Exhibit 13B: Narrative Summary

Company Name: **UnitedHealthcare Insurance Company of New York**
NAIC Code: **60093**
SERFF Tracking #: **UHLC-134953590**
Market Segment: **Small Group**

We have prepared this Narrative Summary as further explanation of the letter you recently received outlining our proposed annual premium rate adjustment filing with the New York State Department of Financial Services (DFS). This Narrative Summary will remain posted for a minimum of 30 calendar days from the date of our letter to you, our policyholder, or subscriber. Please read this information carefully. If you have any questions, please contact us or DFS within 30 days, as stated in our letter.

Background

The premium rates charged by an insurer are used mainly to pay for the medical costs and administrative expenses for small group health care coverage.

Medical costs are the main part of the premium. Medical costs include items such as doctor visits, inpatient and outpatient care, covered prescription drugs and new mandated benefits. Medical costs also include taxes and assessments associated with medical services. New York state law requires that at least 82 percent of the premium, or 82 cents of each premium dollar, is to be paid towards medical costs. The remaining 18 percent is used for administrative expenses (e.g., claims processing, customer service, system maintenance, costs of web portals, consumer education and support tools), taxes and fees (e.g., Section 332 assessment and premium tax), and operating margin.

Current Rate Increase Components

The new premiums will apply to all small groups that enroll or renew during 2027. Please see the attached Numerical Summary with the average requested rate changes. 4,485 members are affected by this requested rate change. The rate filing we have submitted is primarily driven by rising medical costs, which remain the largest component of premium rates. Increases in the use and cost of medical services, prescription drugs, and other health care expenses contribute to higher overall health care spending each year and increase the premium needed to cover expected costs.

We develop estimates of future medical costs based on a number of considerations. When deciding whether to seek a premium increase or decrease, we review claims data and administrative expenses to determine the expected costs and expenses for the future period. We review recent claims data for utilization (volume of services), unit cost (reimbursement cost for a health service), and benefit leveraging (impact of member cost-share). Future cost trends are projected based on expected changes in each of these components. The projected annual trend factor for 2027 is 11.2%, consisting of 3.4% unit cost, 6.3% utilization, and 1.2% benefit leveraging.

Medical costs include a pooling technique established under the Affordable Care Act (ACA) called Federal Risk Adjustment. This program attempts to equalize risk within the New York Small Group market and requires carriers to set rates at the statewide average risk level. The risk adjustment process increases costs by 3.7%. Additionally, 0.3% has been added to reflect the change in the age/gender distribution from the experience period of 2025 to the time of filing. Changes in the average risk of the New York Small Group market increase costs by 2.5%.

Changes in state-mandated benefits and other regulatory requirements account for 3.5% of the requested rate change. Of this impact, 2.4% is attributable to expanded coverage of medically necessary GLP-1s, 0.3% is attributable to network adequacy requirements, and 0.8% is for costs associated with the Independent Dispute Resolution process, including both the federal program and additional New York-specific requirements.

To account for uncertainty related to economic and supply chain conditions and their impact on medical costs, particularly pharmaceuticals, a total price impact of 0.5% is included in the initially submitted rate filing. This estimate may be updated as additional information becomes available. Additionally, an adjustment of 0.5% was applied to account for the impact of the newly proposed premium tax being considered in the NYS Budget.

The requested rate changes also include the impacts of plan relativity changes due to pricing model updates (rate increases or decreases depending on the plan) and benefit changes (rate neutral, increases or decreases depending on the plan). Specific information regarding the benefit changes will be communicated separately to those in impacted plans.

Final Rate Increase

The Superintendent of the Department of Financial Services may approve (as requested), modify, or deny the proposed rate adjustment. Upon renewal, your final premium will account for the rate adjustment approved by the New York State DFS, as well as any changes to your benefit plan design or your group's census. If you are a subscriber of a group plan, please contact your employer for information about how this information affects your premium contribution.