

State: Oregon **Filing Company:** Providence Health Plan
TOI/Sub-TOI: H16I Individual Health - Major Medical/H16I.005C Individual - Other
Product Name: PIC-OR 0126 IND RATES
Project Name/Number: PIC-OR 0126 IND RATES/PIC-OR 0126 IND RATES

Filing at a Glance

Company: Providence Health Plan
Product Name: PIC-OR 0126 IND RATES
State: Oregon
TOI: H16I Individual Health - Major Medical
Sub-TOI: H16I.005C Individual - Other
Filing Type: Rate
Date Submitted: 05/14/2025
SERFF Tr Num: PROV-134500618
SERFF Status: Assigned
State Tr Num: PROV-134500618
State Status: Review pending
Co Tr Num: PIC-OR 0126 IND RATES

Effective: 01/01/2026
Date Requested:
Author(s): Eda-Marie Johnson, Blake Dorsey, Jill Long, Traci Rooks, Jason Lee, Joseph Rubin, Sarah Pettey

Reviewer(s): Michael Sink (primary), Tashia Sizemore, Tim Hinkel, Ying Liu, Andrew Bux, Hunter McClure
Disposition Date:
Disposition Status:
Effective Date:

State Filing Description:

Filing Labels: ACA Medical,MODDIS - Modification/Discontinuance

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General Information

Project Name: PIC-OR 0126 IND RATES
Project Number: PIC-OR 0126 IND RATES
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact:

Status of Filing in Domicile:
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Individual
Individual Market Type: Individual
Filing Status Changed: 05/14/2025
State Status Changed: 05/14/2025
Created By: Jill Long
Corresponding Filing Tracking Number: PROV-134521021

PPACA: Non-Grandfathered Immed Mkt Reforms

Deemer Date:
Submitted By: Jill Long

PPACA Notes: null
Exchange Intentions:

On Exchange and Direct Market

Filing Description:
Providence Health Plan is filing Individual rates effective January 1, 2026.

Company and Contact

Filing Contact Information

Jill Long, Sr Regulatory Affairs Consultant jill.long@providence.org
4400 NE Halsey Street, Building 2, 503-574-7814 [Phone]
Ste. 690
Portland, OR 97213

Filing Company Information

Providence Health Plan	CoCode: 95005	State of Domicile: Oregon
3601 SW Murray Blvd., Ste. 10	Group Code:	Company Type: HCSC
Portland, OR 97005	Group Name:	State ID Number:
(503) 574-7500 ext. [Phone]	FEIN Number: 93-0863097	

State:	Oregon	Filing Company:	Providence Health Plan
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Filing Fees

State Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State Specific

Have you reviewed the General Instructions attached as a separate pdf at the bottom of the General Instructions page?: yes

Did you read the instructions regarding how to enter the form number and edition date in the Forms Schedule tab?: yes

Oregon now asks you to submit status requests through SERFF. Please confirm status requests will be submitted as a note to reviewer.: yes

Please confirm that you have read the Fraud Bulletin 2010-3 located at: <https://dfr.oregon.gov/laws-rules/Documents/Bulletins/bulletin2010-03.pdf>: yes

For PC files: Mandatory requirement as stated in the product standards: You must attach under the Supporting Documentation tab any Oregon approved amendments that will be used to bring the filed forms into compliance with Oregon laws. For example: Fraud Warning, Domestic Partnership, Cancellation/Non-renewal. This would include an endorsement approved for an advisory organization. Confirm that this has been done.: yes

SERFF Tracking #:	PROV-134500618	State Tracking #:	PROV-134500618	Company Tracking #:	PIC-OR 0126 IND RATES
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Rate Information

Rate data applies to filing.

Filing Method:	SERFF
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	9.500%
Effective Date of Last Rate Revision:	01/01/2025
Filing Method of Last Filing:	SERFF
SERFF Tracking Number of Last Filing:	PROV-134088282

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Providence Health Plan	Increase	8.100%	8.100%	\$26,712,337	39,974	\$363,009,593	15.500%	0.000%

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Rate Review Detail

COMPANY:

Company Name: Providence Health Plan
HHS Issuer Id: 56707

PRODUCTS:

Product Name	HIOS Product ID	HIOS Submission ID	Number of Covered Lives
Connect	56707OR138		22471
HSA Qualified 7500 Bronze - Choice Network	56707OR142		2910
HSA Qualified 7500 Bronze - Signature Network	56707OR143		591
Oregon Standard Bronze Plan - Choice Network	56707OR140		4499
Oregon Standard Bronze Plan - Signature Network	56707OR141		941
Oregon Standard Gold Plan - Choice Network	56707OR132		2631
Oregon Standard Gold Plan - Signature Network	56707OR135		566
Oregon Standard Silver Plan - Choice Network	56707OR133		4067
Oregon Standard Silver Plan - Signature Network	56707OR136		757
Providence Oregon Direct Silver Plan - Choice Netw	56707OR146		385
Providence Oregon Direct Silver Plan - Signature N	56707OR145		156

Trend Factors: Inpatient Hospital 9.3%, Outpatient Hospital 9.3%, Professional 9.3%, Other Medical 9.3%, Capitation 1.4%, Composite Medical 9.0%, Prescription Drug 15.0%, Aggregate Trend 10.0%

FORMS:

New Policy Forms: PIC-OPIC-OR 0126 IND PROV CNC CTR, PIC-OR 0126 IND HSA CHC CTR, PIC-OR 0126 IND HSA SGN CTR, PIC-OR 0126 IND STN CHC CTR, PIC-OR 0126 IND STN SGN CTR

Affected Forms:

Other Affected Forms:

REQUESTED RATE CHANGE INFORMATION:

Change Period: Annual
Member Months: 461,868
Benefit Change: Increase
Percent Change Requested: Min: 0.0 Max: 15.5 Avg: 8.1

PRIOR RATE:

State:	Oregon	Filing Company:	Providence Health Plan
TOI/Sub-TOI:	H16I Individual Health - Major Medical/H16I.005C Individual - Other		
Product Name:	PIC-OR 0126 IND RATES		
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Total Earned Premium:	352,349,198.00
Total Incurred Claims:	294,221,620.00
Annual \$:	Min: 188.26 Max: 2,321.53 Avg: 708.64

REQUESTED RATE:

Projected Earned Premium:	363,009,593.00
Projected Incurred Claims:	302,609,713.00
Annual \$:	Min: 211.93 Max: 2,442.50 Avg: 785.96

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URRT

State Determination

Review Status:	Incomplete
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URRT Items

Item Name	Attachment(s)
Actuarial Memorandum	<i>Actuarial_Memorandum_Individual_OR_2026.pdf</i>
Actuarial Memorandum - Redacted	<i>Actuarial_Memorandum_Individual_OR_2026_Redacted.pdf</i>
Consumer Justification Narrative	<i>2026_Consumer_Justification_Narrative_Individual_OR.pdf</i>
Other Supporting Documents	<i>2026_Individual_Actuarial_Memorandum_Support_Exhibits.pdf</i>

1. Purpose / Introduction

This document contains the Part III Actuarial Memorandum for the Individual block of business of Providence Health Plans (PHP), effective January 1, 2026. This actuarial memorandum is submitted in conjunction with the Part I Unified Rate Review Template (URRT).

The purpose of the actuarial memorandum is to provide certain information related to the submission of premium rate filings, including support for the values entered in the Part I URRT. This information may not be appropriate for other purposes. Note that the URRT does not demonstrate the process by which PHP developed the rates.

The rates and rate increases supported by this filing are actuarially sound under the current operating conditions of the individual market as of the time of the rate filing. Changes to taxes and fees, federal cost sharing reduction (CSR) payments, federal advance premium tax credits (APTC), mandatory benefits, or other regulatory or legislative actions will likely require changes to the assumptions and final rates supported by this filing.

General Information

Company Identifying Information:

Company Legal Name:	Providence Health Plans
State:	Oregon
HIOS Issuer ID:	56707
Market:	Individual
Effective Date:	January 1, 2026

Company Contact Information:

Primary Contact Name: John Rienstra, FSA, MAAA
Primary Contact Telephone: 215-246-1019
Primary Contact Email Address: john.rienstra@oliverwyman.com

Secondary Contact Name: Jessica Sonk
Secondary Contact Telephone: 503-866-3372
Secondary Contact Email Address: jessica.sonk@providence.org

2. Proposed Rates

This filing provides for an average increase of 8.1% based on a rate increase for 2025 members mapped to their 2026 plan, as shown in Exhibit 1.

The table below is a summary of our rate changes by product effective January 1, 2026 based on calibrated plan adjusted index rates.

2026 Plan	2025 Rate	2026 Rate	Proposed Change
Providence Oregon Standard Gold Plan - Signature Network	\$541.15	\$569.35	5.2%
Providence Oregon Standard Silver Plan - Signature Network	\$464.21	\$488.90	5.3%
Providence Oregon Standard Bronze Plan - Signature Network	\$362.39	\$418.69	15.5%
HSA Qualified 7500 Bronze - Signature Network	\$357.00	\$389.98	9.2%
Providence Oregon Standard Gold Plan - Choice Network	\$505.97	\$532.34	5.2%
Providence Oregon Standard Silver Plan - Choice Network	\$434.04	\$457.12	5.3%
Providence Oregon Standard Bronze Plan - Choice Network	\$338.83	\$391.48	15.5%
HSA Qualified 7500 Bronze - Choice Network	\$333.80	\$364.63	9.2%
Connect 1500 Gold	\$445.19	\$475.78	6.9%
Connect 6000 Silver	\$394.73	\$394.80	0.0%
Connect 9800 Bronze	\$296.47	\$333.75	12.6%
Providence Oregon Direct Silver Plan - Signature Network	\$420.83	\$463.60	10.2%
Providence Oregon Direct Silver Plan - Choice Network	\$393.48	\$433.47	10.2%
Connect Direct 6000 Silver	\$359.01	\$375.99	4.7%
Aggregate Increase	8.1%		

The table below shows the drivers for the increase requested for the Standard Silver plan:

Breakdown of Proposed Rate Increase - Rating Area 1 Standard Silver at 1.0 Rating Factors
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2025 Rate	\$464.21
Trend	1.100
Administrative Costs	0.982
Taxes and Fees	1.000
Benefit Change	1.004
CSR Load	0.951
State Reinsurance	1.000
Margin	1.015
Experience Change	1.007
2026 Rate	\$488.90

**Summary of Filed Rating Assumptions
2026 Non-Grandfathered, ACA Compliant Plans**

Rating Assumption	Providence Health Plan
Starting Point	2024 Individual Experience
<i>Projected Member Months</i>	461,868
<i>Morbidity Changes</i>	0.30%
<i>Market Merger Impact</i>	0.00%
<i>Pent-up Demand</i>	0.00%
<i>Bad Debt Adjustments</i>	0.00%
<i>Risk Adjustment/Average Market Risk Impact</i>	0.00%
<i>2025 Net Paid Claims PMPM (prior filing)</i>	\$611.89
<i>2026 Net Paid Claims PMPM</i>	\$655.19
<i>Average Annual Rate Change</i>	8.1%

Reason for Proposed Change:

The significant factors for the rate change include:

Trend: Healthcare inflation is expected to increase. This estimate is based on expected changes to provider contract arrangements and utilization increases that includes both the volume and the mix of services.

3. Market Experience

3.1. Experience Period Premium and Claims

In the experience period there was \$327,879,608 in premium collected. These premiums are reported on Worksheet 1, Section 1 of the URRT. This value does not include the estimated receivable of \$24,930,226 through the Risk Adjustment program. The experience period revenue net of risk adjustment is \$352,809,834. Claims expense is incurred from 1/1/2024 to 12/31/2024 and paid through 2/28/2025.

Experience Allowed Benefit Expense	
Component	Expense
<i>Medical</i>	\$311,842,385
<i>Estimated Medical IBNR</i>	\$10,054,368
<i>Pharmacy</i>	\$62,156,228
<i>Capitation</i>	\$14,000,759
Total Allowed	\$398,053,740

3.2. Benefit Categories

We assigned the experience data utilization and cost information to benefit categories as shown in Worksheet 1, Section II of the Part 1 URRT based on the Milliman Health Cost Guidelines categorization:

Inpatient Hospital: Includes non-capitated facility services for medical, surgical, maternity, mental health and substance abuse, skilled nursing, and other services provided in an inpatient facility setting and billed by the facility.

Outpatient Hospital: Includes non-capitated facility services for surgery, emergency room, lab, radiology, therapy, observation and other services provided in an outpatient facility setting and billed by the facility.

Professional: Includes non-capitated primary care, specialist, therapy, the professional component of laboratory and radiology, and other professional services, other than hospital-based professionals whose payments are included in facility fees.

Other Medical: Includes non-capitated ambulance, home health care, DME, prosthetics, supplies, vision exams, dental services, and other services.

Capitation: Includes all services provided under one or more capitated arrangements.

Prescription Drug: Includes drugs dispensed by a pharmacy. This amount is net of rebates received from drug manufacturers.

3.3. Projection Factors

PHP rates are developed using a single risk pool and reflect all policies that we anticipate will be enrolled. The pool contains all covered lives for every non-grandfathered product/plan combination for PHP.

Trend Factors: Healthcare inflation is expected to increase. This estimate is based on expected changes to provider contract arrangements and utilization increases that include both the volume and the mix of services. Further details on PHP's trend development can be found in Exhibit 4.

Adjustments to Trended EHB Allowed Claims PMPM:

Demographics:

PHP applied demographic and geographic factors to the expected membership distribution in 2026. Oregon state-specific age factors were utilized for demographic factors. The expected membership distribution was based on the current membership distribution as of early 2025 adjusted for the population that is expected to migrate to the Oregon Basic Health Plan.

PHP anticipates a 0.8% increase in claims cost due to the change in demographics (Exhibit 20) and a 0.1% increase in claims cost due to the change in geographic mix (Exhibit 8). This impact is included in the Demographic Shift adjustment found in Worksheet 1, Section 2 of the URRT and Lines N and R of Exhibit 1.

Plan Design Changes:

Details on benefit changes can be found in Exhibit 2. We anticipate that these benefit changes will affect the utilization of services due to differences in average cost sharing requirements between the experience period and the projection period. Overall, PHP expects these benefit design changes to increase claims by 0.2%. This impact is included within the Plan Design Changes adjustment on Worksheet 1, Section 2 of the URRT and Line P of Exhibit 1.

Note that all non-HSA plans cover the first three PCP and Behavioral Health office visits with a \$5 copay. Per guidance from the Division of Financial Regulation (DFR), these plans include a \$5 copay on the first three PCP and Behavioral Health office visits to comply with the Mental Health Parity and Addiction Equity Act (MHPAEA).

Additional Covered Services:

No additional services were added for 2026 compared to 2025.

Provider Network:

PHP expects changes in network mix to affect claim costs in the projection period. The overall value of our network mix is calculated based on expected enrollment by plan and network in 2026. This includes both unit cost and utilization based on provider reimbursement and utilization management levels. Overall, PHP expects the change in network mix to increase claims costs by 0.1%. This impact is included within the Plan Design Changes adjustment on Worksheet 1, Section 2 of the URRT and Line Q of Exhibit 1.

Please see Exhibit 9 for details on the network adjustment calculation.

Morbidity:

PHP anticipates that the expiration of the enhanced premium tax credits and the migration of members to Oregon's Basic Health Plan will affect the average morbidity of the single risk pool population.

Overall, PHP expects an increase to morbidity of 1.0% due to the expiration of the enhanced premium tax credits and a slightly offsetting decrease to morbidity of 0.7% due to the migration of members to Oregon's Basic Health Plan. This results in an overall impact of an increase of 0.3% in the average morbidity of the population. This impact is included within the Morbidity Adjustment on Worksheet 1, Section 2 of the URRT and Line O, of Exhibit 1.

Other Adjustments:

No additional adjustments were applied for this filing.

Manual Rate Adjustments: No adjustments were made as PHP's experience is 100% credible.

3.4. Credibility of Experience

PHP experience of 519,208 member months in the base period is fully credible for the purposes of this rate projection.

3.5. Development of the Projected Index Rate

The index rate reflects the mix of tobacco users, area, plan, demographic, and morbidity risk that PHP expects to cover in the single risk pool during the projection period and represents the average allowed claims PMPM for Essential Health Benefits. The Index Rate has not been adjusted for reinsurance, risk adjustment, or marketplace user fees.

Please see Exhibit 13 for the development of the Projected Index Rate.

3.6. Development of the Market-Wide Adjusted Index Rate

The market adjusted index rate reflects the mix of tobacco users, area, plan, demographic, and morbidity risk that PHP expects to cover in the single risk pool during projection the period and represents the average allowed claims PMPM for Essential Health Benefits, plus marketplace user fees after risk adjustment and reinsurance.

State Reinsurance Program:

Claims expense was reduced by 7.8% to account for the state reinsurance program. This estimate was developed using PHP's trended experience in the individual market, by calculating expected recoveries assuming a 50% coinsurance rate, an attachment point of \$108,000, and a cap of \$1,000,000.

Risk Adjustment:

PHP has estimated a receivable of \$30.11 PMPM for the projection period. The following methodology was used to calculate Providence's 2026 projected risk adjustment transfer:

- Our projected 2024 risk transfer per Wakely's WNRAR results with claims paid through December 2024 was used as the starting point
- The 2026 market average premium was calculated by using the observed market rate increase in 2025 and the anticipated market wide increase in 2026.
- Results were then adjusted for anticipated model changes per Wakely's WNRAR simulation.

- Finally, we assumed that we will maintain equivalent risk relative to the market in 2026 as in 2024, therefore no additional adjustments were made to projected risk factors.

Please see Exhibit 21 for the development of the projected risk adjustment.

Paid to Allowed Ratio:

Paid to allowed ratios were calculated using PHP's benefit pricing model. The model is based on a continuance table populated with 2023 experience from both the individual and small group lines of business. The projected 2026 paid to allowed ratio was developed by weighting each plan paid to allowed ratio by each plan's expected allowed expense in the projection period. The development is discussed in more detail under section AV Pricing Values.

Please see Exhibit 10 for a comparison of the projected paid to allowed ratio to the average metal AV in the projection period weighted on projected allowed costs. Some difference is expected as the pricing AVs were developed using PHP experience and benefit pricing model which is a different dataset than the experience that supports the Federal AV Calculator.

Please see Exhibit 14 for the development of the Market Adjusted Index Rate.

3.7. Plan Adjusted Index Rate:

The Plan Adjusted Index Rates are developed by applying the following adjustments to the Market Adjusted Index Rate.

Actuarial value and cost sharing: The expected differences in cost and utilization due to varying levels of member cost sharing.

Network and utilization management: The expected differences in cost due to the contracted provider mix in different networks, and the differences in utilization management practices and policies.

Adjustments for benefits in addition to EHBs: The additional costs associated with coverage outside those required under the Essential Health Benefits including adult vision, shoe inserts, travel benefits, wig benefits, and fertility preservation.

Non-benefit expense: Expenses associated with administrative costs, commissions, taxes and fees, operating margin, and risk margin. See Exhibit 11 for more information on the retention component of the premium. Note that the retention components match those found in Exhibit 1 and Exhibit 5.

Exhibit 15 shows the development of the Plan Adjusted Index Rate for all of PHP's 2026 product offerings.

3.8. Calibration

A single calibration factor is applied to the Plan Adjusted Index Rates to calibrate rates for the expected tobacco use, age, and geographic distribution of each plan. This calibration factor is applied uniformly across all plans.

Age: This factor was developed by projecting the distribution of membership by age and applying the age factor associated with each member.

Geography: This factor was developed by projecting the distribution of membership by geography and applying the projected geographic factor to each member.

Tobacco Use: This factor was developed by applying the tobacco load to the projected distribution of tobacco users in the projection period. PHP assumes we will enroll the same proportion of tobacco users in the projection period as in the experience period.

Exhibit 16 shows the calibration for each plan.

3.9. Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium Rate is the final premium rate for a plan that is charged. It is the product of the Plan Adjusted Index Rate, the geographic factor, age factor, and tobacco factor.

Note that neither the age nor geographic factors have changed from the prior filing.

See Exhibit 23 for a comparison of our 2025 and 2026 geographic factors.

The tobacco factor is consistent with the prior filing at 1.10. This factor is only applied to members 21 and older.

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

Please see Exhibit 17 for a demonstration of the premium rate development.

4. Projected Loss Ratio

PHP projects a loss ratio that is greater than 80% based on the federally prescribed methodology and does not anticipate needing to issue refunds.

Please see Exhibit 12 for details of the Federal MLR calculation.

5. Plan Product Information

5.1. AV Metal Values

The AV metal values by plan can be found in Exhibit 18. AV Metal Values are based on the 2026 Federal AV Calculator.

For the following categories, the AV Calculator did not provide for as much specificity as the plan's benefits and it was necessary to make adjustments to the inputs to account for the plan benefits correctly.

- **Pharmacy:** Providence offers a 7-tier formulary. Tiers were blended in order to be run effectively in the AV calculator. Effective copays were also required for plans that had cost sharing of coinsurance and no deductible.
- **Emergency Room:** An effective coinsurance rate was developed for services that had a copay followed by coinsurance after meeting the deductible. An effective copay rate was developed for services that had a copay followed by coinsurance without a deductible.
- **Behavioral Health Outpatient Services:** An effective copay was developed to account for outpatient services covered before the deductible and subject to coinsurance, and 3 behavioral health office visits with a \$5 copay.
- **Outpatient Services:** Effective copays were developed for services that had coinsurance and no deductible. A blended coinsurance rate was used to account for plans which included a coinsurance reduction for services performed at an ambulatory surgery center.
- **PCP Visits:** The \$5 copay for the first 3 visits was blended with the full copay based on expected utilization.

These adjustments were developed in accordance with ASOP 50, CFR 45 156.135 and generally accepted actuarial principles.

5.2. AV Pricing Values

Please see Exhibit 19 for adjustments included in the AV pricing value. The AV pricing value represents the cumulative effect of the adjustments made by Providence to move from the Market Adjusted Index Rate to the Plan Adjusted Index Rate. These adjustments do not reflect differences due to health status.

Note that the actuarial value of the silver plans include a load of 5.46% to account CSR amounts provided to eligible enrollees for which PHP does not receive reimbursement. This CSR load is developed in a manner such that the additional revenue PHP collects from it is expected to be equal to the expected amount provided to CSR enrollees in plan year 2026. Additional details around the development of the CSR load can be found in the standard review questions and in Exhibit 24.

As per the Plan Year 2026 Individual Market Rate Filing Instructions released by CMS on May 2, 2025, issuers who load premiums to account for CSR amounts provided to eligible enrollees for which the issuer does not otherwise receive reimbursement must report on actual CSRs the issuer paid for in Plan Year 2024. Overall, PHP estimates that it has paid \$14.3M related to CSRs in 2024. Note that at this time, PHP does not have a process in place to re-process claims under different plan designs. Given the time constraints of the CMS guidance, PHP had to employ a different yet reasonably equivalent methodology wherein the estimate was based on a comparison of the actual claims paid for CSR enrollees to an approximation of what would have been paid for these enrollees had they been enrolled in non-CSR silver plans based on the differential in paid-to-allowed ratios of the plan designs. PHP is actively searching for additional ways in which it can more accurately assess the value of CSRs in order to provide a more precise estimate if requested at a later date.

5.3. Membership Projections

The projected membership (as displayed in Worksheet 2 of the URRT) reflects anticipated member migration from existing PHP plans as well as the change in the number of members enrolled. We estimated the proportion of members eligible for cost sharing reduction (CSR) plans as well as expectations for migration to the Basic Health Plan in 2026 based on emerging 2025 data. The projected proportions of on-exchange silver-level members in CSR variant plans are shown in the table below:

CSR Variant	
Base	59%
73% AV	25%
87% AV	9%
94% AV	7%

5.4. Terminated Plan and Products

The following 2025 plans will be terminated and mapped to the closest plan in 2026. See Exhibit 2 for more details.

Terminating 2025 Plan	Mapped 2026 Plan
Connect 5000 Silver	Connect 6000 Silver
Connect 9200 Bronze	Connect 9800 Bronze
Connect Direct 5000 Silver	Connect Direct 6000 Silver

5.5. Plan Type

There are no differences between the PHP's plans and the plan type selected in the drop-down box in Worksheet 2 Section 1 of the URRT.

6. Miscellaneous Instructions

6.1. Effective Rate Review Information

Final 2024 risk adjustment reports are not available at the time of the initial filing. To ensure fair and accurate rates for our members, PHP requests to have the opportunity to adjust our 2026 projected risk adjustment assumption during the rate review process as new information becomes available.

6.2. Reliance

I have relied upon individuals at PHP for certain data and assumptions. Included with the submission of this actuarial memorandum is a reliance letter from Kai Wu at PHP located in Appendix IV. In this reliance, reasonability checks were performed on submitted data from PHP, however, no audit of PHP's data or modeling was performed.

7. Actuarial Certification

I, John Rienstra, am an actuary employed by Oliver Wyman Actuarial Consulting (Oliver Wyman). PHP engaged me to provide the opinion herein. I am a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries (AAA) in good standing and meet the qualification standards to perform this analysis and actuarial certification.

I certify that to the best of my knowledge and judgment, the projected index rate is:

- In compliance with all applicable Oregon State and Federal Statutes and Regulations, including 45 CFR 156.80(d)(1).
- Developed in compliance with all applicable Actuarial Standards of Practice.
- Reasonable in relation to benefits being provided and the populations being covered and are based on generally accepted actuarial rating principles for rating blocks of business and are neither excessive nor deficient.
- The index rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan level rates.
- The percent of total premium that represents essential health benefits included in Worksheet 2, Sections III and IV was calculated in accordance with actuarial standards of practice.
- The geographic rating factors used reflect only differences in the cost of delivery, and do not include differences for population morbidity by geographic area.
- The CMS Actuarial Value Calculator was used to determine the AV Metal Values shown in Worksheet 2, Section I of the URRT for all plans, with some modifications as required and in accordance with appropriate laws and Actuarial Standards of Practice.
- This rate filing is consistent with Providence Health Plans' internal business plans.

The URRT does not demonstrate the process used to develop proposed premium rates. It is representative of information required by Federal regulation to be provided in support of the review of rate increases, for certification of qualified health plans and for certification that the index rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

The information provided in this actuarial memorandum is in support of the items illustrated in the URRT and does not provide an actuarial opinion regarding the process used to develop proposed premium rates. It does certify that rates were developed in accordance with applicable regulations, as noted.

The results are actuarial projections. Differences between the projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in this analysis. Actual experience will differ for several reasons including, but not limited to, population changes, claims experience, and random deviation from assumptions.

The rates proposed in this submission reflect the regulatory framework and insurer participation in the market as of May 12, 2025.

