

**State:** Illinois **Filing Company:** Celtic Insurance Company  
**TOI/Sub-TOI:** HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005D Individual - HMO  
**Product Name:** AMBETTER OF ILLINOIS PY2027-RATES 27833  
**Project Name/Number:** /

## Filing at a Glance

Company: Celtic Insurance Company  
Product Name: AMBETTER OF ILLINOIS PY2027-RATES 27833  
State: Illinois  
TOI: HOrg02I Individual Health Organizations - Health Maintenance (HMO)  
Sub-TOI: HOrg02I.005D Individual - HMO  
Filing Type: Rate  
Date Submitted: 06/02/2026  
SERFF Tr Num: CECO-134907559  
SERFF Status: Assigned  
State Tr Num:  
State Status: Assigned to Reviewer  
Co Tr Num: IL PY2027 RATES-27833  
  
Effective: 01/01/2027  
Date Requested:  
Author(s): Michelle Fitzpatrick, Jennifer Smith, LaToya Johnson, Alex Mitrani, Cheryl Rector, Brandi Bell, Caitlin Mildenerberger, Nicole Dalzell, Ross Cowling, Dorothy Foerster, Emily Wright, Megan Garlington, Stephanie Schlaich, Bonnie Robello, Colin Yi, Garlinda Taylor, Emma Shi, Karen Hui, John Flood, Marisela Castellanos, Ashley Ensign, James Miller, Matthew Pak, Christine Lackey  
  
Reviewer(s): Christina Roy (primary), Becky Sheppard, Beth Verticchio, George Korean, Andrew Larocque, Andrew Larocque  
  
Disposition Date:  
Disposition Status:  
Effective Date:  
  
State Filing Description:

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## General Information

Project Name: Status of Filing in Domicile:  
Project Number: Date Approved in Domicile:  
Requested Filing Mode: Review & Approval Domicile Status Comments:  
Explanation for Combination/Other: Market Type: Individual  
Submission Type: New Submission Individual Market Type: Individual  
Overall Rate Impact: Filing Status Changed: 06/02/2026  
State Status Changed: 06/02/2026  
Deemer Date: Created By: Caitlin Mildenberger  
Submitted By: Caitlin Mildenberger Corresponding Filing Tracking Number: CECO-13490739.  
CECO-IL27-125121847, CECO-134907554, CELT-134966942  
State TOI: HOrg02I Individual Health Organizations - Health Maintenance (HMO)  
State Sub-TOI: HOrg02I.005D Individual - HMO

PPACA: Non-Grandfathered Immed Mkt Reforms

PPACA Notes: null

Exchange Intentions:

Both On and Off Exchange

Filing Description:

Re: Ambetter of Illinois

NAIC No.: 80799

FEIN: 06-0641618

INDIVIDUAL HMO- RATE FILING

Form(s): 27833IL014, 27833IL015

Form Filing No.: CECO-134907398

Rate Filing No.: CECO-134907559

Binder Filing No.: CECO-IL27-125121847

Network Filing No.: CECO-134907554

External form filing No.: CELT-134966942

The attached rates are being submitted to your Department for review and approval. We are submitting the captioned products and plans offered by Celtic Insurance Company, to be marketed and sold on and off the Marketplace in Illinois under the name Ambetter of Illinois. All of our plans include child coverage or can be purchased as a separate child-only plan.

If you have any questions, please feel free to contact me at Caitlin.Mildenberger@centene.com. Thank you for your consideration, we look forward to your favorable review

## Company and Contact

### Filing Contact Information

Caitlin Mildenberger,

2000 26th St. S

Great Falls , MT 59405

Caitlin.mildenberger@centene.com

503-213-5008 [Phone]



State:

Illinois

Filing Company:

Celtic Insurance Company

TOI/Sub-TOI:

HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005D Individual - HMO

Product Name:

AMBETTER OF ILLINOIS PY2027-RATES 27833

Project Name/Number:

/

Filing Fees

State Fees

Fee Required?No

Retaliatory?No

Fee Explanation:

State:IllinoisFiling Company:Celtic Insurance Company

TOI/Sub-TOI:HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005D Individual - HMO

Product Name:AMBETTER OF ILLINOIS PY2027-RATES 27833

Project Name/Number:/

## Rate Information

Rate data applies to filing.

Filing Method:SERFF

Rate Change Type:Increase

Overall Percentage of Last Rate Revision:42.100%

Effective Date of Last Rate Revision:01/01/2026

Filing Method of Last Filing:SERFF

SERFF Tracking Number of Last Filing:CECO-134506476

## 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):
Celtic Insurance Company	Increase	9.200%	9.200%	\$15,484,462	12,100	\$167,613,090	11.500%	3.700%

**State:** Illinois **Filing Company:** Celtic Insurance Company  
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**Project Name/Number:** /

## Rate Review Detail

### COMPANY:

Company Name: Celtic Insurance Company  
HHS Issuer Id: 27833

### PRODUCTS:

Product Name	HIOS Product ID	HIOS Submission ID	Number of Covered Lives
Ambetter	27833IL014		13449
Ambetter + Vision + Adult Dental	27833IL015		3044

Trend Factors: The overall annual trend is 19.76%. This trend comprises utilization and unit cost trends across all service categories, consistent with Worksheet 1 of the URRT (Part I). Section 6 of the actuarial memorandum (Part III) provides additional support.

### FORMS:

New Policy Forms:  
Affected Forms:  
Other Affected Forms: 27833IL014, 27833IL015

### REQUESTED RATE CHANGE INFORMATION:

Change Period: Annual  
Member Months: 1,319,904  
Benefit Change: Decrease  
Percent Change Requested: Min: 3.7 Max: 11.5 Avg: 9.2

### PRIOR RATE:

Total Earned Premium: 500,640,245.00  
Total Incurred Claims: 292,296,843.00  
Annual \$: Min: 3,563.00 Max: 25,084.00 Avg: 8,652.00

### REQUESTED RATE:

Projected Earned Premium: 455,786,720.00  
Projected Incurred Claims: 272,507,762.00  
Annual \$: Min: 3,905.00 Max: 32,279.00 Avg: 10,024.00

SERFF Tracking #:	CECO-134907559	State Tracking #:	Company Tracking #:	IL PY2027 RATES-27833
State:	Illinois	Filing Company:	Celtic Insurance Company	
TOI/Sub-TOI:	HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005D Individual - HMO			
Product Name:	AMBETTER OF ILLINOIS PY2027-RATES 27833			
Project Name/Number:	/			

URRT

State Determination

Review Status:	Incomplete
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SERFF Tracking #:	CECO-134907559	State Tracking #:	Company Tracking #:	IL PY2027 RATES-27833
State:	Illinois	Filing Company:	Celtic Insurance Company	
TOI/Sub-TOI:	HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005D Individual - HMO			
Product Name:	AMBETTER OF ILLINOIS PY2027-RATES 27833			
Project Name/Number:	/			

URRT Items

Item Name	Attachment(s)
Actuarial Memorandum - Redacted	IL_PY27_ActMemo_Redacted_v1_6.3.26.pdf



## Part III: Actuarial Memorandum

Redacted  
Celtic Insurance Company  
Annual Individual Health Rate Filing  
Illinois  
Assuming Enhanced Advance Premium Tax Credits (eAPTCs) Have Expired  
And CSR Subsidies Are Unfunded  
Effective January 1, 2027  
Forms: 27833IL014, 27833IL015

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# 1. General Information

## Scope and Purpose

This document contains the Part III Actuarial Memorandum for Celtic Insurance Company's individual health block of business annual rate filing, effective January 1, 2027. This Actuarial Memorandum is submitted in conjunction with the Part I Unified Rate Review Template (URRT). This is a renewal rate filing.

The purpose of this Actuarial Memorandum is to provide certain information related to the submission, including support for the values entered into the Part I URRT. In combination, these documents support compliance with the market reform rating rules and reasonableness of applicable rate increases. This information may not be appropriate for other purposes.

Consistent with the October 12, 2017 payment memo from the U.S. Department of Health and Human Services (HHS)<sup>1</sup>, the premium rates developed and supported by this Actuarial Memorandum assume that cost-sharing reduction (CSR) subsidies will be unfunded in plan-year 2027.

Additionally, these rates reflect CMS' Marketplace Integrity and Affordability final rule published in the Federal Register on June 25, 2025, including key rule changes regarding the open enrollment period and special enrollment periods. Rates also reflect provisions regarding pre-enrollment SEP verification as specified in the 2027 NBPP proposed rule. Benefit designs and cost-sharing structures are aligned with the de minimis actuarial value (AV) ranges established in the final rule.

Future modifications in legislation, regulation and/or court decisions regarding the funding of CSR payments, enhanced Advanced Premium Tax Credits (eAPTCs), and CMS' Marketplace Integrity and Affordability Rule, may affect the extent to which these premium rates are sufficient and neither excessive nor deficient.

Celtic Insurance Company asserts that the premium rates developed and supported by this Actuarial Memorandum are based on legislative and regulatory provisions in effect at the time of submission.

Celtic Insurance Company reserves the right to file revised rates in the event of changes to the regulatory environment in which they were developed to ensure rates are appropriate. In addition to CSR payments and risk adjustment program payments and disruption, material rating impacts could arise from changes to various factors, including but not limited to:

- Advance Premium Tax Credits, including reinstatement of enhancements to existing Advanced Premium Tax Credits
- The resumption of Medicaid redeterminations due to the end of the continuous enrollment condition under the Consolidated Appropriations Act, 2023
- Constraints on age rating factors
- Open enrollment and grace periods
- Enrollment of other populations, such as Medicare, Medicaid, and high risk pools
- Taxes and fees, notably the suspension of the ACA Insurer Fee

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<sup>1</sup><https://www.hhs.gov/sites/default/files/csr-payment-memo.pdf>

- Emerging experience as it relates to both claims and risk adjustment, notably the updated HCC coefficients in the 2027 model as laid out in the Final Rule for the 2027 Annual Notice of Benefit and Payment Parameters
- Enrollment and emerging experience of members with an FPL under 150% as it relates to the special enrollment period granting year-round enrollment.

If there are material deviations in market level premiums from our projected statewide average premium (SWAP) assumption for 2027 - for example, based on changes in the number of carriers in the market or carriers' pricing assumptions for 2027 - we would like to work with the Illinois Department of Insurance after initial submissions to revise our filing to update our estimated risk adjustment transfer. Market disruption, resulting from changes or carriers' perceived changes in the risk adjustment program, could also necessitate working with the Department to update other critical pricing assumptions such as market morbidity and relative risk.

This information is intended for the sole use by the Illinois Department of Insurance, the Center for Consumer Information and Insurance Oversight (CCIIO), and their subcontractors to assist in the review of the Celtic Insurance Company individual rate filing. However, we recognize that this certification may become a public document.

These results are actuarial projections. Actual results will vary from those projected in the filing for a number of reasons, including but not limited to changes in membership, claims experience, and random variation from selected assumptions.

### **Company Identifying Information**

- Company Legal Name: Celtic Insurance Company
- State: The State of Illinois has regulatory authority over these policies
- HIOS Issuer ID: 27833
- Market: Individual
- Effective Date: January 1, 2027

### **Company Contact Information**

- Primary Contact Name: [REDACTED]
- Primary Contact Telephone Number: [REDACTED]
- Primary Contact Email Address: [REDACTED]

### **Description of Benefits**

These products are issued by Celtic Insurance Company as HMO health policies. The major provisions of this form for each plan design and product can be found in Appendix 1.1.

### **Rate Guarantees**

Rates are guaranteed not to change through December 31, 2027.

### **Renewability**

Each policy is renewable by paying the applicable renewal premiums, unless the policyholder no

longer meets the eligibility requirements of the policy or Celtic Insurance Company decides to discontinue that specific policy.

**Applicability**

These rates will apply to both new and renewing business.

**General Marketing Method**

This product will be sold through agents, direct mailings, the internet, and the State-Based Exchange (SBE).

**Estimated Average Annual Premium**

The estimated average annual premium per policy in calendar year 2027 is [REDACTED].

**Distribution of Business**

See Appendix 1.2 for the expected age and geographic distributions for these products.

**Rate Tables**

See Appendix 1.3 for allowable rating factors and Appendices 1.3b and 1.3c for clarification on service area definitions. Appendix 1.4 also includes an example of how rating factors will be applied. Note that for family coverage, rates for children are charged to no more than the three oldest covered children under age 21 consistent with the Family Structure rules of the Patient Protection and Affordable Care Act (ACA).

**Impact of eAPTC Expiration**

To account for eAPTC expiration prior to the 2027 benefit year, we have assumed rates will increase due to anticipated reductions in enrollment, both at the issuer and single risk pool level. As eAPTCs expire and enrollees subsequently face increased out-of-pocket premiums, we assume healthier individuals who tend to be more price sensitive will leave the market, worsening the average morbidity of the individual risk pool.

## 2. Proposed Rate Changes

The rate increases for each product offered in the single risk pool by Celtic Insurance Company in the state of Illinois are reflected in Worksheet 2, Section I of the Part I URRT.

### Reasons for Rate Increase(s):

The rate projections for 2027 have been updated from the previous year's projections to reflect the most recent assumptions and information available.

The following provides a narrative description of the significant factors driving the proposed rate increase for 2027.

- [REDACTED]  
The individual single risk pool experience underlying the rate projections has been updated. The current model reflects the projected utilization trend applied to adjusted experience (from 2025 to 2027), including anticipated changes in the average morbidity of the single risk pool. There is a full description of utilization trend and other projection factors applied to experience in Section 6, 'Trend Factors'.  
Risk adjustment transfer experience for 2027 includes consideration of changes to the statewide average premium, the Risk Adjustment program, and Celtic Insurance Company enrollee population morbidity relative to the Illinois single risk pool.
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]

Note that the requested rate change may not be the same across all plans within a product due to changes to the member cost sharing amounts by plan. Additionally, the defunding of CSR subsidies has contributed to the rate levels being higher than if the subsidies were to be funded.

