

BHP MITIGATION ANALYSIS

IMPACT ON ENROLLMENT AND PREMIUM RATES IN 2025-2027

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PRIOR MODELING RECAP

IN PRIOR MODELING A TWO STEP PROCESS WAS USED TO DETERMINE THE EXPECTED IMPACT ON PREMIUM RATES AND RESULTING CHANGES IN ENROLLMENT FOR THE 2024 PLAN YEAR

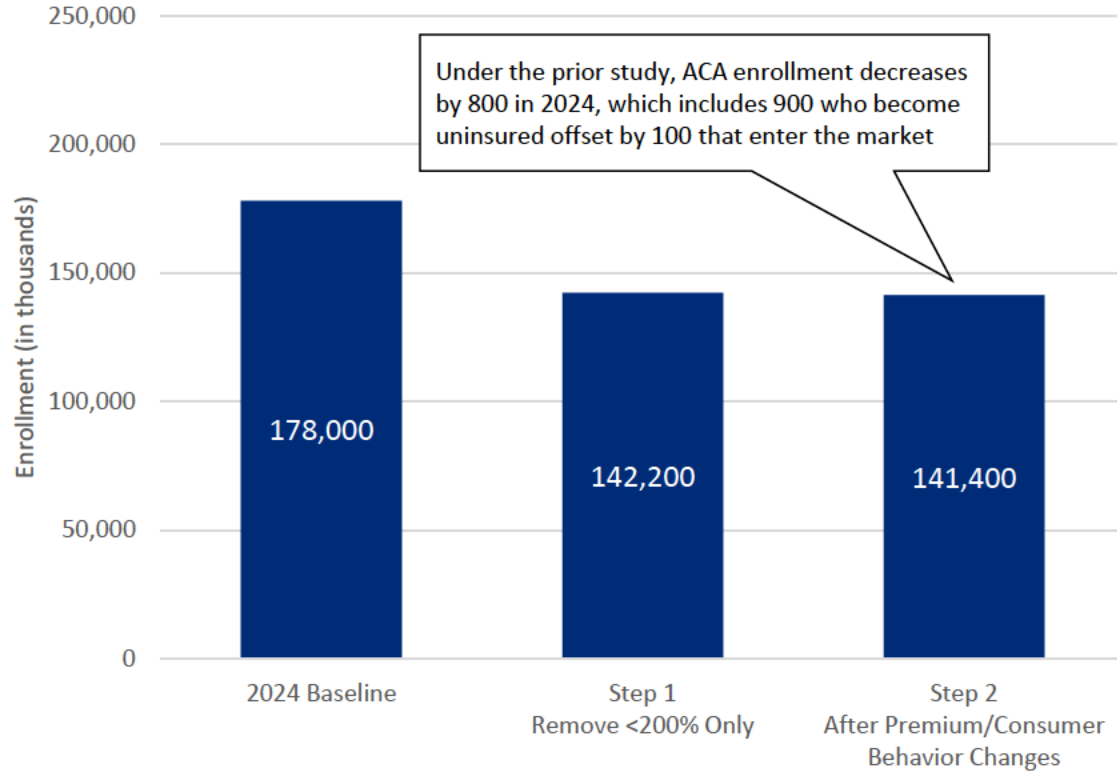
- **Step 1:** Remove the entire 138-200% FPL population from the Marketplace, making no adjustments to premium rates
 - Assess the impact on morbidity and CSR loading due to the removal of these members
- **Step 2:** After removing the 138-200% FPL revise, revise premium rates to reflect morbidity changes and reduced CSR loading in the residual Individual ACA market and assess revisions in coverage decisions in reaction to the revised premium rates
 - This leads to dynamic changes in consumer behavior that results in further needed adjustment to the market morbidity and CSR loading, and continues until the market reaches a new equilibrium

WE HAVE UPDATED THIS MODELING TO INSTEAD APPLY TO THE 2025 PLAN YEAR

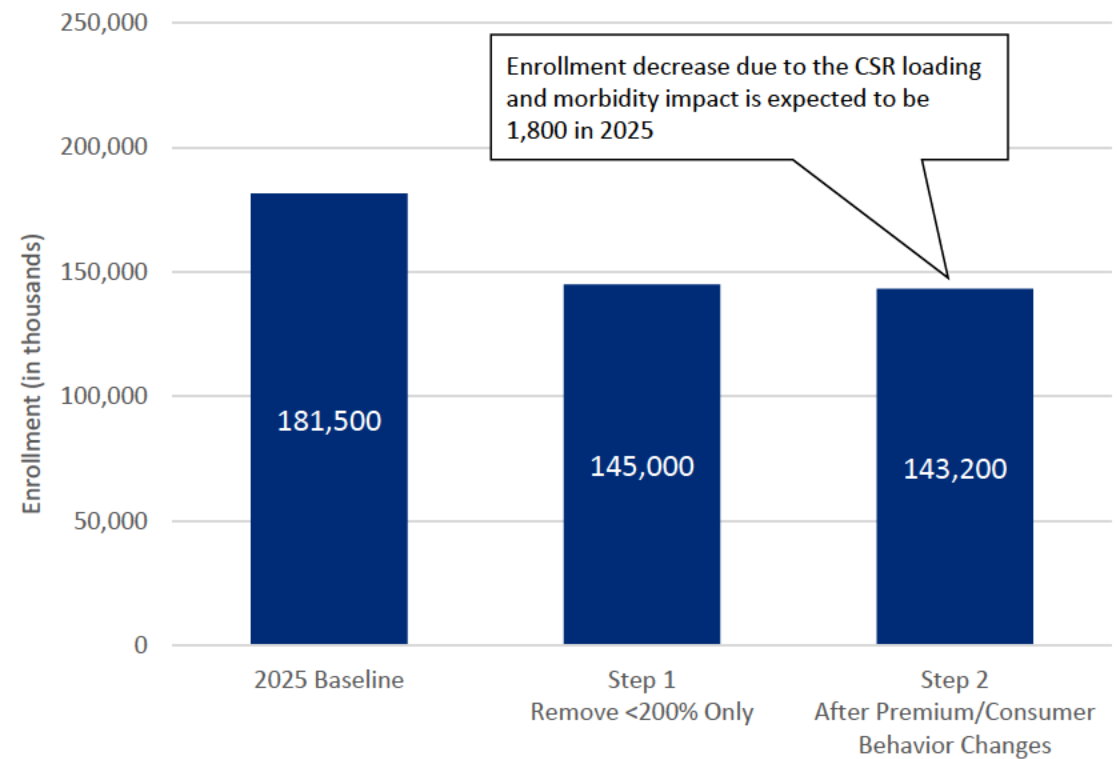
- We updated the prior modeling, which assumed all Exchange members under 200% FPL were removed from the market in 2024, to instead remove these members in 2025 to assess impact of first introducing a BHP for the 2025 plan year, for comparative purposes
- This provides for an apples-to-apples comparison with 2025 results of the auto renewal scenarios discussed in sections 1-3 of this presentation

THE 2025 BASELINE IS EXPECTED TO INCLUDE ROUGHLY 3,500 MORE MEMBERS THAN 2024, LEADING TO 1,800 EXPECTED MARKET EXITS WHEN THE BHP IS IMPLEMENTED IN 2025

**2024 INDIVIDUAL ACA MARKET ENROLLMENT (IN 1,000S)
PRIOR INDIVIDUAL ACA MARKET MODELING**



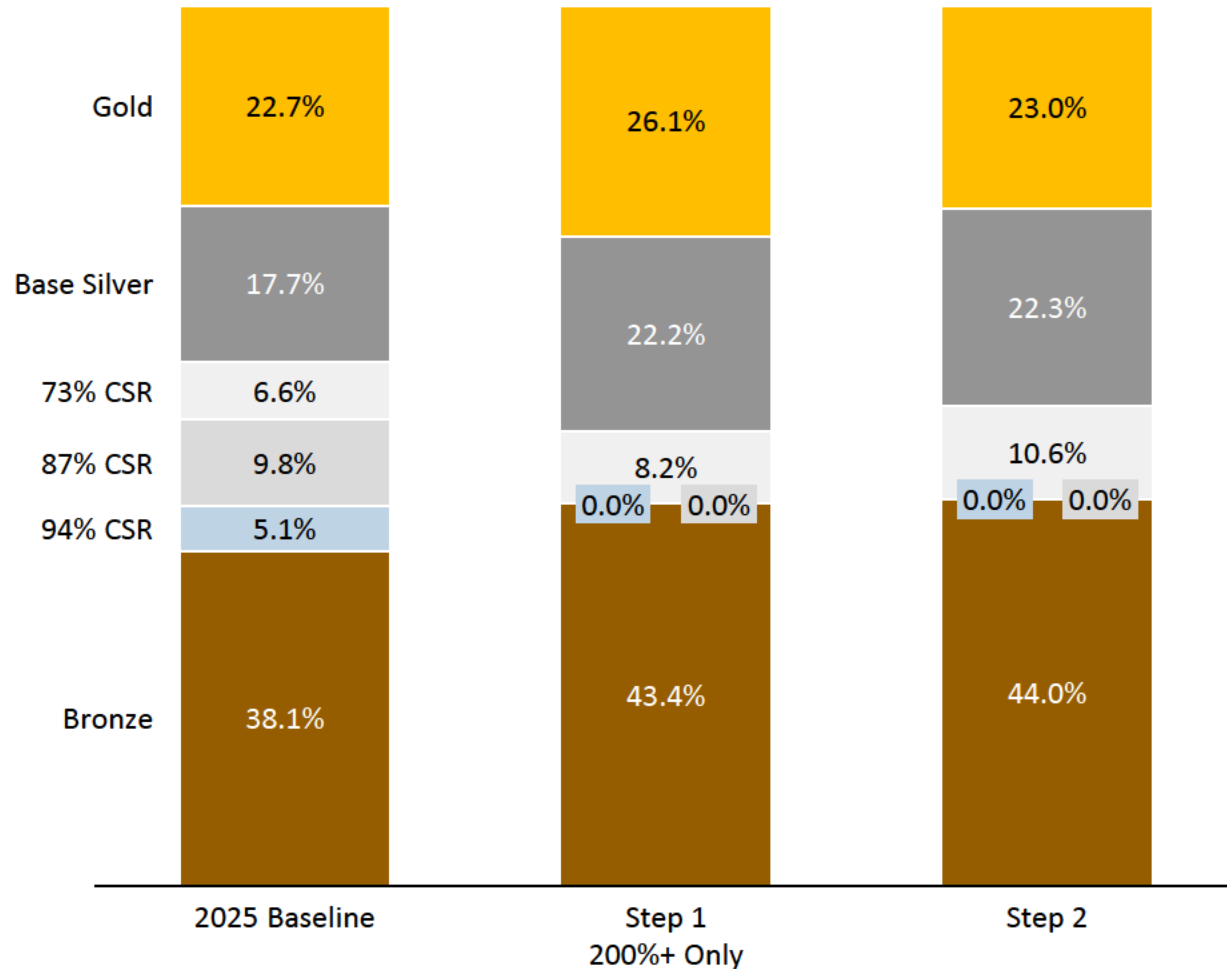
**2025 INDIVIDUAL ACA MARKET ENROLLMENT (IN 1,000S)
SAME MODELING BUT WITH BHP INTRODUCED IN 2025**



- In 2025 baseline total enrollment increases by 3,500 from 2024, and by 2,800 among enrollees with income above 200% FPL as higher health care cost and generous ARPA tax credits attract more enrollees into the individual ACA market
- With higher enrollment in the 2025 baseline, the change in individual ACA enrollment in step 2 is higher in 2025 (decrease of 1,800) compared to 2024 (decrease of 800)

PRIOR STUDY ENROLLMENT SHIFTS BY METAL LEVEL, WHEN MODELED FOR 2025 INSTEAD, INDICATE ROUGHLY 1,800 INDIVIDUALS OVER 200% FPL WOULD BE EXPECTED TO LEAVE THE MARKET WITH A BHP IMPLEMENTED

**2025 ACA DISTRIBUTION BY METAL LEVEL
(100% OF UNDER 200% FPL POPULATION LEAVE IN 2025)**



Distribution of Individual ACA Market Enrollment – 2025

| Metal Level | Baseline | Step 1 | Step 2 | Change from Step 1 to Step 2 |
|--------------------------|----------------|----------------|----------------|------------------------------------|
| Platinum | 0 | 0 | 0 | 0 |
| Gold | 41,200 | 37,900 | 33,000 | (4,900) |
| Silver | 71,100 | 44,100 | 47,200 | 3,100 |
| Base Silver | 32,200 | 32,200 | 32,000 | (200) |
| 73% CSR | 11,900 | 11,900 | 15,200 | 3,300 |
| 87% CSR | 17,700 | 0 | 0 | 0 |
| 94% CSR | 9,300 | 0 | 0 | 0 |
| Bronze | 69,200 | 63,000 | 63,000 | 0 |
| Catastrophic | 0 | 0 | 0 | 0 |
| Total¹ | 181,500 | 145,000 | 143,200 | (1,800) |

1: Sum of membership in the table may not equal membership shown on prior slide due to rounding

1

AUTO RENEWAL SCENARIOS AND MODELING RESULTS

MODELING SCENARIOS – 2025

BASELINE SCENARIO No BHP

1. Scenario year is 2025
2. **No BHP is implemented**
3. No impact of Medicaid redetermination are reflected
4. Oregon Reinsurance Program in place with premium reduction percent similar to 2023
5. Enrollees with income below 200% FPL continue to be eligible for IRA premium tax credits in the Individual ACA market
6. Health plans continue to apply CSR loading to On-Exchange Silver plans only

SCENARIO 1 Low Auto Renewal

1. Same as Baseline except for:
2. **BHP is implemented**
3. We modeled the Scenario in two steps:
 - i. Step 1 (**10,300** enrollees with income at or below 200% FPL auto renew and remain in the individual market, while **26,000** enrollees shift to the BHP; no rate impact or consumer behavior change in the over 200% FPL population was modeled in this step)
 - ii. Step 2 (CSR loading adjustments and morbidity rate impacts were reflected, and consumer behavior changes were modeled)
4. Step 2 results reflect:
 - i. Silver On-exchange rates decrease by **5.9%** due to revised CSR loading, relative to a 2025 baseline with the full CSR load
 - ii. The morbidity impact is **-0.9%** for all ACA individual premium rates

SCENARIO 2 High Auto Renewal

1. Same as Baseline except for:
2. **BHP is implemented**
3. We modeled the Scenario in two steps:
 - i. Step 1 (**15,000** enrollees with income at or below 200% FPL auto renew and remain in the individual market, while **21,300** enrollees shift to the BHP; no rate impact or consumer behavior change in the over 200% FPL population was modeled in this step)
 - ii. Step 2 (CSR loading adjustments and morbidity rate impacts were reflected, and consumer behavior changes were modeled)
4. Based on Step 2 results:
 - i. Silver On-exchange rates decrease by **4.3%** due to revised CSR loading, relative to a 2025 baseline with the full CSR load
 - ii. The morbidity impact is **-0.8%** for all ACA individual premium rates

MODELING SCENARIOS - 2026

BASELINE SCENARIO No BHP

1. Scenario year is 2026
2. **No BHP is implemented**
3. No impact of Medicaid redetermination are reflected
4. Oregon Reinsurance Program in place with premium reduction percent similar to 2023
5. Enrollees with income below 200% FPL continue to be eligible for IRA premium tax credits in the Individual ACA market
6. Health plans continue to apply CSR loading to On-Exchange Silver plans only

SCENARIO 1 Low Auto Renewal

1. Same as Baseline except for:
2. **BHP is implemented**
3. We modeled the Scenario in two steps in 2026:
 - i. Step 1 (**3,600** of the remaining enrollees with income at or below 200% FPL auto renew and remain in the individual market, while **6,700** enrollees shift to the BHP in 2026 (32,700 on cumulative basis shift in 2025 and 2026); no rate impact or consumer behavior change in the over 200% FPL population was modeled in this step)
 - ii. Step 2 (CSR loading adjustments and morbidity rate impacts were reflected, and consumer behavior changes were modeled)
4. Step 2 results in 2026 reflect:
 - i. Silver On-exchange rates decrease by **8.5%** due to revised CSR loading, relative to a 2026 Baseline with the full CSR load
 - ii. The morbidity impact is **-1.3%** for all ACA individual premium rates, relative to the 2026 baseline

SCENARIO 2 High Auto Renewal

1. Same as Baseline except for:
2. **BHP is implemented**
3. We modeled the Scenario in two steps in 2026:
 - i. Step 1 (**6,500** of the remaining enrollees with income at or below 200% FPL auto renew and remain in the individual market, while **8,500** enrollees shift to the BHP in 2026 (29,800 on cumulative basis shift in 2025 and 2026); no rate impact or consumer behavior change in the over 200% FPL population was modeled in this step)
 - ii. Step 2 (CSR loading adjustments and morbidity rate impacts were reflected, and consumer behavior changes were modeled)
4. Step 2 results in 2026 reflect:
 - i. Silver On-exchange rates decrease by **7.1%** due to revised CSR loading, relative to a 2026 Baseline with the full CSR load
 - ii. Morbidity impact is **-1.1%** for all ACA individual premium rates, relative to the 2026 baseline

MODELING SCENARIOS - 2027

BASELINE SCENARIO No BHP

1. Scenario year is 2027
2. **No BHP is implemented**
3. No impact of Medicaid redetermination are reflected
4. Oregon Reinsurance Program in place with premium reduction percent similar to 2023
5. Enrollees with income below 200% FPL continue to be eligible for IRA premium tax credits in the Individual ACA market
6. Health plans continue to apply CSR loading to On-Exchange Silver plans only

SCENARIO 1 Low Auto Renewal

1. Same as Baseline except for:
2. **BHP is implemented**
3. We modeled the Scenario in two steps in 2027:
 - i. Step 1 (All remaining enrollees with income at or below 200% FPL shift to the BHP; no rate impact or consumer behavior change in the over 200% FPL population was modeled in this step)
 - ii. Step 2 (CSR loading adjustments and morbidity rate impacts were reflected, and consumer behavior changes were modeled)
4. Step 2 results in 2027 reflect:
 - i. Silver On-exchange rates decrease by **11.0%** due to revised CSR loading, relative to a 2027 Baseline with the full CSR load
 - ii. The morbidity impact is **-1.2%** for all ACA individual premium rates, relative to the 2027 baseline

SCENARIO 2 High Auto Renewal

1. Same as Baseline except for:
2. **BHP is implemented**
3. We modeled the Scenario in two steps in 2027:
 - i. Step 1 (All remaining enrollees with income at or below 200% FPL shift to the BHP; no rate impact or consumer behavior change in the over 200% FPL population was modeled in this step)
 - ii. Step 2 (CSR loading adjustments and morbidity rate impacts were reflected, and consumer behavior changes were modeled)
4. Step 2 results in 2027 reflect:
 - i. Silver On-exchange rates decrease by **11.0%** due to revised CSR loading, relative to a 2027 Baseline with the full CSR load
 - ii. The morbidity impact is **-1.2%** for all ACA individual premium rates, relative to the 2027 baseline

ENROLLMENT SUMMARY AND MEMBERSHIP MIGRATION UNDER THE BASELINE AND SCENARIOS

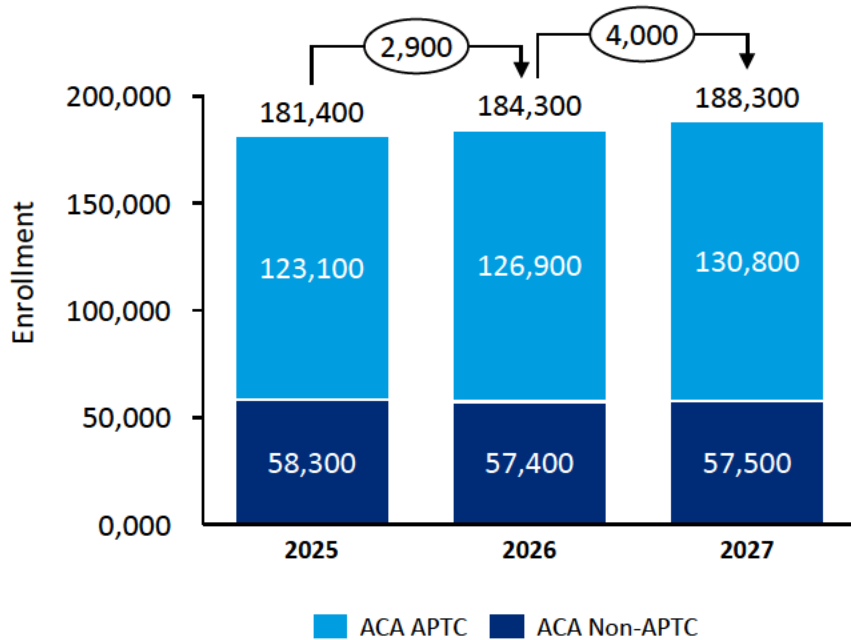
| | 2025 | 2026 | 2027 | 2025-2027 |
|--|----------|---------|---------|-----------|
| Baseline (No BHP) | 181,400 | 184,300 | 188,300 | |
| <i>Change From Prior Year</i> | | 2,900 | 4,000 | |
| Scenario 1 (Low Auto Renewal) | | | | |
| <i>Members under 200% FPL Newly Entering in the Baseline¹</i> | (700) | (500) | (700) | (1,900) |
| <i>Members Shifting to BHP (Auto Renewal)</i> | (26,000) | (6,700) | (3,600) | (36,300) |
| <i>Behavioral Change²</i> | (1,300) | (400) | (100) | (1,800) |
| <i>Members Enrolled For the Year</i> | 153,400 | 148,700 | 148,300 | |
| Scenario 2 (High Auto Renewal) | | | | |
| <i>Members under 200% FPL Newly Entering in the Baseline¹</i> | (700) | (500) | (700) | (1,900) |
| <i>Members Shifting to BHP (Auto Renewal)</i> | (21,300) | (8,500) | (6,500) | (36,300) |
| <i>Behavioral Change²</i> | (1,000) | (400) | (200) | (1,600) |
| <i>Members Enrolled For the Year</i> | 158,400 | 151,900 | 148,500 | |

¹Represents members <200% FPL that newly enter the Individual ACA market in the baseline but would not enter in the scenarios as they would instead be BHP eligible

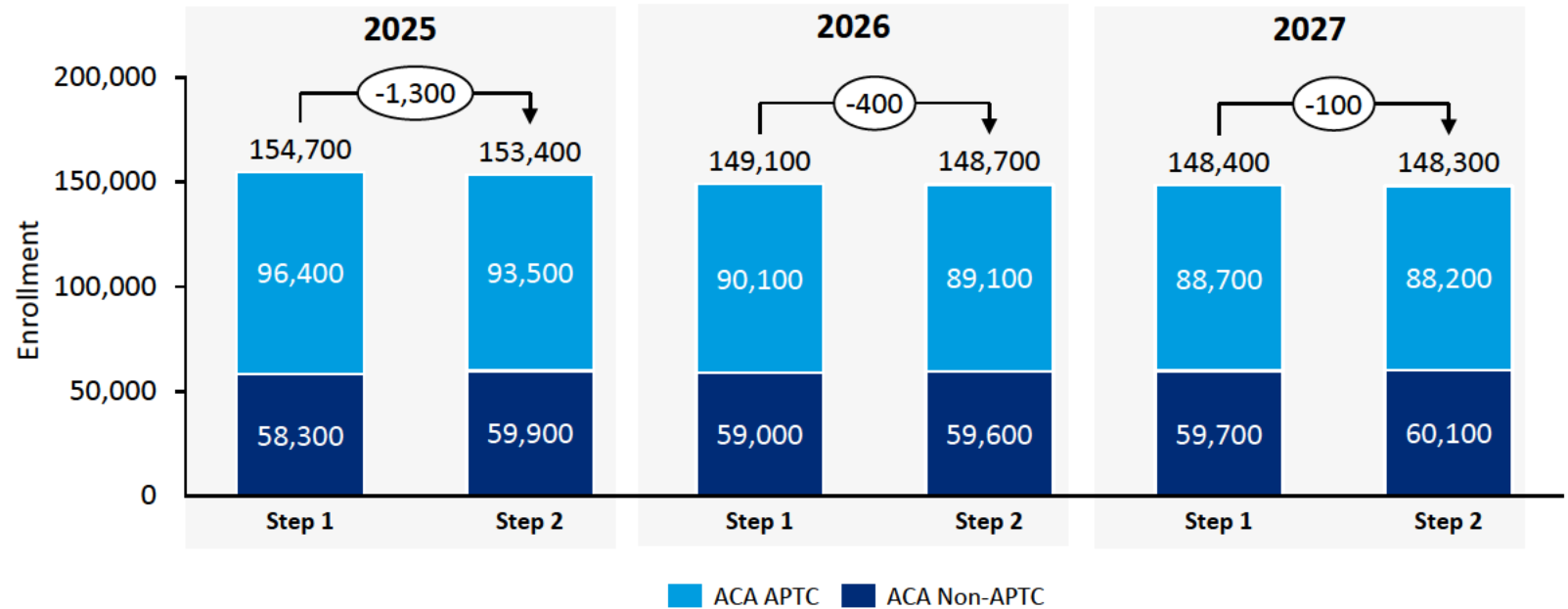
²Represents net member entrants/exits in the >200% FPL population in Step 2 due to behavior changes, once rates are adjusted to reflect reduced CSR loads and morbidity changes due to members shifting to the BHP

UNDER SCENARIO 1, ENROLLMENT OVER 200% FPL IS EXPECTED TO BE ROUGHLY 1,800 LESS, AS A RESULT ONCE ALL INDIVIDUALS UNDER 200% FPL MIGRATE TO THE BHP

**INDIVIDUAL ACA MARKET ENROLLMENT
BASELINE (NO BHP)**



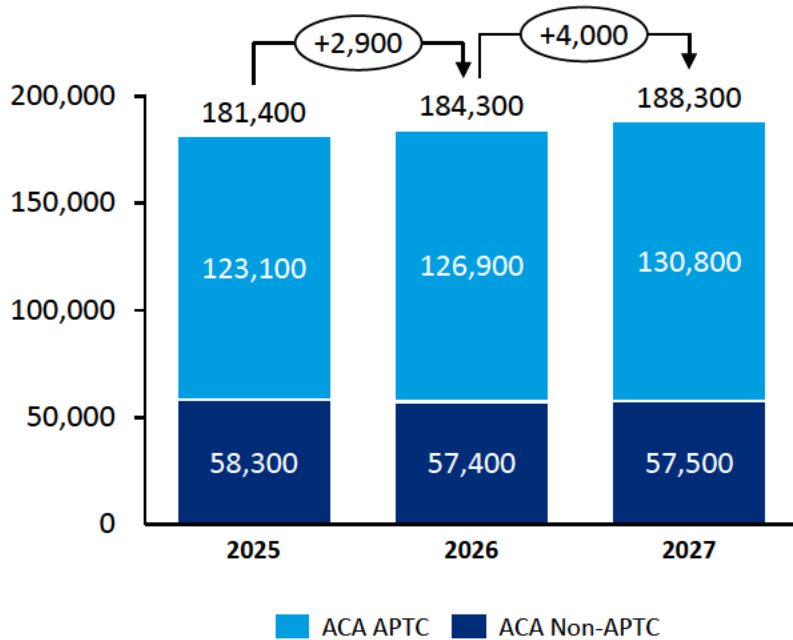
**INDIVIDUAL ACA MARKET ENROLLMENT
SCENARIO 1 - LOW AUTORENEWAL**



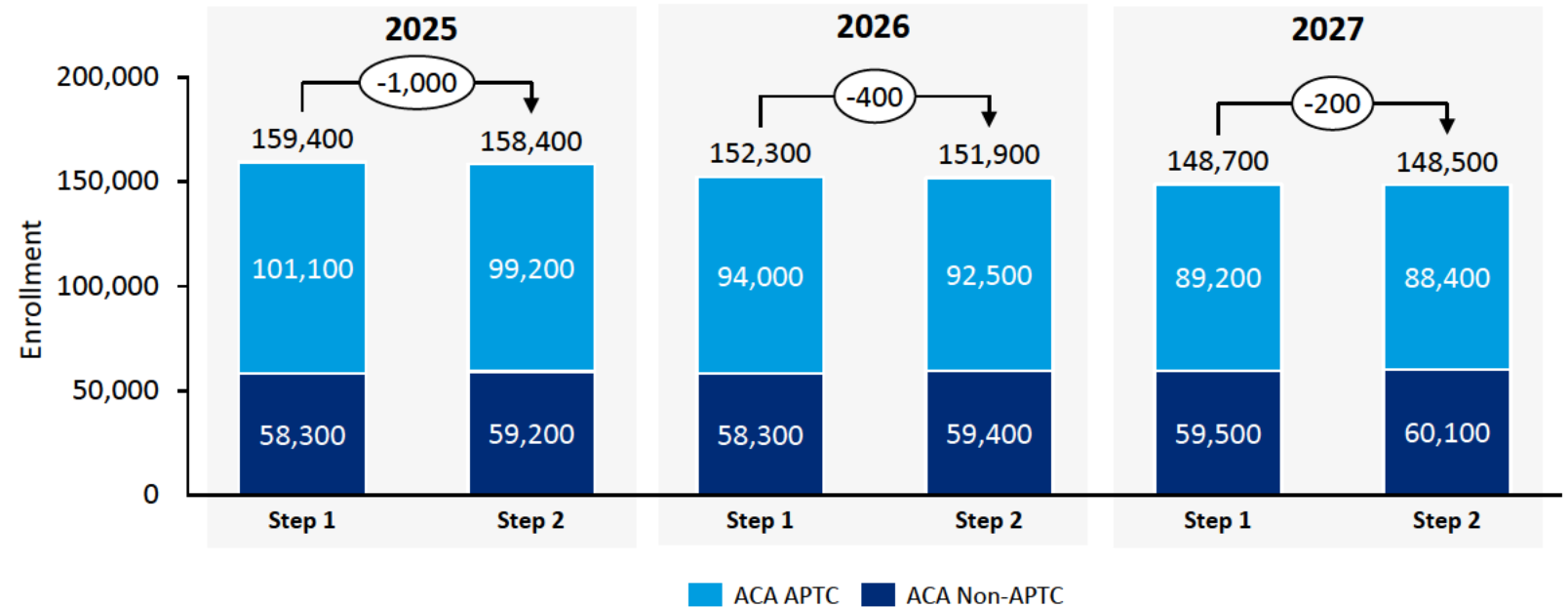
- **Step 1** – Assumes the specified number of members under 200% FPL indicated on slides 9 - 11 migrate to the BHP, but is prior to the impact of premium revisions and resulting consumer behavior changes of the over 200% FPL population
- **Step 2** – Reflects revised enrollment expected, after CSR load and the expected morbidity changes are reflected in premium rates and members react to the revised premium rates
- We expect a cumulative loss of roughly 1,800 individuals with incomes over 200% FPL in the low auto renewal scenario, with most of the exists occurring in 2025

UNDER SCENARIO 2, ENROLLMENT OVER 200% FPL IS EXPECTED TO BE ROUGHLY 1,600 LESS, AS A RESULT ONCE ALL INDIVIDUALS UNDER 200% FPL MIGRATE TO THE BHP

**INDIVIDUAL ACA MARKET ENROLLMENT
BASELINE (NO BHP)**

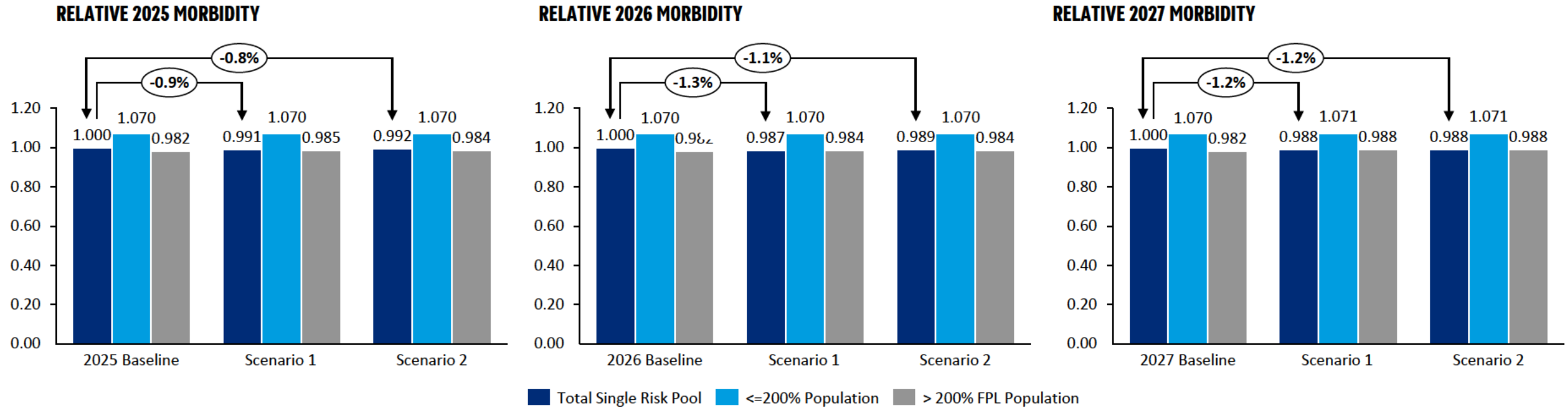


**INDIVIDUAL ACA MARKET ENROLLMENT
SCENARIO 2 - HIGH AUTORENEWAL**



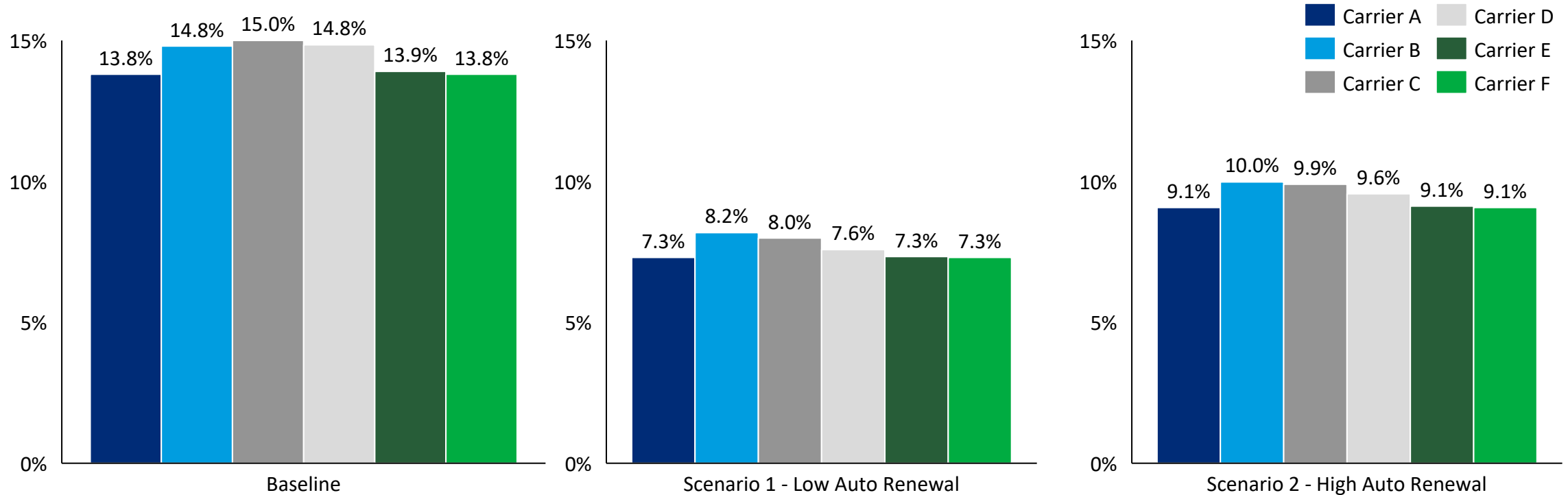
- **Step 1** – Assumes the specified number of members under 200% FPL indicated on slides 9 - 11 migrate to the BHP, but is prior to the impact of premium revisions and resulting consumer behavior changes of the over 200% FPL population
- **Step 2** – Reflects revised enrollment expected, after CSR load and the expected morbidity changes are reflected in premium rates and members react to the revised premium rates
- We expect a cumulative loss of roughly 1,600 individuals with incomes over 200% FPL in the low auto renewal scenario, with most of the exists occurring in 2025

REMOVING MEMBERS <200% FPL IS EXPECTED TO RESULT IN SLIGHT IMPROVEMENT IN THE MORBIDITY OF THE INDIVIDUAL ACA MARKET EACH YEAR, RELATIVE TO THE BASELINE



