IOWA | Department of Insurance and Financial Services

GOVERNOR KIM REYNOLDS
LT. GOVERNOR CHRIS COURNOYER

DOUG OMMEN, DIRECTOR AND INSURANCE COMMISSIONER

December 31, 2025

Governor Kim Reynolds
1007 East Grand Avenue
Des Moines, Iowa 50319

Governor Reynolds,

Enclosed please find the Iowa Insurance Division's (Division) Annual Health Care Costs report, which examines health care costs in the State of Iowa for 2024. This report is required by Iowa Code §505.18.

This report provides information regarding the costs of health care insurance in Iowa's fully insured market in 2024. The report is supported by an analysis prepared by NovaRest, Inc. of the data collected from health carriers by the Insurance Division. To provide context to the question of health care costs, we have provided additional information on current trends in Iowa's individual health insurance market.

Respectfully submitted,

Douglas M. Ommen
Iowa Insurance Commissioner

ANNUAL HEALTH CARE COSTS REPORT

Most Iowans access healthcare in one of three ways. Employer-sponsored coverage provides health care for over 1.5 million Iowans. This includes employees of large and small private companies, federal, state, and local government employees, and active military. Public programs provide healthcare to nearly 1.4 million Iowans through Medicare, Medicaid, and other programs. For the Annual Health Care Costs report our data has been limited to the insured market, which significantly limits our understanding of the drivers in the continued year-over-year increases in health care costs. Below is a graph of health coverage in Iowa:

Iowa Total Health Insurance Coverage Chart

Type of Coverage	Iowa Population 2024		Iowa Population 2023	
Employer (self-insured + other types not listed)	1,134,752	35.0%	1,104,774	34.4%
Medicaid + CHIP	681,397	21.0%	710,281	22.1%
Medicare (Original + Medicare Advantage)	685,671	21.2%	671,902	21.0%
Fully Insured Large Employer Group	286,029	8.8%	288,902	9.0%
Uninsured people	156,600	4.8%	156,600	4.9%
Fully Insured Small Employer Group (ACA + pre-ACA)	129,342	4.0%	133,147	4.2%
Individual Coverage (ACA + pre-ACA)	143,597	4.4%	117,298	3.7%
Other Public [Military, Tricare, VA]	24,100	0.7%	24,100	0.8%
Iowa Population	3,241,488	100.0%	3,207,004	100.0%

Source files: Kaiser Family Foundation (KFF), Centers for Medicare and Medicaid Services (CMS), National Association of Insurance Commissioners (NAIC), U.S. Census, and IID survey (12-31-2024)

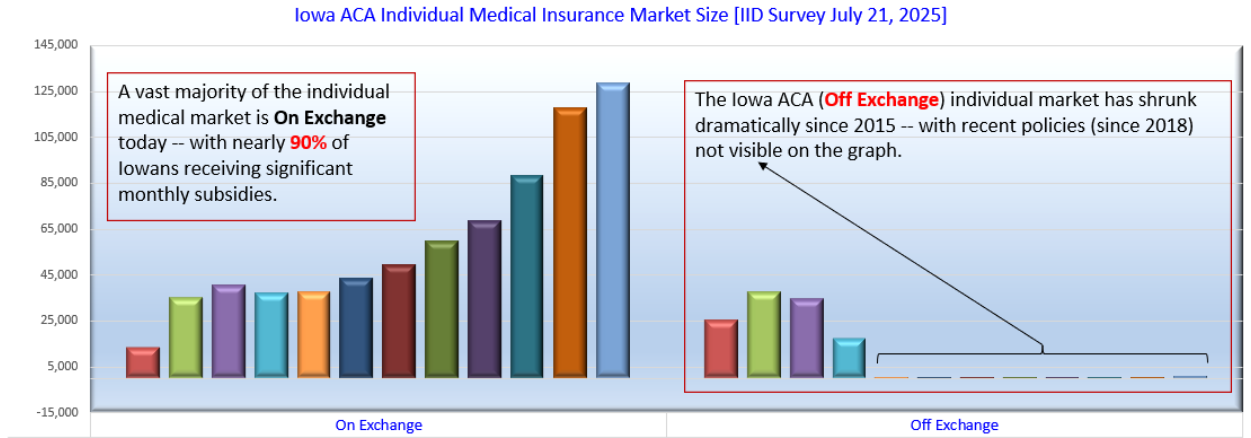
Health care cost drivers are often related to the underlying costs of health care services including pharmaceuticals. As described in more detail below by NovaRest, Outpatient Hospital, Emergency Room and Prescription Drug costs increased by 26%, 18% and 17% respectively from the last reporting year. The increase in these categories of healthcare expenditures is alarming, especially when the Consumer Price Index, which shows the average increase of all goods and services, shows an increase of 3.0% for the previous 12-month period (ending September 2025). These increased costs directly impact premium amounts.

Yet, premiums are also dramatically influenced by the levels of coverage and the overall risks found in any given insurance group or pool. The individual market has continued to see dramatic changes since the passage of the Affordable Care Act due to shifts in the individual coverage pools.

Individual Health Markets

In 2024, individually purchased coverage provided healthcare for 143,597 Iowans with 24,281 remaining in pre-ACA transitional or grandfathered plans. While the number of Iowans in the individual market is relatively low when compared to other categories, the individual market is essential for Iowans who do not otherwise have access to health insurance. The individual market provides coverage to Iowa's entrepreneurs, farmers and family run businesses.

The growth in Iowa's individual health insurance market has increased since 2019 and through mid-year 2025 likely due to the enhanced Advanced Premium Tax Credits (APTC) and new carriers entering the market. In 2025, two new carriers began offering plans in limited-service areas, meaning not state-wide, and, in 2026, one more carrier will enter the market in a limited-service area.



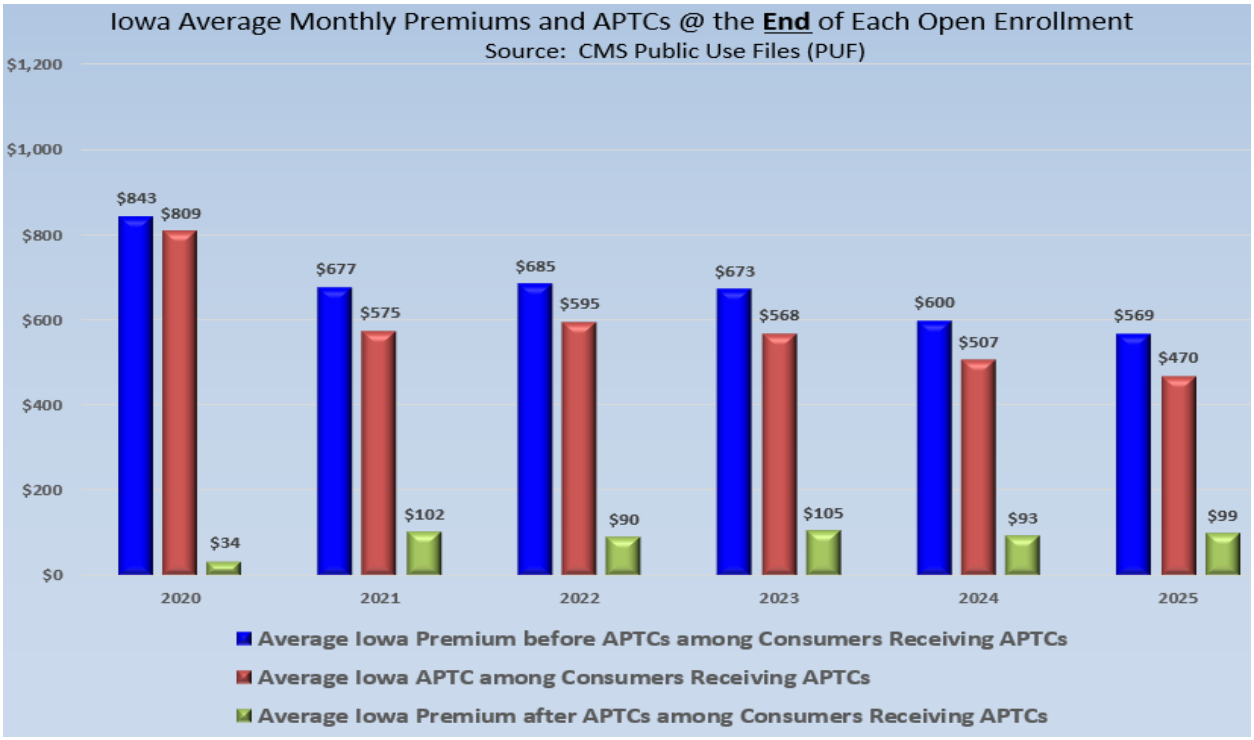
	On Exchange	Off Exchange
2014	13,174	25,350
2015	35,206	37,596
2016	40,438	34,352
2017	37,223	17,204
2018	37,505	379
2019	43,922	270
2020	50,010	257
2021	59,886	268
2022	68,988	286
2023	88,565	219
2024	118,245	456
2025 6M	128,795	940

The premium for the second lowest cost silver plan (SLCSP) benchmark plan in Iowa was trending downward from 2019 to 2025. However, due in part to the expiration of a temporary subsidy system enacted during the COVID pandemic and described below, premium rates will increase in 2026. Carriers filed 2026 rate increases ranging from 12.6% to more than 25%. We estimate that at least 4% of these increases are due to the expected adjustments in the risk pool.

The American Rescue Plan Act (ARPA) of 2021 made temporary changes to the ACA subsidy structure. ARPA blunted the actual high premiums because even for households with incomes over 400% of the Federal Poverty Level (FPL), the law provided subsidies to ensure individuals and families would not pay

more than 8.5% of their household income in premiums. Congress extended the ARPA-enhanced APTCs with the passage of the Inflation Reduction Act (IRA) through 2025.

Concealing the actual cost of insurance from Iowans in this pool with this "enhanced" subsidy system has attracted increased enrollment in the ACA individual market. After 2025 open enrollment, nearly 40% of Iowa policies receiving APTCs contributed less than $10 a month to premium, with an average Iowa premium after the APTC of $99. This results in an average of $470 in subsidies being paid by taxpayers.



In 2025, a family of four (couple age 28 with twins age 4) in the 2nd lowest silver plan with an income just below 400% FPL will spend no more than $884 on monthly premiums due to the APTC amount of $321. At 600% FPL, which is a household income of $187,200, the family will pay the full premium amount of $1,205 without contribution from other taxpayers. As described below, we expect some families at these income levels to leave the individual ACA market in 2026 in search of other health coverage options.

Insurance Rates -- Family Subsidies under the IRA

28-year-old couple with twins age 4 in 2nd Lowest Silver Plan

Age	2nd Lowest Silver	Income	% FPL	Max % Income	Max Monthly Payment	Max Annual Payment	Annual APTC
28	$1,205	$62,088	199.00%	1.96%	$101	$1,217	$13,238
28	$1,205	$124,797	399.99%	8.50%	$884	$10,607	$3,848
28	**$1,205**	**$187,200**	**600.00%**	**8.50%**	**$1,205**	**$14,455**	**$0**

Also in 2025, a 55-year-old couple in the 2nd lowest silver plan with income just below 400% FPL will contribute no more than $579 on monthly premiums, while other taxpayers will cover $871 of the monthly premium through the APTCs. A similar couple with income of 900% FPL will spend no more than $1,303 on monthly premiums. Both couples receive APTCs due to the cost of premiums exceeding 8.5% of their income.

Insurance Rates -- Family Subsidies under the IRA

55-year-old couple in 2nd Lowest Silver Plan

Age	2nd Lowest Silver	Income	% FPL	Max % Income	Max Monthly Payment	Max Annual Payment	Annual APTC
55	$1,450	$40,676	199.00%	1.96%	$66	$797	$16,608
55	$1,450	$81,758	399.99%	8.50%	$579	$6,949	$10,456
55	**$1,450**	**$183,960**	**900.00%**	**8.50%**	**$1,303**	**$15,637**	**$1,769**

While the APTC and premium amounts for the families in the examples above provide details from 2025, the enhanced APTC levels provided under the ARPA and IRA are set to expire at the end of 2025. In 2026, the APTC levels will revert to the original levels under the ACA as shown below.

Income as % FPL	ACA*	IRA*
100% up to 133%	2.07	0.0
133% up to 150%	4.14	0.0
150% up to 200%	6.52	2.0
200 up to 250%	8.33	4.0
250% up to 300%	9.83	6.0
300% up to 400%	9.83	8.5
More than 400%	No limit	8.5

The changes in APTCs will result in increased income percentages being paid towards premiums for those who are eligible for APTCs and APTCs will be unavailable for those with household incomes above 400% FPL.