### **3. Single Risk Pool**

The Index Rate is based on the single risk pool defined by the state of Illinois, which was established according to the requirements in 45 CFR Part 156.80. The single risk pool is defined as including all non-grandfathered individual business in Illinois.

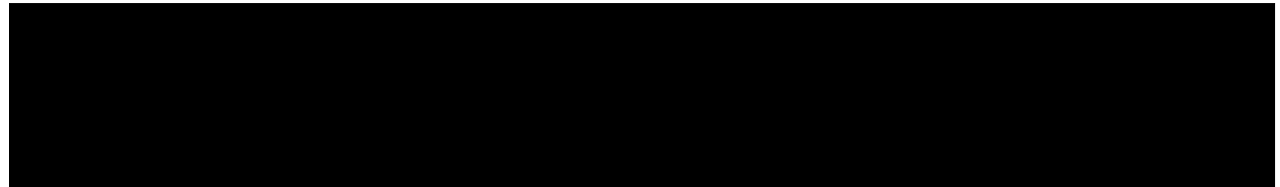
The single risk pool for the experience period does not include transitional products/plans. The single risk pool for the 2027 projection period does not include members who still remain enrolled in transitional plans.

#### 4. Experience and Current Period Premium, Claims and Enrollment

The following information supports the best estimate of premium and claims for the single risk pool during the experience period, as reported in Worksheet 1, Section I of the URRT. The experience period for this rate filing is incurrual year 2025, and includes claims paid through 3/31/2026.

**Allowed and Incurred Claims incurred During the Experience Period:**

A breakout of the claims shown in Worksheet 1, Section I is provided in Appendix 4.1.



Actual claims run-out may reflect some variability from future expectations. There are no unusually high or low completion factors being applied to allowed or incurred claims resulting from internal shifts in administration practices.

**Cost Sharing Reduction (CSR) Subsidies:**

Cost-sharing reduction (CSR) subsidies were unfunded for the entirety of the base period. For rating purposes, we assumed that CSR subsidies will continue to be unfunded throughout the projection period. Within Appendix 4.1 we have included estimates for our 2025 experience CSR subsidy payments had they been funded. While these reflect internal estimates for the subsidies for the experience period, we would expect substantial differences between these estimates and projected CSR subsidies in the 2027 plan year, as trend adjustments, portfolio updates, and changes in demographics would meaningfully change projected subsidies. As a result, the prospective rating impact of CSR subsidies becoming funded in plan-year 2027 would also change materially from what is suggested by historical experience.

**Experience Period Risk Adjustment and Reinsurance Adjustments PMPM:**

The risk adjustment transfer and reinsurance receivables for the experience period are shown on Worksheet 1, Section I of the URRT. The final amounts for risk adjustment and any applicable reinsurance receivables were not known at the time of rate development. These amounts were estimated using data available through [REDACTED]. [REDACTED]

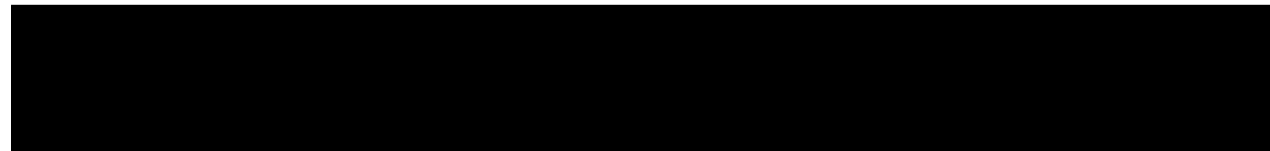
**Current Enrollment and Premium:**

The current enrollment and premium values on Worksheet 2, Section II are reported as of 3/31/2026.

Earned premium in the experience period is not adjusted for taxes, assessments, risk adjustment receivables or payables or MLR rebates.



## 5. Benefit Categories



The algorithm used to assign utilization data and cost information is summarized as follows.

### **Inpatient Hospital**

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**

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**

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**

Other medical includes non-capitated ambulance, home health care, DME, prosthetics, supplies, vision exams, dental services, and other services. The measurement units for utilization used in this category are a mix of visits, cases, procedures, etc.

### **Capitation**

Capitation includes all services provided under one or more capitated arrangements.

### **Prescription Drug**

Prescription drug includes drugs dispensed by a pharmacy and is net of rebates.

This section describes and supports the factors used to project the 2025 experience period allowed claims to the 2027 projection period as shown in Worksheet 1, Section II of the URRT.

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]

[REDACTED]

## 7. Adjustments to Trended EHB Allowed Claims PMPM

This section describes and supports the adjustments other than trend used to project the 2025 experience period Essential Health Benefit (EHB) allowed claims to the 2027 projection period as shown in Worksheet 1, Section II of the URRT. Each factor represents the change between the experience period and projection period. The factors, therefore, are not annualized values.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Appendix 7.2 decomposes the demographic changes factor into its components.

[REDACTED]

[REDACTED]

Appendix 7.3 decomposes the plan design changes factor into its components.

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Appendix 7.4 decomposes the other changes factor into its components.

## 8. Manual Rate Adjustments

This filing is [REDACTED] experience rated. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## 9. Credibility of Experience

[REDACTED]

[REDACTED]

- Total 2025 Member Months: [REDACTED]
- Credibility Level Assigned to Base Period Experience: [REDACTED]

Note that credibility is calculated based on 2025 experience data that are suitable for pricing and may not exactly match the total 2025 member months shown above.

Actuarial Standard of Practice #25 “Credibility Procedures” was considered when determining the credibility level.

## 10. Establishing the Index Rate

The Index Rate for the Experience Period (calendar year 2025) is a measurement of the average allowed claims PMPM for EHB benefits. This value is located on Worksheet 1, Section I of the URRT. The Index Rate for the Experience Period reflects the actual mixture of smoker/non-smoker population, area factors, plan enrollment, and the actual mixture of risk morbidity in the single risk pool during the experience period. The Index Rate for the experience period has not been adjusted for payments and charges under the risk adjustment and reinsurance programs or for Exchange user fees. We have adjusted the Index Rate for the Experience Period to remove any non-EHBs. The claim system does not currently distinguish between EHB and non-EHB claims, so this adjustment was made based on the expected percentage of non-EHB claims for the experience period. The experience period did not contain non-single risk pool claims, so no adjustment was made for this.

The Index Rate for the Projection Period (calendar year 2027) is reflected in Worksheet 1, Section II of the URRT. It was developed following the specifications of 45 CFR part 156.80(d) (1). The Index Rate for the Projection Period represents the estimated total combined projected allowed claims PMPM for Essential Health Benefits (EHB) for calendar year 2027 only and has not been adjusted for payments and charges under the risk adjustment program or for Exchange user fees. The index rate differs from the total allowed claims in that the total allowed claims include benefits in excess of EHBs (adult vision and adult dental).

The Index Rate for the Projection Period will remain unchanged until a renewal filing effective January 1, 2028.

The development of the Index Rate for the Projection Period is shown in Worksheet 1, Section II. This reflects:

- The 12-month projection period shown in Worksheet 1, Section II
- The anticipated claim level of the projection period with respect to trend, benefits, and demographics
- The experience of all policies expected to be in the single risk pool (with necessary adjustments)

Appendix 10.1 demonstrates the calculation of the Projected Index Rate by blending the Experience Period Index Rate with the Credibility Manual Index Rate, as applicable. The next two sections further describe the steps taken to develop the Market Adjusted Index Rate and Plan Adjusted Index Rate.

## 11. Development of the Market-Wide Adjusted Index Rate

The Index Rate for the projection period is adjusted to arrive at the Market Adjusted Index Rate (MAIR) based on the following, as outlined in 45 CFR 156.80(d):

- Adjustment for the Risk Adjustment Program
- Exchange user fee adjustment

The risk adjustment payment/charge is described below. Since the Index Rate is on an allowed claims basis, the market-level adjustments are also performed on an allowed basis.

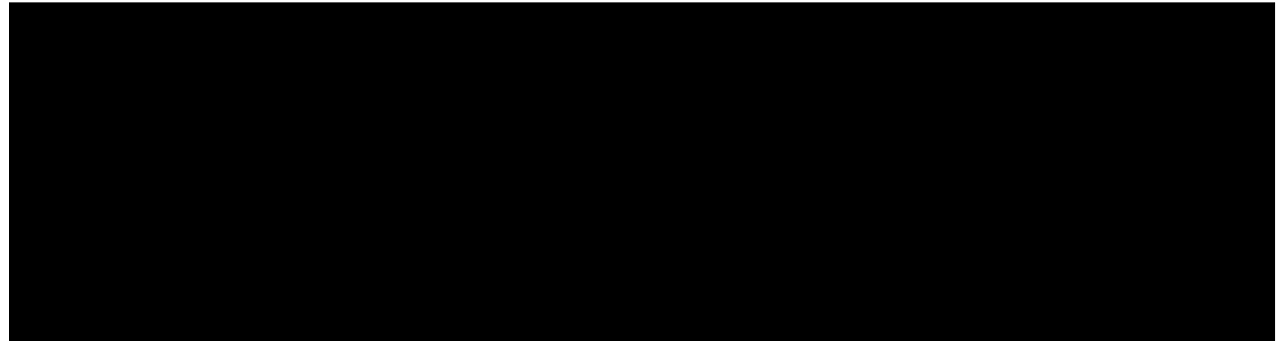


For further detail on the development of the MAIR, please refer to Appendix 11.1.

### Reinsurance:



### Risk Adjustment Payment/Charge:



The Risk Transfer calculations are based on the risk adjustment transfer formula, as provided in the Federal Register Volume 78 Number 47, and displayed below:

$$T_i = \left[ \frac{(PLRS_i \times IDF_i \times GCF_i)}{\sum_i (s_i \times PLRS_i \times IDF_i \times GCF_i)} - \frac{(AV_i \times ARF_i \times IDF_i \times GCF_i)}{\sum_i (s_i \times AV_i \times ARF_i \times IDF_i \times GCF_i)} \right] \times \bar{P}_s$$

Where:

$\bar{P}_s$  = statewide average premium  $\times$  0.86 (to reflect the admin reduction adjustment);

$PLRS_i$  = plan  $i$ 's plan liability risk score;

$AV_i$  = plan  $i$ 's metal level AV;

$ARF_i$  = plan  $i$ 's allowable rating factor;

$IDF_i$  = plan  $i$ 's induced demand factor;

$GCF_i$  = plan  $i$ 's geographic cost factor;

$S_i$  = plan  $i$ 's share of state enrollment as measured in member months



The denominator is summed across all plans in the risk pool in the market in the state.

We project the portfolio average for each factor in the risk adjustment transfer formula using a combination of (i) actual historical risk adjustment factors adjusted to the projected population and (ii) adjustments for market and risk adjustment program changes. The resulting aggregate payment or receivable is then proportionally allocated to all plans in the portfolio.

For the purposes of stable modeling, each factor was approximated as follows:



Based on the Final Rule for the 2027 Annual Notice of Benefit and Payment Parameters, HHS's proposed 2025 and 2027 HCC model and coefficient changes for 2027 (including partial year adjustment factors, prescription drug condition categories, and model recalibration) were considered in the development of the projected risk adjustment transfer. The demographic, plan mix, and morbidity assumptions were used to project claims costs.

IDF: The statewide average IDF is projected based on the average IDF of the single risk pool in 2025. For historical risk transfer data, we rely on a combination of the latest available HHS Summary Report on Permanent Risk Adjustment Transfers and when available, Wakely's National Risk Adjustment Reporting Project (WNRAR) for the state of Illinois.

The average IDF for Celtic Insurance Company is projected by applying the induced demand factors from the market reform rule published in the March 11, 2013 Federal Register, page 15433, Table 11 to Celtic Insurance Company's projected population. The formula recognizes the following IDF factors by metallic tier: Bronze 1.00, Silver, 1.03, Gold 1.08, and Platinum 1.15.

AV: The statewide average actuarial value (AV) is projected based on the average metal level AV of the single risk pool in 2025. For historical risk transfer data, we rely on a combination of the latest available HHS Summary Report on Permanent Risk Adjustment Transfers and when available, Wakely's National Risk Adjustment Reporting Project (WNRAR) for the state of Illinois. The average AV for Celtic Insurance Company is calculated by applying the metal level AV factors from the market reform rule published in the March 11, 2013 Federal Register, page 15433, Table 9 to Celtic Insurance Company's projected population. The formula recognizes the following AV values by metallic tier: Bronze 0.60, Silver 0.70, Gold 0.80, and Platinum 0.90.

ARF: As stated in the March 11, 2013 Federal Register, page 15433, the allowable rating factor (ARF) adjustment accounts only for age rating.

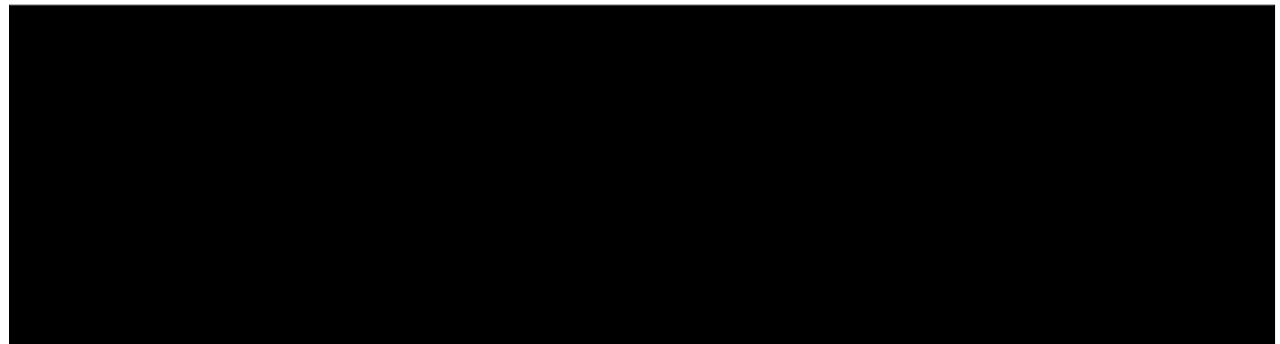
The statewide average ARF was set equal to the average ARF of the single risk pool in 2025. For

historical risk transfer data, we rely on a combination of the latest available HHS Summary Report on Permanent Risk Adjustment Transfers and when available, Wakely's National Risk Adjustment Reporting Project (WNRAR) for the state of Illinois.