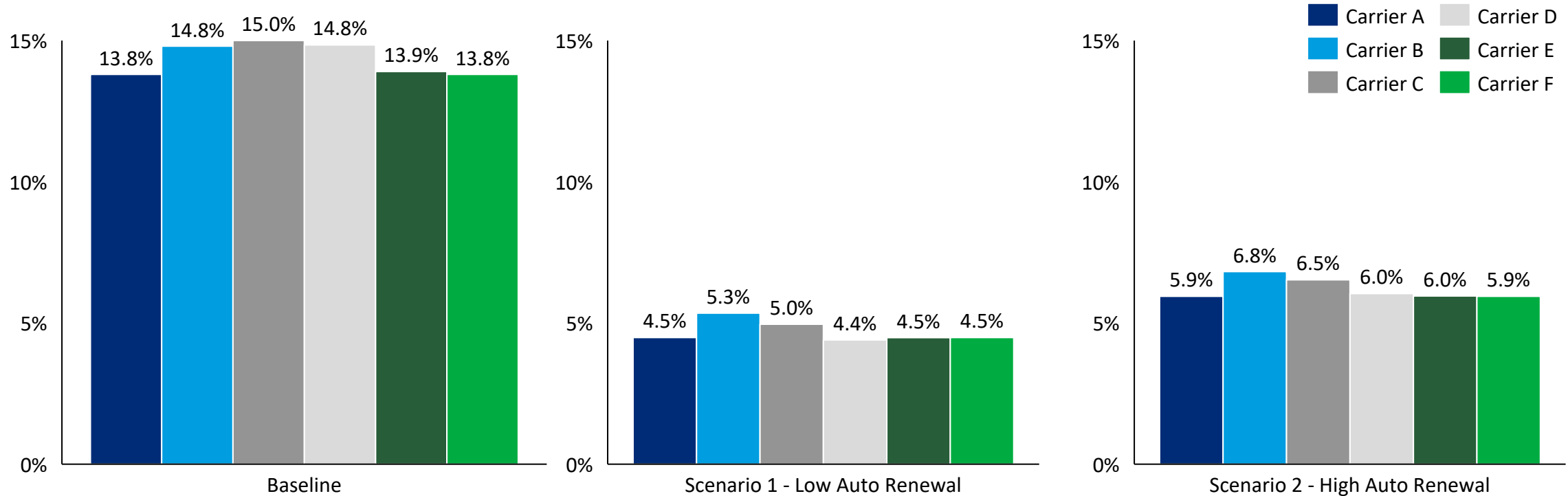
- The impact that removing a portion of the population with incomes at or below 200% FPL is expected to have on the Individual ACA market was developed from information obtained through the carrier data call
 - Allowed claims were normalized for differences in demographics and induced utilization due to benefit differences for each cohort
 - A secondary validation of the reasonableness was performed using ACA risk scores and other information provided by the carriers
- The morbidity impact of removing the population with incomes at or below 200% FPL varies by carrier, however there is an expected offsetting adjustments to each carriers' risk transfer liability that should result in a similar impact on expected allowed claims for all carriers at the market level
- The average morbidity impact is expected to vary by scenario due differences in timing as to when certain members under 200% FPL leave the Individual ACA market over the three-year period, but with both scenarios having the same impact in 2027 when all members under 200% FPL have left the individual market
- Once premium rates were reduced to reflect this lower morbidity, the CSR load was adjusted to reflect the remaining population enrollment, and consumer changes in coverage choice based on these new premium rates was modeled with any offsetting morbidity change that resulted reflected in the final rates

2025 ON-EXCHANGE SILVER PLAN CSR LOADS ARE BASED ON ESTIMATES FROM THE CARRIER DATA CALL AND ACCOUNT FOR EXPECTED MIX OF CSR AND NON-CSR SILVER ON-EXCHANGE ENROLLEES



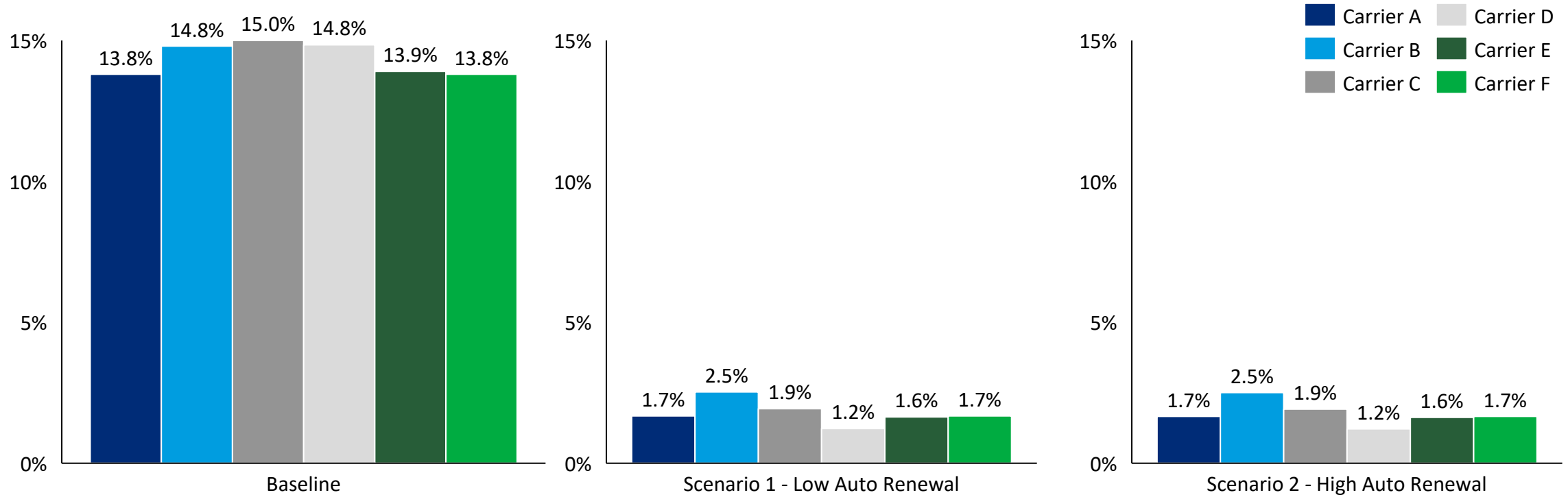
- The revised CSR loads are estimated to be approximately 7.3% to 8.2% in Scenario 1 and 9.1% to 10.0% in Scenario 2 to account for the remaining and expected new CSR 73% enrollees
- As a result, the Silver benchmark premium rates would be expected to decrease between 5.7% and 6.3% in Scenario 1 and 4.2% and 4.6% in Scenario 2, relative to the baseline, due to changes in CSR loading, and lead to a reduction in the amount of APTCs available, all else equal

ON-EXCHANGE SILVER PLAN CSR LOADS FOR 2026 ARE EXPECTED TO BE MUCH LOWER THAN IN THE BASELINE



- The revised CSR loads in 2026 are estimated to be approximately 4.4% to 5.3% in Scenario 1 and 5.9% to 6.8% in Scenario 2 to account for the remaining and expected new CSR 73% enrollees
- As a result, the Silver benchmark premium rates would be expected to decrease between 8.2% and 9.1% in Scenario 1 and 6.9% and 7.7% in Scenario 2, relative to the baseline, due to changes in CSR loading, and lead to a reduction in the amount of APTCs available, all else equal

ON-EXCHANGE SILVER PLAN CSR LOADS FOR 2027 ARE EXPECTED TO BE MINIMAL



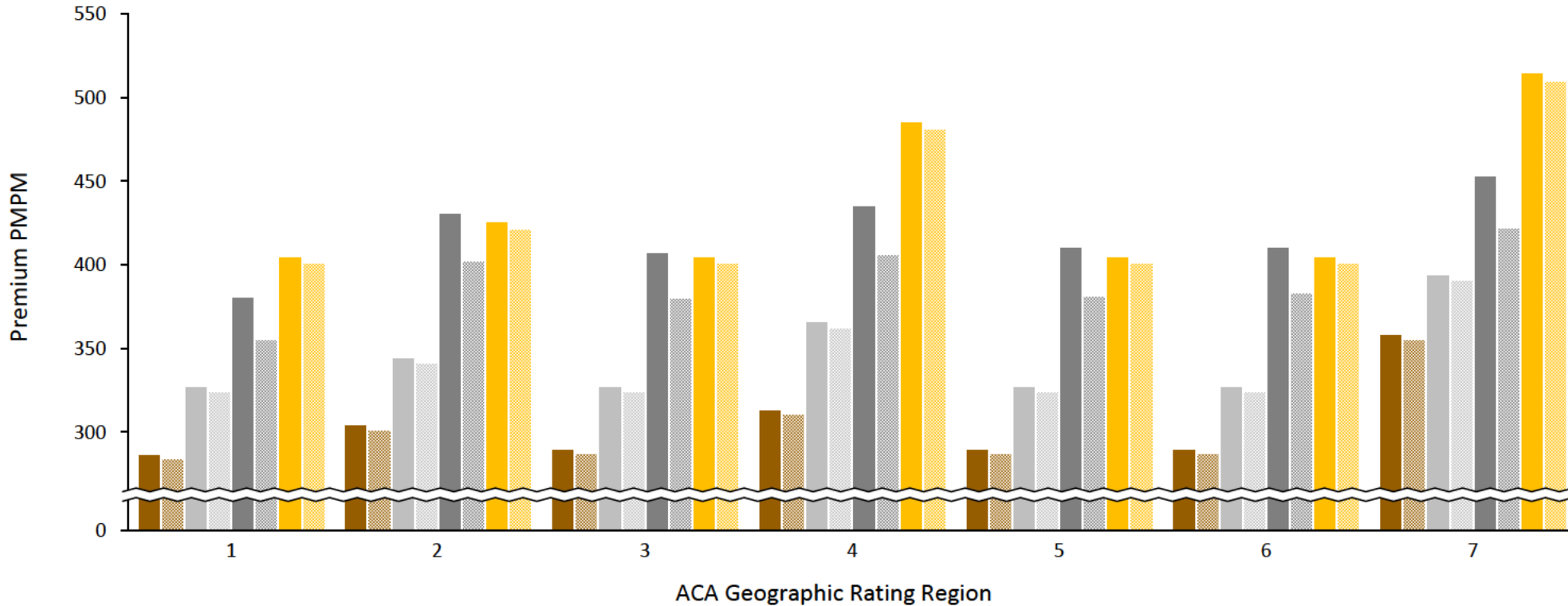
- The revised CSR loads in 2027 are estimated to be approximately 1.2% to 2.5% in both scenarios, to account for the remaining and expected new CSR 73% enrollees
- As a result, the Silver benchmark premium rates would be expected to decrease between 10.7% and 11.9% in both scenarios, relative to the baseline, due to changes in CSR loading, and lead to a reduction in the amount of APTCs available, all else equal

1A

GROSS PREMIUM AND METAL DISTRIBUTION CHANGES - 2025

COMPARISON OF GROSS PREMIUMS – 2025 BASELINE VS SCENARIO 1

LOWEST COST GROSS PREMIUM PMPM AT EACH METAL LEVEL¹ – 21 YEAR-OLD – BASELINE VS. SCENARIO 1 – LOW AUTO RENEWAL

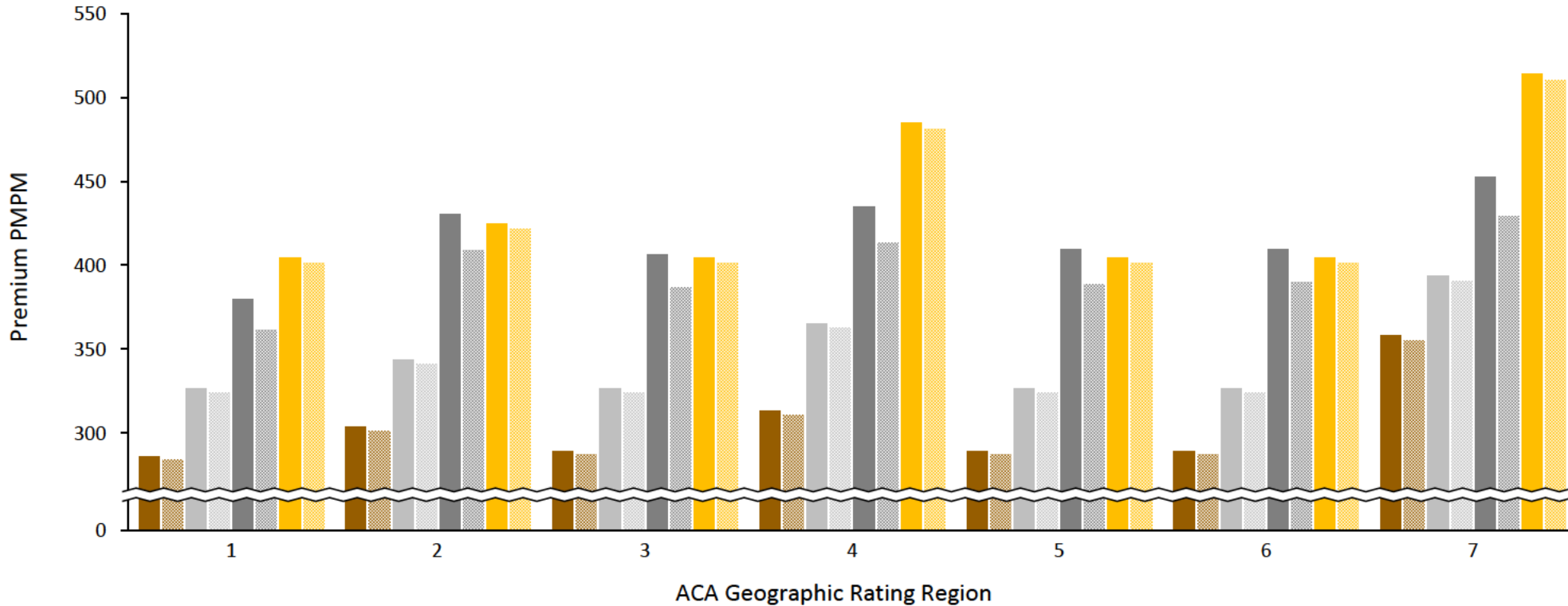


- The SLCS benchmark rates decrease between 6.6% and 7.0%, relative to the baseline, due to the reduction in CSR loading and expected morbidity improvement, and become lower than the lowest cost Gold rates in Rating Regions 2, 3, 5, and 6
- All rates are expected to decrease slightly due to expected morbidity improvement of 0.9%

¹The lowest cost premium rates within the region were used for each ACA Rating Region

COMPARISON OF GROSS PREMIUMS – 2025 BASELINE VS SCENARIO 2

LOWEST COST GROSS PREMIUM PMPM AT EACH METAL LEVEL¹ – 21 YEAR-OLD – BASELINE VS. SCENARIO 2 – HIGH AUTO RENEWAL

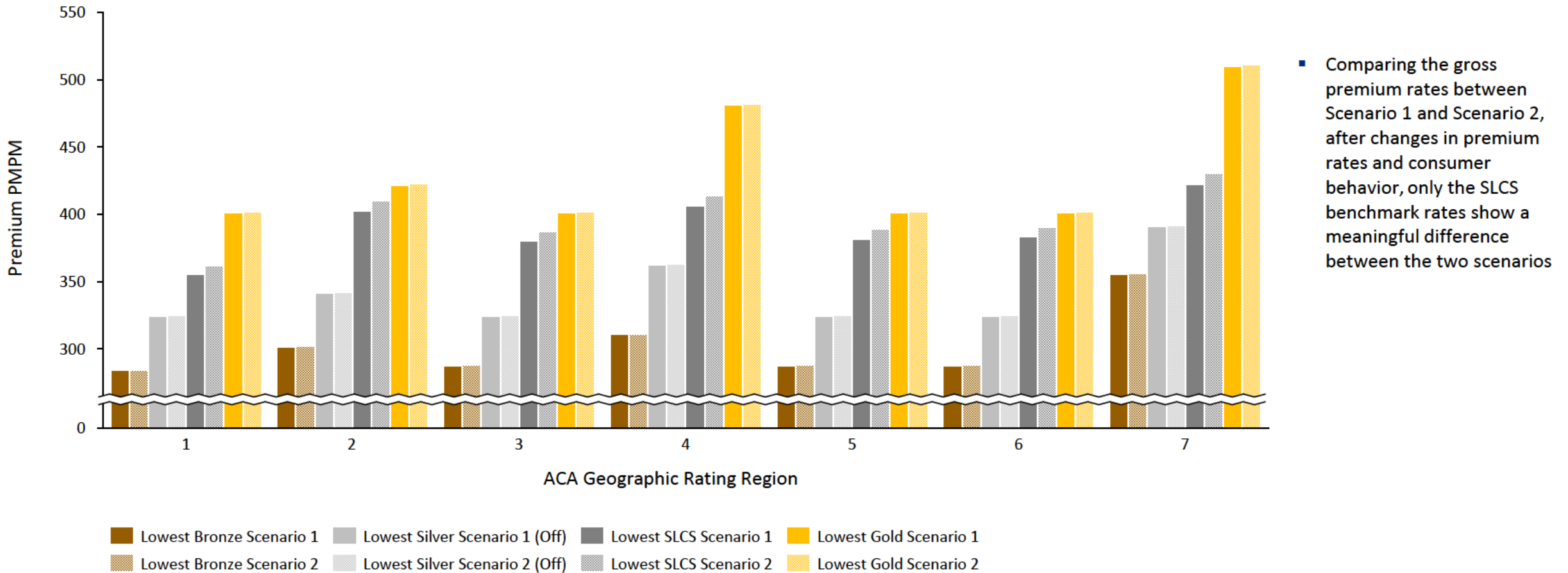


- The SLCS benchmark rates decrease between 4.9% and 5.1%, relative to the baseline, due to the reduction in CSR loading and expected morbidity improvement, and become lower than the lowest cost Gold rates in Rating Regions 2, 3, 5, and 6
- All rates are expected to decrease slightly due to expected morbidity improvement of 0.8%

¹The lowest cost premium rates within the region were used for each ACA Rating Region

COMPARISON OF GROSS PREMIUMS – 2025 SCENARIO 1 VS SCENARIO 2

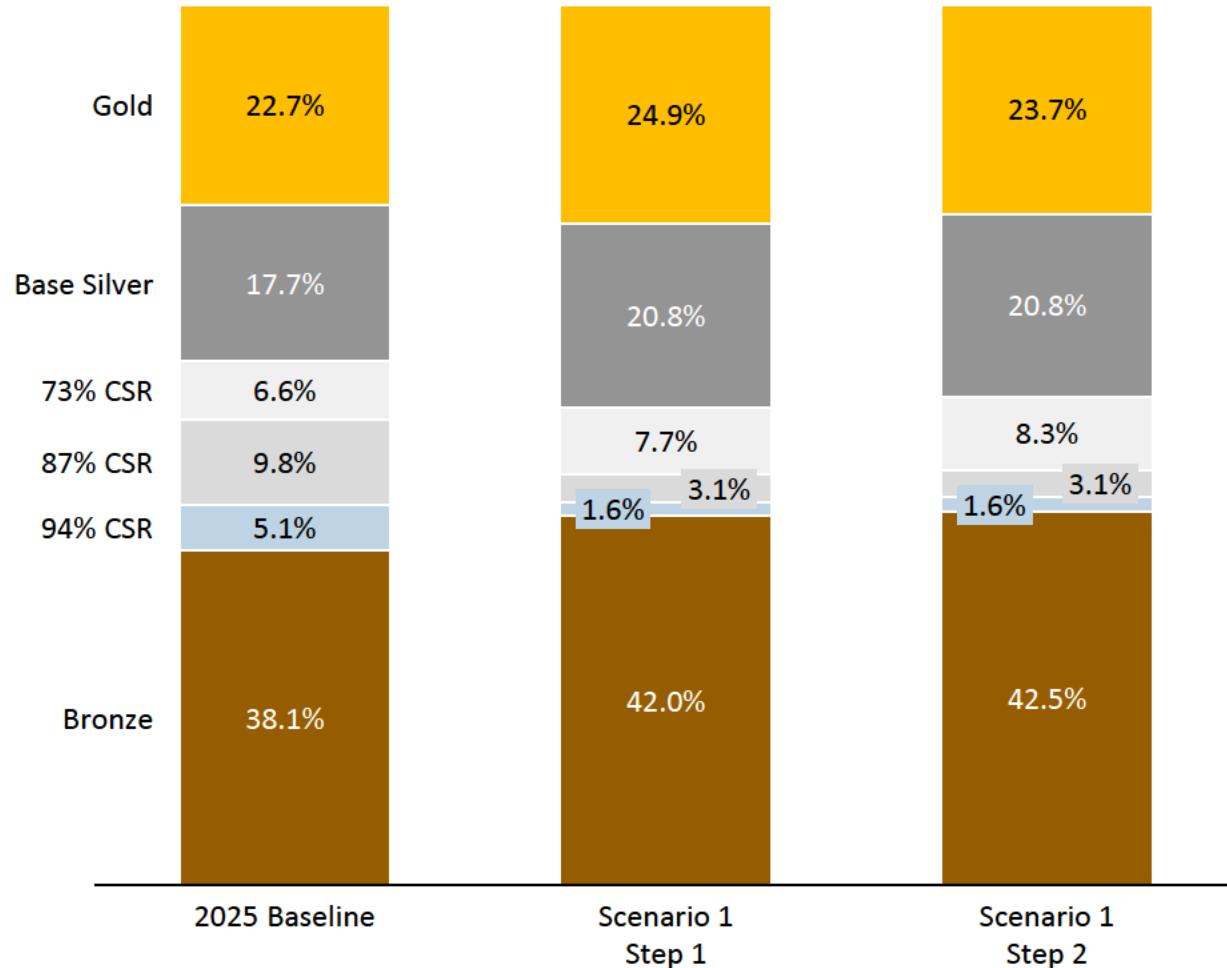
LOWEST COST GROSS PREMIUM PMPM AT EACH METAL LEVEL¹ – 21 YEAR-OLD – SCENARIO 1 VS. SCENARIO 2



¹The lowest cost premium rates within the region were used for each ACA Rating Region

UNDER SCENARIO 1, IN 2025 ENROLLMENT IS EXPECTED TO SHIFT FROM GOLD AND BASE SILVER TO BRONZE AND UNINSURED

**2025 ACA DISTRIBUTION BY METAL LEVEL
SCENARIO 1**



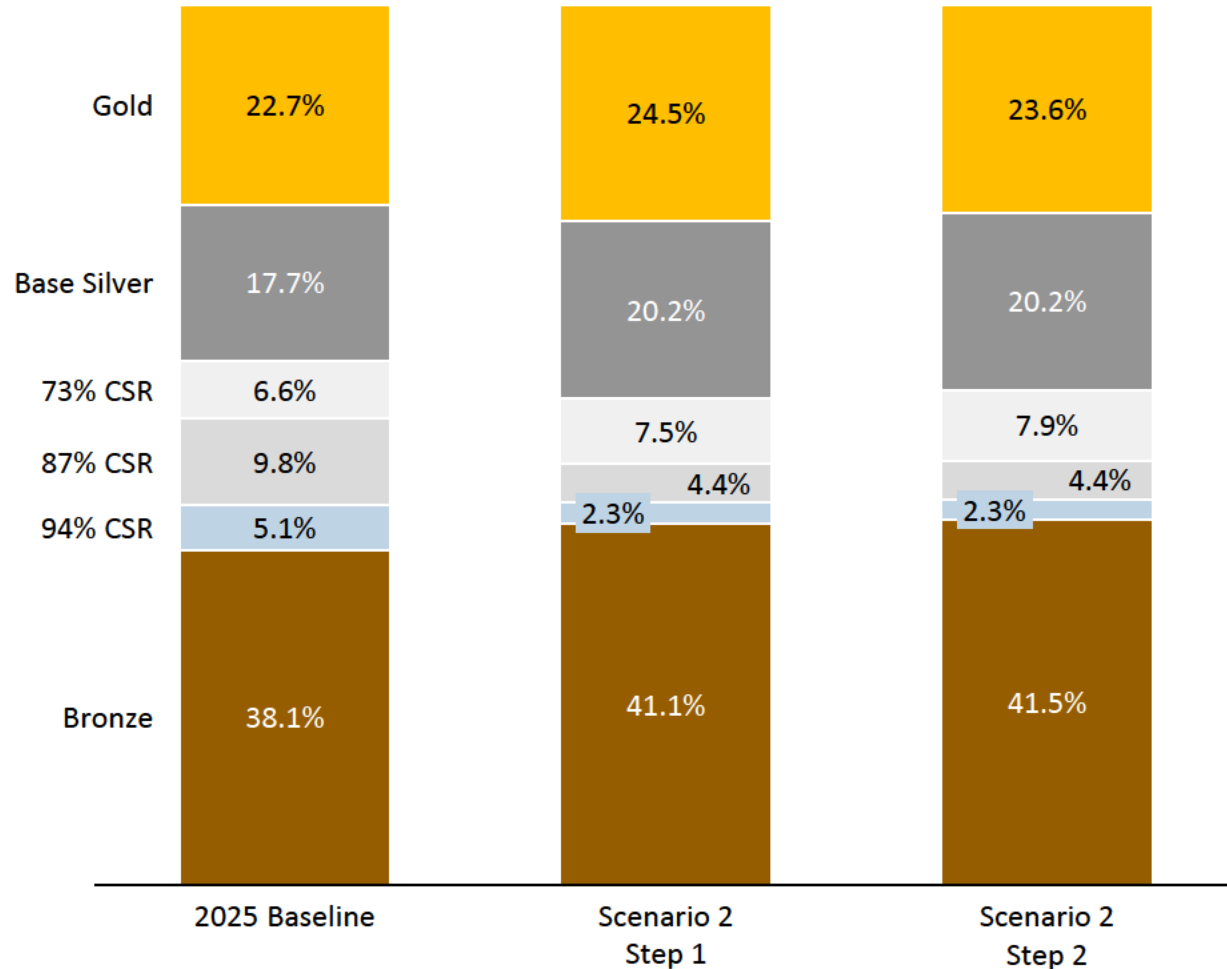
Distribution of Individual ACA Market Enrollment – Scenario 1

| Metal Level | Baseline | Scenario 1 Step 1 | Scenario 1 Step 2 | Change from Step 1 to Step 2 |
|--------------------------|----------------|-------------------|-------------------|------------------------------|
| Platinum | 0 | 0 | 0 | 0 |
| Gold | 41,200 | 38,500 | 36,400 | (2,100) |
| Silver | 71,100 | 51,300 | 51,800 | 500 |
| <i>Base Silver</i> | 32,200 | 32,200 | 31,900 | (300) |
| <i>73% CSR</i> | 11,900 | 11,900 | 12,700 | 800 |
| <i>87% CSR</i> | 17,700 | 4,800 | 4,800 | 0 |
| <i>94% CSR</i> | 9,300 | 2,500 | 2,500 | 0 |
| Bronze | 69,200 | 64,900 | 65,100 | 200 |
| Catastrophic | 0 | 0 | 0 | 0 |
| Total¹ | 181,400 | 154,700 | 153,400 | (1,300) |

¹ Sum of membership in the table may not equal tie to totals due to rounding

UNDER SCENARIO 2 IN 2025, A SIMILAR SHIFT IN ENROLLMENT IS ESTIMATED BUT TO A LESSER DEGREE THAN UNDER SCENARIO 1

**2025 ACA DISTRIBUTION BY METAL LEVEL
SCENARIO 2**



Distribution of Individual ACA Market Enrollment – Scenario 2

| Metal Level | Baseline | Scenario 2 Step 1 | Scenario 2 Step 2 | Change from Step 1 to Step 2 |
|--------------------------|----------------|-------------------|-------------------|------------------------------|
| Platinum | 0 | 0 | 0 | 0 |
| Gold | 41,200 | 39,100 | 37,400 | (1,700) |
| Silver | 71,100 | 54,800 | 55,300 | 500 |
| <i>Base Silver</i> | 32,200 | 32,200 | 32,000 | (200) |
| <i>73% CSR</i> | 11,900 | 11,900 | 12,600 | 700 |
| <i>87% CSR</i> | 17,700 | 7,000 | 7,000 | 0 |
| <i>94% CSR</i> | 9,300 | 3,700 | 3,700 | 0 |
| Bronze | 69,200 | 65,600 | 65,800 | 200 |
| Catastrophic | 0 | 0 | 0 | 0 |
| Total¹ | 181,400 | 159,400 | 158,400 | (1,000) |

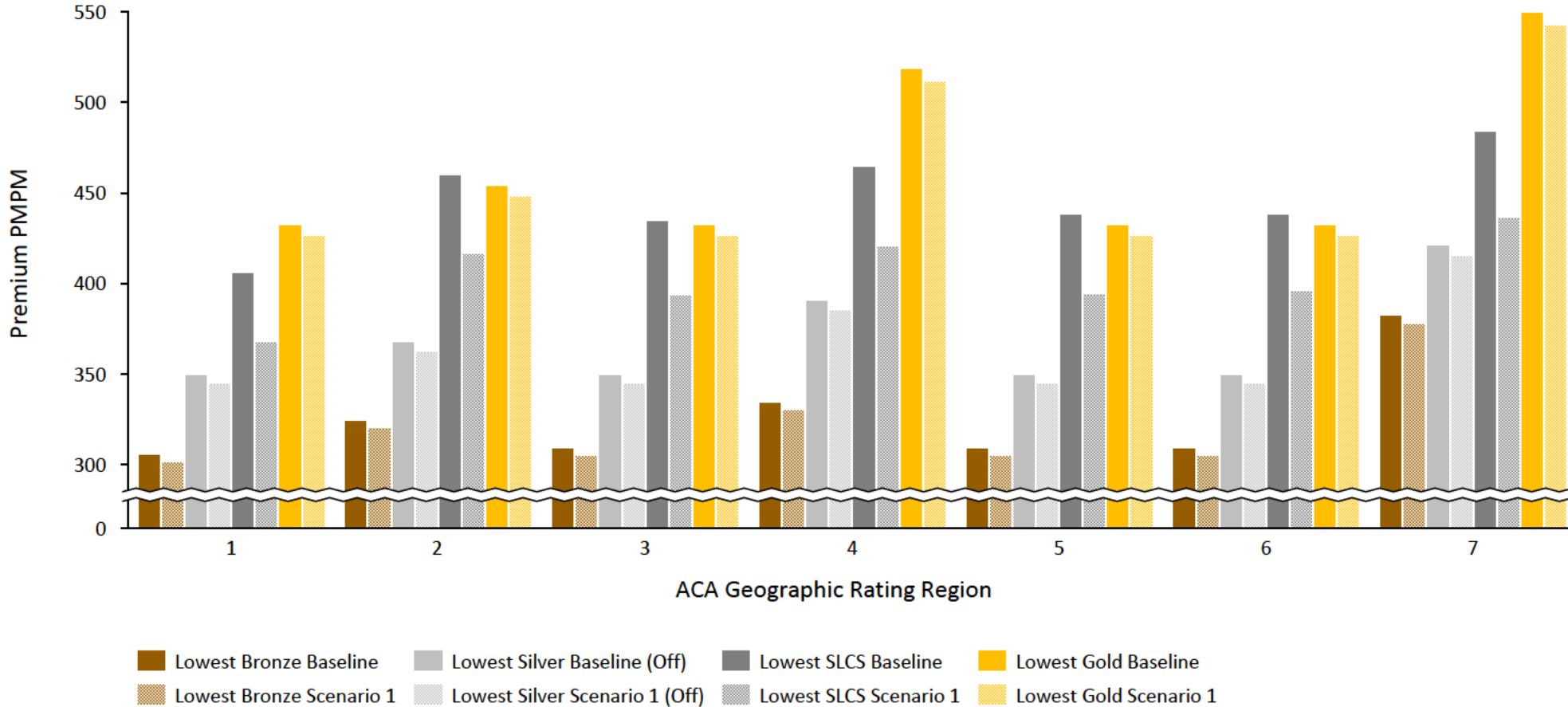
¹ Sum of membership in the table may not equal tie to totals due to rounding

1B

GROSS PREMIUM AND METAL DISTRIBUTION CHANGES - 2026

COMPARISON OF GROSS PREMIUMS – 2026 BASELINE VS SCENARIO 1

LOWEST COST GROSS PREMIUM PMPM AT EACH METAL LEVEL¹ – 21 YEAR-OLD – BASELINE VS. SCENARIO 1 – LOW AUTO RENEWAL

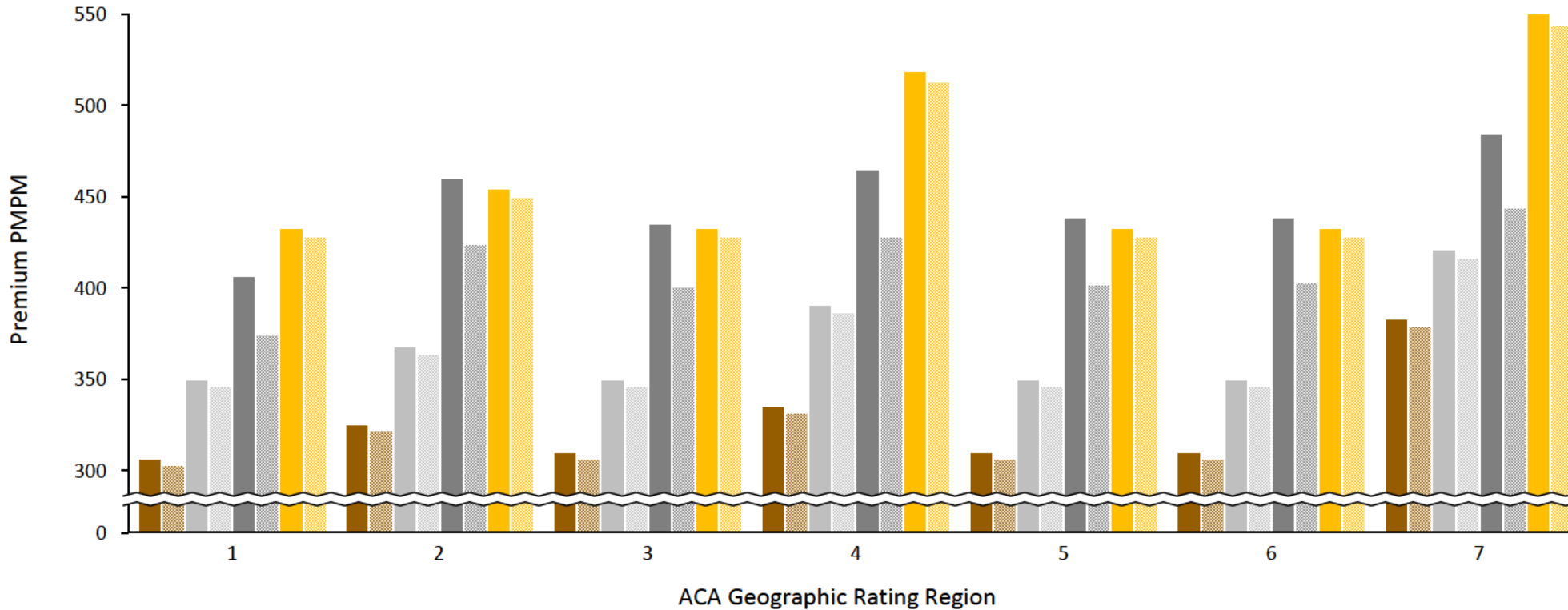


- The SLCS benchmark rates decrease between 9.4% and 10.0%, relative to the 2026 baseline, due to the reduction in CSR loading and morbidity improvement, and become lower than the lowest cost Gold rates in Rating Regions 2, 3, 5, and 6
- All rates are expected to decrease slightly due to expected morbidity improvement of 1.3%

¹The lowest cost premium rates within the region were used for each ACA Rating Region

COMPARISON OF GROSS PREMIUMS – 2026 BASELINE VS SCENARIO 2

LOWEST COST GROSS PREMIUM PMPM AT EACH METAL LEVEL¹ – 21 YEAR-OLD – BASELINE VS. SCENARIO 2 – HIGH AUTO RENEWAL

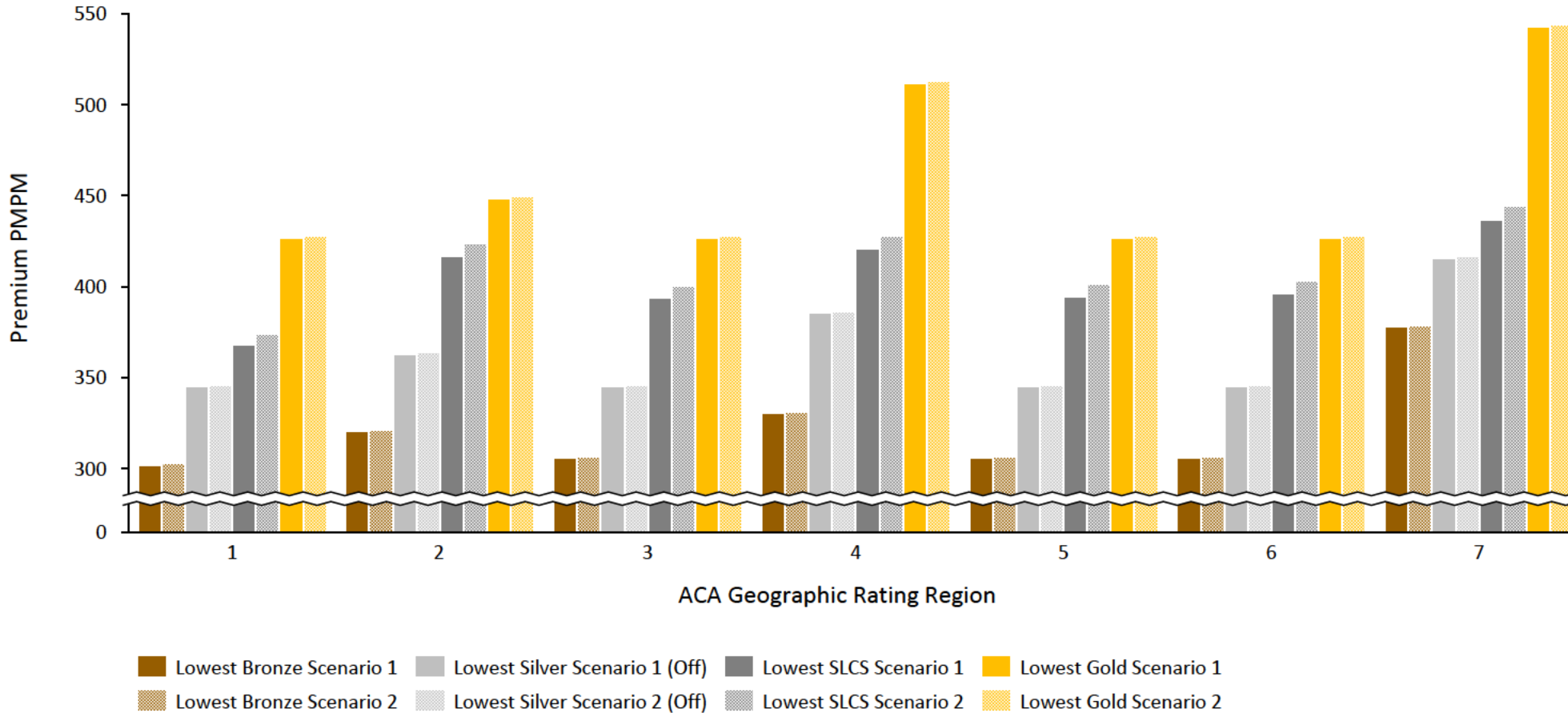


- The SLCS benchmark rates decrease between 7.9% and 8.4%, relative to the 2026 baseline, due to the reduction in CSR loading and morbidity improvement, and become lower than the lowest cost Gold rates in Rating Regions 2, 3, 5, and 6
- All rates are expected to decrease slightly due to expected morbidity improvement of 1.1%