For example, a family of four with two 28-year-old adults and two 4-year-old children making $63,978.50 (199% of FPL):

- In 2025, the family of four would contribute a maximum of 1.96% of their income, which equals $101.41 monthly towards the costs of premium.
- In 2026, the family of four would contribute a maximum of 6.47% of their income, which equals $344.95 monthly towards the costs of premium.

For another example, a couple, both ages 55, making $84,600 (401% of FPL):

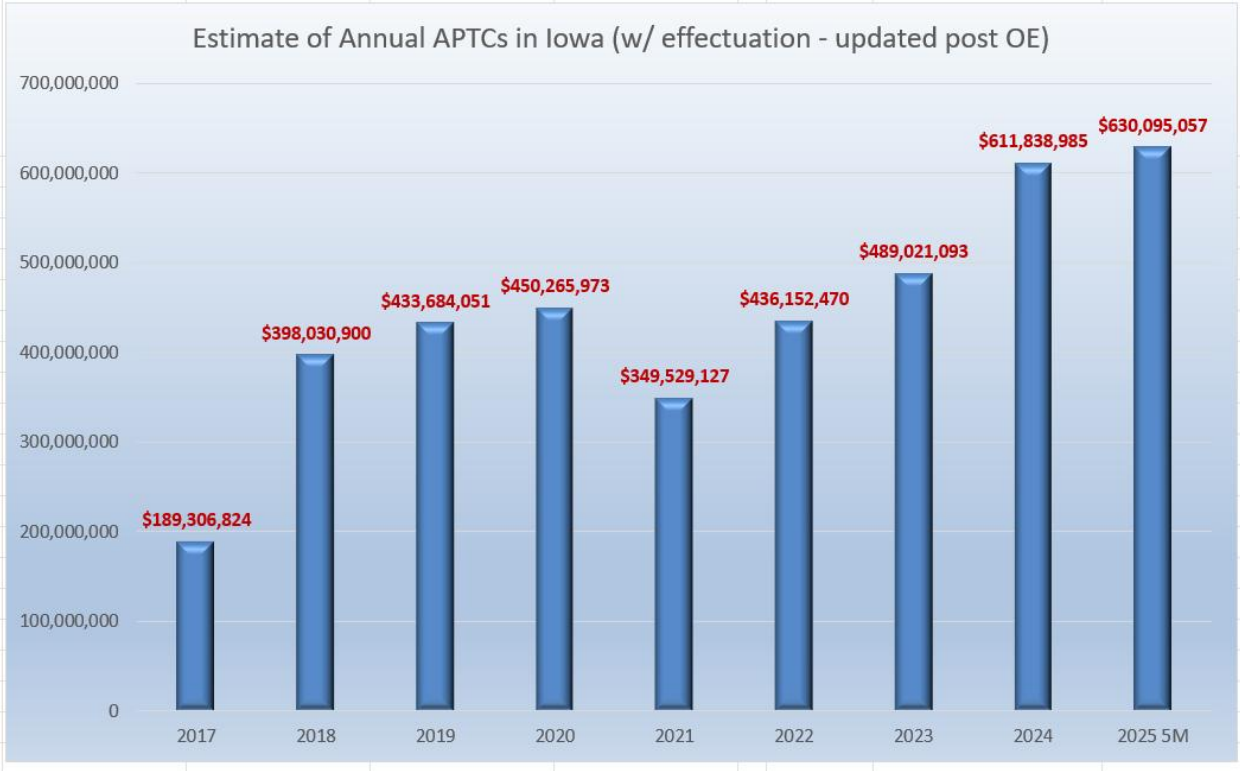
- In 2025, the couple would contribute a maximum of 8.5% of their income, which equals $599.25 monthly towards the costs of premium.
- In 2026, the couple would pay the whole premium without APTCs which will be $1,666 monthly.

The changes to the APTC levels in 2026 will result in increased individual contributions towards the costs of their coverage in the ACA individual market. This alone may be appropriate. However, because the ACA has not reduced premiums, but, in fact, has tripled them since implementation, households with earnings over 400% FPL find that the premiums are unaffordable. Premiums have risen so much that households with earnings over 400% FPL reach that level and then face the "subsidy cliff" which operates as a disincentive to increase productivity and income to over 400% FPL. A "subsidy cliff" at 400% FPL creates situations where a single dollar of additional income results in the loss of all financial assistance. A subsidy design that incentives people to *earn less income* to avoid paying thousands more in health insurance premiums is ill-conceived. It also underscores that those who designed this subsidy program

have been very wrong about their forecast that the ACA would make individual health insurance premiums affordable.

The current subsidy structure is not financially sustainable. When APTCs are based solely on a percentage of income, the federal government funds all remaining premium amounts above that percentage. Consumers are minimally impacted by an increase in premiums and may not even be aware of the actual premium amount. Further, the subsidy structure creates incentives for carriers and healthcare providers to *increase* costs. When the federal government will pay all premium amounts above the set income levels and consumers are not deterred by the actual premium amounts, carriers and providers may not be incentivized to reduce costs or even implement cost-saving strategies such as value-based care models, accountable care organizations, or medical home models.[1]

In Iowa, APTC amounts have increased from $189 million in 2017 to nearly $612 million in 2024. The APTC amounts are expected to further increase in 2025 to over $630 million. The increases are due not only to increased enrollment in the market but also because the amount of APTCs allotted to each individual increases as premium levels increase. Iowa's experience in 2017 and 2018 shows the direct impact of increased premium levels on APTC payments. From 2017 to 2018 enrollment in the ACA individual market was nearly the same at 37,223 and 37,505 respectively. Despite the steady enrollment, the APTC amounts more than doubled because individual premiums nearly doubled from one year to the next. APTCs rose from over $189 million in 2017 to over $398 million in 2018. An APTC structure, that caps consumer payments based solely on income, regardless of the actual premium amount, is simply not sustainable.



[1] The Division does not intend this statement to apply to any specific carrier. Rather, it is intended to further emphasize the structural flaws of the federal APTC design.

In addition to the structural flaws of the APTCs, there are other, ongoing structural flaws of the ACA as follows:

1. **The lack of a predictable reinsurance mechanism** that addresses the disproportionate share of Iowans with high cost, persistent condition claims in the individual market;

2. **An income-only-based subsidy design** results in a married 28-year-old with an income of $29,969 having the same price experience as a married 62-year-old with the same income. After APTCs, both age groups pay $49 per month for the same silver plan. Typical 28-year-old adults do not utilize healthcare like a typical 62-year-old. Most 28-year-olds do not access free preventive services, such as mammograms and colonoscopies, and do not have ongoing or chronic health conditions that require healthcare services. Yet, the age groups pay the same amount for their coverage. This flaw removes any actual risk determination from the price structure in the ACA and has resulted in an older, sicker risk pool in which young Iowans have fled the market causing even higher rates for those who remain; and

3. **An age banding limitation of 3:1** disadvantages many young adults driving them away so that middle-aged Iowans in the ACA risk pool now pay more than triple the rate they paid when they shared the market with more young people under Iowa's pre-ACA 5:1 rate banding limitation.

Lack of a Reinsurance Mechanism

Carriers did not fully understand the health status of the population when the ACA markets first opened and found that these individuals were, on average, less healthy than those who received coverage through their employer-sponsored plans and had a high level of healthcare utilization. This trend continued and in 2016, 5% of the population in the individual health insurance market accounted for 70% of the claims experience. As premiums continued to rise to compensate for these catastrophic claims, healthy individuals departed the market. At this juncture, the ACA provides no fallback mechanism for the insurance carrier to shield the rest of its risk pool from these catastrophic claims.

Income-Only-Based Subsidies

In addition to not accounting for premium levels, the ACA's subsidy structure does not account for either age or net worth. Both are vital to making the ACA market function properly. Many younger individuals are choosing not to participate in the ACA-compliant market because their premium rates are not correlated to their risk. Rather, their premium rates are capped based on their income at a percentage amount determined and applied across all individuals. As described earlier, the risk associated with insuring the average 62-year-old is higher than that for insuring a 28-year-old.

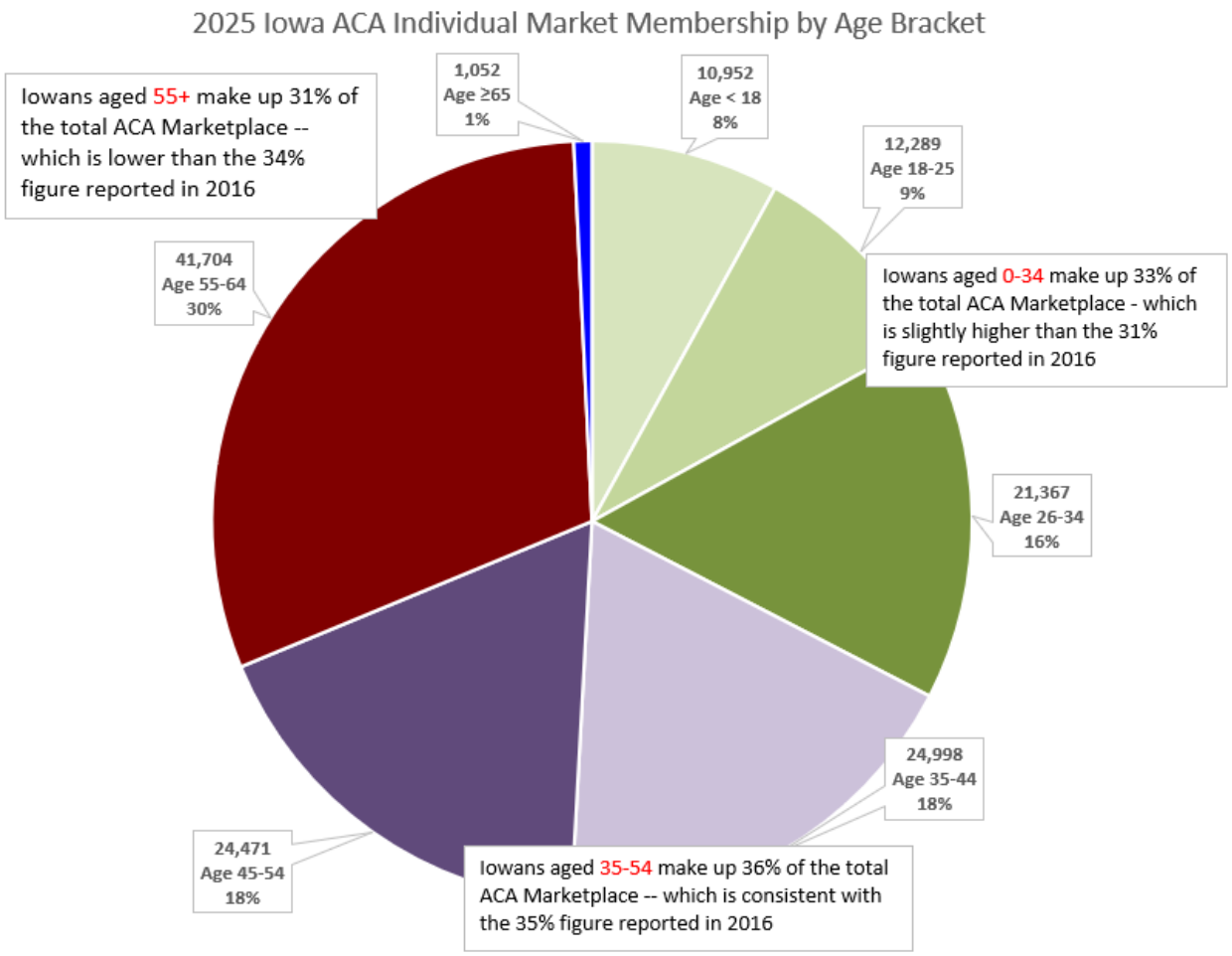
The income-based subsidies have been unappealing to many healthy, lower to moderate-income young adults. In 2024 and through 2025, the most that a subsidized individual will pay in premiums for a silver plan is 8.5% of their income. This amount is the same whether an individual is age 28 or age 62. The chart below shows what a single subsidized 28-year-old and a single subsidized 62-year-old pay in relation to their incomes, which again, no longer bears any relationship to their actual risk rate. See the chart on the next page for additional information.

Youth and its Subsidy Disadvantage

<400% FPL Single Individual in 2nd Lowest Silver Plan

Age	2nd Lowest Silver	Income	% FPL	Max % Income	Max Monthly Payment	Max Annual Payment	Annual APTC
28	$354	$29,969	199.00%	1.96%	**$49**	$587	**$3,655**
62	$934	$29,969	199.00%	1.96%	**$49**	$587	**$10,625**
28	**$354**	$60,238	399.99%	8.50%	**$354**	$4,242	**$0**
62	$934	$60,238	399.99%	8.50%	**$427**	$5,120	**$6,092**

In 2025, Iowa's Individual ACA market is marked with adverse selection in membership by age. While 49% of the market are ages 45 and older, those ages 35 through 44 make up 18% of the market. Those 34 and younger make up the remaining 33% of the market.



