

State: Illinois

Filing Company: UnitedHealthcare Insurance Company of the River Valley

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO

Product Name: IL UHICofRV SG TR 202601

Project Name/Number: /

Filing at a Glance

Company: UnitedHealthcare Insurance Company of the River Valley

Product Name: IL UHICofRV SG TR 202601

State: Illinois

TOI: H16G Group Health - Major Medical

Sub-TOI: H16G.003A Small Group Only - PPO

Filing Type: Rate

Date Submitted: 09/29/2025

SERFF Tr Num: UHLC-134681595

SERFF Status: Pending State Action

State Tr Num:

State Status: Assigned to Reviewer

Co Tr Num:

Effective 01/01/2026

Date Requested:

Author(s): Paul Knepp, Olajide Obatunwase

Reviewer(s): Christina Roy (primary), Becky Sheppard, Beth Verticchio, George Korean

Disposition Date:

Disposition Status:

Effective Date:

State Filing Description:

State:	Illinois	Filing Company:	UnitedHealthcare Insurance Company of the River Valley
TOI/Sub-TOI:	H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO		
Product Name:	IL UHICofRV SG TR 202601		
Project Name/Number:	/		

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: Group
Submission Type: New Submission	Group Market Size: Small
Group Market Type: Employer	Overall Rate Impact:
Filing Status Changed: 10/28/2025	
State Status Changed: 09/29/2025	Deemer Date:
Created By: Paul Knepp	Submitted By: Paul Knepp
Corresponding Filing Tracking Number:	
State TOI: H16G Group Health - Major Medical	State Sub-TOI: H16G.003A Small Group Only - PPO
PPACA: Not PPACA-Related	
PPACA Notes: null	
Include Exchange Intentions:	No

Filing Description:

The purpose of the rate filing is to extend the pricing trend through the end of 2026. The current filed and approved pricing trend is 8.8% and this filing is requesting that be increased to 10.0%. No other rates are being revised with this filing.

Company and Contact

Filing Contact Information

Paul Knepp, Actuarial Consultant	Paul_J_Knepp@uhc.com
1300 River Drive, Suite 200	309-757-6399 [Phone]
Moline, IL 61265	309-736-4627 [FAX]

Filing Company Information

UnitedHealthcare Insurance	CoCode: 12231	State of Domicile: Illinois
Company of the River Valley	Group Code: 707	Company Type: Health
1300 River Drive, Suite 200	Group Name:	State ID Number:
Moline, IL 61265	FEIN Number: 20-1902768	
(309) 765-1485 ext. [Phone]		

State:Illinois

Filing Company:UnitedHealthcare Insurance Company of the River Valley

TOI/Sub-TOI:H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO

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Filing Fees

State Fees

Fee Required?No

Retaliatory?No

Fee Explanation:

SERFF Tracking #:	UHLC-134681595	State Tracking #:	Company Tracking #:
State:	Illinois	Filing Company:	UnitedHealthcare Insurance Company of the River Valley
TOI/Sub-TOI:	H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO		
Product Name:	IL UHICofRV SG TR 202601		
Project Name/Number:	/		

Rate Information

Rate data applies to filing.

Filing Method:	Prior Approval
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	4.100%
Effective Date of Last Rate Revision:	01/01/2025
Filing Method of Last Filing:	Prior Approval
SERFF Tracking Number of Last Filing:	UHLC-134234146

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):
UnitedHealthcare Insurance Company of the River Valley	Increase	9.900%	9.900%	\$1,750,000	102	\$17,730,000	9.900%	9.900%

State: Illinois

Filing Company: UnitedHealthcare Insurance Company of the River Valley

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO

Product Name: IL UHICofRV SG TR 202601

Project Name/Number: /

Rate Review Detail

COMPANY:

Company Name: UnitedHealthcare Insurance Company of the River Valley

HHS Issuer Id: 34446

PRODUCTS:

Product Name	HIOS Product ID	HIOS Submission ID	Number of Covered Lives
POS			1819

Trend Factors:

8.8%

FORMS:

New Policy Forms:

Affected Forms:

Other Affected Forms: UHC IL PPO 09-06

REQUESTED RATE CHANGE INFORMATION:

Change Period: Other

Member Months: 22,500

Benefit Change: None

Percent Change Requested: Min: 9.9 Max: 9.9 Avg: 9.9

PRIOR RATE:

Total Earned Premium: 16,490,000.00

Total Incurred Claims: 13,500,000.00

Annual \$: Min: 368.16 Max: 1,856.68 Avg: 715.34

REQUESTED RATE:

Projected Earned Premium: 17,730,000.00

Projected Incurred Claims: 14,510,000.00

Annual \$: Min: 395.78 Max: 1,995.93 Avg: 768.99

State:

Illinois

Filing Company:

UnitedHealthcare Insurance Company of the River Valley

TOI/Sub-TOI:

H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO

Product Name:

IL UHICofRV SG TR 202601

Project Name/Number:

/

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Rate Schedule		New		IL UHICofRV SG TR 202601- Rate Schedule.pdf,

Illinois Small Employer Group (2-50) Rate Filing Rate Schedule

UnitedHealthcare Insurance Company of the River Valley

Non-PPACA (Transitional Relief) Groups

Effective date: 1/1/26

Actuarial Memorandum in Support of Illinois Small Employer Group (2-50) Rate Filing
UnitedHealthcare Insurance Company of the River Valley – Transitional Relief

Base Rates

The purpose of the rate filing is to extend the pricing trend through the end of 2026. The current filed and approved pricing trend is 8.8% and this filing is requesting that be increased to 10.0%. No other rates are being revised with this filing.

	Chicago		Quad Cities		Peoria		Southern Illinois		East St. Louis	
Medical Product	471	471	472	472	602	602	627	627	508	508
	IL	IL	IL	IL	IL	IL	IL	IL	IL	IL
	Medical	Rx	Medical	Rx	Medical	Rx	Medical	Rx	Medical	Rx
POS	\$771.53	\$252.64	\$771.53	\$252.64	\$771.53	\$252.64	\$771.53	\$252.64	\$771.53	\$252.64
Rate change vs 1/1/25	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%

Age Factors

UnitedHealthcare's age/gender factors are shown below.