¹The lowest cost premium rates within the region were used for each ACA Rating Region

COMPARISON OF GROSS PREMIUMS – 2026 SCENARIO 1 VS SCENARIO 2

LOWEST COST GROSS PREMIUM PMPM AT EACH METAL LEVEL¹ – 21 YEAR-OLD – SCENARIO 1 VS. SCENARIO 2

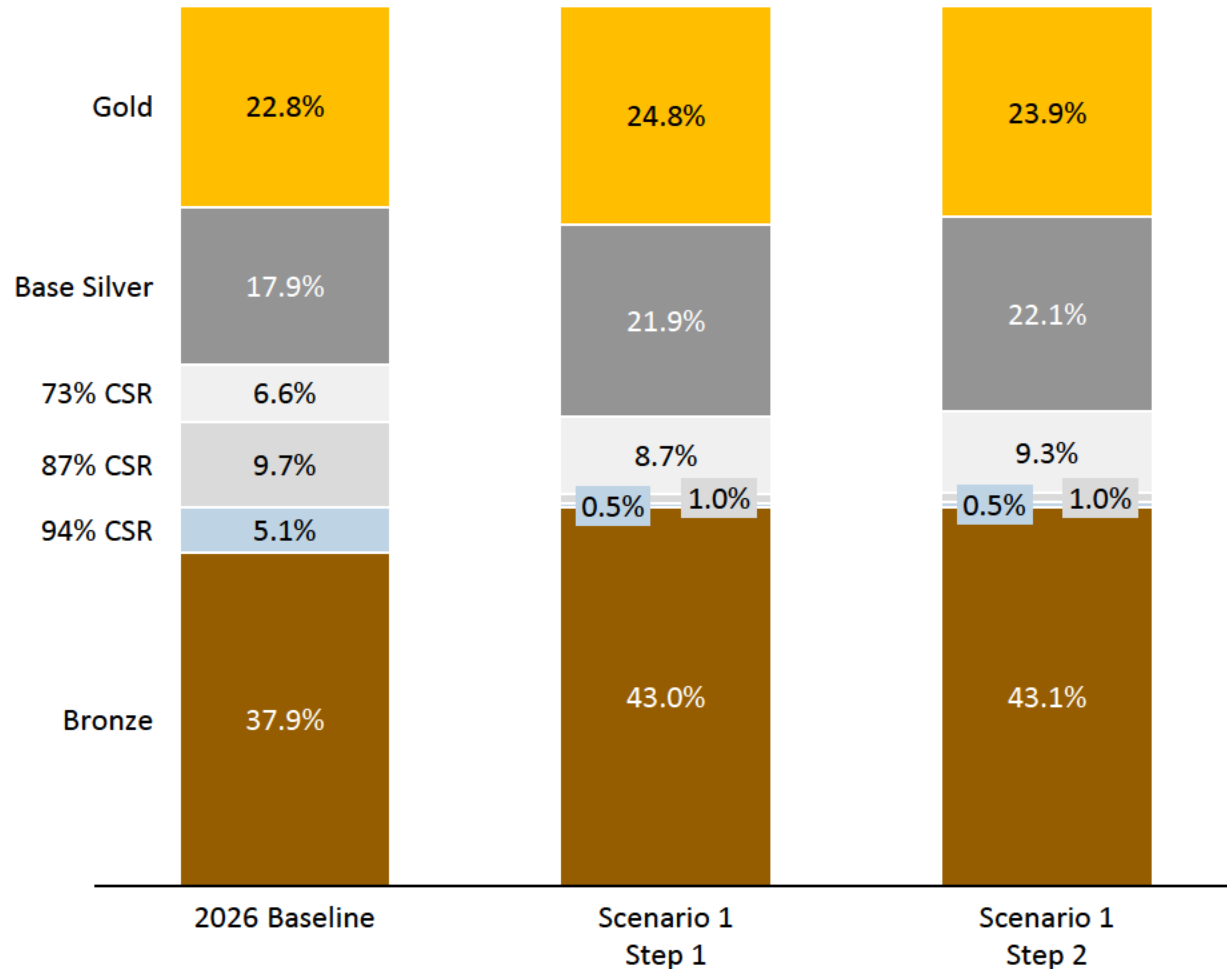


- Comparing the gross premium rates between Scenario 1 and Scenario 2, after changes in premium rates and consumer behavior, only the SLCS benchmark rates show a meaningful difference between the two scenarios

¹The lowest cost premium rates within the region were used for each ACA Rating Region

UNDER SCENARIO 1, IN 2026 ENROLLMENT IS EXPECTED TO CONTINUE SHIFTING FROM GOLD AND BASE SILVER TO BRONZE AND UNINSURED

**2026 ACA DISTRIBUTION BY METAL LEVEL
SCENARIO 1**



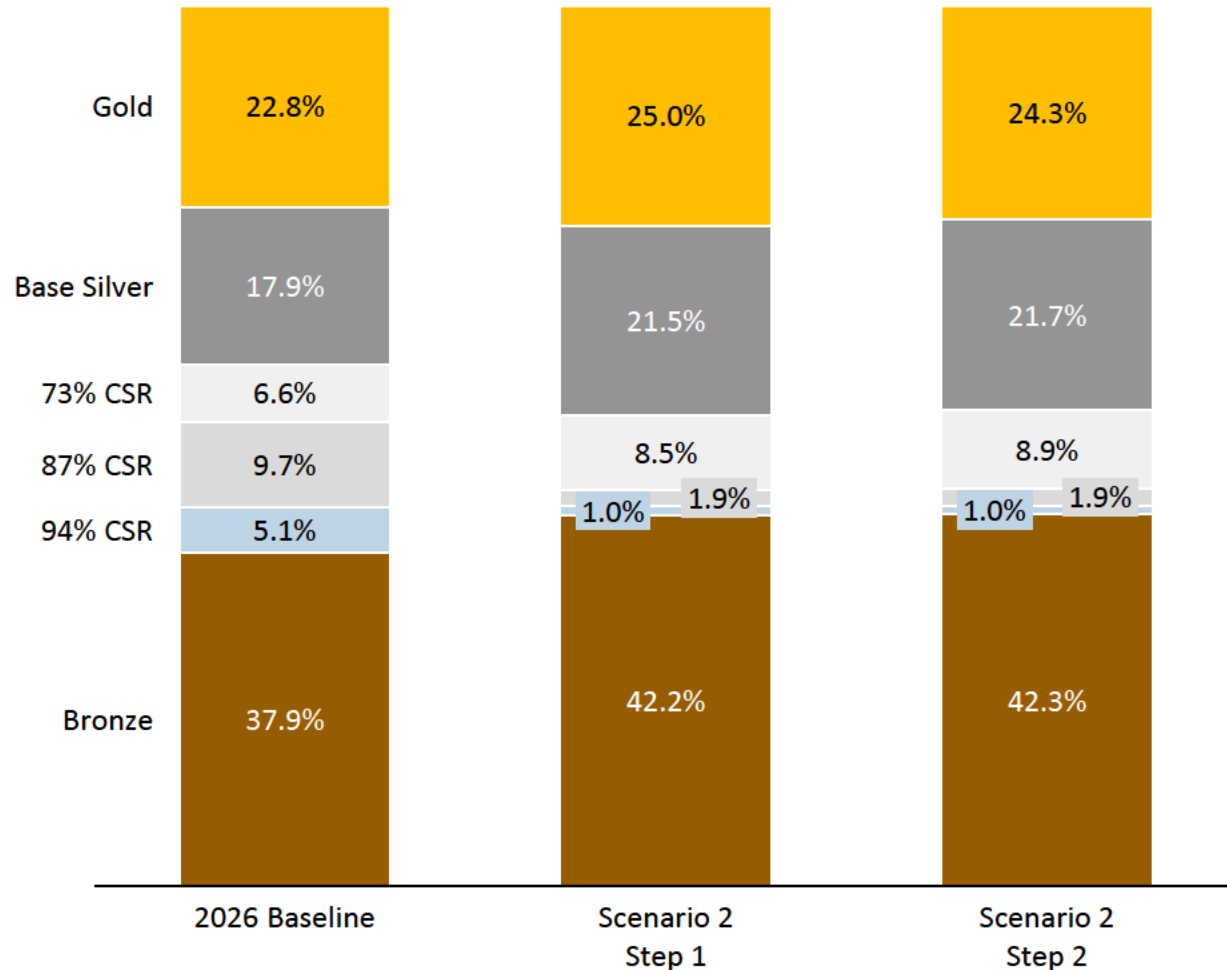
Distribution of Individual ACA Market Enrollment – Scenario 1

| Metal Level | Baseline | Scenario 1 Step 1 | Scenario 1 Step 2 | Change from Step 1 to Step 2 |
|--------------------------|----------------|-------------------|-------------------|------------------------------|
| Platinum | 0 | 0 | 0 | 0 |
| Gold | 42,000 | 37,000 | 35,600 | (1,400) |
| Silver | 72,400 | 47,900 | 49,000 | 1,100 |
| <i>Base Silver</i> | 32,900 | 32,600 | 32,800 | 200 |
| <i>73% CSR</i> | 12,200 | 13,000 | 13,800 | 800 |
| <i>87% CSR</i> | 17,900 | 1,500 | 1,500 | 0 |
| <i>94% CSR</i> | 9,400 | 800 | 800 | 0 |
| Bronze | 69,800 | 64,100 | 64,100 | 0 |
| Catastrophic | 0 | 0 | 0 | 0 |
| Total¹ | 184,300 | 149,100 | 148,700 | (400) |

¹ Sum of membership in the table may not equal tie to totals due to rounding

UNDER SCENARIO 2 IN 2026, A SIMILAR ENROLLMENT SHIFT IS ESTIMATED AS COMPARED TO SCENARIO 1

**2026 ACA DISTRIBUTION BY METAL LEVEL
SCENARIO 2**



Distribution of Individual ACA Market Enrollment – Scenario 2

| Metal Level | Baseline | Scenario 2 Step 1 | Scenario 2 Step 2 | Change from Step 1 to Step 2 |
|--------------------------|----------------|-------------------|-------------------|------------------------------|
| Platinum | 0 | 0 | 0 | 0 |
| Gold | 42,000 | 38,000 | 36,900 | (1,100) |
| Silver | 72,400 | 50,000 | 50,800 | 800 |
| Base Silver | 32,900 | 32,700 | 32,900 | 200 |
| 73% CSR | 12,200 | 12,900 | 13,500 | 600 |
| 87% CSR | 17,900 | 2,900 | 2,900 | 0 |
| 94% CSR | 9,400 | 1,500 | 1,500 | 0 |
| Bronze | 69,800 | 64,200 | 64,200 | 0 |
| Catastrophic | 0 | 0 | 0 | 0 |
| Total¹ | 184,300 | 152,300 | 151,900 | (400) |

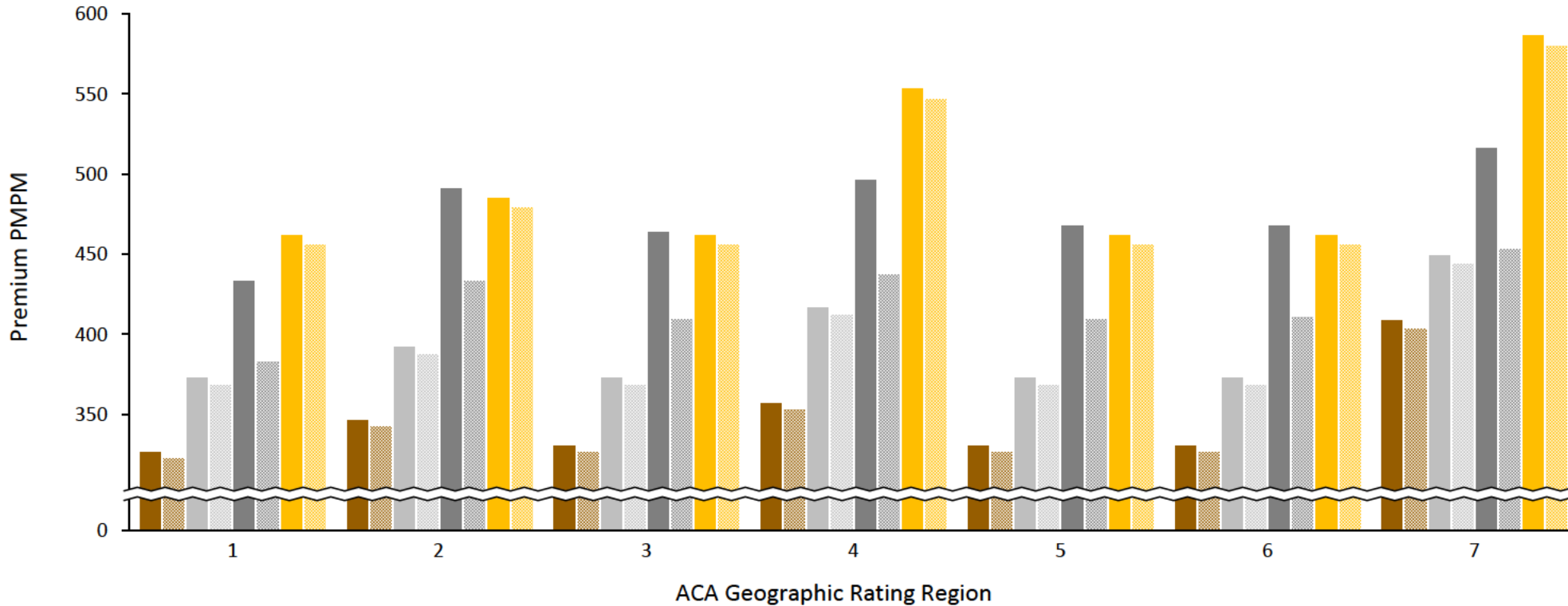
¹ Sum of membership in the table may not equal tie to totals due to rounding

1C

GROSS PREMIUM AND METAL DISTRIBUTION CHANGES - 2027

COMPARISON OF GROSS PREMIUMS – 2027 BASELINE VS SCENARIO 1

LOWEST COST GROSS PREMIUM PMPM AT EACH METAL LEVEL¹ – 21 YEAR-OLD – BASELINE VS. SCENARIO 1 – LOW AUTO RENEWAL

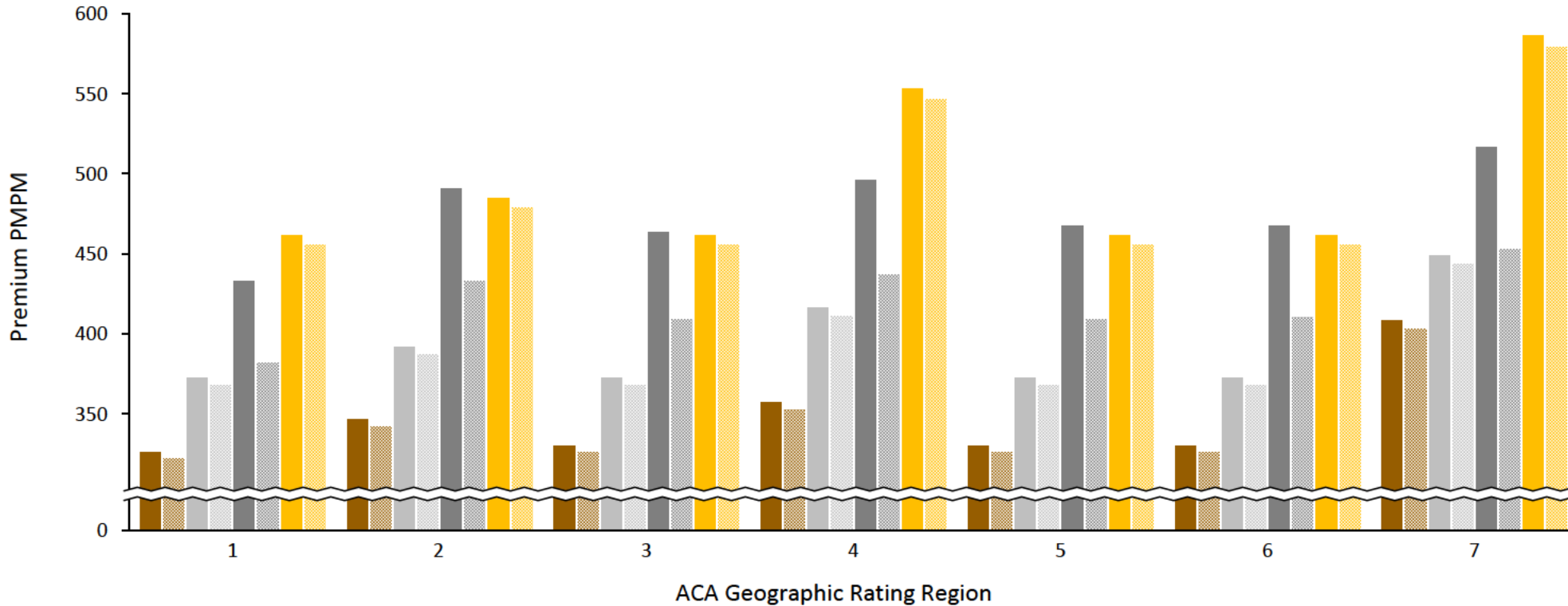


- The SLCS benchmark rates decrease between 11.7% and 12.5%, relative to the 2027 baseline, due to the reduction in CSR loading and morbidity improvement, and become lower than the lowest cost Gold rates in Rating Regions 2, 3, 5, and 6
- All rates are expected to decrease slightly due to expected morbidity improvement of 1.2%

¹The lowest cost premium rates within the region were used for each ACA Rating Region

COMPARISON OF GROSS PREMIUMS – 2027 BASELINE VS SCENARIO 2

LOWEST COST GROSS PREMIUM PMPM AT EACH METAL LEVEL¹ – 21 YEAR-OLD – BASELINE VS. SCENARIO 2 – HIGH AUTO RENEWAL

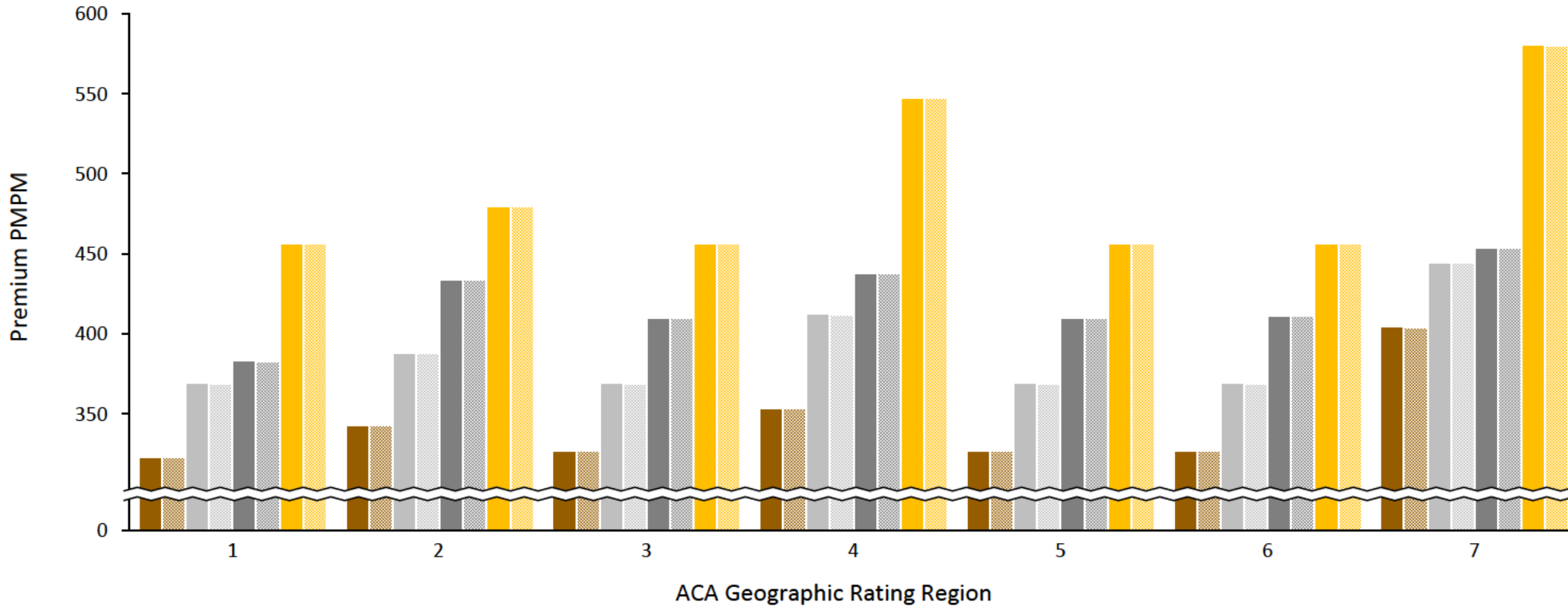


- The SLCS benchmark rates decrease between 11.8% and 12.5%, relative to the 2027 baseline, due to the reduction in CSR loading and morbidity improvement, and become lower than the lowest cost Gold rates in Rating Regions 2, 3, 5, and 6
- All rates are expected to decrease slightly due to expected morbidity improvement of 1.2%

¹The lowest cost premium rates within the region were used for each ACA Rating Region

COMPARISON OF GROSS PREMIUMS – 2027 SCENARIO 1 VS SCENARIO 2

LOWEST COST GROSS PREMIUM PMPM AT EACH METAL LEVEL¹ – 21 YEAR-OLD – SCENARIO 1 VS. SCENARIO 2



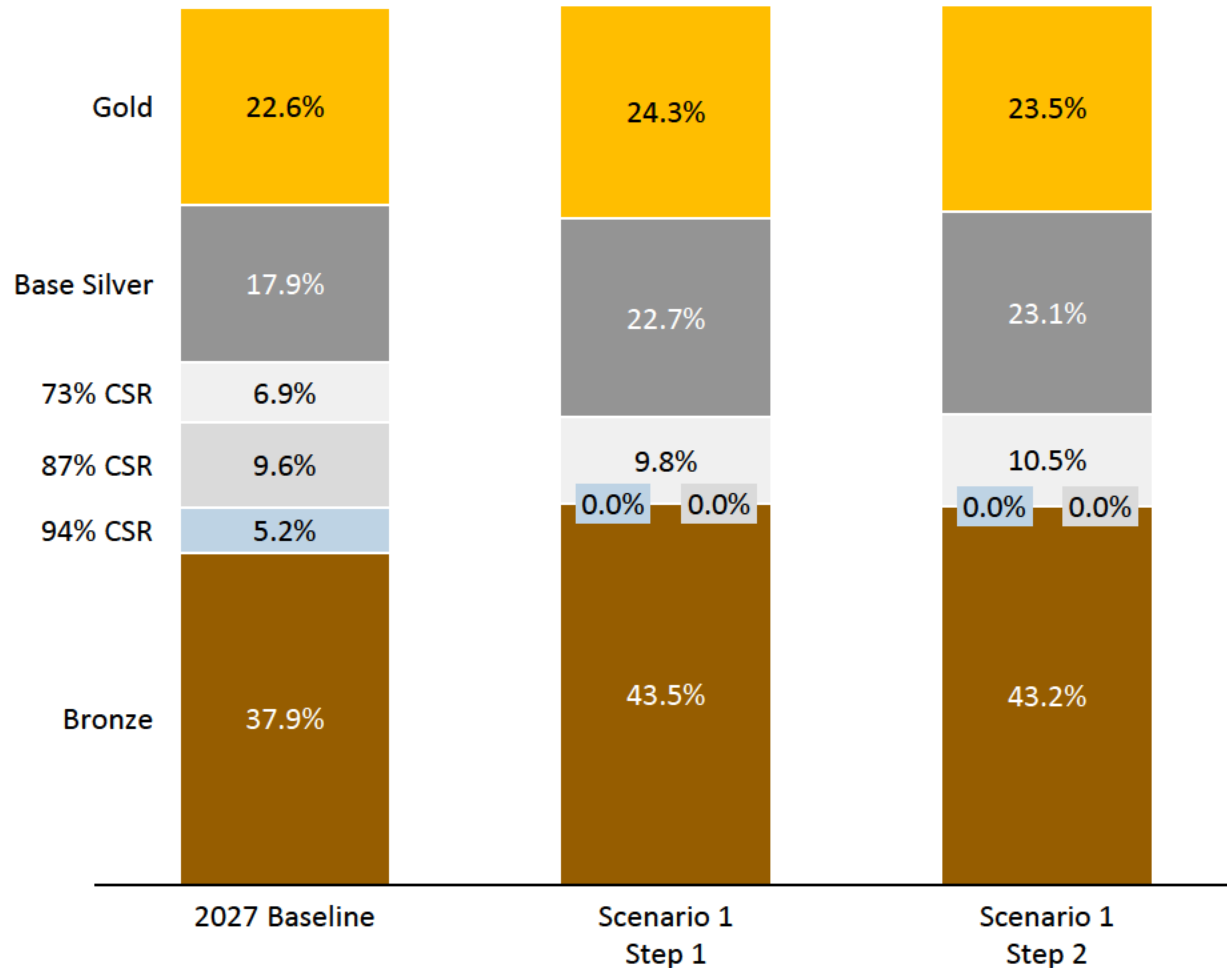
- Comparing the gross premium rates between Scenario 1 and Scenario 2, after changes in premium rates and consumer behavior, there is no meaningful difference by 2027 as the CSR loading is the same between the two scenarios

Lowest Bronze Scenario 1
 Lowest Silver Scenario 1 (Off)
 Lowest SLCS Scenario 1
 Lowest Gold Scenario 1
 Lowest Bronze Scenario 2
 Lowest Silver Scenario 2 (Off)
 Lowest SLCS Scenario 2
 Lowest Gold Scenario 2

¹The lowest cost premium rates within the region were used for each ACA Rating Region

UNDER SCENARIO 1, IN 2027 THE ENROLLMENT IS EXPECTED TO CONTINUE SHIFTING FROM GOLD AND BASE SILVER TO BRONZE AND UNINSURED

**2027 ACA DISTRIBUTION BY METAL LEVEL
SCENARIO 1**



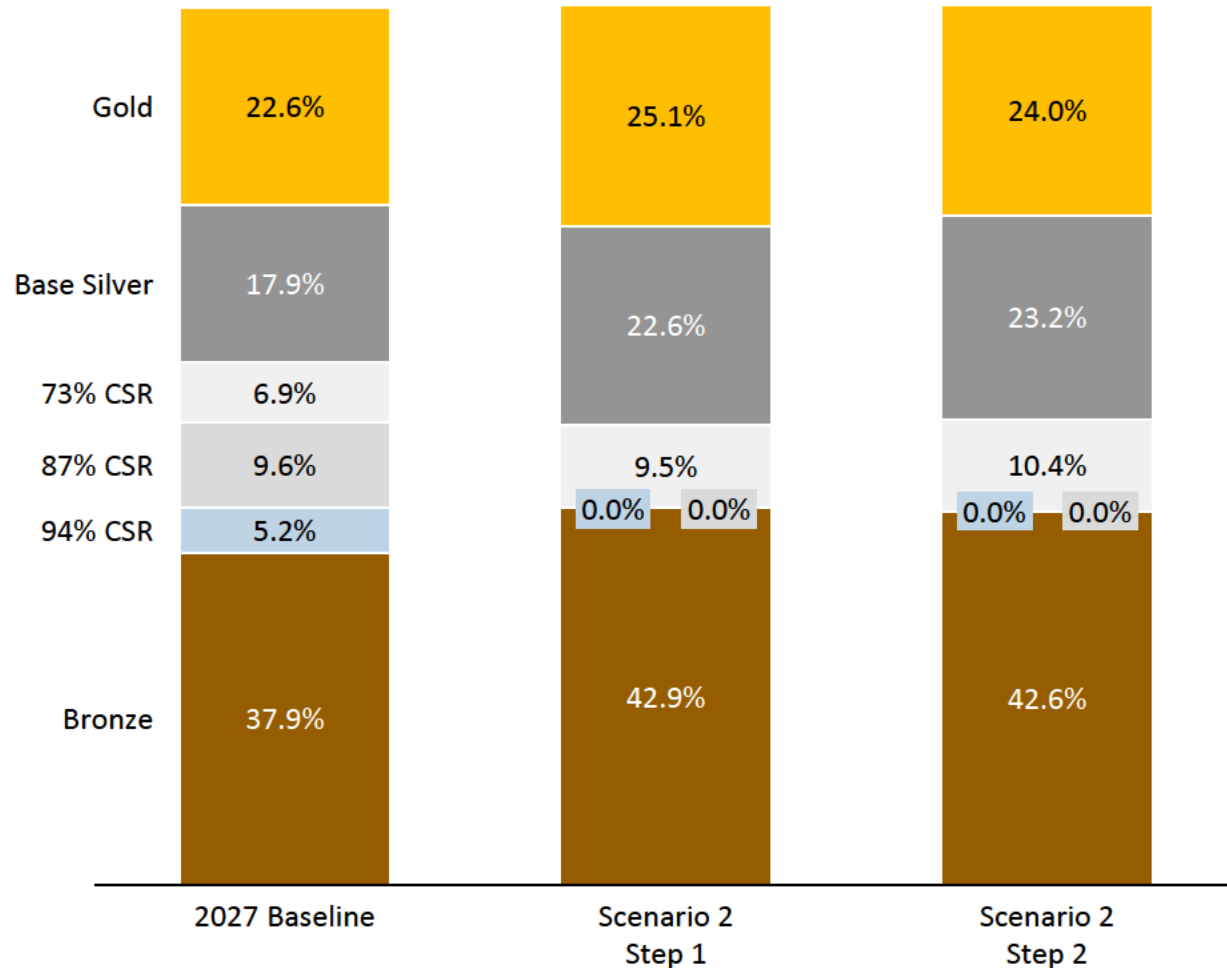
Distribution of Individual ACA Market Enrollment – Scenario 1

| Metal Level | Baseline | Scenario 1 Step 1 | Scenario 1 Step 2 | Change from Step 1 to Step 2 |
|--------------------------|----------------|-------------------|-------------------|------------------------------|
| Platinum | 0 | 0 | 0 | 0 |
| Gold | 42,500 | 36,100 | 34,800 | (1,300) |
| Silver | 74,400 | 47,700 | 49,500 | 1,800 |
| <i>Base Silver</i> | 33,700 | 33,600 | 34,300 | 700 |
| <i>73% CSR</i> | 12,900 | 14,500 | 15,600 | 1,100 |
| <i>87% CSR</i> | 18,100 | 0 | 0 | 0 |
| <i>94% CSR</i> | 9,700 | 0 | 0 | 0 |
| Bronze | 71,400 | 64,500 | 64,000 | (500) |
| Catastrophic | 0 | 0 | 0 | 0 |
| Total¹ | 188,300 | 148,400 | 148,300 | (100) |

¹ Sum of membership in the table may not equal tie to totals due to rounding

UNDER SCENARIO 2 IN 2027, A SLIGHTLY HIGHER ENROLLMENT SHIFT IS ESTIMATED AS COMPARED TO SCENARIO 1

**2027 ACA DISTRIBUTION BY METAL LEVEL
SCENARIO 2**



Distribution of Individual ACA Market Enrollment – Scenario 2

| Metal Level | Baseline | Scenario 2 Step 1 | Scenario 2 Step 2 | Change from Step 1 to Step 2 |
|--------------------------|----------------|-------------------|-------------------|------------------------------|
| Platinum | 0 | 0 | 0 | 0 |
| Gold | 42,500 | 37,400 | 35,600 | (1,800) |
| Silver | 74,400 | 47,500 | 49,600 | 2,100 |
| <i>Base Silver</i> | 33,700 | 33,600 | 34,500 | 900 |
| <i>73% CSR</i> | 12,900 | 14,200 | 15,500 | 1,300 |
| <i>87% CSR</i> | 18,100 | 0 | 0 | 0 |
| <i>94% CSR</i> | 9,700 | 0 | 0 | 0 |
| Bronze | 71,400 | 63,900 | 63,300 | (600) |
| Catastrophic | 0 | 0 | 0 | 0 |
| Total¹ | 188,300 | 148,700 | 148,500 | (200) |

¹ Sum of membership in the table may not equal tie to totals due to rounding

1D

CHANGES IN POPULATION CHARACTERISTIC OVER TIME

OVER THE PERIOD 2025 THROUGH 2027, INDIVIDUALS ARE EXPECTED TO REDUCE THE BENEFIT RICHNESS OF THEIR COVERAGE UNDER BOTH SCENARIOS

Changes in Enrollment by Metal Level – Scenario 1

| Metal Level | 2025 | 2026 | 2027 | Total |
|--------------------------|----------------|--------------|--------------|----------------|
| Platinum | 0 | 0 | 0 | 0 |
| Gold | (2,100) | (1,400) | (1,300) | (4,800) |
| Silver | 500 | 1,100 | 1,800 | 3,400 |
| Bronze | 200 | 0 | (500) | (300) |
| Catastrophic | 0 | 0 | 0 | 0 |
| Total¹ | (1,300) | (400) | (100) | (1,800) |

¹ Sum of membership in the table may not equal tie to totals due to rounding

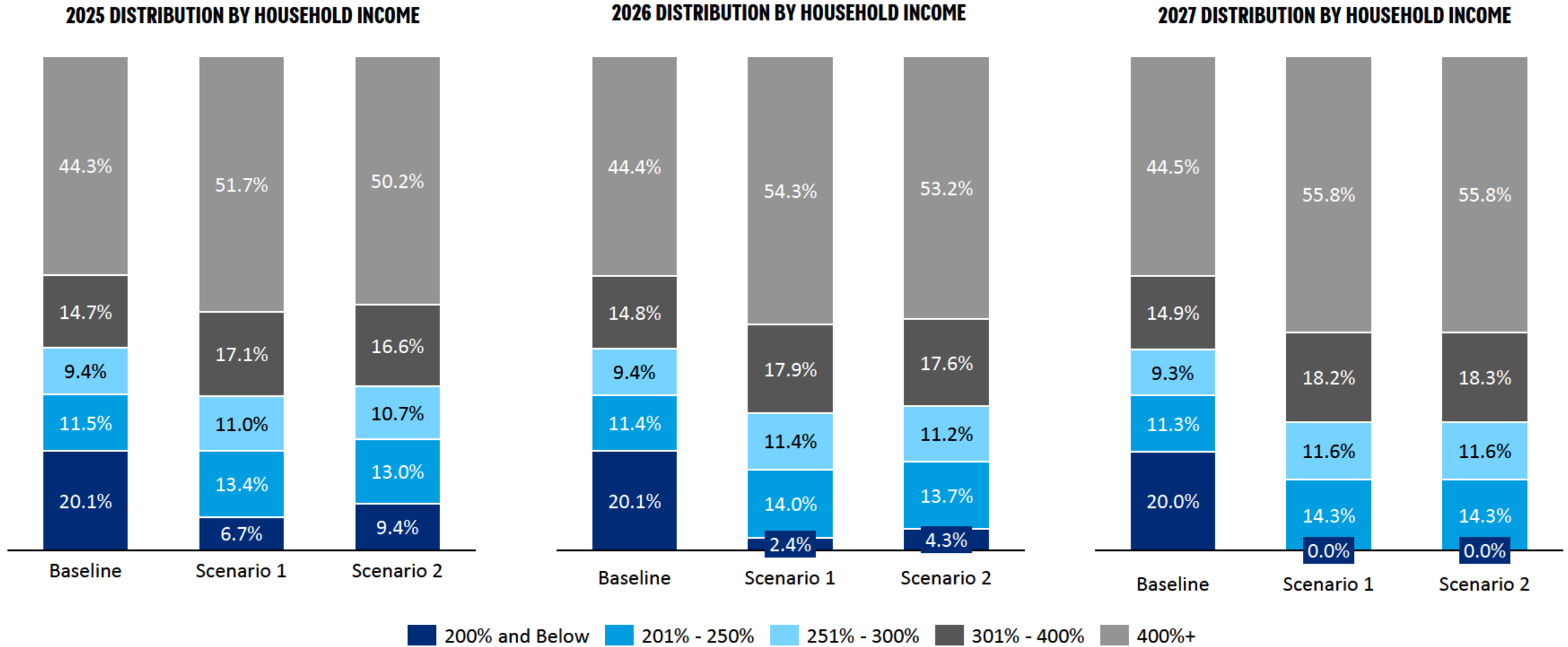
Changes in Enrollment by Metal Level – Scenario 2

| Metal Level | 2025 | 2026 | 2027 | Total |
|--------------------------|----------------|--------------|--------------|----------------|
| Platinum | 0 | 0 | 0 | 0 |
| Gold | (1,700) | (1,100) | (1,800) | (4,600) |
| Silver | 500 | 800 | 2,100 | 3,400 |
| Bronze | 200 | 0 | (600) | (400) |
| Catastrophic | 0 | 0 | 0 | 0 |
| Total¹ | (1,000) | (400) | (200) | (1,600) |

