



Part II: Written Description Justifying the Rate Increase

The 2026 monthly health insurance premium is made up of four pieces: estimated claim costs, administrative costs, taxes and fees, and risk/profit margin.

Scope and range of the rate increase: The premium rate change from 2025 to 2026 is 23.2% for renewing members. The number of individuals impacted by the rate increase is 11,576. The increase varies by plan from 18.4% to 32.0%.

Financial experience of the product: Financial experience of the product: Blue Cross Blue Shield of Mississippi's individual federal minimum loss ratio (MLR) has consistently run well above 80%. The 2026 rate increase is expected to produce a 1.0% profit and risk margin after taxes.

Changes in medical service costs: The main contributor to the change in rates is a year of medical and pharmacy trend, driven by utilization increases and provider reimbursement changes.

Changes in benefits: Additionally, two new plans were added and the Blue Care Health Savings 3100 plan increased the deductible (now Blue Care Health Savings 3300). Benefit changes are expected to have a small impact on premium

Administrative costs and anticipated margins: Administrative costs per member are decreasing in 2026 by 1.5% of premium over the prior filing. There are negligible differences to taxes and fees included within the 2025 and 2026 premium rates. Anticipated margin for this filing is 1.0% after taxes.