There were several Actuarial Standards of Practice that were reviewed in preparation of this filing:

- ASOP No. 5, Incurred Health and Disability Claims

-
- ASOP No. 8, Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits
 - ASOP No. 23, Data Quality
 - ASOP No. 25, Credibility Procedures
 - ASOP No. 41, Actuarial Communications
 - ASOP No. 45, The Use of Health Status Based Risk Adjustment Methodologies
 - ASOP No. 50, Determining Minimum Value and Actuarial Value under the Affordable Care Act

A handwritten signature in blue ink, appearing to read "John Rienstra".

John Rienstra, FSA, MAAA
Senior Manager, Oliver Wyman
May 14, 2025

1. Purpose / Introduction

This document contains the Part III Actuarial Memorandum for the Individual block of business of Providence Health Plans (PHP), effective January 1, 2026. This actuarial memorandum is submitted in conjunction with the Part I Unified Rate Review Template (URRT).

The purpose of the actuarial memorandum is to provide certain information related to the submission of premium rate filings, including support for the values entered in the Part I URRT. This information may not be appropriate for other purposes. Note that the URRT does not demonstrate the process by which PHP developed the rates.

The rates and rate increases supported by this filing are actuarially sound under the current operating conditions of the individual market as of the time of the rate filing. Changes to taxes and fees, federal cost sharing reduction (CSR) payments, federal advance premium tax credits (APTC), mandatory benefits, or other regulatory or legislative actions will likely require changes to the assumptions and final rates supported by this filing.

General Information

Company Identifying Information:

Company Legal Name:	Providence Health Plans
State:	Oregon
HIOS Issuer ID:	56707
Market:	Individual
Effective Date:	January 1, 2026

Company Contact Information:

Primary Contact Name: John Rienstra, FSA, MAAA

Primary Contact Telephone: 215-246-1019

Primary Contact Email Address: john.rienstra@oliverwyman.com

Secondary Contact Name: Jessica Sonk

Secondary Contact Telephone: 503-866-3372

Secondary Contact Email Address: jessica.sonk@providence.org

2. Proposed Rates

This filing provides for an average increase of 8.1% based on a rate increase for 2025 members mapped to their 2026 plan, as shown in Exhibit 1.

The table below is a summary of our rate changes by product effective January 1, 2026 based on calibrated plan adjusted index rates.

2026 Plan	2025 Rate	2026 Rate	Proposed Change
Providence Oregon Standard Gold Plan - Signature Network	\$541.15	\$569.35	5.2%
Providence Oregon Standard Silver Plan - Signature Network	\$464.21	\$488.90	5.3%
Providence Oregon Standard Bronze Plan - Signature Network	\$362.39	\$418.69	15.5%
HSA Qualified 7500 Bronze - Signature Network	\$357.00	\$389.98	9.2%
Providence Oregon Standard Gold Plan - Choice Network	\$505.97	\$532.34	5.2%
Providence Oregon Standard Silver Plan - Choice Network	\$434.04	\$457.12	5.3%
Providence Oregon Standard Bronze Plan - Choice Network	\$338.83	\$391.48	15.5%
HSA Qualified 7500 Bronze - Choice Network	\$333.80	\$364.63	9.2%
Connect 1500 Gold	\$445.19	\$475.78	6.9%
Connect 6000 Silver	\$394.73	\$394.80	0.0%
Connect 9800 Bronze	\$296.47	\$333.75	12.6%
Providence Oregon Direct Silver Plan - Signature Network	\$420.83	\$463.60	10.2%
Providence Oregon Direct Silver Plan - Choice Network	\$393.48	\$433.47	10.2%
Connect Direct 6000 Silver	\$359.01	\$375.99	4.7%
Aggregate Increase	8.1%		

The table below shows the drivers for the increase requested for the Standard Silver plan:

Breakdown of Proposed Rate Increase - Rating Area 1 Standard Silver at 1.0 Rating Factors
--

2025 Rate	\$464.21
------------------	----------

Trend	1.100
Administrative Costs	0.982
Taxes and Fees	1.000
Benefit Change	1.004
CSR Load	0.951
State Reinsurance	1.000
Margin	1.015
Experience Change	1.007

2026 Rate	\$488.90
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**Summary of Filed Rating Assumptions
2026 Non-Grandfathered, ACA Compliant Plans**

Rating Assumption	Providence Health Plan
Starting Point	2024 Individual Experience
<i>Projected Member Months</i>	461,868
<i>Morbidity Changes</i>	0.30%
<i>Market Merger Impact</i>	0.00%
<i>Pent-up Demand</i>	0.00%
<i>Bad Debt Adjustments</i>	0.00%
<i>Risk Adjustment/Average Market Risk Impact</i>	0.00%
<i>2025 Net Paid Claims PMPM (prior filing)</i>	\$611.89
<i>2026 Net Paid Claims PMPM</i>	\$655.19
<i>Average Annual Rate Change</i>	8.1%

Reason for Proposed Change:

The significant factors for the rate change include:

Trend: Healthcare inflation is expected to increase. This estimate is based on expected changes to provider contract arrangements and utilization increases that includes both the volume and the mix of services.

3. Market Experience

3.1. Experience Period Premium and Claims

In the experience period there was \$327,879,608 in premium collected. These premiums are reported on Worksheet 1, Section 1 of the URRT. This value does not include the estimated receivable of \$24,930,226 through the Risk Adjustment program. The experience period revenue net of risk adjustment is \$352,809,834. Claims expense is incurred from 1/1/2024 to 12/31/2024 and paid through 2/28/2025.

Experience Allowed Benefit Expense	
Component	Expense
<i>Medical</i>	\$311,842,385
<i>Estimated Medical IBNR</i>	\$10,054,368
<i>Pharmacy</i>	\$62,156,228
<i>Capitation</i>	\$14,000,759
Total Allowed	\$398,053,740

3.2. Benefit Categories

We assigned the experience data utilization and cost information to benefit categories as shown in Worksheet 1, Section II of the Part 1 URRT based on the Milliman Health Cost Guidelines categorization:

Inpatient Hospital: Includes non-capitated facility services for medical, surgical, maternity, mental health and substance abuse, skilled nursing, and other services provided in an inpatient facility setting and billed by the facility.

Outpatient Hospital: Includes non-capitated facility services for surgery, emergency room, lab, radiology, therapy, observation and other services provided in an outpatient facility setting and billed by the facility.

Professional: Includes non-capitated primary care, specialist, therapy, the professional component of laboratory and radiology, and other professional services, other than hospital-based professionals whose payments are included in facility fees.

Other Medical: Includes non-capitated ambulance, home health care, DME, prosthetics, supplies, vision exams, dental services, and other services.

Capitation: Includes all services provided under one or more capitated arrangements.

Prescription Drug: Includes drugs dispensed by a pharmacy. This amount is net of rebates received from drug manufacturers.

3.3. Projection Factors

PHP rates are developed using a single risk pool and reflect all policies that we anticipate will be enrolled. The pool contains all covered lives for every non-grandfathered product/plan combination for PHP.

Trend Factors: Healthcare inflation is expected to increase. This estimate is based on expected changes to provider contract arrangements and utilization increases that include both the volume and the mix of services. Further details on PHP's trend development can be found in Exhibit 4.

Adjustments to Trended EHB Allowed Claims PMPM:

Demographics:

PHP applied demographic and geographic factors to the expected membership distribution in 2026. Oregon state-specific age factors were utilized for demographic factors. The expected membership distribution was based on the current membership distribution as of early 2025 adjusted for the population that is expected to migrate to the Oregon Basic Health Plan.

PHP anticipates a 0.8% increase in claims cost due to the change in demographics (Exhibit 20) and a 0.1% increase in claims cost due to the change in geographic mix (Exhibit 8). This impact is included in the Demographic Shift adjustment found in Worksheet 1, Section 2 of the URRT and Lines N and R of Exhibit 1.

Plan Design Changes:

Details on benefit changes can be found in Exhibit 2. We anticipate that these benefit changes will affect the utilization of services due to differences in average cost sharing requirements between the experience period and the projection period. Overall, PHP expects these benefit design changes to increase claims by 0.2%. This impact is included within the Plan Design Changes adjustment on Worksheet 1, Section 2 of the URRT and Line P of Exhibit 1.

Note that all non-HSA plans cover the first three PCP and Behavioral Health office visits with a \$5 copay. Per guidance from the Division of Financial Regulation (DFR), these plans include a \$5 copay on the first three PCP and Behavioral Health office visits to comply with the Mental Health Parity and Addiction Equity Act (MHPAEA).

Additional Covered Services:

No additional services were added for 2026 compared to 2025.

Provider Network:

PHP expects changes in network mix to affect claim costs in the projection period. The overall value of our network mix is calculated based on expected enrollment by plan and network in 2026. This includes both unit cost and utilization based on provider reimbursement and utilization management levels. Overall, PHP expects the change in network mix to increase claims costs by 0.1%. This impact is included within the Plan Design Changes adjustment on Worksheet 1, Section 2 of the URRT and Line Q of Exhibit 1.

Please see Exhibit 9 for details on the network adjustment calculation.

Morbidity:

PHP anticipates that the expiration of the enhanced premium tax credits and the migration of members to Oregon's Basic Health Plan will affect the average morbidity of the single risk pool population.

Overall, PHP expects an increase to morbidity of 1.0% due to the expiration of the enhanced premium tax credits and a slightly offsetting decrease to morbidity of 0.7% due to the migration of members to Oregon's Basic Health Plan. This results in an overall impact of an increase of 0.3% in the average morbidity of the population. This impact is included within the Morbidity Adjustment on Worksheet 1, Section 2 of the URRT and Line O, of Exhibit 1.

Other Adjustments:

No additional adjustments were applied for this filing.

Manual Rate Adjustments: No adjustments were made as PHP's experience is 100% credible.

3.4. Credibility of Experience

PHP experience of 519,208 member months in the base period is fully credible for the purposes of this rate projection.

3.5. Development of the Projected Index Rate

The index rate reflects the mix of tobacco users, area, plan, demographic, and morbidity risk that PHP expects to cover in the single risk pool during the projection period and represents the average allowed claims PMPM for Essential Health Benefits. The Index Rate has not been adjusted for reinsurance, risk adjustment, or marketplace user fees.

Please see Exhibit 13 for the development of the Projected Index Rate.

3.6. Development of the Market-Wide Adjusted Index Rate

The market adjusted index rate reflects the mix of tobacco users, area, plan, demographic, and morbidity risk that PHP expects to cover in the single risk pool during projection the period and represents the average allowed claims PMPM for Essential Health Benefits, plus marketplace user fees after risk adjustment and reinsurance.

State Reinsurance Program:

Claims expense was reduced by 7.8% to account for the state reinsurance program. This estimate was developed using PHP's trended experience in the individual market, by calculating expected recoveries assuming a 50% coinsurance rate, an attachment point of \$108,000, and a cap of \$1,000,000.

Risk Adjustment:

PHP has estimated a receivable of \$30.11 PMPM for the projection period. The following methodology was used to calculate Providence's 2026 projected risk adjustment transfer:

- Our projected 2024 risk transfer per Wakely's WNRAR results with claims paid through December 2024 was used as the starting point
- The 2026 market average premium was calculated by using the observed market rate increase in 2025 and the anticipated market wide increase in 2026.
- Results were then adjusted for anticipated model changes per Wakely's WNRAR simulation.

- Finally, we assumed that we will maintain equivalent risk relative to the market in 2026 as in 2024, therefore no additional adjustments were made to projected risk factors.

Please see Exhibit 21 for the development of the projected risk adjustment.

Paid to Allowed Ratio:

Paid to allowed ratios were calculated using PHP's benefit pricing model. The model is based on a continuance table populated with 2023 experience from both the individual and small group lines of business. The projected 2026 paid to allowed ratio was developed by weighting each plan paid to allowed ratio by each plan's expected allowed expense in the projection period. The development is discussed in more detail under section AV Pricing Values.

Please see Exhibit 10 for a comparison of the projected paid to allowed ratio to the average metal AV in the projection period weighted on projected allowed costs. Some difference is expected as the pricing AVs were developed using PHP experience and benefit pricing model which is a different dataset than the experience that supports the Federal AV Calculator.

Please see Exhibit 14 for the development of the Market Adjusted Index Rate.

3.7. Plan Adjusted Index Rate:

The Plan Adjusted Index Rates are developed by applying the following adjustments to the Market Adjusted Index Rate.

Actuarial value and cost sharing: The expected differences in cost and utilization due to varying levels of member cost sharing.

Network and utilization management: The expected differences in cost due to the contracted provider mix in different networks, and the differences in utilization management practices and policies.

Adjustments for benefits in addition to EHBs: The additional costs associated with coverage outside those required under the Essential Health Benefits including adult vision, shoe inserts, travel benefits, wig benefits, and fertility preservation.

Non-benefit expense: Expenses associated with administrative costs, commissions, taxes and fees, operating margin, and risk margin. See Exhibit 11 for more information on the retention component of the premium. Note that the retention components match those found in Exhibit 1 and Exhibit 5.

Exhibit 15 shows the development of the Plan Adjusted Index Rate for all of PHP's 2026 product offerings.

3.8. Calibration

A single calibration factor is applied to the Plan Adjusted Index Rates to calibrate rates for the expected tobacco use, age, and geographic distribution of each plan. This calibration factor is applied uniformly across all plans.

Age: This factor was developed by projecting the distribution of membership by age and applying the age factor associated with each member.

Geography: This factor was developed by projecting the distribution of membership by geography and applying the projected geographic factor to each member.

Tobacco Use: This factor was developed by applying the tobacco load to the projected distribution of tobacco users in the projection period. PHP assumes we will enroll the same proportion of tobacco users in the projection period as in the experience period.

Exhibit 16 shows the calibration for each plan.

3.9. Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium Rate is the final premium rate for a plan that is charged. It is the product of the Plan Adjusted Index Rate, the geographic factor, age factor, and tobacco factor.

Note that neither the age nor geographic factors have changed from the prior filing.

See Exhibit 23 for a comparison of our 2025 and 2026 geographic factors.

The tobacco factor is consistent with the prior filing at 1.10. This factor is only applied to members 21 and older.

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

Please see Exhibit 17 for a demonstration of the premium rate development.

4. Projected Loss Ratio

PHP projects a loss ratio that is greater than 80% based on the federally prescribed methodology and does not anticipate needing to issue refunds.

Please see Exhibit 12 for details of the Federal MLR calculation.

5. Plan Product Information

5.1. AV Metal Values

The AV metal values by plan can be found in Exhibit 18. AV Metal Values are based on the 2026 Federal AV Calculator.

For the following categories, the AV Calculator did not provide for as much specificity as the plan's benefits and it was necessary to make adjustments to the inputs to account for the plan benefits correctly.

- **Pharmacy:** Providence offers a 7-tier formulary. Tiers were blended in order to be run effectively in the AV calculator. Effective copays were also required for plans that had cost sharing of coinsurance and no deductible.
- **Emergency Room:** An effective coinsurance rate was developed for services that had a copay followed by coinsurance after meeting the deductible. An effective copay rate was developed for services that had a copay followed by coinsurance without a deductible.
- **Behavioral Health Outpatient Services:** An effective copay was developed to account for outpatient services covered before the deductible and subject to coinsurance, and 3 behavioral health office visits with a \$5 copay.
- **Outpatient Services:** Effective copays were developed for services that had coinsurance and no deductible. A blended coinsurance rate was used to account for plans which included a coinsurance reduction for services performed at an ambulatory surgery center.
- **PCP Visits:** The \$5 copay for the first 3 visits was blended with the full copay based on expected utilization.

These adjustments were developed in accordance with ASOP 50, CFR 45 156.135 and generally accepted actuarial principles.

5.2. AV Pricing Values

Please see Exhibit 19 for adjustments included in the AV pricing value. The AV pricing value represents the cumulative effect of the adjustments made by Providence to move from the Market Adjusted Index Rate to the Plan Adjusted Index Rate. These adjustments do not reflect differences due to health status.

Note that the actuarial value of the silver plans include a load of 5.46% to account CSR amounts provided to eligible enrollees for which PHP does not receive reimbursement. This CSR load is developed in a manner such that the additional revenue PHP collects from it is expected to be equal to the expected amount provided to CSR enrollees in plan year 2026. Additional details around the development of the CSR load can be found in the standard review questions and in Exhibit 24.

As per the Plan Year 2026 Individual Market Rate Filing Instructions released by CMS on May 2, 2025, issuers who load premiums to account for CSR amounts provided to eligible enrollees for which the issuer does not otherwise receive reimbursement must report on actual CSRs the issuer paid for in Plan Year 2024. Overall, PHP estimates that it has paid \$14.3M related to CSRs in 2024. Note that at this time, PHP does not have a process in place to re-process claims under different plan designs. Given the time constraints of the CMS guidance, PHP had to employ a different yet reasonably equivalent methodology wherein the estimate was based on a comparison of the actual claims paid for CSR enrollees to an approximation of what would have been paid for these enrollees had they been enrolled in non-CSR silver plans based on the differential in paid-to-allowed ratios of the plan designs. PHP is actively searching for additional ways in which it can more accurately assess the value of CSRs in order to provide a more precise estimate if requested at a later date.

5.3. Membership Projections

The projected membership (as displayed in Worksheet 2 of the URRT) reflects anticipated member migration from existing PHP plans as well as the change in the number of members enrolled. We estimated the proportion of members eligible for cost sharing reduction (CSR) plans as well as expectations for migration to the Basic Health Plan in 2026 based on emerging 2025 data. The projected proportions of on-exchange silver-level members in CSR variant plans are shown in the table below:

CSR Variant	
Base	59%
73% AV	25%
87% AV	9%
94% AV	7%

5.4. Terminated Plan and Products

The following 2025 plans will be terminated and mapped to the closest plan in 2026. See Exhibit 2 for more details.

Terminating 2025 Plan	Mapped 2026 Plan
Connect 5000 Silver	Connect 6000 Silver
Connect 9200 Bronze	Connect 9800 Bronze
Connect Direct 5000 Silver	Connect Direct 6000 Silver

5.5. Plan Type

There are no differences between the PHP's plans and the plan type selected in the drop-down box in Worksheet 2 Section 1 of the URRT.

6. Miscellaneous Instructions

6.1. Effective Rate Review Information

Final 2024 risk adjustment reports are not available at the time of the initial filing. To ensure fair and accurate rates for our members, PHP requests to have the opportunity to adjust our 2026 projected risk adjustment assumption during the rate review process as new information becomes available.

6.2. Reliance

I have relied upon individuals at PHP for certain data and assumptions. Included with the submission of this actuarial memorandum is a reliance letter from Kai Wu at PHP located in Appendix IV. In this reliance, reasonability checks were performed on submitted data from PHP, however, no audit of PHP's data or modeling was performed.

7. Actuarial Certification

I, John Rienstra, am an actuary employed by Oliver Wyman Actuarial Consulting (Oliver Wyman). PHP engaged me to provide the opinion herein. I am a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries (AAA) in good standing and meet the qualification standards to perform this analysis and actuarial certification.

I certify that to the best of my knowledge and judgment, the projected index rate is:

- In compliance with all applicable Oregon State and Federal Statutes and Regulations, including 45 CFR 156.80(d)(1).
- Developed in compliance with all applicable Actuarial Standards of Practice.
- Reasonable in relation to benefits being provided and the populations being covered and are based on generally accepted actuarial rating principles for rating blocks of business and are neither excessive nor deficient.
- The index rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan level rates.
- The percent of total premium that represents essential health benefits included in Worksheet 2, Sections III and IV was calculated in accordance with actuarial standards of practice.
- The geographic rating factors used reflect only differences in the cost of delivery, and do not include differences for population morbidity by geographic area.
- The CMS Actuarial Value Calculator was used to determine the AV Metal Values shown in Worksheet 2, Section I of the URRT for all plans, with some modifications as required and in accordance with appropriate laws and Actuarial Standards of Practice.
- This rate filing is consistent with Providence Health Plans' internal business plans.

The URRT does not demonstrate the process used to develop proposed premium rates. It is representative of information required by Federal regulation to be provided in support of the review of rate increases, for certification of qualified health plans and for certification that the index rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

The information provided in this actuarial memorandum is in support of the items illustrated in the URRT and does not provide an actuarial opinion regarding the process used to develop proposed premium rates. It does certify that rates were developed in accordance with applicable regulations, as noted.

The results are actuarial projections. Differences between the projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in this analysis. Actual experience will differ for several reasons including, but not limited to, population changes, claims experience, and random deviation from assumptions.

The rates proposed in this submission reflect the regulatory framework and insurer participation in the market as of May 12, 2025.

There were several Actuarial Standards of Practice that were reviewed in preparation of this filing:

- ASOP No. 5, Incurred Health and Disability Claims

-
- ASOP No. 8, Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits
 - ASOP No. 23, Data Quality
 - ASOP No. 25, Credibility Procedures
 - ASOP No. 41, Actuarial Communications
 - ASOP No. 45, The Use of Health Status Based Risk Adjustment Methodologies
 - ASOP No. 50, Determining Minimum Value and Actuarial Value under the Affordable Care Act

A handwritten signature in blue ink, appearing to read "John Rienstra".

John Rienstra, FSA, MAAA
Senior Manager, Oliver Wyman
May 14, 2025

Consumer Justification Narrative

This document contains the Part II Consumer Justification Narrative for the Individual block of business of Providence Health Plans (Providence, PHP), effective January 1, 2026. This narrative is submitted in conjunction with the Part I Unified Rate Review Template (URRT).

Providence is requesting an overall average rate increase of 8.1% and will impact approximately 39,974 covered members in 2025. The range of rate increases is 0.0% to 15.5%. The main contributors of the premium change are anticipated future increases in medical and prescription drug utilization and costs.

The proposed 2026 premium rates were developed using actual 2024 experience for Providence's individual market plans. Medical costs in 2024 were similar to anticipated, and the difference from actual experience to expected did not have a material impact on the proposed 2026 rates.

Anticipated year-over-year increases in the utilization and costs of medical and prescription drug services are the main contributor to the rate increases. This estimate is based on expected changes to provider contract arrangements and utilization increases that include both the volume and the mix of services. Medical cost increases are anticipated to vary by provider. Therefore, the geographic factors reflect these differences by service area and rates in a specific county will vary from the average.

The accompanying rate filing is calculated to produce a margin at a level required to maintain reasonable rate stability and insurer solvency over an extended period of time.

TABLE OF CONTENTS

<u>Exhibit Number</u>	<u>Description</u>
1	Development of Rate Change or Base Rate
2	Covered Benefit Or Plan Design Changes
3	Summary of Rate Increases
4	Trend Information and Projection
5	Statement of Administrative Expenses
6	Plan Relativities
7	Proposed Rates
8	Region Adjustment
9	Changes in Provider Network
10	Projected Paid to Allowed Ratio
11	Components of Retention
12	Federal MLR
13	Index Rate Table
14	Market Adjusted Index Rate
15	Projection Period Plan Adjusted Index Rate Development
16	Calibrated Plan Adjusted Index Rate
17	Sample Consumer Adjusted Premium Rate Development
18	AV Metal Values
19	Projection Period Plan Adjusted Index Rate (PAIR) Development
20	Demographic Adjustment
21	Projected Risk Adjustment
22	Commissions
23	Geographic Rating Factors
24	CSR Load

EXHIBIT 7: PROPOSED RATES

The table below summarizes proposed rates effective January 1, 2026 based on crosswalked calibrated plan adjusted index rates

<u>Plan 2026</u>	<u>2025 Rate</u>	<u>2026 Rate</u>	<u>Proposed Change</u>
Providence Oregon Standard Gold Plan - Signature Network	\$541.15	\$569.35	5.2%
Providence Oregon Standard Silver Plan - Signature Network	\$464.21	\$488.90	5.3%
Providence Oregon Standard Bronze Plan - Signature Network	\$362.39	\$418.69	15.5%
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HSA Qualified 7500 Bronze - Choice Network	\$333.80	\$364.63	9.2%
Connect 1500 Gold	\$445.19	\$475.78	6.9%
Connect 6000 Silver	\$394.73	\$394.80	0.0%
Connect 9800 Bronze	\$296.47	\$333.75	12.6%
Providence Oregon Direct Silver Plan - Signature Network	\$420.83	\$463.60	10.2%
Providence Oregon Direct Silver Plan - Choice Network	\$393.48	\$433.47	10.2%
Connect Direct 6000 Silver	\$359.01	\$375.99	4.7%

EXHIBIT 8: REGION ADJUSTMENT

<u>Area Description</u>	<u>Projected MM</u>	<u>Area Factors Relative to Portland</u>
Rating Area 1 - PDX	346,680	1.000
Rating Area 2 - Eugene	33,744	1.100
Rating Area 3 - Salem	24,300	1.100
Rating Area 4 - Central	15,072	1.100
Rating Area 5 - Coastal	15,048	1.200
Rating Area 6 - Eastern	12,612	1.300
Rating Area 7 - Southern	14,412	1.150
Total	461,868	1.035

<u>Area Description</u>	<u>Experience Member Months</u>	<u>Area Factors Relative to Portland</u>
Rating Area 1 - PDX	377,597	1.000
Rating Area 2 - Eugene	42,959	1.100
Rating Area 3 - Salem	27,049	1.080
Rating Area 4 - Central	22,310	1.030
Rating Area 5 - Coastal	17,648	1.200
Rating Area 6 - Eastern	14,239	1.300
Rating Area 7 - Southern	17,405	1.150
Total	519,208	1.034

Area Adjustment	1.001
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EXHIBIT 9: NETWORK ADJUSTMENT**PROJECTION PERIOD**

<u>Network</u>	<u>Projected Membership</u>	<u>Projected Membership (%)</u>	<u>Network Factor Relative to Standard</u>
Signature	35,448	8%	1.000
Connect	257,244	56%	0.830
Choice	169,176	37%	0.935
Total	461,868	100%	0.882

EXPERIENCE PERIOD

<u>Network</u>	<u>Membership</u>	<u>Membership (%)</u>	<u>Network Factor Relative to Standard</u>
Signature	29,527	6%	1.000
Connect	285,380	55%	0.830
Choice	204,301	39%	0.935
Total	519,208	100%	0.881

Network Adjustment**1.001**

EXHIBIT 10: PROJECTED PAID TO ALLOWED RATIO

Paid to Allowed and Federal AV

A	Average Paid-to-Allowed	79.0%
B	Average AV	71.9%
C	Variance (A - B)	7.1%

EXHIBIT 11: COMPONENTS OF RETENTION

<u>Description</u>	<u>PMPM</u>	<u>% Premium</u>
General Admin	\$62.34	7.93%
Commission	\$7.64	0.97%
Target Post-Tax Profit and Risk	\$27.51	3.50%
Regulatory Surcharge	\$0.39	0.05%
State Premium Tax	\$15.72	2.00%
Exchange Fee	\$16.68	2.12%
PCORI	\$0.30	0.04%
Risk Adjustment Fee	\$0.20	0.03%
Total Retention	\$130.77	16.6%

EXHIBIT 12: FEDERAL MLR

Projected Federal Medical Loss Ratio

	<u>Federal ACA MLR</u>	<u>Financial MLR</u>
<u>Member Months</u>	461,868	461,868
<u>Numerator</u>		
Paid Claims PMPM	\$743.06	\$743.06
Claim-Related Retention	\$8.93	\$0.00
Prior Rebate	\$0.00	\$0.00
Change in Reserve	\$0.00	\$0.00
Risk Adjustment	-\$30.11	-\$30.11
State Reinsurance	-\$57.76	-\$57.76
Risk Corridors	\$0.00	\$0.00
MLR Numerator	\$664.12	\$655.19
<u>Denominator</u>		
Premium PMPM	\$785.96	\$785.96
Taxes and Fees	\$33.29	\$0.00
MLR Denominator	\$752.67	\$785.96
Medical Loss Ratio	88.2%	83.4%

EXHIBIT 13: INDEX RATE TABLE**PROJECTION PERIOD INDEX RATE DEVELOPMENT**

2024 Allowed Claims PMPM	\$766.66
Adjustment (EHB and non-EHB)	0.999
2024 Allowed Claims PMPM (full EHB only)	\$766.25
<u>Single Risk Pool Adjustment</u>	
Trend	1.209
Benefit Richness Adjustment	1.002
Change in Demographics	1.008
Change in Geographic Mix and Area Factors	1.001
Change in Covered Services	1.000
Other Adjustment	1.000
Adj. Experience Morbidity Adjustments	1.003
Change in Network use Mix	1.001
State Reinsurance Program Adjustment	0.922
Adjusted Allowed Claims PMPM	\$866.98
Credibility	100%
Projection Period Allowed Claims PMPM	\$866.98
Projection Period Index Rate PMPM	\$866.98

EXHIBIT 14: MARKET ADJUSTED INDEX RATE

The following table summarizes the factors applied to the Index Rate in the projection period to develop the Market Adjusted Index Rate.