¹ Sum of membership in the table may not equal tie to totals due to rounding

- The tables above reflect net changes (entrants less exits) in enrollment in each metal level and in total for the 200%+ FPL population
 - Exits from a metal level include both individuals moving to a different metal level and individuals that leave the market
 - Entrants into a metal level include both individuals entering from a different metal level and those that newly enter the market

THE INCOME DISTRIBUTION UNDER BOTH SCENARIOS IS SIGNIFICANTLY DIFFERENT THAN THE BASELINE, DUE TO INDIVIDUALS SHIFTING TO THE BHP

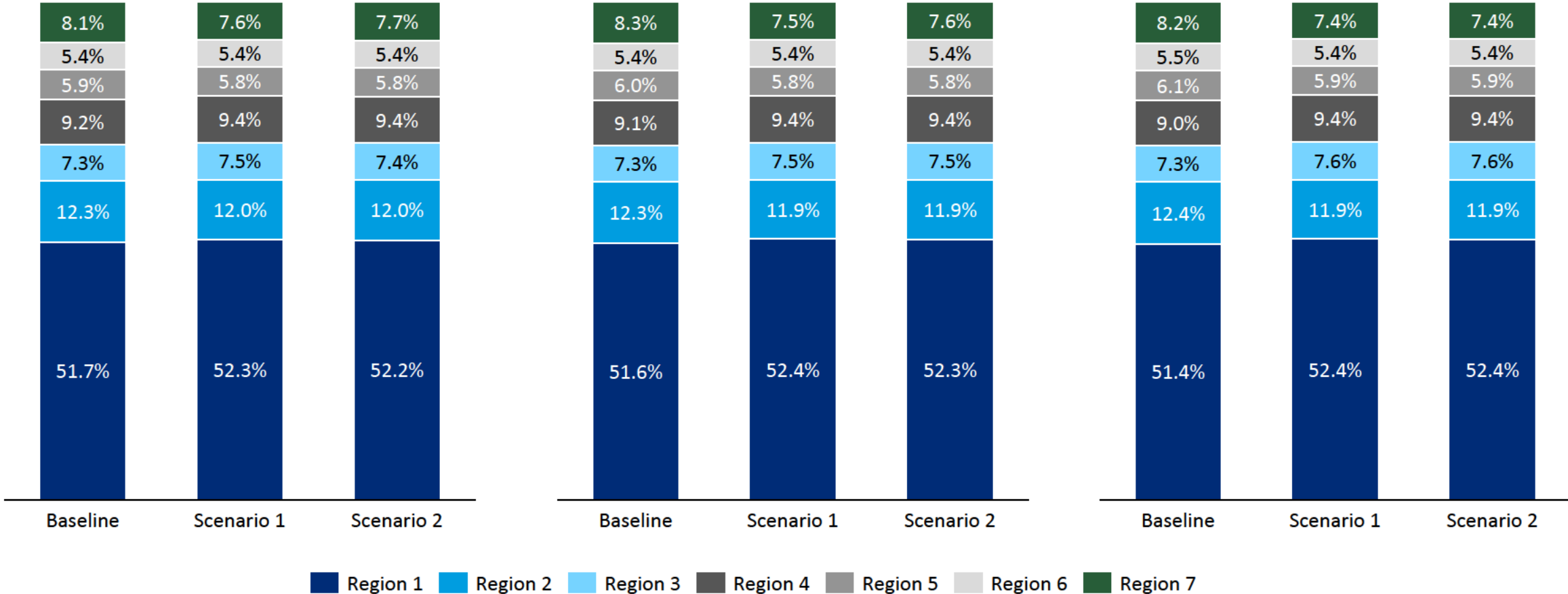


THE GEOGRAPHIC DISTRIBUTION OF ENROLLEES UNDER BOTH SCENARIOS IS EXPECTED TO REMAIN RELATIVELY CONSISTENT WITH THE BASELINE OVER TIME

2025 DISTRIBUTION BY RATING REGION

2026 DISTRIBUTION BY RATING REGION

2027 DISTRIBUTION BY RATING REGION

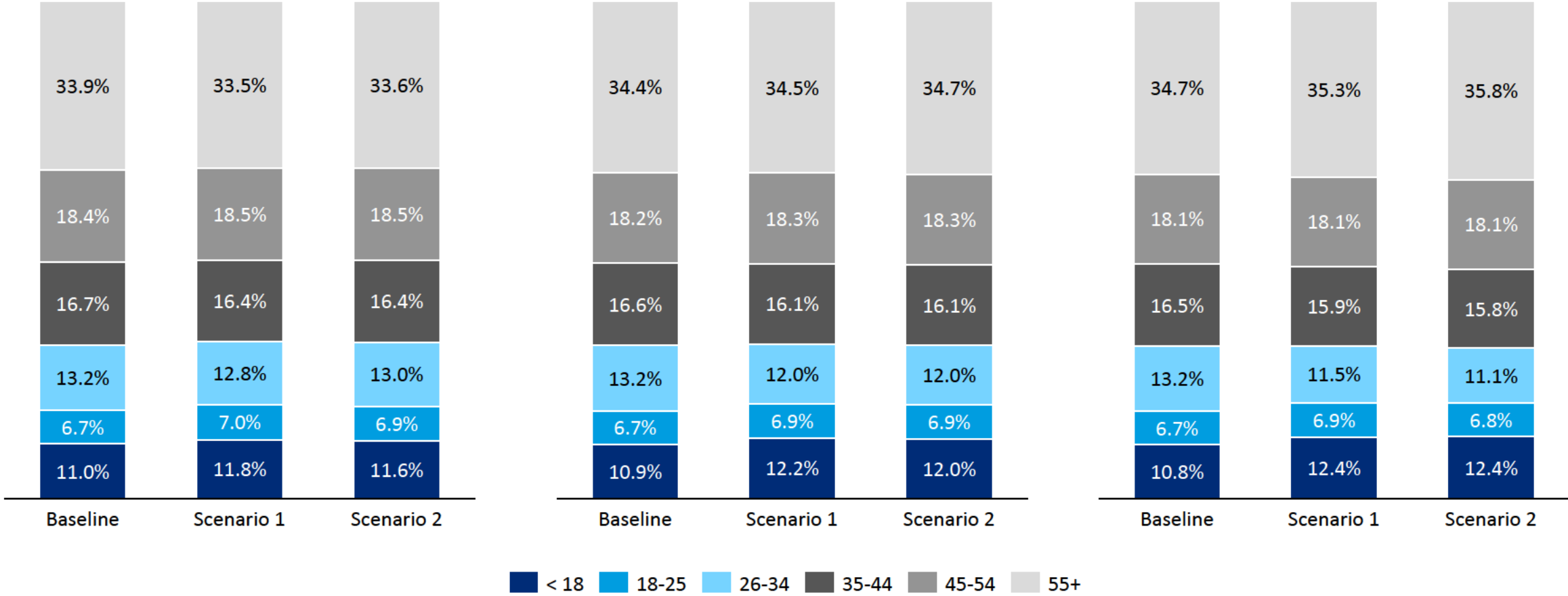


THE AGE DISTRIBUTION OF ENROLLEES UNDER BOTH SCENARIOS IS EXPECTED TO REMAIN RELATIVELY CONSISTENT WITH THE BASELINE OVER TIME

2025 DISTRIBUTION BY AGE

2026 DISTRIBUTION BY AGE

2027 DISTRIBUTION BY AGE



2

APTC AND NET PREMIUM IMPACT

MODELING METHODOLOGY

- This section provides additional metrics related to changes in available APTCs and changes in net premium experienced by members, for each year and under each of the two auto-enrollment scenarios, relative to the baseline
 - Changes in available APTCs reflect the change in APTCs available to an enrollee, regardless of whether the entire APTC is used
- Members are classified as subsidized or non-subsidized based on their status in the baseline for each year
- The change in net premium includes the impact of the enrollees' decision to change metal levels (e.g., from Silver under the Baseline to Bronze under the scenario)
- The change in APTCs reflect the amount of APTCs available to an enrollee, regardless of whether the entire APTC is used for the plan the enrollee elects
- Distributions are provided that split enrollees between those that are subsidized vs. non-subsidized in the baseline, and further between those members that are modeled to stay in their same metal level, switch metal levels, or leave the Individual ACA Market when examining the change in APTCs and premium, under each scenario
- Given that APTCs for families are determined at the family level rather than at the enrollee level, to complete this analysis a family's available APTC was allocated to each member within the family, however purchasing decisions were still made at the family level comparing based on the family premium net of the family APTCs
 - The family APTC was allocated to family members in proportion to each enrollee's gross premium (i.e., premium prior to being reduced for APTCs)

2A

SCENARIO A - LOW AUTO RENEWAL

DISTRIBUTION OF SUBSIDIZED ENROLLMENT FACED WITH NEW PREMIUM AND PURCHASING DECISIONS WITH INTRODUCTION OF THE BHP – SCENARIO 1

| 2025 | | | | 2026 | | | | 2027 | | | |
|-----------------------|---------------|-----------------|-----------------|-----------------------|---------------|-----------------|-----------------|-----------------------|---------------|-----------------|-----------------|
| Household Income | Age | | | Household Income | Age | | | Household Income | Age | | |
| | 0 – 30 | 31 – 54 | 55+ | | 0 – 30 | 31 – 54 | 55+ | | 0 – 30 | 31 – 54 | 55+ |
| <= 200% FPL | 3,000 (3%) | 5,300 (5%) | 2,100 (2%) | <= 200% FPL | 1,000 (1%) | 1,800 (2%) | 700 (1%) | <= 200% FPL | 0 (0%) | 0 (0%) | 0 (0%) |
| 201 - 300% FPL | 6,500 (7%) | 15,700 (16%) | 15,600 (16%) | 201 - 300% FPL | 6,700 (7%) | 15,600 (17%) | 15,600 (17%) | 201 - 300% FPL | 6,900 (8%) | 15,800 (18%) | 15,700 (18%) |
| 301 - 400% FPL | 5,900 (6%) | 8,200 (8%) | 12,400 (13%) | 301 - 400% FPL | 6,000 (7%) | 8,300 (9%) | 12,300 (14%) | 301 - 400% FPL | 6,200 (7%) | 8,500 (10%) | 12,300 (14%) |
| > 400% FPL | 6,800 (7%) | 8,200 (8%) | 6,900 (7%) | > 400% FPL | 6,700 (7%) | 8,300 (9%) | 7,000 (8%) | > 400% FPL | 7,100 (8%) | 8,700 (10%) | 7,500 (8%) |

Totals on other slides may not tie to the sum of the values in this table due to rounding

Totals on other slides may not tie to the sum of the values in this table due to rounding

Totals on other slides may not tie to the sum of the values in this table due to rounding

- The tables above reflect individuals that were enrolled in the Individual ACA market at the end of the year prior to the specified year that will be faced with making a decision as to whether or not to continue their current coverage in the specified year, in light of revised premiums due to the presence of the BHP
 - Enrollees with incomes <200% FPL that migrate to the BHP the specified year have been removed
 - Only members eligible for APTCs in the baseline of the specified year are included
 - Enrollees that will decide to leave the market in the specified year are included

DISTRIBUTION OF ENROLLMENT FACED WITH NEW PREMIUM AND PURCHASING DECISIONS WITH INTRODUCTION OF THE BHP, BY COVERAGE SELECTION – SCENARIO 1

MEMBERS REMAINING IN BASELINE METAL LEVEL

| | 2025 | 2026 | 2027 |
|--------------------------|-----------------|-----------------|-----------------|
| APTC Eligible | 93,700 (61%) | 86,000 (58%) | 82,600 (56%) |
| Non-APTC Eligible | 58,300 (38%) | 59,000 (40%) | 59,700 (40%) |

Totals on other slides may not tie to the sum of the values in this table due to rounding

MEMBERS LEAVING THE INDIVIDUAL ACA MARKET IN STATED YEAR

| | 2025 | 2026 | 2027 |
|--------------------------|---------------|-------------|-------------|
| APTC Eligible | 1,300 (1%) | 400 (0%) | 100 (0%) |
| Non-APTC Eligible | 0 (0%) | 0 (0%) | 0 (0%) |

Totals on other slides may not tie to the sum of the values in this table due to rounding

CUMULATIVE MEMBERS CHANGING METAL LEVEL – RELATIVE TO BASELINE

| | 2025 | 2026 | 2027 |
|--------------------------|---------------|---------------|---------------|
| APTC Eligible | 1,400 (1%) | 3,700 (2%) | 6,000 (4%) |
| Non-APTC Eligible | 0 (0%) | 0 (0%) | 0 (0%) |

Totals on other slides may not tie to the sum of the values in this table due to rounding

- The tables reflect individuals that were enrolled in the Individual ACA market at the end of the prior year, that are faced with making a decision as to whether or not to continue their coverage in the specified year, in light of revised premiums due to the presence of the BHP
 - Enrollees with incomes <200% FPL that migrate to the BHP at the beginning of the specified year have been removed
 - Members are classified as APTC eligible if they are eligible for APTC in corresponding baseline for that year

DISTRIBUTION OF SUBSIDIZED ENROLLEES AND THE CUMULATIVE PREMIUM IMPACT DUE TO THE INTRODUCTION OF THE BHP – 2027 - SCENARIO 1

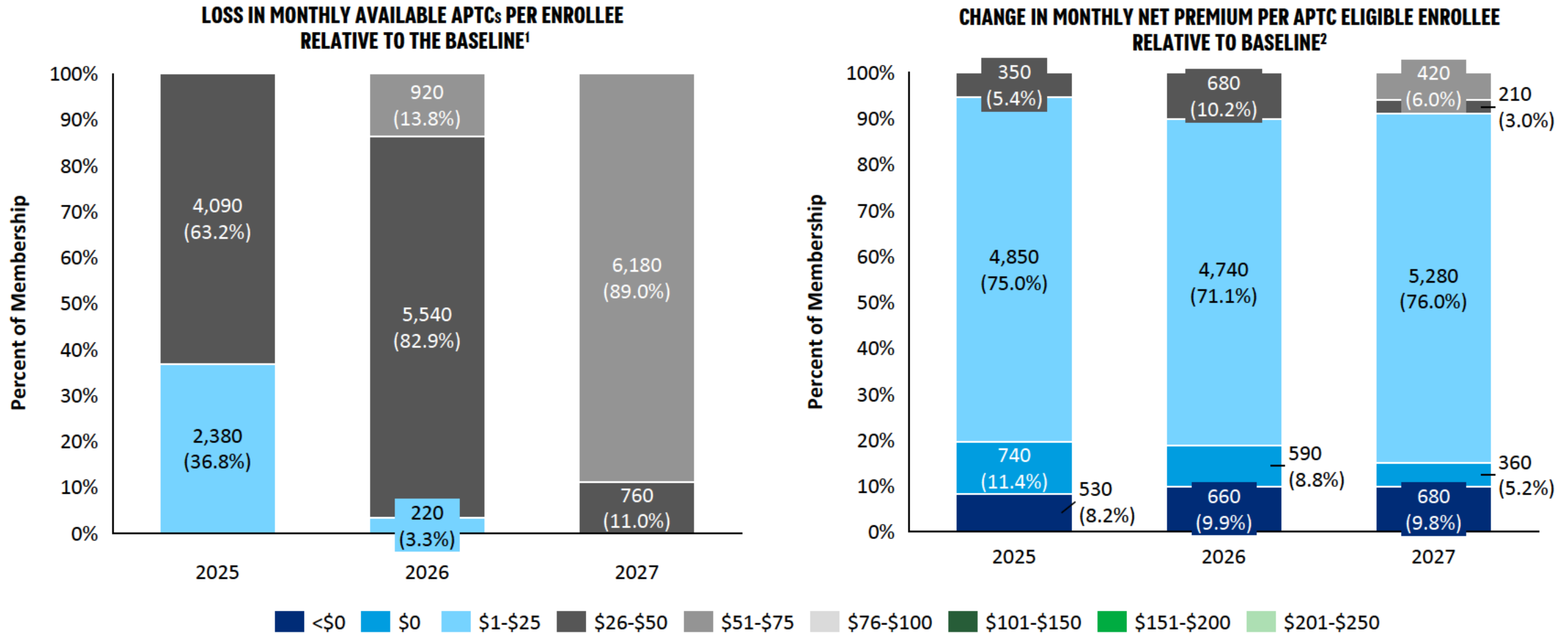
| MEMBERS | Age | | | AVERAGE NET PREMIUM CHANGE PMPM | Age | | | AGGREGATE ANNUAL NET PREMIUM CHANGE (in Millions) | Age | | |
|-----------------------|-----------------------|---------------|-----------------|---------------------------------|-----------------|-----------------------|----------|--|----------------|-----------------|-----------------------|
| | 0 – 30 | 31 – 54 | 55+ | | 0 – 30 | 31 – 54 | 55+ | | 0 – 30 | 31 – 54 | 55+ |
| | 201 - 300% FPL | 6,950 7.8% | 15,730 17.8% | | 15,730 17.8% | 201 - 300% FPL | \$4.39 | | \$7.65 | \$2.17 | 201 - 300% FPL |
| 301 - 400% FPL | 6,170 7.0% | 8,510 9.6% | 12,290 13.9% | 301 - 400% FPL | \$31.41 | \$58.13 | \$43.76 | 301 - 400% FPL | \$2.33 6.7% | \$5.94 17.1% | \$6.45 18.6% |
| > 400% FPL | 7,050 8.0% | 8,730 9.9% | 7,430 8.4% | > 400% FPL | \$15.54 | \$37.33 | \$141.06 | > 400% FPL | \$1.32 3.8% | \$3.91 11.3% | \$12.58 36.2% |

Totals on other slides may not tie to the sum of the values in this table due to rounding.

- The tables above reflect individuals that were enrolled in the Individual ACA market at the beginning of 2027 that chose to remain in the market, after making a decision as to whether or not to continue their current coverage, in light of revised premiums due to the presence of the BHP
 - The net premium changes reflect the impact after making a decision as to whether or not to continue their current coverage or switch metal level
 - Enrollees that decide to leave the market in 2027 are excluded above as they did not effectively realize a net premium change
 - Enrollees with incomes <200% FPL that migrated to the BHP have been removed
 - Only members eligible for APTCs in the baseline in 2027 are included

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 1 VS. BASELINE

AGE COHORT 0-30 / HOUSEHOLD INCOME 201%-300% FPL



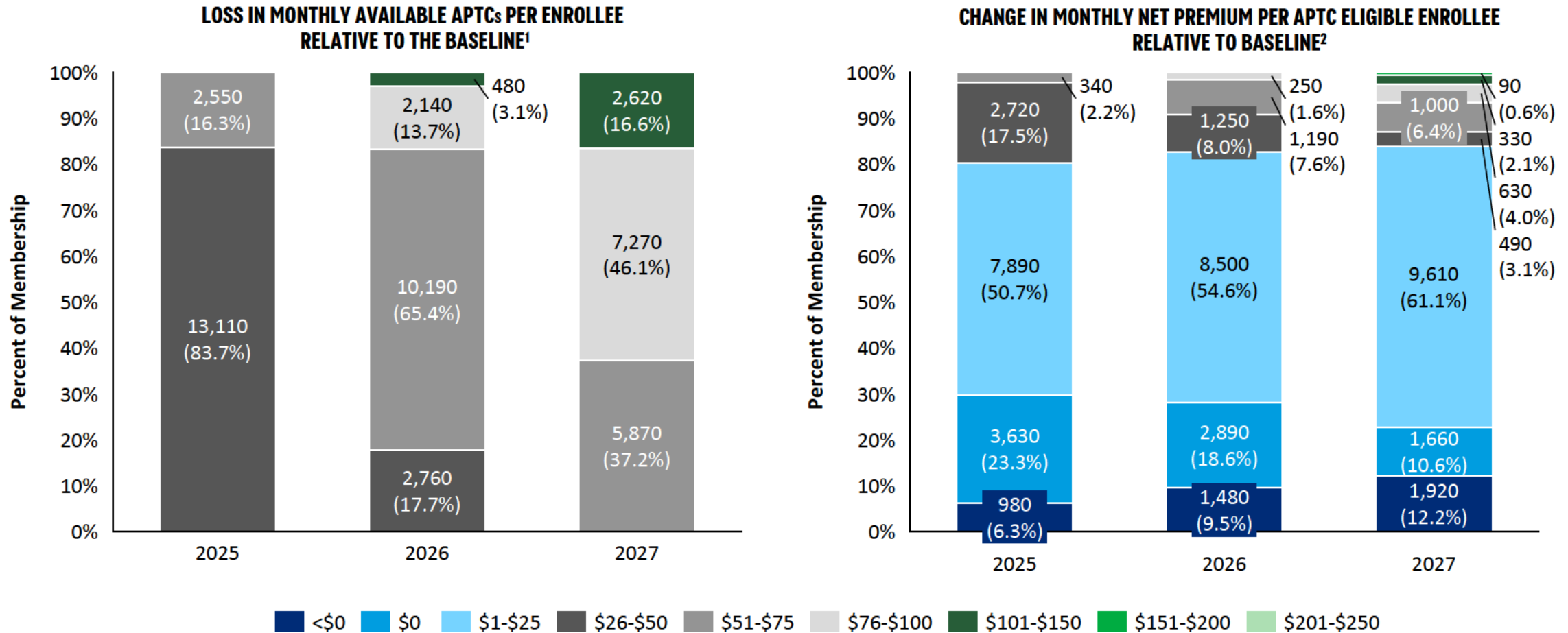
¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 1 VS. BASELINE

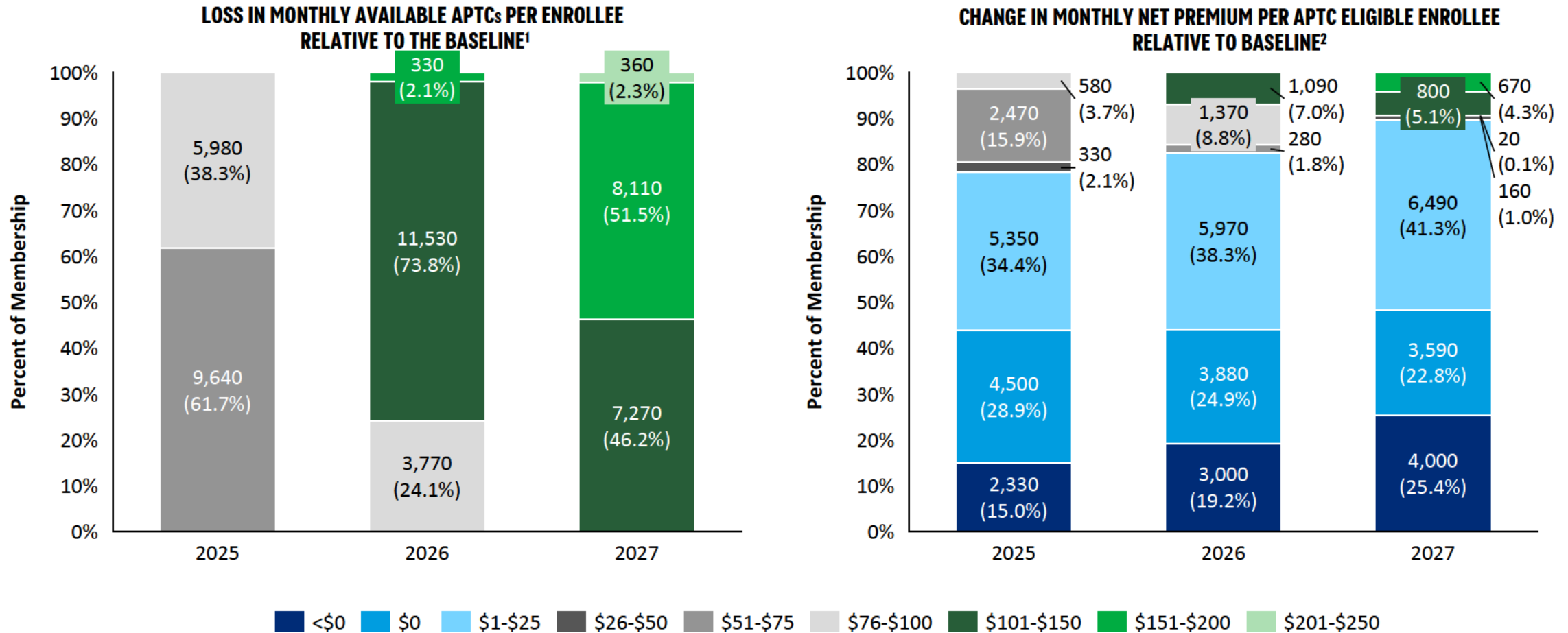
AGE COHORT 31-54 / HOUSEHOLD INCOME 201%-300% FPL



¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.
²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market
 Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 1 VS. BASELINE

AGE COHORT 55+ / HOUSEHOLD INCOME 201%-300% FPL



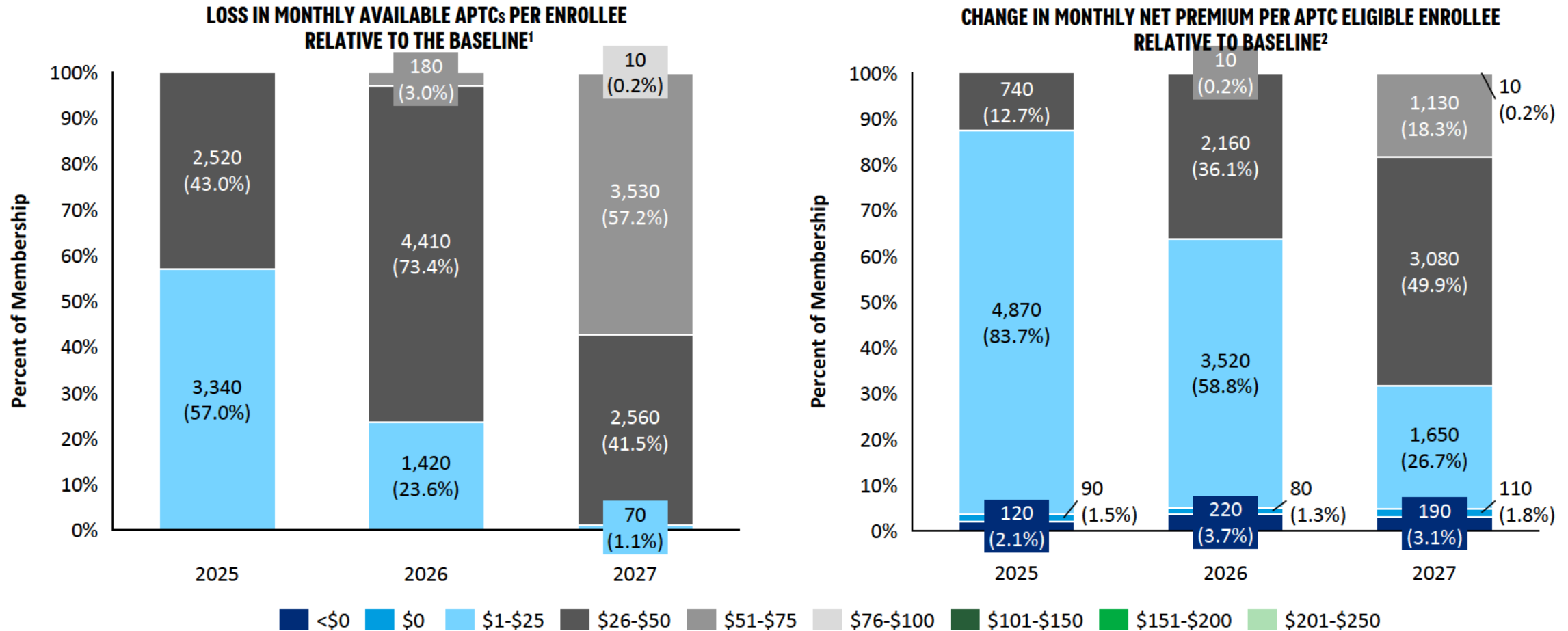
¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 1 VS. BASELINE

AGE COHORT 0-30 / HOUSEHOLD INCOME 301%-400% FPL



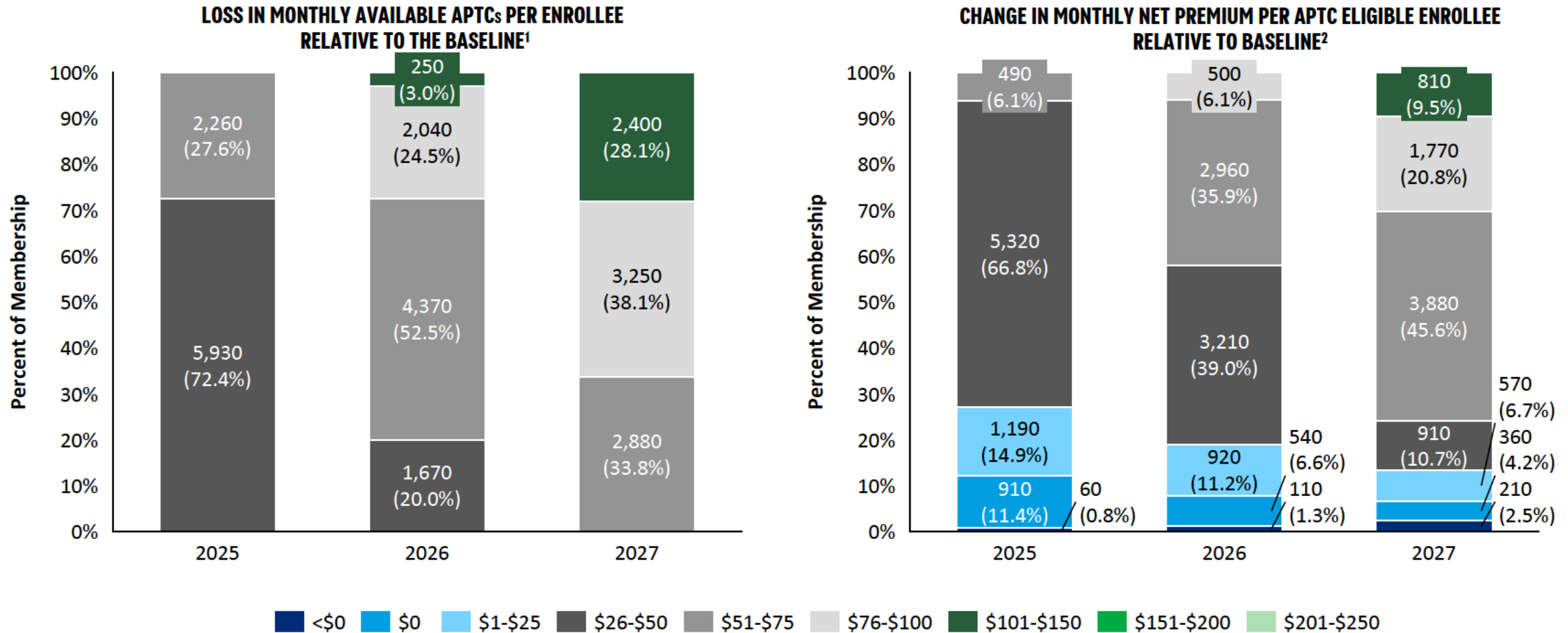
¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 1 VS. BASELINE

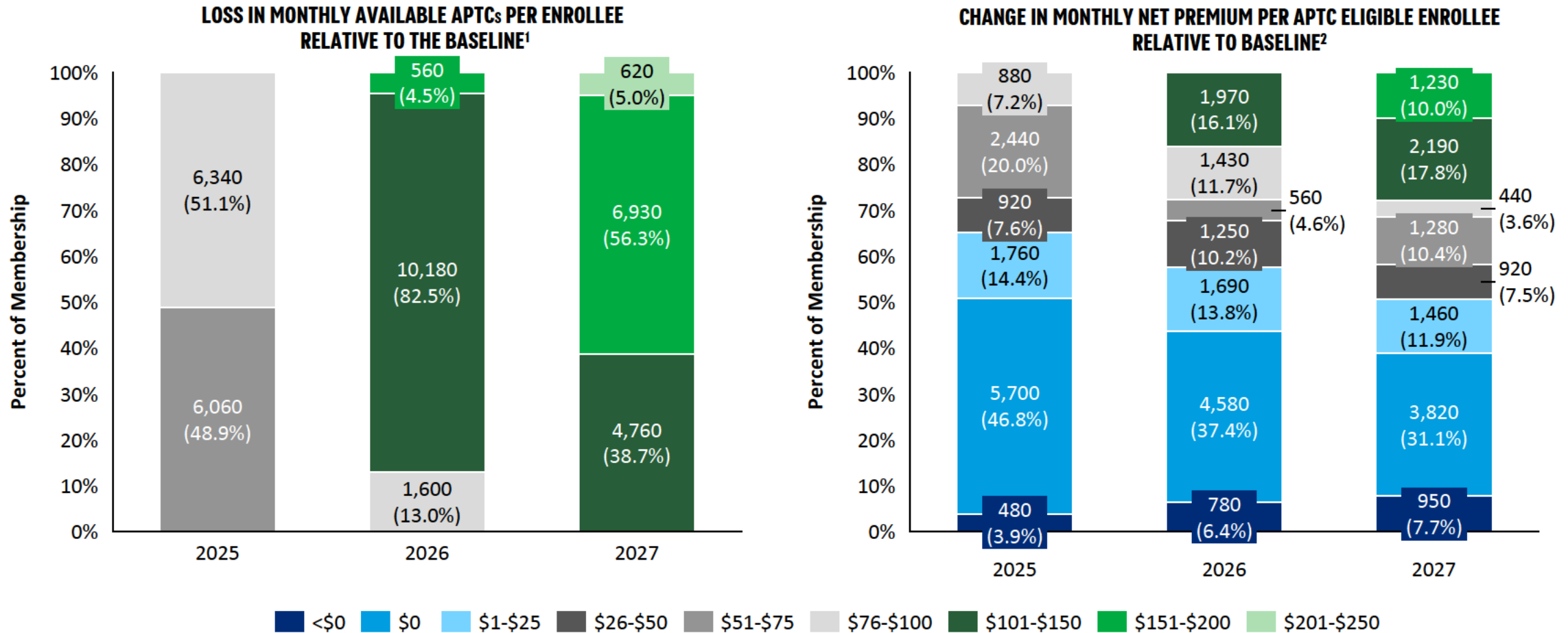
AGE COHORT 31-54 / HOUSEHOLD INCOME 301%-400% FPL



¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.
²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market
 Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 1 VS. BASELINE

AGE COHORT 55+ / HOUSEHOLD INCOME 301%-400% FPL



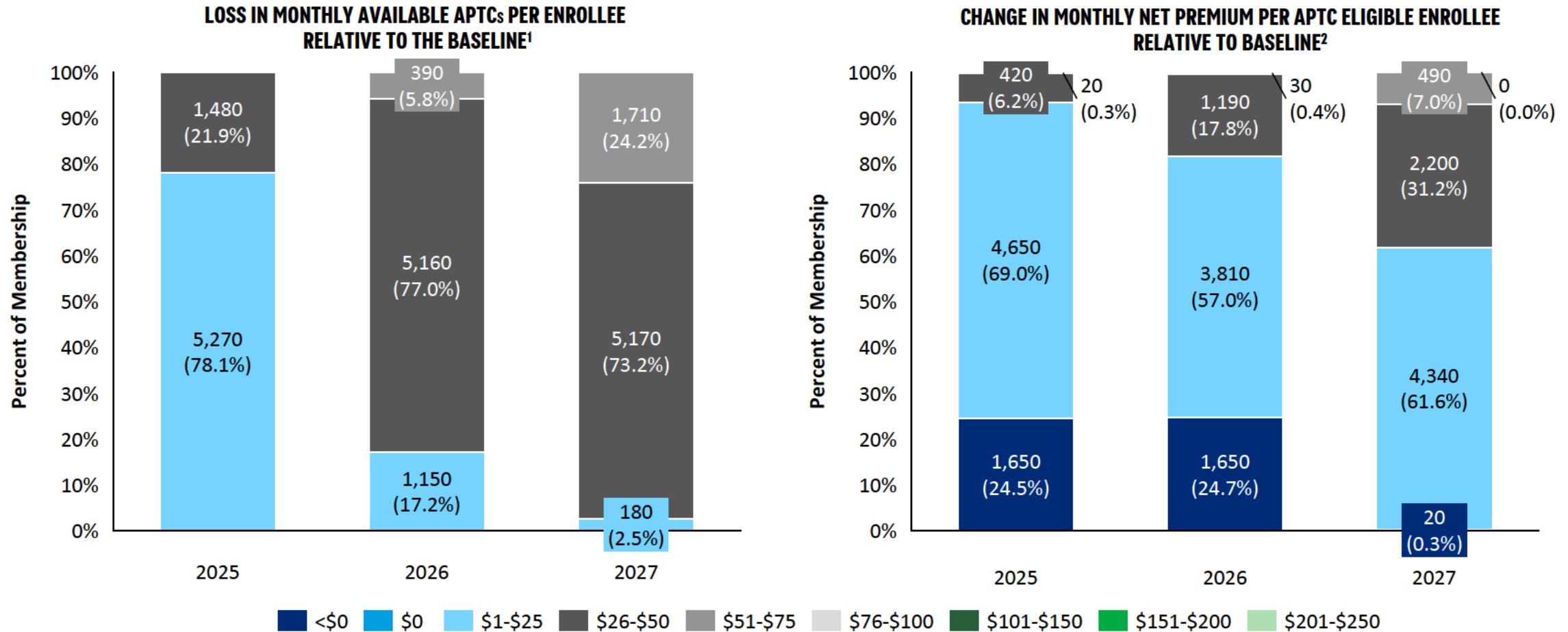
¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 1 VS. BASELINE