Gender	Min Age	Max Age	A/G Factor
Female	0	19	0.44
	20	24	1.15
	25	29	1.50
	30	34	1.50
	35	39	1.32
	40	44	1.27
	45	49	1.44
	50	54	1.74
	55	59	2.00
	60	64	2.40
	65	120	2.80
Male	0	19	0.44
	20	24	0.42
	25	29	0.50
	30	34	0.61
	35	39	0.68
	40	44	0.84
	45	49	1.13
	50	54	1.51
	55	59	2.10
	60	64	2.90
	65	120	3.72
# Children		A/G Factor	
Children	1		0.440
	2		0.880
	3+		1.320

No changes are being made to age/gender factors.

Effective Date Adjustments

The current annual pricing trend is 8.8% in all areas. This filing requests that the annual pricing trend be increased to 10.0%.

Actuarial Memorandum in Support of Illinois Small Employer Group (2-50) Rate Filing
UnitedHealthcare Insurance Company of the River Valley – Transitional Relief

Area Factors

UnitedHealthcare's area factors by county are listed below.

County	Factor	County	Factor
Adams	1.320	Macoupin	1.100
Alexander	1.900	MADISON	1.100
Bond	1.100	MARION	1.100
Brown	1.900	MARSHALL	0.985
BUREAU	0.985	Mason	1.089
CALHOUN	1.287	Massac	1.900
CARROLL	1.000	MCDONOUGH	1.050
Cass	1.089	MCLEAN	1.090
Champaign	1.089	Menard	1.089
Christian	1.900	MERCER	1.000
Clark	1.900	MONROE	1.100
CLAY	1.900	Montgomery	1.100
CLINTON	1.100	Morgan	1.089
Coles	1.900	Moultrie	1.900
Crawford	1.900	OGLE	1.000
Cumberland	1.900	PEORIA	0.985
DE WITT	1.090	Perry	1.900
Douglas	1.900	Piatt	1.089
Edgar	1.900	Pike	1.900
Edwards	1.900	Pope	1.900
Effingham	1.900	Pulaski	1.900
FAYETTE	1.900	PUTNAM	0.985
Ford	1.089	Randolph	1.100
FRANKLIN	1.900	Richland	1.900
FULTON	0.985	ROCK ISLAND	1.000
Gallatin	1.900	Saint Clair	1.100
GREENE	1.100	Saline	1.900
HAMILTON	1.900	Sangamon	1.089
HANCOCK	1.050	Schuyler	1.900
HARDIN	1.900	SCOTT	1.287
HENDERSON	1.000	Shelby	1.900
HENRY	1.000	STARK	0.985
JACKSON	1.900	STEPHENSON	0.985
JASPER	1.900	TAZEWELL	0.985
JEFFERSON	1.900	UNION	1.900
Jersey	1.100	Vermilion	1.089
JO DAVIESS	0.985	Wabash	1.900
JOHNSON	1.900	WARREN	0.985
KNOX	0.985	WASHINGTON	1.900
LA SALLE	0.985	WAYNE	1.900
Lawrence	1.900	White	1.900
LEE	1.000	WHITESIDE	1.000
LIVINGSTON	1.090	Williamson	1.100
Logan	1.089	WINNEBAGO	1.292
Macon	1.094	WOODFORD	0.985

No changes are being made to area factors.

Size Factors

The chart below documents UnitedHealthcare's current size factors.

Covered Employees	Size Factor
1-3	1.21
4-5	1.06
6-9	1.04
10-50	1.00

No changes are being made to size factors.

Plan Relativity Factors

The chart below displays a sample of UnitedHealthcare's plan codes with associated benefit plan relativity (or plan factor) for medical plans.

Plan Code	Plan Relativity	Plan Code	Plan Relativity
ILPDE00030	0.827	ILPSCG00060	0.593
ILPDE00031	0.734	ILPSCG00053	0.579
ILPDE00045	0.594	ILPSCG00061	0.558
ILPDE00046	0.873	ILPSCG00062	0.525
ILPDE00047	0.828	ILPSCG00063	0.501
ILPDE00048	0.775	ILPSCG00064	0.478
ILPDE00049	0.760	ILPSCG00056	0.465
ILPDE00050	0.657	ILPSCG00054	0.460
ILPHRG0001	0.439	ILPSCG00065	0.454
ILPHRG0002	0.406	ILPSCG00055	0.455
ILPSCG00025	0.816	ILPSCG00057	0.442
ILPSCG00026	0.731	ILPQDG00027	0.650
ILPSCG00047	0.583	ILPQDG00028	0.550
ILPSCG00048	0.840	ILPQDG00029	0.504
ILPSCG00049	0.782	ILPQDG00030	0.586
ILPSCG00050	0.742	ILPQDG00031	0.488
ILPSCG00051	0.618	ILPQDG00041	0.421
ILPSCG00052	0.730	ILPQDG00033	0.650
ILPSCG00039	0.589	ILPQDG00034	0.550
ILPSCG00040	0.565	ILPQDG00035	0.504
ILPSCG00041	0.555	ILPQDG00036	0.586

The chart below displays a sample of UnitedHealthcare's plan codes with associated benefit plan relativity (or plan factor) for Rx plans.

Actuarial Memorandum in Support of Illinois Small Employer Group (2-50) Rate Filing
UnitedHealthcare Insurance Company of the River Valley – Transitional Relief

Plan Code	Plan Relativity
R10/20/35	0.7132
R10/30/45	0.6096
\$10-20-35D50 - Traditional	0.6836
\$10-20-35D100 - Traditional	0.6554
\$10-20-35D150 - Traditional	0.6308
\$10-30-45D50 - Traditional	0.5864
\$10-30-45D100 - Traditional	0.5640
\$10-30-45D150 - Traditional	0.5449

With respect to benefit plan relativities (plan factors); plan factors for all plans are set at a consistent level based on benefit plan design differentials.

No changes are being made to plan relativity factors.

Industry Factors

The chart below displays UnitedHealthcare's Industry Factor table by Standard Industrial Classification (SIC) code.

