

5/2/25

**APPLICATION TO THE NEW YORK STATE DEPARTMENT OF
FINANCIAL SERVICES FOR A PREMIUM ADJUSTMENT**

COMPANY: Highmark Western and Northeastern New York

NAIC #: 55204

Prefiling SERFF Tracking #: HLTH-134502747

EFFECTIVE JANUARY 1, 2026

**THIS APPLICATION IS FOR INDIVIDUAL COMMUNITY-RATED
PRODUCTS**

Health insurance premiums must correspond with the cost of our members' medical care, which continues to rise at an unparalleled rate year after year and is projected to increase significantly in 2026. Rising medical costs are the primary driver of our proposed individual rates, in addition to regulatory mandates, taxes, and fees.

With more than 90 cents of every dollar of revenue the company collects from premiums, which is well above the state-mandated medical loss ratio (MLR), going back out to pay for our members' medical care, it's becoming unsustainable to offer preferred individual products. Over the past year, the company has experienced over \$15 million in losses in individual products, demonstrating the critical need for sufficient premium rates.

While health care costs continue to rise, our affiliation with Highmark Health provides ongoing strength and stability to our organization, as it allows access to shared innovation and strategic partnerships that help drive down costs for individuals, including helping to minimize the proposed rate increases for 2026.

This rate change application affects only the members enrolled in community-rated products for individuals. Based on current membership numbers, we estimate that 3,219 members will be affected by the rate change.

Based on the reasons explained above, we are requesting that the Department of Financial Services grant our submitted premium rate increase of 23.9% for its community-rated individual products to take effect on January 1, 2026. This increase is primarily due to cost and utilization increases, along with costs to cover GLP-1 drug usage.

Accompanying this narrative is the NYS Exhibit 13, which provides a numerical summary of selected information from this rate filing and prior rate filings.

EXHIBIT 13a: NUMERICAL SUMMARY AND RATE INDICATION CALCULATION
NUMERICAL SUMMARY

Company	Highmark
NAIC Code:	55204
SERFF Tracking #:	HLTH-134513347
Market Segment:	Individual

- 1 Please complete the Numerical Summary below as well as the Narrative Summary (a separate attachment) for each market segment for which a rate filing is being submitted.
- 2 The Narrative Summary must be in plain English and should clearly and simply explain the reasons for the requested rate adjustment (This should be included in the provided blank template "2026 Exhibit 13b - Narrative Summary.docx")
- 3 The purpose of the Narrative Summary is to provide a written explanation to the company's policyholders to help them understand the reasons why a rate increase is needed.
- 4 The purpose of the Numerical Summary is to provide a clear and simple overview of the requested rate adjustment.
- 5 These Summaries (with the exception of the Rate Indication Calculation Section) will be public documents and will be posted on DFS's website and furnished by DFS to the public upon request.
- 6 The company should submit these Summaries to DFS ten (10) days before submitting a rate adjustment filing.
- 7 A draft of these Summaries and of the Initial Notice must be included in a "Prior Approval Pre-filing" submitted to DFS via SERFF.
- 8 Once reviewed by DFS, these Summaries must be posted to a location on its website that is publicly available and accessible without the need for a user ID/password.
- 9 Links should be provided on key pages of the company's website so that the information may be easily located.
- 10 Any change(s) made to the Narrative Summary/Numerical Summary subsequent to the posting must be submitted to DFS with the specific change(s) identified.
- 11 Rate Change Adjustment calculations between Year 2025 and 2026 should be based on the DFS Membership Survey data as of 3/31/2025.
- 12 This exhibit must be submitted as an Excel file and as a PDF file.

A. Average 2025 and 2026 Premium Rates:

- 1 Weighted Average Monthly Base Premium Rates are as calculated in Row 32 of the appropriate columns in Exhibit 13c (Columns L-P for 2025 and Columns U-Y for 2026)
- 2 Premium Rates for 2026 should be Consistent with the Premium Rates reflected in Exhibit 23.

	Average Individual Rate Platinum		Average Individual Rate Gold		Average Individual Rate Silver		Average Individual Rate Bronze		Average Individual Rate Catastrophic	
2025 Weighted Average Base Premium Rates	\$	1,486.24	\$	1,233.83	\$	949.83	\$	696.39	N/A	
2026 Weighted Average Base Premium Rates	\$	1,858.89	\$	1,544.01	\$	1,183.90	\$	866.81	N/A	

B. Weighted Average Annual Percentage Requested Adjustments:

	2025 to 2026		2025 Weighted Average PMPM Rate All - Metals		2026 Weighted Average PMPM Rate All - Metals	
Requested Rate Adjustment		23.89614%	\$	884.88	\$	1,096.33

From Cells Q-74 and Z-74 of Exhibit 13c

C. Weighted Average Annual Percentage Adjustments for each of the Past Two Years [If Applicable]*:

	2023 to 2024		2024 to 2025	
Average Rate Adjustment Requested		22.58112%		30.90569%
Average Rate Adjustment Approved		13.04446%		26.45468%

D. Average Medical Loss Ratios [MLR] for All Policies Impacted [Ratios of Incurred Claims to Earned Premiums] [If Applicable]*:

	2022	2023	2024	Projected 2025	Projected 2026
MLR	117.4%	120.8%	133.3%	102.3%	90.0%

E. Claim Trend Rates and Average Ratios to Earned Premiums [Per Exhibit 18 Supplement for 2021-2023 and Comparable Exhibits for 2021] [If Applicable]*:

	2024	2025	2026
Annual Claim Trend Rates	31.4%	10.8%	9.0%
Expense Ratios	7.9%	6.9%	8.2%
Pre Tax Profit Ratios	0.0%	1.0%	1.5%

* If no products were offered in a particular year, indicate "N/A" in the applicable box.