b><i>Appendix D: MLR Calculation</i></b>	<b>16</b>
	<b><i>Appendix E: CSR Enrollment</i></b>	<b>17</b>



# 1 Actuarial Memorandum

This memorandum documents the development of Individual market health insurance premium rates for UnitedHealthcare Insurance Company (“UHIC”). UHIC is offering Individual health insurance products on and off the Exchange in the Bronze, Silver and Gold metal tiers, with the premium rates documented in this memorandum effective January 1, 2026. The proposed plans are shown in Appendix A.

## Considerations for the Regulatory Environment

On May 2, 2025, the Centers for Medicare & Medicaid Services (CMS) issued a bulletin titled “Plan Year 2026 Individual Market Rate Filing Instructions,” directing issuers in states without an Effective Rate Review Program to submit a set of rates under the assumption that Congress does not appropriate funds to make Cost-Sharing Reduction (CSR) payments to issuers and the enhanced premium tax credits under the American Rescue Plan (ARP) and Inflation Reduction Act (IRA) expire.

In response to this guidance, and as directed by CMS, UHIC has incorporated associated assumptions in this “Primary” rate filing justification.

The rates presented and submitted here were developed assuming that CSR payments are not funded by the federal government in 2026 and the cost of these payments will instead be funded through member premiums and Advanced Premium Tax Credits. These rates also assume the enhanced Advanced Premium Tax Credit levels extended through 2025 will expire for 2026.

This version of the actuarial memorandum is considered PUBLIC and hence does not contain information determined to be TRADE SECRET. A separate actuarial memorandum was submitted and deemed TRADE SECRET, which included all proprietary information related to UHIC. TRADE SECRET information includes the following, but not limited to: UHIC assumptions, assumptions and methodologies that could provide insight into UHIC’s pricing strategy and contract reimbursement information.

# 2 General Information Section

## Company Identifying Information

Company Legal Name:	UnitedHealthcare Insurance Company
State:	Wyoming
HIOS Issuer ID:	49714
Market:	Individual
Effective Date:	January 1, 2026



### **Company Contact Information**

Primary Contact Name: [REDACTED]

Primary Contact Telephone Number: [REDACTED]

Primary Contact Email Address: [REDACTED]

## **3 Proposed Rate Changes**

UHIC will sell Individual policies with an effective date of January 1, 2026. The 2026 aggregate rate change as shown on the Unified Rate Review Template (URRT) is [REDACTED]. Rate changes by plan are found in Worksheet 2, row 1.11 of the URRT. The quantitative impact for all significant factors driving the proposed rate change is shown in the table below.

[Table Redacted]

[REDACTED]

## **4 Market Experience**

### ***4.1 Experience and Current Period Premium, Claims, and Enrollment***

UHIC does not have 2024 experience data in the state of Wyoming. The date of current membership shown on the URRT is [REDACTED].

### ***4.2 Benefit Categories***

UHIC does not have 2024 experience to report on the URRT. Therefore there is no experience to allocate to each benefit category.

### ***4.3 Projection Factors***

The following describes the factors used to project experience period allowed claims to the 2026 projection period.

#### **4.3.1 Trend Factors**

UHIC does not have 2024 experience to report on the URRT. Trend adjustments applied in the manual rate development are discussed in Section 4.3.3.

#### **4.3.2 Adjustments to Trended EHB Allowed Claims PMPM**

UHIC does not have 2024 experience to report on the URRT. Therefore there is no experience to adjust.

#### **4.3.3 Manual Rate Adjustments**

A description of the manual rate adjustments used follows.



## Source and Appropriateness of Experience Data Used

UnitedHealthcare Individual ACA experience claims and membership was used to develop the manual rate ("UHC manual data"). The Individual experience data informed the utilization pattern (types of services, underlying morbidity level, etc.) that was used to build up the manual rate. The UHC manual data is net of pharmacy rebates and covers all required federal EHBs.

## Adjustments Made to the Data

The base period allowed PMPMs were adjusted for the items described below.


### PEDIATRIC DENTAL AND VISION

An adjustment was applied to account for financial arrangement differences for pediatric dental and vision services between UHC manual data and UHIC's projection period. The adjustment was developed by removing pediatric dental and vision claims from UHC manual data and including UHIC's capitation rate for the projection period.