Additionally, net worth is not considered within the ACA's flawed subsidy structure. For example, an early retiree with millions of dollars in assets, but with little or no income can qualify for APTCs much like the person with absolutely no assets because eligibility for APTCs is based solely on income, with no calculation of one's assets.

Age banding limitation of 3:1

The full effect of the age banding has become more evident as the other structural defects of the ACA were realized. Iowa's individual ACA market is now heavily subsidized and has a significantly higher proportion of consumers who are over the age of 45 or who have high healthcare costs. Premiums are calculated based on the claims experience of those that remain in the market.

Iowa needs support and increased flexibility from the federal government to design a market solution that includes but is not limited to the following areas:

- Reinsurance for persistent, high-cost pre-existing conditions with utilization/pricing regulation on drugs used to treat rare or complex diseases;
- State equity in reinsurance and subsidy funding;
- Age-based subsidy to provide age banding in the market;
- Additional benefit design flexibility; and
- Meaningful continuous coverage requirements for annual and special enrollment.

Important Information About Individual Coverage in 2026

In 2026, Iowa will have six carriers in the Individual ACA market. Currently, Medica and Wellmark Health Plan of Iowa provide coverage to Iowans in all 99 counties while Oscar provides coverage in 75 counties[2]. These three companies will continue to offer plans in the same counties in 2026. Two new health insurance plans joined the market in 2025 and will continue to provide coverage in 2026. UnitedHealthcare Plan of the River Valley will be available in 17 counties[3] and Iowa Total Care, doing business as AmBetter, will be in 58 counties[4] in 2026, up from 35 counties in 2025. Avera Health Plans will enter the market in 7 counties[5] in 2026.

The changes to the subsidy structure from 2025 to 2026 will result in increased premiums amounts for all Iowans who currently receive APTCs. For many, the premium amounts of their current plans will no longer be affordable options in 2026. Due to the changing subsidy structure, on September 4, 2025, the Centers for Medicare & Medicaid Services (CMS) issued federal guidance expanding access to catastrophic coverage plans. In 2026, those who are ineligible for APTCs or cost-sharing reductions (CSRs) due to their income, may apply to CMS for a hardship exemption to enroll in catastrophic (CAT) coverage plans. In Iowa, this includes individuals and families who have income above 250% FPL.[6]

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[2] Oscar: Adair, Adams, Appanoose, Audubon, Benton, Black Hawk, Boone, Bremer, Buchanan, Buena Vista, Butler, Calhoun, Carroll, Cass, Cedar, Cerro Gordo, Cherokee, Chickasaw, Clarke, Clayton, Clinton, Dallas, Decatur, Delaware, Dubuque, Fayette, Floyd, Franklin, Greene, Grundy, Guthrie, Hamilton, Hancock, Hardin, Harrison, Howard, Humboldt, Ida, Iowa, Jackson, Jasper, Jefferson, Jones, Keokuk, Kossuth, Lucas, Madison, Mahaska, Marion, Marshall, Mills, Mitchell, Monona, Monroe, Montgomery, Palo Alto, Plymouth, Polk, Pottawattamie, Poweshiek, Ringgold, Sac, Scott, Shelby, Sioux, Tama, Union, Van Buren, Wapello, Warren, Wayne, Winnebago, Woodbury, Worth, Wright.

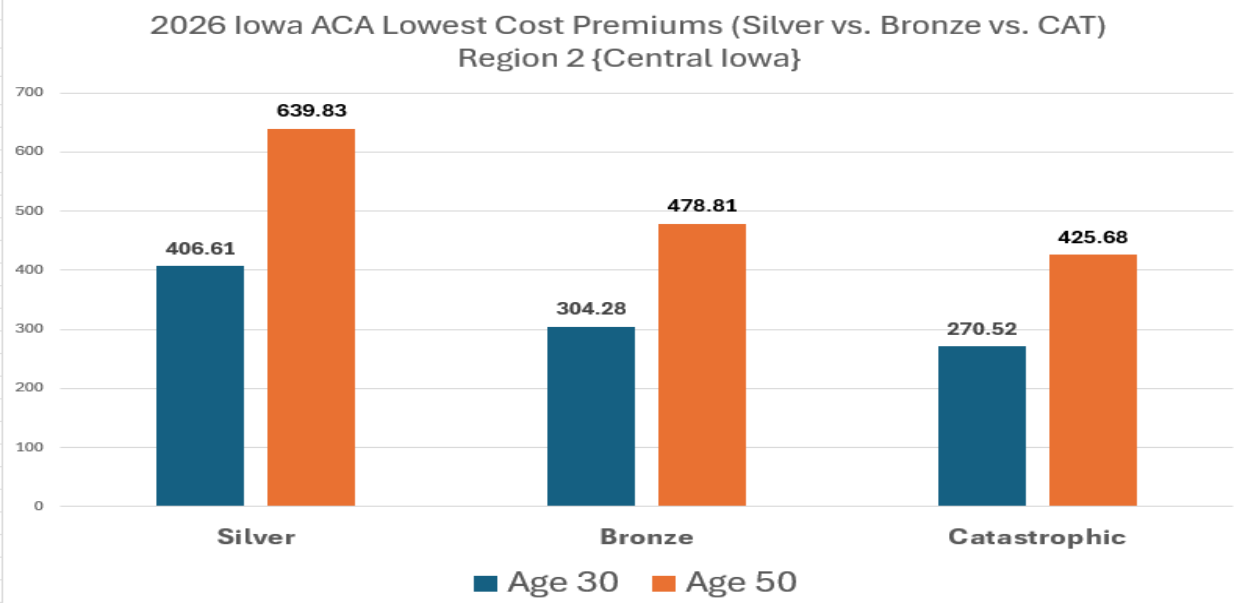
[3] UnitedHealthcare Plan of the River Valley: Adair, Adams, Audubon, Cass, Clarke, Decatur, Fremont, Guthrie, Harrison, Mills, Montgomery, Page, Pottawattamie, Ringgold, Shelby, Taylor, Union.

[4] Iowa Total Care: Adair, Appanoose, Audubon, Benton, Boone, Buchanan, Butler, Cass, Cedar, Cerro Gordo, Cherokee, Chickasaw, Clinton, Crawford, Davis, Decatur, Dubuque, Fayette, Floyd, Franklin, Fremont, Hancock, Hardin, Henry, Ida, Jackson, Jasper, Jefferson, Keokuk, Kossuth, Lee, Linn, Louisa, Madison, Mahaska, Marion, Mills, Monona, Monroe, Montgomery, Page, Palo Alto, Polk, Pottawattamie, Ringgold, Scott, Shelby, Sioux, Tama, Taylor, Union, Van Buren, Warren, Washington, Wayne, Winnebago, Woodbury, Worth.

[5] Avera Health Plans: Clay, Dickinson, Emmet, Lyon, O'Brien, Osceola, Sioux.

[6] Typically, individuals and families with household incomes between 100 and 250% FPL may be eligible to receive CSRs. *See* 42 U.S.C. § 18071. Those with income above 250% FPL are not eligible for CSRs and those with income above 400% FPL are not eligible for APTCs.

CAT plans are similar to other ACA plans in that they provide coverage of all essential health benefits, have free preventive services and cannot base premiums on pre-existing conditions. CAT plans, however, have high deductibles that may match the ACA maximum out-of-pocket cost which, in 2026, is $10,600 for an individual and $21,200 for a family. Because CAT plans have such high deductibles, the premiums tend to be lower than other ACA metal plans as shown below.



The Division has minimal experience with these plans due to very limited enrollment numbers. In 2025, only 84 out of over 140,000 Iowans who enrolled in the ACA individual market, enrolled in CAT plans. Nationally, CAT plan enrollment is similar with nearly 54,000 selecting CAT plan coverage out of over 24 million in other ACA plans. In 2026, Oscar and Avera will offer CAT plans to Iowans. For consumers who are looking for alternative ACA coverage options, it is important to know that they must apply to CMS to be determined eligible for CAT plan coverage. Consumers may access the application here: https://marketplace.cms.gov/applications-and-forms/hardship-exemption.pdf

Options for Iowans Outside the ACA Market

Recent federal changes to the enforcement of short-term limited duration (STLD) plans allow the sale of these plans for up to three years in duration, a significant change from the 4-month allowable duration. While these plans have historically been vilified as 'junk' plans that wouldn't cover pre-existing conditions, Iowa implemented regulations to ensure these plans were a viable health coverage option for those who were priced out of the ACA market. In 2018 and 2019, the Division worked collaboratively with the agent community, health insurance carriers, medical providers, and other stakeholders to create regulations that would benefit consumers and address concerns of each stakeholder group. This work resulted in Iowa passing regulations to require all STLD plans have a minimum benefit floor similar to the benefits offered through ACA plans with the exclusions of maternity care and pediatric services. STLD plans offered in Iowa must also have a maximum out-of-pocket cost for the consumer, a minimum

of $500,000 of coverage offered by the carrier and, for those plans that are renewable, pre-existing conditions must be covered in the renewal periods.

Iowans should also consider whether employer coverage, if accessible, or Farm Bureau plans better fit their needs. Licensed insurance agents and navigators are available to help consumers weigh these and any other healthcare coverage options at https://www.healthcare.gov/find-assistance/.

Conclusion

As stated above, **Iowa needs support and increased flexibility from the federal government** to design a market solution that works for Iowans. Waiting for federal regulatory changes has proven to be a futile effort and it is time to obtain federal 'support and increased flexibility' through a different avenue. Iowa needs to take the initiative and create a solution that works for Iowans. Developing a State-based exchange (SBE) will give Iowa more control over the eligibility, enrollment and plan design functions.

To create an SBE for the individual ACA market, a state must submit an application to CMS that includes legislative authority to operate an SBE. To work with the federal government, the Division first needs the support of the Iowa Legislature to provide the Division with authority to create and operate an SBE. The Division has drafted SBE authorizing legislation that could be utilized during the upcoming Legislative session.

In developing an Iowa SBE, the Division intends to utilize existing legislative authority[7] to submit a 1332 waiver application. Many states apply to CMS to create an SBE ***and*** to obtain 1332 waiver authority so they may structure their SBE in a manner that works best for that state. 1332 waiver authority could enable Iowa to modify the federal requirements in several areas including but not limited to, the requirement for how APTCs are structured. As described above, the APTC structure is in dire need of change.

Aside from these efforts, our office remains committed to its goals to ensure that Iowa consumers have access to affordable and meaningful health insurance. The Division is open to ideas and is willing to engage with legislators, business leaders, and consumers alike to develop a solution that works for Iowa.

[7] *See* Iowa Code §505.18A.

NovaRest Report for the Iowa Insurance Division

In support of the

Annual Report to the Iowa Governor and to the Iowa Legislature

November 2025

To: Iowa Insurance Division
From: NovaRest, Inc.
Amanda Rocha
Richard Cadwell, ASA, MAAA

NovaRest
ACTUARIAL CONSULTING

Table of Contents

Introduction

This report was prepared by NovaRest Consulting (NovaRest) for the Iowa Insurance Division (Division). We understand that the Division will use the information in this report as the basis of the Annual Report for the Governor of Iowa and for the Iowa Legislature. The Annual Report, required by statute (Iowa Code §505.18), provides findings regarding health spending costs for health insurance plans in Iowa for the previous calendar year.

The Annual Report aims to increase healthcare insurance transparency and provide consumers with the necessary information and the incentive to choose health plans based on cost and quality. Reliable cost and quality information about healthcare insurance empowers consumer choice, which incentivizes and motivates the entire healthcare delivery system to provide better care and benefits at a lower cost. This report aids in making information regarding the costs of healthcare insurance readily available to consumers.

This report is intended to provide information in a form that can be used in the Annual Report to the Governor of Iowa and the Iowa Legislature.

This report uses information gathered from the top 98% of health insurers by 2024 premium in Iowa through a data request from the Division. Appendix I provides the complete data request, which requested 2024 actual experience information. We aim to ensure we have the most accurate and complete information possible. We have noted all situations when the data request information was not complete. Additional information was extracted from statutory annual financial statement information filed with the National Association of Insurance Commissioners (NAIC), the Unified Rate Review Templates (URRTs) filed by the companies, and other public sources that we believe are credible.

Please note that the carriers that fall within the top 98% can change every year. There are no carriers included in the 2025 data call (survey) which were not included in the 2024 survey, however, there are differences in the market each carrier was requested to provide information.