PROJECTION PERIOD INDEX RATE ADJUSTMENT

2026 Index Rate PMPM	\$866.98
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Market Adjustments (paid basis)

Net Risk Adjustment	-\$30.11
---------------------	----------

Marketplace User Fees	\$16.68
-----------------------	---------

Paid/Allowed Ratio	0.790
--------------------	-------

Market Adjustments (Allowed basis)

Net Risk Adjustment	-\$38.11
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Marketplace User Fees	\$21.12
-----------------------	---------

2026 Market Adjusted Index Rate (MAIR) PMPM	\$849.99
--	-----------------

EXHIBIT 15: PROJECTION PERIOD PLAN ADJUSTED INDEX RATE DEVELOPMENT

Plan	MAIR	<u>AV & Cost</u>		Non-EHB	Admin	PAIR
		<u>Sharing</u>	<u>Network</u>			
Providence Oregon Standard Gold Plan - Signature Network	\$849.99	0.928	1.134	1.001	1.163	\$1,040.45
Providence Oregon Standard Silver Plan - Signature Network	\$849.99	0.797	1.134	1.001	1.163	\$893.44
Providence Oregon Standard Bronze Plan - Signature Network	\$849.99	0.682	1.134	1.001	1.163	\$765.14
HSA Qualified 7500 Bronze - Signature Network	\$849.99	0.635	1.134	1.001	1.163	\$712.67
Providence Oregon Standard Gold Plan - Choice Network	\$849.99	0.928	1.061	1.001	1.163	\$972.82
Providence Oregon Standard Silver Plan - Choice Network	\$849.99	0.797	1.061	1.001	1.163	\$835.37
Providence Oregon Standard Bronze Plan - Choice Network	\$849.99	0.682	1.061	1.001	1.163	\$715.40
HSA Qualified 7500 Bronze - Choice Network	\$849.99	0.635	1.061	1.001	1.163	\$666.35
Connect 1500 Gold	\$849.99	0.934	0.942	1.001	1.163	\$869.46
Connect 6000 Silver	\$849.99	0.775	0.942	1.001	1.163	\$721.48
Connect 9800 Bronze	\$849.99	0.655	0.942	1.001	1.163	\$609.91
Providence Oregon Direct Silver Plan - Signature Network	\$849.99	0.755	1.134	1.001	1.163	\$847.21
Providence Oregon Direct Silver Plan - Choice Network	\$849.99	0.755	1.061	1.001	1.163	\$792.15
Connect Direct 6000 Silver	\$849.99	0.738	0.942	1.001	1.163	\$687.11

EXHIBIT 16: CALIBRATED PLAN ADJUSTED INDEX RATE

<u>Plan</u>	<u>PAIR</u>	<u>Age Calibration</u>	<u>Geographic Calibration</u>	<u>Tobacco Calibration</u>	<u>Calibration Factor</u>	<u>Calibrated Plan</u>
Providence Oregon Standard Gold Plan - Signature Network	\$1,040.45	1.759	1.035	1.004	1.827	\$569.35
Providence Oregon Standard Silver Plan - Signature Network	\$893.44	1.759	1.035	1.004	1.827	\$488.90
Providence Oregon Standard Bronze Plan - Signature Network	\$765.14	1.759	1.035	1.004	1.827	\$418.69
HSA Qualified 7500 Bronze - Signature Network	\$712.67	1.759	1.035	1.004	1.827	\$389.98
Providence Oregon Standard Gold Plan - Choice Network	\$972.82	1.759	1.035	1.004	1.827	\$532.34
Providence Oregon Standard Silver Plan - Choice Network	\$835.37	1.759	1.035	1.004	1.827	\$457.12
Providence Oregon Standard Bronze Plan - Choice Network	\$715.40	1.759	1.035	1.004	1.827	\$391.48
HSA Qualified 7500 Bronze - Choice Network	\$666.35	1.759	1.035	1.004	1.827	\$364.63
Connect 1500 Gold	\$869.46	1.759	1.035	1.004	1.827	\$475.78
Connect 6000 Silver	\$721.48	1.759	1.035	1.004	1.827	\$394.80
Connect 9800 Bronze	\$609.91	1.759	1.035	1.004	1.827	\$333.75
Providence Oregon Direct Silver Plan - Signature Network	\$847.21	1.759	1.035	1.004	1.827	\$463.60
Providence Oregon Direct Silver Plan - Choice Network	\$792.15	1.759	1.035	1.004	1.827	\$433.47
Connect Direct 6000 Silver	\$687.11	1.759	1.035	1.004	1.827	\$375.99

EXHIBIT 17: SAMPLE CONSUMER ADJUSTED PREMIUM RATE

Providence Oregon Standard Silver Plan

Calibrated Plan Adjusted Index Rate	\$457.12
<i>Age: 34</i>	1.21
<i>Area: 2</i>	1.10
<i>Tobacco Status: Non-Tobacco User</i>	1.00
Consumer Adjusted Premium Rate	\$610.44

EXHIBIT 18: AV METAL VALUES

<u>HIOS</u>	<u>Plan</u>	<u>Actuarial Value</u>	<u>Source</u>
56707OR1350004	Providence Oregon Standard Gold Plan - Signature Network	0.816	AV Calculator
56707OR1360004	Providence Oregon Standard Silver Plan - Signature Network	0.718	AV Calculator
56707OR1360004-04	Providence Oregon Standard Silver Plan - Signature Network (CSR 73%)	0.739	AV Calculator
56707OR1360004-05	Providence Oregon Standard Silver Plan - Signature Network (CSR 87%)	0.877	AV Calculator
56707OR1360004-06	Providence Oregon Standard Silver Plan - Signature Network (CSR 94%)	0.949	AV Calculator
56707OR1410003	Providence Oregon Standard Bronze Plan - Signature Network	0.647	AV Calculator
56707OR1430003	HSA Qualified 7500 Bronze - Signature Network	0.641	AV Calculator
56707OR1320004	Providence Oregon Standard Gold Plan - Choice Network	0.816	AV Calculator
56707OR1330004	Providence Oregon Standard Silver Plan - Choice Network	0.718	AV Calculator
56707OR1330004-04	Providence Oregon Standard Silver Plan - Choice Network (CSR 73%)	0.739	AV Calculator
56707OR1330004-05	Providence Oregon Standard Silver Plan - Choice Network (CSR 87%)	0.877	AV Calculator
56707OR1330004-06	Providence Oregon Standard Silver Plan - Choice Network (CSR 94%)	0.949	AV Calculator
56707OR1400003	Providence Oregon Standard Bronze Plan - Choice Network	0.647	AV Calculator
56707OR1420003	HSA Qualified 7500 Bronze - Choice Network	0.641	AV Calculator
56707OR1380008	Connect 1500 Gold	0.819	AV Calculator
56707OR1380013	Connect 6000 Silver	0.717	AV Calculator
56707OR1380013-04	Connect 6000 Silver (CSR 73%)	0.739	AV Calculator
56707OR1380013-05	Connect 6000 Silver (CSR 87%)	0.873	AV Calculator
56707OR1380013-06	Connect 6000 Silver (CSR 94%)	0.949	AV Calculator
56707OR1380014	Connect 9800 Bronze	0.649	AV Calculator
56707OR1450001	Providence Oregon Direct Silver Plan - Signature Network	0.718	AV Calculator
56707OR1460001	Providence Oregon Direct Silver Plan - Choice Network	0.718	AV Calculator
56707OR1380012	Connect Direct 6000 Silver	0.720	AV Calculator

EXHIBIT 19: PROJECTION PERIOD PLAN ADJUSTED INDEX RATE (PAIR) DEVELOPMENT

<u>Plan</u>	<u>AV & Cost</u>		<u>Benefits in</u>		<u>Admin</u>	<u>AV Pricing Value</u>
	<u>Sharing</u>	<u>Network</u>	<u>Addition to EHB</u>			
Providence Oregon Standard Gold Plan - Signature Network	0.928	1.134	1.001		1.163	1.224
Providence Oregon Standard Silver Plan - Signature Network	0.797	1.134	1.001		1.163	1.051
Providence Oregon Standard Bronze Plan - Signature Network	0.682	1.134	1.001		1.163	0.900
HSA Qualified 7500 Bronze - Signature Network	0.635	1.134	1.001		1.163	0.838
Providence Oregon Standard Gold Plan - Choice Network	0.928	1.061	1.001		1.163	1.145
Providence Oregon Standard Silver Plan - Choice Network	0.797	1.061	1.001		1.163	0.983
Providence Oregon Standard Bronze Plan - Choice Network	0.682	1.061	1.001		1.163	0.842
HSA Qualified 7500 Bronze - Choice Network	0.635	1.061	1.001		1.163	0.784
Connect 1500 Gold	0.934	0.942	1.001		1.163	1.023
Connect 6000 Silver	0.775	0.942	1.001		1.163	0.849
Connect 9800 Bronze	0.655	0.942	1.001		1.163	0.718
Providence Oregon Direct Silver Plan - Signature Network	0.755	1.134	1.001		1.163	0.997
Providence Oregon Direct Silver Plan - Choice Network	0.755	1.061	1.001		1.163	0.932
Connect Direct 6000 Silver	0.738	0.942	1.001		1.163	0.808

EXHIBIT 20: DEMOGRAPHIC CALIBRATION

Demographic Factor

CMS Age Factor (2024 Experience)	1.745	A
CMS Age Factor (2026 Projection)	1.759	B
Demographic Adjustment	1.008	C = B/A

EXHIBIT 21: PROJECTED RISK ADJUSTMENT

Reliance:

2024 Wakley WNRAR results, Claims period paid through December 2024

	Estimated 2026 Transfer Amount by Metal Level				
	Providence Health Plan				OR INDV Market
	Total	Bronze	Silver	Gold		Platinum
Billable Member Months	461,820	259,037	126,762	76,021	
Plan Level Risk Score (PLRS)	0.838	0.871	1.403	1.991	1.166
Induced Demand Factor (IDF)	0.792	1.000	1.030	1.080	1.027
Geographic Cost Factor (GCF)	0.755	0.966	0.963	0.960	0.998
Actuarial Value (AV)	0.499	0.600	0.700	0.800	0.676
Allowable Rating Factor (ARF)	1.399	1.773	1.809	1.566	1.721
Plan Liability Component		0.841	1.391	2.065	1.196
Allowable Rating Component		1.028	1.256	1.300	1.193
Market Average Premium, less Admin		638.82			
Estimated 2026 Transfer Amount	\$30.11	-\$100.71	\$71.08	\$407.51	

Exhibit 22: Commissions

Connect

Effective Commission Rate PMPM	\$18.00
Expected Commission Usage	42%
<hr/>	
2026 Commission PMPM	\$7.64

EXHIBIT 23: GEOGRAPHIC RATING FACTORS

<u>Area Description</u>	<u>2026 Factors</u>	<u>2025 Factors</u>
Rating Area 1	1.000	1.000
Rating Area 2	1.100	1.100
Rating Area 3	1.100	1.100
Rating Area 4	1.100	1.100
Rating Area 5	1.200	1.200
Rating Area 6	1.300	1.300
Rating Area 7	1.150	1.150

EXHIBIT 24: CSR LOAD

Experience Allowed PMPM

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	\$670.05	\$746.05	\$827.85	\$893.52
Providence Oregon Standard Silver Plan - Choice Network	\$1,004.86	\$1,288.58	\$1,216.38	\$1,691.41
Providence Oregon Standard Silver Plan - Signature Network	\$1,433.74	\$1,451.05	\$1,220.39	\$1,445.74
Average	\$805.07	\$924.92	\$938.22	\$1,239.38

Projected Allowed PMPM: Experience Allowed + Trend

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	\$813.76	\$906.07	\$1,005.41	\$1,085.16
Providence Oregon Standard Silver Plan - Choice Network	\$1,220.38	\$1,564.96	\$1,477.27	\$2,054.19
Providence Oregon Standard Silver Plan - Signature Network	\$1,741.26	\$1,762.28	\$1,482.14	\$1,755.82
Average	\$977.75	\$1,123.30	\$1,139.45	\$1,505.20

AV Plan Silver Plan

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	73%	87%	94%	70%
Providence Oregon Standard Silver Plan - Choice Network	73%	87%	94%	70%
Providence Oregon Standard Silver Plan - Signature Network	73%	87%	94%	70%

Projected CSR PMPM: (CSR AV - Standard AV)* Projected Allowed PMPM

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	\$24.41	\$154.03	\$241.30	\$0.00
Providence Oregon Standard Silver Plan - Choice Network	\$36.61	\$266.04	\$354.55	\$0.00
Providence Oregon Standard Silver Plan - Signature Network	\$52.24	\$299.59	\$355.71	\$0.00

Projected Member Months

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	19K	7K	5K	29K
Providence Oregon Standard Silver Plan - Choice Network	8K	3K	2K	32K
Providence Oregon Standard Silver Plan - Signature Network	2K	K	K	6K

CSR Expense	\$4,848,299	A = Sumproduct (Projected Mem, Projected CSR PMPM)
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Projected Benefit Expense, Standard Plan

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	\$469.03	\$522.24	\$579.49	\$625.46
Providence Oregon Standard Silver Plan - Choice Network	\$703.40	\$902.01	\$851.47	\$1,183.99
Providence Oregon Standard Silver Plan - Signature Network	\$1,003.62	\$1,015.73	\$854.27	\$1,012.02

Benefit Expense, no CSR	\$88,860,435.54	B = Sumproduct (Proj Mem, Proj Standard Plan Benefit Expense)
Benefit Expense, With CSR	\$93,708,734.31	C = A + B
CSR Load	5.46%	D = (C / B) - 1

SERFF Tracking #:	PROV-134500618	State Tracking #:	PROV-134500618	Company Tracking #:	PIC-OR 0126 IND RATES
State:	Oregon	Filing Company:	Providence Health Plan		
TOI/Sub-TOI:	H16I Individual Health - Major Medical/H16I.005C Individual - Other				
Product Name:	PIC-OR 0126 IND RATES				
Project Name/Number:	PIC-OR 0126 IND RATES/PIC-OR 0126 IND RATES				

Supporting Document Schedules

Satisfied - Item:	4872 - Individual and Small Group Health Benefit Plan Rate Filings
Comments:	Plans meet all filling requirements
Attachment(s):	
Item Status:	
Status Date:	
Satisfied - Item:	3894 Certification of Compliance
Comments:	
Attachment(s):	0126 OR IND Rates Certificate of Compliance.pdf
Item Status:	
Status Date:	
Bypassed - Item:	Third party filers letter of authorization
Bypass Reason:	Not Applicable
Attachment(s):	
Item Status:	
Status Date:	
Satisfied - Item:	HBP - Filing Description
Comments:	
Attachment(s):	Filing Description 2026 INDV.pdf
Item Status:	
Status Date:	
Satisfied - Item:	HBP - Draft notice to policyholder
Comments:	
Attachment(s):	Direct Renewal Letter 2026.pdf FFM Renewal letter 2026.pdf
Item Status:	
Status Date:	
Satisfied - Item:	HBP - Actuarial Memorandum - SG and Individual
Comments:	
Attachment(s):	2026_Individual_Actuarial_Memorandum_Support_Exhibits.pdf Actuarial_Memorandum_Individual_OR_2026.pdf

State:	Oregon	Filing Company:	Providence Health Plan
TOI/Sub-TOI:	H16I Individual Health - Major Medical/H16I.005C Individual - Other		
Product Name:	PIC-OR 0126 IND RATES		
Project Name/Number:	PIC-OR 0126 IND RATES/PIC-OR 0126 IND RATES		

Item Status:	
Status Date:	
Satisfied - Item:	HBP -Exhibit 1: Development of Rate Change
Comments:	
Attachment(s):	2026_Exhibit1_INDV.pdf
Item Status:	
Status Date:	
Satisfied - Item:	HBP - Exhibit 2: Covered Benefit or Plan Design Changes
Comments:	
Attachment(s):	2026_Exhibit2_INDV.pdf
Item Status:	
Status Date:	
Satisfied - Item:	HBP- Exhibit 3:Average Annual Rate Change
Comments:	
Attachment(s):	2026_Exhibit3_INDV.pdf
Item Status:	
Status Date:	
Satisfied - Item:	HBP - Exhibit 4: Trend Information and Projection
Comments:	
Attachment(s):	2026_Exhibit4_INDV.pdf
Item Status:	
Status Date:	
Satisfied - Item:	HBP - Exhibit 5: Statement of Administrative Expenses and Premium
Comments:	
Attachment(s):	2026_Exhibit5_INDV.pdf
Item Status:	
Status Date:	
Satisfied - Item:	HBP - Exhibit 6: Plan Relativities
Comments:	
Attachment(s):	2026_Exhibit6_INDV.pdf
Item Status:	
Status Date:	

State:	Oregon	Filing Company:	Providence Health Plan
TOI/Sub-TOI:	H16I Individual Health - Major Medical/H16I.005C Individual - Other		
Product Name:	PIC-OR 0126 IND RATES		
Project Name/Number:	PIC-OR 0126 IND RATES/PIC-OR 0126 IND RATES		

Satisfied - Item:	HBP - Appendix I: Insurer's Financial Position:
Comments:	
Attachment(s):	2026_OR_AppendixI.pdf
Item Status:	
Status Date:	

Satisfied - Item:	HBP- Cost and Quality Metrics
Comments:	
Attachment(s):	Cost and Quality Metrics 2026.pdf
Item Status:	
Status Date:	

Bypassed - Item:	HBP - 2023 Drug Price Transparency
Bypass Reason:	submitted separately
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Standard Review Questions
Comments:	
Attachment(s):	2026_OR_AppendixIII.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Appendix IV
Comments:	
Attachment(s):	2026_OR_AppendixIV_ActMemoRelianceCertification_INDV.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Service Area Template
Comments:	
Attachment(s):	PY2026 OR IND ServiceArea_V1_4.28.25.xls
Item Status:	
Status Date:	

Satisfied - Item:	Modification-Discontinuance
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State:	Oregon	Filing Company:	Providence Health Plan
TOI/Sub-TOI:	H16I Individual Health - Major Medical/H16I.005C Individual - Other		
Product Name:	PIC-OR 0126 IND RATES		
Project Name/Number:	PIC-OR 0126 IND RATES/PIC-OR 0126 IND RATES		

Comments:	
Attachment(s):	2026 OR INDV Modification.Discontinuance Transmittal.pdf 2026 OR INDV Discontinued Plans.pdf 2026 OR INDV Benefit list.pdf 2026 OR INDV Plan List.pdf 2026 OR INDV Uniform Modification Mapping.pdf
Item Status:	
Status Date:	

Satisfied - Item:	URRT
Comments:	
Attachment(s):	UnifiedRateReviewSubmission_INDV_20250513133035.xml 2026Unified_Rate_Review_Template_INDV (3).xlsm
Item Status:	
Status Date:	

Satisfied - Item:	INDV Supporting Document
Comments:	
Attachment(s):	INDV Supporting Document.pdf
Item Status:	
Status Date:	

SERFF Tracking #:	PROV-134500618	State Tracking #:	PROV-134500618	Company Tracking #:	PIC-OR 0126 IND RATES
State:	Oregon	Filing Company:	Providence Health Plan		
TOI/Sub-TOI:	H16I Individual Health - Major Medical/H16I.005C Individual - Other				
Product Name:	PIC-OR 0126 IND RATES				
Project Name/Number:	PIC-OR 0126 IND RATES/PIC-OR 0126 IND RATES				

Attachment PY2026 OR IND ServiceArea_V1_4.28.25.xls is not a PDF document and cannot be reproduced here.

Attachment UnifiedRateReviewSubmission_INDV_20250513133035.xml is not a PDF document and cannot be reproduced here.

Attachment 2026Unified_Rate_Review_Template_INDV (3).xlsm is not a PDF document and cannot be reproduced here.

**Oregon Department of Consumer and Business Services
Division of Financial Regulation**

350 Winter St. NE, Rm. 410, Salem, Oregon 97301-3881
Mailing address: P.O. Box 14480, Salem, OR 97309-0405
503-378-4140 • Fax: 503-947-7862
<http://dfr.oregon.gov>



CERTIFICATE OF COMPLIANCE

I, the undersigned authorized filer, hereby certify that the filing submitted complies with the applicable State and Federal regulations, Bulletins, filing requirements and product standards set forth on the Division of Financial Regulation web site. I further certify the filing is not false or misleading in any material respect and that I am authorized to sign and submit this certificate on behalf of the Company identified below (hereinafter Company).

I, the undersigned authorized officer, a duly authorized officer of Company, certify that the undersigned authorized filer is authorized to certify on behalf of Company that this filing complies with the applicable State and Federal regulations, Bulletins, filing requirements, and product standards set forth on the Division of Financial Regulation web site and that the filing is not false or misleading in any material respect.

I understand that the Division of Financial Regulation will rely on this certificate and, should it be determined that this filing is materially false or misleading, appropriate corrective and disciplinary action including monetary penalties, as authorized by law, will be taken by the Division of Financial Regulation against the Company.

Providence Health Plan

Name of Company

Jason Lee

Digitally signed by Jason Lee
Date: 2025.05.07 09:46:30 -07'00'

Signature of authorized filer

Jason Lee

Print name of authorized filer

Associate Regulatory Affairs Consultant

Title

N/A

Direct telephone number of authorized filer

1-888-244-6643

Toll free or collect phone number

Aaron Bals

Digitally signed by Aaron Bals
Date: 2025.05.13 14:18:10 -07'00'

Signature of authorized officer

Aaron Bals

Print name of authorized officer

PROV-134500618

Company's form filing number or the primary form number for the filing

May 7, 2025

Date

P.O. Box 4327

Address of Company or authorized filer

Portland, OR 97208-4327

City State ZIP

jason.lee4@providence.org

Email address of authorized filer

N/A

Fax number of authorized filer

Chief Compliance/Risk Officer

Officer Title

May 13, 2025

Date

May 14, 2025
Division of Financial Regulation
Insurance Division
350 Winter Street, NE, Room 440
Salem, OR 97301-3883

HIOS ID: 56707
Effective Date: 01/01/2026

Prior Filing Number: PROV-134088282
Approved: 09/03/2024

Current Filing Number: PROV-134500618

Brief Description of Key Changes in the Filing:

- 1) Benefit Relativities have been updated and are shown relative to the prior filing on Exhibit 6.
- 2) The following plans will be discontinued for 2026:

Terminating 2025 Plan	Mapped 2026 Plan
Connect 5000 Silver	Connect 6000 Silver
Connect 9200 Bronze	Connect 9800 Bronze
Connect Direct 5000 Silver	Connect Direct 6000 Silver

Comparison of Actual and Expected Results:

The table below shows a comparison of the actual vs. expected claims cost, administrative costs, and profit from the prior filing with the rating period that most closely matches the experience period of this filing:

Item	Rate Projection 2024 Rate Filing	Actual Experience 2024
Claims Costs	84.5%	80.7%
Administrative Costs, Taxes & Fees	13.5%	14.7%
Risk & Profit	2.0%	4.6%
Source	Exhibit 1 - 2024 Rate Filing	Exhibit 5, URRT WS1 – 2026 Rate Filing

**Includes Risk Adjustment.*

*** Margin does not include provider risk settlements*

Direct Modified plans letter

[PHP logo]

[date]

[first name] [last name]

[mailing address 1]

[mailing address 2]

[mailing city], [mailing state] [mailing zip]

Dear [First name Last name],

Thank you for choosing Providence Health Plan for your health insurance coverage. We look forward to continuing to serve you.

Your plan is renewing soon

Your [2025 plan name] plan will renew on Jan. 1, 2026. We have made some updates to your plan, so please review the changes listed below and on the enclosed plan comparison. We want you to have the right plan for your coverage needs, so visit ProvidenceHealthPlan.com/2026 plans to see all of your options and rates for the plans offered in your area.

Included in this packet is an important notice for Medicare-eligible members. This is a federally-required notification concerning your 2025 Individual and Family Plan prescription drug coverage and Medicare Part D.

What you need to do

For your convenience, you will automatically be renewed to [2026 plan name] if we don't hear from you by [Dec. 31, 2025]. Your rate for this medical plan will be \$[rate]. [For dental members only (Y in Providence Progressive Dental column) the rate for dental coverage is \$XX per member per month.] If you would like to change to a different plan, simply inform us of your new plan choice using the enclosed Plan Selection form.

The timeframe during which individuals may purchase coverage for 2026, called open enrollment, begins on [Nov. 1, 2025 and ends on December 15, 2025]. If you purchase a policy through the Marketplace at HealthCare.gov, you may be eligible for a subsidy and/or tax credits based on your income. Visit HealthCare.gov or call 1-800-318-2596 (TTY: 1-855-889-4325) or contact your insurance producer for more information.