AGE COHORT 0-30 / HOUSEHOLD INCOME >400% FPL



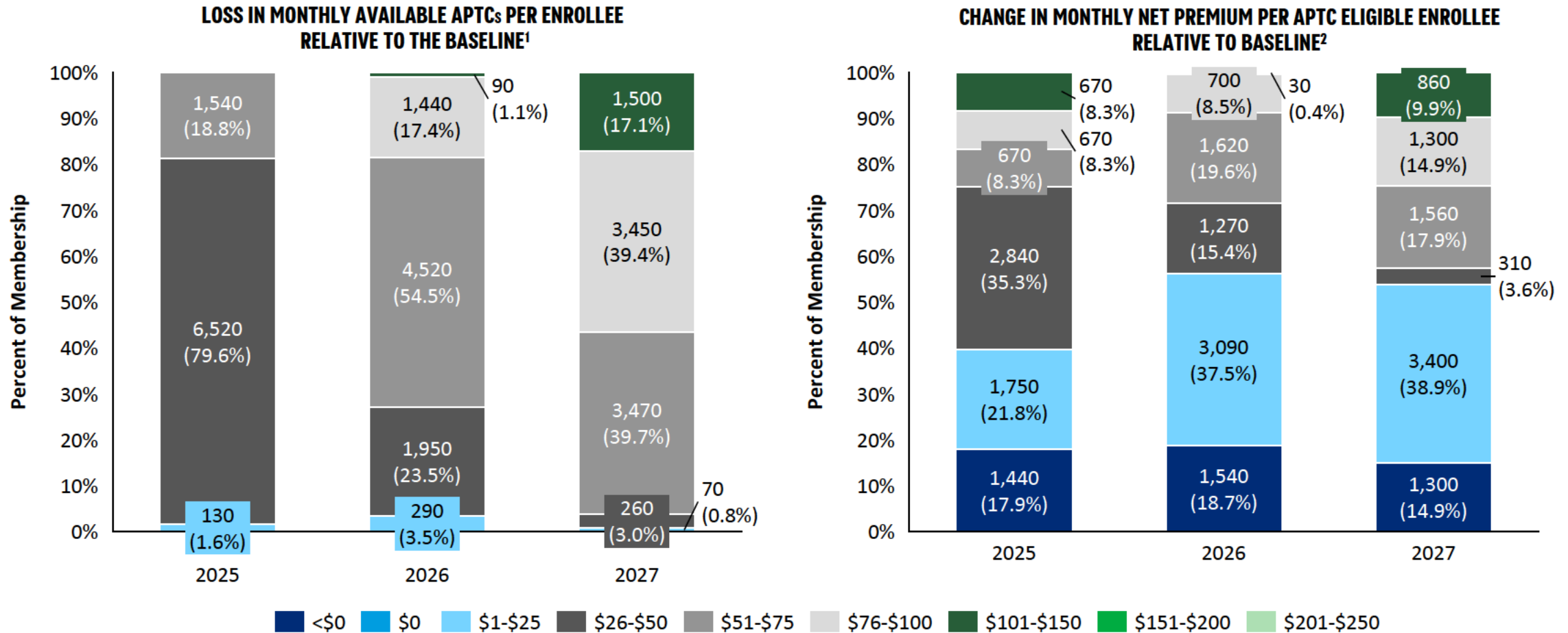
¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 1 VS. BASELINE

AGE COHORT 31-54 / HOUSEHOLD INCOME >400% FPL



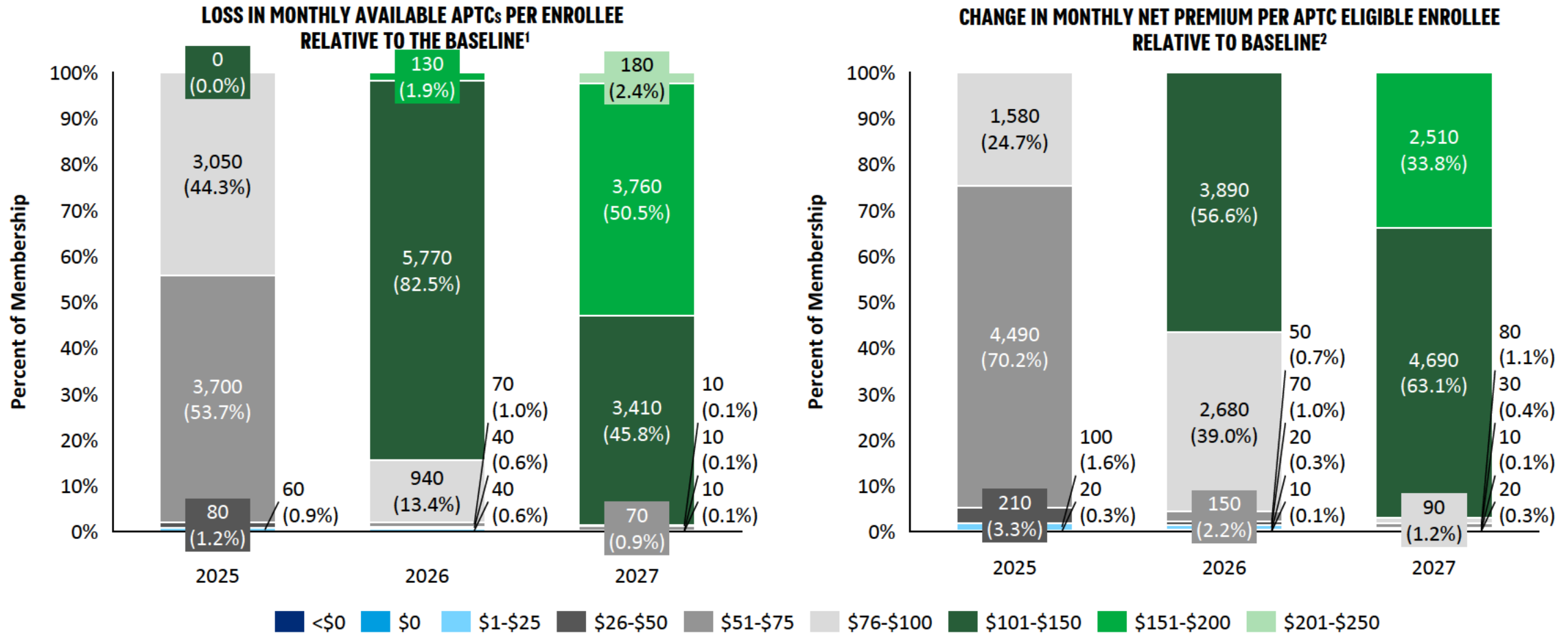
¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 1 VS. BASELINE

AGE COHORT 55+ / HOUSEHOLD INCOME >400% FPL



¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

2B

SCENARIO 2 - HIGH AUTO RENEWAL

DISTRIBUTION OF SUBSIDIZED ENROLLMENT FACED WITH NEW PREMIUM AND PURCHASING DECISIONS WITH INTRODUCTION OF THE BHP – SCENARIO 2

| 2025 | | | | 2026 | | | | 2027 | | | |
|-----------------------|---------------|-----------------|-----------------|-----------------------|---------------|-----------------|-----------------|-----------------------|---------------|-----------------|-----------------|
| Household Income | Age | | | Household Income | Age | | | Household Income | Age | | |
| | 0 – 30 | 31 – 54 | 55+ | | 0 – 30 | 31 – 54 | 55+ | | 0 – 30 | 31 – 54 | 55+ |
| <= 200% FPL | 4,300 (4%) | 7,600 (8%) | 3,100 (3%) | <= 200% FPL | 1,900 (2%) | 3,300 (4%) | 1,400 (1%) | <= 200% FPL | 0 (0%) | 0 (0%) | 0 (0%) |
| 201 - 300% FPL | 6,400 (6%) | 15,700 (16%) | 15,700 (16%) | 201 - 300% FPL | 6,600 (7%) | 15,600 (17%) | 15,700 (17%) | 201 - 300% FPL | 7,000 (8%) | 15,800 (18%) | 15,800 (18%) |
| 301 - 400% FPL | 5,900 (6%) | 8,200 (8%) | 12,400 (12%) | 301 - 400% FPL | 6,000 (6%) | 8,400 (9%) | 12,400 (13%) | 301 - 400% FPL | 6,200 (7%) | 8,600 (10%) | 12,300 (14%) |
| > 400% FPL | 6,700 (7%) | 8,200 (8%) | 6,900 (7%) | > 400% FPL | 6,900 (7%) | 8,600 (9%) | 7,200 (8%) | > 400% FPL | 7,200 (8%) | 8,900 (10%) | 7,400 (8%) |

Totals on other slides may not tie to the sum of the values in this table due to rounding

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Totals on other slides may not tie to the sum of the values in this table due to rounding

- The tables above reflect individuals that were enrolled in the Individual ACA market at the end of the year prior to the specified year that will be faced with making a decision as to whether or not to continue their current coverage in the specified year, in light of revised premiums due to the presence of the BHP
 - Enrollees with incomes <200% FPL that migrate to the BHP the specified year have been removed
 - Only members eligible for APTCs in the baseline of the specified year are included
 - Enrollees that will decide to leave the market in the specified year are included

DISTRIBUTION OF ENROLLMENT FACED WITH NEW PREMIUM AND PURCHASING DECISIONS WITH INTRODUCTION OF THE BHP, BY COVERAGE SELECTION – SCENARIO 2

MEMBERS REMAINING IN BASELINE METAL LEVEL

| | 2025 | 2026 | 2027 |
|--------------------------|-----------------|-----------------|-----------------|
| APTC Eligible | 98,900 (62%) | 90,600 (60%) | 83,400 (56%) |
| Non-APTC Eligible | 58,300 (37%) | 58,300 (38%) | 59,500 (40%) |

Totals on other slides may not tie to the sum of the values in this table due to rounding

MEMBERS LEAVING THE INDIVIDUAL ACA MARKET IN STATED YEAR

| | 2025 | 2026 | 2027 |
|--------------------------|---------------|-------------|-------------|
| APTC Eligible | 1,000 (1%) | 400 (0%) | 200 (0%) |
| Non-APTC Eligible | 0 (0%) | 0 (0%) | 0 (0%) |

Totals on other slides may not tie to the sum of the values in this table due to rounding

CUMULATIVE MEMBERS CHANGING METAL LEVEL – RELATIVE TO BASELINE

| | 2025 | 2026 | 2027 |
|--------------------------|---------------|---------------|---------------|
| APTC Eligible | 1,200 (1%) | 3,000 (2%) | 5,600 (4%) |
| Non-APTC Eligible | 0 (0%) | 0 (0%) | 0 (0%) |

Totals on other slides may not tie to the sum of the values in this table due to rounding

- The tables reflect individuals that were enrolled in the Individual ACA market at the end of the prior year, that are faced with making a decision as to whether or not to continue their coverage in the specified year, in light of revised premiums due to the presence of the BHP
 - Enrollees with incomes <200% FPL that migrate to the BHP at the beginning of the specified year have been removed
 - Members are classified as APTC eligible if they are eligible for APTC in corresponding baseline for that year

DISTRIBUTION OF SUBSIDIZED ENROLLEES AND THE CUMULATIVE PREMIUM IMPACT DUE TO THE INTRODUCTION OF THE BHP – 2027 - SCENARIO 2

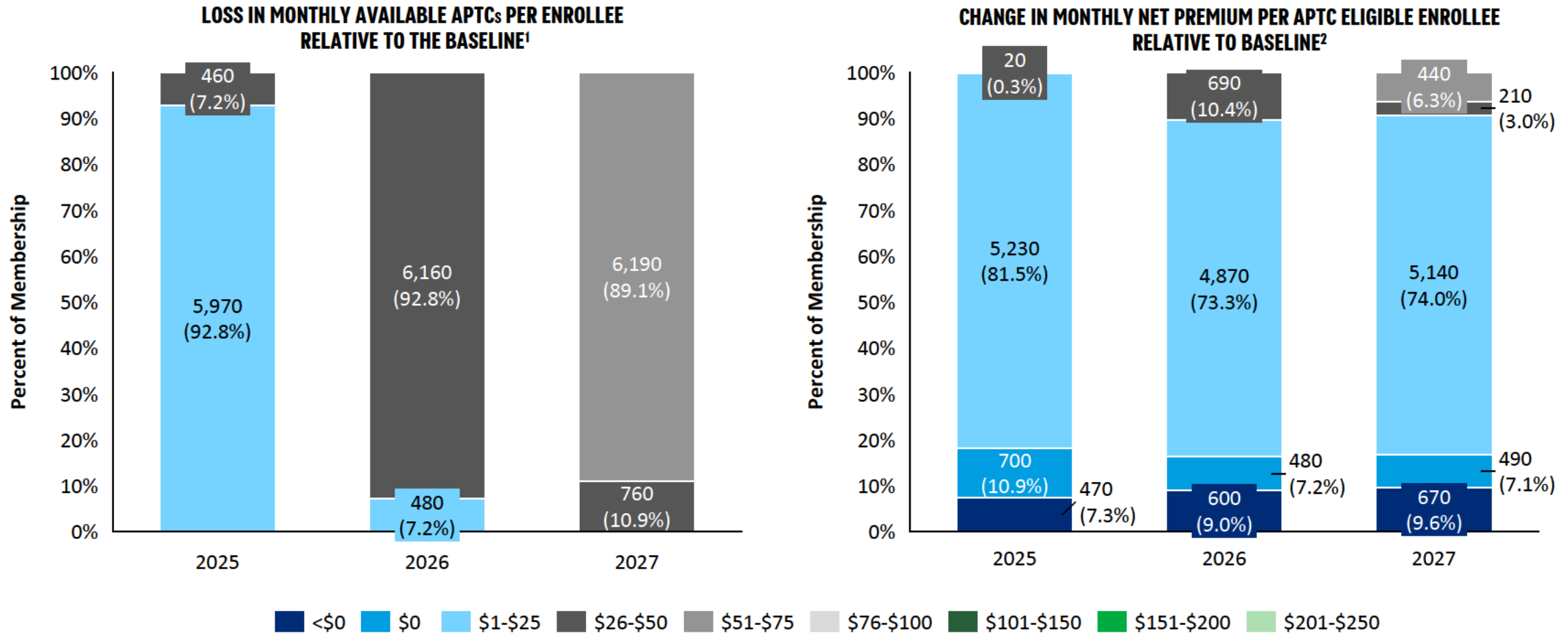
| MEMBERS | Age | | | AVERAGE NET PREMIUM CHANGE PMPM | Age | | | AGGREGATE ANNUAL NET PREMIUM CHANGE (in Millions) | Age | | |
|-----------------------|-----------------------|----------------|-----------------|--|-----------------|-----------------------|------------|--|----------------|-----------------|-----------------------|
| | 0 – 30 | 31 – 54 | 55+ | | 0 – 30 | 31 – 54 | 55+ | | 0 – 30 | 31 – 54 | 55+ |
| | 201 - 300% FPL | 6,950 7.8% | 15,750 17.7% | | 15,780 17.7% | 201 - 300% FPL | \$4.62 | | \$8.60 | \$3.65 | 201 - 300% FPL |
| 301 - 400% FPL | 6,220 7.0% | 8,570 9.6% | 12,300 13.8% | 301 - 400% FPL | \$31.48 | \$58.68 | \$45.94 | 301 - 400% FPL | \$2.35 6.6% | \$6.04 16.9% | \$6.78 19.0% |
| > 400% FPL | 7,150 8.0% | 8,850 10.0% | 7,370 8.3% | > 400% FPL | \$15.59 | \$37.35 | \$141.40 | > 400% FPL | \$1.34 3.8% | \$3.97 11.1% | \$12.51 35.1% |

Totals on other slides may not tie to the sum of the values in this table due to rounding.

- The tables above reflect individuals that were enrolled in the Individual ACA market at the beginning of 2027 that chose to remain in the market, after making a decision as to whether or not to continue their current coverage, in light of revised premiums due to the presence of the BHP
 - The net premium changes reflect the impact after making a decision as to whether or not to continue their current coverage or switch metal level
 - Enrollees that decide to leave the market in 2027 are excluded above as they did not effectively realize a net premium change
 - Enrollees with incomes <200% FPL that migrated to the BHP have been removed
 - Only members eligible for APTCs in the baseline in 2027 are included

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 2 VS. BASELINE

AGE COHORT 0-30 / HOUSEHOLD INCOME 201%-300% FPL



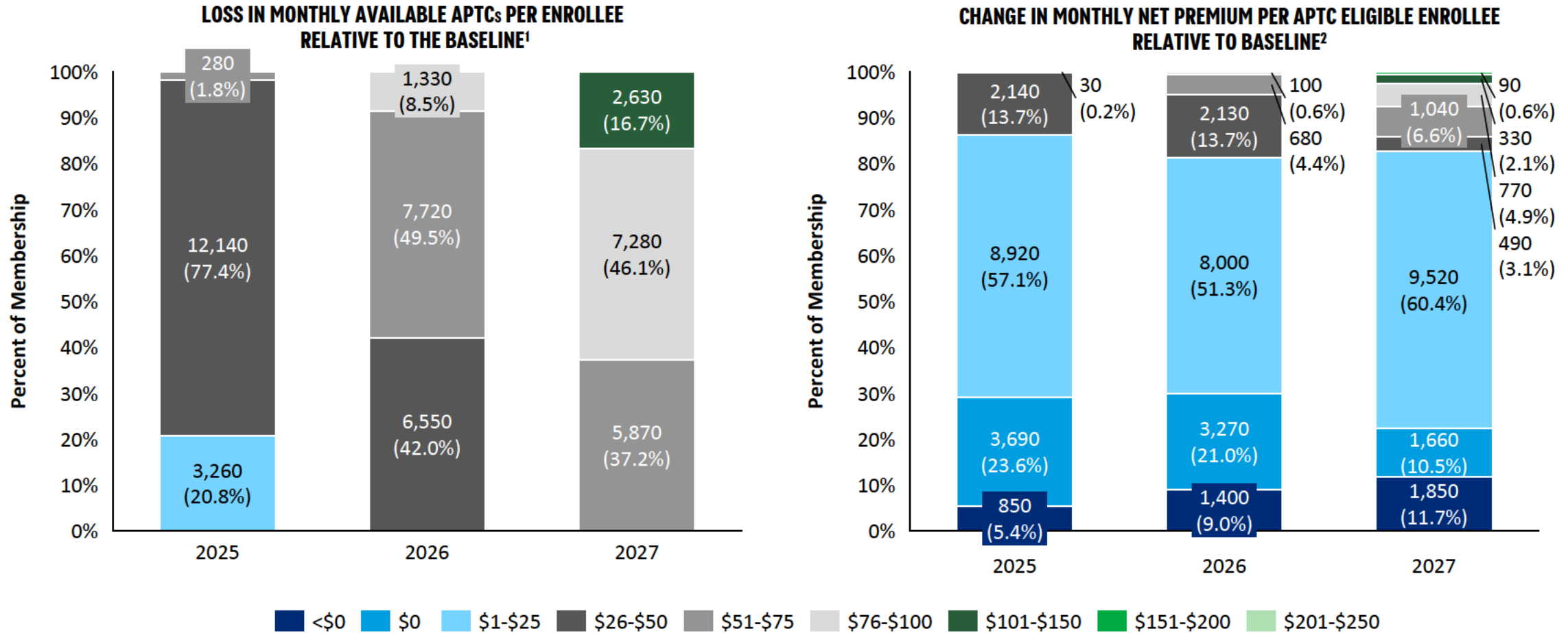
¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 2 VS. BASELINE

AGE COHORT 31-54 / HOUSEHOLD INCOME 201%-300% FPL

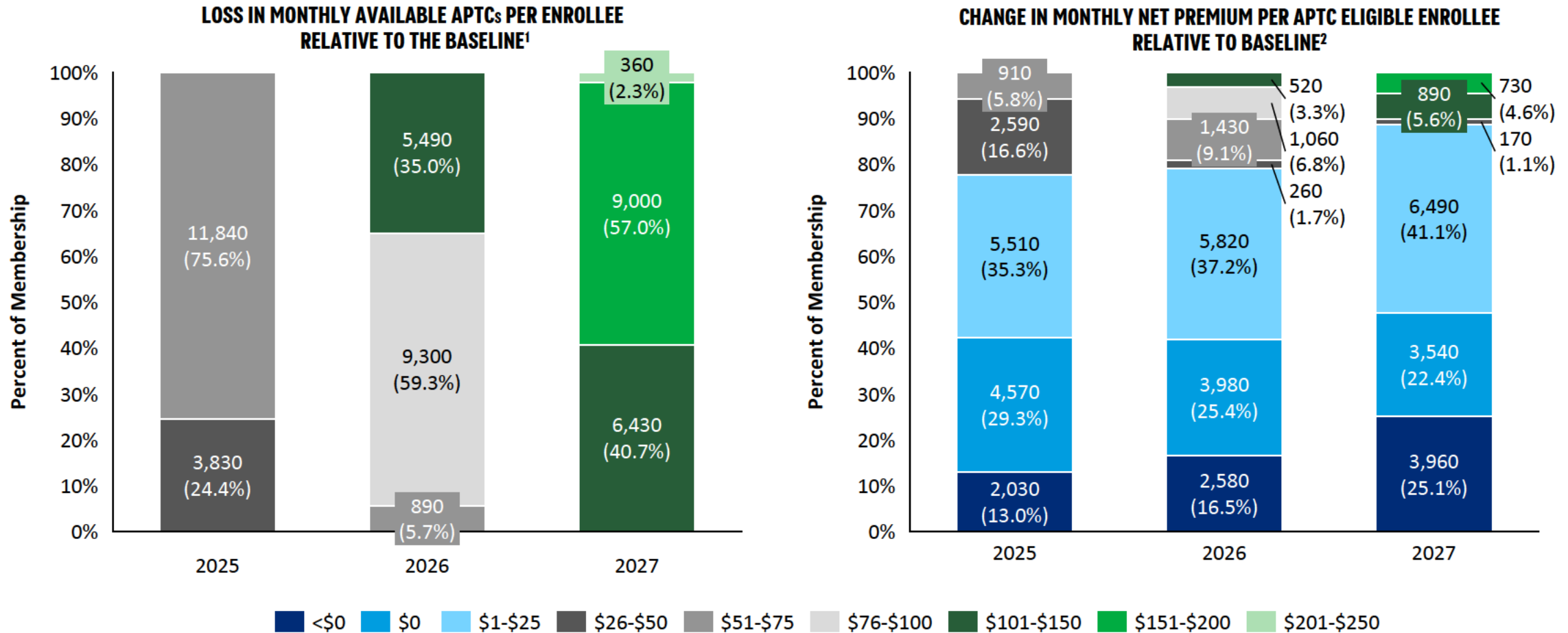


¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

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Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 2 VS. BASELINE AGE COHORT 55+ / HOUSEHOLD INCOME 201%-300% FPL

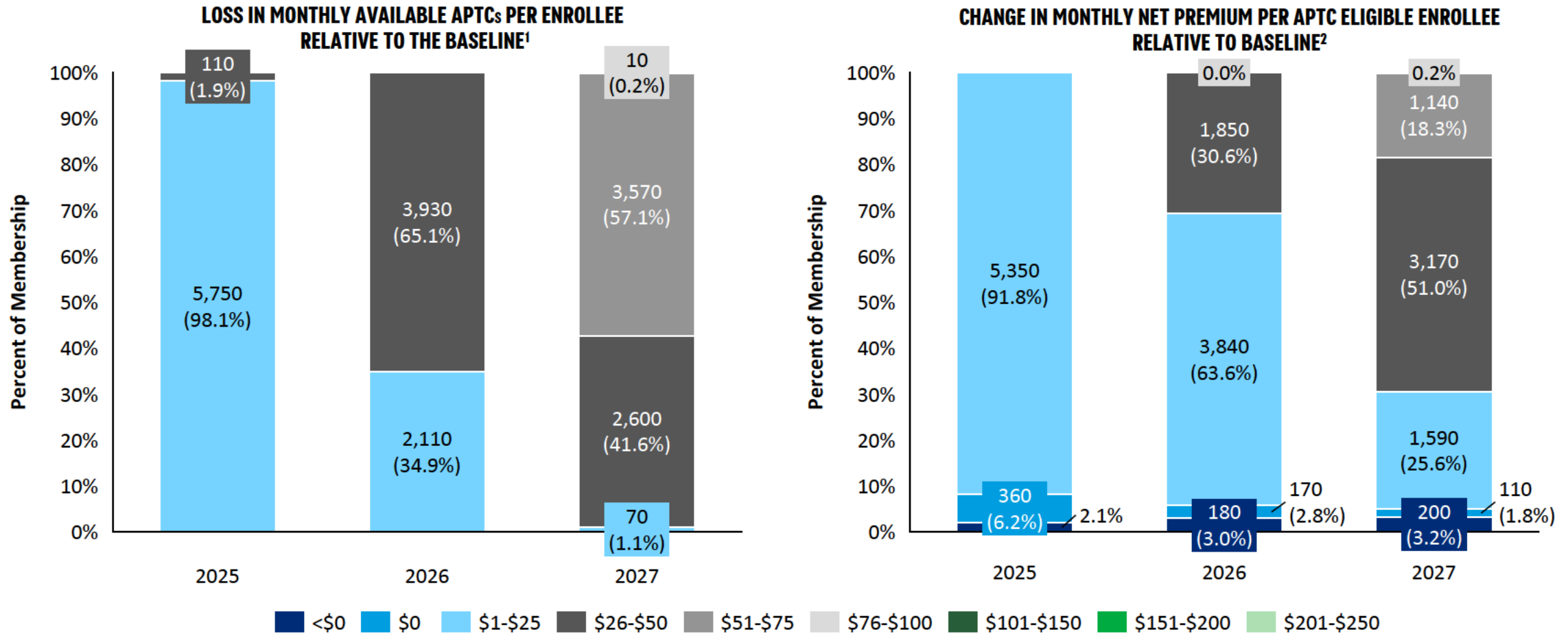


¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 2 VS. BASELINE AGE COHORT 0-30 / HOUSEHOLD INCOME 301%-400% FPL



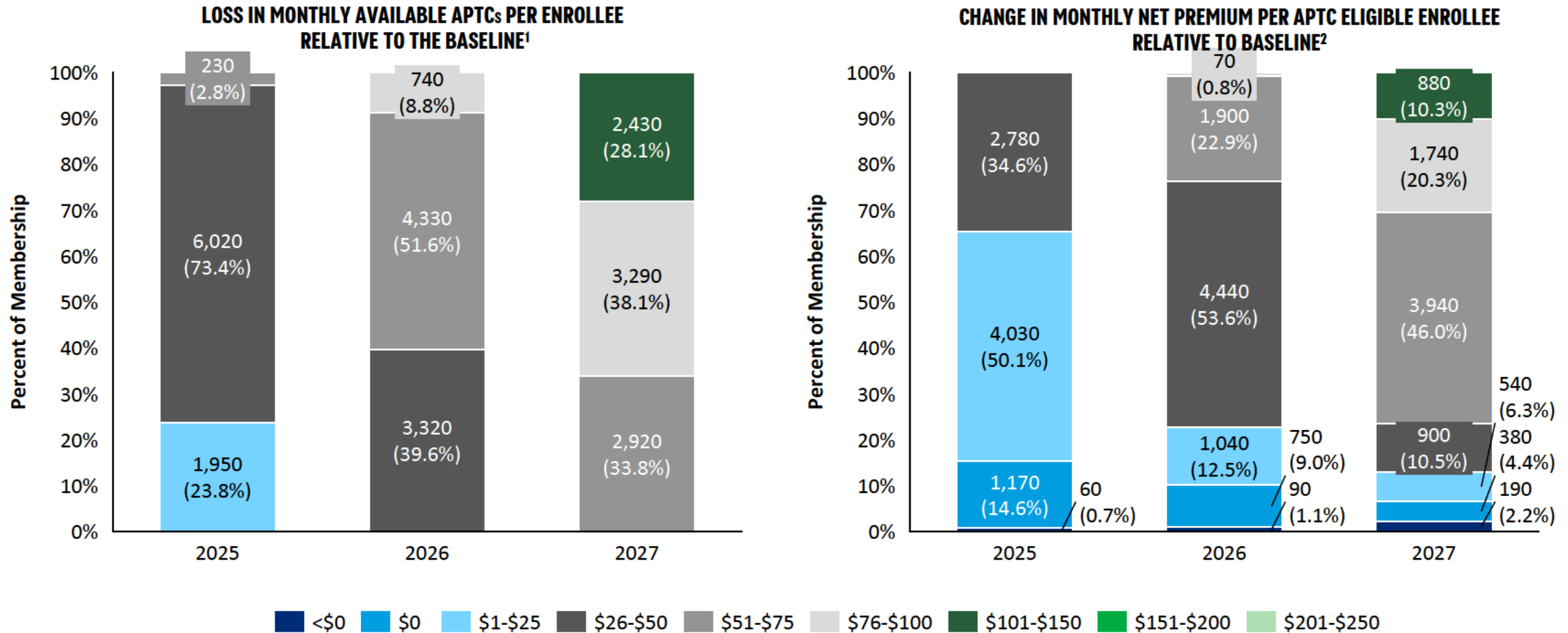
¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

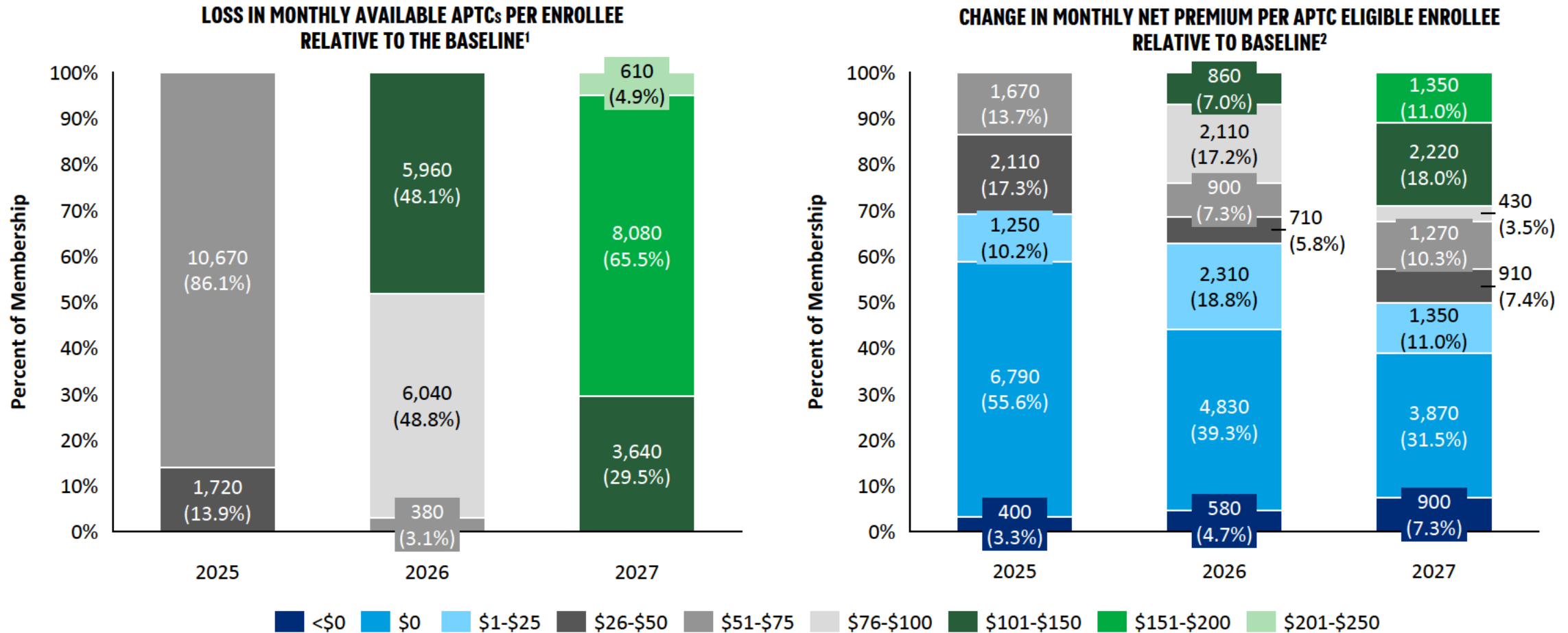
LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 2 VS. BASELINE

AGE COHORT 31-54 / HOUSEHOLD INCOME 301%-400% FPL



¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.
²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market
 Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 2 VS. BASELINE AGE COHORT 55+ / HOUSEHOLD INCOME 301%-400% FPL



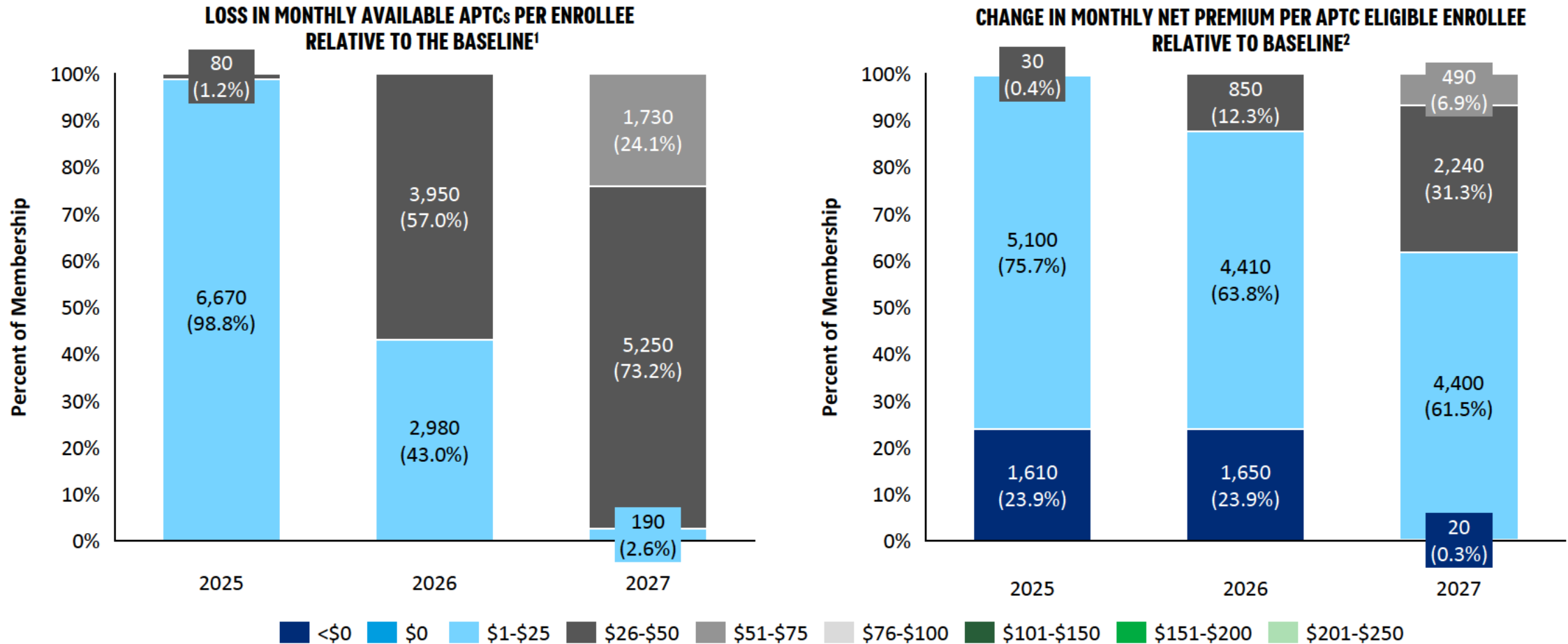
¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 2 VS. BASELINE