UnitedHealthcare Plan of the River Valley did not meet the large group market threshold based on 2024 market share data. Therefore, they are no longer included in the large group market reporting but continue to be included in the small group market reporting. Similarly, Medical Associates Health Plan Inc. did not meet the small group market threshold based on 2024 market share data, although they continue to be included in the large group market reporting. All other carriers surveyed are consistent with the prior Annual Report.

The following companies were included in the 2025 survey based on their healthcare premium market share in Iowa in 2024:

- HealthPartners Unity Health Point Inc.
- Medica Insurance Co.
- Medical Associates Health Plan, Inc.
- Oscar Insurance Company[1]
- United Healthcare Insurance Co.
- United Healthcare Plan of the River Valley
- Wellmark Health Plan of Iowa, Inc.
- Wellmark, Inc.

This report is structured according to the annual report requirements required by Iowa Code §505.18. First, the results are summarized, followed by a section with more details for each requirement. Finally, the appendices contain all the raw data in tabular format.

Please note that the data provided by the carriers represents costs for the insured individual and small group ACA and non-ACA (grandfathered and transitional) business and large group business. It does not include costs for self-funded employers or uninsured costs.

Unless otherwise noted, charts and data in this report related to 2024 Individual Comprehensive Major Medical ("ICCM") and Small Group markets refer to both ACA and non-ACA individual and small group business.

[1] Oscar Insurance Company entered the Iowa individual market in 2021 and therefore was not surveyed for data prior to 2021.

Summary

- UnitedHealthcare of the River Valley was not included in the large group market and Medical Associates Health Plan Inc. was not included in the small group market in this year's report, because they did not meet the 98% market share criteria. All other carriers are consistent with the prior year's report.

- For the carriers surveyed, average rate increases were greater than zero in all markets (individual, small group, and large group) for the third straight year. However, the member-weighted rate increases for individual and small group markets are lower than the previous year.

    - Member-weighted rate changes decreased from 2.5% to 1.3% in the individual market from the prior report.

    - Member weighted rate changes decreased from 7.7% to 7.0% in the small group market from the prior report.

    - Member-weighted rate changes increased from 2.9% to 6.4% in the large group market from the prior report.

- For the carriers surveyed, the member-weighted average allowed claims trend was relatively moderate, ranging from -1% to 6% one-year trend by market. The 5-year annualized allowed claims trend also ranged from -1% to 5% by market.

    - Member weighted average incurred claims trend was also relatively moderate, ranging from 0% to 5% one-year trend by market. The 5-year annualized incurred claims trend ranged from -3% to 5% by market.

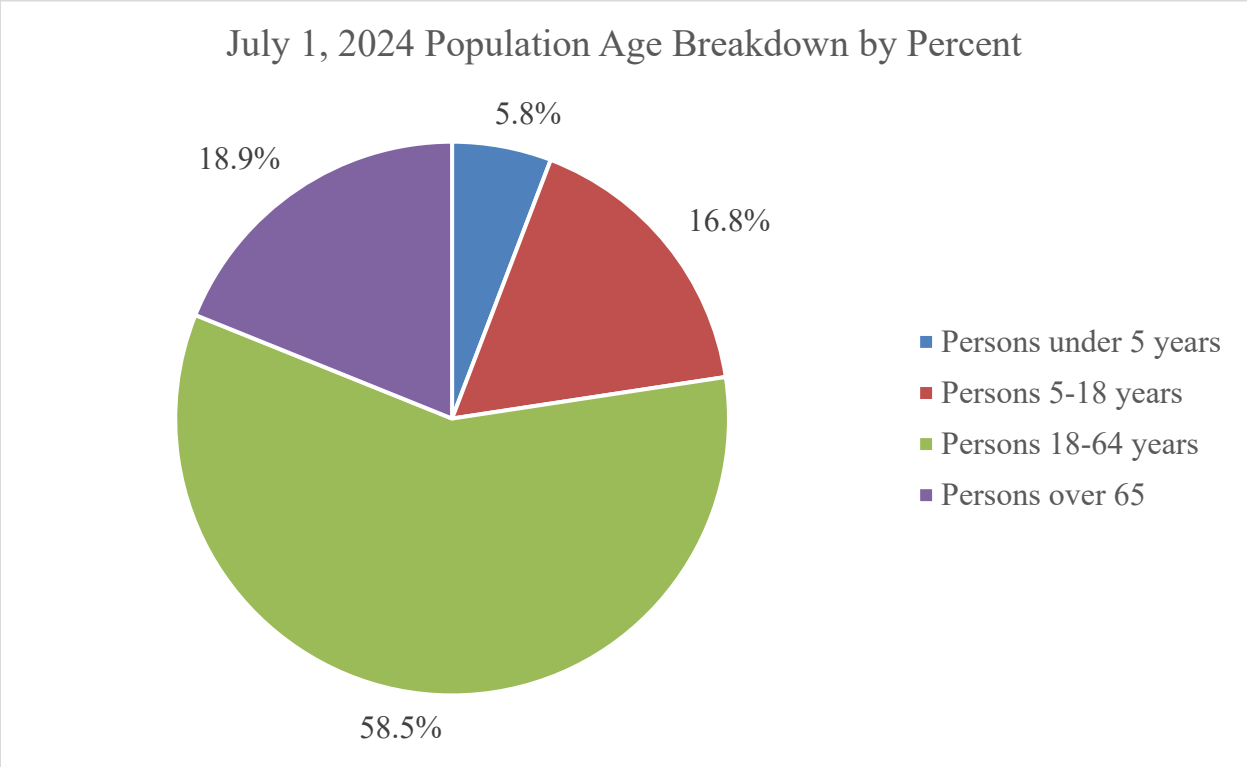
    - These trends are lower than nationwide commercial trend studies which showed actual trends ranging from 7.0%-8.5% from 2023 to 2024, with this level of trend expected to continue or even increase through 2026.[2,3]

- Iowa's qualified health plan (QHP) premium rates continue to be lower than the United States average in the gold, silver, and bronze metal levels since plan year 2024. Additionally, Iowa's second lowest cost silver plan (SLCSP) was approximately 7% below the United States average for plan year 2024, and is expected to be 20% lower for plan year 2026.

[2] "2026 Segal Health Plan Cost Trend Survey." https://www.segalco.com/consulting-insights/2026-health-plan-cost-trend-survey. Accessed 4 Nov. 2025.
[3] "Medical cost trend: Behind the numbers 2026." PWC. https://www.pwc.com/us/en/industries/health-industries/library/behind-the-numbers.html. Accessed 4 Nov. 2025.

Background

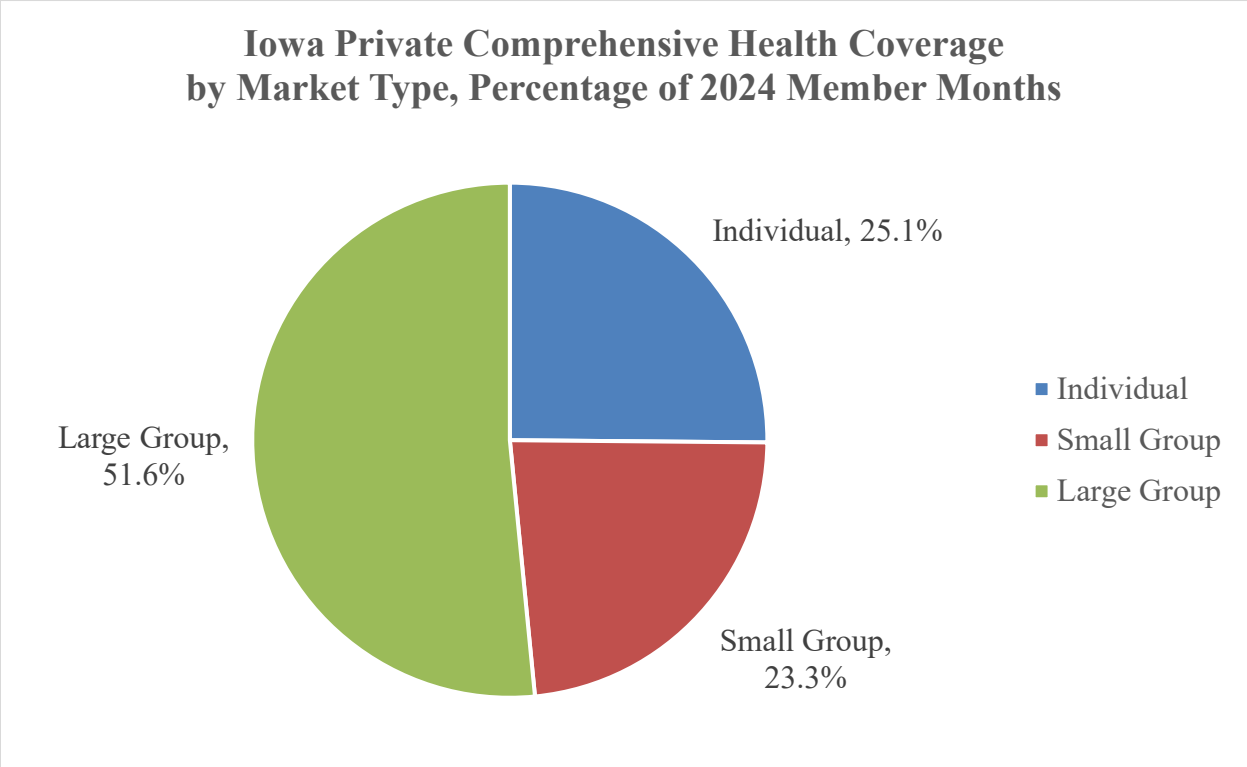
As of July 1, 2024, Iowa's total population was estimated at 3,241,488.[4] A breakdown of the major age groups is below.



Iowa's 2024 median household income was $75,501, slightly lower than the overall U.S. median household income of $81,604.[5] The Iowa unemployment rate in 2024 was about 3.7%[6] and 8.4% of the Iowa population was considered below the poverty level.[7]

[4] Annual Estimates of the Resident Population by Single Year of Age and Sex for Iowa: April 1, 2020 to July 1, 2024 (SC-EST2024-SYASEX-19). Source: U.S. Census Bureau, Population Division. Release Date: June 2025.
[5] Guzman, Gloria G. "Household Income in States and Metropolitan Areas: 2024." American Community Survey Briefs. September 2025. https://www2.census.gov/library/publications/2025/demo/acsbr-025.pdf. Accessed 4 Nov. 2025.
[6] Iowa's Unemployment Rate Holds at 3.7 Percent in July. (2025). Retrieved from https://workforce.iowa.gov/press-release/2025-08-14/iowas-unemployment-rate-holds-37-percent-july. Accessed 4 Nov. 2025.
[7] "National Comparative Data — Percentage of Persons in Poverty." Three-Year Average Rate by State. Retrieved from https://www.legis.iowa.gov/docs/publications/FCTA/1529548.pdf. Accessed 4 Nov. 2025.

Although a significant portion of the Iowa market is enrolled in public programs or uninsured, this report focuses on the commercial non-public individual, small group, and large group markets. The percentages of those enrolled in these markets are shown in the chart below.[8] From the prior report, this shows a 4.2% increase in the market months in the individual market, a 1.8% decrease in the small group, and a 2.4% decrease in the large group.



[8] 2024 National Association Of Insurance Commissioners Annual Statement. Supplemental Healthcare Exhibit, All Carriers in Iowa. Health, Life, and Property and Casualty Insurance. Member Months.