What's new

[New benefits for 2026 include:

All Plans include Chiropractic (20 visits/calendar year) & Acupuncture (12 visits/calendar year), All plans follow PCP Cost Share]

(over, please)

After you are enrolled in your 2026 plan, we will send you additional information about your Individual and Family Plan policy, including your Plan Contract and Benefit Summary that explains your covered benefits in detail. You can also access these materials when you register for a myProvidence account at myProvidence.com. In addition to your benefit summary, you may access a Summary of Benefits and Coverage (SBC), a federally-required consumer document that provides benefit information in a standardized format. This document is for comparison purposes only and is available at www.ProvidenceHealthPlan.com/SBC.

Questions? Give us a call

There's a lot of information here, and we know it can be pretty overwhelming. Rest assured that we are here to guide you through it. If you have any questions about your renewal, your new plan options, or anything in this packet, we will be more than happy to explain it.

Call 503-574-7500 or 800-878-4445, TTY: 711, 8 a.m. to 5 p.m., Monday through Friday to reach one of our customer service representatives.

Sincerely,

Don
Antonucci
Chief Executive Officer
Providence Health Plan

FFM Renewal plan letter

[PHP logo]

[date]

[first name] [last name]

[mailing address 1]

[mailing address 2]

[mailing city], [mailing state] [mailing zip]

Dear [First name Last name],

Thank you for choosing Providence Health Plan for your health coverage. We look forward to continuing to serve you. Enclosed is information on the plans that will be offered in your area for 2023. There are some changes to our plans, so please read this letter and the contents of this packet carefully.

Your plan is renewing soon

Your [2025 plan name] plan will renew on Jan. 1, 2026. We have made some updates to your plan, so please review the major updates and changes listed below and on the enclosed plan comparison form. Visit ProvidenceHealthPlan.com/2026 plans to see all of your options and rates for the plans offered in your area.

Included in this packet is an important notice for Medicare-eligible members. This is a federally-required notification concerning your 2025 Individual and Family Plan prescription drug coverage and Medicare Part D.

What you need to do

For your convenience, you will automatically be renewed to [2026 plan name] if you do not make a change by Dec. 15, 2025. Your rate for this plan will be \$[rate], prior to any subsidy adjustments. If you would like a different plan, you will need to log on to your Marketplace account at HealthCare.gov to make your selection between Nov. 1, 2025 and Dec. 15, 2025 for your change to be effective Jan. 1, 2026.

The timeframe during which individuals may purchase coverage for 2026, called open enrollment, begins on November 1, 2025 and ends on December 15, 2025. If you purchase a policy through the Marketplace at HealthCare.gov, you may be eligible for a subsidy and/or tax credits based on your income. Visit HealthCare.gov or call 1-800-318-2596 (TTY: 1-855-889-4325) or contact your insurance agent for more information.

What's new

[Key changes for 2026 include:

All Plans include Chiropractic (20 visits/calendar year) & Acupuncture (12 visits/calendar year), All plans follow PCP Cost Share]

(over, please)

After you are enrolled in your 2026 plan, we will send you additional information about your Individual and Family Plan policy, including your Plan Contract and Benefit Summary that explains your covered benefits in detail. You can also access these materials when you register for a myProvidence account at myProvidence.com. In addition to your benefit summary, you may access a Summary of Benefits and Coverage (SBC), a federally-required consumer document that provides benefit information in a standardized format. This document is for comparison purposes only and is available at www.ProvidenceHealthPlan.com/SBC.

Questions? Give us a call

There's a lot of information here, and we know it can be pretty overwhelming. Rest assured that we are here to guide you through it. If you have any questions about your renewal, your new plan options, or anything in this packet, we will be more than happy to explain it.

To reach one of our customer service representatives, call 503-574-7500 or 800-878-4445, TTY: 711, 8 a.m. to 5 p.m., Monday through Friday.

Sincerely,

Don
Antonucci
Chief Executive Officer
Providence Health Plan

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2	Covered Benefit Or Plan Design Changes
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6	Plan Relativities
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EXHIBIT 7: PROPOSED RATES

The table below summarizes proposed rates effective January 1, 2026 based on crosswalked calibrated plan adjusted index rates

<u>Plan 2026</u>	<u>2025 Rate</u>	<u>2026 Rate</u>	<u>Proposed Change</u>
Providence Oregon Standard Gold Plan - Signature Network	\$541.15	\$569.35	5.2%
Providence Oregon Standard Silver Plan - Signature Network	\$464.21	\$488.90	5.3%
Providence Oregon Standard Bronze Plan - Signature Network	\$362.39	\$418.69	15.5%
HSA Qualified 7500 Bronze - Signature Network	\$357.00	\$389.98	9.2%
Providence Oregon Standard Gold Plan - Choice Network	\$505.97	\$532.34	5.2%
Providence Oregon Standard Silver Plan - Choice Network	\$434.04	\$457.12	5.3%
Providence Oregon Standard Bronze Plan - Choice Network	\$338.83	\$391.48	15.5%
HSA Qualified 7500 Bronze - Choice Network	\$333.80	\$364.63	9.2%
Connect 1500 Gold	\$445.19	\$475.78	6.9%
Connect 6000 Silver	\$394.73	\$394.80	0.0%
Connect 9800 Bronze	\$296.47	\$333.75	12.6%
Providence Oregon Direct Silver Plan - Signature Network	\$420.83	\$463.60	10.2%
Providence Oregon Direct Silver Plan - Choice Network	\$393.48	\$433.47	10.2%
Connect Direct 6000 Silver	\$359.01	\$375.99	4.7%

EXHIBIT 8: REGION ADJUSTMENT

<u>Area Description</u>	<u>Projected MM</u>	<u>Area Factors Relative to Portland</u>
Rating Area 1 - PDX	346,680	1.000
Rating Area 2 - Eugene	33,744	1.100
Rating Area 3 - Salem	24,300	1.100
Rating Area 4 - Central	15,072	1.100
Rating Area 5 - Coastal	15,048	1.200
Rating Area 6 - Eastern	12,612	1.300
Rating Area 7 - Southern	14,412	1.150
Total	461,868	1.035

<u>Area Description</u>	<u>Experience Member Months</u>	<u>Area Factors Relative to Portland</u>
Rating Area 1 - PDX	377,597	1.000
Rating Area 2 - Eugene	42,959	1.100
Rating Area 3 - Salem	27,049	1.080
Rating Area 4 - Central	22,310	1.030
Rating Area 5 - Coastal	17,648	1.200
Rating Area 6 - Eastern	14,239	1.300
Rating Area 7 - Southern	17,405	1.150
Total	519,208	1.034

Area Adjustment	1.001
------------------------	--------------

EXHIBIT 9: NETWORK ADJUSTMENT**PROJECTION PERIOD**

<u>Network</u>	<u>Projected Membership</u>	<u>Projected Membership (%)</u>	<u>Network Factor Relative to Standard</u>
Signature	35,448	8%	1.000
Connect	257,244	56%	0.830
Choice	169,176	37%	0.935
Total	461,868	100%	0.882

EXPERIENCE PERIOD

<u>Network</u>	<u>Membership</u>	<u>Membership (%)</u>	<u>Network Factor Relative to Standard</u>
Signature	29,527	6%	1.000
Connect	285,380	55%	0.830
Choice	204,301	39%	0.935
Total	519,208	100%	0.881

Network Adjustment**1.001**

EXHIBIT 10: PROJECTED PAID TO ALLOWED RATIO

Paid to Allowed and Federal AV

A	Average Paid-to-Allowed	79.0%
B	Average AV	71.9%
C	Variance (A - B)	7.1%

EXHIBIT 11: COMPONENTS OF RETENTION

<u>Description</u>	<u>PMPM</u>	<u>% Premium</u>
General Admin	\$62.34	7.93%
Commission	\$7.64	0.97%
Target Post-Tax Profit and Risk	\$27.51	3.50%
Regulatory Surcharge	\$0.39	0.05%
State Premium Tax	\$15.72	2.00%
Exchange Fee	\$16.68	2.12%
PCORI	\$0.30	0.04%
Risk Adjustment Fee	\$0.20	0.03%
Total Retention	\$130.77	16.6%

EXHIBIT 12: FEDERAL MLR**Projected Federal Medical Loss Ratio**

	<u>Federal ACA MLR</u>	<u>Financial MLR</u>
<u>Member Months</u>	461,868	461,868
<u>Numerator</u>		
Paid Claims PMPM	\$743.06	\$743.06
Claim-Related Retention	\$8.93	\$0.00
Prior Rebate	\$0.00	\$0.00
Change in Reserve	\$0.00	\$0.00
Risk Adjustment	-\$30.11	-\$30.11
State Reinsurance	-\$57.76	-\$57.76
Risk Corridors	\$0.00	\$0.00
MLR Numerator	\$664.12	\$655.19
<u>Denominator</u>		
Premium PMPM	\$785.96	\$785.96
Taxes and Fees	\$33.29	\$0.00
MLR Denominator	\$752.67	\$785.96
Medical Loss Ratio	88.2%	83.4%

EXHIBIT 13: INDEX RATE TABLE**PROJECTION PERIOD INDEX RATE DEVELOPMENT**

2024 Allowed Claims PMPM	\$766.66
Adjustment (EHB and non-EHB)	0.999
2024 Allowed Claims PMPM (full EHB only)	\$766.25
<u>Single Risk Pool Adjustment</u>	
Trend	1.209
Benefit Richness Adjustment	1.002
Change in Demographics	1.008
Change in Geographic Mix and Area Factors	1.001
Change in Covered Services	1.000
Other Adjustment	1.000
Adj. Experience Morbidity Adjustments	1.003
Change in Network use Mix	1.001
State Reinsurance Program Adjustment	0.922
Adjusted Allowed Claims PMPM	\$866.98
Credibility	100%
Projection Period Allowed Claims PMPM	\$866.98
Projection Period Index Rate PMPM	\$866.98

EXHIBIT 14: MARKET ADJUSTED INDEX RATE

The following table summarizes the factors applied to the Index Rate in the projection period to develop the Market Adjusted Index Rate.

PROJECTION PERIOD INDEX RATE ADJUSTMENT

2026 Index Rate PMPM	\$866.98
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Market Adjustments (paid basis)

Net Risk Adjustment	-\$30.11
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Marketplace User Fees	\$16.68
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Paid/Allowed Ratio	0.790
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Market Adjustments (Allowed basis)

Net Risk Adjustment	-\$38.11
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Marketplace User Fees	\$21.12
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2026 Market Adjusted Index Rate (MAIR) PMPM	\$849.99
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EXHIBIT 15: PROJECTION PERIOD PLAN ADJUSTED INDEX RATE DEVELOPMENT

Plan	MAIR	<u>AV & Cost</u>		Non-EHB	Admin	PAIR
		<u>Sharing</u>	<u>Network</u>			
Providence Oregon Standard Gold Plan - Signature Network	\$849.99	0.928	1.134	1.001	1.163	\$1,040.45
Providence Oregon Standard Silver Plan - Signature Network	\$849.99	0.797	1.134	1.001	1.163	\$893.44
Providence Oregon Standard Bronze Plan - Signature Network	\$849.99	0.682	1.134	1.001	1.163	\$765.14
HSA Qualified 7500 Bronze - Signature Network	\$849.99	0.635	1.134	1.001	1.163	\$712.67
Providence Oregon Standard Gold Plan - Choice Network	\$849.99	0.928	1.061	1.001	1.163	\$972.82
Providence Oregon Standard Silver Plan - Choice Network	\$849.99	0.797	1.061	1.001	1.163	\$835.37
Providence Oregon Standard Bronze Plan - Choice Network	\$849.99	0.682	1.061	1.001	1.163	\$715.40
HSA Qualified 7500 Bronze - Choice Network	\$849.99	0.635	1.061	1.001	1.163	\$666.35
Connect 1500 Gold	\$849.99	0.934	0.942	1.001	1.163	\$869.46
Connect 6000 Silver	\$849.99	0.775	0.942	1.001	1.163	\$721.48
Connect 9800 Bronze	\$849.99	0.655	0.942	1.001	1.163	\$609.91
Providence Oregon Direct Silver Plan - Signature Network	\$849.99	0.755	1.134	1.001	1.163	\$847.21
Providence Oregon Direct Silver Plan - Choice Network	\$849.99	0.755	1.061	1.001	1.163	\$792.15
Connect Direct 6000 Silver	\$849.99	0.738	0.942	1.001	1.163	\$687.11

EXHIBIT 16: CALIBRATED PLAN ADJUSTED INDEX RATE

<u>Plan</u>	<u>PAIR</u>	<u>Age Calibration</u>	<u>Geographic Calibration</u>	<u>Tobacco Calibration</u>	<u>Calibration Factor</u>	<u>Calibrated Plan</u>
Providence Oregon Standard Gold Plan - Signature Network	\$1,040.45	1.759	1.035	1.004	1.827	\$569.35
Providence Oregon Standard Silver Plan - Signature Network	\$893.44	1.759	1.035	1.004	1.827	\$488.90
Providence Oregon Standard Bronze Plan - Signature Network	\$765.14	1.759	1.035	1.004	1.827	\$418.69
HSA Qualified 7500 Bronze - Signature Network	\$712.67	1.759	1.035	1.004	1.827	\$389.98
Providence Oregon Standard Gold Plan - Choice Network	\$972.82	1.759	1.035	1.004	1.827	\$532.34
Providence Oregon Standard Silver Plan - Choice Network	\$835.37	1.759	1.035	1.004	1.827	\$457.12
Providence Oregon Standard Bronze Plan - Choice Network	\$715.40	1.759	1.035	1.004	1.827	\$391.48
HSA Qualified 7500 Bronze - Choice Network	\$666.35	1.759	1.035	1.004	1.827	\$364.63
Connect 1500 Gold	\$869.46	1.759	1.035	1.004	1.827	\$475.78
Connect 6000 Silver	\$721.48	1.759	1.035	1.004	1.827	\$394.80
Connect 9800 Bronze	\$609.91	1.759	1.035	1.004	1.827	\$333.75
Providence Oregon Direct Silver Plan - Signature Network	\$847.21	1.759	1.035	1.004	1.827	\$463.60
Providence Oregon Direct Silver Plan - Choice Network	\$792.15	1.759	1.035	1.004	1.827	\$433.47
Connect Direct 6000 Silver	\$687.11	1.759	1.035	1.004	1.827	\$375.99

EXHIBIT 17: SAMPLE CONSUMER ADJUSTED PREMIUM RATE

Providence Oregon Standard Silver Plan

Calibrated Plan Adjusted Index Rate	\$457.12
<i>Age: 34</i>	1.21
<i>Area: 2</i>	1.10
<i>Tobacco Status: Non-Tobacco User</i>	1.00
Consumer Adjusted Premium Rate	\$610.44

EXHIBIT 18: AV METAL VALUES

<u>HIOS</u>	<u>Plan</u>	<u>Actuarial Value</u>	<u>Source</u>
56707OR1350004	Providence Oregon Standard Gold Plan - Signature Network	0.816	AV Calculator
56707OR1360004	Providence Oregon Standard Silver Plan - Signature Network	0.718	AV Calculator
56707OR1360004-04	Providence Oregon Standard Silver Plan - Signature Network (CSR 73%)	0.739	AV Calculator
56707OR1360004-05	Providence Oregon Standard Silver Plan - Signature Network (CSR 87%)	0.877	AV Calculator
56707OR1360004-06	Providence Oregon Standard Silver Plan - Signature Network (CSR 94%)	0.949	AV Calculator
56707OR1410003	Providence Oregon Standard Bronze Plan - Signature Network	0.647	AV Calculator
56707OR1430003	HSA Qualified 7500 Bronze - Signature Network	0.641	AV Calculator
56707OR1320004	Providence Oregon Standard Gold Plan - Choice Network	0.816	AV Calculator
56707OR1330004	Providence Oregon Standard Silver Plan - Choice Network	0.718	AV Calculator
56707OR1330004-04	Providence Oregon Standard Silver Plan - Choice Network (CSR 73%)	0.739	AV Calculator
56707OR1330004-05	Providence Oregon Standard Silver Plan - Choice Network (CSR 87%)	0.877	AV Calculator
56707OR1330004-06	Providence Oregon Standard Silver Plan - Choice Network (CSR 94%)	0.949	AV Calculator
56707OR1400003	Providence Oregon Standard Bronze Plan - Choice Network	0.647	AV Calculator
56707OR1420003	HSA Qualified 7500 Bronze - Choice Network	0.641	AV Calculator
56707OR1380008	Connect 1500 Gold	0.819	AV Calculator
56707OR1380013	Connect 6000 Silver	0.717	AV Calculator
56707OR1380013-04	Connect 6000 Silver (CSR 73%)	0.739	AV Calculator
56707OR1380013-05	Connect 6000 Silver (CSR 87%)	0.873	AV Calculator
56707OR1380013-06	Connect 6000 Silver (CSR 94%)	0.949	AV Calculator
56707OR1380014	Connect 9800 Bronze	0.649	AV Calculator
56707OR1450001	Providence Oregon Direct Silver Plan - Signature Network	0.718	AV Calculator
56707OR1460001	Providence Oregon Direct Silver Plan - Choice Network	0.718	AV Calculator
56707OR1380012	Connect Direct 6000 Silver	0.720	AV Calculator

EXHIBIT 19: PROJECTION PERIOD PLAN ADJUSTED INDEX RATE (PAIR) DEVELOPMENT

<u>Plan</u>	<u>AV & Cost</u>		<u>Benefits in</u>		<u>AV Pricing Value</u>
	<u>Sharing</u>	<u>Network</u>	<u>Addition to EHB</u>	<u>Admin</u>	
Providence Oregon Standard Gold Plan - Signature Network	0.928	1.134	1.001	1.163	1.224
Providence Oregon Standard Silver Plan - Signature Network	0.797	1.134	1.001	1.163	1.051
Providence Oregon Standard Bronze Plan - Signature Network	0.682	1.134	1.001	1.163	0.900
HSA Qualified 7500 Bronze - Signature Network	0.635	1.134	1.001	1.163	0.838
Providence Oregon Standard Gold Plan - Choice Network	0.928	1.061	1.001	1.163	1.145
Providence Oregon Standard Silver Plan - Choice Network	0.797	1.061	1.001	1.163	0.983
Providence Oregon Standard Bronze Plan - Choice Network	0.682	1.061	1.001	1.163	0.842
HSA Qualified 7500 Bronze - Choice Network	0.635	1.061	1.001	1.163	0.784
Connect 1500 Gold	0.934	0.942	1.001	1.163	1.023
Connect 6000 Silver	0.775	0.942	1.001	1.163	0.849
Connect 9800 Bronze	0.655	0.942	1.001	1.163	0.718
Providence Oregon Direct Silver Plan - Signature Network	0.755	1.134	1.001	1.163	0.997
Providence Oregon Direct Silver Plan - Choice Network	0.755	1.061	1.001	1.163	0.932
Connect Direct 6000 Silver	0.738	0.942	1.001	1.163	0.808

EXHIBIT 20: DEMOGRAPHIC CALIBRATION

Demographic Factor

CMS Age Factor (2024 Experience)	1.745	A
CMS Age Factor (2026 Projection)	1.759	B
Demographic Adjustment	1.008	C = B/A

EXHIBIT 21: PROJECTED RISK ADJUSTMENT

Reliance:

2024 Wakley WNRAR results, Claims period paid through December 2024

	Estimated 2026 Transfer Amount by Metal Level				
	Providence Health Plan				OR INDV Market
	Total	Bronze	Silver	Gold	Platinum
Billable Member Months	461,820	259,037	126,762	76,021	
Plan Level Risk Score (PLRS)	0.838	0.871	1.403	1.991	1.166
Induced Demand Factor (IDF)	0.792	1.000	1.030	1.080	1.027
Geographic Cost Factor (GCF)	0.755	0.966	0.963	0.960	0.998
Actuarial Value (AV)	0.499	0.600	0.700	0.800	0.676
Allowable Rating Factor (ARF)	1.399	1.773	1.809	1.566	1.721
Plan Liability Component		0.841	1.391	2.065	1.196
Allowable Rating Component		1.028	1.256	1.300	1.193
Market Average Premium, less Admin					638.82
Estimated 2026 Transfer Amount	\$30.11	-\$100.71	\$71.08	\$407.51	

Exhibit 22: Commissions

Connect

Effective Commission Rate PMPM	\$18.00
Expected Commission Usage	42%
<hr/>	
2026 Commission PMPM	\$7.64

EXHIBIT 23: GEOGRAPHIC RATING FACTORS

<u>Area Description</u>	<u>2026 Factors</u>	<u>2025 Factors</u>
Rating Area 1	1.000	1.000
Rating Area 2	1.100	1.100
Rating Area 3	1.100	1.100
Rating Area 4	1.100	1.100
Rating Area 5	1.200	1.200
Rating Area 6	1.300	1.300
Rating Area 7	1.150	1.150

EXHIBIT 24: CSR LOAD

Experience Allowed PMPM

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	\$670.05	\$746.05	\$827.85	\$893.52
Providence Oregon Standard Silver Plan - Choice Network	\$1,004.86	\$1,288.58	\$1,216.38	\$1,691.41
Providence Oregon Standard Silver Plan - Signature Network	\$1,433.74	\$1,451.05	\$1,220.39	\$1,445.74
Average	\$805.07	\$924.92	\$938.22	\$1,239.38

Projected Allowed PMPM: Experience Allowed + Trend

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	\$813.76	\$906.07	\$1,005.41	\$1,085.16
Providence Oregon Standard Silver Plan - Choice Network	\$1,220.38	\$1,564.96	\$1,477.27	\$2,054.19
Providence Oregon Standard Silver Plan - Signature Network	\$1,741.26	\$1,762.28	\$1,482.14	\$1,755.82
Average	\$977.75	\$1,123.30	\$1,139.45	\$1,505.20

AV Plan Silver Plan

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	73%	87%	94%	70%
Providence Oregon Standard Silver Plan - Choice Network	73%	87%	94%	70%
Providence Oregon Standard Silver Plan - Signature Network	73%	87%	94%	70%

Projected CSR PMPM: (CSR AV - Standard AV)* Projected Allowed PMPM

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	\$24.41	\$154.03	\$241.30	\$0.00
Providence Oregon Standard Silver Plan - Choice Network	\$36.61	\$266.04	\$354.55	\$0.00
Providence Oregon Standard Silver Plan - Signature Network	\$52.24	\$299.59	\$355.71	\$0.00

Projected Member Months

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	19K	7K	5K	29K
Providence Oregon Standard Silver Plan - Choice Network	8K	3K	2K	32K
Providence Oregon Standard Silver Plan - Signature Network	2K	K	K	6K

CSR Expense	\$4,848,299	A = Sumproduct (Projected Mem, Projected CSR PMPM)
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Projected Benefit Expense, Standard Plan

	CSR 73%	CSR 87%	CSR 94%	Not CSR
Connect 6000 Silver	\$469.03	\$522.24	\$579.49	\$625.46
Providence Oregon Standard Silver Plan - Choice Network	\$703.40	\$902.01	\$851.47	\$1,183.99
Providence Oregon Standard Silver Plan - Signature Network	\$1,003.62	\$1,015.73	\$854.27	\$1,012.02

Benefit Expense, no CSR	\$88,860,435.54	B = Sumproduct (Proj Mem, Proj Standard Plan Benefit Expense)
Benefit Expense, With CSR	\$93,708,734.31	C = A + B
CSR Load	5.46%	D = (C / B) - 1

1. Purpose / Introduction

This document contains the Part III Actuarial Memorandum for the Individual block of business of Providence Health Plans (PHP), effective January 1, 2026. This actuarial memorandum is submitted in conjunction with the Part I Unified Rate Review Template (URRT).

The purpose of the actuarial memorandum is to provide certain information related to the submission of premium rate filings, including support for the values entered in the Part I URRT. This information may not be appropriate for other purposes. Note that the URRT does not demonstrate the process by which PHP developed the rates.

The rates and rate increases supported by this filing are actuarially sound under the current operating conditions of the individual market as of the time of the rate filing. Changes to taxes and fees, federal cost sharing reduction (CSR) payments, federal advance premium tax credits (APTC), mandatory benefits, or other regulatory or legislative actions will likely require changes to the assumptions and final rates supported by this filing.

General Information

Company Identifying Information:

Company Legal Name:	Providence Health Plans
State:	Oregon
HIOS Issuer ID:	56707
Market:	Individual
Effective Date:	January 1, 2026

Company Contact Information:

Primary Contact Name: John Rienstra, FSA, MAAA

Primary Contact Telephone: 215-246-1019

Primary Contact Email Address: john.rienstra@oliverwyman.com

Secondary Contact Name: Jessica Sonk

Secondary Contact Telephone: 503-866-3372

Secondary Contact Email Address: jessica.sonk@providence.org

2. Proposed Rates

This filing provides for an average increase of 8.1% based on a rate increase for 2025 members mapped to their 2026 plan, as shown in Exhibit 1.

The table below is a summary of our rate changes by product effective January 1, 2026 based on calibrated plan adjusted index rates.

2026 Plan	2025 Rate	2026 Rate	Proposed Change
Providence Oregon Standard Gold Plan - Signature Network	\$541.15	\$569.35	5.2%
Providence Oregon Standard Silver Plan - Signature Network	\$464.21	\$488.90	5.3%
Providence Oregon Standard Bronze Plan - Signature Network	\$362.39	\$418.69	15.5%
HSA Qualified 7500 Bronze - Signature Network	\$357.00	\$389.98	9.2%
Providence Oregon Standard Gold Plan - Choice Network	\$505.97	\$532.34	5.2%
Providence Oregon Standard Silver Plan - Choice Network	\$434.04	\$457.12	5.3%
Providence Oregon Standard Bronze Plan - Choice Network	\$338.83	\$391.48	15.5%
HSA Qualified 7500 Bronze - Choice Network	\$333.80	\$364.63	9.2%
Connect 1500 Gold	\$445.19	\$475.78	6.9%
Connect 6000 Silver	\$394.73	\$394.80	0.0%
Connect 9800 Bronze	\$296.47	\$333.75	12.6%
Providence Oregon Direct Silver Plan - Signature Network	\$420.83	\$463.60	10.2%
Providence Oregon Direct Silver Plan - Choice Network	\$393.48	\$433.47	10.2%
Connect Direct 6000 Silver	\$359.01	\$375.99	4.7%
Aggregate Increase	8.1%		

The table below shows the drivers for the increase requested for the Standard Silver plan:

Breakdown of Proposed Rate Increase - Rating Area 1 Standard Silver at 1.0 Rating Factors
--

2025 Rate	\$464.21
------------------	----------

Trend	1.100
Administrative Costs	0.982
Taxes and Fees	1.000
Benefit Change	1.004
CSR Load	0.951
State Reinsurance	1.000
Margin	1.015
Experience Change	1.007

2026 Rate	\$488.90
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**Summary of Filed Rating Assumptions
2026 Non-Grandfathered, ACA Compliant Plans**

Rating Assumption	Providence Health Plan
Starting Point	2024 Individual Experience
<i>Projected Member Months</i>	461,868
<i>Morbidity Changes</i>	0.30%
<i>Market Merger Impact</i>	0.00%
<i>Pent-up Demand</i>	0.00%
<i>Bad Debt Adjustments</i>	0.00%
<i>Risk Adjustment/Average Market Risk Impact</i>	0.00%
<i>2025 Net Paid Claims PMPM (prior filing)</i>	\$611.89
<i>2026 Net Paid Claims PMPM</i>	\$655.19
<i>Average Annual Rate Change</i>	8.1%

Reason for Proposed Change:

The significant factors for the rate change include:

Trend: Healthcare inflation is expected to increase. This estimate is based on expected changes to provider contract arrangements and utilization increases that includes both the volume and the mix of services.