The average ARF for Celtic Insurance Company is projected by applying the proposed 2027 HHS age rating factors to Celtic Insurance Company's projected population. An equal distribution across ages within each age band was assumed.

GCF: The average Geographic Cost Factors for Celtic Insurance Company's membership is projected based on the 2025 GCFs, as reported by HHS, adjusted for projected changes caused by carrier rate actions from 2025 to 2027.

Outliers were reflected in our calculations to the extent that outliers are reflected in historical risk scores used as the starting point of the 2027 risk transfer projection and via the calculation of the net High Risk Pool receivable or payment. Otherwise, there were no "potential outlier assumptions" that would have an impact on transfers.



The risk adjustment transfer amounts shown on Worksheet 1 of the URRT are the actual PMPM amounts expected in the projection period. The risk adjustment transfer amount applied to the Index Rate in the development of the Market Adjusted Index Rate is on an allowed claims basis, as the Index Rate is on an allowed claims basis.

The demographic, plan mix, and morbidity assumptions supporting the risk transfer projection are consistent with the demographic, plan mix, and the morbidity assumptions used to project claims costs.

**Exchange User Fees:**



## 12. Plan Adjusted Index Rate

The Plan Adjusted Index Rate (PAIR) is included in Worksheet 2, Section III of the URRT. The PAIR is the MAIR adjusted for only the following allowable adjustments, where applicable, as outlined in 45 CFR 156.80(d):

- Actuarial value and cost-sharing design of the plan.

—	[REDACTED]
—	[REDACTED]
*	[REDACTED]
*	[REDACTED]
*	[REDACTED]
—	[REDACTED]
*	[REDACTED]

- The plan's provider network, delivery system characteristics, and utilization management adjustment practices

— [REDACTED]

- Benefits provided under the plan that are in addition to the EHBs.

— [REDACTED]

–

- Administrative costs, excluding the Exchange user fees (which are already accounted for in the Market Adjusted Index Rate).
  - The administrative costs are discussed further in the subsequent paragraphs of this section

There are no catastrophic plans being offered, so there is no eligibility adjustment made for catastrophic plan enrollment.

Administrative costs and non-EHB benefits common to all plans are added to the Market Adjusted Index Rate. Then, factors for actuarial value and cost-sharing and non-EHBs by plan are applied to reach the Plan Adjusted Index Rate for each plan.

The development and values of the Plan Adjusted Index Rates are shown in Appendix 12.1 and are not calibrated.

On Worksheet 2, Section II, the Plan Adjusted Index Rate of the Experience Period is reported.

**Administrative Expense Load:**

The administrative expenses are allocated proportionally by plan on a constant percentage of premium basis.

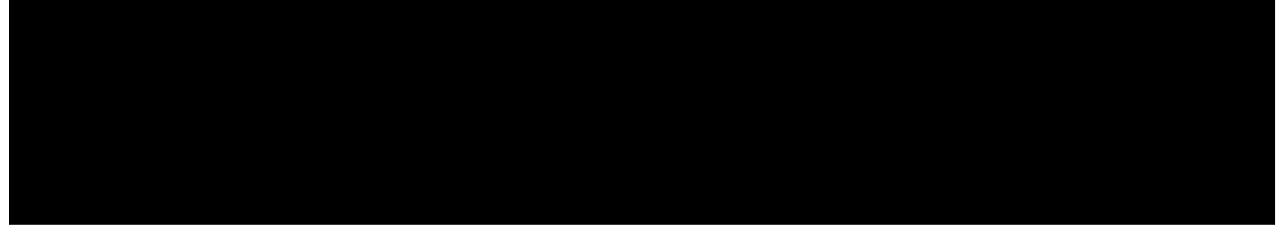
**Profit (or Contribution to Surplus) & Risk Margin:**

This load was applied proportionally to all products and plans and can be found in Appendix 12.2.

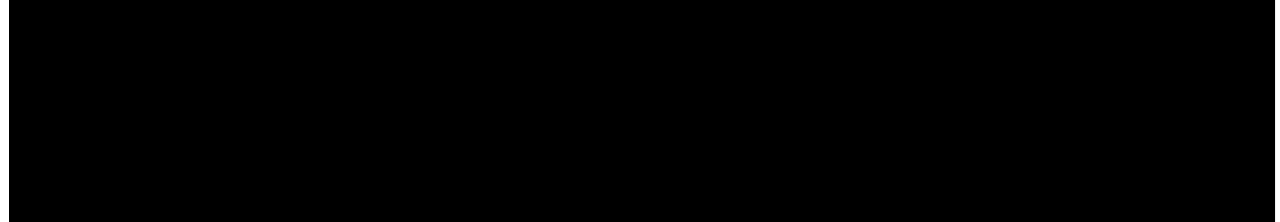
**Taxes and Fees:**

The taxes and fees which may be subtracted from premiums for purposes of calculating the MLR are listed in Appendix 12.2. The Risk Adjustment User Fee has been included as part of this adjustment. See Section 11, “Development of the Market-Wide Adjusted Index Rate”, for a discussion on how the Exchange user fee was calculated and applied to the Market Adjusted Index Rate.

### 13. Calibration

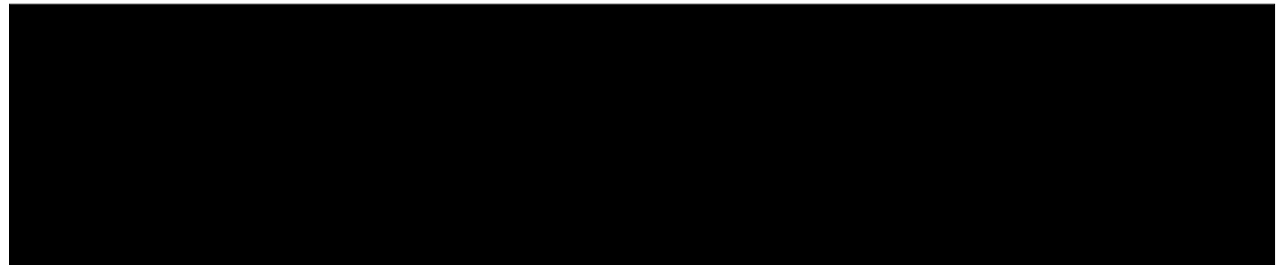


#### Age Curve Calibration:

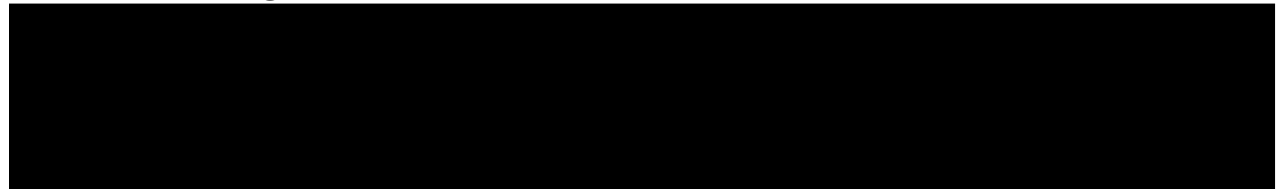


Appendix 13.1 of the Actuarial Memorandum demonstrates the calibration of the Plan Adjusted Index Rate for age. The distribution of members by age is in Appendix 1.2 and the corresponding age factors are included in Appendix 1.3.

#### Geographic Factor Calibration:



#### Tobacco Use Rating Factor Calibration:



#### **Calibration adjustments are applied uniformly to all plans:**

The calibration adjustment does not vary by plan and this is demonstrated in Appendix 13.1. Member-level adjustments as described in 45 CFR 147.102 are applied uniformly to all plans in the single risk pool, and these adjustments do not vary by plan.



The distribution of members by rating area is included in Appendix 1.2. Furthermore, Appendix 1.4 provides a sample calculation of premium rates.

## 14. Consumer Adjusted Premium Rate Development

Each Plan Adjusted Index Rate is divided by the overall calibration factor to determine the Calibrated Plan Adjusted Index Rate.

The following allowable rating factors, as specified by 45 CFR Part 147.102, are applied to the Calibrated Plan Adjusted Index Rate to determine the rate that is charged to the health insurance subscriber:

- Rating Area
  - The area factors are listed in Appendix 1.3. The methodology for developing geographic factors is included in Section 13, "Calibration".
- Age
  - The prescribed standard age factors were used.
- Tobacco Status
  - [REDACTED]
- For family coverage, rates for children are charged to no more than the three oldest covered children under age 21.

Appendix 1.3 lists the allowable rating factors and Appendix 1.4 contains an example walking through the calculation of a theoretical family's rates.

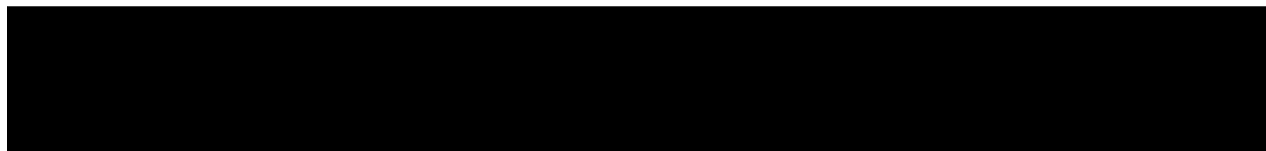
## 15. Projected Loss Ratio

The projected medical loss ratio (MLR) for Celtic Insurance Company in 2027 in Illinois is ■■■■, which satisfies the state of Illinois's minimum MLR requirement of 80%. This projected MLR is calculated according to 45 CFR 158. The projected MLR is the projected 2027 calendar year single risk pool experience rather than the three-year period used for determining rebates. No credibility adjustment based on projected enrollment and average deductible was estimated. See Appendix 15.1 for the detail underlying the calculation.



## 16. AV Metal Values

The AV Metal Values included in Worksheet 2 of the Part I URRT were calculated using the Final 2027 Federal AV Calculator for the plan provisions that fit within the calculator parameters and making appropriate adjustments to the AV identified by the calculator for plan design features that are not compatible with the parameters of the AV Calculator.



## 17. Membership Projections




## **18. Terminated Plans and Products**

A list of the plans being terminated and the plans to which these are being mapped is included in the appendices as Appendix 18.1.

## 19. Plan Type



## 20. Effective Rate Review Information

See Appendix 20.1 for documents summarizing the capital and surplus position of Celtic.

The following is intended to satisfy the "Illinois Actuarial Memorandum Requirements - Individual" checklist. Included in this checklist are often references to other parts of the rate filing package. When "Section" is used, this refers to another Section in the Part III Actuarial Memorandum.

### 1. General Information

#### (a) Scope and Purpose

- i. Please see Section 1, "General Information", for a description of the scope and purpose

#### (b) Market

- i. The products and plans are being offered in the Illinois Individual market.

#### (c) Policy Forms

#### (d) Description of Benefits

- i. These products are HMO health policies issued by Celtic. The major provisions of this form for each plan design and product are listed in Section 1, "General Information", under "Description of Benefits".

#### (e) Marketing Method

- i. [REDACTED]

#### (f) Commission Structure for Illinois Qualified Health Plans sold through the Marketplace

- i. [REDACTED]

### 2. Proposed Rates

#### (a) History of Rate Adjustments

- i. The history of rate adjustments is shown on Appendix 20.4.

#### (b) Effective Date of Requested Rate Increase

- i. The proposed effective date is 1/1/ 2027

#### (c) Months of Rate Guarantee

- i. The rates will be guaranteed for the policy holder for 12 months

#### (d) SERFF Number of Prior Filing

- i. CECO-134506476

#### (e) Effective Date of Prior Filing

- i. 1/1/ 2026

(f) Proposed Percentage Rate Change

- i. [REDACTED]
- ii. [REDACTED]
- iii. [REDACTED]
- iv. [REDACTED]

(g) Reason for Rate Change

- i. Please see Section 2, "Proposed Rate Changes", for a description of the reasons for the rate change.

(h) Average Annual Premium

- i. Average annual premium for a member in the single risk pool:
  - A. Prior to requested rate adjustment: [REDACTED]
  - B. After Requested rate adjustment: [REDACTED]

(i) Number of Policyholders and Covered Lives

- i. Illinois policyholders affected by rate increase: [REDACTED]
- ii. Illinois covered lives affected by rate increase: [REDACTED]

(j) Projected Loss Ratio with and without proposed rate increases

- i. [REDACTED]

(k) Cumulative, future and lifetime loss ratio

- i. Please see the exhibit "Illinois Experience Spreadsheet" for a display of the historic loss ratios by year, cumulative loss ratio to date, the projected loss ratio and the loss ratio combining both the past history and the projected experience. Per the instructions for the "Illinois Experience Spreadsheet", is our understanding the loss ratio should be calculated before risk adjustment. Hence, the loss ratios reported in the "Illinois Experience Spreadsheet" are different from the loss ratios reported above in Act Memo Item j.

3. Experience Period Premium and Claims

(a) Dates of Service for the Experience Period Used to Develop Rates

- i. Experience data is discussed in Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

(b) Date Through Which Claims Were Paid

- i. See Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

(c) Estimated Allowed Claims During the Experience Period Used to Develop Rates

- i. See Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

(d) Method for Determining Allowed Claims

- i. See Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

(e) Incurred but not Paid Claims

- i. See Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

(f) Premium in Experience Period (Net of MLR Rebate)

- i. 