Enrollment

A complete set of enrollment data can be found in ***Appendix A.***

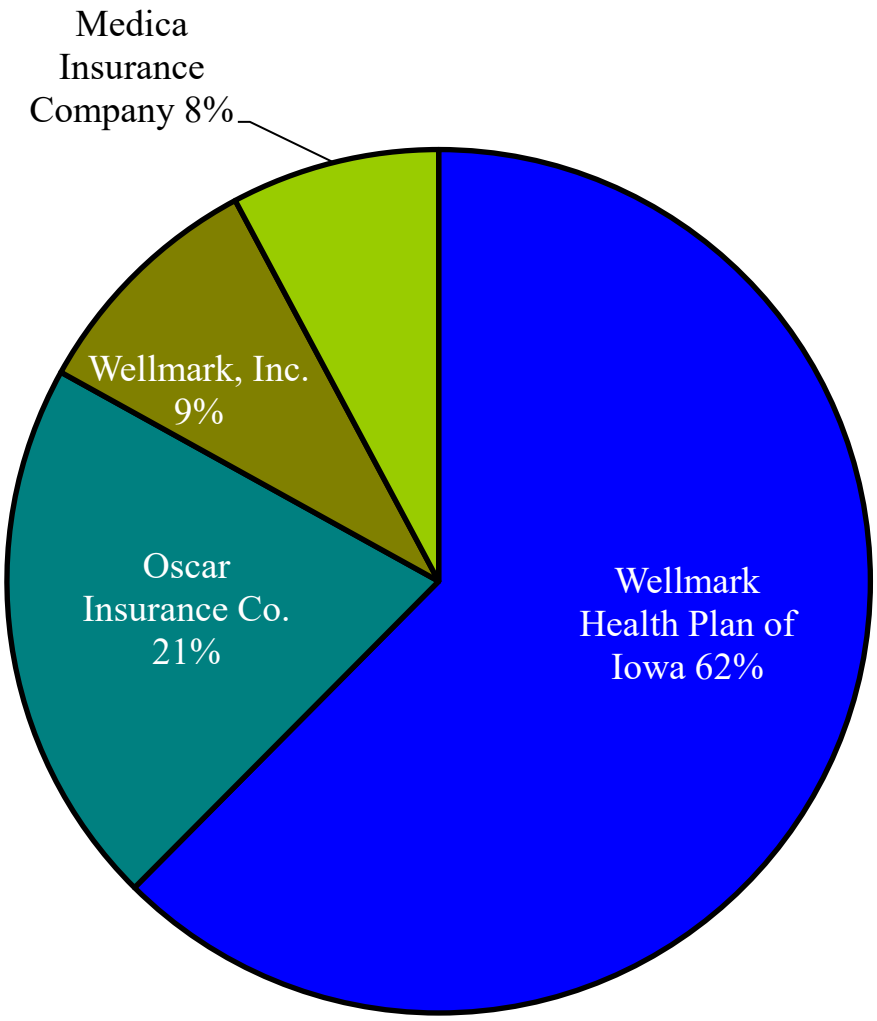
Wellmark, Inc. continued to hold the highest market share in the small group and large group markets (57% and 55%, respectively), and Wellmark Health Plan of Iowa, Inc. continued to hold the largest individual market share (62%) in 2024.

In this report, we present weighted averages, which are weighted by member months,[9] which results in averages that are closer to what most members are experiencing. Taking the rate increases as an example; the weighted average will result in the same value as if a surveyor totaled and averaged the rate increases across all members in Iowa. Despite significant differences between companies, the weighted averages provided in this report will fall very close to the Wellmark, Inc. values in the small and large group markets. Similarly, the individual market will be close to the values of Wellmark Health Plan of Iowa, Inc. By averaging across members rather than carriers, we will better estimate the rate increases experienced by the commercially insured population in Iowa.

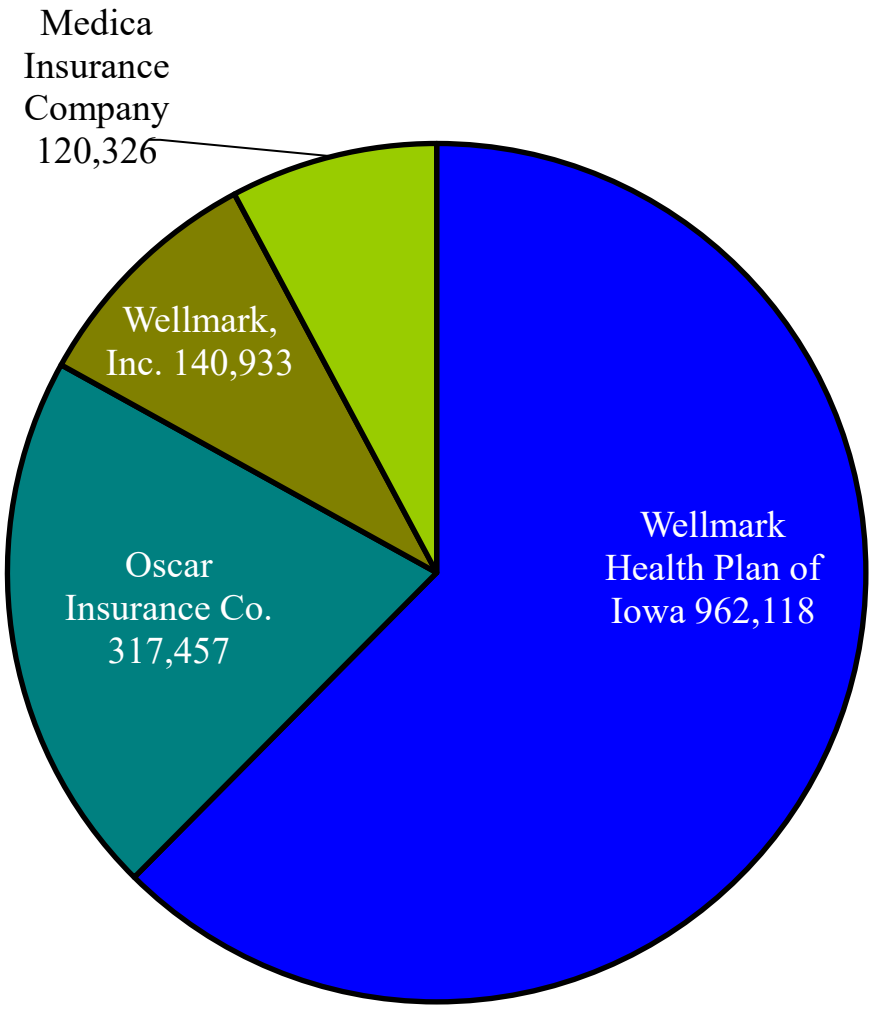
We have provided pie charts of member months to demonstrate the variation in members per carrier in Iowa. The key for each chart is in descending order of total member months. A complete set of the calculated member months can be found in ***Appendix A.*** Please note the numbers presented in this report for the small group and individual markets include ACA, grandfathered, and transitional business combined. It does not reflect self-insured employers or uninsured.

[9] Member months are the number of total months covered for all individuals insured by a carrier in a market.

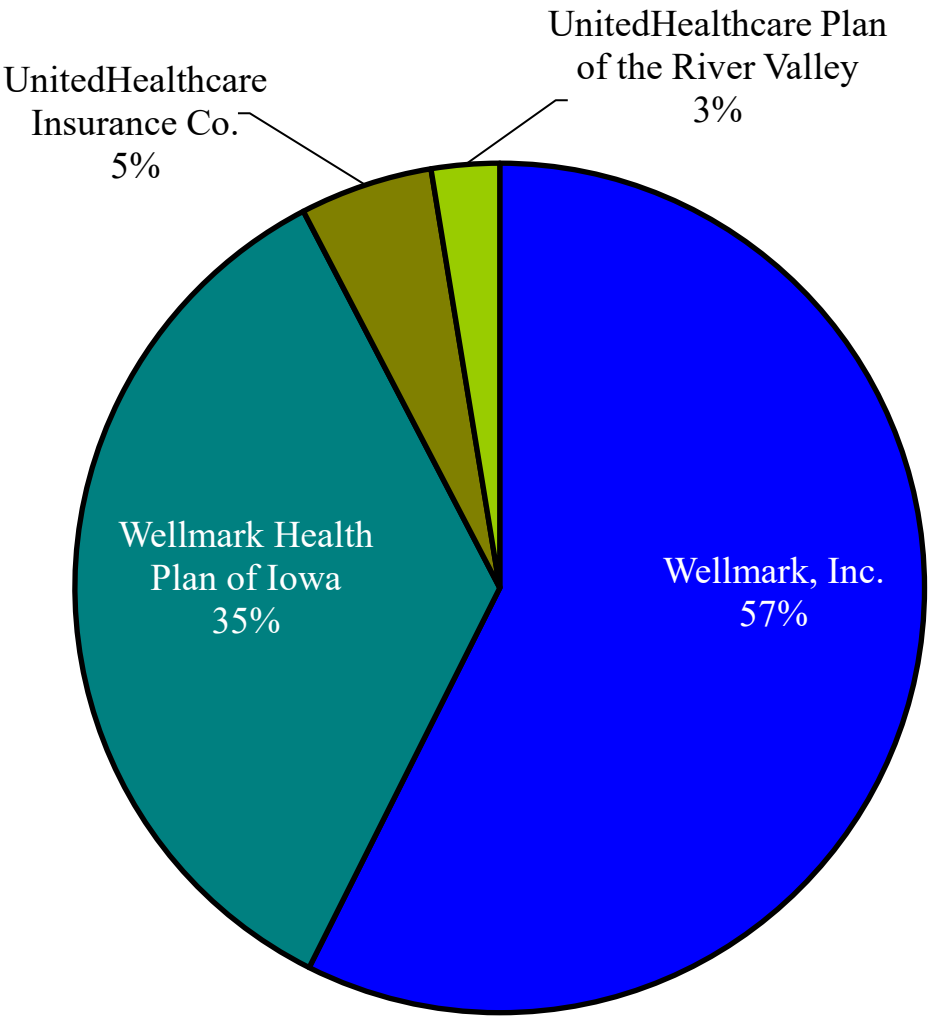
2024 Individual Comprehensive Major Medical ("ICMM") Member Months by Percent



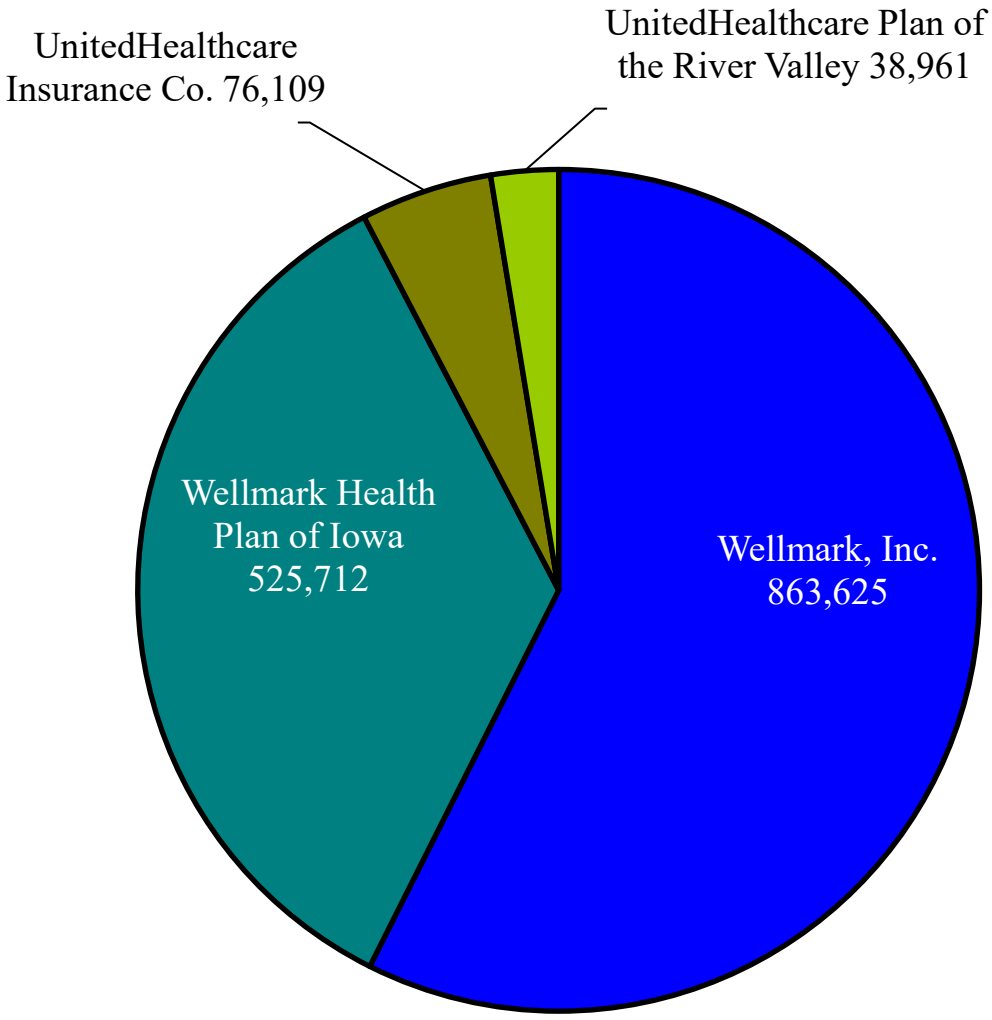
2024 Individual Comprehensive Major Medical ("ICMM") Member Months



