

Part II – Written Description Justifying the Rate Increase

Qualified Health Plan Issuers are requested to post a justification for a rate increase to its website. Below is justification for the rate increase effective January 1, 2023 for UnitedHealthcare of Texas, Inc. (UHC) Individual medical plans offered in Texas that are fully compliant with the Patient Protection and Affordable Care Act.

Rate Change: Overall average of 13.5%. The rate change by plan varies from -6.5% to 21.2%.

Number of Individuals Impacted: 65,516

Financial Experience of Product: The product was new beginning on January 1, 2022, and therefore, there is no credible experience.

Key Drivers of Change in Premiums:

- Changes to UHC's contracts with its provider networks that resulted in an increase in reimbursement rates
- Medical cost trends
- Accounting for increased morbidity due to the end of the public health emergency order and the assumed renewal of ARPA, changes to the Special Enrollment Period, and Medicaid eligibility redetermination
- The switch to the mandated induced demand curve
- Switching to the mandated CSR load
- The impact of revised Texas rating areas