4. Adjustments to Allowed Claims During the Experience Period

(a) Items 4a. and 4b. Adjustments to Allowed Claims During the Experience Period

- i. See Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

5. Projection Factors

(a) Changes to Benefits

- i. See Section 7, "Adjustments to Trended EHB Allowed Claims PMPM".

(b) Trend Factors (Cost and Utilization)

- i. See Section, "Trend Factors".

(c) Projected Changes in the Demographics of the Population Insurance

- i. See Section 7, "Adjustments to Trended EHB Allowed Claims PMPM".

(d) Projected Changes in the Morbidity of the Insured Population

- i. See Section 7, "Adjustments to Trended EHB Allowed Claims PMPM".

(e) Other Projected Changes

- i. See Section 7, "Adjustments to Trended EHB Allowed Claims PMPM".

6. Credibility Manual Rate Adjustment

(a) Methodology Used to Develop the Credibility Manual Rate

- i. This filing is 100% experience-rated. No credibility manual rate is being filed for 2027.

(b) Source and Appropriateness of the Experience Used to Develop the Credibility Manual Rate

- i. This filing is 100% experience-rated. No credibility manual rate is being filed for 2027.

(c) Adjustments Made to Data Used to Develop the Credibility Manual Rate

- i. This filing is 100% experience-rated. No credibility manual rate is being filed for 2027.

(d) Inclusion of Capitation Payments in Developing the Credibility Manual Rate

- i. This filing is 100% experience-rated. No credibility manual rate is being filed for 2027.

7. Credibility

(a) Credibility Methodology

- i. See Section 9, "Credibility of Experience".

(b) Credibility Level(s)

- i. See Section 9, "Credibility of Experience".

8. Covered Services

(a) Essential Health Benefits

- i. All plans offered cover the required EHBs. See Section 7, "Adjustments to Trended EHB Allowed Claims PMPM" for discussion on the 2027 EHBs. The percentage of total claims that are EHB for each plan is shown in Appendix 20.5.

(b) State Mandated Benefits Which Are Not Essential Health Benefits

- i. Services associated with the Reproductive Health Act are considered state mandated non-EHBs. See Section 12, "Plan Adjusted Index Rate" for discussion. See Appendix 20.5 for the percent of claims represented by this state mandated benefit.

(c) Eliminated Benefits

- i. [REDACTED]

(d) Additional Mandated Supplementary Benefits

- i. [REDACTED]

(e) Changes in the Level of Covered Services

- i. [REDACTED]

(f) EHB Substitutions

- i. [REDACTED]

9. Credibility Adjusted Projected Claims



- (a) See Appendices 10.1, 11.1, 12.1, and 13.1, which show the estimated claims for the projection period after adjusting for credibility. Section 9, "Credibility of Experience", provides support for this calculation.

10. Projected Index Rate

- (a) See Section 10, "Establishing the Index Rate", for a description of the development of the index rate for the projection period

11. Risk Transfer Payments

- (a) See Section 11, "Development of the Market-Wide Adjusted Index Rate", for a description of the calculation of the estimate of the risk transfer payments during the projection period.

12. Development of the Market Adjusted Index Rate

- (a) See Section 11, "Development of the Market-Wide Adjusted Index Rate", for a description of the Market Adjusted Index Rate.

13. Plan Level Adjusted Index Rate

- (a) See Section 12, "Plan Adjusted Index Rate", for a description of the development of the Plan Adjusted Index Rate. Note, we believe the correct source of the allowable adjustments is 45 CFR 156.80(d) (2), rather than 45 CFR 154.80(d) (2).

14. Actuarial Values

(a) AV Metal Values

- i. See section 16, AV Metal Values, for a description of how the AV Metal Values were calculated.

(b) AV Pricing Values

- i. See Section 12, "Plan Adjusted Index Rate", for a description of how the AV Pricing Values for each plan was calculated, and how they relate to the factors used in the development of Plan Level Adjusted Index Rate.

15. Paid to Allowed Ratio

- (a) See Section 12, "Plan Adjusted Index Rate", for a description of the methodology used to convert claims from an allowed basis to a paid basis

16. Non-Benefit Expenses Including Risk and Profit Margin

(a) Projected Non-Benefit Expenses, Risk and Profit

- i. See Section 12, "Plan Adjusted Index Rate", for an explanation of the administrative expense load and taxes and fees.

(b) Comparison of Current and Proposed Non-Benefit Expenses, Risk and Profit

- i. See Appendix 20.2 for a comparison of current and proposed non-benefit expenses, risk, and profit.

(c) Varying Non-Benefit Expenses By Plan

- i. The non-benefit expenses are applied as the same constant percentage of premium across all plans. This can be seen in Appendix 12.1, in the "Administrative Costs Excluding Exchange User Fees" column.

17. Adjusted Community Rating Factors

(a) Age Factors

- i. The federally prescribed standardized age factors were used. The age factors are shown in Appendix 1.3.

(b) Geographic Factors

- i. In order to determine the calibration factor for geography, the projected distribution of members by area was determined. The weighted average of the area factors was then calculated using this distribution. The area factors used are reflective of differences in delivery costs (including unit cost and provider practice pattern differences) only, and do not reflect difference in population morbidity.
- ii. The geographic factors are shown in Appendix 1.3.

(c) Tobacco Factors

i.



(d) Family Composition

- i. Illinois follows per-member rating. For family coverage, rates for children are charged to no more than the three oldest covered children under age 21, consistent with the methodology described in 45 CFR 147.102, paragraphs (c)(1). The "Rating Example" in Appendix 1.4 shows the rate calculations for a family with four children.

18. Rate Tables

(a) Development of Rate Tables

- i. Section 13, "Calibration", and Section 14, "Consumer Adjusted Premium Rate Development", explain how the plan level adjusted index rate was calibrated to the projected age and geographic distribution.
- ii. Appendix 1.4 has a sample rate calculation

(b) Weighted Average Age

- i. Appendix 13.2, "Age Factor Development", shows the calculation of the weighted average age. The source of the projected member months is described in Section 17, "Membership Projections". The age factors are the federally prescribed age

factors. The weighted average age is determined by mapping the composite age relativity to the closest age on the federally prescribed age factor curve.

(c) Age Curve Calibration

- i. Appendix 13.2, "Age Factor Development", shows how the average age factor is determined. Appendix 13.1, "Plan Adjusted Index Rate to Calibrate Plan-Adjusted Index Rate", shows how the age calibration factor is applied to develop the premium rates. This method conforms with the rating rules specified in 45 CFR 147.102.

(d) Geographic Calibration Factor

- i. The Geographic Calibration Factor is 1.00. Appendix 13.3, "Area Factor Development", shows how the average geographic area factor is determined. Appendix 13.1, "Plan Adjusted Index Rate to Calibrated Plan-Adjusted Index Rate", shows how the geographic area calibration factor is applied to develop the premium rates.

19. Development of All Product Base Rates

- (a) Please See Appendices 10.1, 11.1, 12.1, and 13.1 for the quantitative development of the product base rates based on the market base rate.

20. Risk Corridor Payments of Recoveries

- (a) There were no risk corridor payments or recoveries in the experience period

21. Company Financial Position

- (a) See Appendix 20.1 for documents summarizing the capital and surplus position of Celtic as of 12/31/2025

22. Last Five Years' RBC

- (a) See Appendix 20.1 for documents summarizing the five year historical data for Celtic as of 12/31/2025

23. Federal Medical Loss Ratio Requirements

- (a) Projected Federal MLR
  - i. See Section 15, "Projected Loss Ratio" for a demonstration of the anticipated Federal MLR
- (b) Explanation when the future loss ratio is not consistent with the federal rebate MLR
  - i. See Section 15, "Projected Loss Ratio".

24. Pursuant to Public Act 103-0106

- (a) Definition of Major Service Category
  - i. See Section 5, "Benefit Categories"
- (b) Current and Planned Health Initiatives

i.



(c) Issues Faced with Provider Availability by Geographic Location

i.



(d) Consumer Out-of-Pocket Cost Trends

- i. Ambetter does not currently track these trends, but will moving forward in subsequent rate filings.

25. Reliance

- (a) See Section 21, "Reliance".

26. Certification of Compliance

- (a) Please see Section 22, "Actuarial Certification", for the Actuarial Certification.

## **21. Reliance**

See Appendix 21.1 for a detailed listing of items received and relied upon for rate development.

## 22. Actuarial Certification

I, [REDACTED], am a member of the American Academy of Actuaries in good standing and meet its qualification standards for actuaries issuing statements of actuarial opinion in the United States promulgated by the American Academy of Actuaries, and have the education and experience necessary to perform the work.

I certify the rates were developed in accordance with the appropriate Actuarial Standards of Practice (ASOPs) and the profession's Code of Professional Conduct. While other ASOPs apply, particular emphasis was placed on the following:

- 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. 12, Risk Classification
- ASOP No. 23, Data Quality
- ASOP No. 25, Credibility Procedures
- ASOP No. 26, Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health Benefit Plans
- ASOP No. 41, Actuarial Communications
- ASOP No. 42, Health and Disability Actuarial Assets and Liabilities Other Than Liabilities for Incurred Claims
- 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
- ASOP No. 56, Modeling

I certify that to the best of my knowledge and judgement:

1. The Index Rate for the Projection Period is:
  - (a) In compliance with all applicable State and Federal Statutes and Regulations (45 CFR 156.80 and 147.102);
  - (b) Developed in compliance with the applicable Actuarial Standards of Practice;
  - (c) Reasonable in relation to the benefits provided and the population anticipated to be covered;
  - (d) Neither excessive nor deficient based on my best estimate of the 2027 individual market
2. 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.

3. The geographic rating factors reflect only difference in the cost of delivery and do not include differences for population morbidity by geographic area.
4. The CMS Actuarial Value Calculator, with appropriate adjustments, was used to determine the AV Metal Values shown in Worksheet 2, Section I of the URRT for all plans. This rate filing was prepared in compliance with all applicable state and federal statutes and regulations.

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 2027 plan year premium rates in this actuarial memorandum are contingent upon the status of the ACA statutes and regulations including any regulatory guidance, such as CMS' Marketplace Integrity and Affordability Rule, court decisions, or otherwise. Changes have the potential to greatly impact the 2027 plan year premium rates provided in this Actuarial Memorandum and the alignment of these premium rates with incurred costs. Changes include, but are not limited to, any legislative or regulatory amendment, court decision, or a decision by Congress, the Health and Human Services Secretary or the Centers for Medicare and Medicaid Services director to adjust funding of CSR subsidies or advance premium tax credits. In the event that any material provisions are enacted, a revision to the rates will be needed..

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.

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 amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

Signed: [REDACTED]

Name: [REDACTED]

Date: 5/26/2026

**All Appendices have been redacted.**



<b>State:</b>	Illinois	<b>Filing Company:</b>	Celtic Insurance Company
<b>TOI/Sub-TOI:</b>	HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005D Individual - HMO		
<b>Product Name:</b>	AMBETTER OF ILLINOIS PY2027-RATES 27833		
<b>Project Name/Number:</b>	/		

## Supporting Document Schedules

<b>Satisfied - Item:</b>	Review Requirement Checklist
<b>Comments:</b>	
<b>Attachment(s):</b>	PY2027 healthpremiumratereviewchecklist.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Compliance Certification
<b>Comments:</b>	
<b>Attachment(s):</b>	050726 il_exhibit a_certification of compliance_blank_form - signed KK.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Memorandum Redacted
<b>Comments:</b>	
<b>Attachment(s):</b>	IL_PY27_ActMemo_Redacted_v1_6.3.26.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Trade Secret Letter
<b>Comments:</b>	
<b>Attachment(s):</b>	IL_PY27_Trade Secret Affidavit_v1_6.3.26.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

**Contact Person:****Illinois Division of Insurance****320 West Washington Street  
Springfield, IL 62767-0001****Review Requirements Checklist****Effective 05/01/2022****Health Actuarial Unit****DOI.HealthActuarial@Illinois.gov****Line(s) of Business****For Policies issued after 01/01/2014****Health Premium Rates****Line(s) of Insurance****Individual/Small Group Major Medical  
Surgical/Medical/Hospital PPO and Non PPO and HMO**

Illinois Insurance Code Link	<a href="#">Illinois Compiled Statutes Online</a>		
Illinois Administrative Code Link	<a href="#">Administrative Regulations Online</a>		
Product Coding Matrix	<a href="#">Product Coding Matrix</a>		
REVIEW REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS	LOCATION OF STANDARD IN FILING
		NOTE: These brief summaries do not include all requirements of all laws, regulations, bulletins, or requirements, so review actual law, regulation, bulletin, or requirement for details to ensure that forms are fully compliant before filing with the Department of Insurance.	
COMPANY REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS	LOCATION OF STANDARD IN FILING
Cover Letter	<a href="#">50 IL Adm. Code 916.40 (b)</a>	Cover Letters must generally describe the intent of the rate filing and whether the filing is a new rate, rate revision or justification of an existing rate. It is necessary to provide a listing of the policy form filing company tracking number(s) and company form number(s) to show the association between the rate being filed and those forms affected by the rate change. ** The Filing Description field in the General Information Tab in SERFF may be used in place of a cover letter.	Filing description