3. Market Experience

3.1. Experience Period Premium and Claims

In the experience period there was \$327,879,608 in premium collected. These premiums are reported on Worksheet 1, Section 1 of the URRT. This value does not include the estimated receivable of \$24,930,226 through the Risk Adjustment program. The experience period revenue net of risk adjustment is \$352,809,834. Claims expense is incurred from 1/1/2024 to 12/31/2024 and paid through 2/28/2025.

Experience Allowed Benefit Expense	
Component	Expense
<i>Medical</i>	\$311,842,385
<i>Estimated Medical IBNR</i>	\$10,054,368
<i>Pharmacy</i>	\$62,156,228
<i>Capitation</i>	\$14,000,759
Total Allowed	\$398,053,740

3.2. Benefit Categories

We assigned the experience data utilization and cost information to benefit categories as shown in Worksheet 1, Section II of the Part 1 URRT based on the Milliman Health Cost Guidelines categorization:

Inpatient Hospital: Includes non-capitated facility services for medical, surgical, maternity, mental health and substance abuse, skilled nursing, and other services provided in an inpatient facility setting and billed by the facility.

Outpatient Hospital: Includes non-capitated facility services for surgery, emergency room, lab, radiology, therapy, observation and other services provided in an outpatient facility setting and billed by the facility.

Professional: Includes non-capitated primary care, specialist, therapy, the professional component of laboratory and radiology, and other professional services, other than hospital-based professionals whose payments are included in facility fees.

Other Medical: Includes non-capitated ambulance, home health care, DME, prosthetics, supplies, vision exams, dental services, and other services.

Capitation: Includes all services provided under one or more capitated arrangements.

Prescription Drug: Includes drugs dispensed by a pharmacy. This amount is net of rebates received from drug manufacturers.

3.3. Projection Factors

PHP rates are developed using a single risk pool and reflect all policies that we anticipate will be enrolled. The pool contains all covered lives for every non-grandfathered product/plan combination for PHP.

Trend Factors: Healthcare inflation is expected to increase. This estimate is based on expected changes to provider contract arrangements and utilization increases that include both the volume and the mix of services. Further details on PHP's trend development can be found in Exhibit 4.

Adjustments to Trended EHB Allowed Claims PMPM:

Demographics:

PHP applied demographic and geographic factors to the expected membership distribution in 2026. Oregon state-specific age factors were utilized for demographic factors. The expected membership distribution was based on the current membership distribution as of early 2025 adjusted for the population that is expected to migrate to the Oregon Basic Health Plan.

PHP anticipates a 0.8% increase in claims cost due to the change in demographics (Exhibit 20) and a 0.1% increase in claims cost due to the change in geographic mix (Exhibit 8). This impact is included in the Demographic Shift adjustment found in Worksheet 1, Section 2 of the URRT and Lines N and R of Exhibit 1.

Plan Design Changes:

Details on benefit changes can be found in Exhibit 2. We anticipate that these benefit changes will affect the utilization of services due to differences in average cost sharing requirements between the experience period and the projection period. Overall, PHP expects these benefit design changes to increase claims by 0.2%. This impact is included within the Plan Design Changes adjustment on Worksheet 1, Section 2 of the URRT and Line P of Exhibit 1.

Note that all non-HSA plans cover the first three PCP and Behavioral Health office visits with a \$5 copay. Per guidance from the Division of Financial Regulation (DFR), these plans include a \$5 copay on the first three PCP and Behavioral Health office visits to comply with the Mental Health Parity and Addiction Equity Act (MHPAEA).

Additional Covered Services:

No additional services were added for 2026 compared to 2025.

Provider Network:

PHP expects changes in network mix to affect claim costs in the projection period. The overall value of our network mix is calculated based on expected enrollment by plan and network in 2026. This includes both unit cost and utilization based on provider reimbursement and utilization management levels. Overall, PHP expects the change in network mix to increase claims costs by 0.1%. This impact is included within the Plan Design Changes adjustment on Worksheet 1, Section 2 of the URRT and Line Q of Exhibit 1.

Please see Exhibit 9 for details on the network adjustment calculation.

Morbidity:

PHP anticipates that the expiration of the enhanced premium tax credits and the migration of members to Oregon's Basic Health Plan will affect the average morbidity of the single risk pool population.

Overall, PHP expects an increase to morbidity of 1.0% due to the expiration of the enhanced premium tax credits and a slightly offsetting decrease to morbidity of 0.7% due to the migration of members to Oregon's Basic Health Plan. This results in an overall impact of an increase of 0.3% in the average morbidity of the population. This impact is included within the Morbidity Adjustment on Worksheet 1, Section 2 of the URRT and Line O, of Exhibit 1.

Other Adjustments:

No additional adjustments were applied for this filing.

Manual Rate Adjustments: No adjustments were made as PHP's experience is 100% credible.

3.4. Credibility of Experience

PHP experience of 519,208 member months in the base period is fully credible for the purposes of this rate projection.

3.5. Development of the Projected Index Rate

The index rate reflects the mix of tobacco users, area, plan, demographic, and morbidity risk that PHP expects to cover in the single risk pool during the projection period and represents the average allowed claims PMPM for Essential Health Benefits. The Index Rate has not been adjusted for reinsurance, risk adjustment, or marketplace user fees.

Please see Exhibit 13 for the development of the Projected Index Rate.

3.6. Development of the Market-Wide Adjusted Index Rate

The market adjusted index rate reflects the mix of tobacco users, area, plan, demographic, and morbidity risk that PHP expects to cover in the single risk pool during projection the period and represents the average allowed claims PMPM for Essential Health Benefits, plus marketplace user fees after risk adjustment and reinsurance.

State Reinsurance Program:

Claims expense was reduced by 7.8% to account for the state reinsurance program. This estimate was developed using PHP's trended experience in the individual market, by calculating expected recoveries assuming a 50% coinsurance rate, an attachment point of \$108,000, and a cap of \$1,000,000.

Risk Adjustment:

PHP has estimated a receivable of \$30.11 PMPM for the projection period. The following methodology was used to calculate Providence's 2026 projected risk adjustment transfer:

- Our projected 2024 risk transfer per Wakely's WNRAR results with claims paid through December 2024 was used as the starting point
- The 2026 market average premium was calculated by using the observed market rate increase in 2025 and the anticipated market wide increase in 2026.
- Results were then adjusted for anticipated model changes per Wakely's WNRAR simulation.

- Finally, we assumed that we will maintain equivalent risk relative to the market in 2026 as in 2024, therefore no additional adjustments were made to projected risk factors.

Please see Exhibit 21 for the development of the projected risk adjustment.

Paid to Allowed Ratio:

Paid to allowed ratios were calculated using PHP's benefit pricing model. The model is based on a continuance table populated with 2023 experience from both the individual and small group lines of business. The projected 2026 paid to allowed ratio was developed by weighting each plan paid to allowed ratio by each plan's expected allowed expense in the projection period. The development is discussed in more detail under section AV Pricing Values.

Please see Exhibit 10 for a comparison of the projected paid to allowed ratio to the average metal AV in the projection period weighted on projected allowed costs. Some difference is expected as the pricing AVs were developed using PHP experience and benefit pricing model which is a different dataset than the experience that supports the Federal AV Calculator.

Please see Exhibit 14 for the development of the Market Adjusted Index Rate.

3.7. Plan Adjusted Index Rate:

The Plan Adjusted Index Rates are developed by applying the following adjustments to the Market Adjusted Index Rate.

Actuarial value and cost sharing: The expected differences in cost and utilization due to varying levels of member cost sharing.

Network and utilization management: The expected differences in cost due to the contracted provider mix in different networks, and the differences in utilization management practices and policies.

Adjustments for benefits in addition to EHBs: The additional costs associated with coverage outside those required under the Essential Health Benefits including adult vision, shoe inserts, travel benefits, wig benefits, and fertility preservation.

Non-benefit expense: Expenses associated with administrative costs, commissions, taxes and fees, operating margin, and risk margin. See Exhibit 11 for more information on the retention component of the premium. Note that the retention components match those found in Exhibit 1 and Exhibit 5.

Exhibit 15 shows the development of the Plan Adjusted Index Rate for all of PHP's 2026 product offerings.

3.8. Calibration

A single calibration factor is applied to the Plan Adjusted Index Rates to calibrate rates for the expected tobacco use, age, and geographic distribution of each plan. This calibration factor is applied uniformly across all plans.

Age: This factor was developed by projecting the distribution of membership by age and applying the age factor associated with each member.

Geography: This factor was developed by projecting the distribution of membership by geography and applying the projected geographic factor to each member.

Tobacco Use: This factor was developed by applying the tobacco load to the projected distribution of tobacco users in the projection period. PHP assumes we will enroll the same proportion of tobacco users in the projection period as in the experience period.

Exhibit 16 shows the calibration for each plan.

3.9. Consumer Adjusted Premium Rate Development

The Consumer Adjusted Premium Rate is the final premium rate for a plan that is charged. It is the product of the Plan Adjusted Index Rate, the geographic factor, age factor, and tobacco factor.

Note that neither the age nor geographic factors have changed from the prior filing.

See Exhibit 23 for a comparison of our 2025 and 2026 geographic factors.

The tobacco factor is consistent with the prior filing at 1.10. This factor is only applied to members 21 and older.

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

Please see Exhibit 17 for a demonstration of the premium rate development.

4. Projected Loss Ratio

PHP projects a loss ratio that is greater than 80% based on the federally prescribed methodology and does not anticipate needing to issue refunds.

Please see Exhibit 12 for details of the Federal MLR calculation.

5. Plan Product Information

5.1. AV Metal Values

The AV metal values by plan can be found in Exhibit 18. AV Metal Values are based on the 2026 Federal AV Calculator.

For the following categories, the AV Calculator did not provide for as much specificity as the plan's benefits and it was necessary to make adjustments to the inputs to account for the plan benefits correctly.

- **Pharmacy:** Providence offers a 7-tier formulary. Tiers were blended in order to be run effectively in the AV calculator. Effective copays were also required for plans that had cost sharing of coinsurance and no deductible.
- **Emergency Room:** An effective coinsurance rate was developed for services that had a copay followed by coinsurance after meeting the deductible. An effective copay rate was developed for services that had a copay followed by coinsurance without a deductible.
- **Behavioral Health Outpatient Services:** An effective copay was developed to account for outpatient services covered before the deductible and subject to coinsurance, and 3 behavioral health office visits with a \$5 copay.
- **Outpatient Services:** Effective copays were developed for services that had coinsurance and no deductible. A blended coinsurance rate was used to account for plans which included a coinsurance reduction for services performed at an ambulatory surgery center.
- **PCP Visits:** The \$5 copay for the first 3 visits was blended with the full copay based on expected utilization.

These adjustments were developed in accordance with ASOP 50, CFR 45 156.135 and generally accepted actuarial principles.

5.2. AV Pricing Values

Please see Exhibit 19 for adjustments included in the AV pricing value. The AV pricing value represents the cumulative effect of the adjustments made by Providence to move from the Market Adjusted Index Rate to the Plan Adjusted Index Rate. These adjustments do not reflect differences due to health status.

Note that the actuarial value of the silver plans include a load of 5.46% to account CSR amounts provided to eligible enrollees for which PHP does not receive reimbursement. This CSR load is developed in a manner such that the additional revenue PHP collects from it is expected to be equal to the expected amount provided to CSR enrollees in plan year 2026. Additional details around the development of the CSR load can be found in the standard review questions and in Exhibit 24.

As per the Plan Year 2026 Individual Market Rate Filing Instructions released by CMS on May 2, 2025, issuers who load premiums to account for CSR amounts provided to eligible enrollees for which the issuer does not otherwise receive reimbursement must report on actual CSRs the issuer paid for in Plan Year 2024. Overall, PHP estimates that it has paid \$14.3M related to CSRs in 2024. Note that at this time, PHP does not have a process in place to re-process claims under different plan designs. Given the time constraints of the CMS guidance, PHP had to employ a different yet reasonably equivalent methodology wherein the estimate was based on a comparison of the actual claims paid for CSR enrollees to an approximation of what would have been paid for these enrollees had they been enrolled in non-CSR silver plans based on the differential in paid-to-allowed ratios of the plan designs. PHP is actively searching for additional ways in which it can more accurately assess the value of CSRs in order to provide a more precise estimate if requested at a later date.

5.3. Membership Projections

The projected membership (as displayed in Worksheet 2 of the URRT) reflects anticipated member migration from existing PHP plans as well as the change in the number of members enrolled. We estimated the proportion of members eligible for cost sharing reduction (CSR) plans as well as expectations for migration to the Basic Health Plan in 2026 based on emerging 2025 data. The projected proportions of on-exchange silver-level members in CSR variant plans are shown in the table below:

CSR Variant	
Base	59%
73% AV	25%
87% AV	9%
94% AV	7%

5.4. Terminated Plan and Products

The following 2025 plans will be terminated and mapped to the closest plan in 2026. See Exhibit 2 for more details.

Terminating 2025 Plan	Mapped 2026 Plan
Connect 5000 Silver	Connect 6000 Silver
Connect 9200 Bronze	Connect 9800 Bronze
Connect Direct 5000 Silver	Connect Direct 6000 Silver

5.5. Plan Type

There are no differences between the PHP's plans and the plan type selected in the drop-down box in Worksheet 2 Section 1 of the URRT.

6. Miscellaneous Instructions

6.1. Effective Rate Review Information

Final 2024 risk adjustment reports are not available at the time of the initial filing. To ensure fair and accurate rates for our members, PHP requests to have the opportunity to adjust our 2026 projected risk adjustment assumption during the rate review process as new information becomes available.

6.2. Reliance

I have relied upon individuals at PHP for certain data and assumptions. Included with the submission of this actuarial memorandum is a reliance letter from Kai Wu at PHP located in Appendix IV. In this reliance, reasonability checks were performed on submitted data from PHP, however, no audit of PHP's data or modeling was performed.

7. Actuarial Certification

I, John Rienstra, am an actuary employed by Oliver Wyman Actuarial Consulting (Oliver Wyman). PHP engaged me to provide the opinion herein. I am a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries (AAA) in good standing and meet the qualification standards to perform this analysis and actuarial certification.

I certify that to the best of my knowledge and judgment, the projected index rate is:

- In compliance with all applicable Oregon State and Federal Statutes and Regulations, including 45 CFR 156.80(d)(1).
- Developed in compliance with all applicable Actuarial Standards of Practice.
- Reasonable in relation to benefits being provided and the populations being covered and are based on generally accepted actuarial rating principles for rating blocks of business and are neither excessive nor deficient.
- The index rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan level rates.
- The percent of total premium that represents essential health benefits included in Worksheet 2, Sections III and IV was calculated in accordance with actuarial standards of practice.
- The geographic rating factors used reflect only differences in the cost of delivery, and do not include differences for population morbidity by geographic area.
- The CMS Actuarial Value Calculator was used to determine the AV Metal Values shown in Worksheet 2, Section I of the URRT for all plans, with some modifications as required and in accordance with appropriate laws and Actuarial Standards of Practice.
- This rate filing is consistent with Providence Health Plans' internal business plans.

The URRT does not demonstrate the process used to develop proposed premium rates. It is representative of information required by Federal regulation to be provided in support of the review of rate increases, for certification of qualified health plans and for certification that the index rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

The information provided in this actuarial memorandum is in support of the items illustrated in the URRT and does not provide an actuarial opinion regarding the process used to develop proposed premium rates. It does certify that rates were developed in accordance with applicable regulations, as noted.

The results are actuarial projections. Differences between the projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in this analysis. Actual experience will differ for several reasons including, but not limited to, population changes, claims experience, and random deviation from assumptions.

The rates proposed in this submission reflect the regulatory framework and insurer participation in the market as of May 12, 2025.

There were several Actuarial Standards of Practice that were reviewed in preparation of this filing:

- ASOP No. 5, Incurred Health and Disability Claims

-
- ASOP No. 8, Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits
 - ASOP No. 23, Data Quality
 - ASOP No. 25, Credibility Procedures
 - ASOP No. 41, Actuarial Communications
 - ASOP No. 45, The Use of Health Status Based Risk Adjustment Methodologies
 - ASOP No. 50, Determining Minimum Value and Actuarial Value under the Affordable Care Act

A handwritten signature in blue ink, appearing to read "John Rienstra".

John Rienstra, FSA, MAAA
Senior Manager, Oliver Wyman
May 14, 2025

EXHIBIT 1: DEVELOPMENT OF RATE CHANGE OR BASE RATE

Experience Period (from 01/01/2024 to 12/31/2024)

Rating Period (from 01/01/2026 to 12/31/2026)

	Experience	Total	PMPM	% of Premium
A	Experience Period Member Months	519,208	N/A	N/A
B	Expected Member Months in the Rating Period	461,868	N/A	N/A
C	Experience Period Premium	\$327,879,608	\$631.50	100.0%
D	Experience Period Completed Incurred Claims	\$317,665,830	\$611.83	96.9%
E	Experience Period Reinsurance	\$28,284,538	\$54.48	8.6%
F	Experience Period Incurred Claims After Reinsurance	\$289,381,292	\$557.35	88.3%
G	Experience Period Medical Loss Ratio Prior to Risk Adjustment	88.3%	N/A	N/A
H	Experience Period Completed Allowed Claims	\$398,053,740	\$766.66	
I	Adjustment (EHB and non-EHB)	99.95%		
J	Experience Period Completed Allowed Claims (full EHB only)	\$397,845,156	\$766.25	

	Allowed Claims Development	Total	PMPM	% of Premium
K	Adjusted Incurred Benefit Expense (full EHB only)	\$397,845,156	\$766.25	
L	x Pricing Trend (Exhibit 4)	1.209	1.209	
M	x Other Adjustment	1.000	1.000	
N	x Demographic Adjustment	1.008	1.008	
O	x Experience Morbidity Adjustments	1.003	1.003	
P	x Benefit Richness Adjustments	1.002	1.002	
Q	x Network Adjustments	1.001	1.001	
R	x Geographic Adjustment	1.001	1.001	
S	x Changes in Covered Services	1.000	1.000	
T	x Market Adjustment	1.000	1.000	
U	Total Allowed PMPM (Current Membership)	\$434,184,327	\$940.06	
V	Credibility Weights		100%	

	Net Claims Development	Total	PMPM	% of Premium
W	Total Allowed PMPM (full EHB only)		\$940.06	
X	Adjustments (non-EHB)	100.05%		
Y	Total Allowed PMPM (U)		\$940.55	
Z	x Projected Average Paid to Allowed Ratio		79.0%	
AA	Projected Incurred Claims before Reinsurance and Risk Adjustment (Y x Z)		\$743.06	94.5%
AB	State Reinsurance Program Recoveries		0.922	
AC	Projected Incurred Claims after Reinsurance before Risk Adjustment		\$685.29	87.2%
AD	+ Projected Risk Adjustment Payments/(Receipts)		-\$30.11	
AE	Projected Incurred Claims, Current Membership (A + A)		\$655.19	83.4%

	Administration, Taxes, and Fees Development (Exhibit 5)	Total	PMPM	% of Premium
AF	+ General Administrative Expense		\$62.34	7.9%
AG	+ Commissions		\$7.64	1.0%
AH	+ Oregon Supplemental Reinsurance Fee		\$0.00	0.0%
AI	+ Risk Adjustment Fee		\$0.20	0.0%
AJ	+ PCORI		\$0.30	0.0%
AK	+ Regulatory Surcharge		\$0.39	0.0%
AL	+ State Premium Tax		\$15.72	2.0%
AM	+ Exchange Fee		\$16.68	2.1%
AN	Total Administrative Costs		\$103.26	13.1%

	Adjusted Premium		PMPM	
AO	Experience Period Premiums		\$631.50	
AP	Estimated Premium at 2025 Rate Levels		\$726.81	

	Proposed Base Rate Development	Total	PMPM	% of Premium
AQ	Projected Incurred Claims (B x AE)	\$302,609,713	\$655.19	83.4%
AR	Total Administrative Costs (B x AN)	\$47,694,544	\$103.26	13.1%
AS	Margin / Profit	\$12,705,336	\$27.51	3.5%
AT	Required Revenue (AQ + AR + AS)	\$363,009,593	\$785.96	100.0%
AU	Requested Rate Increase	8.1%		
AV	Target Medical Loss Ratio (AQ / AT)	83.4%		
AW	Federal MLR Calculation	88.2%		
AX	Requested Rate Increase For 2025 Members			8.1%
AY	Requested Rate Increase @ 1.0 Rating Factors			8.1%

Exhibit 2: Covered Benefit Or Plan Design Changes

This section describes the covered benefit or plan design changes that will be implemented in 2026:

Covered benefit level changes

Member cost sharing changes

The table below provides a detailed description of the member cost-sharing changes from 2025 to 2026.

Network Changes

New products

New channel

2025 Plan Name	2026 Plan Name	2025 HHOS ID	2026 HHOS ID	2025 Ded.	2026 Ded.	2025 OOP Max	2026 OOP Max	2025 PCP Office Visits	2026 PCP Office Visits	2025 Alt Care Copay	2026 Alt Care Copay	2025 Specialist Office Visit	2026 Specialist Office Visit	2025 X-Ray/Lab	2026 X-Ray/Lab	ASC 2025	ASC 2026	2025 In-Patient Hospital Services / High-tech imaging	2026 In-Patient Hospital Services / High-tech imaging	2025 Emergency Room Services	2026 Emergency Room Services
Oregon Direct Silver Plan - Signature Network	Oregon Direct Silver Plan - Signature Network	56707OR1450001-00		\$5,500	\$6,100					\$80	\$100	\$80	\$100								
Oregon Standard Gold Plan - Signature Network	Oregon Standard Gold Plan - Signature Network	56707OR1350004-00		\$1,500	\$1,800	\$7,000	\$8,150														
Oregon Standard Silver Plan - Signature Network	Oregon Standard Silver Plan - Signature Network	56707OR1360004-00		\$5,500	\$6,100					\$80	\$100	\$80	\$100								
Oregon Standard Bronze Plan - Signature Network	Oregon Standard Bronze Plan - Signature Network	56707OR1410003-00																			
HSA Qualified 7100 Bronze - Signature Network	HSA Qualified 7500 Bronze - Signature Network	56707OR1430003-00		\$7,100	\$7,500	\$7,100	\$7,500														
Oregon Direct Silver Plan - Choice Network	Oregon Direct Silver Plan - Choice Network	56707OR1460001-00		\$5,500	\$6,100					\$80	\$100	\$80	\$100								
Oregon Standard Silver Plan - Signature Network	Oregon Standard Silver Plan - Signature Network 133-150%FPL	56707OR1360004-04				\$1,100	\$1,175			\$20	\$25	\$20	\$25								
Oregon Standard Silver Plan - Signature Network	Oregon Standard Silver Plan - Signature Network 151-200%FPL	56707OR1360004-05		\$1,150	\$1,175	\$3,050	\$3,350			\$30	\$40	\$30	\$40								
Oregon Standard Silver Plan - Signature Network	Oregon Standard Silver Plan - Signature Network 201-250%FPL	56707OR1360004-06				\$7,350	\$8,050			\$80	\$90	\$80	\$90								
Oregon Standard Silver Plan - Choice Network 133-150%FPL	Oregon Standard Silver Plan - Choice Network 133-150%FPL	56707OR1330004-04				\$1,100	\$1,175			\$20	\$25	\$20	\$25								
Oregon Standard Silver Plan - Choice Network 151-200%FPL	Oregon Standard Silver Plan - Choice Network 151-200%FPL	56707OR1330004-05		\$1,150	\$1,175	\$3,050	\$3,350			\$30	\$40	\$30	\$40								
Oregon Standard Silver Plan - Choice Network 201-250%FPL	Oregon Standard Silver Plan - Choice Network 201-250%FPL	56707OR1330004-06				\$7,350	\$8,050			\$80	\$90	\$80	\$90								
Oregon Standard Gold Plan - Choice Network	Oregon Standard Gold Plan - Choice Network	56707OR1320004-00		\$1,500	\$1,800	\$7,000	\$8,150														
Oregon Standard Silver Plan - Choice Network	Oregon Standard Silver Plan - Choice Network	56707OR1330004-00		\$5,500	\$6,100					\$80	\$100	\$80	\$100								
Oregon Standard Bronze Plan - Choice Network	Oregon Standard Bronze Plan - Choice Network	56707OR1400003-00																			
HSA Qualified 7100 Bronze - Choice Network	HSA Qualified 7500 Bronze - Choice Network	56707OR1420003-00		\$7,100	\$7,500	\$7,100	\$7,500														
Connect 1500 Gold	Connect 1500 Gold	56707OR1380008-00				\$8,200	\$9,000														
Connect 5000 Silver	Connect 6000 Silver	56707OR1380009-00	56707OR1380013-00	\$5,000	\$6,000	\$9,000	\$10,000	\$35	\$50	\$40	\$50	\$60	\$90	40%	45%			40%	45%	\$250 then 40%	\$250 then 45%
Connect 5000 Silver	Connect 6000 Silver	56707OR1380009-04	56707OR1380013-04	\$4,000	\$6,000	\$7,000	\$8,450	\$40	\$50	\$40	\$50	\$60	\$90								
Connect 5000 Silver	Connect 6000 Silver	56707OR1380009-05	56707OR1380013-05	\$1,000	\$1,500	\$2,900	\$3,500														
Connect 5000 Silver	Connect 6000 Silver	56707OR1380009-06	56707OR1380013-06	\$250		\$1,000															
Connect 9200 Bronze	Connect 9800 Bronze	56707OR1380010-00	56707OR1380014-00	\$9,200	\$9,800	\$9,200	\$9,800														
Connect Direct 5000 Silver	Connect Direct 6000 Silver	56707OR1380011-00	56707OR1380012-00	\$5,000	\$6,000	\$9,000	\$10,000	\$40	\$45	\$35	\$45	\$55	\$85	40%	45%	30%	35%	40%	45%	\$250 then 40%	\$250 then 45%

