

July 29, 2025

## **Part II – Written Description Justifying Rates**

### **Cox Health Systems Insurance Company Individual ACA Market Products in Missouri**

***Effective January 1, 2026***

#### **Purpose and Scope of Rate Justification:**

This letter explains the rate change for Cox Health Systems Insurance Company's (CHSIC) calendar year 2026 rates. This letter is for health plans offered to individuals. These plans are offered through the website Healthcare.gov. CHSIC will offer plans in these Missouri counties: Barry, Christian, Lawrence, Stone and Taney.

Plans sold to Missouri individuals are:

<b>Plan Name</b>	<b>Metal Tier</b>
Gold Preferred \$1000 Deductible	Gold
Gold Standard \$2000 Deductible	Gold
Silver Connect 9 \$6500 Deductible	Silver
Silver Preferred \$5500 Deductible	Silver
Silver Standard \$6000 Deductible	Silver
Bronze Expanded Standard \$7500 Deductible	Bronze
Bronze Preferred \$10,600 Deductible	Bronze

The average rate change is a 28.5% increase. This rate change applies to 9,345 members. The actual rate change will vary by plan. The smallest change is a 18.5% increase. The largest change is an 33.1% increase.

#### **Data, Information and Assumptions Used to Develop the Rates:**

To set rates for 2026, CHSIC used their costs for their business in Missouri. CHSIC believes members will use services like prior years. The non-claim expenses are based on actual expenses from the prior year.

#### **Main Factors Causing the Rate Change:**

- We assume claim costs for medical and pharmacy services will go up. Today, health care costs are rising 9.9% per year. This means the premium rates were increased to cover the higher claim costs.
- We are assuming the members who enroll with CHSIC will have more claims than the previous members. This caused the premium to go up.
- Hospital costs are expected to go up for visits at Cox Medical Centers. This caused the premium to go up.
- We are assuming CHSIC will have to make Risk Adjustment payment. This caused the premium to go up.

**Overall Experience of the Individual ACA Market:**

Premium and costs for CHSIC in Missouri are shown below for calendar years 2022, 2023 and 2024. The Medical Loss Ratio (MLR) for each year is shown. If the MLR is less than 80%, CHSIC would be required to refund money to the consumers. In every year shown, the MLR is greater than 80%, so CHSIC is not required to pay any money back.

Calendar Year	Earned Premium	Claims Paid	Risk Adjustment Receivable or (Payable)	Non-Claim Expenses Paid	Medical Loss Ratio
2022	\$2,475,587	\$4,451,097	\$1,202,695	\$175,121	132%
2023	\$3,648,354	\$5,130,281	\$1,611,751	\$379,429	100%
2024	\$66,889,326	\$55,078,223	(\$10,710,055)	\$6,659,708	102%

**Projected Claims and Non-Claims Expense:**

Rates are set to pay for estimated claim costs and non-claim expenses. Medical and pharmacy claims are 88.3% of the premium rate. Non-claim expenses, including taxes and fees, are 9.70% of the premium rate. Premiums include a 2.0% profit.