AGE COHORT 0-30 / HOUSEHOLD INCOME 400%+ FPL



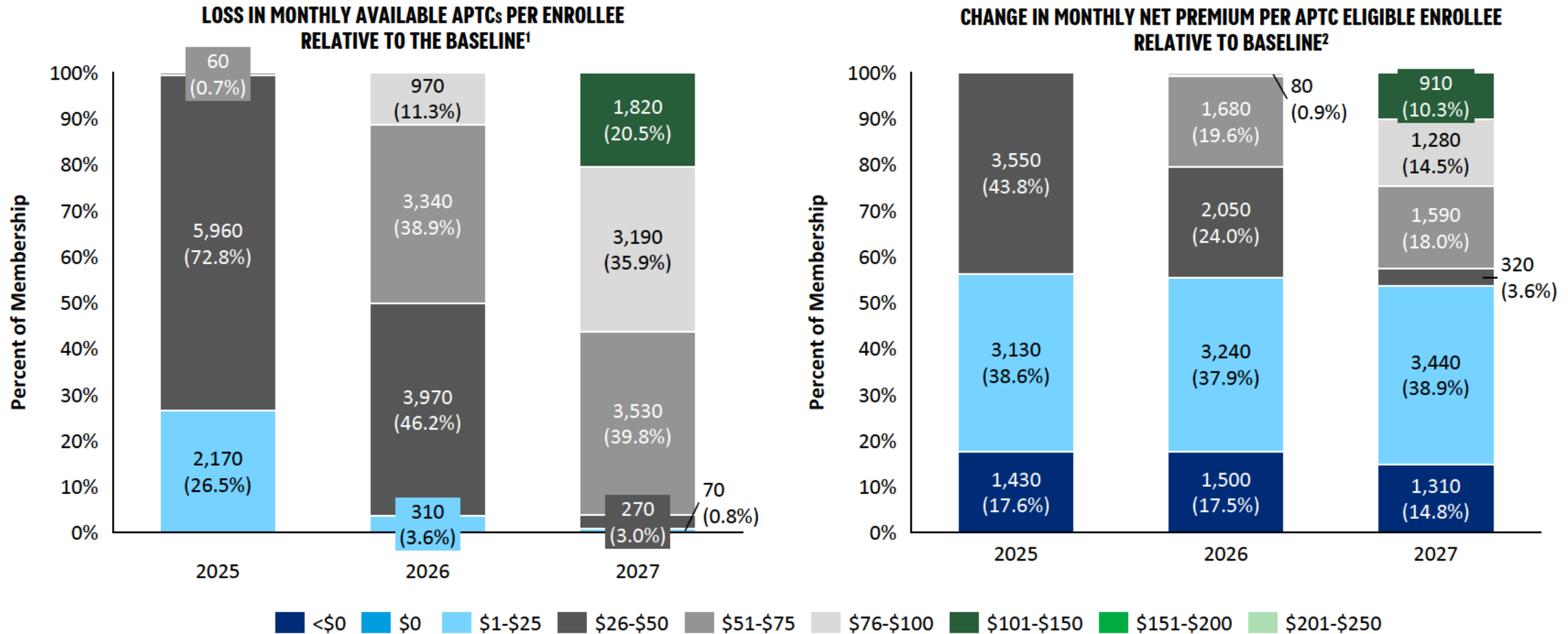
¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

²Represents the change in net premium PMPM an enrollee pays under the scenario, relative to the net premium they would pay under the baseline, and includes the impact of enrollee decisions to change metal levels; excludes members that elect to leave the market

Totals in the chart above may not tie to other slides due to rounding

LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 2 VS. BASELINE

AGE COHORT 31-54 / HOUSEHOLD INCOME 400%+ FPL



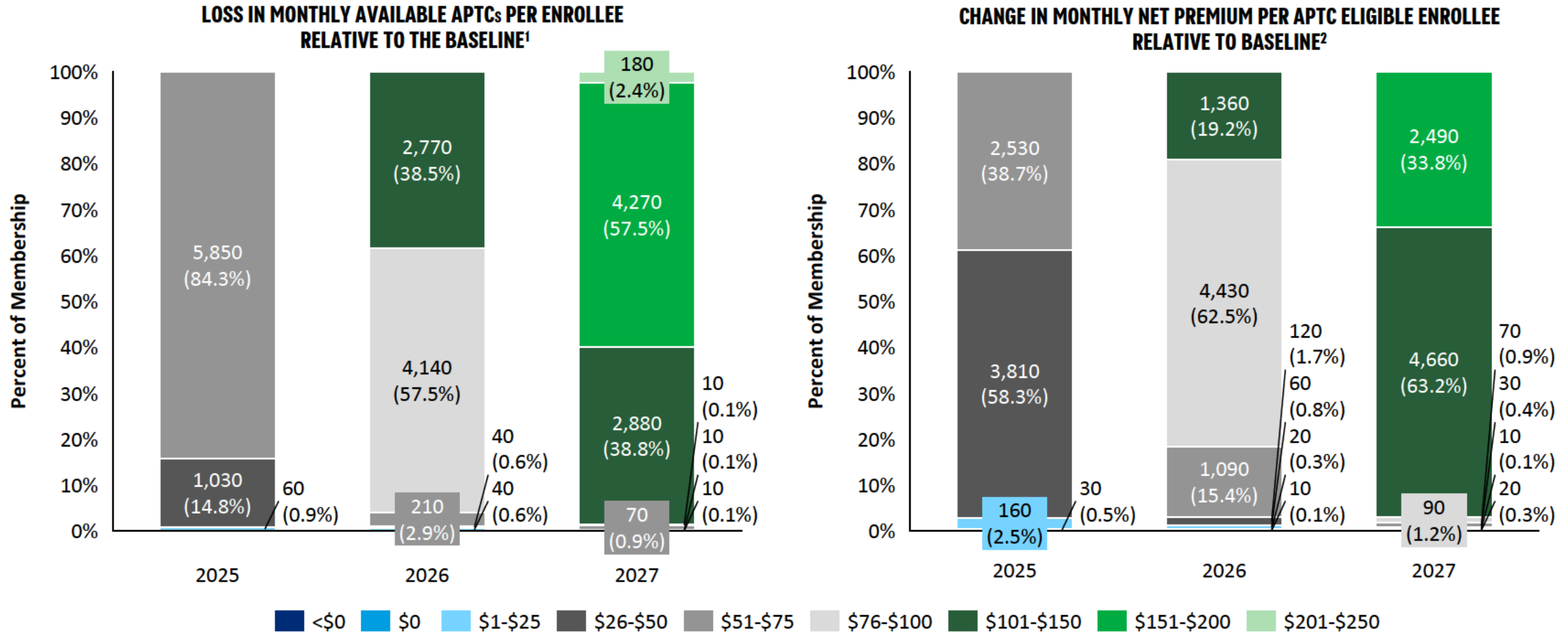
¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

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LOSS OF APTCs AVAILABLE AND NET PREMIUM CHANGE – SCENARIO 2 VS. BASELINE

AGE COHORT 55+ / HOUSEHOLD INCOME 400%+ FPL



¹Represents the change in monthly APTCs available to a member, relative to the APTCs that person has available to them in the baseline. Amounts for 2026 and 2027 represent the cumulative change in APTCs an enrollee has access to as the CSR load is reduced over time.

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Totals in the chart above may not tie to other slides due to rounding

3

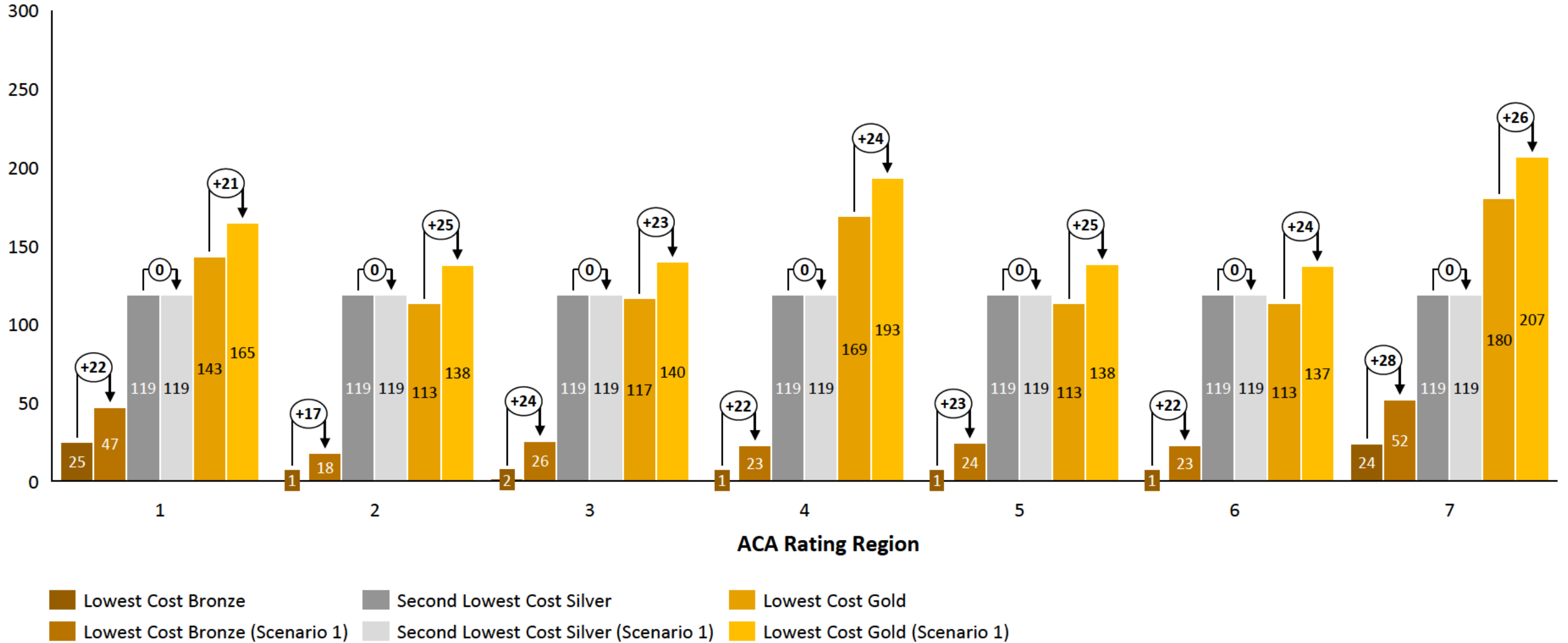
PREMIUM CASE STUDIES

3A

SCENARIO 1 - LOW AUTO RENEWAL

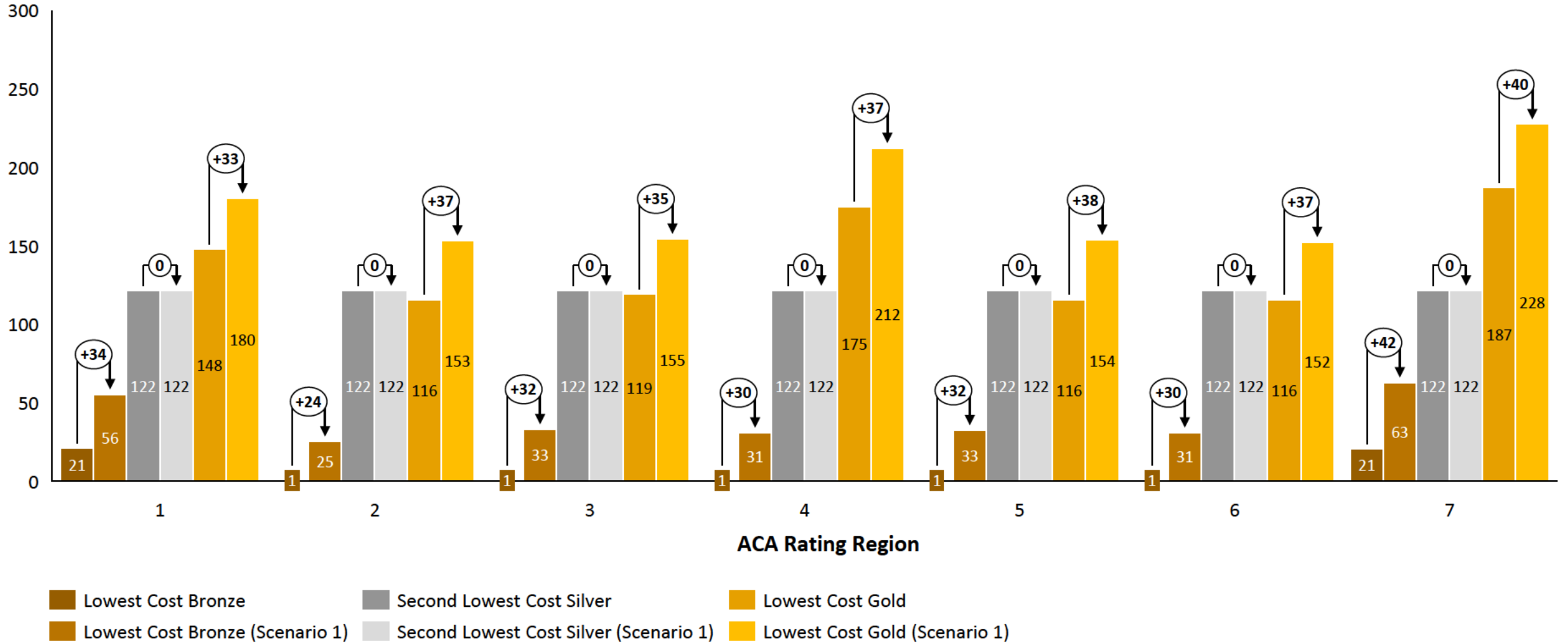
CASE STUDY: 2025 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 21 YEAR-OLD; 250% FPL

2025 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 21 YEAR-OLD WITH INCOME OF 250% FPL



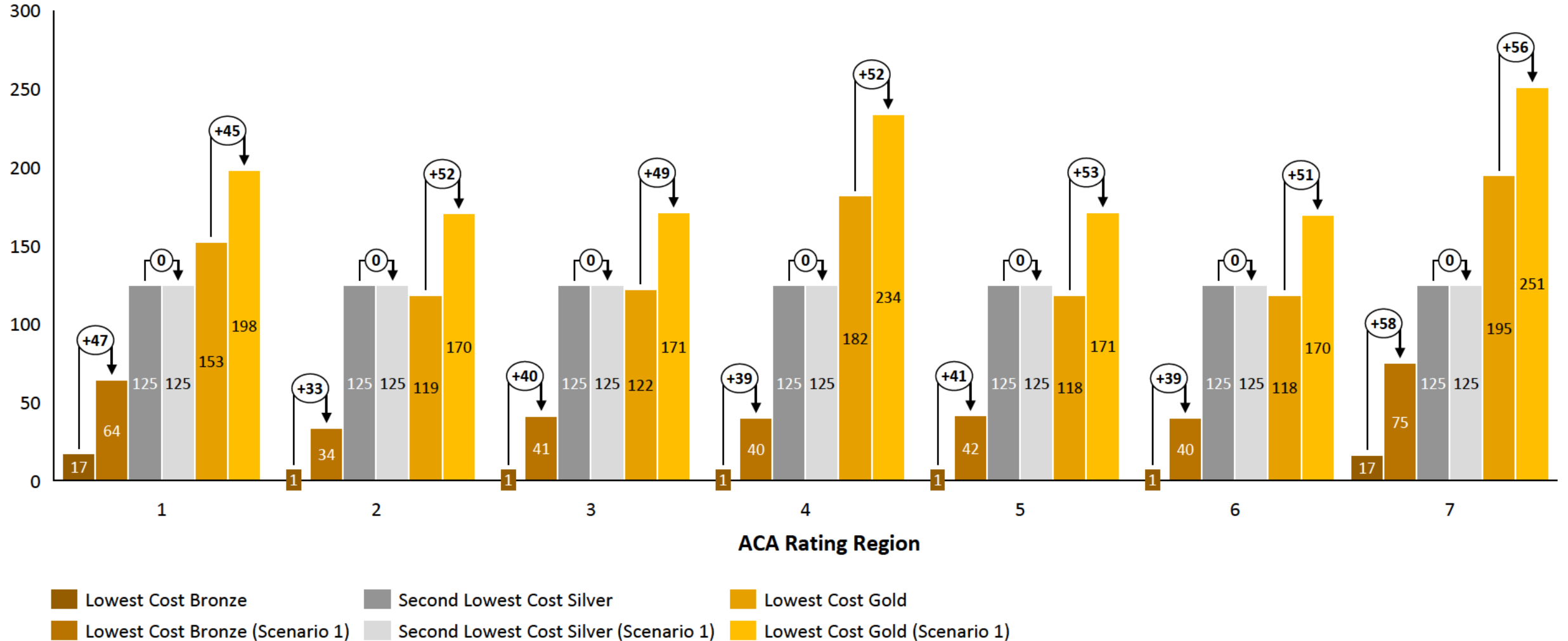
CASE STUDY: 2026 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 21 YEAR-OLD; 250% FPL

2026 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 21 YEAR-OLD WITH INCOME OF 250% FPL



CASE STUDY: 2027 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 21 YEAR-OLD; 250% FPL

2027 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 21 YEAR-OLD WITH INCOME OF 250% FPL

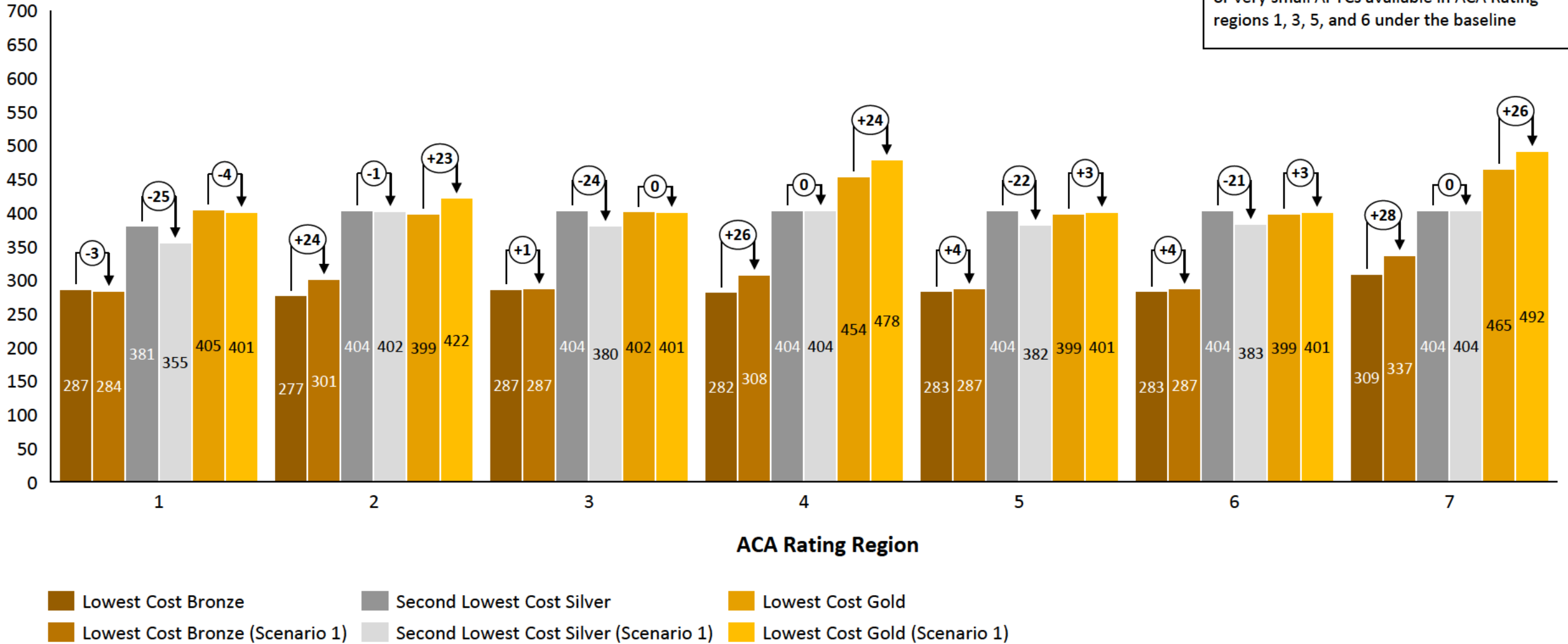


CASE STUDY: 2025 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1

21 YEAR-OLD; 400% FPL

In this case study example, the enrollee's premium impact varies by region due to zero or very small APTCs available in ACA Rating regions 1, 3, 5, and 6 under the baseline

2025 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 21 YEAR-OLD WITH INCOME OF 400% FPL

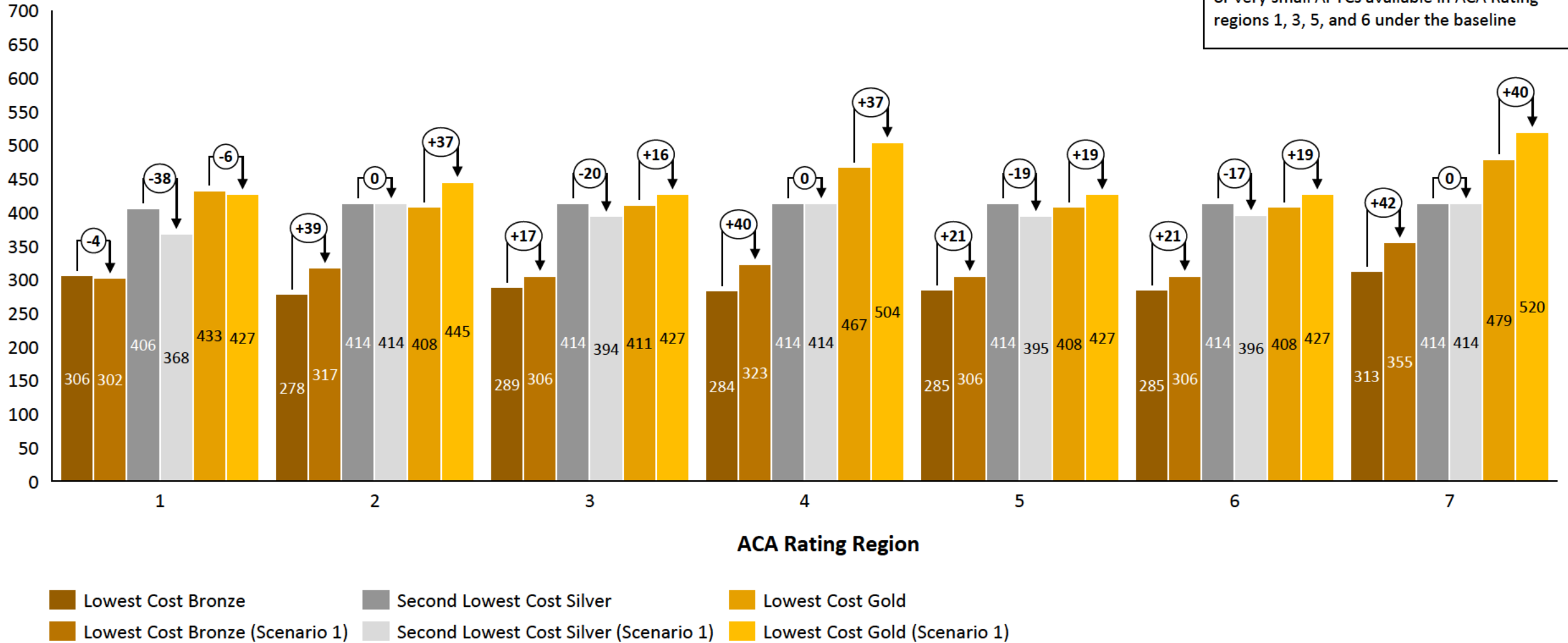


CASE STUDY: 2026 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1

21 YEAR-OLD; 400% FPL

In this case study example, the enrollee's premium impact varies by region due to zero or very small APTCs available in ACA Rating regions 1, 3, 5, and 6 under the baseline

2026 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 21 YEAR-OLD WITH INCOME OF 400% FPL

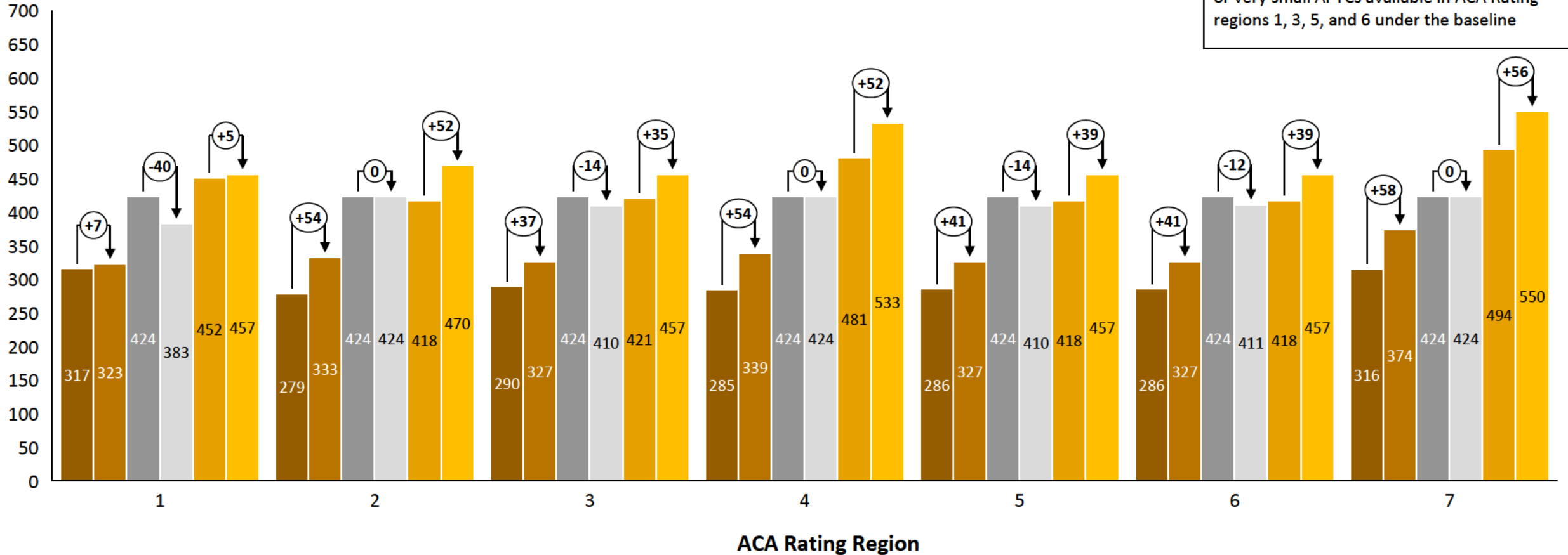


CASE STUDY: 2027 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1

21 YEAR-OLD; 400% FPL

In this case study example, the enrollee's premium impact varies by region due to zero or very small APTCs available in ACA Rating regions 1, 3, 5, and 6 under the baseline

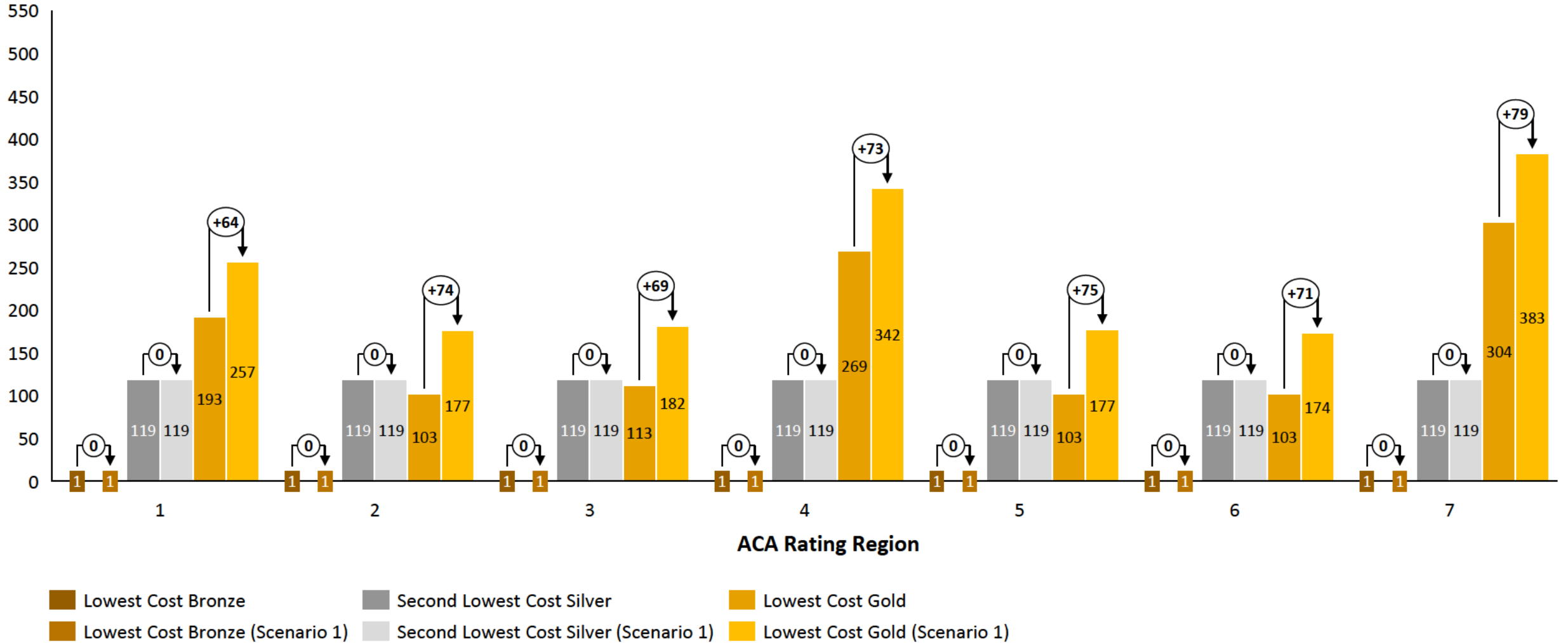
2027 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 21 YEAR-OLD WITH INCOME OF 400% FPL



- Lowest Cost Bronze
- Second Lowest Cost Silver
- Lowest Cost Gold
- Lowest Cost Bronze (Scenario 1)
- Second Lowest Cost Silver (Scenario 1)
- Lowest Cost Gold (Scenario 1)

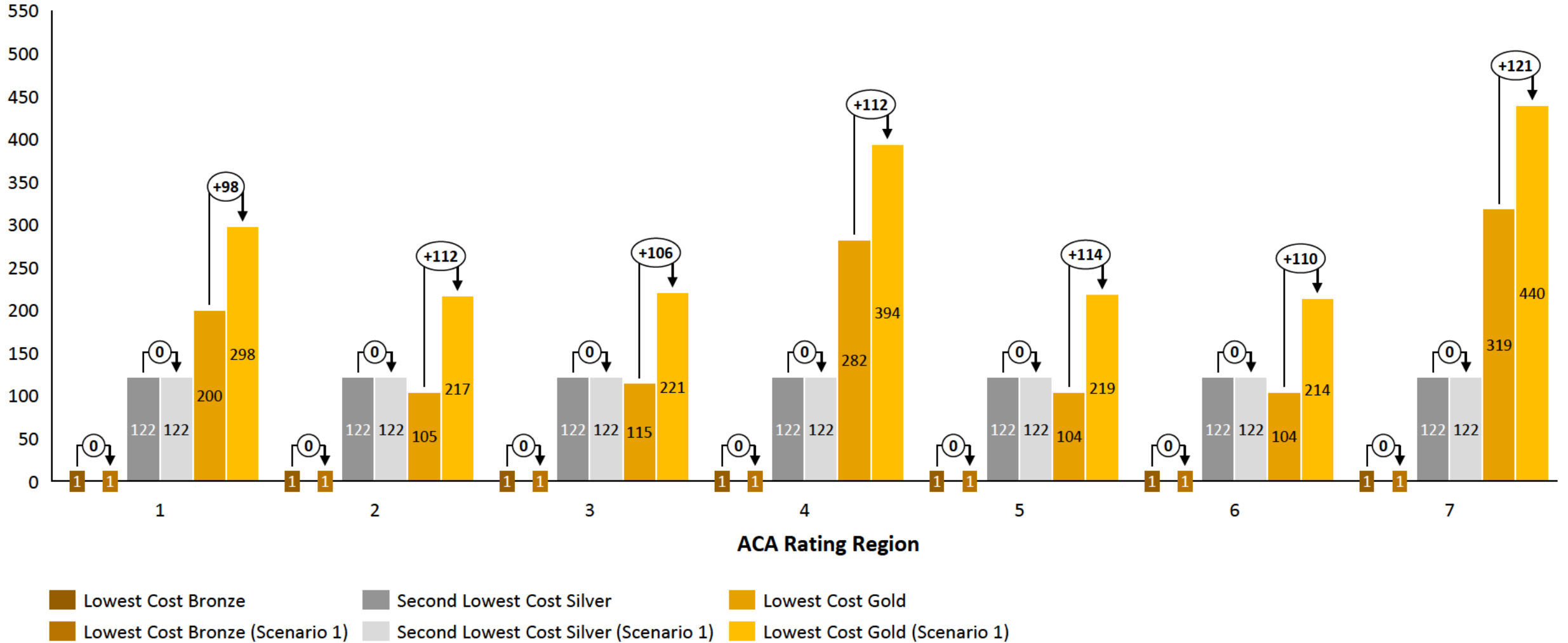
CASE STUDY: 2025 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 64 YEAR-OLD; 250% FPL

2025 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 64 YEAR-OLD WITH INCOME OF 250% FPL



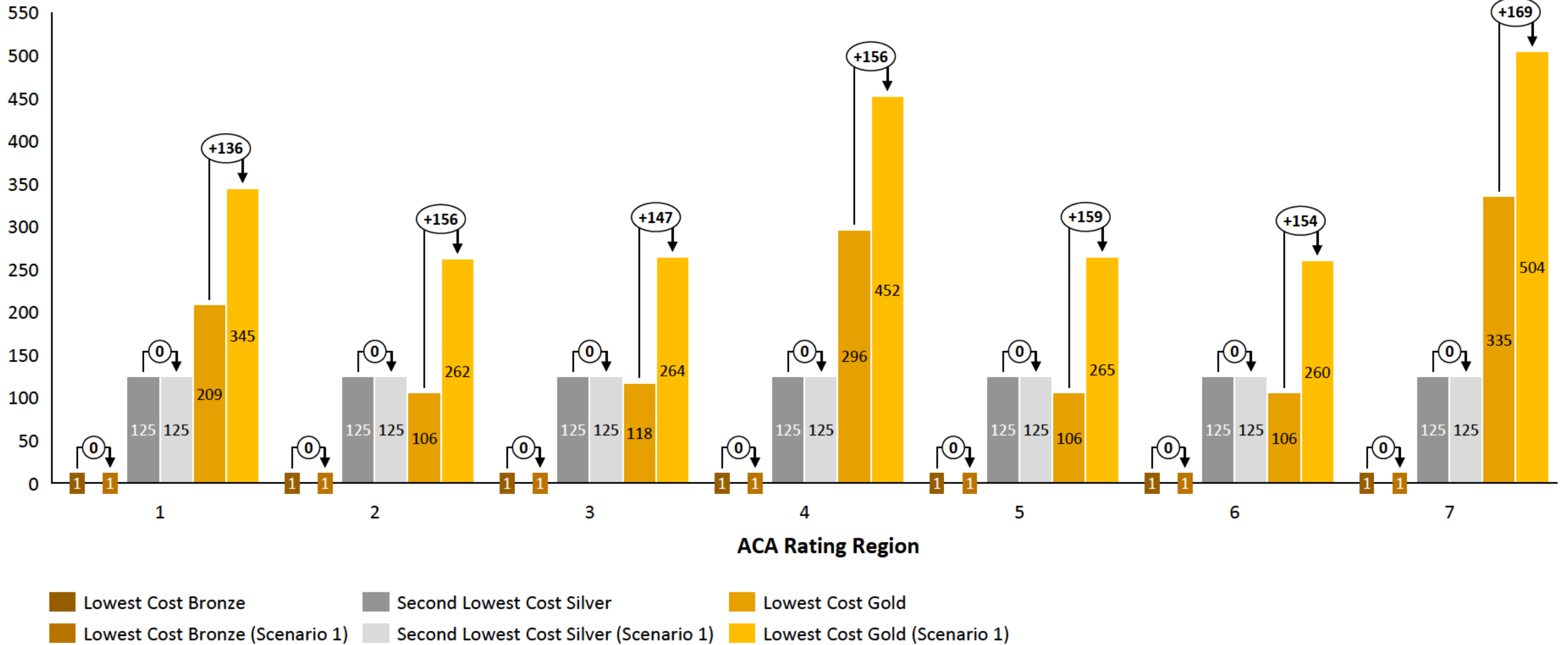
CASE STUDY: 2026 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 64 YEAR-OLD; 250% FPL

2026 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 64 YEAR-OLD WITH INCOME OF 250% FPL



CASE STUDY: 2027 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 64 YEAR-OLD; 250% FPL

2027 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 64 YEAR-OLD WITH INCOME OF 250% FPL



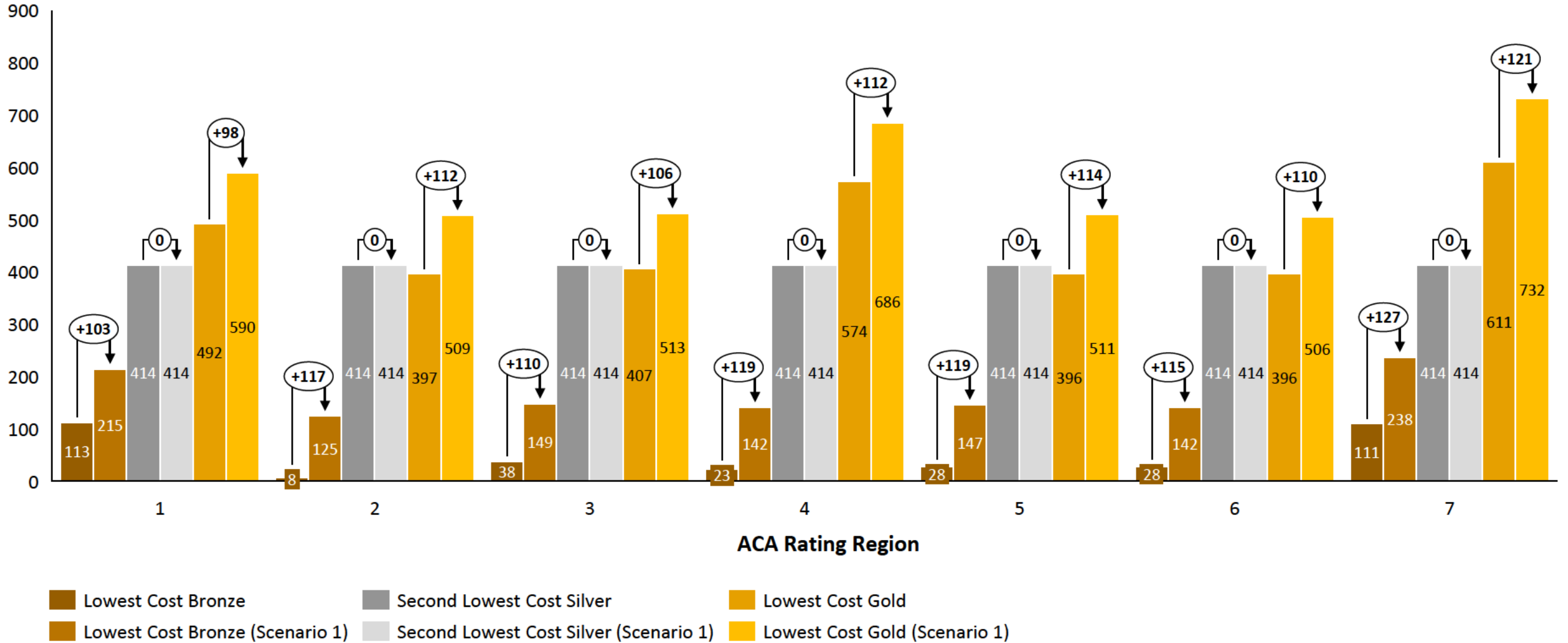
CASE STUDY: 2025 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 64 YEAR-OLD; 400% FPL