Discontinuation of Plans

No plans were discontinued for 2026

Exhibit 2 Continued: Covered Benefit Or Plan Design Changes

2025 Plan Name	2026 Plan Name	2025 HIOS ID	2026 HIOS ID	2025 Urgent Care	2026 Urgent Care	2025 INN Chiropractic	2026 INN Chiropractic	2025 INN Acupuncture	2026 INN Acupuncture	2025 OT/ST/PT	2026 OT/ST/PT	2025 Rx Generic Preferred Tier 1	2026 Rx Generic Preferred Tier 1	2025 Rx Generic Non-Preferred Tier 2	2026 Rx Generic Non-Preferred Tier 2	2025 Rx Brand Pref Tier 3	2026 Rx Brand Pref Tier 3	2025 Rx Non Preferred Brand Tier 4	2026 Rx Non Preferred Brand Tier 4	2025 Rx Preferred Specialty Tier 5	2026 Rx Preferred Specialty Tier 5	2025 Rx Non Preferred Specialty Tier 6	2026 Rx Non Preferred Specialty Tier 6
Oregon Direct Silver Plan - Signature Network	Oregon Direct Silver Plan - Signature Network	56707OR1450001-00																					
Oregon Standard Gold Plan - Signature Network	Oregon Standard Gold Plan - Signature Network	56707OR1350004-00																					
Oregon Standard Silver Plan - Signature Network	Oregon Standard Silver Plan - Signature Network	56707OR1360004-00																					
Oregon Standard Bronze Plan - Signature Network	Oregon Standard Bronze Plan - Signature Network	56707OR1410003-00																					
HSA Qualified 7100 Bronze - Signature Network	HSA Qualified 7500 Bronze - Signature Network	56707OR1430003-00																					
Oregon Direct Silver Plan - Choice Network	Oregon Direct Silver Plan - Choice Network	56707OR1460001-00																					
Oregon Standard Silver Plan - Signature Network	Oregon Standard Silver Plan - Signature Network 133-150%FPL	56707OR1360004-04																					
Oregon Standard Silver Plan - Signature Network	Oregon Standard Silver Plan - Signature Network 151-200%FPL	56707OR1360004-05																					
Oregon Standard Silver Plan - Signature Network	Oregon Standard Silver Plan - Signature Network 201-250%FPL	56707OR1360004-06																					
Oregon Standard Silver Plan - Choice Network 133-150%FPL	Oregon Standard Silver Plan - Choice Network 133-150%FPL	56707OR1330004-04																					
Oregon Standard Silver Plan - Choice Network 151-200%FPL	Oregon Standard Silver Plan - Choice Network 151-200%FPL	56707OR1330004-05																					
Oregon Standard Silver Plan - Choice Network 201-250%FPL	Oregon Standard Silver Plan - Choice Network 201-250%FPL	56707OR1330004-06																					
Oregon Standard Gold Plan - Choice Network	Oregon Standard Gold Plan - Choice Network	56707OR1320004-00																					
Oregon Standard Silver Plan - Choice Network	Oregon Standard Silver Plan - Choice Network	56707OR1330004-00																					
Oregon Standard Bronze Plan - Choice Network	Oregon Standard Bronze Plan - Choice Network	56707OR1400003-00																					
HSA Qualified 7100 Bronze - Choice Network	HSA Qualified 7500 Bronze - Choice Network	56707OR1420003-00																					
Connect 1500 Gold	Connect 1500 Gold	56707OR1380008-00	56707OR1380013-00	\$60	\$90	\$25	\$30	\$25	\$30	40%	45%			\$20	\$25	\$65	\$80	50%	50% up to \$200	50% up to \$200	50% up to \$300		
Connect 5000 Silver	Connect 6000 Silver	56707OR1380009-00	56707OR1380013-04	\$60	\$70	\$25	\$40	\$25	\$40					\$15	\$20	\$60	\$65	50%	50% up to \$200	50% up to \$200	50% up to \$300		
Connect 5000 Silver	Connect 6000 Silver	56707OR1380009-05	56707OR1380013-05			\$25	\$15	\$25	\$15									50%	50% up to \$200	50% up to \$200	50% up to \$300		
Connect 5000 Silver	Connect 6000 Silver	56707OR1380009-06	56707OR1380013-06			\$25	\$5	\$25	\$5									50%	50% up to \$200	25% up to \$200	15% up to \$300		
Connect 9200 Bronze	Connect 9800 Bronze	56707OR1380010-00	56707OR1380014-00			\$25	\$75	\$25	\$75														
Connect Direct 5000 Silver	Connect Direct 6000 Silver	56707OR1380011-00	56707OR1380012-00	\$55	\$85	\$25	\$45	\$25	\$45	40%	45%			\$20	\$25	\$70	\$80	50%	50% up to \$200	50% up to \$200	50% up to \$300		

EXHIBIT 3: SUMMARY OF RATE INCREASES

The table below shows the rate increase for all 2025 members on their mapped 2026 plan.

2026 Rate Effective Date	Requested Annual Rate Change	Minimum Rate Change	Maximum Rate Change	Renewing Members
January	8.1%	0.0%	15.5%	39,974
April (small group only)	N/A	N/A	N/A	N/A
July (small group only)	N/A	N/A	N/A	N/A
October (small group only)	N/A	N/A	N/A	N/A
Total	8.1%	0.0%	15.5%	39,974

Distribution of rate changes.

Rate increase	Distribution	Members
< -2.0%	0.0%	-
-2.0% to 0.0%	0.0%	-
0.0% to 2.0%	15.0%	6,008
2.0% to 4.0%	0.0%	-
4.0% to 6.0%	21.8%	8,700
6.0% to 8.0%	7.9%	3,138
8.0% to 10.0%	8.8%	3,501
10.0% to 22.5%	46.6%	18,626
22.5% to 25.0%	0.0%	-
25.0% to 27.5%	0.0%	-
> 25.0%	0.0%	1
Total	100.0%	39,974

Estimate of contributing factors in rate request - Standard Silver Plan

Breakdown of Proposed Rate Increase - Rating Area 1 Standard Silver at 1.0 Rating Factors	
2025 Rate	\$464.21
Trend	1.10
Administrative Costs	0.98
Taxes and Fees	1.00
Plan Factor and Network Change	1.00
CSR Load	0.95
State Reinsurance	1.00
Margin	1.02
Experience Change	1.01
2026 Rate	\$488.90
	5.3%

EXHIBIT 4: TREND INFORMATION AND PROJECTION

Trend forecasting includes independent projections of unit cost and utilization & service mix. Unit cost changes are provided by the provider contracting area based on their knowledge and estimates of contracting arrangements by provider group and service categories in future years. Utilization & service mix are developed separately for medical and pharmacy services. In developing utilization & mix trends for this 2026 rate filing, PHP reviewed internal historical data, pre-pandemic along with calendar year 2023 data and 2024 data. This multi-pronged approach collectively informed the trend selections for this rate filing shown below. For pharmacy trend analysis, PHP used data through the end of 2024.

Medical trends are driven by: changes in the mix of intensity of services within a major service category; movement of utilization between service categories; new medical technology; changes in the number of services provided; changes in negotiated reimbursement levels between PHP and providers.

Pharmacy trends are driven by: changes in the cost of existing medications; changes in the number of prescriptions per member; expiration of drug patents; introduction of new drugs and changes in contractual reimbursement rates and/or manufacturer rebates. Specialty drugs continue to increase in cost and are becoming a much larger proportion of the overall pharmacy expense. Consistent with industry trends, PHP expects the cost of specialty medication to continue to rise.

The trends used in this filing reflect the expectation for the single risk pool only. No trend margin or fluctuation factors have been included in the development of these trends. The impact of deductible leveraging has been incorporated into the development of plan relativity factors.

The table below shows the trend factors by major service category. The categories shown below are consistent with the URRT, where Utilization contains a mix of the trend in the number of services provided and the intensity/severity of services. The cost trend reflects known and expected contract changes by major contracted provider.

Expense Category	Cost	Utilization	Overall	Distribution of Expense
Inpatient Hospital	6.6%	2.6%	9.3%	18.1%
Outpatient Hospital	6.6%	2.6%	9.3%	29.7%
Professional	6.6%	2.6%	9.3%	29.3%
Other Medical	6.6%	2.6%	9.3%	3.7%
Pharmacy	10.3%	4.3%	15.0%	15.6%
Capitation	1.4%	0.0%	1.4%	3.5%
Overall	7.0%	2.7%	9.9%	100.0%

The table below shows historical monthly allowed claims costs for this market segment, normalized for age and area.

Month	Member Months	Allowed Claims	Allowed Claims PMPM	Normalized Allowed Claims PMPM	Rolling 12 Month Trend	Normalized Rolling 12 Month Trend
January 2020	62,331	\$38,594,848.27	\$619.19	\$339.09		
February 2020	61,707	\$37,073,864.87	\$600.81	\$329.14		
March 2020	61,242	\$32,939,406.81	\$537.86	\$294.77		
April 2020	60,611	\$25,664,494.47	\$423.43	\$232.07		
May 2020	60,053	\$32,088,518.09	\$534.34	\$292.50		
June 2020	59,533	\$37,428,677.96	\$628.70	\$343.97		
July 2020	59,148	\$35,244,954.47	\$595.88	\$326.11		
August 2020	58,645	\$33,800,228.55	\$576.35	\$315.31		
September 2020	58,124	\$33,763,395.76	\$580.89	\$317.72		
October 2020	57,490	\$39,059,764.29	\$679.41	\$371.29		
November 2020	56,695	\$35,189,376.43	\$620.68	\$338.84		
December 2020	55,828	\$38,492,703.99	\$689.48	\$375.95		
January 2021	55,436	\$33,008,841.33	\$595.44	\$325.44		
February 2021	54,581	\$32,573,815.53	\$596.79	\$325.74		
March 2021	54,127	\$39,521,528.23	\$730.16	\$397.87		
April 2021	53,867	\$38,254,135.09	\$710.16	\$386.83		
May 2021	53,773	\$35,856,745.61	\$666.82	\$363.22		
June 2021	53,427	\$38,768,227.48	\$725.62	\$394.85		
July 2021	53,123	\$35,912,901.78	\$676.04	\$367.91		
August 2021	52,950	\$37,650,262.64	\$711.06	\$387.08		
September 2021	52,963	\$37,400,717.38	\$706.17	\$384.51		
October 2021	52,499	\$35,399,493.91	\$674.29	\$366.35		
November 2021	51,984	\$38,690,153.88	\$744.27	\$403.70		
December 2021	51,251	\$38,329,993.58	\$747.88	\$405.16	17.0%	16.4%
January 2022	53,578	\$33,986,363.22	\$634.33	\$341.90	18.0%	17.3%
February 2022	54,224	\$34,771,920.54	\$641.27	\$346.03	18.8%	18.0%
March 2022	53,719	\$37,669,831.46	\$701.23	\$377.82	15.3%	14.5%
April 2022	53,278	\$36,068,994.76	\$676.99	\$364.50	10.4%	9.5%
May 2022	52,911	\$37,933,060.69	\$716.93	\$385.34	9.1%	8.2%
June 2022	52,316	\$37,250,981.43	\$712.04	\$382.54	7.6%	6.6%
July 2022	51,818	\$34,937,556.75	\$674.24	\$362.24	6.4%	5.4%
August 2022	51,368	\$38,256,381.82	\$744.75	\$400.29	5.0%	3.9%
September 2022	50,914	\$36,054,772.72	\$708.16	\$380.19	3.3%	2.2%
October 2022	50,370	\$37,433,566.07	\$743.17	\$398.63	4.2%	3.0%
November 2022	49,741	\$36,651,453.95	\$736.85	\$394.95	2.5%	1.3%
December 2022	48,951	\$36,752,642.38	\$750.80	\$401.70	1.9%	0.6%
January 2023	49,210	\$35,437,430.79	\$720.13	\$385.56	2.4%	1.2%
February 2023	49,871	\$35,066,624.79	\$703.15	\$377.54	2.6%	1.4%
March 2023	49,016	\$40,592,113.15	\$828.14	\$443.89	4.5%	3.3%
April 2023	48,119	\$34,703,454.03	\$721.20	\$385.72	5.5%	4.3%
May 2023	47,730	\$38,945,664.48	\$815.96	\$436.02	6.0%	4.9%
June 2023	47,365	\$38,322,307.71	\$809.09	\$432.39	7.3%	6.3%
July 2023	47,066	\$35,803,918.90	\$760.71	\$406.75	8.4%	7.4%
August 2023	46,741	\$35,577,299.31	\$761.16	\$406.75	8.2%	7.3%
September 2023	46,489	\$35,246,544.90	\$758.17	\$405.11	8.8%	8.0%
October 2023	46,140	\$36,108,572.17	\$782.59	\$418.20	8.4%	7.7%
November 2023	45,709	\$35,753,823.96	\$782.21	\$417.75	9.0%	8.4%
December 2023	45,079	\$35,628,915.81	\$790.37	\$421.82	9.5%	8.9%
January 2024	43,863	\$34,899,291.42	\$795.64	\$429.17	9.2%	8.8%

February 2024	44,438	\$34,028,222.95	\$765.74	\$414.85	9.2%	8.9%
March 2024	44,242	\$32,529,674.61	\$735.27	\$398.61	6.6%	6.4%
April 2024	44,003	\$37,589,279.80	\$854.24	\$463.24	7.5%	7.5%
May 2024	43,922	\$37,308,124.96	\$849.42	\$460.81	6.7%	6.9%
June 2024	43,828	\$33,753,949.18	\$770.15	\$417.97	5.1%	5.5%
July 2024	43,640	\$35,696,288.10	\$817.97	\$444.03	4.7%	5.3%
August 2024	43,397	\$34,166,486.58	\$787.30	\$427.43	4.8%	5.6%
September 2024	42,876	\$34,623,173.89	\$807.52	\$437.94	4.7%	5.7%
October 2024	42,279	\$37,343,665.98	\$883.26	\$478.02	5.4%	6.5%
November 2024	41,735	\$32,210,561.43	\$771.78	\$417.29	4.8%	6.0%
December 2024	40,985	\$35,261,536.78	\$860.35	\$464.44	5.0%	6.4%

Exhibit 5: Statement of Administrative Expenses

The following chart illustrates the breakdown of administrative expenses, taxes, and fees projected for the current filing period, as well as the most recent five years. PHP allocates administrative expenses specifically to each line of business and business segment (commercial small group and commercial individual) by department and functional area and in some cases at the account level. Some functions are allocated to all departments as overhead including but not limited to rent, depreciation, mail services, IT help desk, payroll, HR, executive and corporate services. Other departments support specific lines of business and business segments (i.e.: small group and individual) including claims, customer service, Sales, agent commissions, etc. These are allocated directly to the line of business they support. Because PHP's expenses are not allocated by account for all expenses, the chart illustrating administrative expenses by expense type were estimated based on historical average change in expense and by using the allocation percentage for the departments that include those expenses. The retention level supports the claims and calls we experience as well as the quality and medical management activities. It includes the additional operating investments needed to support a high quality of member service. These values match the administrative cost section of Exhibit 1.

Expenses	2020	2021	2022	2023	2024	Fixed or Variable	2025		Fixed or Variable	Current Filing Period	
	PMPM	PMPM	PMPM	PMPM	PMPM		PMPM	% of Premium		PMPM	% of Premium
Salaries, Wages, Employment Taxes & Other Benefits	\$17.79	\$22.80	\$22.94	\$25.47	\$30.84	Mixed	\$43.80	6.4%	Mixed	\$44.47	5.66%
Cost Depreciation: equipment, software, furniture, etc.	\$0.46	\$1.09	\$1.10	\$1.22	\$1.47	Fixed	\$0.20	0.0%	Fixed	\$0.20	0.03%
Rent (Occupancy)	\$1.44	\$1.31	\$1.32	\$1.46	\$1.77	Mixed	\$1.00	0.1%	Mixed	\$1.02	0.13%
Marketing & Advertising	\$3.03	\$0.84	\$0.85	\$0.94	\$1.14	Mixed	\$0.24	0.0%	Mixed	\$0.25	0.03%
General Office Expenses: sundries, supplies, telephone, printing, postage, etc.	\$8.73	\$8.99	\$9.05	\$10.04	\$12.16	Mixed	\$5.26	0.8%	Mixed	\$5.34	0.68%
Third Party Administration Expenses or Fees or Other Group Service Expense or Fees	\$4.13	\$5.42	\$5.45	\$6.05	\$7.33	Mixed	\$2.01	0.3%	Mixed	\$2.04	0.26%
Legal Fees and Expenses & Other Professional or Consulting Fees	\$2.20	\$2.14	\$2.16	\$2.91	\$2.90	Mixed	\$8.71	1.3%	Mixed	\$8.84	1.12%
Traveling Expenses	\$0.11	\$0.02	\$0.02	\$0.02	\$0.02	Mixed	\$0.17	0.0%	Mixed	\$0.17	0.02%
Total Expenses Incurred	\$37.89	\$42.61	\$42.88	\$48.12	\$57.64		\$61.40	9.0%		\$62.34	7.93%

Premium Retention	2020	2021	2022	2023	2024	Fixed or Variable	2025		Fixed or Variable	Current Filing Period	
	PMPM	PMPM	PMPM	PMPM	PMPM		PMPM	% of Premium		PMPM	% of Premium
Expenses (from above table)	\$37.89	\$42.61	\$42.88	\$48.12	\$57.64	Mixed	\$61.40	9.0%	Mixed	\$62.34	7.93%
Commissions	\$6.85	\$8.28	\$8.25	\$7.89	\$7.69	Variable	\$8.20	1.2%	Variable	\$7.64	0.97%
Insurer Fee	\$5.40	\$0.00	\$0.00	\$0.00	\$0.00	Variable	\$0.00	0.0%	Variable	\$0.00	0.00%
Regulatory Surcharge	\$0.00	\$0.00	\$0.32	\$0.32	\$0.32	Variable	\$0.36	0.1%	Variable	\$0.39	0.05%
Risk Adjustment Program Fee	\$0.18	\$0.19	\$0.25	\$0.22	\$0.21	Variable	\$0.18	0.0%	Variable	\$0.20	0.03%
State Premium Tax	\$10.81	\$11.08	\$11.26	\$11.91	\$12.63	Variable	\$14.60	2.1%	Variable	\$15.72	2.00%
Oregon Supplemental Reinsurance program fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Variable	\$0.00	0.0%	Variable	\$0.00	0.00%
HCR - Funding of Patient-Centered Outcomes Research Fee	\$0.00	\$0.00	\$0.00	\$0.23	\$0.27	Variable	\$0.28	0.0%	Variable	\$0.30	0.04%
Exchange Fees	\$14.22	\$15.32	\$15.00	\$15.63	\$14.04	Variable	\$14.33	2.1%	Variable	\$16.68	2.12%
Profit/Margin										\$27.51	3.50%
Total Premium Retention	\$75.36	\$77.47	\$77.96	\$84.32	\$92.81		\$99.34	14.5%		\$130.77	16.64%

EXHIBIT 6: PLAN RELATIVITIES

Plan factors reflect differences in cost sharing and benefit richness by plan, including the impact of non-EHB benefits. These differences were calculated using Providence Health Plan's in house pricing model. These adjustment factors contain expected differences in utilization due to differences in cost

Plan ID	Marketing Name	Metal Tier	AV Metal Value	AV Calculator Used	Previous Filing Plan Relativity	Plan Relativity	% change in plan relativity	Identify quarter and year	Benefit Substitution(s)	Exchange Status	Geographic Areas Offered	Pediatric Dental Embedded
56707OR1350004	Providence Oregon Standard Gold Plan - Signature Network	Gold	0.816	Yes	1.286	1.228	-4.5%	Q1-Q4 2026	No	Both	1, 2, 3, 4, 5, 6, 7	No
56707OR1360004	Providence Oregon Standard Silver Plan - Signature Network	Silver	0.718	Yes	1.000	1.000	0.0%	Q1-Q4 2026	No	Both	1, 2, 3, 4, 5, 6, 7	No
56707OR1410003	Providence Oregon Standard Bronze Plan - Signature Network	Bronze	0.647	Yes	0.861	0.903	4.9%	Q1-Q4 2026	No	Both	1, 2, 3, 4, 5, 6, 7	No
56707OR1430003	HSA Qualified 7500 Bronze - Signature Network	Bronze	0.641	Yes	0.848	0.841	-0.8%	Q1-Q4 2026	No	Both	1, 2, 3, 4, 5, 6, 7	Yes
56707OR1320004	Providence Oregon Standard Gold Plan - Choice Network	Gold	0.816	Yes	1.202	1.148	-4.5%	Q1-Q4 2026	No	Both	1, 2, 3, 4, 5, 6, 7	No
56707OR1330004	Providence Oregon Standard Silver Plan - Choice Network	Silver	0.718	Yes	0.935	0.935	0.0%	Q1-Q4 2026	No	Both	1, 2, 3, 4, 5, 6, 7	No
56707OR1400003	Providence Oregon Standard Bronze Plan - Choice Network	Bronze	0.647	Yes	0.805	0.844	4.9%	Q1-Q4 2026	No	Both	1, 2, 3, 4, 5, 6, 7	No
56707OR1420003	HSA Qualified 7500 Bronze - Choice Network	Bronze	0.641	Yes	0.793	0.787	-0.8%	Q1-Q4 2026	No	Both	1, 2, 3, 4, 5, 6, 7	Yes
56707OR1380008	Connect 1500 Gold	Gold	0.819	Yes	1.058	1.026	-3.0%	Q1-Q4 2026	No	Both	1,6	Yes
56707OR1380009	Connect 5000 Silver	Silver	0.703	Yes	0.850	Terminated	N/A	Q1-Q4 2026	No	Both	1,6	Yes
56707OR1380013	Connect 6000 Silver	Silver	0.717	Yes	New	0.808	N/A	Q1-Q4 2026	No	Both	1,6	Yes
56707OR1380010	Connect 9200 Bronze	Bronze	0.640	Yes	0.704	Terminated	N/A	Q1-Q4 2026	No	Both	1,6	Yes
56707OR1380014	Connect 9800 Bronze	Bronze	0.649	Yes	New	0.720	N/A	Q1-Q4 2026	No	Both	1,6	Yes
56707OR1380011	Connect Direct 5000 Silver	Silver	0.706	Yes	0.853	Terminated	N/A	Q1-Q4 2026	No	Off	1,6	Yes
56707OR1380012	Connect Direct 6000 Silver	Silver	0.720	Yes	New	0.811	N/A	Q1-Q4 2026	No	Off	1,6	Yes
56707OR1450001	Providence Oregon Direct Silver Plan - Signature Network	Silver	0.718	Yes	1.000	1.000	0.0%	Q1-Q4 2026	No	Off	1, 2, 3, 4, 5, 6, 7	Yes
56707OR1460001	Providence Oregon Direct Silver Plan - Choice Network	Silver	0.718	Yes	0.935	0.935	0.0%	Q1-Q4 2026	No	Off	1, 2, 3, 4, 5, 6, 7	Yes

Insurer's Financial Position:

The most recent Statement (YE 2024) reports net operating revenue of \$100.6 M¹ on \$2,477 M² in total revenue before net investment gains of \$46.6 M³. Capital and surplus is reported at \$683.5 M⁴ as of 31 December 2024.

Providence Health Plan (PHP) reserves are adequate to meet the Net Worth requirements as required by the State Insurance Division. As a matter of practice, Providence Health Plan has a goal that each major line of business (Group Commercial, Medicare, Medicaid, ASO, Individual Commercial, etc.) is able to support the cost of capital required for ongoing participation in each market.

The accompanying rate filing is calculated to produce a margin at a level required to maintain reasonable rate stability and insurer solvency over an extended period of time. The accompanying rate change is intended to help balance anticipated increases in benefit costs (what the Health Plan pays to health care providers) with member cost sharing (what the member pays in copays, coinsurance, and deductibles).

PHP's surplus is necessary to provide financial security to policy holders and the long-term commitment to our members.