Sic Code Range	Factor	Sic Code Range	Factor
1	1.15	5800	1.15
180	1.05	5940	1.05
190	1.15	5980	1.15
780	1.1	6000	0.85
800	1.15	6140	1.15
1500	1.1	6150	1
1540	1.15	6160	0.9
1700	1.05	6210	0.95
1770	1.1	6300	1
2000	1.15	6320	1.05
2020	0.95	6325	1
2100	1	6500	1.05
2300	0.95	6700	0.95
2400	1.15	6800	1.15
2430	1	7260	1.1
2700	0.95	7299	1.15
2800	1.15	7300	0.95
3000	1	7340	1.05
3100	1.1	7370	0.95
3290	1.15	7380	1.05
3400	1.05	7400	1.15
3500	1.1	7500	1.05
3570	1	7520	1.15
3590	1.1	7620	1
3600	0.95	7690	1.05
3690	1	7834	1.15
4000	1.05	8200	1
4111	1.1	8300	1.15
4120	1.15	8400	1
4700	1.05	8600	1.1
4800	0.95	8630	1.15
4900	1	8700	0.85
5093	1.15	8734	1
5094	1	8740	0.85
5150	1.05	8800	1.15
5190	1	8900	0.85
5500	1.15	8999	1.15
5600	0.95		

No changes are being made to industry factors.

SERFF Tracking #:	UHLC-134681595	State Tracking #:	Company Tracking #:
State:	Illinois	Filing Company:	UnitedHealthcare Insurance Company of the River Valley
TOI/Sub-TOI:	H16G Group Health - Major Medical/H16G.003A Small Group Only - PPO		
Product Name:	IL UHICofRV SG TR 202601		
Project Name/Number:	/		

Supporting Document Schedules

Satisfied - Item:	Review Requirement Checklist
Comments:	
Attachment(s):	ChecklistForRenewalsCB2014-04_IL SG UHICofRV TR 202601.pdf
Item Status:	
Status Date:	
Satisfied - Item:	Cover Letter
Comments:	
Attachment(s):	IL UHICofRV SG TR 202601 - Cover Letter.pdf
Item Status:	
Status Date:	
Satisfied - Item:	Certificate of Compliance
Comments:	
Attachment(s):	Exhibit A-Cert of Compliance - UHICofRV TR 202601.pdf
Item Status:	
Status Date:	
Satisfied - Item:	Part II Memorandum
Comments:	
Attachment(s):	IL_UHICofRV_TR_PartII_2026.pdf
Item Status:	
Status Date:	
Satisfied - Item:	Actuarial Memorandum - redacted
Comments:	
Attachment(s):	IL UHICofRV SG TR 202601 - Actuarial Memorandum_v2_Redacted.pdf
Item Status:	
Status Date:	



Illinois Department of Insurance

PAT QUINN
Governor

ANDREW BORON
Director

CHECKLIST FOR RENEWAL OF EXISTING POLICY PLANS

As referenced in Company Bulletin CB 2014-03, the following are additional guidelines for submitting rate filings:

- 1) Where a company chooses to continue using the last set of rates that were given a SERFF disposition of "Filed" by DOI, no further actuarial review by DOI will be required. These filings should be submitted to DOI no later than fifteen (15) days prior to the date the company intends to implement the rates.

Updates to the manual rates already on file are as follows: Trends are being extended to January 2026 and beyond.

- 2) Where a company chooses to use rates that are different than the last set of rates that were given a SERFF disposition of "Filed" by DOI, then the following apply:
 - a) A rate filing changing trend only will result in an expedited DOI actuarial review with an estimated completion time of two (2) weeks.
 - b) A rate filing changing any other assumptions/factors other than trend will result in a full actuarial review.

Updates to the manual rates already on file are as follows: Trends are being extended to January 2026 and beyond.

The cover letter indicates that 2a above applies to this filing.

- 3) All rate filings should contain at a minimum the information set out in this paragraph. The failure to include such information, requiring a subsequent request to the company for same, will result in a commensurate delay in actuarial review times. The required information follows:
 - a) A cover letter indicating the following:
 - i) The rate filing option the company has chosen (either 1, 2a, or 2b above);
 - ii) The SERFF filing number for the last "Filed" rate filing;
 - iii) The trend used in the last "Filed" rate filing; and
 - iv) The intended implementation date of the rates.

The cover letter is attached in SERFF.

- b) An actuarial memorandum including:
 - i) Proposed effective date;

- ii) Requested rate increase – from current rates and annual;
- iii) Reason for rate increase (attribution analysis);
- iv) Historical rate increases;
- v) Target loss ratio for the rating and two preceding periods;
- vi) Historic loss ratios;
- vii) Benefit description including:
 - A) Type of Policy
 - B) Benefits
 - C) Renewability
 - D) General Marketing Method
 - E) Underwriting Method,
 - F) Premium Classifications
 - G) Age Basis and Issue Age
- viii) Market (individual or small group);
- ix) Average premium before and after rate increase;
- x) Historical financial experience (earned premiums, incurred claims, resulting loss ratios, policyholders, covered lives, member months, etc. by calendar year since inception of product);
- xi) Description and demonstration of the development of proposed base rate increase describing the source of each assumption used including trends, lapse rates, and interest rates;
- xii) Description and demonstration of all changes in rating factors;
- xiii) Base period experience including:
 - A) Base period from and through dates
 - B) Paid through date
 - C) Completion methodology and average factors and IBNR
 - D) Contract reserves
 - E) Allowed claims experience by service type
 - F) Paid claims experience by service type
 - G) Corresponding member months
 - H) Credibility analysis
 - I) Treatment of large claims and development of pooling charges and credits
- xiv) Treatment of reinsurance;
- xv) Projected policyholders, individuals and member months;
- xvi) Projection factors by type of service (inpatient, outpatient, professional, other and prescription drug), including:
 - A) Utilization
 - B) Cost
 - C) Service mix
- xvii) Experience adjustments:
 - A) Due to benefit changes
 - B) Due to demographic changes
- xviii) Historic trends should be provided, if not provided in prior filings;
- xix) Summary of changes in filing from previous filing (benefits, rating factors, administrative costs, gain/loss margins etc.);
- xx) Loss ratio with and without proposed rate increase;
- xxi) Cumulative, future and lifetime loss ratios;

- xxii) Company's State rebate MLR for this market with credibility adjustment;
- xxiii) Explanation when the future loss ratio is not consistent with the federal rebate MLR;
- xxiv) Administrative costs and load included in rates; and
- xxv) Rate filing disclosure form required for "unreasonable" rate increases.

These items are addressed in the Actuarial Memorandum.

If you have any questions regarding this checklist, please contact Susan Lamb at susan.lamb@illinois.gov.

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8/12/2024

September 29, 2025

Mr. Andrew Patton
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767

RE: UnitedHealthcare Insurance Company of the River Valley – Transitional Relief
(non-PPACA compliant plans)
SERFF Filing UHLC-134681595

Mr. Patton,

The purpose of the rate filing is to extend the pricing trend through the end of 2026. The current filed and approved pricing trend is 8.8% and this filing is requesting that be increased to 10.0%. No other rates are being revised with this filing. This is a new rate filing.