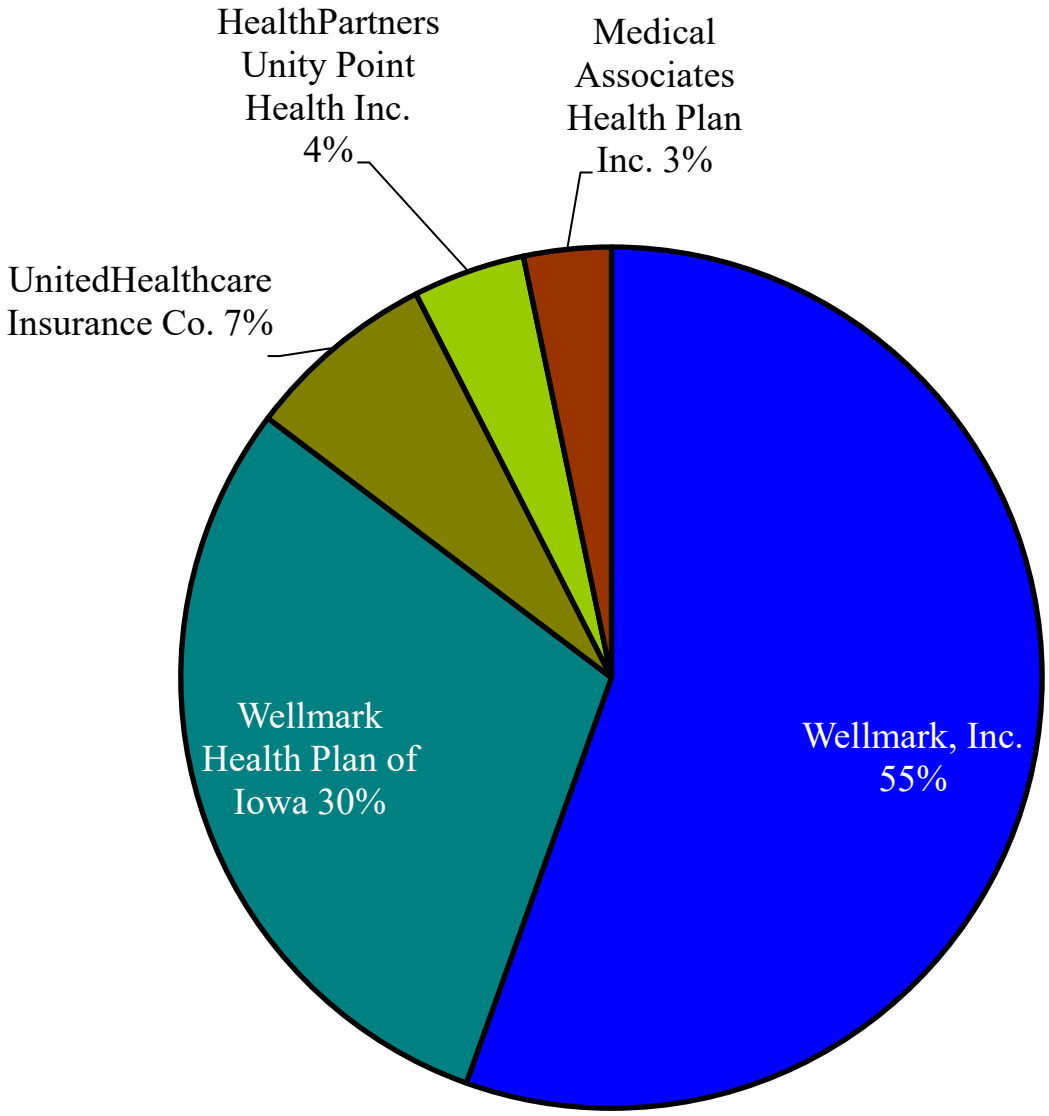
2024 Small Group Member Months by Percent



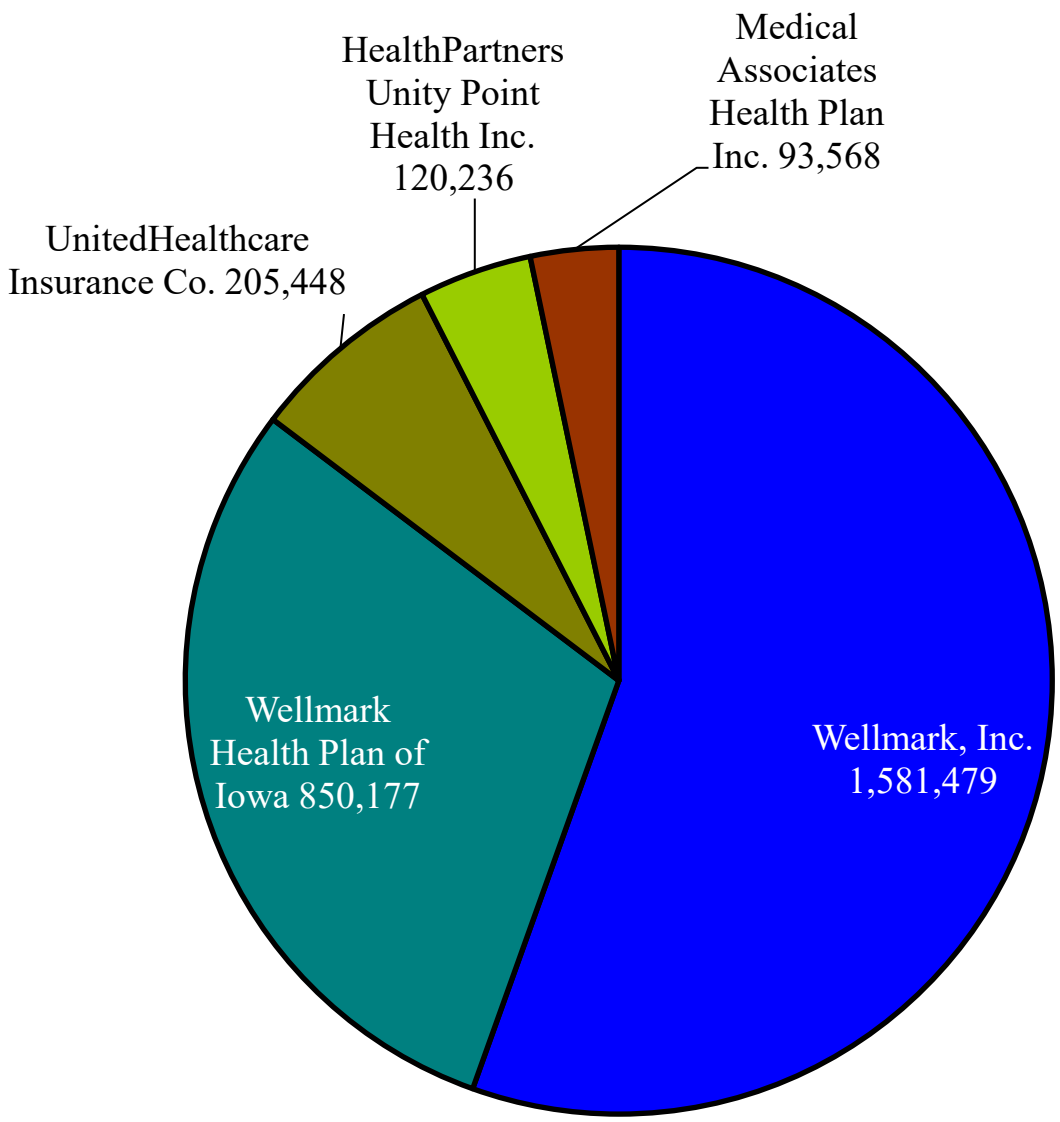
2024 Small Group Member Months



2024 Large Group Member Months by Percent



2024 Large Group Member Months



Loss Ratios

a. Aggregate health insurance data concerning loss ratios of health insurance carriers licensed to do business in the state.

A complete set of loss ratio data can be found in ***Appendix B.***

A loss ratio is a ratio of claims to premiums. In addition to direct claims payments for medical services, the claims used in the loss ratio may include case management services, the cost of quality improvement efforts, and other costs related to healthcare services not directly delivered to members. The traditional loss ratio is incurred claims / earned premiums, provided in this section's analysis. The federal health insurance reform requires carriers to provide a rebate to policyholders if the carrier's traditional loss ratio over three years, with certain adjustments, is less than 80% for the individual or small group markets and 85% for the large group market.[10] The remaining 20% or 15% is the amount of premium that is available for the cost of administering the insurance (commissions, paying claims, tracking enrollment changes, etc.) and for company profits. Note: the loss ratios provided by the carriers do not include the adjustments that are allowed under the federal loss ratio definition. Therefore, we cannot definitively say if a carrier will be required to pay a rebate based on the information that was provided.

The federal loss ratios (i.e., traditional loss ratio with adjustments) for rebate purposes are also adjusted for credibility. If a carrier has less than 75,000 life years (900,000 member months) in a market over three years, an amount is added to the calculated medical loss ratio (MLR). The adjustment is intended to compensate for the larger statistical fluctuations found in smaller, less credible blocks of business. This credibility adjustment increases the actual loss ratio used for rebate calculation purposes based on the size of the carrier, with smaller carriers receiving larger adjustments. All carriers except Wellmark Health Plan of Iowa will receive a credibility adjustment in the individual market. All carriers except Wellmark Health Plan of Iowa and Wellmark, Inc. will receive a credibility adjustment in the small group and large group market. The result of the credibility adjustment is that carriers can have a loss ratio lower than the federal standard and still not be required to pay a rebate.

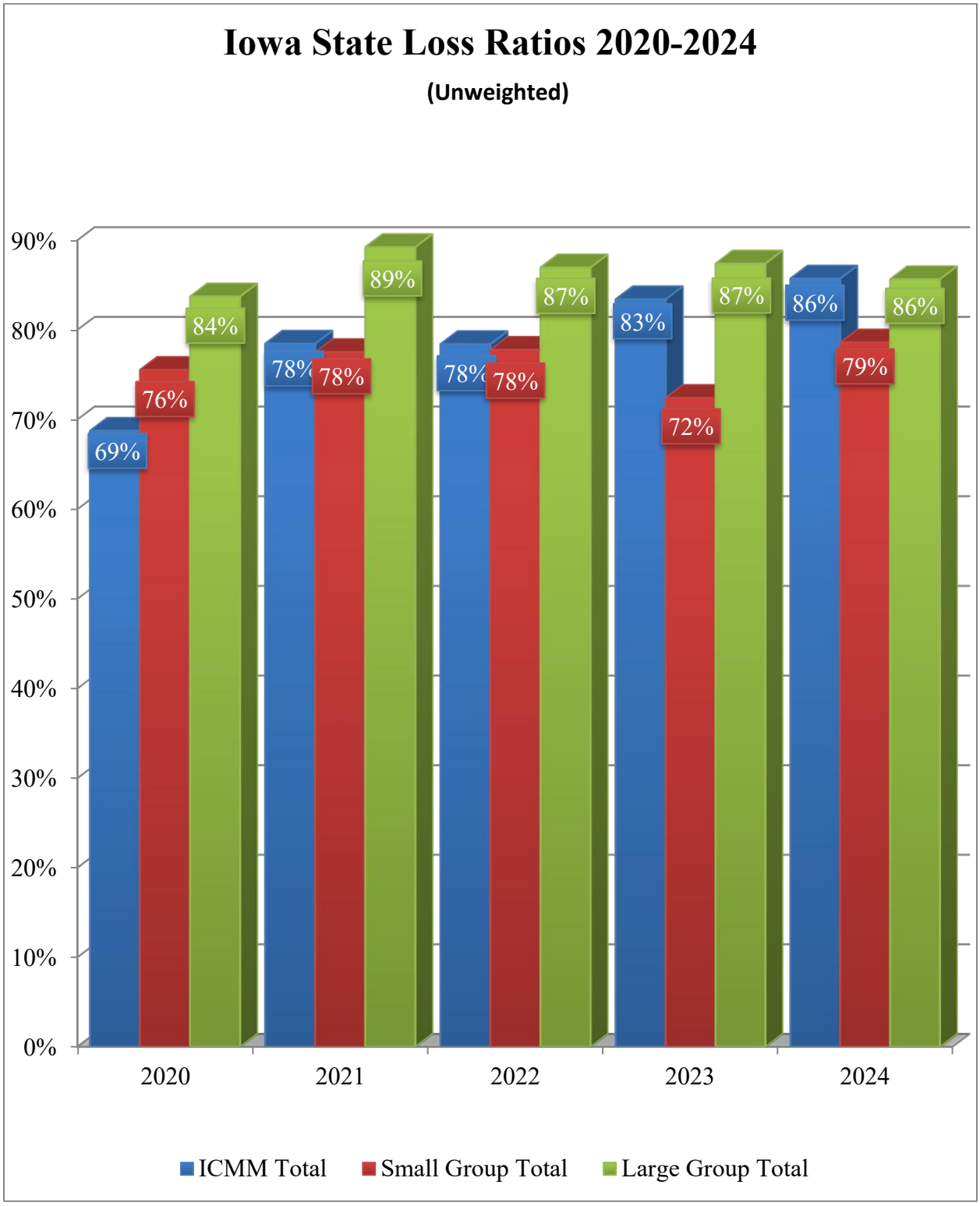
[10] Not enough information was accessible to calculate the federal loss ratios.