¹ Statement of Revenue and Expenses col 2 row 24

² Statement of Revenue and Expenses col 2 row 2

³ Statement of Revenue and Expenses col 2 line 27

⁴ Liabilities Capital and Surplus col 3 line 33

ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1.	Bonds (Schedule D)	658,844,309	0	658,844,309	733,757,216
2.	Stocks (Schedule D):				
	2.1 Preferred stocks	0	0	0	0
	2.2 Common stocks	182,523,929	0	182,523,929	179,919,781
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens	0	0	0	0
	3.2 Other than first liens	0	0	0	0
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less \$.....0 encumbrances)	33,136,289	0	33,136,289	36,299,040
	4.2 Properties held for the production of income (less \$.....0 encumbrances)	0	0	0	0
	4.3 Properties held for sale (less \$.....0 encumbrances)	0	0	0	0
5.	Cash (\$.....207,774,103, Schedule E - Part 1), cash equivalents (\$.....11,398,529, Schedule E - Part 2) and short-term investments (\$.....0, Schedule DA)	219,172,632	0	219,172,632	248,303,018
6.	Contract loans (including \$.....0 premium notes)	0	0	0	0
7.	Derivatives (Schedule DB)	0	0	0	0
8.	Other invested assets (Schedule BA)	0	0	0	0
9.	Receivables for securities	9,435	0	9,435	7,327,680
10.	Securities lending reinvested collateral assets (Schedule DL)	0	0	0	0
11.	Aggregate write-ins for invested assets	23,419,218	23,419,218	0	0
12.	Subtotals, cash and invested assets (Lines 1 to 11)	1,117,105,812	23,419,218	1,093,686,594	1,205,606,735
13.	Title plants less \$.....0 charged off (for Title insurers only)	0	0	0	0
14.	Investment income due and accrued	4,107,005	0	4,107,005	5,542,254
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	97,781,825	256,739	97,525,086	80,468,947
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)	0	0	0	0
	15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....24,337,745)	24,337,745	0	24,337,745	24,677,000
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	487,594	0	487,594	2,722,866
	16.2 Funds held by or deposited with reinsured companies	0	0	0	0
	16.3 Other amounts receivable under reinsurance contracts	24,897,000	0	24,897,000	27,363,000
17.	Amounts receivable relating to uninsured plans	7,895,418	0	7,895,418	10,480,563
18.1	Current federal and foreign income tax recoverable and interest thereon	4,114,706	0	4,114,706	2,879,445
18.2	Net deferred tax asset	12,919,750	10,981,788	1,937,962	301,181
19.	Guaranty funds receivable or on deposit	0	0	0	0
20.	Electronic data processing equipment and software	17,387,482	17,387,482	0	0
21.	Furniture and equipment, including health care delivery assets (\$.....0)	374,777	374,777	0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23.	Receivables from parent, subsidiaries and affiliates	19,736,995	19,736,995	0	0
24.	Health care (\$.....25,144,537) and other amounts receivable	40,602,557	15,458,019	25,144,538	23,558,290
25.	Aggregate write-ins for other-than-invested assets	70,593	70,593	0	0
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,371,819,259	87,685,611	1,284,133,648	1,383,600,280
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28.	Total (Lines 26 and 27)	1,371,819,259	87,685,611	1,284,133,648	1,383,600,280
Details of Write-Ins					
1101.	LAND OPTION & PUT AGREEMENT ESCROW ACCOUNT	23,419,218	23,419,218	0	0
1102.		0	0	0	0
1103.		0	0	0	0
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199.	Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	23,419,218	23,419,218	0	0
2501.	Unclaimed Property	70,593	70,593	0	0
2502.		0	0	0	0
2503.		0	0	0	0
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	70,593	70,593	0	0

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1	2	3	4
		Covered	Uncovered	Total	Total
1.	Claims unpaid (less \$.....302,500 reinsurance ceded)	223,013,153	11,954,327	234,967,480	224,923,908
2.	Accrued medical incentive pool and bonus amounts	4,882,161	0	4,882,161	3,062,364
3.	Unpaid claims adjustment expenses	11,447,655	0	11,447,655	9,742,921
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act	54,562,000	0	54,562,000	77,179,000
5.	Aggregate life policy reserves	0	0	0	0
6.	Property/casualty unearned premium reserves	0	0	0	0
7.	Aggregate health claim reserves	0	0	0	0
8.	Premiums received in advance	30,403,942	0	30,403,942	26,254,161
9.	General expenses due or accrued	4,639,017	0	4,639,017	9,600,969
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses))	0	0	0	0
10.2	Net deferred tax liability	0	0	0	0
11.	Ceded reinsurance premiums payable	0	0	0	0
12.	Amounts withheld or retained for the account of others	0	0	0	0
13.	Remittances and items not allocated	0	0	0	0
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)	0	0	0	0
15.	Amounts due to parent, subsidiaries and affiliates	91,671,913	0	91,671,913	110,892,971
16.	Derivatives	0	0	0	0
17.	Payable for securities	4,942,020	0	4,942,020	18,172,348
18.	Payable for securities lending	0	0	0	0
19.	Funds held under reinsurance treaties (with \$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)	0	0	0	0
20.	Reinsurance in unauthorized and certified (\$.....0) companies	0	0	0	0
21.	Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22.	Liability for amounts held under uninsured plans	99,570,063	0	99,570,063	81,909,700
23.	Aggregate write-ins for other liabilities (including \$.....0 current)	63,789,962	0	63,789,962	93,585,843
24.	Total liabilities (Lines 1 to 23)	588,921,886	11,954,327	600,876,213	655,324,185
25.	Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26.	Common capital stock	XXX	XXX	0	0
27.	Preferred capital stock	XXX	XXX	0	0
28.	Gross paid in and contributed surplus	XXX	XXX	0	0
29.	Surplus notes	XXX	XXX	0	0
30.	Aggregate write-ins for other-than-special surplus funds	XXX	XXX	0	0
31.	Unassigned funds (surplus)	XXX	XXX	683,257,435	728,276,095
32.	Less treasury stock, at cost:				
32.1	0 shares common (value included in Line 26 \$.....0)	XXX	XXX	0	0
32.2	0 shares preferred (value included in Line 27 \$.....0)	XXX	XXX	0	0
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	683,257,435	728,276,095
34.	Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	1,284,133,648	1,383,600,280
Details of Write-Ins					
2301.	ASSUMED REINSURANCE PAYABLE	59,884,609	0	59,884,609	90,946,680
2302.	ACCRUED LEASE PAYABLE	921,511	0	921,511	1,148,035
2303.	OTHER LIABILITIES	5,341	0	5,341	28,621
2398.	Summary of remaining write-ins for Line 23 from overflow page	2,978,501	0	2,978,501	1,462,507
2399.	Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	63,789,962	0	63,789,962	93,585,843
2501.	.....	XXX	XXX	0	0
2502.	.....	XXX	XXX	0	0
2503.	.....	XXX	XXX	0	0
2598.	Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	.....	XXX	XXX	0	0
3002.	.....	XXX	XXX	0	0
3003.	.....	XXX	XXX	0	0
3098.	Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099.	Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1	2	3
		Uncovered	Total	Total
1.	Member Months	XXX	2,077,316	2,165,486
2.	Net premium income (including \$.....0 non-health premium income)	XXX	2,477,105,815	2,332,494,052
3.	Change in unearned premium reserves and reserve for rate credits	XXX	0	0
4.	Fee-for-service (net of \$.....0 medical expenses)	XXX	0	0
5.	Risk revenue	XXX	0	0
6.	Aggregate write-ins for other health care related revenues	XXX	0	0
7.	Aggregate write-ins for other non-health revenues	XXX	0	0
8.	Total revenues (Lines 2 to 7)	XXX	2,477,105,815	2,332,494,052
Hospital and Medical:				
9.	Hospital/medical benefits	0	603,660,992	617,062,387
10.	Other professional services	0	266,423,479	238,225,544
11.	Outside referrals	44,731,728	44,731,728	45,195,264
12.	Emergency room and out-of-area	4,852,968	48,025,425	41,486,833
13.	Prescription drugs	0	166,293,378	168,536,982
14.	Aggregate write-ins for other hospital and medical	0	1,833,930	2,179,594
15.	Incentive pool, withhold adjustments and bonus amounts	0	7,021,199	15,125,724
16.	Subtotal (Lines 9 to 15)	49,584,696	1,137,990,131	1,127,812,328
Less:				
17.	Net reinsurance recoveries	0	(1,121,876,209)	(958,387,403)
18.	Total hospital and medical (Lines 16 minus 17)	49,584,696	2,259,866,340	2,086,199,730
19.	Non-health claims (net)	0	0	0
20.	Claims adjustment expenses, including \$.....34,760,278 cost containment expenses	0	69,195,716	58,079,767
21.	General administrative expenses	0	269,666,223	258,628,392
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)	0	(21,000,000)	11,000,000
23.	Total underwriting deductions (Lines 18 through 22)	49,584,696	2,577,728,279	2,413,907,889
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(100,622,464)	(81,413,837)
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	0	35,363,581	38,998,088
26.	Net realized capital gains (losses) less capital gains tax of \$.....0	0	11,272,848	(1,105,399)
27.	Net investment gains (losses) (Lines 25 plus 26)	0	46,636,429	37,892,689
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....240,978)]	0	(240,978)	(578,720)
29.	Aggregate write-ins for other income or expenses	0	0	0
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	(54,227,013)	(44,099,868)
31.	Federal and foreign income taxes incurred	XXX	0	0
32.	Net income (loss) (Lines 30 minus 31)	XXX	(54,227,013)	(44,099,868)
Details of Write-Ins				
0601.	.....	XXX	0	0
0602.	.....	XXX	0	0
0603.	.....	XXX	0	0
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699.	Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	.....	XXX	0	0
0702.	.....	XXX	0	0
0703.	.....	XXX	0	0
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799.	Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.	OTHER PAYMENTS TO PROVIDERS	0	1,833,930	2,179,594
1402.	.....	0	0	0
1403.	.....	0	0	0
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499.	Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	1,833,930	2,179,594
2901.	.....	0	0	0
2902.	.....	0	0	0
2903.	.....	0	0	0
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999.	Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (CONTINUED)

		1	2
CAPITAL & SURPLUS ACCOUNT		Current Year	Prior Year
33.	Capital and surplus prior reporting year	728,276,095	783,855,125
34.	Net income or (loss) from Line 32	(54,227,013)	(44,099,868)
35.	Change in valuation basis of aggregate policy and claim reserves	0	0
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	2,898,368	7,940,216
37.	Change in net unrealized foreign exchange capital gain or (loss)	0	0
38.	Change in net deferred income tax	10,911,879	1,278,803
39.	Change in nonadmitted assets	(18,157,437)	(19,741,885)
40.	Change in unauthorized and certified reinsurance	0	0
41.	Change in treasury stock	0	0
42.	Change in surplus notes	0	0
43.	Cumulative effect of changes in accounting principles	0	0
44.	Capital Changes:		
44.1	Paid in	0	0
44.2	Transferred from surplus (Stock Dividend)	0	0
44.3	Transferred to surplus	0	0
45.	Surplus adjustments:		
45.1	Paid in	0	0
45.2	Transferred to capital (Stock Dividend)	0	0
45.3	Transferred from capital	0	0
46.	Dividends to stockholders	0	0
47.	Aggregate write-ins for gains or (losses) in surplus	13,555,543	(956,296)
48.	Net change in capital and surplus (Lines 34 to 47)	(45,018,660)	(55,579,030)
49.	Capital and surplus end of reporting year (Line 33 plus 48)	683,257,435	728,276,095
Details of Write-Ins			
4701.	Custodian Cash written off	13,556,797	0
4702.	PSA Balance written back	(1,254)	0
4703.	Depreciation Acceleration	0	(956,296)
4798.	Summary of remaining write-ins for Line 47 from overflow page	0	0
4799.	Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	13,555,543	(956,296)

FIVE-YEAR HISTORICAL DATA

	1	2	3	4	5
	2024	2023	2022	2021	2020
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	1,284,133,648	1,383,600,280	1,338,278,274	1,754,556,959	1,191,181,456
2. Total liabilities (Page 3, Line 24)	600,876,213	655,324,185	554,423,149	930,428,774	423,955,897
3. Statutory minimum capital and surplus requirement	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
4. Total capital and surplus (Page 3, Line 33)	683,257,435	728,276,095	783,855,125	824,128,185	767,225,559
Income Statement (Page 4)					
5. Total revenues (Line 8)	2,477,105,815	2,332,494,052	2,158,990,552	2,003,870,378	1,189,801,265
6. Total medical and hospital expenses (Line 18)	2,259,866,340	2,086,199,730	1,838,998,323	1,785,086,429	877,725,132
7. Claims adjustment expenses (Line 20)	69,195,716	58,079,767	44,066,860	73,402,526	39,575,294
8. Total administrative expenses (Line 21)	269,666,223	258,628,392	223,532,582	153,975,979	109,181,510
9. Net underwriting gain (loss) (Line 24)	(100,622,464)	(81,413,837)	23,392,787	34,405,444	109,319,329
10. Net investment gain (loss) (Line 27)	46,636,429	37,892,689	(49,944,599)	10,176,978	21,958,461
11. Total other income (Lines 28 plus 29)	(240,978)	(578,720)	(795,980)	(401,827)	(43,538,090)
12. Net income or (loss) (Line 32)	(54,227,013)	(44,099,868)	(28,066,861)	44,180,595	87,739,700
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(124,371,177)	52,500,195	83,717,439	166,557,446	131,533,835
Risk-Based Capital Analysis					
14. Total adjusted capital	683,257,435	728,276,095	783,855,125	824,128,185	767,225,559
15. Authorized control level risk-based capital	94,095,593	86,034,970	80,667,906	78,034,116	72,257,278
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	169,607	179,351	173,307	169,476	179,019
17. Total members months (Column 6, Line 7)	2,077,316	2,165,486	2,081,718	2,060,141	2,229,094
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	91.2	89.4	85.2	89.1	73.8
20. Cost containment expenses	1.4	1.2	1.0	1.9	1.7
21. Other claims adjustment expenses	1.4	1.3	1.0	1.7	1.7
22. Total underwriting deductions (Line 23)	104.1	103.5	98.9	98.3	90.8
23. Total underwriting gain (loss) (Line 24)	(4.1)	(3.5)	1.1	1.7	9.2
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5)	87,313,174	165,844,302	177,914,564	51,149,462	60,775,709
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]	114,550,198	179,565,127	217,874,608	82,259,918	100,351,280
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	60,966,104	62,145,867	62,487,247	64,460,094	206,019,092
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	60,966,104	62,145,867	62,487,247	64,460,094	206,019,092
33. Total investment in parent included in Lines 26 to 31 above	0	0	0	0	0

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3—Accounting Changes and Correction of Errors?
If no, please explain

OVERFLOW PAGE FOR WRITE-INS

LIABILITIES, CAPITAL AND SURPLUS				
	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
2304. CLAIMS REFUNDS IN PROCESS	1,103,399	0	1,103,399	279,226
2305. UNCLAIMED PROPERTY	1,875,102	0	1,875,102	1,069,726
2306. ALTERNATIVE FUNDING	0	0	0	113,556
2397. Summary of remaining write-ins for Line 23 from overflow page	2,978,501	0	2,978,501	1,462,507
2597. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
3097. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0



SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

(To Be Filed By April 1 – Not for Rebate Purposes – See Cautionary Statement at https://content.naic.org/sites/default/files/inline-files/committees_e_app_blanks_related_shce_cautionary_statement.pdf)

Report For: 1. Corporation PROVIDENCE HEALTH PLAN 2. Location: 4400 N.E. HALSEY BLDG # 2. STE. # 690 PORTLAND, OR, US 97213-1545

NAIC Group Code: 4788

Business in the State of Oregon

During the Year: 2024

NAIC Company Code: 95005

		Business Subject to MLR									10	11	12	13	14	15
		Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9						
		1	2	3	4	5	6	7	8							
		Individual	Small Group Employer	Large Group Employer	Individual	Small Group Employer	Large Group Employer	Small Group	Large Group	Student Health Plans	Government Business (excluded by statute)	Other Health Business	Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	Subtotal (Cols 1 thru 12)	Uninsured Plans	Total 13 + 14
1.	Premium:															
1.1	Health premiums earned (From Part 2, Line 1.11)	357,237,634	304,768,627	563,469,405	0	0	0	0	0	0	0	0	0	1,225,475,666	XXX	1,225,475,666
1.2	Federal high risk pools	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	0
1.3	State high risk pools	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	0
1.4	Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3)	357,237,634	304,768,627	563,469,405	0	0	0	0	0	0	0	0	0	1,225,475,666	XXX	1,225,475,666
1.5	Federal taxes and federal assessments	139,155	131,406	(6,596,003)	0	0	0	0	0	0	0	0	0	(6,325,442)	0	(6,325,442)
1.6	State insurance, premium and other taxes (Similar local taxes of \$0)	13,938,577	6,504,391	10,802,731	0	0	0	0	0	0	0	0	0	31,245,699	0	31,245,699
1.6a	Community Benefit Expenditures (informational only)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1.7	Regulatory authority licenses and fees	9,854	8,584	14,197	0	0	0	0	0	0	0	0	0	32,635	0	32,635
1.8	Adjusted premiums earned (Lines 1.4 – 1.5 – 1.6 – 1.7)	343,150,048	298,124,246	559,248,480	0	0	0	0	0	0	0	0	0	1,200,522,774	XXX	1,200,522,774
1.9	Net assumed less ceded reinsurance premiums earned	(491,880)	(510,511)	(3,138,783)	0	0	0	0	0	0	273,551,952	7,942,283	864,095,995	1,141,449,056	XXX	1,141,449,056
1.10	Other adjustments due to MLR calculations – Premiums	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	0
1.11	Risk revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	0
1.12	Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11)	342,658,168	297,613,735	556,109,697	0	0	0	0	0	0	273,551,952	7,942,283	864,095,995	2,341,971,830	XXX	2,341,971,830
2.	Claims:															
2.1	Incurred claims excluding prescription drugs	263,178,981	247,233,673	442,778,340	0	0	0	0	0	0	0	0	0	953,190,994	XXX	953,190,994
2.2	Prescription drugs	87,965,461	72,251,493	112,299,593	0	0	0	0	0	0	0	0	0	272,516,547	XXX	272,516,547
2.3	Pharmaceutical rebates	34,004,208	29,469,319	44,670,181	0	0	0	0	0	0	0	0	0	108,143,708	XXX	108,143,708
2.4	State stop loss, market stabilization and claim/census based assessments (informational only)	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	0
3.	Incurred medical incentive pools and bonuses	3,178,226	1,128,300	2,714,672	0	0	0	0	0	0	0	0	0	7,021,198	XXX	7,021,198
4.	Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5.	5.0 Total incurred claims (Lines 2.1 + 2.2 – 2.3 + 3) (From Part 2, Line 2.15)	320,318,460	291,144,147	513,122,424	0	0	0	0	0	0	0	0	0	1,124,585,031	XXX	1,124,585,031
5.1	Net assumed less ceded reinsurance claims incurred	(33,958,920)	(593,254)	(575,391)	0	0	0	0	0	0	250,663,995	8,499,806	823,064,786	1,047,101,022	XXX	1,047,101,022
5.2	Other adjustments due to MLR calculations – Claims	0	(19,000,000)	0	0	0	0	0	0	0	2,000,000	1,000,000	(4,000,000)	(20,000,000)	XXX	(20,000,000)
5.3	Rebates paid	0	0	0	0	0	0	0	0	0	XXX	XXX	0	0	XXX	0
5.4	Estimated rebates unpaid prior year	0	0	0	0	0	0	0	0	0	XXX	XXX	0	0	XXX	0
5.5	Estimated rebates unpaid current year	0	0	0	0	0	0	0	0	0	XXX	XXX	0	0	XXX	0
5.6	Fee for service and co-pay revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	0
5.7	Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6)	286,359,540	271,550,893	512,547,033	0	0	0	0	0	0	252,663,995	9,499,806	819,064,786	2,151,686,053	XXX	2,151,686,053
6.	Improving Health Care Quality Expenses Incurred:															
6.1	Improve Health Outcomes	3,538,824	2,034,369	3,819,999	0	0	0	0	0	0	2,784,326	49,588	11,184,733	23,411,839	0	23,411,839
6.2	Activities to prevent hospital readmissions	78,791	71,410	122,360	0	0	0	0	0	0	488,810	0	1,315,321	2,076,692	0	2,076,692
6.3	Improve patient safety and reduce medical errors	46,955	43,604	75,580	0	0	0	0	0	0	0	0	10,819	176,958	0	176,958
6.4	Wellness and health promotion activities	923,034	597,811	1,539,952	0	0	0	0	0	0	12,189	120,597	5,254,029	8,447,612	0	8,447,612
6.5	Health Information Technology expenses related to health improvement	125,196	125,365	224,623	0	0	0	0	0	0	119,372	7,564	122,798	724,918	0	724,918
6.6	Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2 + 6.3 + 6.4 + 6.5)	4,712,800	2,872,559	5,782,514	0	0	0	0	0	0	3,404,697	177,749	17,887,700	34,838,019	0	34,838,019
7.	Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.6 – Footnote 2.0) / Line 1.8	0.947	0.986	0.928	0	0	0	0	0	0	XXX	XXX	0	XXX	XXX	XXX
8.	Claims Adjustment Expenses:															
8.1	Cost containment expenses not included in quality of care expenses in Line 6.6	9,211,103	7,406,206	12,623,351	0	0	0	0	0	0	7,300,695	295,617	22,948,966	59,785,938	0	59,785,938
8.2	All other claims adjustment expenses	4,097,885	4,595,130	7,004,908	0	0	0	0	0	0	3,110,285	241,601	6,943,515	25,993,324	0	25,993,324
8.3	Total claims adjustment expenses (Lines 8.1 + 8.2)	13,308,989	12,001,336	19,628,259	0	0	0	0	0	0	10,410,980	537,218	29,892,481	85,779,263	0	85,779,263
9.	Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8)	0.039	0.040	0.035	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX

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SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 (CONTINUED)

(To Be Filed By April 1 – Not for Rebate Purposes)

	Business Subject to MLR									10	11	12	13	14	15
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9	Government Business (excluded by statute)	Other Health Business	Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	Subtotal (Cols 1 thru 12)	Uninsured Plans	Total 13 + 14
	1	2	3	4	5	6	7	8							
	Individual	Small Group Employer	Large Group Employer	Individual	Small Group Employer	Large Group Employer	Small Group	Large Group	Student Health Plans						
10. General and Administrative (G&A) Expenses:															
10.1 Direct sales salaries and benefits	486,510	1,215,891	4,696,855	0	0	0	0	0	0	89,251	388,504	3,731,373	10,608,384	0	10,608,384
10.2 Agents and brokers fees and commissions	3,983,065	10,153,154	16,834,499	0	0	0	0	0	0	0	1,032,469	8,983,168	40,986,355	0	40,986,355
10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below)	156,237	166,968	7,153,762	0	0	0	0	0	0	8,480	5,567	26,681	7,517,695	0	7,517,695
10.4 Other general and administrative expenses	10,847,508	11,557,464	19,291,448	0	0	0	0	0	0	16,138,338	2,054,449	16,130,961	76,020,168	43,730,858	119,751,026
10.4a Community Benefit Expenditures (informational only)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10.5 Total general and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)	15,473,320	23,093,477	47,976,564	0	0	0	0	0	0	16,236,069	3,480,989	28,872,183	135,132,602	43,730,858	178,863,460
11. Underwriting Gain/(Loss) (Lines 1.12 – 5.7 – 6.6 – 8.3 – 10.5)	22,803,519	(11,904,530)	(29,824,673)	0	0	0	0	0	0	(9,163,789)	(5,753,479)	(31,621,155)	(65,464,107)	XXX	(109,194,965)
12. Income from Fees of Uninsured Plans	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
13. Net Investment and Other Gain/(Loss)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	46,636,429	XXX	46,636,429
14. Federal Income Taxes (excluding taxes on Line 1.5 above)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	0
15. Net Gain or (Loss) (Lines 11 + 12 + 13 – 14)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	(18,827,678)	XXX	(62,558,536)
16. ICD-10 Implementation Expenses (informational only; already included in general expenses and Line 10.4)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16a ICD-10 Implementation Expenses (informational only; already included in Line 10.4)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER INDICATORS:															
1. Number of Certificates/Policies	27,303	28,581	48,540	0	0	0	0	0	0	0	0	0	104,424	74,997	179,421
2. Number of Covered Lives	41,427	43,412	82,792	0	0	0	0	0	0	0	0	0	167,631	0	167,631
3. Number of Groups	XXX	0	1,886	XXX	0	0	0	0	0	1	0	13	1,900	0	1,900
4. Member Months	519,804	543,182	990,176	0	0	0	0	0	0	0	0	0	2,053,162	0	2,053,162

Is run-off business reported in Columns 1 through 9 or 12? If yes, show the amount of premiums and claims included: Premiums \$0 Claims \$0

AFFORDABLE CARE ACT (ACA) RECEIPTS, PAYMENTS, RECEIVABLES AND PAYABLES				
	Current Year		Prior Year	
	Comprehensive Health Coverage		Comprehensive Health Coverage	
	1	2	3	4
	Individual Plans	Small Group Employer Plans	Individual Plans	Small Group Employer Plans
ACA Receivables and Payables				
1. Permanent ACA Risk Adjustment Program				
1.0 Premium adjustments receivable/(payable)	29,122,266	1,082,811	18,975,860	2,483,040
2. Transitional ACA Reinsurance Program				
2.0 Total amounts recoverable for claims (paid & unpaid)	0	XXX	0	XXX
3. Temporary ACA Risk Corridors Program				
3.1 Accrued retrospective premium	0	0	0	0
3.2 Reserve for rate credits or policy experience refunds	0	0	0	0
ACA Receipts and Payments				
4. Permanent ACA Risk Adjustment Program				
4.0 Premium adjustments receipts/(payments)	29,122,266	1,082,811	21,881,174	2,483,040
5. Transitional ACA Reinsurance Program				
5.0 Amounts received for claims	0	XXX	0	XXX
6. Temporary ACA Risk Corridors Program				
6.1 Retrospective premium received	0	0	0	0
6.2 Rate credits or policy experience refunds paid	0	0	0	0

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Cost and Quality Metrics, CY 2026 Individual and Small Group Rate Filings

<http://dfr.oregon.gov/rates-forms/Documents/recommendation-to-governor.pdf>

Table 1: Utilization per 1,000 members and per member, per month costs

Major Medical Service Category	Count Type	Utilization ¹	Cost Per Utilization ²	Cost PMPM ³
Inpatient	Admissions	42.82	\$31,351.70	\$111.88
	Days	200.85	\$6,684.35	\$111.88
Outpatient	Visits	1,705.66	\$1,134.09	\$161.20
Emergency Room	Visits	95.24	\$226.37	\$1.80
Primary Care Physicians	Visits	4,459.64	\$206.26	\$76.65
Specialty Care Physicians	Visits	7,210.08	\$152.49	\$91.62
Pharmacy - Outpatient ⁴	Scripts	13,882.20	\$114.55	\$132.52
Other	Misc	464.02	\$387.68	\$14.99

Data reflects the carrier's statewide, commercial, fully funded, major medical insurance in 2024.

¹ Utilization is expressed in terms of "per 1,000 members, per year."

² Costs include additional services provided at that service. For example, pharmacy prescriptions filled in an inpatient stay will show up in the Inpatient category

³ Costs per member per month, before applying cost sharing. The formula to calculate PMPM costs is Utilization * Cost per Utilization / 12,000

⁴ Does not include costs of drugs administered during a hospital admission

Cost and Quality Metrics, CY 2026 Individual and Small Group Rate Filings

<http://dfr.oregon.gov/rates-forms/Documents/recommendation-to-governor.pdf>

Table 2: Key Quality Measures

Major Medical Service Category	Company Measure
Access to Care (CAHPS) <i>Percentage of patients (adults and children) who thought they received appointments and care when they needed them.</i>	77.0%
Breast Cancer Screening <i>Percentage of women 50 to 74 who had a mammogram for breast cancer every 2 years.</i>	77.0%
Hemoglobin A1c Control for Patients with Diabetes <i>Percentage of members 18 to 75 with diabetes (types 1 and 2) whose hemoglobin A1c (HbA1c) was adequately controlled (<8.0%) during the measurement year.</i>	71.1%
Follow-Up After Hospitalization for Mental Illness <i>Percentage of patients (ages 6+) who received a follow-up with a health care provider within 7 days of being discharged from the hospital for mental illness.</i>	54.9%
Developmental Screening in the First Three Years of Life <i>Percentage of children who were screened for risks of developmental, behavioral and social delays using standardized screening tools in the 12 months preceding their first, second or third birthday.</i>	N/A

Measures reflects the carrier's statewide, commercial, fully funded, major medical insurance.

Metrics are for informative purposes only.

Based on HEDIS MY2023 Commercial Submission (Calendar Year 2024)

CAHPS rate is a raw rate based on Getting Care Quickly derived from Press Ganey (CAHPS survey and auditing firm)

<http://library.state.or.us/repository/2013/201306271354084/index.pdf>

Standard Review Questions 2026

- What is the greatest financial loss and gain that the company believes is conceivable in 2025? 2026?

Individual – 2026 Projection		
	Gain	Loss
2025	\$31M	\$0M
2026	\$45M	-\$6M
Small Group – 2026 Projection		
	Gain	Loss
2025	\$0M	-\$28M
2026	\$31M	-\$15M

- Please describe the nature, extent, and results of stress testing performed in developing the proposed rates?

Revenue and administrative costs were held constant for the gain and loss scenarios in each calendar year. A confidence interval was applied to current 2024 expense expectations to create gain and loss scenarios for 2024.

Favorable and unfavorable trend assumptions were applied to the 2024 gain and loss scenarios to project 2025.

- How have these projections changed since last year's filing?

Last year, we projected a greatest gain for the year 2025 of \$35M for Individual and \$24M for Small Group. We projected a greatest loss for the year 2025 of -\$22M for Individual and -\$30M for Small Group.