This filing is subject to the review described in 2a on the "ChecklistForRenewalsCB2014-04_IL SG UHICofRV TR 202601.pdf" file. There are no changes to any other assumptions or rating factors.

The SERFF number of the last filed rates change is UHLC-134234146

The filing has a requested effective date of January 1, 2026. An actuarial memorandum and an experience spreadsheet are included within the filing.

The form numbers associated with this filing are:
UHC IL PPO 09-06

We request that you keep this information confidential to the extent allowed by your laws and regulations.

Please contact me if I may be of assistance during your review. I can be reached directly at 309-757-6399 or via email at Paul_J_Knepp@uhc.com

Respectfully,

A handwritten signature in black ink, appearing to read "Paul J. Knepp", is written over a light gray rectangular background.

Paul Knepp, FSA, MAAA

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

Section 916.EXHIBIT A Certificate of Compliance

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

CERTIFICATE OF COMPLIANCE
UnitedHealthcare Insurance Company of the River Valley

(Company Name)

By: Paul Knepp Title: Senior Director of Actuarial Services

certifies that the policy forms as identified by either the Departmental listing attached to this Certificate of Compliance, or those filed by the company during this fiscal year, 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, UnitedHealthcare Insurance Company of the River Valley 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.

UnitedHealthcare Insurance Company of the River Valley
(Company Name)

By:



(Signature)

Title: Senior Director of Actuarial Services

Date: 9/29/25

(Source: Amended at 39 Ill. Reg. 2590, effective February 6, 2015)

UnitedHealthcare Insurance Company of the River Valley (UnitedHealthcare)

Part II - Written Rate Justification for Consumers

(1) Scope and Range of the Rate Change

The requested rate change for Small group health benefit plans sold in the state of Illinois to Transitional Relief Groups will be effective January 1, 2026 and impact 1,819 covered lives. The rate change experienced by members will vary depending on plan selection and geographic area. The average 2026 rate increase is 9.9%, with a maximum increase of 9.9% and a minimum increase of 9.9%. Additional premium changes may occur upon renewal due to changes in member age, changes in plan selection, and changes in geographic location.

The rates in this filing are based on the actual claims experience of Illinois Small groups in calendar year 2024. That experience has been projected forward to the contract period starting January 1st, 2026. The rate projection process used our estimates of the expected cost per service and the frequency that our member's use service.

(2) Financial Experience of the Product

The benefit care ratio (the relationship of incurred claims to received premiums) for this product during the 2024 calendar year is 76.5%. This ratio is the portion of premium that is needed to pay medical claims. The remaining 23.5% of the benefit care ratio is the portion of premium remaining for taxes and fees, administrative expenses, and profit.

Historical benefit care ratios are:

Year	Benefit Cost Ratio
2022	78.2%
2023	69.1%
2024	76.5%

Note that benefit care ratio is not the same as Medical Loss Ratio, which is also projected to be over 80%.

(3) Changes in Medical Service Costs

There are many different healthcare cost trends that contribute to increases in the overall U.S. healthcare spending each year. These trend factors affect health insurance premiums, which can mean a premium rate increase to cover costs. Some of the key healthcare cost trends that have affected this year's rate actions include:

- Increasing cost of medical services: Annual increases in reimbursement rates to healthcare providers, such as hospitals, doctors, and pharmaceutical companies.
- Increased utilization: The number of office visits and other services continues to grow. In addition, total healthcare spending will vary by the intensity of care and use of different types of health services. The price of care can be affected by the use of expensive procedures such as surgery versus simply monitoring or providing medications.
- Higher costs from deductible leveraging: Healthcare costs continue to rise every year. Because deductibles and copayments remain the same on many plans, a higher percentage of healthcare costs need to be covered by health insurance premiums each year.
- Cost shifting from the public to the private sector: Reimbursements from the Centers for Medicare and Medicaid Services (CMS) to hospitals do not generally cover the cost of providing care to these patients. Hospitals typically make up this reimbursement shortfall by charging private health plans more.
- Impact of new technology: Improvements to medical technology and clinical practice often result in the use of more expensive services, leading to increased healthcare spending and utilization.

- Rates were not adjusted due to the effective repeal of the Affordable Care Act's so-called individual mandate to have health insurance coverage.

(4) Administrative Costs and Anticipated Margins

UnitedHealthcare works to control administrative expenses by adopting better processes and technology and developing programs and innovations that make healthcare more affordable. Taxes and fees imposed by the State and Federal government impact healthcare spending and have to be included in the administrative costs associated with the plans. Another component of premium is profit, which is set to address expected volatility and risk in the market. The resulting federally prescribed, single- year MLR is estimated to be greater than 80%.

The requested rate change is anticipated to be sufficient to cover the projected benefit and administrative costs for the 2026 plan year.

Illinois Small Employer Group (2-50) Rate Filing Actuarial Memorandum

UnitedHealthcare Insurance Company of the River Valley

Non-PPACA (Transitional Relief Groups)
Effective date: 1/1/26

Actuarial Memorandum in Support of Illinois Small Employer Group (2-50) Rate Filing
UnitedHealthcare Insurance Company of the River Valley – Transitional relief

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Scope and Purpose of Filing

The purpose of this memorandum is to provide relevant actuarial information regarding the development of premium rates for small employer group insurance sold by UnitedHealthcare Insurance Company of the River Valley (UnitedHealthcare). Small group to UnitedHealthcare means groups with between 2 and 50 eligible employees (2-50); that is, employer groups that are subject to small employer group health insurance regulations as promulgated in Illinois Code (IC) 215 ILCS 93. The rates are applicable for medical (including drug) expense benefits. This rate filing is prepared according to the Illinois Department of Insurance – “Rate filing actuarial memorandum and justification review standards” document. **This rate filing is specific to the rates for Transitional Relief groups. A separate filing with the exact same rates will be submitted for Grandfathered groups. The rate filing for groups subject to the Affordable Care Act was also filed separately.**

This filing should not be used for any other purpose.

Requested Rate Action

The purpose of the rate filing is to extend the pricing trend through the end of 2026. [REDACTED] No other rates are being revised with this filing.

[REDACTED]

Status

These rates are only open to groups with coverage prior to 2014. It is not open to new business.

Description of Benefits

Group comprehensive medical and prescription drug benefit plans sold to 2-50 employer groups.