The adjustment factor is 1.006.


## Inclusion of Capitation Payments

--	--	--	--	--

### 4.3.4 Credibility of Experience

UHIC has no Individual market claims experience in Wyoming. We have assigned 100% credibility to the manual rate.

The following formula was used for assigning credibility to the experience period:

$$Z = \min \left[ 1, \left( \frac{MM}{FC} \right)^{.5} \right]$$

Where,

- Z is the credibility percentage applied to the experience data,
- MM is the experience period member months and
- FC is the member months required for full credibility

--	--	--	--	--



Consideration was given to guidance provided in Actuarial Standards of Practice #25, *Credibility Procedures*.

**4.3.5 Establishing the Index Rate**

As shown on Worksheet 1 of the URRT, the Index Rate for this filing is [REDACTED]. It estimates the total combined allowed claims PMPM for EHBs in the Wyoming Individual market.

**4.3.6 Development of the Market-wide Adjusted Index Rate**

The Market-wide Adjusted Index Rate (MAIR) for the projection period is [REDACTED] as shown on Worksheet 1 of the URRT. The MAIR is calculated as the Index Rate adjusted for all allowable market-wide modifiers defined in the market rating rules, 45 CFR 156.80(d)(1). The Index Rate and market level adjustments are on an allowed claims basis.

A	Projected Index Rate for January 1, 2026	[REDACTED]
B	Reinsurance	[REDACTED]
C	Risk Adjustment Payment/Charge	[REDACTED]
D	Exchange User Fees	[REDACTED]
<hr/>		
=(A-B-C)/(1-D)		Market-wide Adjusted Index Rate [REDACTED]

**Reinsurance**

UHIC does not expect any reinsurance recoveries from federal or state reinsurance programs.

**Risk Adjustment Payment/Charge**

The projection period risk adjustment charge was developed by estimating the individual components of the risk adjustment transfer formula (e.g., PLRS, AV, etc.) for both UHIC and the statewide average. A description of the development of each component is described below:

- PLRS: [REDACTED]
- IDF: [REDACTED]
- GCF: [REDACTED]
- ARF: [REDACTED]
- AV: [REDACTED]
- Statewide average premium: [REDACTED]

The projected risk adjustment payable/receivable was converted to an allowed basis when developing the MAIR.

The risk adjustment fee of \$0.20 PMPM was incorporated into 2026 rates and included within the taxes and fees.

[REDACTED]

**Exchange User Fees**

The Exchange User Fee reflecting the expiration of enhanced premium subsidies is [REDACTED] represented as a percentage of allowed claims in the development of the MAIR. [REDACTED]

As a percent of premium, the Exchange User Fee is [REDACTED]

#### **4.4 Plan Adjusted Index Rate**

The Plan Adjusted Index Rates (PAIR) were developed by applying allowable plan level adjustments to the MAIR. The allowable plan-level adjustments are shown in Appendix C.

The following describes how each component of the adjustment was developed.

##### **Actuarial Value and Cost-Sharing Design**

The Pricing AVs reflecting the actuarial value and cost-sharing design of each plan was developed using a simulation methodology whereby a large dataset of Individual ACA enrollment and claims were calibrated to the projected population and member-level claims were re-adjudicated using the cost-sharing parameters of each plan design. Each plan was developed using the same dataset and population adjusted only for the expected induced utilization by metal level ensuring the same risk profile informs all Pricing AVs.

##### **CSR LOAD**

We have included an adjustment to the filed plans to reflect the impact of CSRs no longer being funded by the federal government. The regulation still requires CSR variant plans to be offered to low-income members, under the same federal AV requirements (keeping similar plan design and cost sharing structures as the current regulations), but the subsidy amounts will instead be a liability to the insurers and not the government. [REDACTED]

[REDACTED]

##### **Provider Network, Delivery System Characteristics and Utilization Management Practices**

Only one network will be utilized in the projection period, so no plan-level adjustments for network differences have been applied.