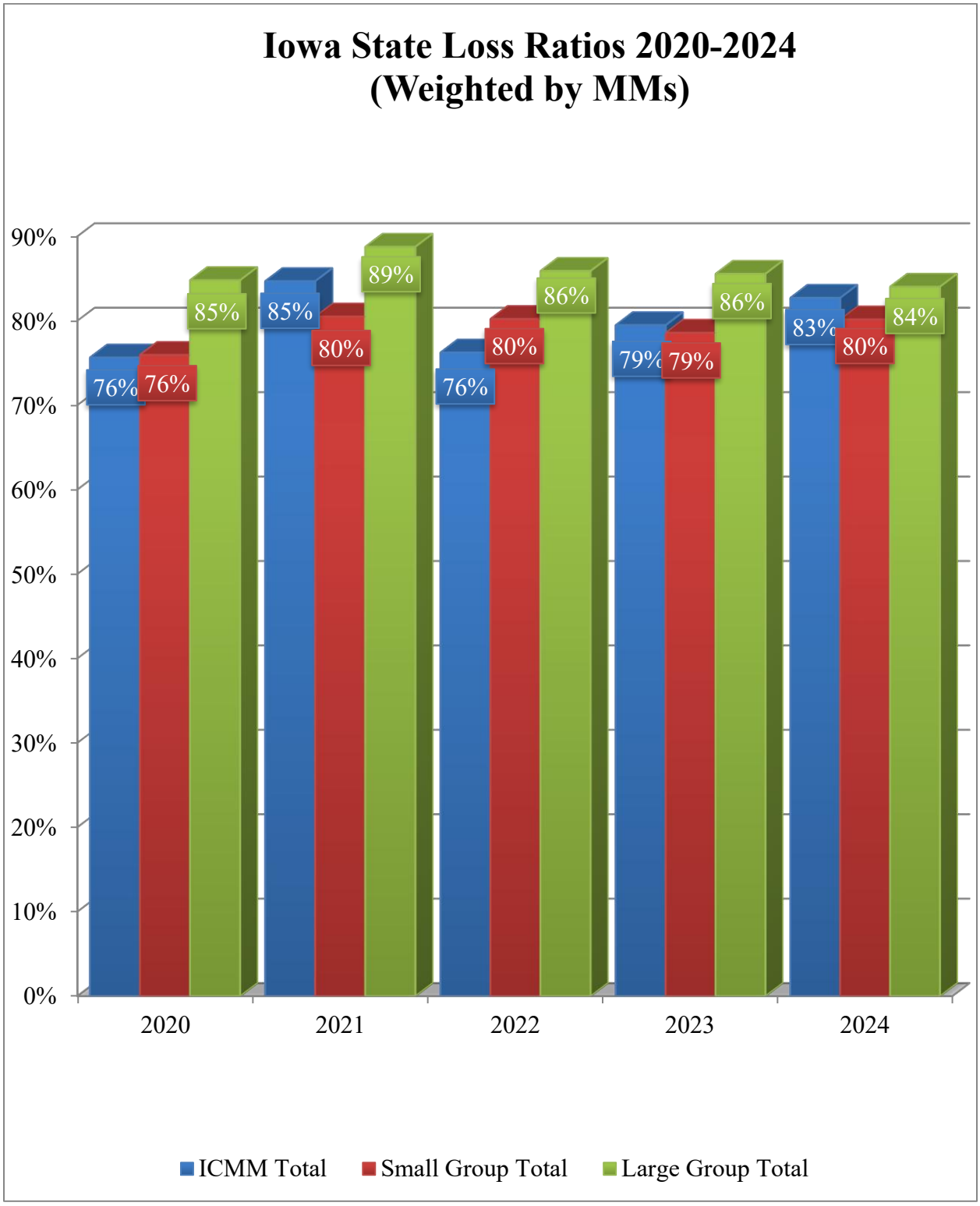
According to the information filed in the 2024 Supplemental Healthcare Exhibit (SHCEs) for all carriers in the Iowa market, $3,100,490 in rebates were paid in the individual market, $1,000,455 were paid in the small group market, and $2,476,970 were paid in the large group market in 2024 for the 2023 plan year.[11] The rebate amounts for the carriers we surveyed are shown below.

Rebates Paid in 2024 for the 2023 Plan Year			
Company Name	**Individual**	**Small Group**	**Large Group**
HealthPartners Unity Point Health Inc.	$0	$0	$0
Medica Insurance Co.	$0	$0	$0
Medical Associates Health Plan Inc.	$0	$0	$0
Oscar Insurance Co.	$3,100,490	$0	$0
United Healthcare Plan of the River Valley	$0	$1,000,455	$2,476,970
UnitedHealthcare Insurance Co.	$0	$0	$0
Wellmark Health Plan of Iowa	$0	$0	$0
Wellmark, Inc.	$0	$0	$0
Total	**$3,100,490**	**$1,000,455**	**$2,476,970**

The 2024 average (non-weighted) traditional loss ratios are 86%, 79% and 86% for individual, small group, and large group respectively. When loss ratios are weighted by membership, the averages are 83%, 80% and 84% for individual, small group, and large group respectively. The following graphs detail the average (unweighted and weighted) loss ratios for the past 5 years.

[11] Per NAIC Supplemental Exhibit. Information related to MLR rebates paid in 2025 for 2024 are not available at this time.


Iowa State Loss Ratios 2020-2024
(Unweighted)
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
69%
76%
84%
78%
78%
89%
78%
78%
87%
83%
72%
87%
86%
79%
86%
2020
2021
2022
2023
2024
ICMM Total
Small Group Total
Large Group Total


Iowa State Loss Ratios 2020-2024
(Weighted by MMs)
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
76%
76%
85%
85%
80%
89%
76%
80%
86%
79%
79%
86%
83%
80%
84%
2020
2021
2022
2023
2024
ICMM Total
Small Group Total
Large Group Total

Loss Ratio by Market by Year (Unweighted)					
Market	**2020**	**2021**	**2022**	**2023**	**2024**
ICMM Total	69%	78%	78%	83%	86%
Small Group Total	76%	78%	78%	72%	79%
Large Group Total	84%	89%	87%	87%	86%

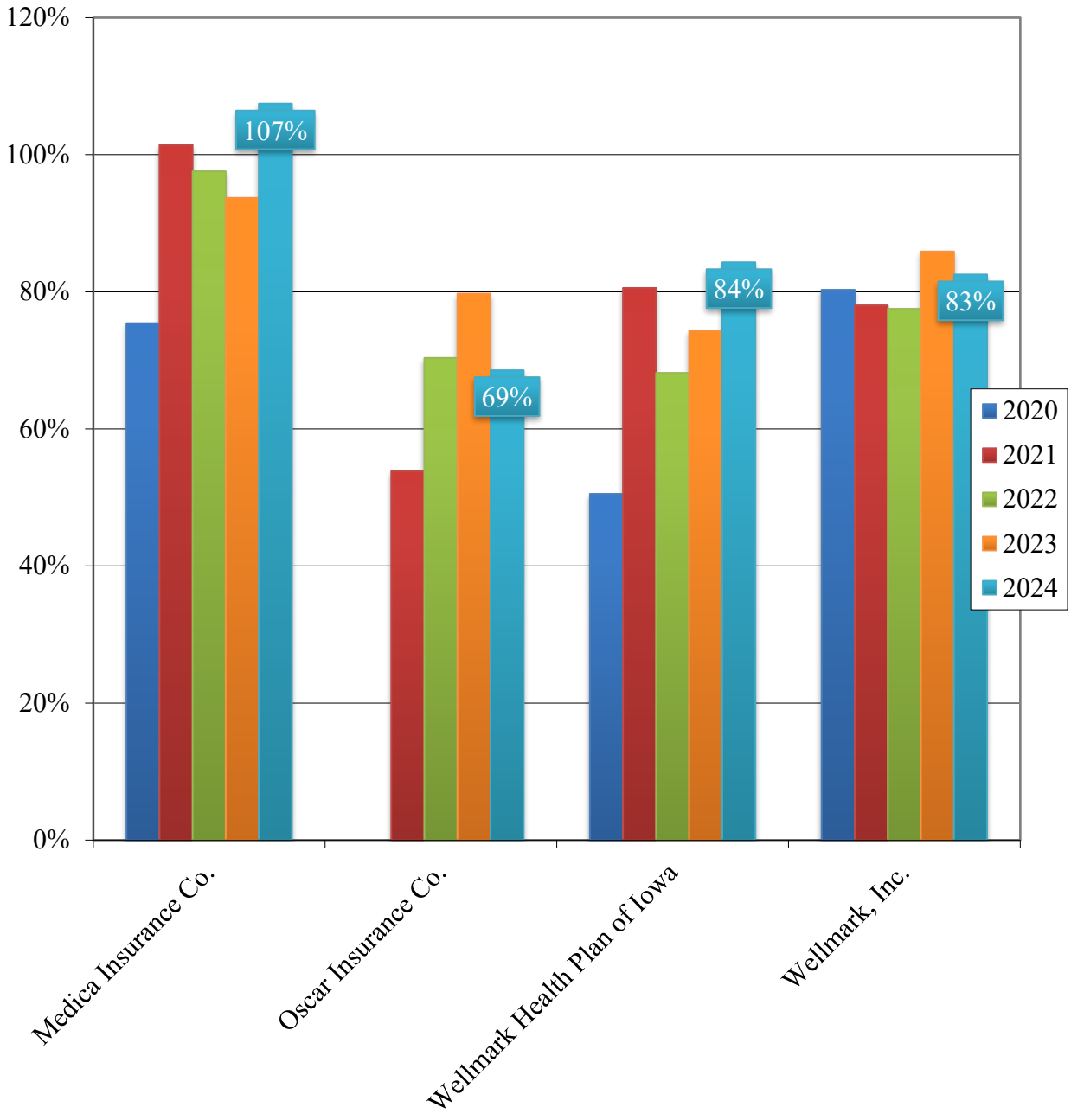
Loss Ratio by Market by Year (Weighed by Member Months)					
Market	**2020**	**2021**	**2022**	**2023**	**2024**
ICMM Total	76%	85%	76%	79%	83%
Small Group Total	76%	80%	80%	79%	80%
Large Group Total	85%	89%	86%	86%	84%

As discussed above, the federal rules call for additional adjustments to the numerator (claims) and denominator (premium) of the loss ratio to determine if a carrier has to pay rebates, so the information provided by the carriers and presented in the previous tables is not on the same basis as the 80% requirement, though it does provide a good estimate of the percentage of premium that carriers are paying in healthcare claims.