Renewability Clause

Consistent with Illinois law at 215 ILCS 97/30, group policies issued to Small employers are guaranteed to be renewable at the option of the employer. Issues that could result in termination of a guaranteed renewable policy are described in the statute and the policy and include: nonpayment of premium; failure to meet group participation or contribution requirements; fraud or misrepresentation of a material fact; the discontinuation of the particular type of policy issued to the group; or the insurer's decision to exit the group health insurance market in the state.

Applicability

These rates do not apply to new business. It is only applicable to the existing block of business, established prior to 2014.

Morbidity

The calendar year 2024 incurred claims were used. Those claims were paid through May 2025 and assumed to be 100% complete with no IBNR. There were no contract reserves. The allowed claims by service type are shown in the Rate Review Justification (RRJ). The RRJ included experience from groups subject to the Affordable Care Act (ACA) on this license to add credibility and those combined claims are considered 100% credible. No adjustment was made for large claims. This is then trended forward to the midpoint of the future rating period. That adjusted, trended experience claim per member per month (PMPM) is compared to the current manual claim adjusted to reflect the experience base's case characteristics such as benefit plan, age/gender, industry, and area.

This data is based on UnitedHealthcare's own experience under this license for Small employers located in Illinois.

Mortality

This product is offered on an annual contract basis. As such mortality assumptions are not used in the rating process and therefore are not applicable to this filing. Mortality assumptions (i.e. probabilities of death) more pertain to business that relates to the survival of policyholders such as life insurance. Group health insurance, however, does not use these assumptions in the development of anticipated health care costs (and resultant premiums). Group health insurance uses morbidity assumptions - estimates of the relative health risk of a population of individuals.

Persistency

This product is offered on an annual contract basis. As such persistency assumptions are not used in the rating process and therefore are not applicable to this filing. Persistency, or more important, lapse assumptions more pertain to long term individual health products such as long-term disability and long-term care. These are so-called lapse-supported product lines. Group health insurance, however, does not use these assumptions in the development of anticipated health care costs (and resultant premiums). Group health insurance uses morbidity assumptions - estimates of the relative health risk of a population of individuals.

Expenses

██ This includes administration, commissions, premium tax, profit, and risk margin.

Please note that this expense calculation does not match the Federal Medical Loss Ratio calculation used in the loss ratio calculation as defined by PPACA.

Marketing Method

The market for this product is Small employers with between 2 and 50 employees. The product is sold to employers usually via a broker.

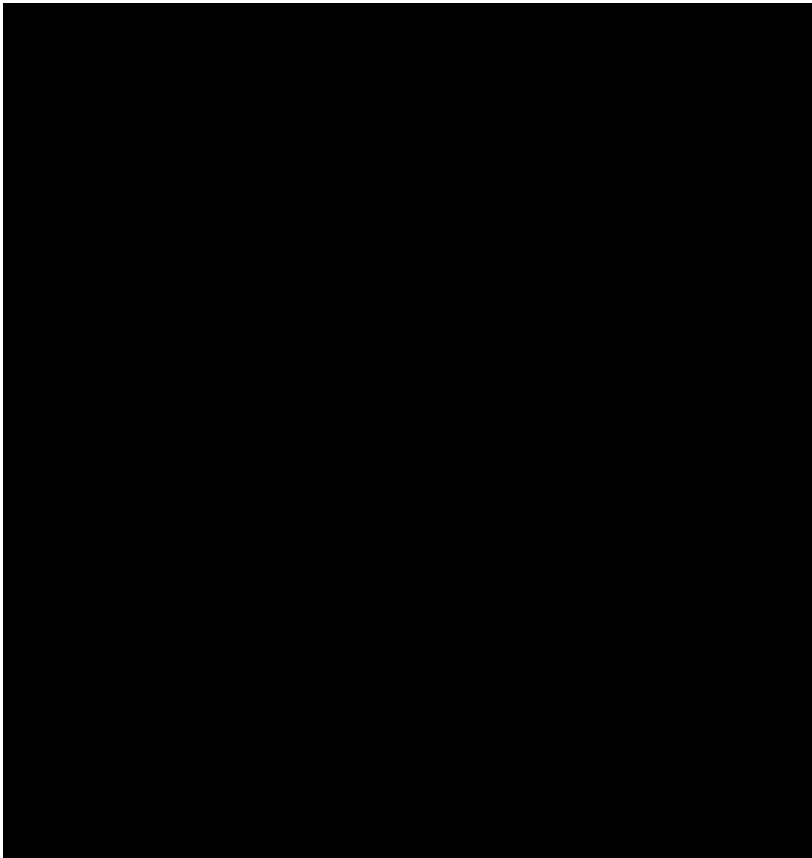
Underwriting

Underwriting considers many group case characteristics in their process; such as on-going medical claims, demographics, and market considerations. These considerations are all subject to the specific requirements of Section 25 of the Small Employer Health Insurance Rating Act [215ILCS92/25].

Premium Classes

Manual rates vary by age, gender, effective date of coverage, geographic area, group size, benefit plan, and industry.

