

Preliminary Rate Increase Justification for 2024

Moda Health Plan, Inc.

Individual Health Benefit Plans

Rate Change

The average rate change is 0.80%. The maximum is 1.37%, and the minimum is -0.49%. The number of individuals impacted by this rate change is 2,739.

Most Significant Factors

This was a new business offering for 2023. There is no 2022 experience, so 2024 rates are 100% manually rated.

There are three significant factors driving the rate change.

- The first significant factor is Moda Health Plan's Oregon Individual experience which is the basis for the manual rate. This includes an adjustment to adjust Oregon experience to an Idaho cost basis. In Oregon, this experience resulted in a 3.9% rate increase.
- The second significant factor is a change in the Idaho Reinsurance program. This was assumed to reduce 2023 premiums by 12%. This is assumed to reduce 2024 premiums by 16%. This change roughly offsets the increase in the manual rate.
- The third significant factor is an increase in the exchange user fees assumption to reflect a higher distribution of exchange enrollment observed in 2023 and projected for 2024 than was originally assumed for the 2023 rate filing.

Financial Experience

Not applicable.

Key Assumptions

The 2024 rates are made up of the following components:

- Claims: 83.40%
- Administrative costs (including commissions): 13.00%
- Federal taxes and fees: 0.10%
- State taxes and fees: 1.50%
- Contribution to surplus, profit, and risk margin: 2.00%