2025 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 64 YEAR-OLD WITH INCOME OF 400% FPL



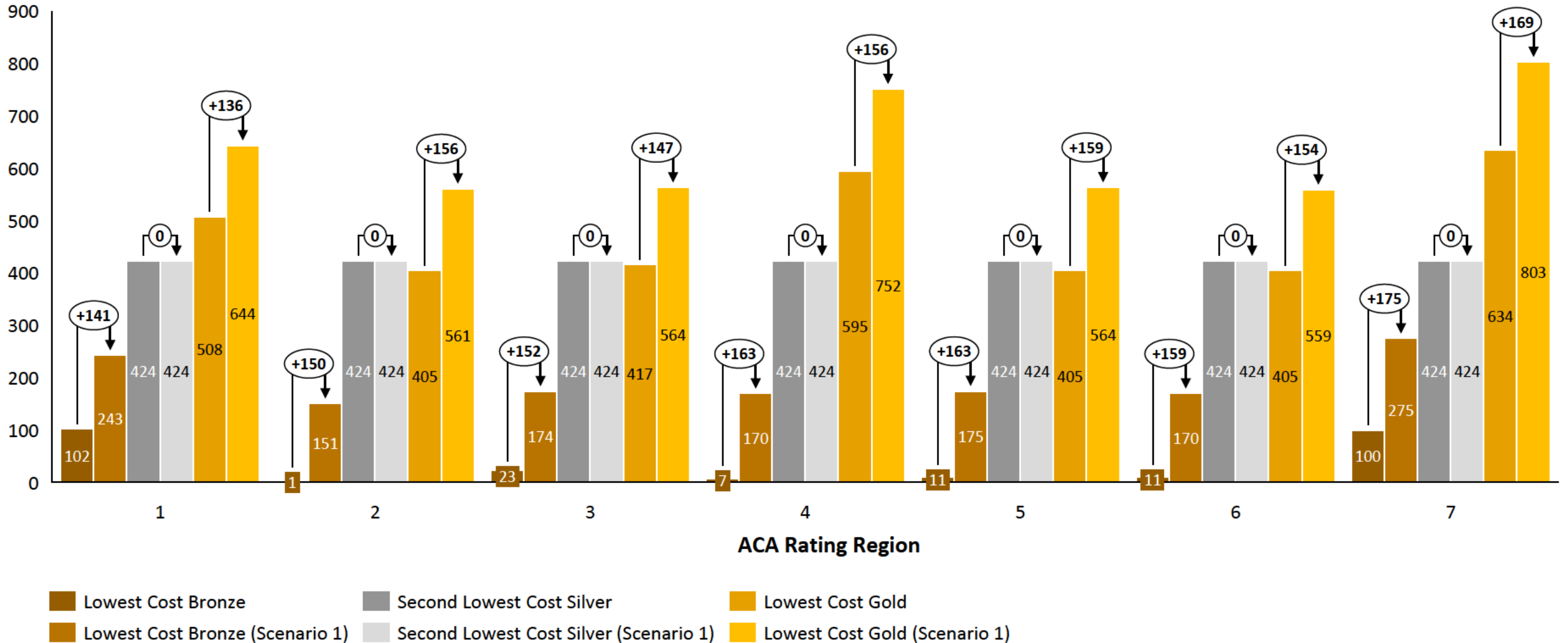
CASE STUDY: 2026 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 64 YEAR-OLD; 400% FPL

2026 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 64 YEAR-OLD WITH INCOME OF 400% FPL



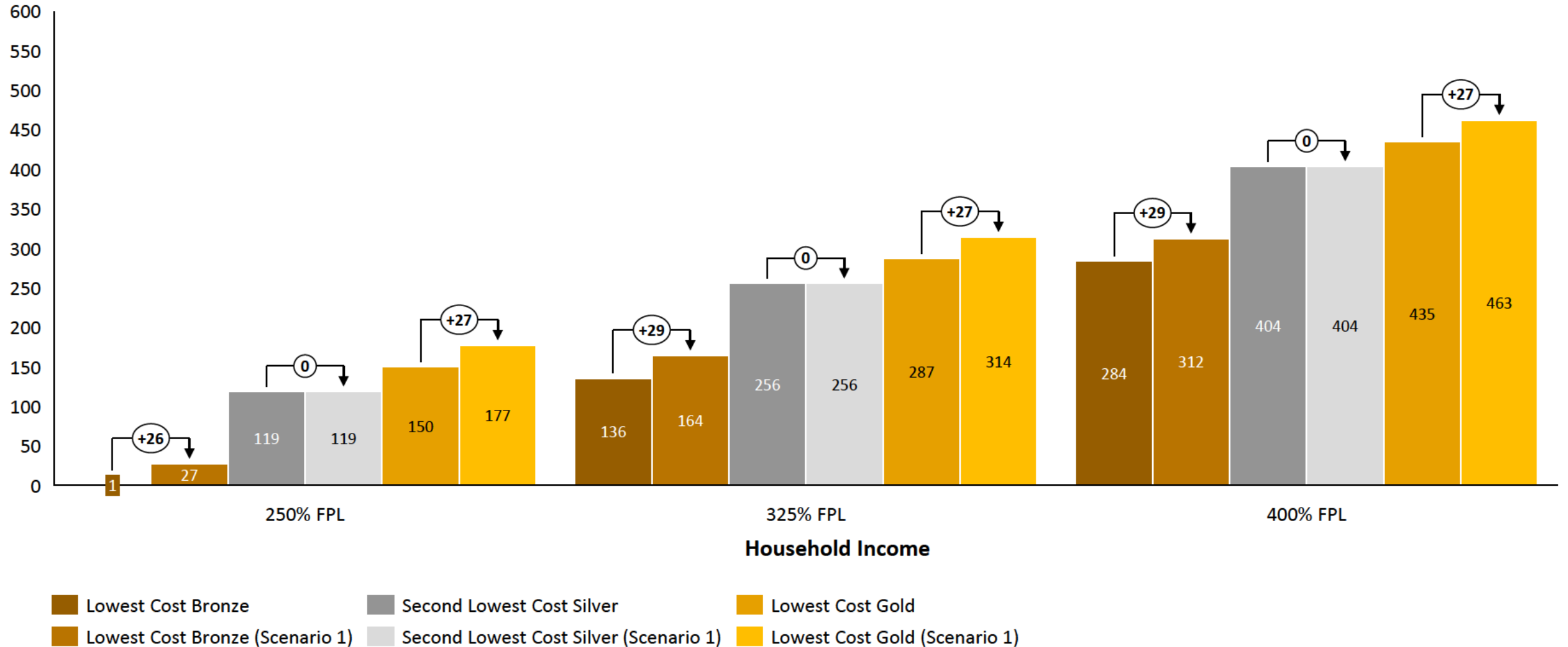
CASE STUDY: 2027 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 64 YEAR-OLD; 400% FPL

2027 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 64 YEAR-OLD WITH INCOME OF 400% FPL



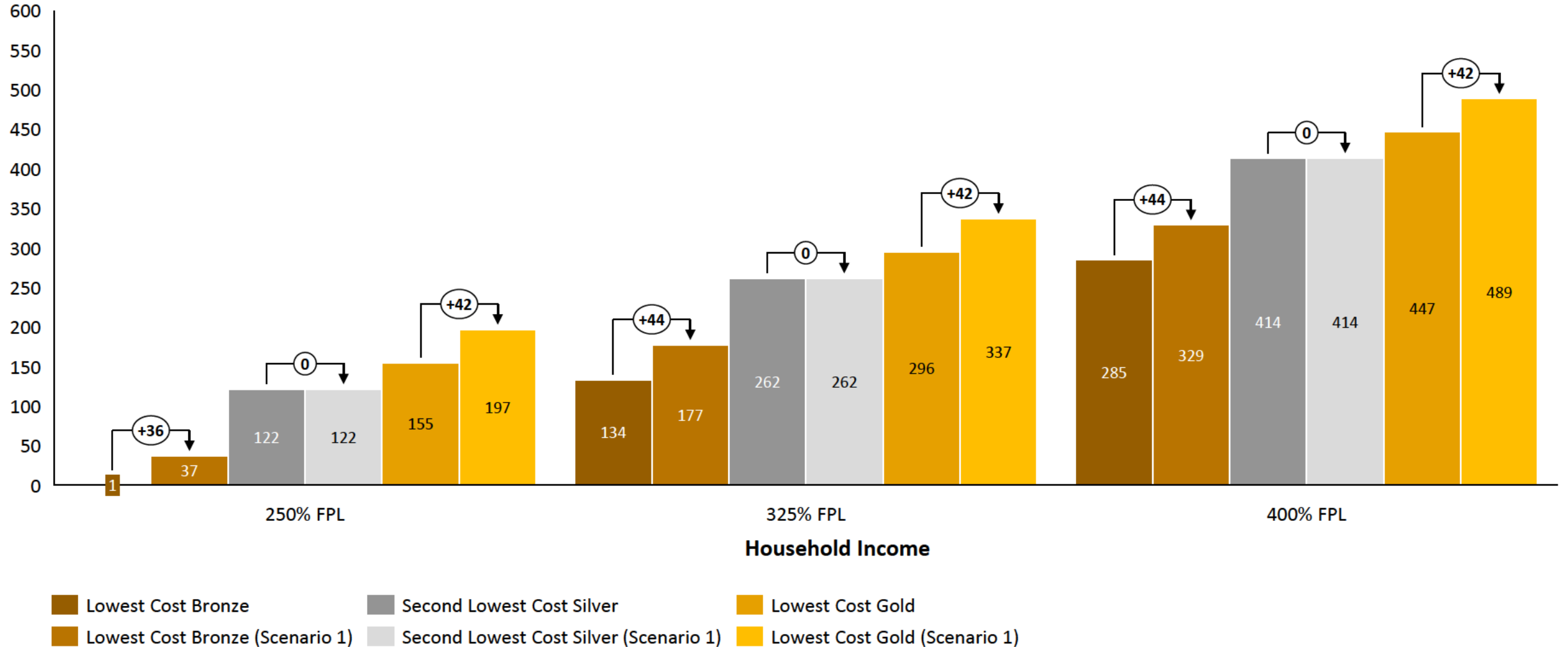
CASE STUDY: 2025 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 40 YEAR-OLD; RATING REGION 1

2025 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 40 YEAR-OLD RATING REGION 1



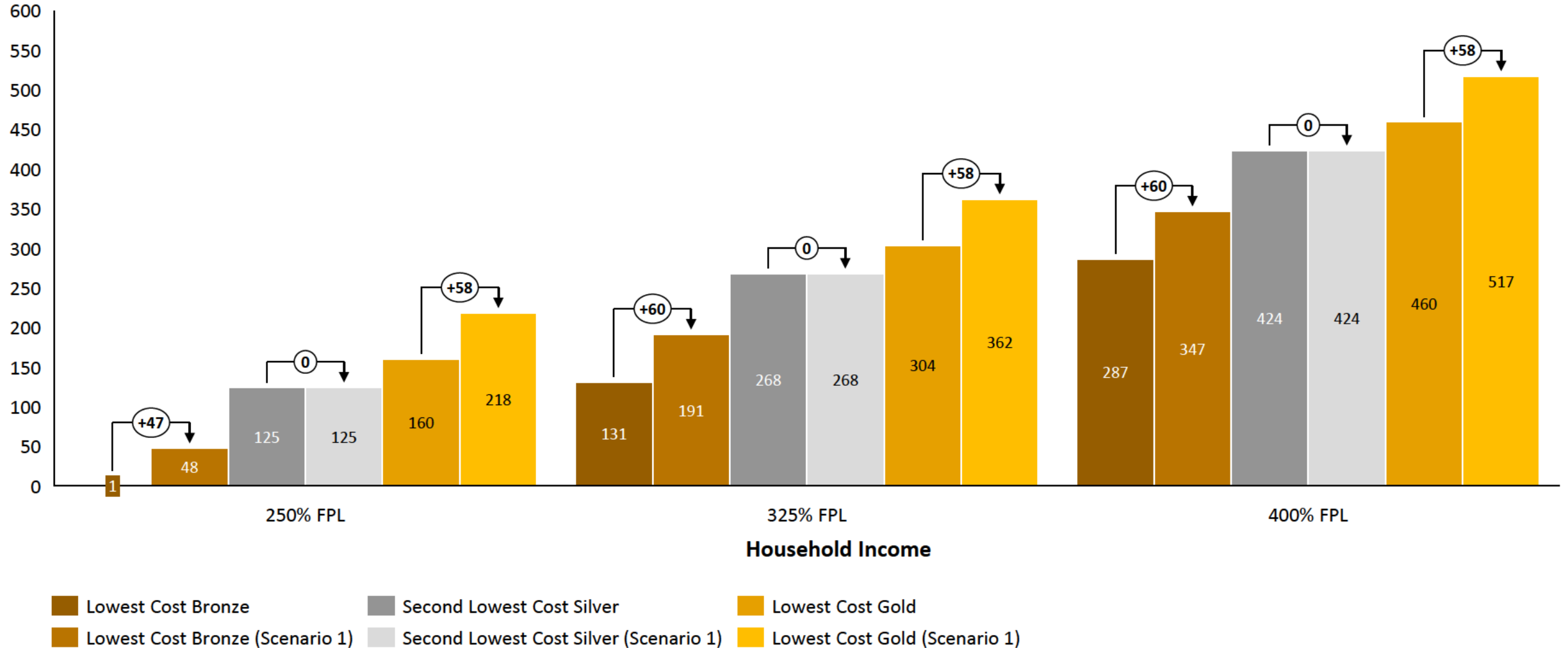
CASE STUDY: 2026 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 40 YEAR-OLD; RATING REGION 1

2026 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 40 YEAR-OLD RATING REGION 1



CASE STUDY: 2027 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 1 40 YEAR-OLD; RATING REGION 1

2027 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 1 - 40 YEAR-OLD RATING REGION 1

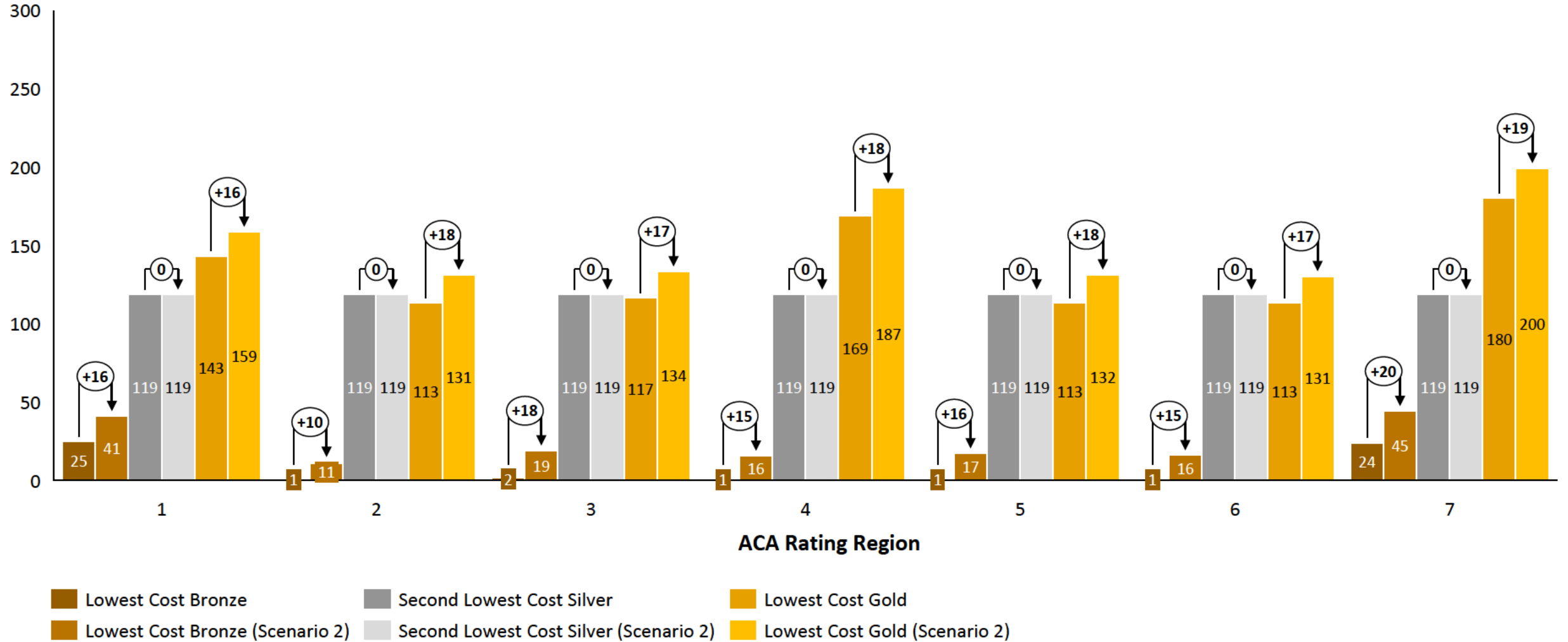


3B

SCENARIO 2 - HIGH AUTO RENEWAL

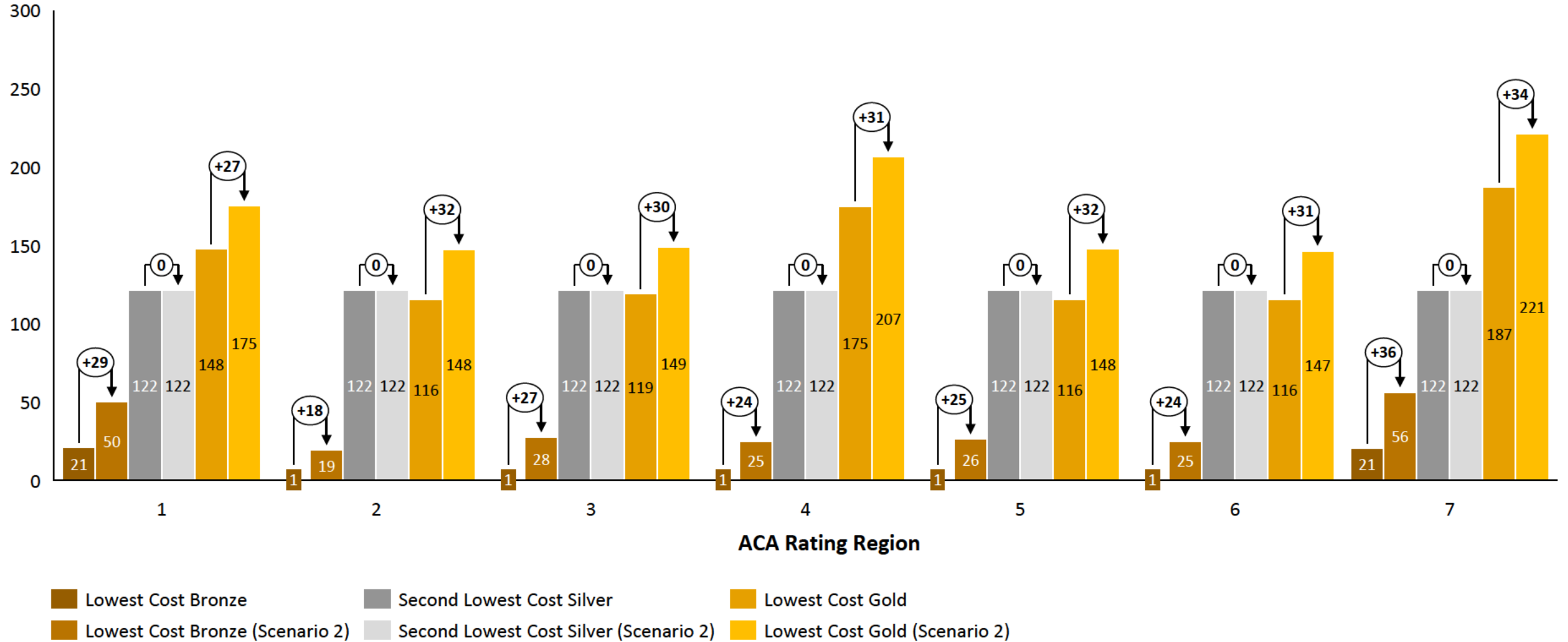
CASE STUDY: 2025 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 21 YEAR-OLD; 250% FPL

2025 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 21 YEAR-OLD WITH INCOME OF 250% FPL



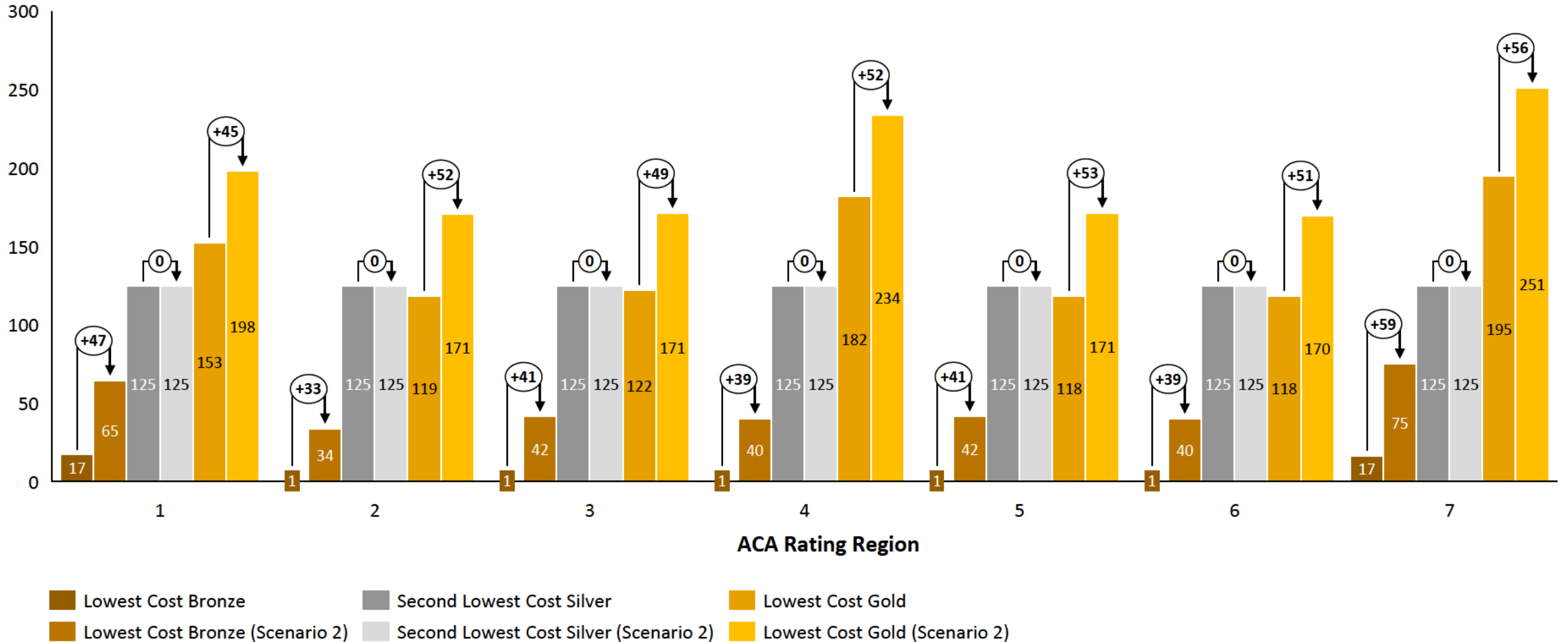
CASE STUDY: 2026 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 21 YEAR-OLD; 250% FPL

2026 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 21 YEAR-OLD WITH INCOME OF 250% FPL



CASE STUDY: 2027 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 21 YEAR-OLD; 250% FPL

2027 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 21 YEAR-OLD WITH INCOME OF 250% FPL

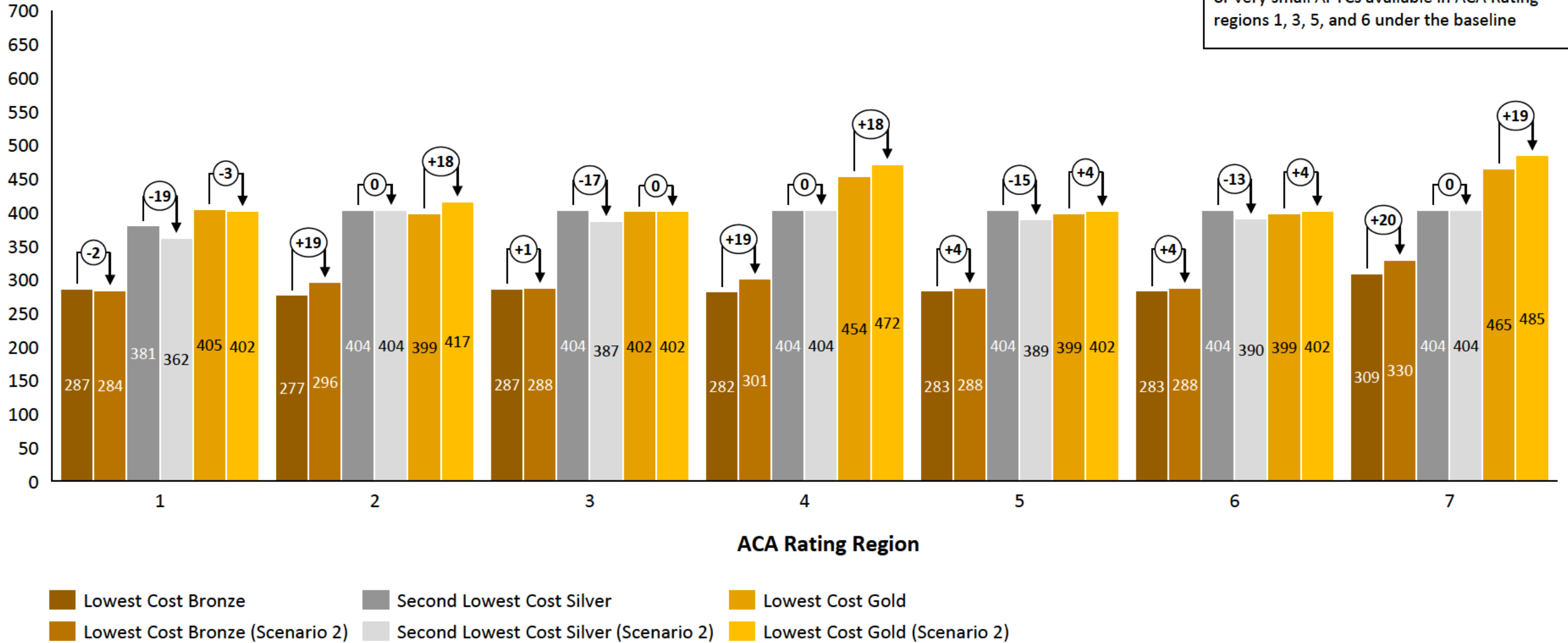


CASE STUDY: 2025 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2

21 YEAR-OLD; 400% FPL

In this case study example, the enrollee's premium impact varies by region due to zero or very small APTCs available in ACA Rating regions 1, 3, 5, and 6 under the baseline

2025 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 21 YEAR-OLD WITH INCOME OF 400% FPL

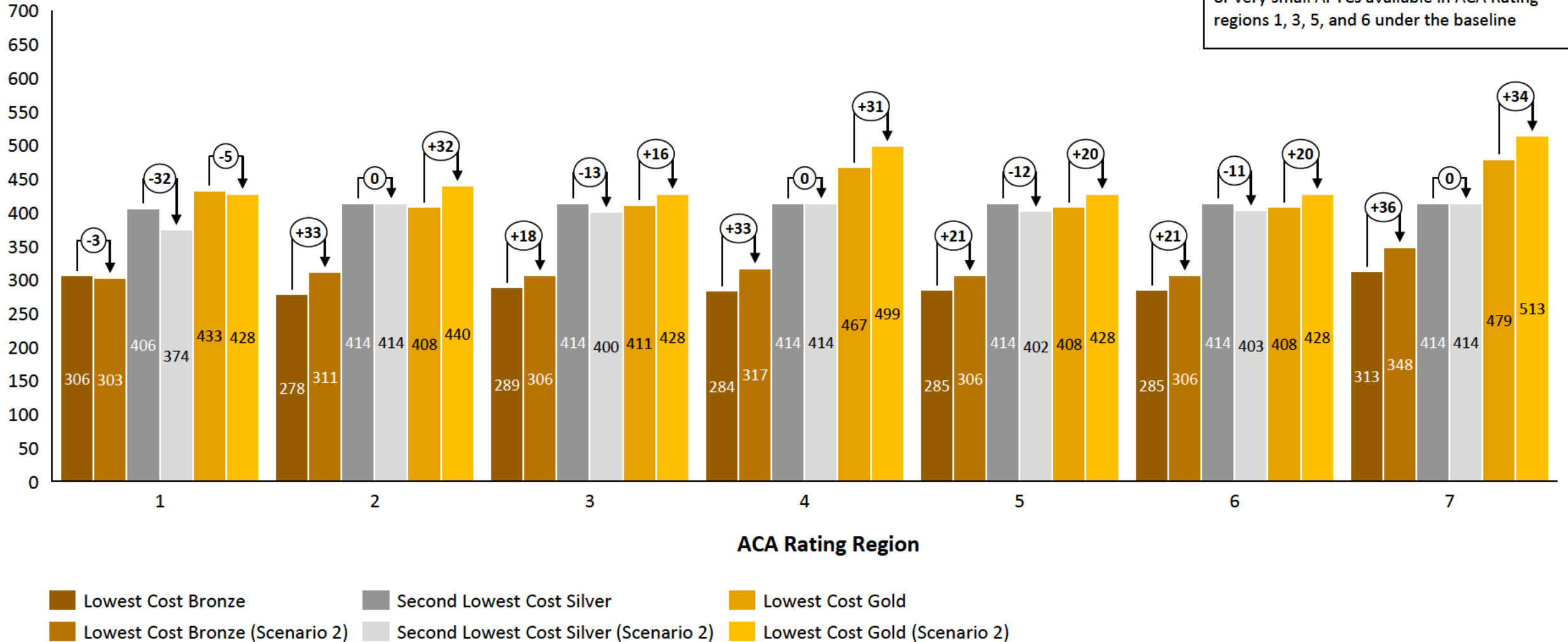


CASE STUDY: 2026 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2

21 YEAR-OLD; 400% FPL

In this case study example, the enrollee's premium impact varies by region due to zero or very small APTCs available in ACA Rating regions 1, 3, 5, and 6 under the baseline

2026 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 21 YEAR-OLD WITH INCOME OF 400% FPL

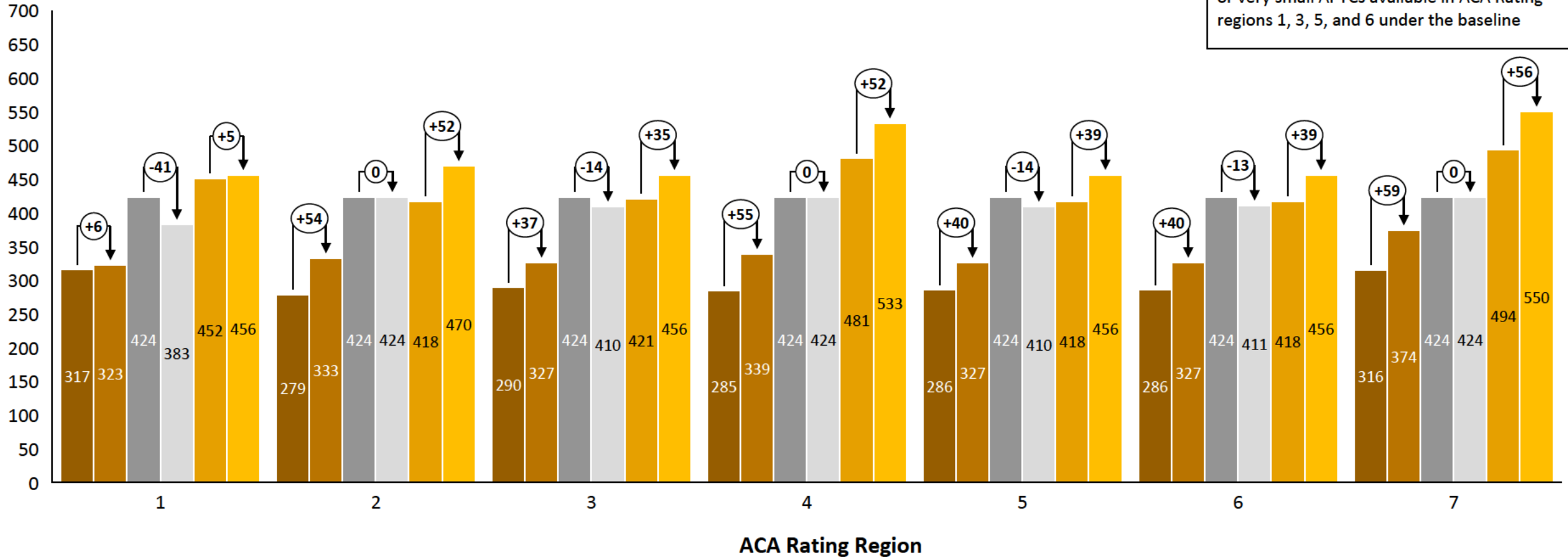


CASE STUDY: 2027 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2

21 YEAR-OLD; 400% FPL

In this case study example, the enrollee's premium impact varies by region due to zero or very small APTCs available in ACA Rating regions 1, 3, 5, and 6 under the baseline

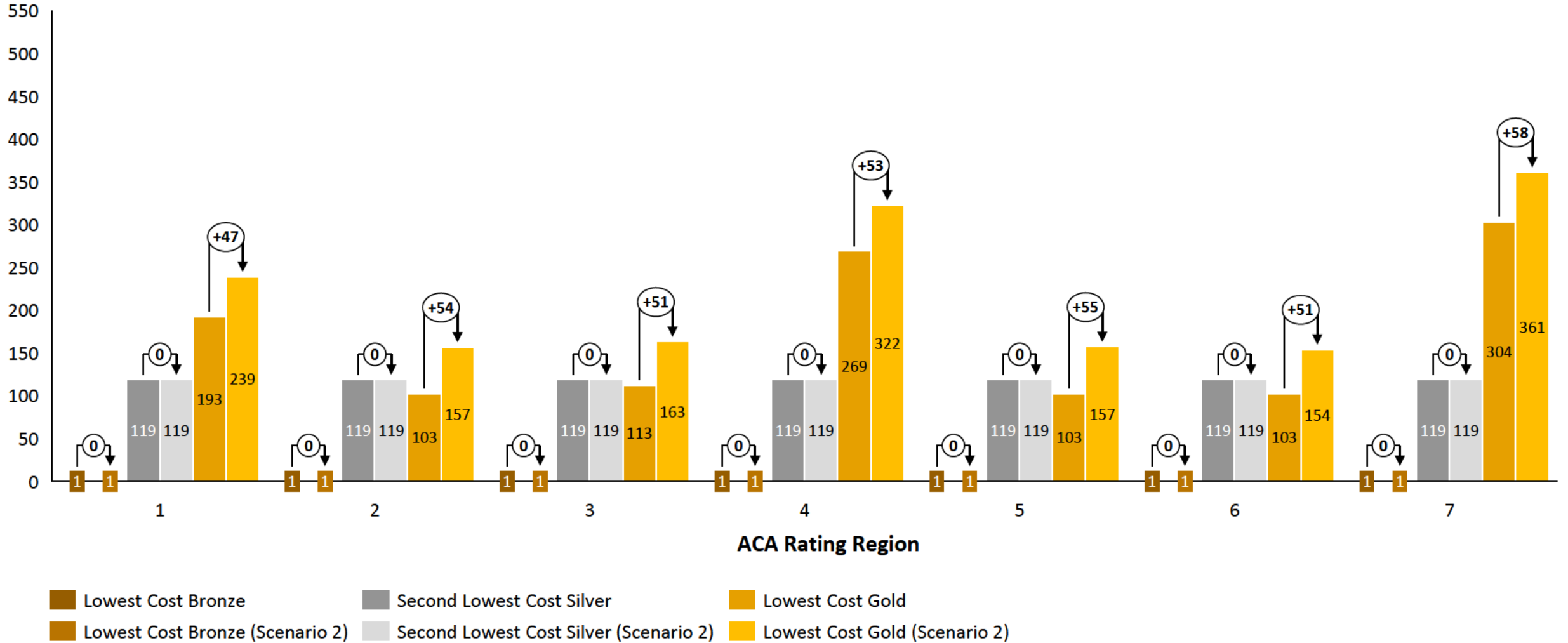
2027 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 21 YEAR-OLD WITH INCOME OF 400% FPL