COMPANY REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS	LOCATION OF STANDARD IN FILING
Grandfathered Status		<p>1.) Not Grandfathered- This rate filing is not being made in support of a grandfathered plan.</p> <p>2.) Grandfathered Plan- This rate filing is being made in support of a grandfathered plan. None of the changes that have been made to this plan since the last rate filing have caused the plan to lose its grandfathered status.</p> <p>3.) Formerly a Grandfathered Plan- This rate filing is being made in support of a formerly grandfathered plan. The following SERFF filing(s) contained changes that caused the plan to lose its grandfathered status: _____.</p>	1
Implementation Date		The proposed effective date of rate revision implementation.	01/01/2027
Rate Filing Requirements	<a href="#">215 ILCS 5/355</a>	<p>The Federal Patient Protection and Affordable Care Act (PPACA) has established premium reporting and review processes for all health insurance issuers. The Rate Data Collection Form is available on the Department's web site. The revised Actuarial Memorandum requirements are found in the "Actuarial Memorandum" section of this checklist.</p> <p>Rates must be submitted in a separate SERFF filing from policy forms.</p>	CECO-134907559
Rate Filing Submission		Rate Filings must be submitted in their entirety into both SERFF and the Web Portal for review.	Submitted 6.3 Webportal sunset for PY27
TOI (Type of Insurance)		<p>A health insurance issuer offering any group or individual health insurance coverage, including managed care and HMO plans (regardless of whether the plans are grandfathered or non-grandfathered) must submit all new rate filings and rate revisions for review.</p> <p>Inserted directly below is a link to SERFF's Website for the TOI's required.</p> <p><a href="http://www.serff.com/documents/index_ppaca_tois.pdf">http://www.serff.com/documents/index_ppaca_tois.pdf</a></p>	HOrg021 Individual Health Organizations Health
Federal Unified Rate Review Templates		<p>Parts I and III must be submitted with each filing.</p> <p>Parts I and III are required to be completed and Submitted for all rate increases the issuer has in a state. Link to the Rate Review Templates:</p> <p><a href="https://www.qhpcertification.cms.gov/s/Unified%20Rate%20Review">https://www.qhpcertification.cms.gov/s/Unified%20Rate%20Review</a></p>	CECO-134907559
Rate Data Collection Form		<p>The filing must contain an Excel spreadsheet (.xls or .xlsx format), along with a PDF version of the spreadsheet, according to format found at <a href="http://www2.illinois.gov/sites/Insurance/Companies/Documents/Experience.xlsx">http://www2.illinois.gov/sites/Insurance/Companies/Documents/Experience.xlsx</a></p>	Submitted in SERFF Rate filing. Titled "IL Experiend Spreadsheet"

COMPANY REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS	LOCATION OF STANDARD IN FILING
Actuarial Memorandum		<p>The Actuarial Memorandum is required and is to contain the complete justification for the submitted rates, including background information and an explanation of the rationale for the requested rate action, as well as other relevant information. The small group or individual Actuarial Memorandum requirements checklist must be completed for each filing.</p> <p>Small Group Checklist:  <a href="http://www2.illinois.gov/sites/Insurance/Companies/documents/RateReviewChecklistSmallGroup.pdf">http://www2.illinois.gov/sites/Insurance/Companies/documents/RateReviewChecklistSmallGroup.pdf</a></p> <p>Individual Checklist:  <a href="http://www2.illinois.gov/sites/Insurance/Companies/documents/RateReviewChecklistIndividual.pdf">http://www2.illinois.gov/sites/Insurance/Companies/documents/RateReviewChecklistIndividual.pdf</a></p>	Supporting documentation tab
Actuarial Certification		The Actuarial Certification must be completed for all filings. <a href="http://www2.illinois.gov/sites/Insurance/Companies/documents/ActuarialCertificationForRateFilings.pdf">http://www2.illinois.gov/sites/Insurance/Companies/documents/ActuarialCertificationForRateFilings.pdf</a>	listed in act memo
Rate Schedules/Manuals		Shall be attached in SERFF as separate attachments from other documents required in SERFF.	Submitted in SERFF as attachment
HHS Rate Data Requirements		Data required to be entered in the Rate Review Detail tab in SERFF must be complete and accurate. DOI does not require all of this data for rate review but HHS reviews the data contained in this section for accuracy.	Submitted in SERFF as attachment
Public Access	<a href="#">215 ILCS 5/404</a>	In order to maintain confidentiality, the Actuarial Memorandum should be attached in the Supporting Documentations Tab. It should be attached separately from any other attachments. Also, it is necessary to name them as Actuarial Memorandums to assist DOI in recognizing the type of document that is being attached.	Submitted in SERFF Act Memo
Have you included the following forms?		<ol style="list-style-type: none"> <li>1. Federal Unified Rate Review Template</li> <li>2. Rate Data Collection Form</li> <li>3. Actuarial Memorandum</li> <li>4. Actuarial Certification</li> </ol>	Yes, see SERFF filing

**Joint Committee on Administrative Rules**  
**ADMINISTRATIVE CODE**

**TITLE 50: INSURANCE**  
**CHAPTER I: DEPARTMENT OF INSURANCE**  
**SUBCHAPTER I: PROVISIONS APPLICABLE TO ALL COMPANIES**  
**PART 916 REQUIRED PROCEDURE FOR FILING AND SECURING APPROVAL OF**  
**POLICY FORMS**  
**SECTION 916.EXHIBIT A CERTIFICATE OF COMPLIANCE**

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**Section 916.EXHIBIT A Certificate of Compliance**

Each company shall submit a "Certificate of Compliance" in substantially this format:

**CERTIFICATE OF COMPLIANCE**

Celtic Insurance Company

---

(Company Name)

By: Katherine Kirby Title: President, Ambetter Health

certifies that the policy forms submitted or referenced in this filing do comply:

- a) with all provisions of the Illinois Insurance Code applicable to the policy forms; and
- b) with all provisions of 50 Ill. Adm. Code applicable to policy forms;

and does further certify to the best of our knowledge and belief that:

- 1) the forms do not contain any inconsistent, ambiguous or misleading clauses;
- 2) the forms do not contain specifications or conditions that unreasonably or deceptively affect the risk purported to be assumed in the general coverage of the policy forms;
- 3) the only variation from the usual provisions of the policy forms are clearly marked or otherwise indicated;
- 4) the language of the policy form, as submitted or approved, shall be exactly as it has been or will be offered for issuance or delivery in the State of Illinois as approved by the Director, except for hypothetical data and other appropriate variable material; and
- 5) the policy forms do not contain any provision or clause currently being disapproved by the Director.

In utilizing the procedure for policy form filing and approval set forth in 50 Ill. Adm. Code 916,

Celtic Insurance Company hereby expressly agrees and consents to a review, by the  
Director, to be made at any time, and further hereby expressly agrees and consents to the  
discontinuance by the company of future use of the approved policy forms, 30 days from the date

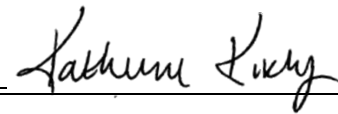
of mailing an order of withdrawal issued by the Director pursuant to Section 143(1) of the Illinois Insurance Code. The order shall set forth the reasons why the previously approved policy forms are violative of or contrary to the provisions of the Illinois Insurance Code or all provisions of 50 Ill. Adm. Code applicable to policy forms. Each company shall have the right to request a hearing within that 30 day period. The request shall be made in writing to the Director. The order of withdrawal shall be stayed and the company shall be given a hearing under the provisions of Sections 143(1), 401(c), 401.1, 402(2), 426 and 429 of the Illinois Insurance Code [215 ILCS 5/143(1), 401(c), 401.1, 402(2), 426 and 429] and 50 Ill. Adm. Code 2402, as may be applicable, to determine:

- a) whether the policy form shall be disapproved; and
- b) whether further orders of the Director may be appropriate.

Celtic Insurance Company

(Company Name)

By:



(Signature)

Title: President, Ambetter Health

Date: 5/7/26

(Source: Amended at 39 Ill. Reg. 16152, effective December 3, 2015)

## Part III: Actuarial Memorandum

Redacted  
Celtic Insurance Company  
Annual Individual Health Rate Filing  
Illinois  
Assuming Enhanced Advance Premium Tax Credits (eAPTCs) Have Expired  
And CSR Subsidies Are Unfunded  
Effective January 1, 2027  
Forms: 27833IL014, 27833IL015

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# 1. General Information

## Scope and Purpose

This document contains the Part III Actuarial Memorandum for Celtic Insurance Company's individual health block of business annual rate filing, effective January 1, 2027. This Actuarial Memorandum is submitted in conjunction with the Part I Unified Rate Review Template (URRT). This is a renewal rate filing.

The purpose of this Actuarial Memorandum is to provide certain information related to the submission, including support for the values entered into the Part I URRT. In combination, these documents support compliance with the market reform rating rules and reasonableness of applicable rate increases. This information may not be appropriate for other purposes.

Consistent with the October 12, 2017 payment memo from the U.S. Department of Health and Human Services (HHS)<sup>1</sup>, the premium rates developed and supported by this Actuarial Memorandum assume that cost-sharing reduction (CSR) subsidies will be unfunded in plan-year 2027.

Additionally, these rates reflect CMS' Marketplace Integrity and Affordability final rule published in the Federal Register on June 25, 2025, including key rule changes regarding the open enrollment period and special enrollment periods. Rates also reflect provisions regarding pre-enrollment SEP verification as specified in the 2027 NBPP proposed rule. Benefit designs and cost-sharing structures are aligned with the de minimis actuarial value (AV) ranges established in the final rule.

Future modifications in legislation, regulation and/or court decisions regarding the funding of CSR payments, enhanced Advanced Premium Tax Credits (eAPTCs), and CMS' Marketplace Integrity and Affordability Rule, may affect the extent to which these premium rates are sufficient and neither excessive nor deficient.

Celtic Insurance Company asserts that the premium rates developed and supported by this Actuarial Memorandum are based on legislative and regulatory provisions in effect at the time of submission.

Celtic Insurance Company reserves the right to file revised rates in the event of changes to the regulatory environment in which they were developed to ensure rates are appropriate. In addition to CSR payments and risk adjustment program payments and disruption, material rating impacts could arise from changes to various factors, including but not limited to:

- Advance Premium Tax Credits, including reinstatement of enhancements to existing Advanced Premium Tax Credits
- The resumption of Medicaid redeterminations due to the end of the continuous enrollment condition under the Consolidated Appropriations Act, 2023
- Constraints on age rating factors
- Open enrollment and grace periods
- Enrollment of other populations, such as Medicare, Medicaid, and high risk pools
- Taxes and fees, notably the suspension of the ACA Insurer Fee

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<sup>1</sup><https://www.hhs.gov/sites/default/files/csr-payment-memo.pdf>

- Emerging experience as it relates to both claims and risk adjustment, notably the updated HCC coefficients in the 2027 model as laid out in the Final Rule for the 2027 Annual Notice of Benefit and Payment Parameters
- Enrollment and emerging experience of members with an FPL under 150% as it relates to the special enrollment period granting year-round enrollment.

If there are material deviations in market level premiums from our projected statewide average premium (SWAP) assumption for 2027 - for example, based on changes in the number of carriers in the market or carriers' pricing assumptions for 2027 - we would like to work with the Illinois Department of Insurance after initial submissions to revise our filing to update our estimated risk adjustment transfer. Market disruption, resulting from changes or carriers' perceived changes in the risk adjustment program, could also necessitate working with the Department to update other critical pricing assumptions such as market morbidity and relative risk.

This information is intended for the sole use by the Illinois Department of Insurance, the Center for Consumer Information and Insurance Oversight (CCIIO), and their subcontractors to assist in the review of the Celtic Insurance Company individual rate filing. However, we recognize that this certification may become a public document.

These results are actuarial projections. Actual results will vary from those projected in the filing for a number of reasons, including but not limited to changes in membership, claims experience, and random variation from selected assumptions.

### **Company Identifying Information**

- Company Legal Name: Celtic Insurance Company
- State: The State of Illinois has regulatory authority over these policies
- HIOS Issuer ID: 27833
- Market: Individual
- Effective Date: January 1, 2027

### **Company Contact Information**

- Primary Contact Name: [REDACTED]
- Primary Contact Telephone Number: [REDACTED]
- Primary Contact Email Address: [REDACTED]

### **Description of Benefits**

These products are issued by Celtic Insurance Company as HMO health policies. The major provisions of this form for each plan design and product can be found in Appendix 1.1.

### **Rate Guarantees**

Rates are guaranteed not to change through December 31, 2027.

### **Renewability**

Each policy is renewable by paying the applicable renewal premiums, unless the policyholder no

longer meets the eligibility requirements of the policy or Celtic Insurance Company decides to discontinue that specific policy.

**Applicability**

These rates will apply to both new and renewing business.

**General Marketing Method**

This product will be sold through agents, direct mailings, the internet, and the State-Based Exchange (SBE).

**Estimated Average Annual Premium**

The estimated average annual premium per policy in calendar year 2027 is [REDACTED].

**Distribution of Business**

See Appendix 1.2 for the expected age and geographic distributions for these products.

**Rate Tables**

See Appendix 1.3 for allowable rating factors and Appendices 1.3b and 1.3c for clarification on service area definitions. Appendix 1.4 also includes an example of how rating factors will be applied. Note that for family coverage, rates for children are charged to no more than the three oldest covered children under age 21 consistent with the Family Structure rules of the Patient Protection and Affordable Care Act (ACA).

**Impact of eAPTC Expiration**

To account for eAPTC expiration prior to the 2027 benefit year, we have assumed rates will increase due to anticipated reductions in enrollment, both at the issuer and single risk pool level. As eAPTCs expire and enrollees subsequently face increased out-of-pocket premiums, we assume healthier individuals who tend to be more price sensitive will leave the market, worsening the average morbidity of the individual risk pool.

## 2. Proposed Rate Changes

The rate increases for each product offered in the single risk pool by Celtic Insurance Company in the state of Illinois are reflected in Worksheet 2, Section I of the Part I URRT.

### Reasons for Rate Increase(s):

The rate projections for 2027 have been updated from the previous year's projections to reflect the most recent assumptions and information available.

The following provides a narrative description of the significant factors driving the proposed rate increase for 2027.