Age/Gender Factors



Effective Date Adjustments

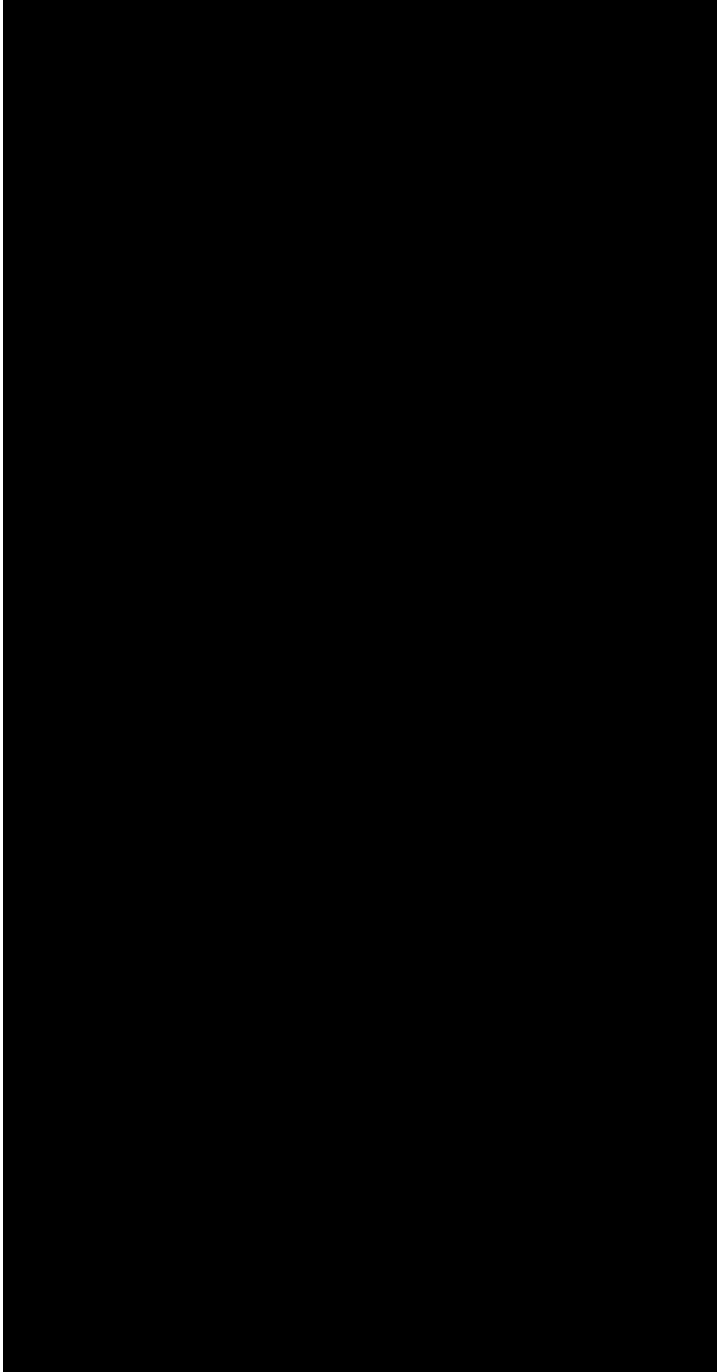
[REDACTED]

The forward-looking pricing trend is made up of three components; unit cost, utilization, and leveraging:

[REDACTED]

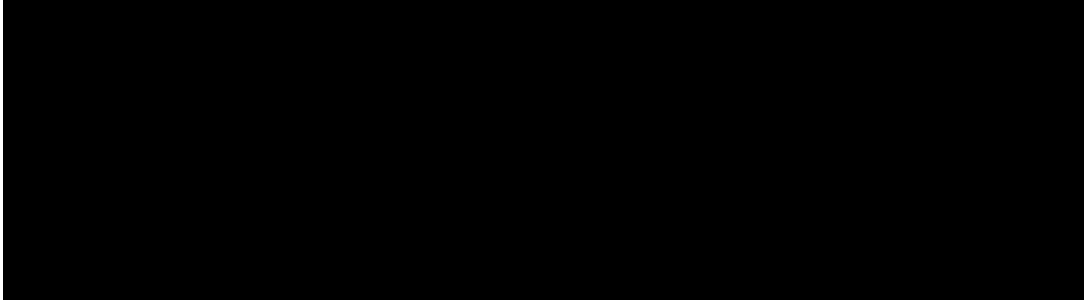
Area Factors

UnitedHealthcare's area factors by county are listed below.



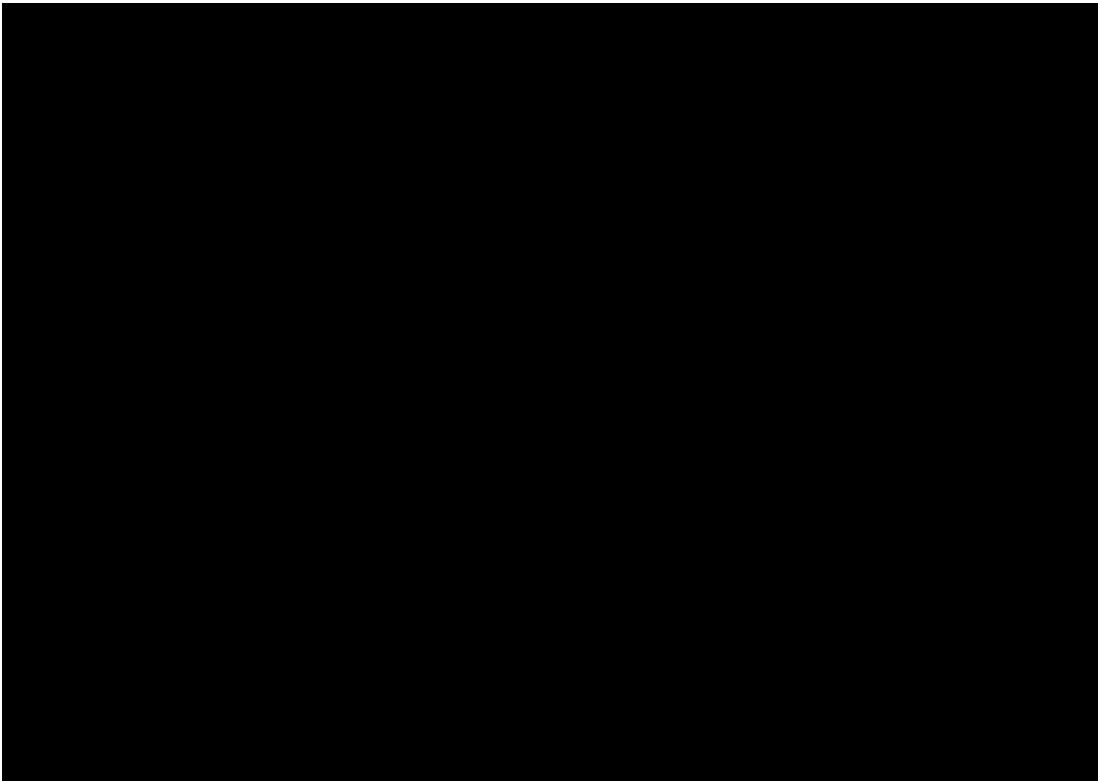
Size Factors

The chart below documents UnitedHealthcare's current size factors.