- Lowest Cost Bronze
- Second Lowest Cost Silver
- Lowest Cost Gold
- Lowest Cost Bronze (Scenario 2)
- Second Lowest Cost Silver (Scenario 2)
- Lowest Cost Gold (Scenario 2)

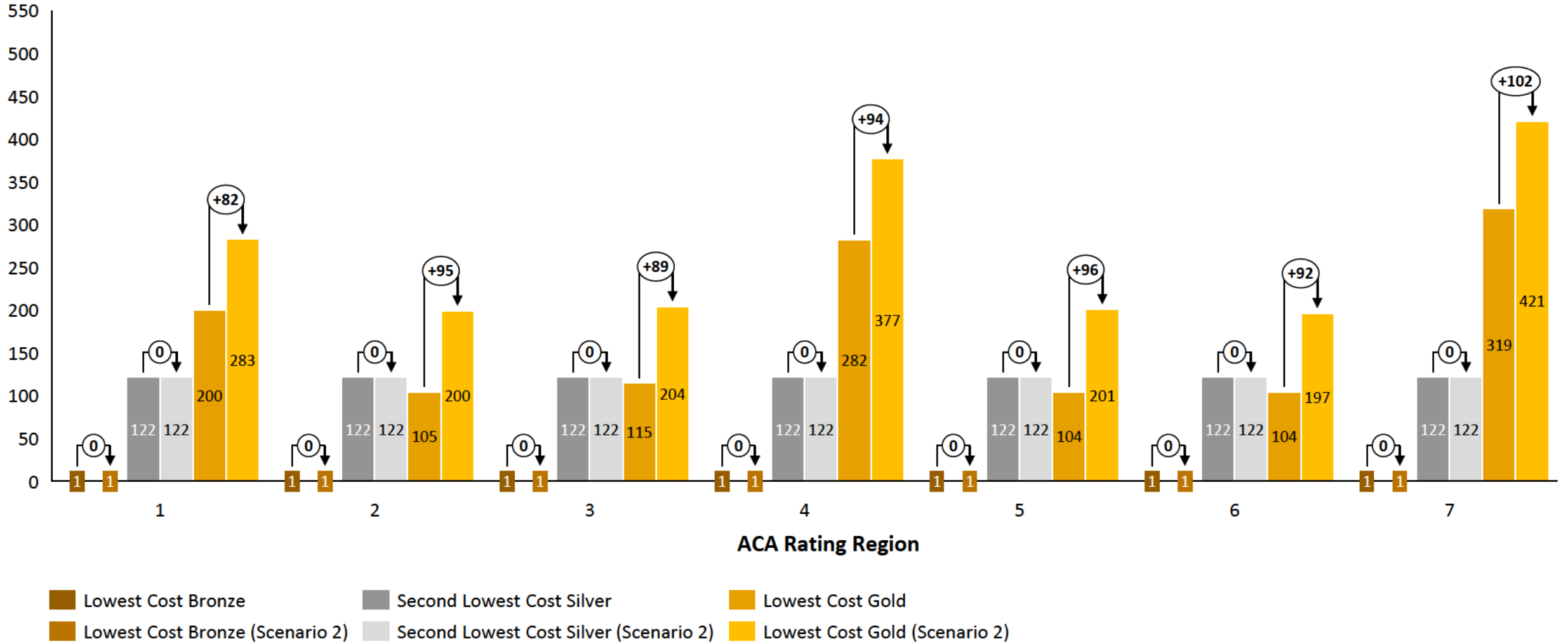
CASE STUDY: 2025 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 64 YEAR-OLD; 250% FPL

2025 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 64 YEAR-OLD WITH INCOME OF 250% FPL



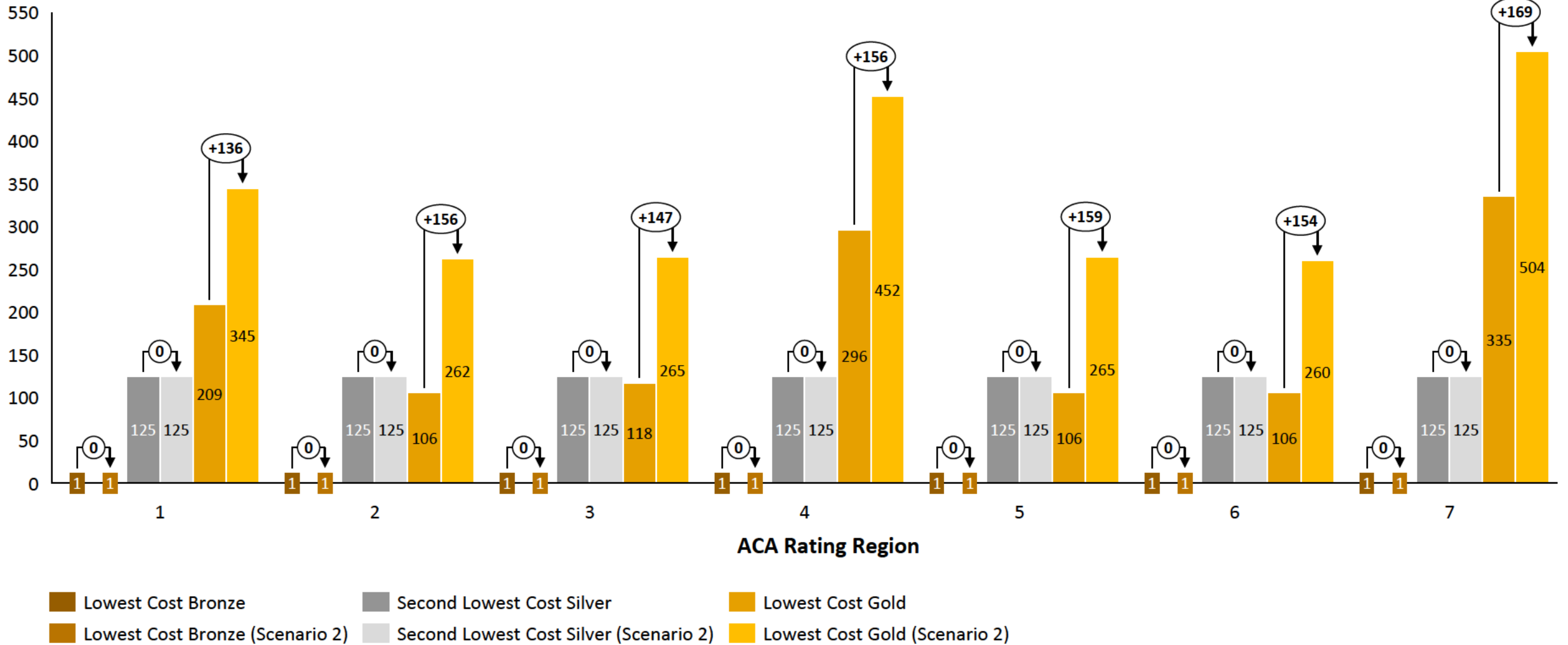
CASE STUDY: 2026 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 64 YEAR-OLD; 250% FPL

2026 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 64 YEAR-OLD WITH INCOME OF 250% FPL



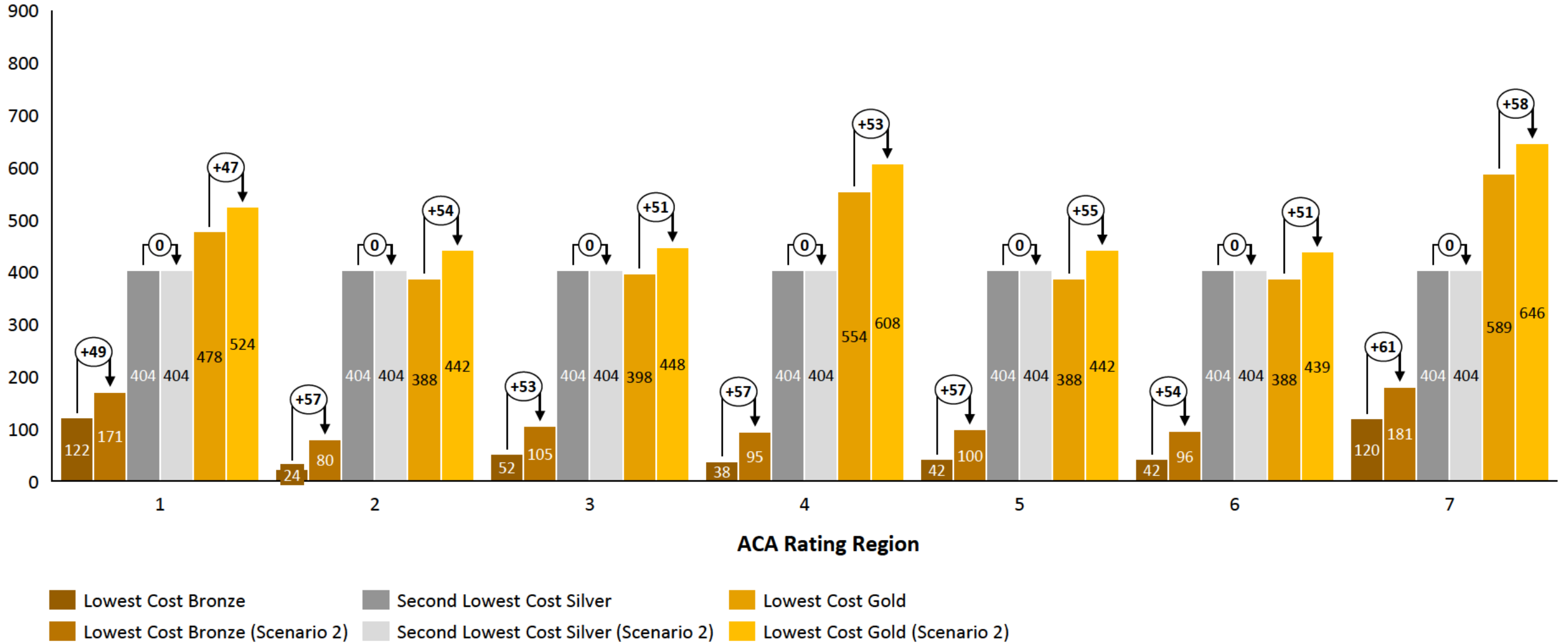
CASE STUDY: 2027 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 64 YEAR-OLD; 250% FPL

2027 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 64 YEAR-OLD WITH INCOME OF 250% FPL



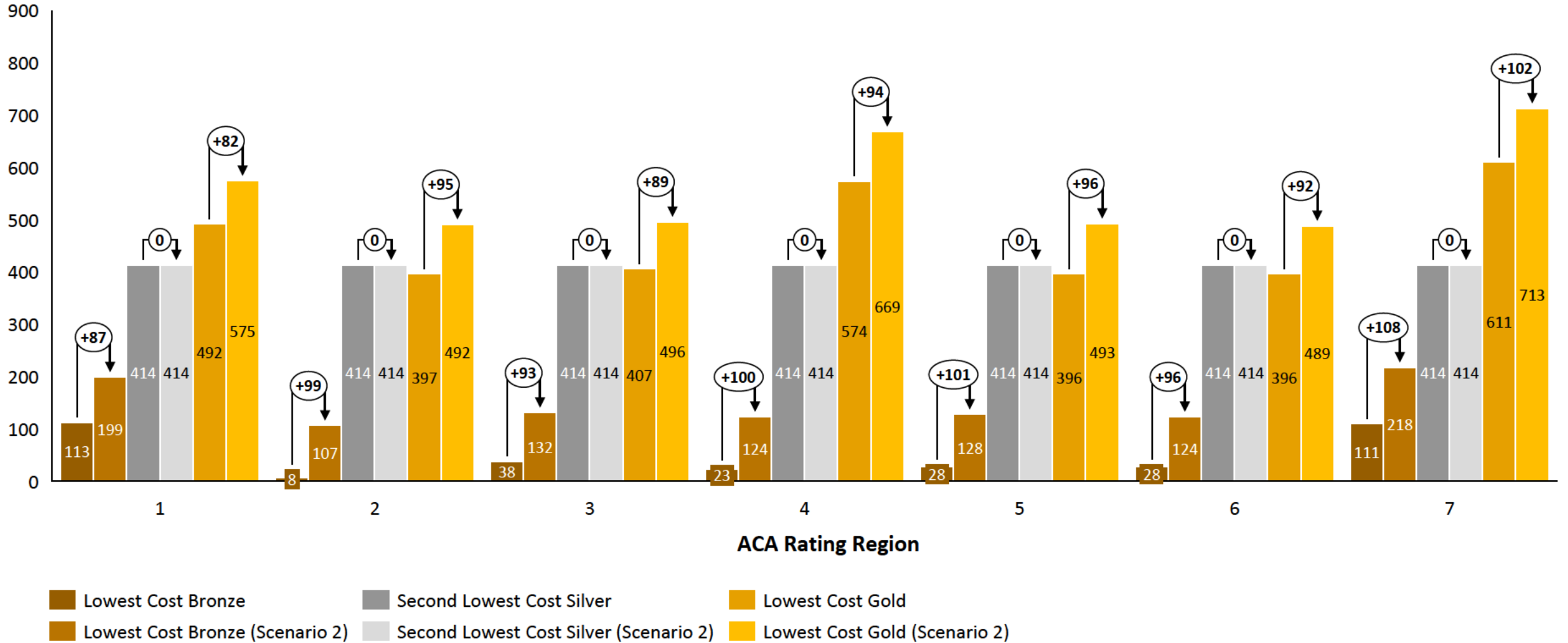
CASE STUDY: 2025 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 64 YEAR-OLD; 400% FPL

2025 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 64 YEAR-OLD WITH INCOME OF 400% FPL



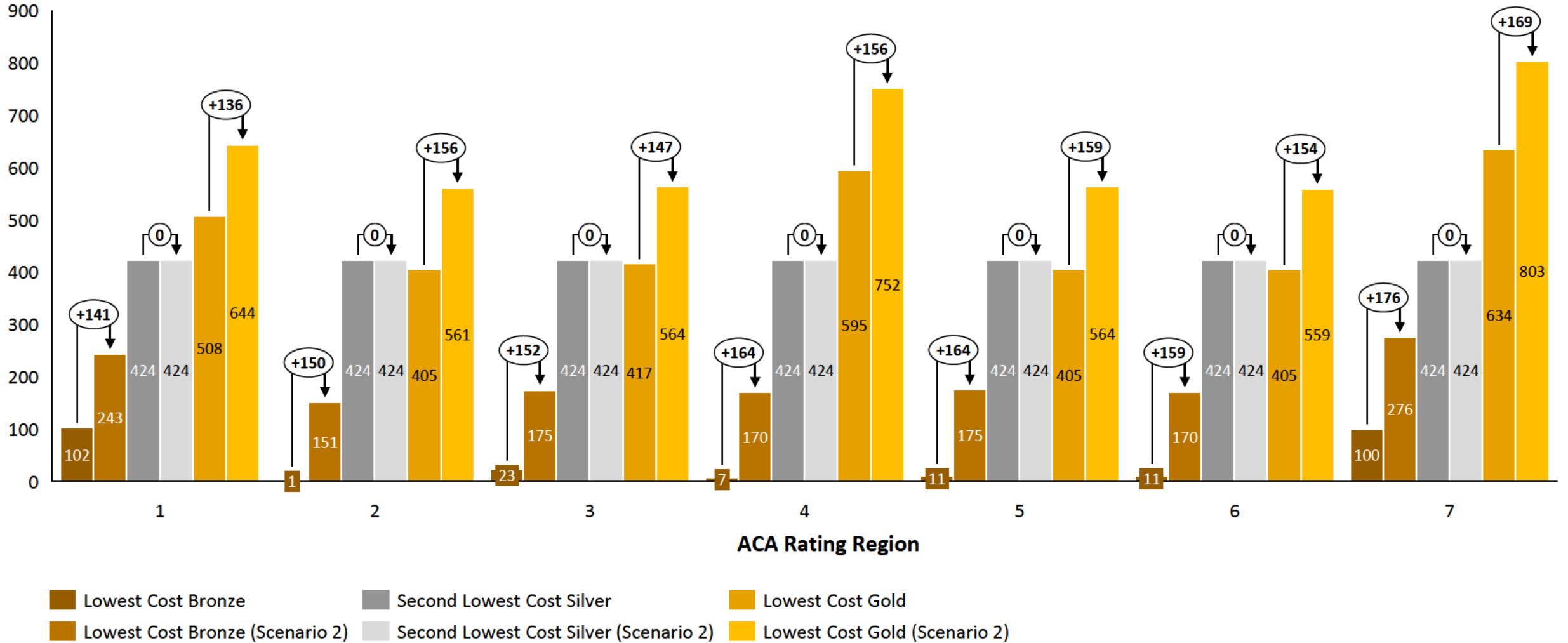
CASE STUDY: 2026 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 64 YEAR-OLD; 400% FPL

2026 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 64 YEAR-OLD WITH INCOME OF 400% FPL



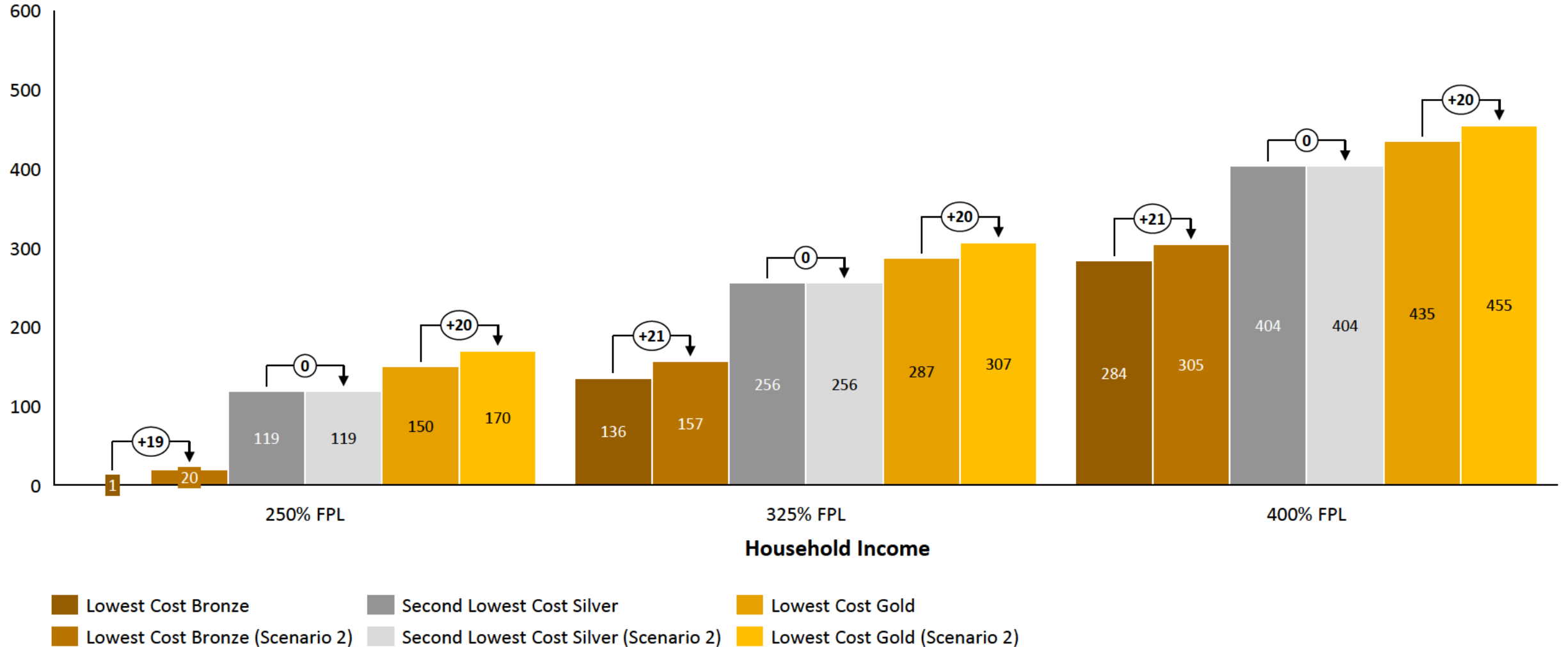
CASE STUDY: 2027 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 64 YEAR-OLD; 400% FPL

2027 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 64 YEAR-OLD WITH INCOME OF 400% FPL



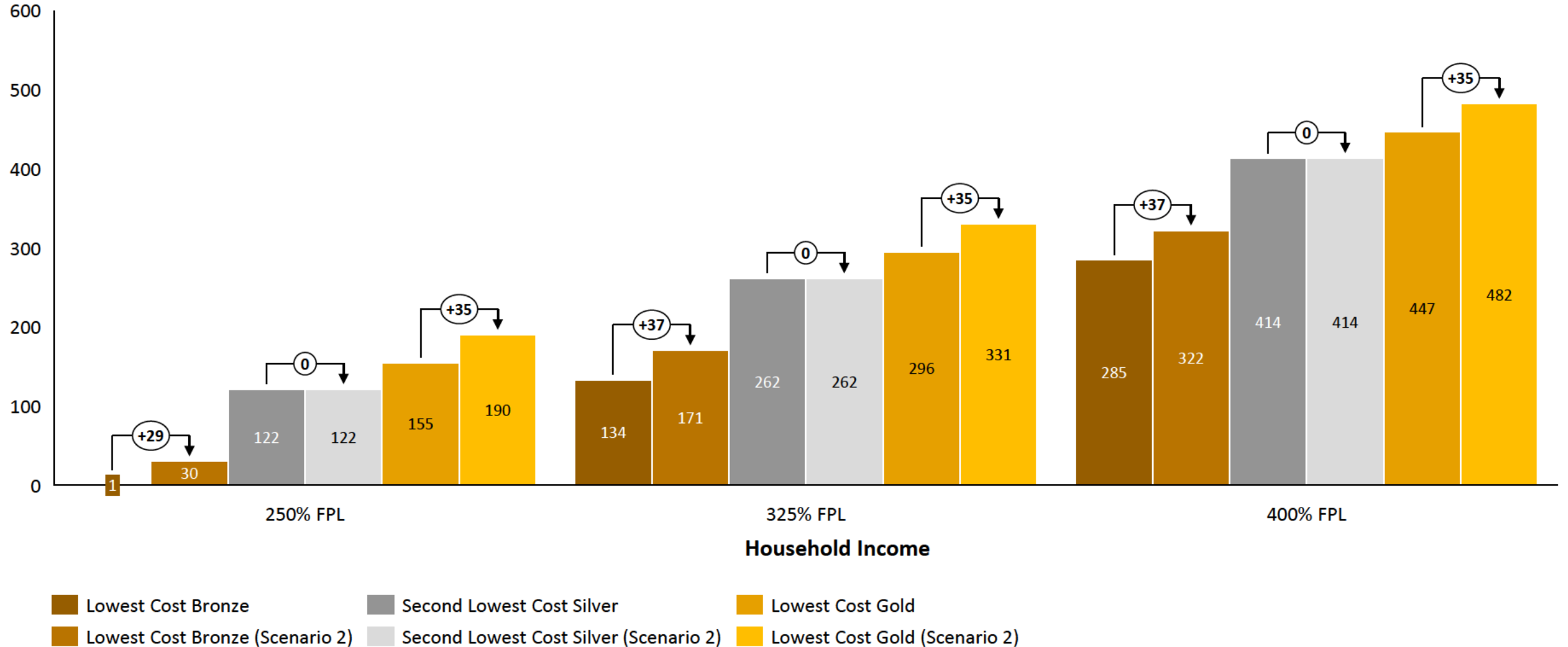
CASE STUDY: 2025 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 40 YEAR-OLD; RATING REGION 1

2025 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 40 YEAR-OLD RATING REGION 1



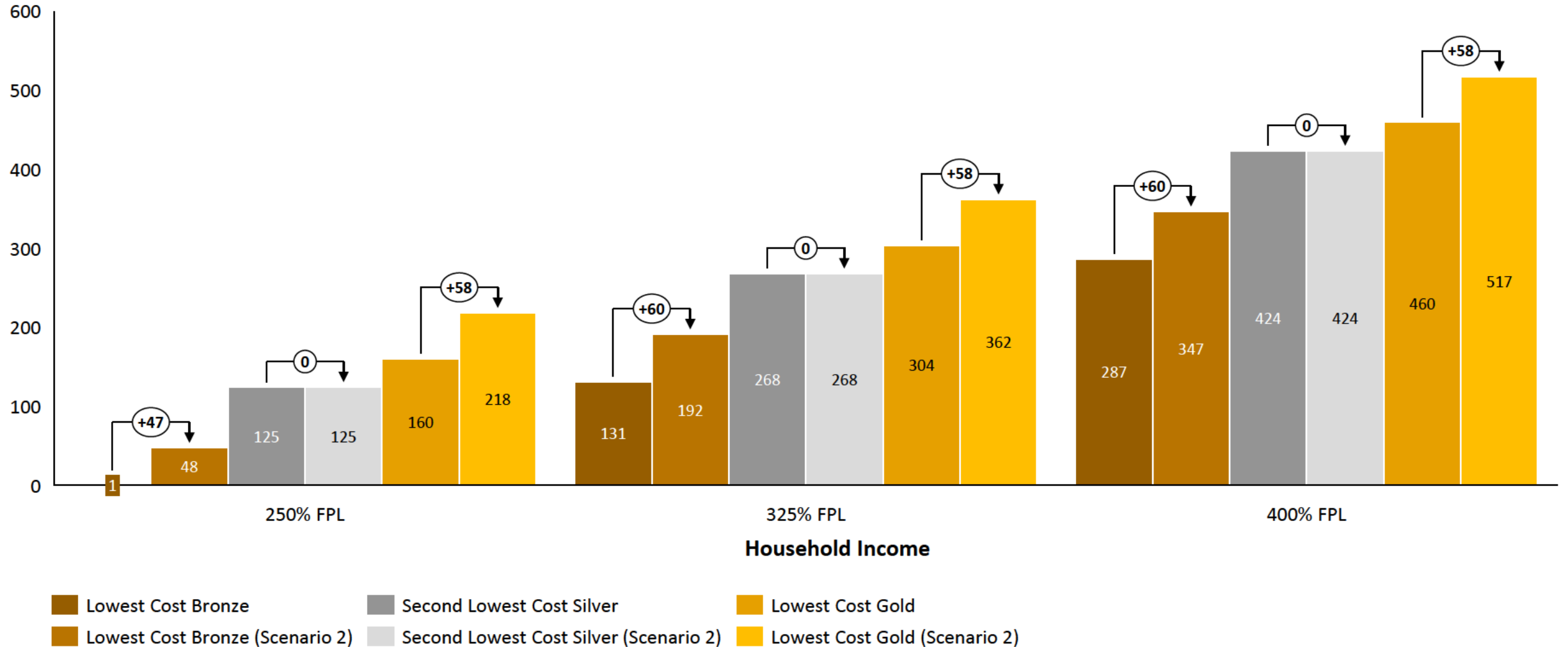
CASE STUDY: 2026 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 40 YEAR-OLD; RATING REGION 1

2026 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 40 YEAR-OLD RATING REGION 1



CASE STUDY: 2027 CHANGE IN SUBSIDIZED PREMIUM - BASELINE TO SCENARIO 2 40 YEAR-OLD; RATING REGION 1

2027 SUBSIDIZED MONTHLY PREMIUM BY METAL LEVEL¹ - BASELINE TO SCENARIO 2 - 40 YEAR-OLD RATING REGION 1



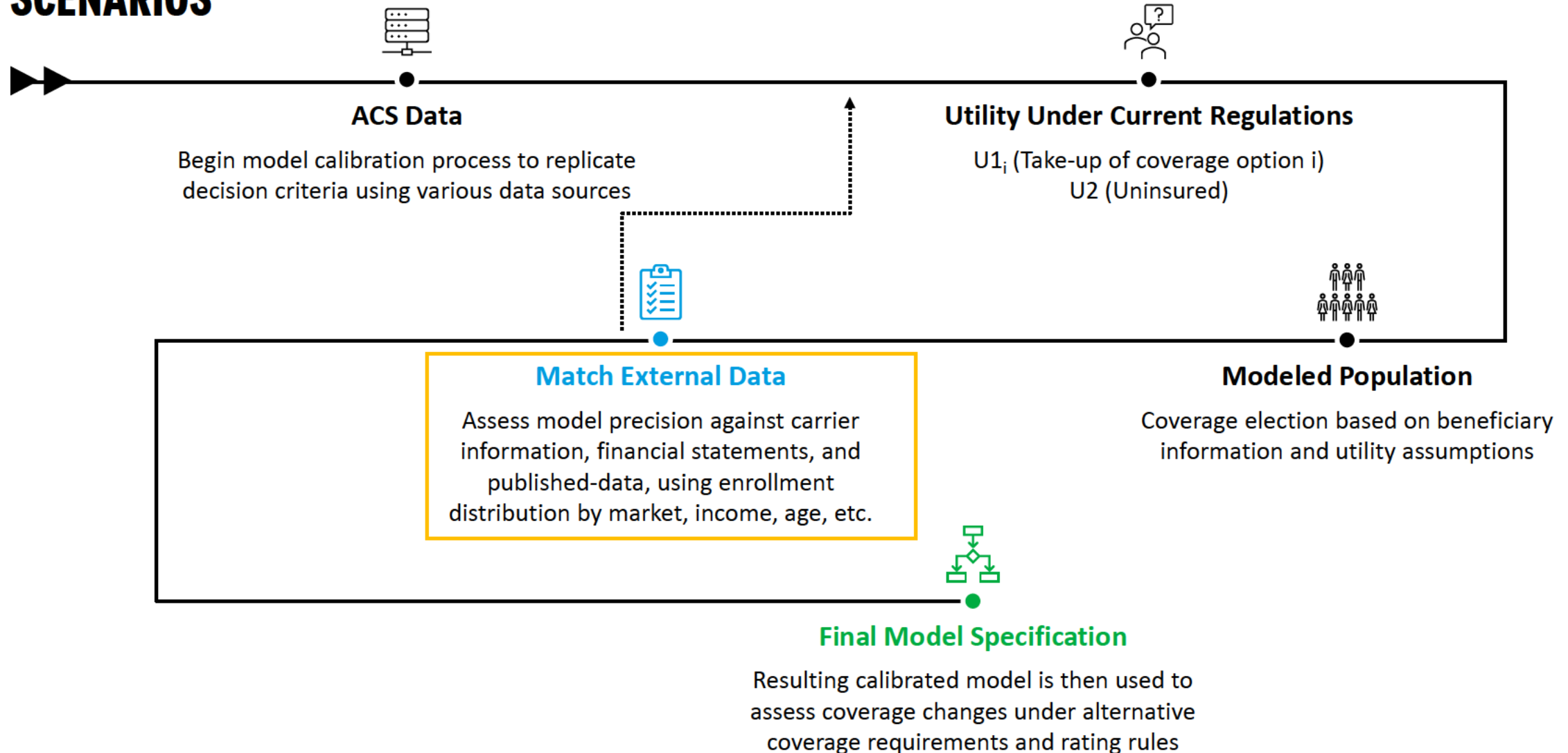
4

APPENDIX - LIMITATION AND ASSUMPTIONS

LIMITATIONS OF THE MODELING

- Modeling examines only the impacts of the BHP implementation on the remaining Individual ACA Marketplace without examining the impact on other health coverage options
- No explicit impact on Marketplace enrollment due to Medicaid income redetermination is reflected in the modeling
 - Medicaid redeterminations would likely result in more individuals in each subsidized age/income cohort being impacted when the CSR load is reduced than what is shown herein
- No impact of potential changes in the State reinsurance program on Marketplace rates and cost of the program was considered (i.e., the modeling assumes the reinsurance program continues to have the same percentage impact on premium rates each year)
- Modeling was based on the same carrier data call information used in the summer/fall of 2022, for consistency and due to time constraints

THE OLIVER WYMAN HEALTHCARE REFORM MICROSIMULATION (HRM) MODEL EVALUATES BENEFICIARY DECISION CRITERIA ACROSS MULTIPLE RATING AND COVERAGE REQUIREMENT SCENARIOS



SEVERAL DATA SOURCES UNDERLY THE CALIBRATION AND DEPLOYMENT OF OLIVER WYMAN'S HRM MODEL

POPULATION INPUTS




INSURANCE MARKET INPUTS




POLICY REQUIREMENTS

Demo/Sociographic



American Community Survey

Health Status



Current Population Survey

MEPS Household Comp

• Self-reported

Employer Coverage

- Offer rates
- Take-up rates
- Employee contributions
- Industry


MEPS Household / Employer Comp.

Claims Data


- Allowed cost
- OOP cost

MarketScan®

Market Size and Financial Flows



• Segment sizing



• Premium PMPM

• Claims PMPM

MLR Reports

Supplemental Health Care Exhibit


Statutory Financial Reports

EDGE Server Files

Carrier Rate Filings

Supplemental Data From Carriers

Premium and Plan Choice



• Lowest 1 or 2 By Metal Level

• CSR / Subsidy


SBM and FFE Premiums

All Payer Claim Databases

ASPE/CMS Published Data

Supplemental Data From Carriers

Legal Structure



Rules - Medicaid and State Programs

State Insurance Law Components

• Medicaid Pre-ACA, Waivers

• State subsidies

• State specific Market Rules

Commercial Coverage

Subsidies

- Basis (Age, Income)
- Level of funding
- CSR

U/W and Rating

- Guaranteed Issue
- Rating Rules (e.g., 3-to-1)

Benefits

- Actuarial Values
- EHB requirements

Supporting Legislation

Taxes

- Tax Treatment of ER Sponsored Coverage
- Individual Tax Credits

Other

- Unemployment benefits
- COBRA

Medicaid

Eligibility

- Federal requirements
- State decisions
- Pre-ACA State Programs

Funding

- Funding Levels
- Structure / Block Grants
- Waiver updates

SEVERAL ASSUMPTIONS UNDERLIE THE MODELING RESULTS



Premium Rate Development

- The premium rates for 2025 through 2027 individual ACA market plans in Oregon have been calculated using the following method:
 - Begin with the 2023 premium rates for each carrier at each metal level and in each rating area
 - Premium rates in the baseline were trended forward at a rate of **6.8%** per year to arrive at estimated 2025, 2026 and 2027 rates
 - Premium rates in the scenarios were further adjusted for expected changes in morbidity and changes in CSR loading
 - Same assumption as utilized in prior Gold benchmark and BHP impact in 2024 analysis



Claim Cost

- Annual claims trend in the baseline is assumed to be **6.8%** when projected claims from 2023 to 2025, 2026 and 2027 and was based on historical data, carrier rate filings and the OW Carrier Trend Survey
- Claims in the scenarios were further adjusted for expected changes in morbidity



Impact on the Employer Market

- Due to the uncertain nature of the increased subsidies offered under ARPA and IRA, our modeling assumes no significant changes in employers' decisions to offer coverage to their employees or employee contribution rates in period from 2023 to 2027, relative to current offering rates

SEVERAL ASSUMPTIONS UNDERLIE THE MODELING RESULTS (CONT.)



ARPA/IRA Subsidies

- The model was calibrated to historical data for 2019 through 2022; the 2021 data used was for the period that does not reflect ARPA impacts and therefore the modeled baseline for 2021 is on a “Pre-ARPA” basis
- In a typical year, the model assumed approximately 10% of uninsured individuals evaluated the economic value of having coverage
 - In 2022 that percentage was increased to reflect an increase due to the COVID pandemic and the ARPA subsidies for higher income enrollees
 - For 2023 and forward that percentage was reduced back to 10%
- ARPA/IRA subsidies were assumed to be extended through at least 2027



Impact of 2021 Unemployment Provision

- Individuals that received an unemployment check at any point in 2021 were eligible for SLC Silver coverage through the Exchange with no premium for the year
- Our modeling does not explicitly consider the impact of any individuals that may have entered the market in 2021 as a result of this benefit and renewed coverage in 2022 and 2023, that would not otherwise enroll in 2022 and 2023 (i.e., absent this benefit in 2021)
- Enrollment data from the carriers is assumed to include any enrollees that received coverage due to the unemployment provision



Number and Type of Plan Offerings

- Within the model, at each metal level, a single plan was made available with premium rates assumed to be equal to the lowest cost plan available in each rating area; the lowest cost plan was determined by looking at all plans, including both On-Exchange plans and Off-Exchange plans

SEVERAL ASSUMPTIONS UNDERLIE THE MODELING RESULTS (CONT.)



Rational Behavior

- Individuals behave rationally: they make decisions that maximize their economic utility
- The model allows for some “irrational” behavior, including the following:
 - We include the principle of “inertia” in peoples’ decision making – people are unlikely to make significant changes in their situation for relatively small changes in economic utility
 - Not all uninsured individuals shop for coverage each year
 - Not all insured individuals shop for coverage at other metal levels or in other lines of business each year



Enrollee Decision Making Characteristics

- Decisions are modeled as a function of age, income, health status, premiums (net of any subsidies), and out of pockets costs
- Decisions are made at the household insurance unit (HIU) level
- Information is assumed to be made available in real-time and understood by the HIU
- An HIU’s decision to enroll in ACA coverage is based on the Bronze, Silver, or Gold plan available in each rating area that provides the greatest economic value
 - Both on-Exchange and off-Exchange plans, if applicable, are made available to each HIU, with APTCs applied to the on-Exchange plans where appropriate

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