- [REDACTED]  
The individual single risk pool experience underlying the rate projections has been updated. The current model reflects the projected utilization trend applied to adjusted experience (from 2025 to 2027), including anticipated changes in the average morbidity of the single risk pool. There is a full description of utilization trend and other projection factors applied to experience in Section 6, 'Trend Factors'.  
Risk adjustment transfer experience for 2027 includes consideration of changes to the statewide average premium, the Risk Adjustment program, and Celtic Insurance Company enrollee population morbidity relative to the Illinois single risk pool.
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]

Note that the requested rate change may not be the same across all plans within a product due to changes to the member cost sharing amounts by plan. Additionally, the defunding of CSR subsidies has contributed to the rate levels being higher than if the subsidies were to be funded.

### **3. Single Risk Pool**

The Index Rate is based on the single risk pool defined by the state of Illinois, which was established according to the requirements in 45 CFR Part 156.80. The single risk pool is defined as including all non-grandfathered individual business in Illinois.

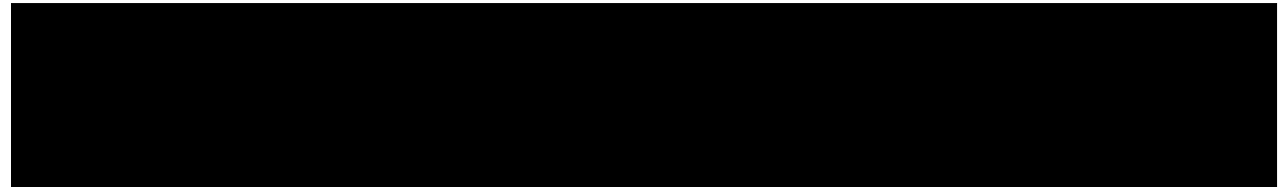
The single risk pool for the experience period does not include transitional products/plans. The single risk pool for the 2027 projection period does not include members who still remain enrolled in transitional plans.

#### 4. Experience and Current Period Premium, Claims and Enrollment

The following information supports the best estimate of premium and claims for the single risk pool during the experience period, as reported in Worksheet 1, Section I of the URRT. The experience period for this rate filing is incurrual year 2025, and includes claims paid through 3/31/2026.

**Allowed and Incurred Claims incurred During the Experience Period:**

A breakout of the claims shown in Worksheet 1, Section I is provided in Appendix 4.1.



Actual claims run-out may reflect some variability from future expectations. There are no unusually high or low completion factors being applied to allowed or incurred claims resulting from internal shifts in administration practices.

**Cost Sharing Reduction (CSR) Subsidies:**

Cost-sharing reduction (CSR) subsidies were unfunded for the entirety of the base period. For rating purposes, we assumed that CSR subsidies will continue to be unfunded throughout the projection period. Within Appendix 4.1 we have included estimates for our 2025 experience CSR subsidy payments had they been funded. While these reflect internal estimates for the subsidies for the experience period, we would expect substantial differences between these estimates and projected CSR subsidies in the 2027 plan year, as trend adjustments, portfolio updates, and changes in demographics would meaningfully change projected subsidies. As a result, the prospective rating impact of CSR subsidies becoming funded in plan-year 2027 would also change materially from what is suggested by historical experience.

**Experience Period Risk Adjustment and Reinsurance Adjustments PMPM:**

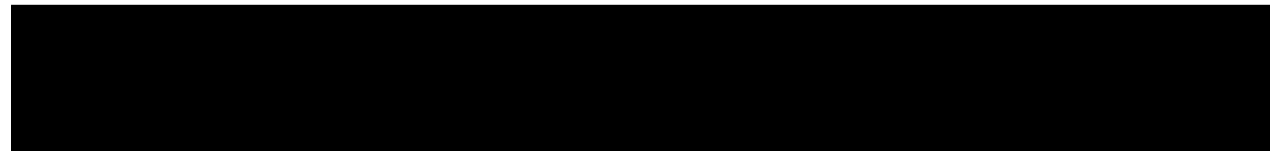
The risk adjustment transfer and reinsurance receivables for the experience period are shown on Worksheet 1, Section I of the URRT. The final amounts for risk adjustment and any applicable reinsurance receivables were not known at the time of rate development. These amounts were estimated using data available through [REDACTED]. [REDACTED]

**Current Enrollment and Premium:**

The current enrollment and premium values on Worksheet 2, Section II are reported as of 3/31/2026.

Earned premium in the experience period is not adjusted for taxes, assessments, risk adjustment receivables or payables or MLR rebates.

## 5. Benefit Categories



The algorithm used to assign utilization data and cost information is summarized as follows.

### **Inpatient Hospital**

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**

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**

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**

Other medical includes non-capitated ambulance, home health care, DME, prosthetics, supplies, vision exams, dental services, and other services. The measurement units for utilization used in this category are a mix of visits, cases, procedures, etc.

### **Capitation**

Capitation includes all services provided under one or more capitated arrangements.

### **Prescription Drug**

Prescription drug includes drugs dispensed by a pharmacy and is net of rebates.

This section describes and supports the factors used to project the 2025 experience period allowed claims to the 2027 projection period as shown in Worksheet 1, Section II of the URRT.

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]

[REDACTED]



This section describes and supports the adjustments other than trend used to project the 2025 experience period Essential Health Benefit (EHB) allowed claims to the 2027 projection period as shown in Worksheet 1, Section II of the URRT. Each factor represents the change between the experience period and projection period. The factors, therefore, are not annualized values.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

\_\_\_\_\_

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Appendix 7.4 decomposes the other changes factor into its components.

## 8. Manual Rate Adjustments

This filing is [REDACTED] experience rated. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## 9. Credibility of Experience

[REDACTED]

[REDACTED]

- Total 2025 Member Months: [REDACTED]
- Credibility Level Assigned to Base Period Experience: [REDACTED]

Note that credibility is calculated based on 2025 experience data that are suitable for pricing and may not exactly match the total 2025 member months shown above.

Actuarial Standard of Practice #25 “Credibility Procedures” was considered when determining the credibility level.

## 10. Establishing the Index Rate

The Index Rate for the Experience Period (calendar year 2025) is a measurement of the average allowed claims PMPM for EHB benefits. This value is located on Worksheet 1, Section I of the URRT. The Index Rate for the Experience Period reflects the actual mixture of smoker/non-smoker population, area factors, plan enrollment, and the actual mixture of risk morbidity in the single risk pool during the experience period. The Index Rate for the experience period has not been adjusted for payments and charges under the risk adjustment and reinsurance programs or for Exchange user fees. We have adjusted the Index Rate for the Experience Period to remove any non-EHBs. The claim system does not currently distinguish between EHB and non-EHB claims, so this adjustment was made based on the expected percentage of non-EHB claims for the experience period. The experience period did not contain non-single risk pool claims, so no adjustment was made for this.

The Index Rate for the Projection Period (calendar year 2027) is reflected in Worksheet 1, Section II of the URRT. It was developed following the specifications of 45 CFR part 156.80(d) (1). The Index Rate for the Projection Period represents the estimated total combined projected allowed claims PMPM for Essential Health Benefits (EHB) for calendar year 2027 only and has not been adjusted for payments and charges under the risk adjustment program or for Exchange user fees. The index rate differs from the total allowed claims in that the total allowed claims include benefits in excess of EHBs (adult vision and adult dental).

The Index Rate for the Projection Period will remain unchanged until a renewal filing effective January 1, 2028.

The development of the Index Rate for the Projection Period is shown in Worksheet 1, Section II. This reflects:

- The 12-month projection period shown in Worksheet 1, Section II
- The anticipated claim level of the projection period with respect to trend, benefits, and demographics
- The experience of all policies expected to be in the single risk pool (with necessary adjustments)

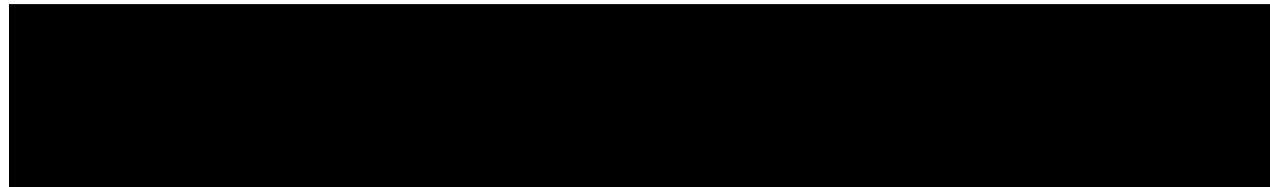
Appendix 10.1 demonstrates the calculation of the Projected Index Rate by blending the Experience Period Index Rate with the Credibility Manual Index Rate, as applicable. The next two sections further describe the steps taken to develop the Market Adjusted Index Rate and Plan Adjusted Index Rate.

## 11. Development of the Market-Wide Adjusted Index Rate

The Index Rate for the projection period is adjusted to arrive at the Market Adjusted Index Rate (MAIR) based on the following, as outlined in 45 CFR 156.80(d):

- Adjustment for the Risk Adjustment Program
- Exchange user fee adjustment

The risk adjustment payment/charge is described below. Since the Index Rate is on an allowed claims basis, the market-level adjustments are also performed on an allowed basis.

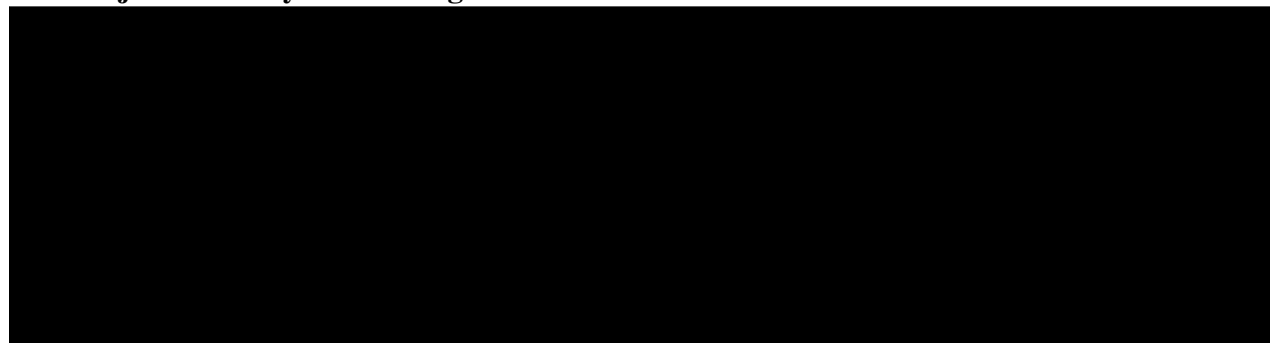


For further detail on the development of the MAIR, please refer to Appendix 11.1.

### Reinsurance:



### Risk Adjustment Payment/Charge:



The Risk Transfer calculations are based on the risk adjustment transfer formula, as provided in the Federal Register Volume 78 Number 47, and displayed below:

$$T_i = \left[ \frac{(PLRS_i \times IDF_i \times GCF_i)}{\sum_i (s_i \times PLRS_i \times IDF_i \times GCF_i)} - \frac{(AV_i \times ARF_i \times IDF_i \times GCF_i)}{\sum_i (s_i \times AV_i \times ARF_i \times IDF_i \times GCF_i)} \right] \times \bar{P}_s$$

Where:

$\bar{P}_s$  = statewide average premium  $\times$  0.86 (to reflect the admin reduction adjustment);

$PLRS_i$  = plan  $i$ 's plan liability risk score;

$AV_i$  = plan  $i$ 's metal level AV;

$ARF_i$  = plan  $i$ 's allowable rating factor;

$IDF_i$  = plan  $i$ 's induced demand factor;

$GCF_i$  = plan  $i$ 's geographic cost factor;

$S_i$  = plan  $i$ 's share of state enrollment as measured in member months

The denominator is summed across all plans in the risk pool in the market in the state.

We project the portfolio average for each factor in the risk adjustment transfer formula using a combination of (i) actual historical risk adjustment factors adjusted to the projected population and (ii) adjustments for market and risk adjustment program changes. The resulting aggregate payment or receivable is then proportionally allocated to all plans in the portfolio.

For the purposes of stable modeling, each factor was approximated as follows:



Based on the Final Rule for the 2027 Annual Notice of Benefit and Payment Parameters, HHS's proposed 2025 and 2027 HCC model and coefficient changes for 2027 (including partial year adjustment factors, prescription drug condition categories, and model recalibration) were considered in the development of the projected risk adjustment transfer. The demographic, plan mix, and morbidity assumptions were used to project claims costs.

IDF: The statewide average IDF is projected based on the average IDF of the single risk pool in 2025. For historical risk transfer data, we rely on a combination of the latest available HHS Summary Report on Permanent Risk Adjustment Transfers and when available, Wakely's National Risk Adjustment Reporting Project (WNRAR) for the state of Illinois.

The average IDF for Celtic Insurance Company is projected by applying the induced demand factors from the market reform rule published in the March 11, 2013 Federal Register, page 15433, Table 11 to Celtic Insurance Company's projected population. The formula recognizes the following IDF factors by metallic tier: Bronze 1.00, Silver, 1.03, Gold 1.08, and Platinum 1.15.

AV: The statewide average actuarial value (AV) is projected based on the average metal level AV of the single risk pool in 2025. For historical risk transfer data, we rely on a combination of the latest available HHS Summary Report on Permanent Risk Adjustment Transfers and when available, Wakely's National Risk Adjustment Reporting Project (WNRAR) for the state of Illinois. The average AV for Celtic Insurance Company is calculated by applying the metal level AV factors from the market reform rule published in the March 11, 2013 Federal Register, page 15433, Table 9 to Celtic Insurance Company's projected population. The formula recognizes the following AV values by metallic tier: Bronze 0.60, Silver 0.70, Gold 0.80, and Platinum 0.90.

ARF: As stated in the March 11, 2013 Federal Register, page 15433, the allowable rating factor (ARF) adjustment accounts only for age rating.