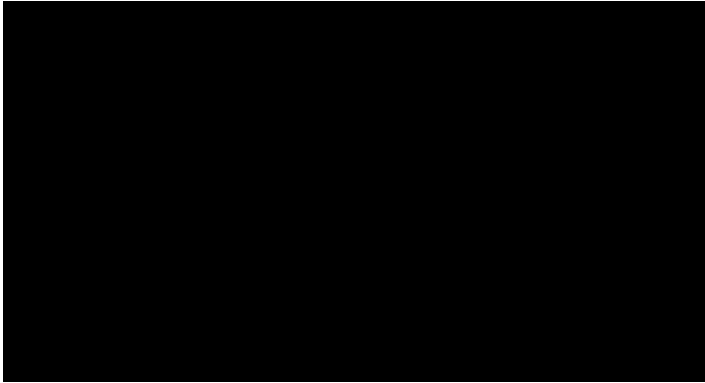


Plan Relativity Factors

The chart below displays a sample of UnitedHealthcare's plan codes with associated benefit plan relativity (or plan factor) for medical plans.

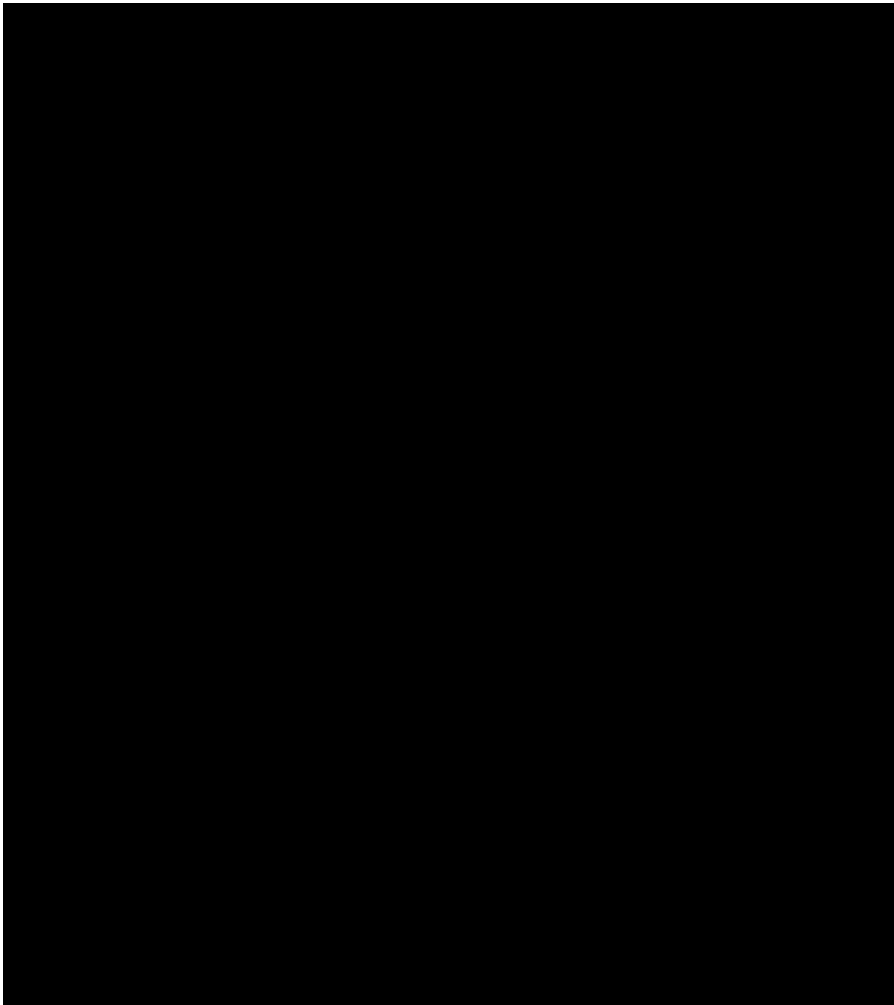


The chart below displays a sample of UnitedHealthcare's plan codes with associated benefit plan relativity (or plan factor) for Rx plans.



Industry Factors

The chart below displays UnitedHealthcare's Industry Factor table by Standard Industrial Classification (SIC) code.



Issue Age Range

Age factors used in the manual rate calculation are based on age of members as of the effective date of coverage.

Average Annual Premium

These average annual premiums do not reflect the projected impact of pricing trends, demographic changes, new insurer fees, nor benefit plan changes. These average annual premiums are based on the groups that are known to be transitional relief groups as of this filing.

Premium Modalization Factors

Premiums are billed on a monthly basis and no modalization factors are used.

Trend Assumptions – Medical and Insurance

The breakout of pricing trend into medical and insurance trend is:

UnitedHealthcare's Pricing Trend is determined by our Healthcare Economics (HCE) department using a sophisticated proprietary forecasting model which is updated / reevaluated periodically. This Pricing Trend model considers changes in unit cost, utilization, mix of services, leveraging, mandates, calendar workdays, and other important determinants of future health care costs.

At UHC, HCE is responsible for all trend management issues (i.e., study, forecast and recommendation). Due to how this task is assigned within UHC, I am not able to completely judge the reasonableness of the assumptions produced by HCE without performing substantial additional work beyond what is required to produce this rate filing.

Minimum Required Loss Ratio for the Form

To the best of my knowledge, the state of IL does not have a minimum loss ratio requirement for group comprehensive medical and drug coverage for employers with 2-50 non-ACA employees. PPACA does have a minimum loss ratio requirement of 80% for Small groups using the Federal Medical Loss Ratio (MLR) definition.

Anticipated Loss Ratio

[REDACTED]

Please note that this expense calculation does not match the Federal Medical Loss Ratio calculation used in the loss ratio calculation as defined by PPACA.