##### **Benefits in Addition to EHBs**

[REDACTED]

##### **Administrative Costs**

Non-benefit administrative costs were applied on a percent of premium basis and on a PMPM basis. They are bucketed into three categories as shown on Worksheet 2 of the URRT: (1) administrative expenses, (2) taxes and fees and (3) profit and risk load.

##### **ADMINISTRATIVE EXPENSE**

UHIC expects to incur [REDACTED] in general administrative expenses for the Individual ACA block of business in Wyoming for 2026. We expect to incur an additional [REDACTED] in broker commissions over this period.



Health Care Quality Improvement and Fraud Detection Expenses were estimated as [REDACTED] and were included in the administrative expense load.

[REDACTED]

### TAXES AND FEES

Taxes and regulatory fees included in the development of 2026 rates include the following:

- Risk Adjustment User Fee: \$0.20 PMPM
- PCORI Fee: \$0.30 PMPM
- Non-Reform Assessment Fee(s): [REDACTED]
- State Premium Tax: [REDACTED]
- Federal Income Tax: [REDACTED]

The Exchange User Fee load is not included here. It was previously built into the MAIR as discussed in Section 4.3.6.

### PROFIT AND RISK LOAD

The proposed 2026 premiums allocate [REDACTED] to profit and risk margin on a post-tax basis.  
[REDACTED]

### **Catastrophic Plans**

UHIC will not offer Catastrophic plans in Wyoming for 2026.

## **4.5 Calibration**

### **Age Curve Calibration**

The approximate age calibration factor is [REDACTED]. It was determined as follows:

$$ACF = \frac{\sum Members}{\sum Members * Age Factor}$$

Where:

- ACF is the age calibration factor,
- Members are the projected members and
- Age Factor is the rating factor associated with each member.

An age factor of 0 is used for members who are not expected to pay premium.

Section 4.6 demonstrates how the PAIRs and age curve are used to generate a schedule of premiums.

### **Geographic Factor Calibration**

The geographic calibration factor is [REDACTED]. It was determined as follows:





$$GCF = \frac{\sum Members}{\sum Members * Area Factor}$$

Where:

- GCF is the geographic calibration factor,
- Members are the projected members and
- Area Factor is the rating factor associated with each member.

Geographic area factors are calculated based upon expected reimbursement rates UHIC aims to achieve by rating area. These factors are relative to the membership-weighted average reimbursement rate for all areas UHIC will service in Wyoming. The factors only reflect differences in the costs of delivery (which can include unit cost and provider practice pattern differences) and not differences in population morbidity by geographic area.

Section 4.6 demonstrates how the PAIRs and area factors are used to generate a schedule of premiums.

### **Tobacco Use Rating Factor Calibration**

The tobacco calibration factor is [REDACTED]. It was determined as follows:

$$TCF = \frac{\sum Members}{\sum Members * Tobacco Factor}$$

Where:

- TCF is the tobacco calibration factor,
- Members are the projected members and
- Tobacco Factor is the rating factor associated with each member.

Section 4.6 demonstrates how the PAIRs and tobacco factors are used to generate a schedule of premiums.

### **Application of Calibration Factors**

The age, geographic and tobacco calibration adjustments are not plan specific. These adjustments are applied uniformly to all plans.

The age rating curve used by UHIC in Wyoming is the curve indicated in the HHS Notice of Benefit and Payment Parameters for 2018 Final Rule.

## **4.6 Consumer Adjusted Premium Rate Development**

The member's premium rate is calculated by first multiplying the PAIR by the calibration factors. This is the Calibrated PAIR, which is shown on Worksheet 2, row 3.14 of the URRT. The result can then be multiplied by the member's specific age, geographic and tobacco rating factors to determine the approximate member rate.

$$CPAIR = PAIR \times ACF \times GCF \times TCF$$



$$CAPR = CPAIR \times \text{Age Factor} \times \text{Geographic Factor} \times \text{Tobacco Factor}$$

Where:

- CPAIR is the Calibrated Plan Adjusted Index Rate,
- PAIR is the Plan Adjusted Index Rate,
- ACF is the age calibration factor,
- GCF is the geographic calibration factor,
- TCF is the tobacco calibration factor,
- CAPR is the Consumer Adjusted Premium Rate and
- Age, Geographic and Tobacco Factors are the rating factors associated with each member.