Individual – 2025 filing		
	Gain	Loss
2025	\$35M	-\$22M
Small Group – 2025 filing		
	Gain	Loss
2025	\$24M	-\$30M

- What was the average age factor for 2025 premiums? What is the initial average age factor being filed for 2026 premiums?

Market	2025	2026
Individual	1.745	1.759
Small Group	1.414	1.423

3. C Primary Care spending: As required by OAR 836-053-0473, identify the following information regarding the company's spending on primary care in the Primary Care Spending in Oregon Report (located at <https://www.oregon.gov/oha/HPA/ANALYTICS/PCSpendingDocs/2020-Oregon-Primary-Care-Spending-Report-Legislature.pdf>).

- a. Percentage of medical spending allocated to primary care.

Commercial primary care spending is projected to be 13.2% of total medical spending in 2023.

- b. If the organizations spend is less than 12%, the rate filing should include a plan to increase primary care spending by 1% per year.

N/A

4. Under SB 1529 (2020), consumers are entitled to three \$5 primary care visits annually, before deductible.

- a. How many consumers used at least one of the \$5 visits in 2024.

	Number of Members
Individual	22,197
Small Group	16,308

- b. How many consumers used all three visits in 2024?

	Number of Members
Individual	6,019
Small Group	4,053

5. What is the load to silver plan rates attributable to the non-payment of CSRs? How is this is calculated?

Small Group: N/A

Individual: The CSR load was calculated to be 5.46%. Projected additional CSR expense is calculated by trending 2024 experience to 2026, and then multiplying the trended allowed PMPM for each CSR variant by the difference between the CSR AV and the base Silver AV. These additional expense PMPMs are then multiplied by the projected 2026 membership for each plan variant to obtain the total additional expected CSR cost. See Exhibit 24 for detailed calculations.

6. If enhanced subsidies end what is the expected rate impact?

Small Group: N/A

Individual: The expected impact of terminating enhanced subsidies is 1%.

7. What is your organization's 2024 spend on telehealth? Both the total claims dollar amount and the percent of overall claims spend?

Commercial Dollars: **\$40,497,307.41**

% of Overall Claims Spend: **3.3%**

8. Has your organization experienced increased spending on abortion service with recent federal actions, or actions of other states, related to abortion access?

Our data does not reflect an increase in commercial/individual spending on abortion services in 2024.

9. How is your organization managing healthcare workforce shortages impacting care availability generally?

- a. Are providers requesting contract changes due to workforce shortages?

While workforce shortages are rarely the sole reason cited in formal contract amendment requests, they have become a consistent undercurrent in provider negotiations. Many providers reference staffing limitations and clinician burnout alongside rising operating expenses and diminished revenues—conditions that were exacerbated during the height of the COVID-19 pandemic and continue to impact financial stability today. Independent practices, in particular, have expressed concern over the sustainability of their operations amid difficulties in hiring and retaining qualified clinical staff.

Although these workforce-related pressures have not resulted in broad-based contractual restructuring, they are frequently raised in the context of pricing discussions. Providers are seeking adjustments that reflect not only increased overhead but also reduced capacity, which often translates into fewer billable encounters. PHP evaluates each request through a balanced lens that considers network adequacy, service disruption risk, and overall rate parity. We remain committed to upholding fair, data-informed reimbursement structures while preserving access and supporting the viability of essential community providers.

- b. How has your organization adjusted networks to ensure adequacy?

To maintain network adequacy, Providence Health Plan has adopted a multi-pronged approach that combines traditional network development strategies with innovative access solutions. We conduct continuous monitoring of geo-access scores and regularly audit appointment availability across primary, specialty, and behavioral health services to ensure we are meeting both regulatory benchmarks and internal expectations for timely care. Recognizing that traditional expansion alone may not sufficiently address evolving access constraints, we have significantly broadened our telehealth offerings. These include virtual services in behavioral health, and primary care, all of which are integrated into our benefit structure to support parity and ease of access for members. Our telehealth expansion not

only alleviates appointment backlogs but also helps stabilize care availability in rural and high-demand markets.

In partnership with our largest medical group, we have also developed and implemented a virtual-first model known as “The Bridge Team.” This program is designed to support members who have an established primary care provider within the group but face delays in obtaining in-person care. The Bridge Team provides virtual clinical support during these interim periods, helping to preserve continuity of care while reducing downstream impacts on emergency departments or deferred treatment.

PHP continues to conduct targeted network expansions, with particular attention to specialties and geographic regions where access remains strained. Recruitment efforts have been accelerated, and in some cases, we’ve implemented single case agreements. This holistic and adaptive approach reflects our commitment to sustaining adequate access despite broader system-level workforce constraints.

10. How many members who were enrolled in the -05 (87% CSR) and -06 (95% CSR) silver plans did not re-enroll with your company in 2025?

Small Group: N/A

Individual: 2,413

11. For the following categories of care please provide the trend, total claim dollars spent, and the percentage of overall claims spend for the following service category. Have there been noticeable utilization changes in these categories?

a. Mental Healthcare/Substance Use Disorder Services

	Small Group	Individual	All Commercial/INDV
PMPM trend 2024/2023 CY:	10.8%	18.2%	13.6%
Total Claim Dollars Spent (paid)	\$15,550,747	\$13,964,047	\$55,922,353
% of Overall Claims Spend:	4.9%	4.0%	4.5%

There was a noticeable increase in utilization for Mental Healthcare.

b. Inpatient/hospitalization

	Small Group	Individual	All Commercial/INDV
PMPM trend 2024/2023 CY:	6.2%	-0.8%	3.2%
Total Claim Dollars Spent (paid)	\$58,660,560	\$68,074,439	\$232,334,609
% of Overall Claims Spend:	18.4%	19.4%	18.9%

There was a noticeable increase in utilization of Inpatient care in the Small Group LOB.

c. Prescription Drug

	Small Group	Individual	All Commercial/INDV
PMPM trend 2024/2023 CY:	15.1%	11.0%	10.9%
Total Claim Dollars Spent (paid)	\$72,277,024	\$87,773,046	\$275,188,339
% of Overall Claims Spend:	22.7%	25.0%	22.3%

There was a noticeable increase in utilization of Prescription drugs for the Small Group LOB.

d. Preventive Services

	Small Group	Individual	All Commercial/INDV
PMPM trend 2024/2023 CY:	7.8%	6.4%	5.8%
Total Claim Dollars Spent (paid)	\$12,090,069.07	\$12,666,256.60	\$45,617,982.24
% of Overall Claims Spend:	3.8%	3.6%	3.7%

There was a noticeable increase in utilization of Preventive Services.

e. Outpatient care, not including emergency care

	Small Group	Individual	All Commercial/INDV
PMPM trend 2024/2023 CY:	19.2%	0.1%	9.7%
Total Claim Dollars Spent (paid)	\$77,093,350	\$83,938,782	\$294,104,848
% of Overall Claims Spend:	24.2%	23.9%	23.9%

There was not a noticeable increase in utilization of outpatient care excluding emergency services.

f. Emergency services

	Small Group	Individual	All Commercial/INDV
PMPM trend 2024/2023 CY:	19.2%	2.4%	17.2%
Total Claim Dollars Spent (paid)	\$9,535,589	\$6,296,081	\$40,641,288
% of Overall Claims Spend:	3.0%	1.8%	3.3%

There was not a noticeable increase in utilization of emergency services.

12. What is the total dollar amount of prescription drug rebates received in the experience period?

Small Group: \$28,632,046

Individual: \$34,116,775

13. What is the percent of overall spend on in-network vs. out-of-network spend?

	In of Network	Out of Network
Small Group	93.2%	6.8%
Individual	99.7%	0.3%

14. Has your organization experienced an increase in claims costs from ongoing communicable disease events in Oregon or nationally – including whooping cough, avian flu, and measles?

Our commercial spend on whooping cough has increased slightly from October 2024 to February 2025, spend on measles has not changed, and spend on avian flu has been increasing from December 2024 through March 2025.

15. In what ways has the company reflected federal uncertainty in the filed rates?

No adjustments were made to account for federal uncertainty in our rates.

Reliance Certification

I, Kai Wu, hereby certify that the items described below, submitted to, and relied on by Oliver Wyman Actuarial Consulting, Inc. (Oliver Wyman) in support of the Part III Actuarial Memorandum and corresponding Actuarial Certifications for Providence Health Plans (PHP), were prepared under my direction and are accurate, complete, and reasonable to the best of my knowledge and belief. I acknowledge that should any of this information be incorrect or any of these items not be realized, the resulting financial experience in 2026 could differ significantly from that which is projected by Oliver Wyman.

- Annualized medical, pharmacy, and capitation unit cost, severity, and utilization trends
- Network factors and changes in network contracting and provider utilization mix
- Historical claims, premium, and membership for PHP's Individual business used in development of the rates, including:
 - Incurred and Allowed claims, net of Rx rebates (Jan 2024-Dec 2024, paid through Feb 2025, completed)
 - Membership data by age, gender, product type
 - Premium, risk score completion factors, and medical completion factors
 - Capitation expense
- Rating area factors and confirmation that these factors reflect only differences in the costs of delivery and do not include differences for population morbidity by geographic area
- Confirmation that all 2026 plan designs are ACA-compliant
- Federal actuarial values for all plan designs
- Induced utilization factors in consultation with Oliver Wyman
- Actuarial Value, modifications, and benefit relativity factors reflecting the anticipated paid-to-allowed ratios for each of the proposed 2026 plan designs
- Load for On-Exchange Silver Plans Due to CSR defunding
- Projected 2026 risk transfer amount
- Projected claims impact of Oregon's state reinsurance program
- Projected membership distribution by plan ID, rating area, age, gender, exchange status, and projected membership counts
- Projected cost estimates for the non-EHBs which will be covered in 2026 including adult vision, shoe inserts, travel benefits, wig benefits, and fertility preservation
- Tobacco load and expected tobacco-utilizing population
- Any other information provided in support of the 2026 PHP Individual rate development that was relied on by Oliver Wyman

While I have reviewed the reasonableness of the assumptions and data provided by PHP in support of the rate development applicable to the products discussed in this filing, I relied on the expertise of other PHP employees, along with work products produced at their direction, for the following items:

-
- Exhibit 5: Statement of Administrative Expenses
 - Appendix I: Insurer's Financial Position
 - Appendix II: Cost Containment and Quality Improvement Efforts
 - Provider Reimbursement Projections
 - Internal business plans and confirmation that the filing is consistent with PHP's internal business plans
 - Projected Rx rebates
 - Projected general administration expenses, quality improvement expenses, commission, taxes, and target profit margin
 - Product names, product IDs, plan names, and plan IDs for each benefit plan
 - Plan mapping from 2025 portfolio plans to 2026 portfolio plans and indication of terminating and renewing plans
 - 2026 plan designs
 - 2026 geographic footprint

In addition, to calculate our relative risk to the market in 2024 and the impact of 2026 risk adjustment methodology changes, PHP has relied upon the Wakely WNRAR project.

Name: Kai Wu

Position: Senior Director Actuarial Analytics



Signature

5/14/2025

Date

kai.wu@providence.org

Email Address

909-525-0435

Phone Number

Department of Consumer and Business Services
Oregon Division of Financial Regulation
350 Winter St. N.E.
P.O. Box 14480
Salem, OR 97309
Phone: (503) 947-7983

**TRANSMITTAL AND REQUIREMENTS FOR
MODIFICATION AND DISCONTINUANCE OF HEALTH BENEFIT PLANS**

Date: 05/12/2025

Filing entity name (if not insurer): _____

If not the insurer, a letter of authorization must be included in the filing.

Contact person's name: Jill Long

Contact person's title: Senior Regulatory Affairs Consultant

Mailing address: 4400 N.E Halsey St., Bldg.2, Portland, OR 97213

Telephone no.: (503) 574-7814

E-mail address: jill.long@providence.org

This filing is submitted for:

☒ **UNIFORM MODIFICATION OF COVERAGE – OAR 836-053-0002**

(complete Sections I, III, and V)

☒ **DISCONTINUANCE – OAR 836-053-0002, ORS 743B.013; 743B.105; 743B.125; 45 C.F.R. § 148.122,**

(complete Sections II, IV, and VI)

The following is a checklist to help carriers make a complete filing in compliance with relevant statutes and rules. In some cases, statements contained in this form are summaries and it may be necessary to refer to the entire statute or rule. The filer's signature on the certification form is confirmation that diligent consideration has been given each item.

☒ Individual

☐ Grandfathered

☐ Small Group

☐ Non-Grandfathered (Pre-2014)

☐ Large Group

☒ Non-Grandfathered (Metal Level Plans)

Note: CMS model notices and OID provided Oregon-specific notices do not have to be filed.

I. UNIFORM MODIFICATION OF COVERAGE – 45 CFR 147.106(e)

Read and complete either number one or number two below. The type of uniform modification will only be applicable under one of the two numbers. If both numbers are completed, the filing will be rejected.

1. Uniform modifications of coverage due to federal or state requirements

- ☐ The modifications are made uniformly and solely pursuant to applicable federal or state requirements are considered a uniform modification of coverage.
- The modification must be made within a reasonable time period after the imposition or modification of the federal or state requirement. Please provide the date of the imposition or modification of the federal or state requirement: _____
 - The modification is directly related to the imposition or modification of the federal or state requirement. Provide a brief description of the requirement:

2. Uniform modifications of coverage – OTHER

- ☒ The modification is *not* due to federal or state requirements but meets ***all*** of the following criteria.
- The modifications are made uniformly to all plans within a product
 - The product is offered by the same health insurance issuer
 - The product is offered as the same product network type (EPO, POS, PPO)
 - The product continues to cover at least a majority of the same service area
 - Within the product, each plan has the same cost-sharing structure as before, except for any variation in cost sharing solely related to changes in cost and utilization of medical care, or to maintain the same metal tier level
 - The product provides the same covered benefits, except for any changes in benefits that cumulatively impact the plan adjusted index rate for any plan within the product within an allowable variation of +/- 2 percentage points

Important: A modification to the maximum out-of-pocket amount that results in a change of greater than the allowable +/- 2 percentage points is a discontinuance.

II. DISCONTINUANCE – OAR-836-053-0002

Select the applicable reason for product discontinuance below and answer questions 1 - 5.

- ☐ One or more decreases or increases in the services or benefits covered in a health benefit plan when the change alters the level of coverage as defined in 42 U.S.C. 18022(d)
- ☐ The product network type is changing (e.g. EPO, POS, PPO)
- ☐ The product does not cover the majority of the same service area
- ☐ Within the product, the cost sharing structure of a plan or multiple plans has changed. The change in cost sharing structure is not solely related to changes in cost and utilization of medical care, or to maintain the same metal tier level
- ☐ The product does not cover the same benefits
- ☒ Changes to the adjusted index rate are greater than the allowable variation of +/- 2 percentage points

1. Does the carrier have other group products in this state?

☒ Yes ☐ No

If yes, select: ☐ Small group ☐ Large group ☐ Both large and small group

2. Does the carrier have other individual health products in this state?

☒ Yes ☐ No

3. The carrier is discontinuing offering and renewing all health benefit products in specified areas within Oregon.

☐ Yes ☒ No

If yes, list all affected counties: _____

4. The carrier is discontinuing offering or renewing a health benefit product in Oregon.

☐ Yes ☒ No

5. The carrier is discontinuing offering or renewing a health benefit product in a closed block in specified areas within Oregon.

☐ Yes ☒ No

If yes, list all affected counties: _____

Carriers will be subject to a ban of up to five years in the Oregon market in which a carrier elects to discontinue all plans (Small group: ORS 743B.012; Individual: ORS 743B.126; OAR 836-053-0014 (temporary))

III. REQUIRED SUPPORTING DOCUMENTATION FOR UNIFORM MODIFICATION FILINGS

The following items must be completed and submitted under the Supporting Documentation tab in SERFF. If items are missing or incomplete, the filing may be rejected.

- ☒ A detailed list of all plans offered under each product for the upcoming year
- ☒ A detailed list of the added or discontinued benefits for each product

IV. REQUIRED SUPPORTING DOCUMENTATION FOR UNIFORM MODIFICATION FILINGS

The following items must be completed and submitted under the Supporting Documentation tab in SERFF. If items are missing or incomplete, the filing may be rejected.

If products are being discontinued:

- ☒ A list of all products being discontinued

If plans are being discontinued:

- ☒ A mapping document titled UNIFORM MODIFICATION MAPPING is attached under the Supporting Documentation tab in SERFF. The document is a side-by-side comparison showing the new plan that will be closest to the plan being discontinued under the product. The plans should be listed by HIOS ID number.

V. REQUIRED ATTESTATIONS FOR UNIFORM MODIFICATIONS

- ☒ The company complies with the uniform modification notice requirement found in 45 CFR 147.106(f)
- ☒ Modifications to the products comply with 45 CFR 147.106(e)(2) or 45 CFR 147.106(e)(3)
- ☒ All plans within the product are being modified uniformly
- ☒ Uniform modifications made solely pursuant to changes in federal or state regulations have been made within a reasonable time period
- ☒ The product maintains the majority of the service area

If modifying grandfathered coverage:

- ☐ The company complies with the uniform modification notice requirement found in 45 CFR 146.152(h)

Signature of authorized company representative

Date

If filing a Uniform Modification of Coverage – Other:

- ☒ Changes to the benefits cumulatively impact the plan adjusted index rate for any plan within the product within the allowable variation of +/-2 percentage points.



Signature of certified actuary

5/14/2025
Date

VI. REQUIRED ATTESTATIONS FOR DISCONTINUANCES

- ☒ The company complies with discontinuance notice requirement found in 45 CFR 146.152(c)(1)

If auto-enrolling members in a new plan:

- ☒ The company has provided a mapping document under the Supporting Documentation tab in SERFF.

2026 Oregon INDV Discontinued Plans

2025 HIOS Federal Plan ID (+ variant) 2025 Marketing Plan Name

56707OR1380009-00	Connect 5000 Silver
56707OR1380009-01	Connect 5000 Silver
56707OR1380009-02	Connect 5000 Silver Tribal Zero
56707OR1380009-03	Connect 5000 Silver Tribal 300
56707OR1380009-04	Connect 5000 Silver CSR 73%
56707OR1380009-05	Connect 5000 Silver CSR 87%
56707OR1380009-06	Connect 5000 Silver CSR 94%
56707OR1380010-00	Connect 9200 Bronze
56707OR1380010-01	Connect 9200 Bronze
56707OR1380010-02	Connect 9200 Bronze Tribal Zero
56707OR1380010-03	Connect 9200 Bronze Tribal 300
56707OR1380011-00	Connect Direct 5000 Silver

Added or discontinued benefits for each INDV product

Added Benefits:

All Plans include Chiropractic (20 visits/calendar year) & Acupuncture (12 visits/calendar year), \$25 Copay/visit (except Standard Plans); deductible waived

Discontinued benefits:

none

2026 Oregon Individual Plan List

Product Family	Metal Tier	Marketing Name	HIOS Federal ID (with extension)
Connect	Gold	Connect 1500 Gold	56707OR1380008-00
Connect	Gold	Connect 1500 Gold	56707OR1380008-01
Connect	Gold	Connect 1500 Gold	56707OR1380008-02
Connect	Gold	Connect 1500 Gold	56707OR1380008-03
Connect	Silver	Connect 6000 Silver	56707OR1380013-00
Connect	Silver	Connect Direct 6000 Silver	56707OR1380012-00
Connect	Silver	Connect 6000 Silver	56707OR1380013-01
Connect	Silver	Connect 6000 Silver	56707OR1380013-02
Connect	Silver	Connect 6000 Silver	56707OR1380013-03
Connect	Silver	Connect 6000 Silver	56707OR1380013-04
Connect	Silver	Connect 6000 Silver	56707OR1380013-05
Connect	Silver	Connect 6000 Silver	56707OR1380013-06
Connect	Bronze	Connect 9800 Bronze	56707OR1380014-00
Connect	Bronze	Connect 9800 Bronze	56707OR1380014-01
Connect	Bronze	Connect 9800 Bronze	56707OR1380014-02
Connect	Bronze	Connect 9800 Bronze	56707OR1380014-03
HSA	Bronze	HSA-E Qualified 7500 Bronze - Choice Network	56707OR1420003-00
HSA	Bronze	HSA-E Qualified 7500 Bronze - Choice Network	56707OR1420003-01
HSA	Bronze	Qualified 7500 Bronze - Choice Network	56707OR1420003-02
HSA	Bronze	Qualified 7500 Bronze - Choice Network	56707OR1420003-03
HSA	Bronze	HSA-E Qualified 7500 Bronze - Signature Network	56707OR1430003-00
HSA	Bronze	HSA-E Qualified 7500 Bronze - Signature Network	56707OR1430003-01
HSA	Bronze	Qualified 7500 Bronze - Signature Network	56707OR1430003-02
HSA	Bronze	Qualified 7500 Bronze - Signature Network	56707OR1430003-03
Providence Oregon Direct	Silver	Providence Oregon Direct Silver Plan - Choice Network	56707OR1460001-00
Providence Oregon Direct	Silver	Providence Oregon Direct Silver Plan - Signature Network	56707OR1450001-00
Standard	Gold	Providence Oregon Standard Gold Plan - Choice Network	56707OR1320004-00
Standard	Gold	Providence Oregon Standard Gold Plan - Choice Network	56707OR1320004-01

Product Family	Metal Tier	Marketing Name	HIOS Federal ID (with extension)
Standard	Gold	Providence Oregon Standard Gold Plan - Choice Network	56707OR1320004-02
Standard	Gold	Providence Oregon Standard Gold Plan - Choice Network	56707OR1320004-03
Standard	Silver	Providence Oregon Standard Silver Plan - Choice Network	56707OR1330004-00
Standard	Silver	Providence Oregon Standard Silver Plan - Choice Network	56707OR1330004-01
Standard	Silver	Providence Oregon Standard Silver Plan - Choice Network	56707OR1330004-02
Standard	Silver	Providence Oregon Standard Silver Plan - Choice Network	56707OR1330004-03
Standard	Silver	Providence Oregon Standard Silver Plan - Choice Network	56707OR1330004-04
Standard	Silver	Providence Oregon Standard Silver Plan - Choice Network	56707OR1330004-05
Standard	Silver	Providence Oregon Standard Silver Plan - Choice Network	56707OR1330004-06
Standard	Bronze	Providence Oregon Standard Bronze Plan - Choice Network	56707OR1400003-00
Standard	Bronze	Providence Oregon Standard Bronze Plan - Choice Network	56707OR1400003-01
Standard	Bronze	Providence Oregon Standard Bronze Plan - Choice Network	56707OR1400003-02
Standard	Bronze	Providence Oregon Standard Bronze Plan - Choice Network	56707OR1400003-03
Standard	Gold	Providence Oregon Standard Gold Plan - Signature Network	56707OR1350004-00
Standard	Gold	Providence Oregon Standard Gold Plan - Signature Network	56707OR1350004-01
Standard	Gold	Providence Oregon Standard Gold Plan - Signature Network	56707OR1350004-02
Standard	Gold	Providence Oregon Standard Gold Plan - Signature Network	56707OR1350004-03
Standard	Silver	Providence Oregon Standard Silver Plan - Signature Network	56707OR1360004-00
Standard	Silver	Providence Oregon Standard Silver Plan - Signature Network	56707OR1360004-01
Standard	Silver	Providence Oregon Standard Silver Plan - Signature Network	56707OR1360004-02
Standard	Silver	Providence Oregon Standard Silver Plan - Signature Network	56707OR1360004-03
Standard	Silver	Providence Oregon Standard Silver Plan - Signature Network	56707OR1360004-04
Standard	Silver	Providence Oregon Standard Silver Plan - Signature Network	56707OR1360004-05
Standard	Silver	Providence Oregon Standard Silver Plan - Signature Network	56707OR1360004-06
Standard	Bronze	Providence Oregon Standard Bronze Plan - Signature Network	56707OR1410003-00
Standard	Bronze	Providence Oregon Standard Bronze Plan - Signature Network	56707OR1410003-01
Standard	Bronze	Providence Oregon Standard Bronze Plan - Signature Network	56707OR1410003-02
Standard	Bronze	Providence Oregon Standard Bronze Plan - Signature Network	56707OR1410003-03

Product Family	Metal Tier	Marketing Name	HIOS Federal ID (with extension)
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2026 OR INDV Uniform Modification Mapping

2025 HIOS Federal Plan ID (+ variant)	2025 Marketing Plan Name	2026 HIOS Federal Plan ID (+ variant)	2026 Marketing Plan Name
56707OR1380009-00	Connect 5000 Silver	56707OR1380013-00	Connect 6000 Silver
56707OR1380009-01	Connect 5000 Silver	56707OR1380013-01	Connect 6000 Silver
56707OR1380009-02	Connect 5000 Silver Tribal Zero	56707OR1380013-02	Connect 6000 Silver Tribal Zero
56707OR1380009-03	Connect 5000 Silver Tribal 300	56707OR1380013-03	Connect 6000 Silver Tribal 300
56707OR1380009-04	Connect 5000 Silver CSR 73%	56707OR1380013-04	Connect 6000 Silver CSR 73%
56707OR1380009-05	Connect 5000 Silver CSR 87%	56707OR1380013-05	Connect 6000 Silver CSR 87%
56707OR1380009-06	Connect 5000 Silver CSR 94%	56707OR1380013-06	Connect- 6000 Silver CSR 94%
56707OR1380010-00	Connect 9200 Bronze	56707OR1380014-00	Connect 9800 Bronze
56707OR1380010-01	Connect 9200 Bronze	56707OR1380014-01	Connect 9800 Bronze
56707OR1380010-02	Connect 9200 Bronze Tribal Zero	56707OR1380014-02	Connect 9800 Bronze Tribal Zero
56707OR1380010-03	Connect 9200 Bronze Tribal 300	56707OR1380014-03	Connect 9800 Bronze Tribal 300
56707OR1380011-00	Connect Direct 5000 Silver	56707OR1380012-00	Connect Direct 6000 Silver

Supporting Document: Additional Filing Requirements

End of the Medicaid Expansion

PHP does not expect any rate impact from the termination of the Medicaid expansion, as it is assumed that those members would be eligible for and expected to enroll in the Basic Health Plan.

End of the Basic Health Plan

Assuming CSR membership is the same in 2026 as it was in 2024 results in an increase to both the morbidity adjustment and the CSR load.

If the Basic Health Plan is terminated, PHP would need to raise rates by an additional 2.5%, bringing the average rate increase from 8.1% to 10.8%

$$(1.108 / 1.081) = 1.025$$

End of Reinsurance Program

If the Oregon reinsurance program terminates at the end of 2025, PHP would need to raise rates by an additional 8.0%, bringing the average rate increase from 8.1% to 16.7%.

$$(1.167 / 1.081) = 1.080$$

End of Expanded APTC

PHP applied a rate factor of 1.01 to account for the loss of expanded APTC.