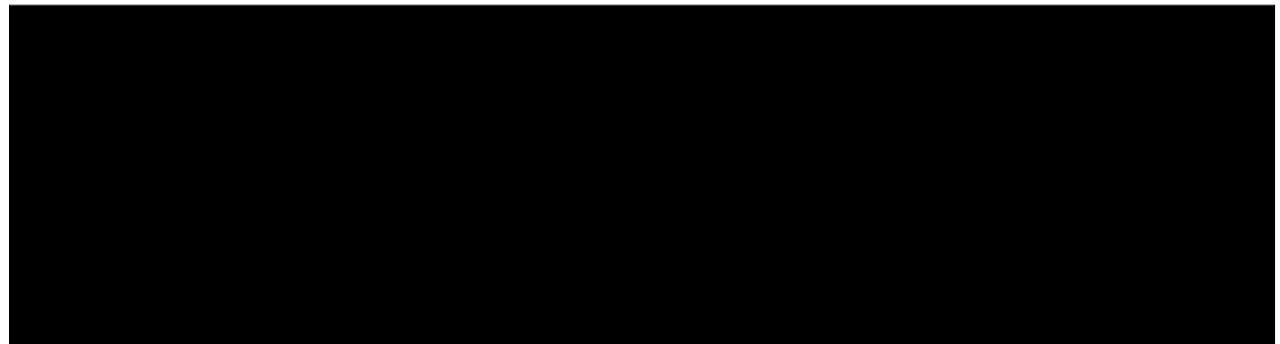
The statewide average ARF was set equal to the average ARF of the single risk pool in 2025. For

historical risk transfer data, we rely on a combination of the latest available HHS Summary Report on Permanent Risk Adjustment Transfers and when available, Wakely's National Risk Adjustment Reporting Project (WNRAR) for the state of Illinois.

The average ARF for Celtic Insurance Company is projected by applying the proposed 2027 HHS age rating factors to Celtic Insurance Company's projected population. An equal distribution across ages within each age band was assumed.

GCF: The average Geographic Cost Factors for Celtic Insurance Company's membership is projected based on the 2025 GCFs, as reported by HHS, adjusted for projected changes caused by carrier rate actions from 2025 to 2027.

Outliers were reflected in our calculations to the extent that outliers are reflected in historical risk scores used as the starting point of the 2027 risk transfer projection and via the calculation of the net High Risk Pool receivable or payment. Otherwise, there were no "potential outlier assumptions" that would have an impact on transfers.



The risk adjustment transfer amounts shown on Worksheet 1 of the URRT are the actual PMPM amounts expected in the projection period. The risk adjustment transfer amount applied to the Index Rate in the development of the Market Adjusted Index Rate is on an allowed claims basis, as the Index Rate is on an allowed claims basis.

The demographic, plan mix, and morbidity assumptions supporting the risk transfer projection are consistent with the demographic, plan mix, and the morbidity assumptions used to project claims costs.

**Exchange User Fees:**





## 12. Plan Adjusted Index Rate

The Plan Adjusted Index Rate (PAIR) is included in Worksheet 2, Section III of the URRT. The PAIR is the MAIR adjusted for only the following allowable adjustments, where applicable, as outlined in 45 CFR 156.80(d):

- Actuarial value and cost-sharing design of the plan.

—	[REDACTED]
—	[REDACTED]
*	[REDACTED]
*	[REDACTED]
*	[REDACTED]
—	[REDACTED]
*	[REDACTED]

- The plan's provider network, delivery system characteristics, and utilization management adjustment practices

— [REDACTED]

- Benefits provided under the plan that are in addition to the EHBs.

— [REDACTED]

–

- Administrative costs, excluding the Exchange user fees (which are already accounted for in the Market Adjusted Index Rate).
  - The administrative costs are discussed further in the subsequent paragraphs of this section

There are no catastrophic plans being offered, so there is no eligibility adjustment made for catastrophic plan enrollment.

Administrative costs and non-EHB benefits common to all plans are added to the Market Adjusted Index Rate. Then, factors for actuarial value and cost-sharing and non-EHBs by plan are applied to reach the Plan Adjusted Index Rate for each plan.

The development and values of the Plan Adjusted Index Rates are shown in Appendix 12.1 and are not calibrated.

On Worksheet 2, Section II, the Plan Adjusted Index Rate of the Experience Period is reported.

**Administrative Expense Load:**

The administrative expenses are allocated proportionally by plan on a constant percentage of premium basis.

**Profit (or Contribution to Surplus) & Risk Margin:**

This load was applied proportionally to all products and plans and can be found in Appendix 12.2.

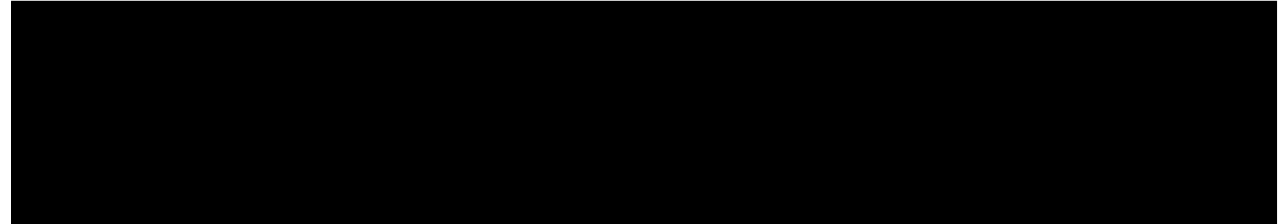
**Taxes and Fees:**

The taxes and fees which may be subtracted from premiums for purposes of calculating the MLR are listed in Appendix 12.2. The Risk Adjustment User Fee has been included as part of this adjustment. See Section 11, “Development of the Market-Wide Adjusted Index Rate”, for a discussion on how the Exchange user fee was calculated and applied to the Market Adjusted Index Rate.

### 13. Calibration

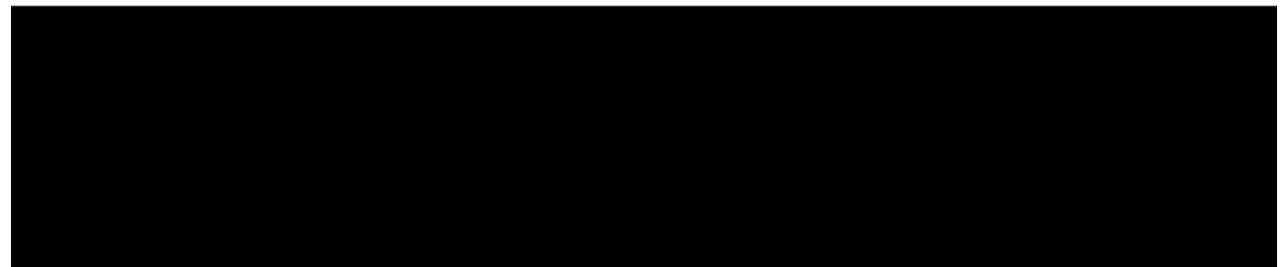
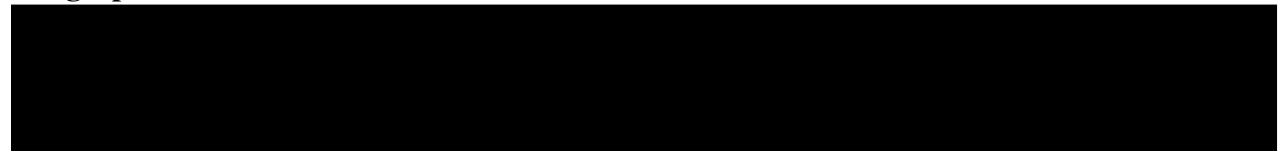


#### Age Curve Calibration:

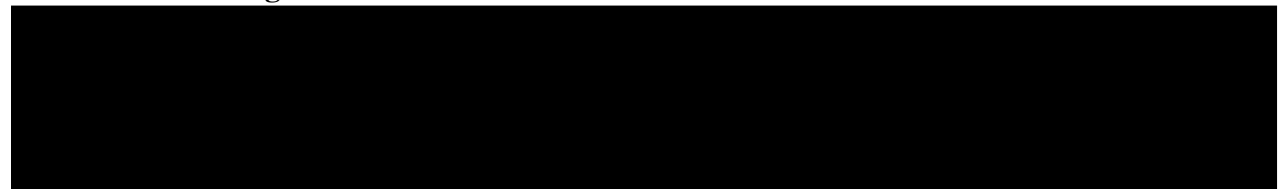


Appendix 13.1 of the Actuarial Memorandum demonstrates the calibration of the Plan Adjusted Index Rate for age. The distribution of members by age is in Appendix 1.2 and the corresponding age factors are included in Appendix 1.3.

#### Geographic Factor Calibration:



#### Tobacco Use Rating Factor Calibration:



#### **Calibration adjustments are applied uniformly to all plans:**

The calibration adjustment does not vary by plan and this is demonstrated in Appendix 13.1. Member-level adjustments as described in 45 CFR 147.102 are applied uniformly to all plans in the single risk pool, and these adjustments do not vary by plan.



The distribution of members by rating area is included in Appendix 1.2. Furthermore, Appendix 1.4 provides a sample calculation of premium rates.

## 14. Consumer Adjusted Premium Rate Development

Each Plan Adjusted Index Rate is divided by the overall calibration factor to determine the Calibrated Plan Adjusted Index Rate.

The following allowable rating factors, as specified by 45 CFR Part 147.102, are applied to the Calibrated Plan Adjusted Index Rate to determine the rate that is charged to the health insurance subscriber:

- Rating Area
  - The area factors are listed in Appendix 1.3. The methodology for developing geographic factors is included in Section 13, "Calibration".
- Age
  - The prescribed standard age factors were used.
- Tobacco Status
  - [REDACTED]
- For family coverage, rates for children are charged to no more than the three oldest covered children under age 21.

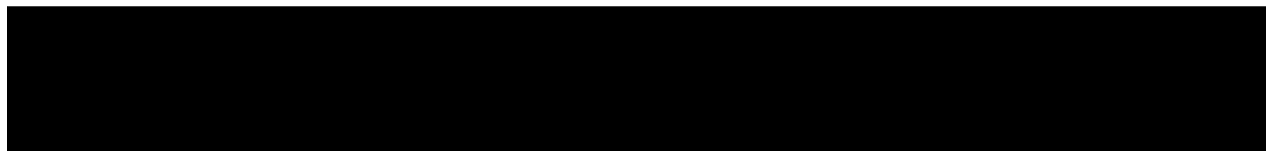
Appendix 1.3 lists the allowable rating factors and Appendix 1.4 contains an example walking through the calculation of a theoretical family's rates.

## 15. Projected Loss Ratio

The projected medical loss ratio (MLR) for Celtic Insurance Company in 2027 in Illinois is ■■■■, which satisfies the state of Illinois's minimum MLR requirement of 80%. This projected MLR is calculated according to 45 CFR 158. The projected MLR is the projected 2027 calendar year single risk pool experience rather than the three-year period used for determining rebates. No credibility adjustment based on projected enrollment and average deductible was estimated. See Appendix 15.1 for the detail underlying the calculation.

## 16. AV Metal Values

The AV Metal Values included in Worksheet 2 of the Part I URRT were calculated using the Final 2027 Federal AV Calculator for the plan provisions that fit within the calculator parameters and making appropriate adjustments to the AV identified by the calculator for plan design features that are not compatible with the parameters of the AV Calculator.



## 17. Membership Projections






## **18. Terminated Plans and Products**

A list of the plans being terminated and the plans to which these are being mapped is included in the appendices as Appendix 18.1.

## 19. Plan Type



## 20. Effective Rate Review Information

See Appendix 20.1 for documents summarizing the capital and surplus position of Celtic.

The following is intended to satisfy the "Illinois Actuarial Memorandum Requirements - Individual" checklist. Included in this checklist are often references to other parts of the rate filing package. When "Section" is used, this refers to another Section in the Part III Actuarial Memorandum.

### 1. General Information

#### (a) Scope and Purpose

- i. Please see Section 1, "General Information", for a description of the scope and purpose

#### (b) Market

- i. The products and plans are being offered in the Illinois Individual market.

#### (c) Policy Forms

#### (d) Description of Benefits

- i. These products are HMO health policies issued by Celtic. The major provisions of this form for each plan design and product are listed in Section 1, "General Information", under "Description of Benefits".

#### (e) Marketing Method

- i. [REDACTED]

#### (f) Commission Structure for Illinois Qualified Health Plans sold through the Marketplace

- i. [REDACTED]

### 2. Proposed Rates

#### (a) History of Rate Adjustments

- i. The history of rate adjustments is shown on Appendix 20.4.

#### (b) Effective Date of Requested Rate Increase

- i. The proposed effective date is 1/1/ 2027

#### (c) Months of Rate Guarantee

- i. The rates will be guaranteed for the policy holder for 12 months

#### (d) SERFF Number of Prior Filing

- i. CECO-134506476

#### (e) Effective Date of Prior Filing

- i. 1/1/ 2026

## (f) Proposed Percentage Rate Change

- i. [REDACTED]
- ii. [REDACTED]
- iii. [REDACTED]
- iv. [REDACTED]

## (g) Reason for Rate Change

- i. Please see Section 2, "Proposed Rate Changes", for a description of the reasons for the rate change.

## (h) Average Annual Premium

- i. Average annual premium for a member in the single risk pool:
  - A. Prior to requested rate adjustment: [REDACTED]
  - B. After Requested rate adjustment: [REDACTED]

## (i) Number of Policyholders and Covered Lives

- i. Illinois policyholders affected by rate increase: [REDACTED]
- ii. Illinois covered lives affected by rate increase: [REDACTED]

## (j) Projected Loss Ratio with and without proposed rate increases

- i. [REDACTED]

## (k) Cumulative, future and lifetime loss ratio

- i. Please see the exhibit "Illinois Experience Spreadsheet" for a display of the historic loss ratios by year, cumulative loss ratio to date, the projected loss ratio and the loss ratio combining both the past history and the projected experience. Per the instructions for the "Illinois Experience Spreadsheet", is our understanding the loss ratio should be calculated before risk adjustment. Hence, the loss ratios reported in the "Illinois Experience Spreadsheet" are different from the loss ratios reported above in Act Memo Item j.

