Kaiser Foundation Health Plan of the Mid-Atlantic States

State of Maryland - 2026 Individual and Family Plan Rate Filing

Rate Effective January 1, 2026 - December 31, 2026

Part II - Written Explanation of the Rate Increase

Scope and Range of the Rate Increase

The filed overall average premium rate change for January 1, 2026, is 12.0%. We have estimated that premium rate changes by member, for those enrolled in 2025, will range between 8.0% and 15.8%. This includes the impact of cost sharing changes and regulatory changes.

This average premium rate change does not indicate that every member's rate will change by this amount. Premium rates are affected by the ages of those covered, family coverage, the date of policy renewal and the benefit plan chosen.

Summary of Historical Experience

Financial results for the experience period of January 1, 2024 to December 31, 2024 were as follows:

	2024	
Member Months	673,543	
Revenue	$319,728,914	
Medical Claims	$345,163,786	
Reinsurance Receivable	$84,829,478	
Risk Adjustment Transfer	-$40,162,513	est.
Administration, Taxes, Fees	$35,252,507	
Margin	-$16,020,414	

We estimate the following financial results for 2026 based on the requested average change, as a percentage of projected revenue:

Medical Claims	85.2%
Adminstrative Costs	7.8%
Taxes and Fees	3.1%
Margin	4.0%

Changes in Medical Claims Costs

We are projecting an annual increase in medical claims costs of 4.8%, based on our analysis of past medical cost trends for our Maryland individual portfolio and consideration of other factors likely to affect future trend, as well as trends set by the HSCRC.

Changes in Benefits

There are no changes in essential health benefits.

Administrative Costs and Anticipated Contribution to Surplus

We are assuming an annual increase in administrative costs of 11% based on our projected administrative costs for our Maryland individual portfolio.

Driving Factors of the Rate Increase

Some of the factors of the rate increase are listed below:

Claims Experience	3.3%
Trend	4.5%
Morbidity	5.2%
Demographics	0.2%
Utilization	-1.0%
Reinsurance	-0.1%
Risk Adjustment	-8.1%