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

The rate manual and a demonstration of how the allowable rating factors are applied to the Calibrated PAIR to determine the Consumer Adjusted Premium Rate are shown in Appendix B.

## 5 Projected Loss Ratio

The projected medical loss ratio (MLR) for the individual line of business is [REDACTED]. This was calculated using the federally prescribed MLR methodology.

[REDACTED] Taxes and regulatory fees were excluded from premium in the calculation of this value. The calculation for the projected federal MLR is included in Appendix D.

## 6 Plan Product Information

### 6.1 AV Metal Values

The federal Actuarial Value Calculator was used to generate the AV metal values shown on Worksheet 2, row 1.6 of the URRT. Please refer to the Unique Plan Design Justification and Documentation document for the impact of plans and cost sharing inputs modifications made in order to enter these into the federal Actuarial Value Calculator.

### 6.2 Membership Projections

The total membership projections for 2026 were based upon internal modeling of market share estimates for the Wyoming counties we intend to service. The percentage of membership distributions by metal tier and variant was based on the metal, CSR variants and rating area/county distribution enrollments for Wyoming from actual UHIC enrollment with additional consideration to current Individual ACA Open Enrollment Period reports and the regulatory landscape. Refinements to this data are applied for strategic initiatives and actuarial judgment.



Projected enrollment in CSR subsidy eligible Silver plans was informed by actual UHIC enrollment and similar distributions in the Open Enrollment Period reports with consideration for regulatory impacts. The resulting projected enrollment by plan and subsidy level is provided in Appendix E.

### **6.3 Terminated Plans and Products**

There are no terminated plans or products to report.

### **6.4 Plan Type**

The drop downs in Worksheet 2, Section 1 of the URRT describe the issuer's plan types appropriately.

## **7 Miscellaneous Instructions**

### **7.1 Effective Rate Review Information**

Not applicable.

### **7.2 Reliance**

■■■■■

### **7.3 Actuarial Certification**

I, ■■■■■, am a Member of the American Academy of Actuaries (MAAA). I meet the Qualification Standards of Actuarial Opinion as adopted by the American Academy of Actuaries for preparing premium rate filings for insurers.

This actuarial certification applies to the UnitedHealthcare Insurance Company Individual products to be offered in the federal health Exchange. I certify that 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 applicable Actuarial Standards of Practice, including:
  - ASOP No. 5, *Incurred Health and Disability Claims*
  - ASOP No. 8, *Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits*
  - ASOP No. 12, *Risk Classification*
  - ASOP No. 23, *Data Quality*
  - ASOP No. 25, *Credibility Procedures*
  - ASOP No. 41, *Actuarial Communications*
  - ASOP No. 50, *Determining Minimum Value and Actuarial Value under the Affordable Care Act*
- Reasonable in relation to the benefits provided and the population anticipated to be covered
- Neither excessive nor deficient.



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 cost of delivery (which can include unit cost and provider practice pattern differences) and do not include differences for population morbidity by geographic area.

The federal AV Calculator was used to determine the AV Metal Values shown in Worksheet 2 of the Unified Rate Review Template for all plans. Any alternate methodologies are described in the Unique Plan Design Justification and Documentation.

The Part I Unified Rate Review Template does not demonstrate the process used to develop the rates. Rather it represents 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.

Sincerely,

A redacted signature consisting of a solid black rectangular box.

July 15, 2025



## Appendix A: Proposed Plans

[Table Redacted]

PUBLIC



# Appendix B: Rate Manual

[Table Redacted]

[Table Redacted]

[Table Redacted]

## Consumer Adjusted Premium Rate Example

Plan ID: [Redacted]  
Area: [Redacted]

[Table Redacted]  
There might be small differences between the premium rates shown above and those implied by the URRT due to rounding.

## Appendix C: Plan-Level Modifiers

[Table Redacted]

PUBLIC



## Appendix D: MLR Calculation

[Table Redacted]

Some numbers were adjusted for rounding. The projected MLR exceeds 80%.





## Appendix E: CSR Enrollment

### Projected CSR Enrollment

[Table Redacted]

PUBLIC