## 3. Experience Period Premium and Claims

## (a) Dates of Service for the Experience Period Used to Develop Rates

- i. Experience data is discussed in Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

## (b) Date Through Which Claims Were Paid

- i. See Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

(c) Estimated Allowed Claims During the Experience Period Used to Develop Rates

- i. See Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

(d) Method for Determining Allowed Claims

- i. See Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

(e) Incurred but not Paid Claims

- i. See Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

(f) Premium in Experience Period (Net of MLR Rebate)

- i. 

4. Adjustments to Allowed Claims During the Experience Period

(a) Items 4a. and 4b. Adjustments to Allowed Claims During the Experience Period

- i. See Section 4, "Experience and Current Period Premium, Claims, and Enrollment".

5. Projection Factors

(a) Changes to Benefits

- i. See Section 7, "Adjustments to Trended EHB Allowed Claims PMPM".

(b) Trend Factors (Cost and Utilization)

- i. See Section, "Trend Factors".

(c) Projected Changes in the Demographics of the Population Insurance

- i. See Section 7, "Adjustments to Trended EHB Allowed Claims PMPM".

(d) Projected Changes in the Morbidity of the Insured Population

- i. See Section 7, "Adjustments to Trended EHB Allowed Claims PMPM".

(e) Other Projected Changes

- i. See Section 7, "Adjustments to Trended EHB Allowed Claims PMPM".

6. Credibility Manual Rate Adjustment

(a) Methodology Used to Develop the Credibility Manual Rate

- i. This filing is 100% experience-rated. No credibility manual rate is being filed for 2027.

(b) Source and Appropriateness of the Experience Used to Develop the Credibility Manual Rate

- i. This filing is 100% experience-rated. No credibility manual rate is being filed for 2027.

(c) Adjustments Made to Data Used to Develop the Credibility Manual Rate

- i. This filing is 100% experience-rated. No credibility manual rate is being filed for 2027.

(d) Inclusion of Capitation Payments in Developing the Credibility Manual Rate

- i. This filing is 100% experience-rated. No credibility manual rate is being filed for 2027.

7. Credibility

(a) Credibility Methodology

- i. See Section 9, "Credibility of Experience".

(b) Credibility Level(s)

- i. See Section 9, "Credibility of Experience".

8. Covered Services

(a) Essential Health Benefits

- i. All plans offered cover the required EHBs. See Section 7, "Adjustments to Trended EHB Allowed Claims PMPM" for discussion on the 2027 EHBs. The percentage of total claims that are EHB for each plan is shown in Appendix 20.5.

(b) State Mandated Benefits Which Are Not Essential Health Benefits

- i. Services associated with the Reproductive Health Act are considered state mandated non-EHBs. See Section 12, "Plan Adjusted Index Rate" for discussion. See Appendix 20.5 for the percent of claims represented by this state mandated benefit.

(c) Eliminated Benefits

- i. [REDACTED]

(d) Additional Mandated Supplementary Benefits

- i. [REDACTED]

(e) Changes in the Level of Covered Services

- i. [REDACTED]

(f) EHB Substitutions

- i. [REDACTED]

9. Credibility Adjusted Projected Claims

- (a) See Appendices 10.1, 11.1, 12.1, and 13.1, which show the estimated claims for the projection period after adjusting for credibility. Section 9, "Credibility of Experience", provides support for this calculation.
10. Projected Index Rate
- (a) See Section 10, "Establishing the Index Rate", for a description of the development of the index rate for the projection period
11. Risk Transfer Payments
- (a) See Section 11, "Development of the Market-Wide Adjusted Index Rate", for a description of the calculation of the estimate of the risk transfer payments during the projection period.
12. Development of the Market Adjusted Index Rate
- (a) See Section 11, "Development of the Market-Wide Adjusted Index Rate", for a description of the Market Adjusted Index Rate.
13. Plan Level Adjusted Index Rate
- (a) See Section 12, "Plan Adjusted Index Rate", for a description of the development of the Plan Adjusted Index Rate. Note, we believe the correct source of the allowable adjustments is 45 CFR 156.80(d) (2), rather than 45 CFR 154.80(d) (2).
14. Actuarial Values
- (a) AV Metal Values
    - i. See section 16, AV Metal Values, for a description of how the AV Metal Values were calculated.
  - (b) AV Pricing Values
    - i. See Section 12, "Plan Adjusted Index Rate", for a description of how the AV Pricing Values for each plan was calculated, and how they relate to the factors used in the development of Plan Level Adjusted Index Rate.
15. Paid to Allowed Ratio
- (a) See Section 12, "Plan Adjusted Index Rate", for a description of the methodology used to convert claims from an allowed basis to a paid basis
16. Non-Benefit Expenses Including Risk and Profit Margin
- (a) Projected Non-Benefit Expenses, Risk and Profit
    - i. See Section 12, "Plan Adjusted Index Rate", for an explanation of the administrative expense load and taxes and fees.
  - (b) Comparison of Current and Proposed Non-Benefit Expenses, Risk and Profit
    - i. See Appendix 20.2 for a comparison of current and proposed non-benefit expenses, risk, and profit.

(c) Varying Non-Benefit Expenses By Plan

- i. The non-benefit expenses are applied as the same constant percentage of premium across all plans. This can be seen in Appendix 12.1, in the "Administrative Costs Excluding Exchange User Fees" column.

17. Adjusted Community Rating Factors

(a) Age Factors

- i. The federally prescribed standardized age factors were used. The age factors are shown in Appendix 1.3.

(b) Geographic Factors

- i. In order to determine the calibration factor for geography, the projected distribution of members by area was determined. The weighted average of the area factors was then calculated using this distribution. The area factors used are reflective of differences in delivery costs (including unit cost and provider practice pattern differences) only, and do not reflect difference in population morbidity.
- ii. The geographic factors are shown in Appendix 1.3.

(c) Tobacco Factors

i.



(d) Family Composition

- i. Illinois follows per-member rating. For family coverage, rates for children are charged to no more than the three oldest covered children under age 21, consistent with the methodology described in 45 CFR 147.102, paragraphs (c)(1). The "Rating Example" in Appendix 1.4 shows the rate calculations for a family with four children.

18. Rate Tables

(a) Development of Rate Tables

- i. Section 13, "Calibration", and Section 14, "Consumer Adjusted Premium Rate Development", explain how the plan level adjusted index rate was calibrated to the projected age and geographic distribution.
- ii. Appendix 1.4 has a sample rate calculation

(b) Weighted Average Age

- i. Appendix 13.2, "Age Factor Development", shows the calculation of the weighted average age. The source of the projected member months is described in Section 17, "Membership Projections". The age factors are the federally prescribed age



factors. The weighted average age is determined by mapping the composite age relativity to the closest age on the federally prescribed age factor curve.

(c) Age Curve Calibration

- i. Appendix 13.2, "Age Factor Development", shows how the average age factor is determined. Appendix 13.1, "Plan Adjusted Index Rate to Calibrate Plan-Adjusted Index Rate", shows how the age calibration factor is applied to develop the premium rates. This method conforms with the rating rules specified in 45 CFR 147.102.

(d) Geographic Calibration Factor

- i. The Geographic Calibration Factor is 1.00. Appendix 13.3, "Area Factor Development", shows how the average geographic area factor is determined. Appendix 13.1, "Plan Adjusted Index Rate to Calibrated Plan-Adjusted Index Rate", shows how the geographic area calibration factor is applied to develop the premium rates.

19. Development of All Product Base Rates

- (a) Please See Appendices 10.1, 11.1, 12.1, and 13.1 for the quantitative development of the product base rates based on the market base rate.

20. Risk Corridor Payments of Recoveries

- (a) There were no risk corridor payments or recoveries in the experience period

21. Company Financial Position

- (a) See Appendix 20.1 for documents summarizing the capital and surplus position of Celtic as of 12/31/2025

22. Last Five Years' RBC

- (a) See Appendix 20.1 for documents summarizing the five year historical data for Celtic as of 12/31/2025

23. Federal Medical Loss Ratio Requirements

- (a) Projected Federal MLR
  - i. See Section 15, "Projected Loss Ratio" for a demonstration of the anticipated Federal MLR
- (b) Explanation when the future loss ratio is not consistent with the federal rebate MLR
  - i. See Section 15, "Projected Loss Ratio".

24. Pursuant to Public Act 103-0106

- (a) Definition of Major Service Category
  - i. See Section 5, "Benefit Categories"
- (b) Current and Planned Health Initiatives

i.



(c) Issues Faced with Provider Availability by Geographic Location

i.



(d) Consumer Out-of-Pocket Cost Trends

- i. Ambetter does not currently track these trends, but will moving forward in subsequent rate filings.

25. Reliance

- (a) See Section 21, "Reliance".

26. Certification of Compliance

- (a) Please see Section 22, "Actuarial Certification", for the Actuarial Certification.

## **21. Reliance**

See Appendix 21.1 for a detailed listing of items received and relied upon for rate development.

## 22. Actuarial Certification

I, [REDACTED], am a member of the American Academy of Actuaries in good standing and meet its qualification standards for actuaries issuing statements of actuarial opinion in the United States promulgated by the American Academy of Actuaries, and have the education and experience necessary to perform the work.

I certify the rates were developed in accordance with the appropriate Actuarial Standards of Practice (ASOPs) and the profession's Code of Professional Conduct. While other ASOPs apply, particular emphasis was placed on the following:

- 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. 12, Risk Classification
- ASOP No. 23, Data Quality
- ASOP No. 25, Credibility Procedures
- ASOP No. 26, Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health Benefit Plans
- ASOP No. 41, Actuarial Communications
- ASOP No. 42, Health and Disability Actuarial Assets and Liabilities Other Than Liabilities for Incurred Claims
- 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
- ASOP No. 56, Modeling

I certify that to the best of my knowledge and judgement:

1. The Index Rate for the Projection Period is:
  - (a) In compliance with all applicable State and Federal Statutes and Regulations (45 CFR 156.80 and 147.102);
  - (b) Developed in compliance with the applicable Actuarial Standards of Practice;
  - (c) Reasonable in relation to the benefits provided and the population anticipated to be covered;
  - (d) Neither excessive nor deficient based on my best estimate of the 2027 individual market
2. 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.

3. The geographic rating factors reflect only difference in the cost of delivery and do not include differences for population morbidity by geographic area.
4. The CMS Actuarial Value Calculator, with appropriate adjustments, was used to determine the AV Metal Values shown in Worksheet 2, Section I of the URRT for all plans. This rate filing was prepared in compliance with all applicable state and federal statutes and regulations.

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 2027 plan year premium rates in this actuarial memorandum are contingent upon the status of the ACA statutes and regulations including any regulatory guidance, such as CMS' Marketplace Integrity and Affordability Rule, court decisions, or otherwise. Changes have the potential to greatly impact the 2027 plan year premium rates provided in this Actuarial Memorandum and the alignment of these premium rates with incurred costs. Changes include, but are not limited to, any legislative or regulatory amendment, court decision, or a decision by Congress, the Health and Human Services Secretary or the Centers for Medicare and Medicaid Services director to adjust funding of CSR subsidies or advance premium tax credits. In the event that any material provisions are enacted, a revision to the rates will be needed..

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.

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 amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

Signed: [REDACTED]

Name: [REDACTED]

Date: 5/26/2026

**All Appendices have been redacted.**

*Trade Secret*

Pursuant to 5 ILCS 140/7(1)(g):

Celtic Insurance Company considers the entirety of the documents listed below and included within the Illinois Department of Insurance Health Maintenance Organization Application to satisfy the trade secret requirements as defined by 5 ILCS 140/7(1)(g) because they contain information that has value and provides an advantage or an opportunity to obtain an advantage over those who do not know or use it:

- 1) IL\_PY27\_1332\_Exhibit\_v1\_6.3.26.xlsx
- 2) IL\_PY27\_Act Memo\_Appendix\_Exhibits\_6.3.26.xlsm
- 3) IL\_PY27\_ActMemo\_Redacted\_v1\_6.3.26.pdf
- 4) IL\_PY27\_ActMemo\_v1\_6.3.26.pdf
- 5) IL\_PY27\_EHB\_v1\_6.3.26.xlsx
- 6) IL\_PY27\_ProposedEnrollmentTemplate\_v1\_6.3.26.xlsx
- 7) IL\_PY27\_Public\_Rate\_Filing\_Summary\_v1\_6.3.26.xlsx
- 8) IL\_PY27\_RateTables\_v1\_6.3.26.xls
- 9) IL\_PY27\_RateTables\_v1\_6.3.26.xml
- 10) IL\_PY27\_StateExperienceSpreadsheet\_v1\_6.3.26.pdf
- 11) IL\_PY27\_StateExperienceSpreadsheet\_v1\_6.3.26.xlsx
- 12) IL\_PY27\_StateExperienceSpreadsheet\_WithAdmin\_v1\_6.3.26.xlsx
- 13) IL\_PY27\_StateRateReviewDetail\_v1\_6.3.26.xlsx
- 14) IL\_PY27\_UnifiedRateReview\_v1\_6.3.26.xlsm
- 15) IL\_PY27\_UnifiedRateReview\_v1\_6.3.26.xml
- 16) IL\_PY27\_UPDJ\_v1\_6.3.26.pdf

*Trade Secret*

*Trade Secret*

Celtic Insurance Company has taken measures to prevent the disclosure of the information to anyone other than those who have been selected to have access for limited purposes, and Celtic Insurance Company continues to take such measures.

The information is not, and has not been, reasonably obtainable without our consent by other persons by use of legitimate means.

The information is not publicly available elsewhere.

Signed: 

Name: Dave Yanick

Title: Senior Manager, Actuarial Services

Date: 06/03/2026

*Trade Secret*