Distribution of Business

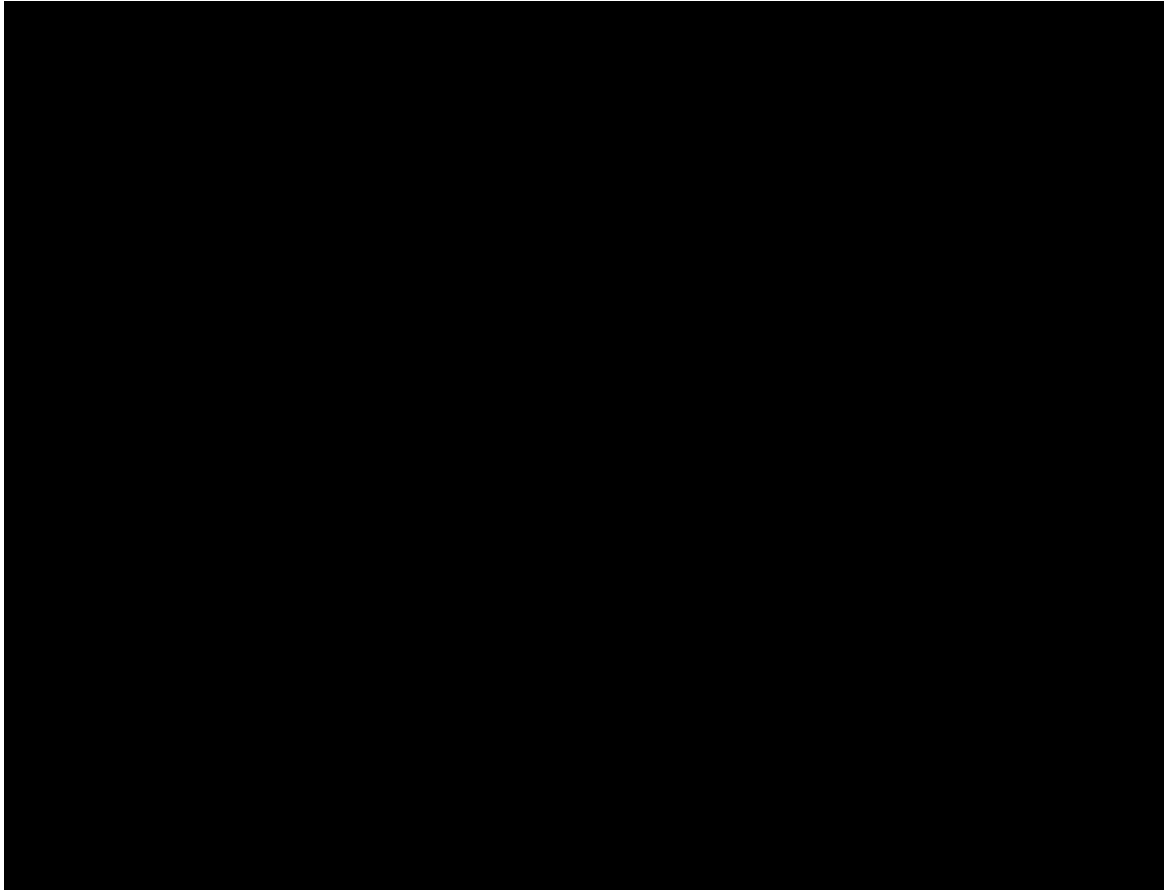
[REDACTED]

Contingency and Risk Margins

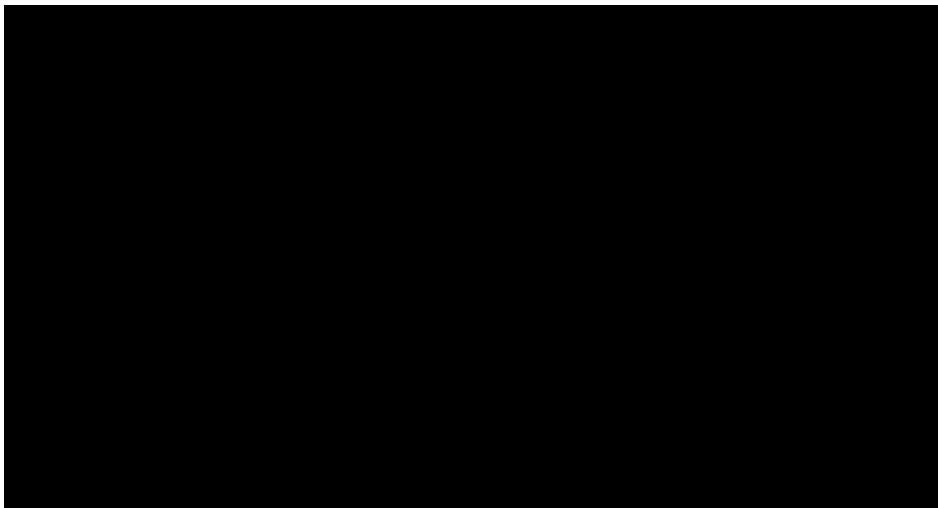
[REDACTED] This includes administration, commissions, premium tax, profit, and risk margin.

Please note that this expense calculation does not match the expense calculation used in the loss ratio calculation as defined by PPACA.

[REDACTED]



Experience on the Form



The projections above are based on the groups that are known to be transitional relief as of this filing. Actual results will vary depending on how many groups remain on non-PPACA plans.

Please note that this expense calculation does not match the Federal Medical Loss Ratio calculation used in the loss ratio calculation as defined by PPACA.

Lifetime Loss Ratio

Not applicable. This is an annually rated product.

History of Rate Adjustments



Number of Policyholders

_____ We expect membership to continue to decrease.

Nationwide data is not readily available.

Proposed Effective Date

The rates presented in this filing are for effective dates of coverage beginning 1/1/2026.

Actuarial Qualifications

I, [REDACTED], am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries. I satisfy the 2024 continuing professional development requirements of the Academy and therefore am qualified to issue this 2025 statement of actuarial opinion. I have reviewed applicable ASOPs during the preparation of this rate filing.

Other Actuarial Disclosures:

- This rate filing document is uniquely identified with date/time stamp and filename shown in the document footer
- The intended user of this rate filing is the Illinois Department of Insurance
- There are no cautions with regards to risk or uncertainty in the items discussed in the rate filing

- This rate filings should not be used for any other purpose than which is stated in the “Scope and Purpose of Filing” section. Within that context, there are no limitations or constrains on the use or applicability of the rating items discussed herein.
- There are no conflicts of interest with regards to my production of this rate filing
- I rely on the actuaries within our Healthcare Economics department (HCE) to produce pricing trend assumptions. At UnitedHealthcare HCE is responsible for all trend management issues (i.e., study, forecast, and recommendation). Due to how this task is assigned within UnitedHealthcare, I am not able to completely judge the reasonableness of the assumptions produced by HCE without performing substantial additional work beyond what’s required to produce this rate filing.

All information is current-to-date shown in the footer; no information or subsequent event with any material impacts has arisen since the production of this document.

Actuarial Certification

To the best of my knowledge, I certify that the entire rate filing is in compliance with the applicable laws and regulations of the state of Illinois, the applicable Federal statutes and regulations, and complies with all applicable Actuarial Standards of Practice.

Final Comments

The information in this filing is accurate to the best of my knowledge as of the date of this filing. This concludes UnitedHealthcare’s rate filing. Should you need additional information, please contact me as shown below.

Respectfully submitted,