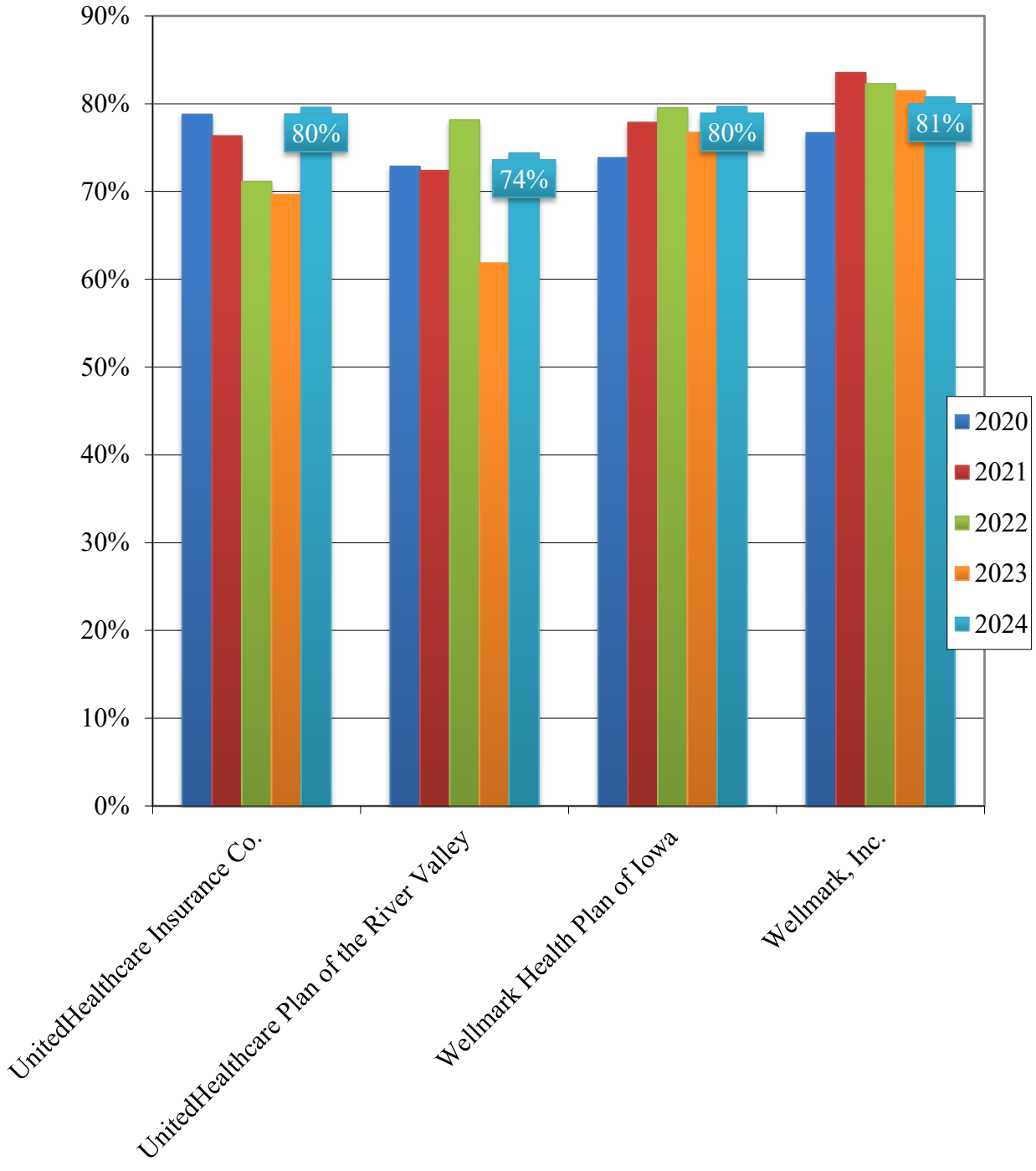
We note that the traditional loss ratio is not as good an indicator of profitability in the individual and small group markets as it is in the large group market due to the risk adjustment program discussed later in this report. A company with a high traditional loss ratio could be enrolling a sicker population than the state average, meaning it would receive a payment from the carriers with a healthier population.

There is wide variation in traditional loss ratios between companies. Individual loss ratios varied from 69% to 107% in 2024. The wide variation may be due to the effects of risk adjustment discussed above. Small and large group markets varied from 74% to 81% and 74% to 99% respectively. The wide variation in the large group market may be due in part to the low credibility of some carriers, which drives a more volatile experience. The loss ratios displayed here do not use the federal medical loss ratio (MLR) formula for the federal MLR rebate calculation. The rebate MLR is typically higher than the traditional loss ratio displayed here. The following charts compare companies for each market segment for 2020 – 2024. Note that companies not offering coverage in a market segment are not included. Additionally, not all companies participated in the data call in all years. For readability, the data labels are only included for 2024. The complete loss ratios are provided in ***Appendix B***.

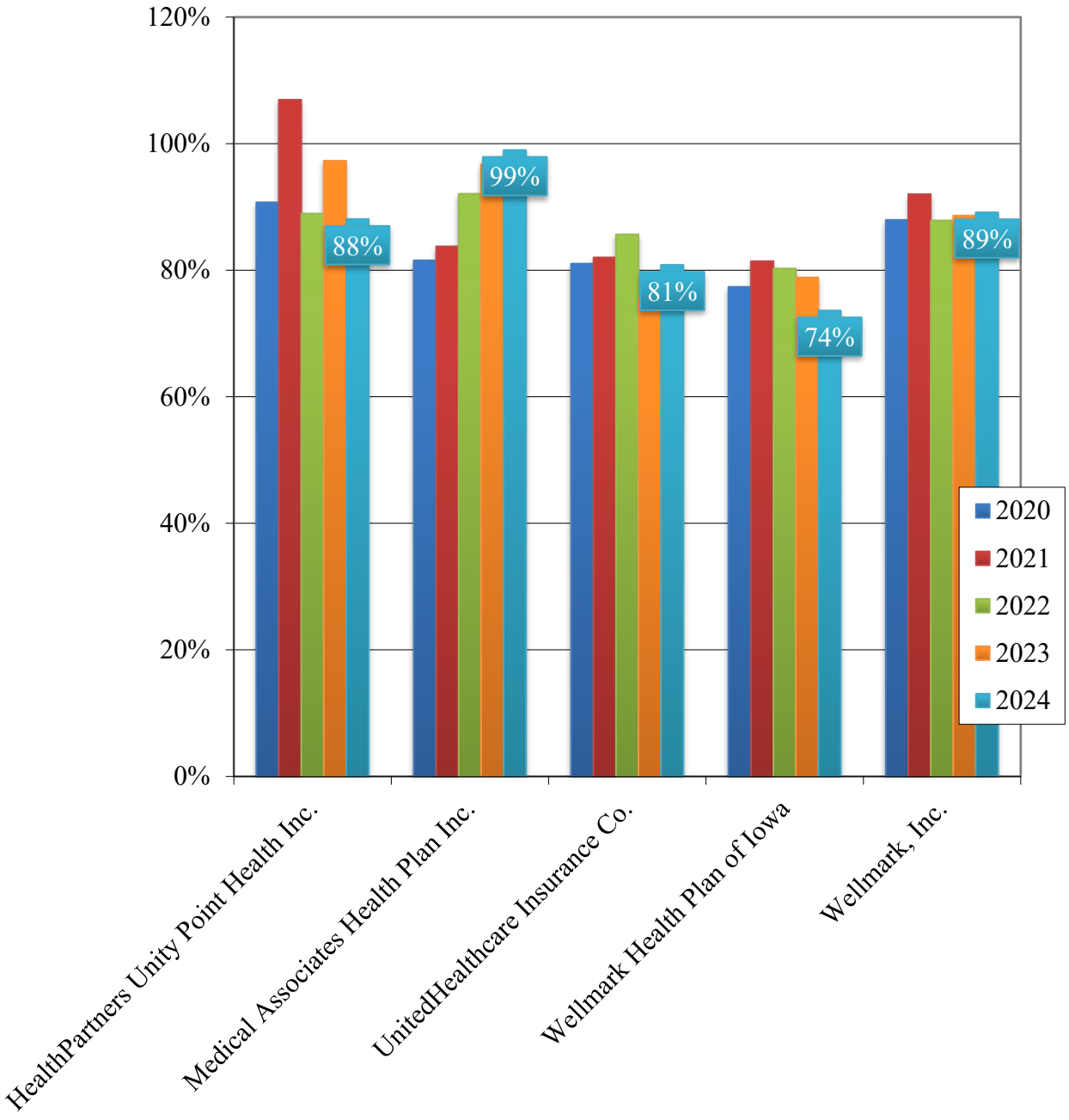
ICMM Loss Ratios 2020-2024



Small Group Loss Ratios 2020-2024



Large Group Loss Ratios 2020-2024



The following tables show each company's loss ratio by market for 2024:

2024 ICMM Loss Ratios	
Medica Insurance Co.	107%
Oscar Insurance Co.	69%
Wellmark Health Plan of Iowa	84%
Wellmark, Inc.	83%

2024 Small Group Loss Ratios	
UnitedHealthcare Insurance Co.	80%
UnitedHealthcare Plan of the River Valley	74%
Wellmark Health Plan of Iowa	80%
Wellmark, Inc.	81%

2024 Large Group Loss Ratios	
HealthPartners Unity Point Health Inc.	88%
Medical Associates Health Plan Inc.	99%
UnitedHealthcare Insurance Co.	81%
Wellmark Health Plan of Iowa	74%
Wellmark, Inc.	89%

The portion of the premium not used for claims is used for other expenses (including risk adjustment transfers for ACA business) and profits.

Companies surveyed reported a wide range of commission percentages and administrative percentages. The non-weighted average commission percentage in 2024 was 2.0%, but it ranged from 1.1% to 3.2%. This is a slight increase from the 1.7% average commission in 2023. Commissions for individual products are traditionally higher than for small group products and commissions for large group products are traditionally lower. The mix of business between individual and group markets may explain some of the variation between the companies because these lines of business have different levels of administrative cost.

The non-weighted average other non-benefit expense percent of premium in 2024 was 9.2% (down from 10.4% in 2023), but the percentages ranged from 7.1% to 13.5%. All carriers except Wellmark Health Plan of Iowa (which increased slightly from 8.4% to 8.5%) and Wellmark, Inc. (which remained the same) reported a decrease in other non-benefit expenses. (See ***Appendix G*** for more detail on the highest percentages of other administrative costs reported by the companies).

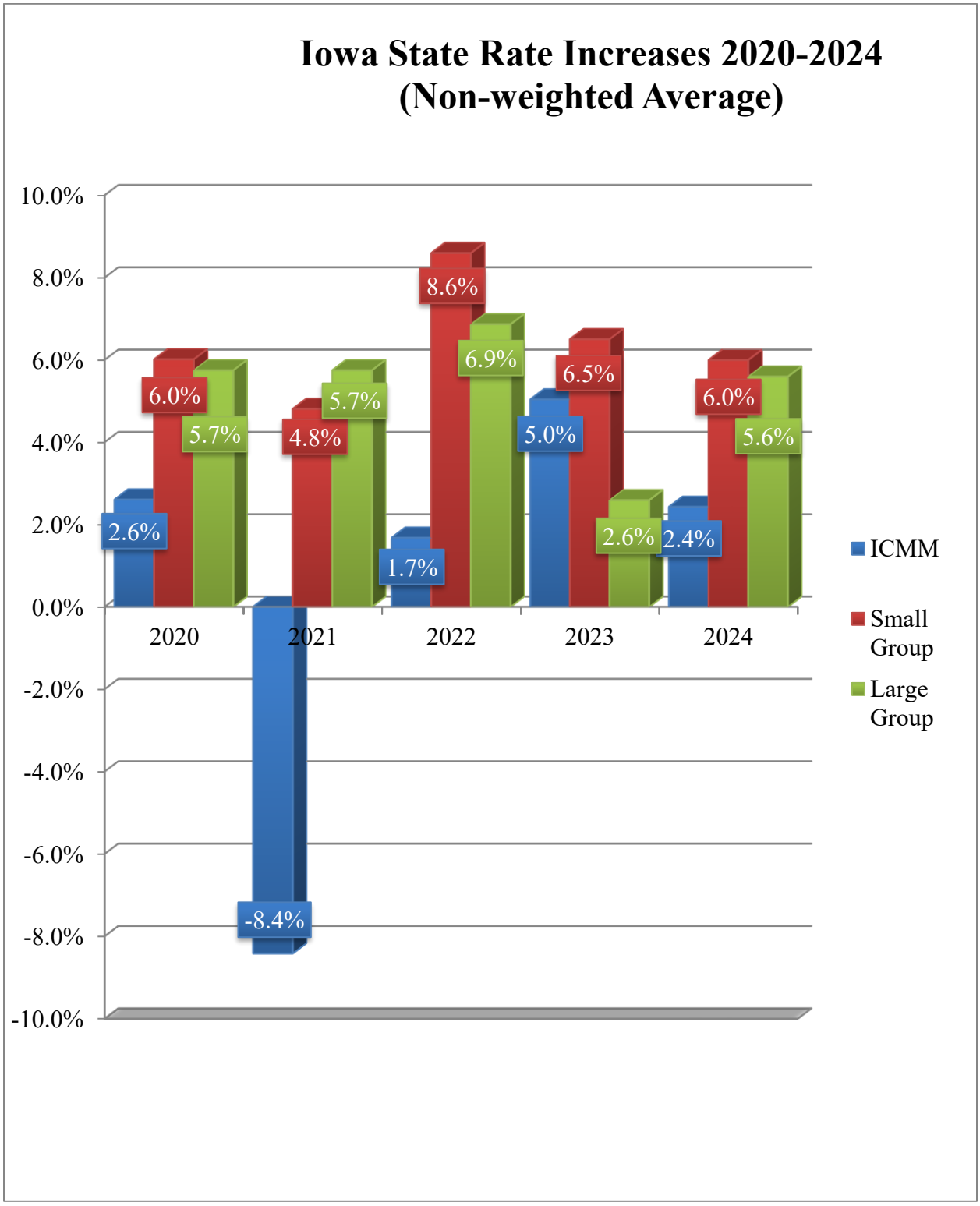
Rate Increase History

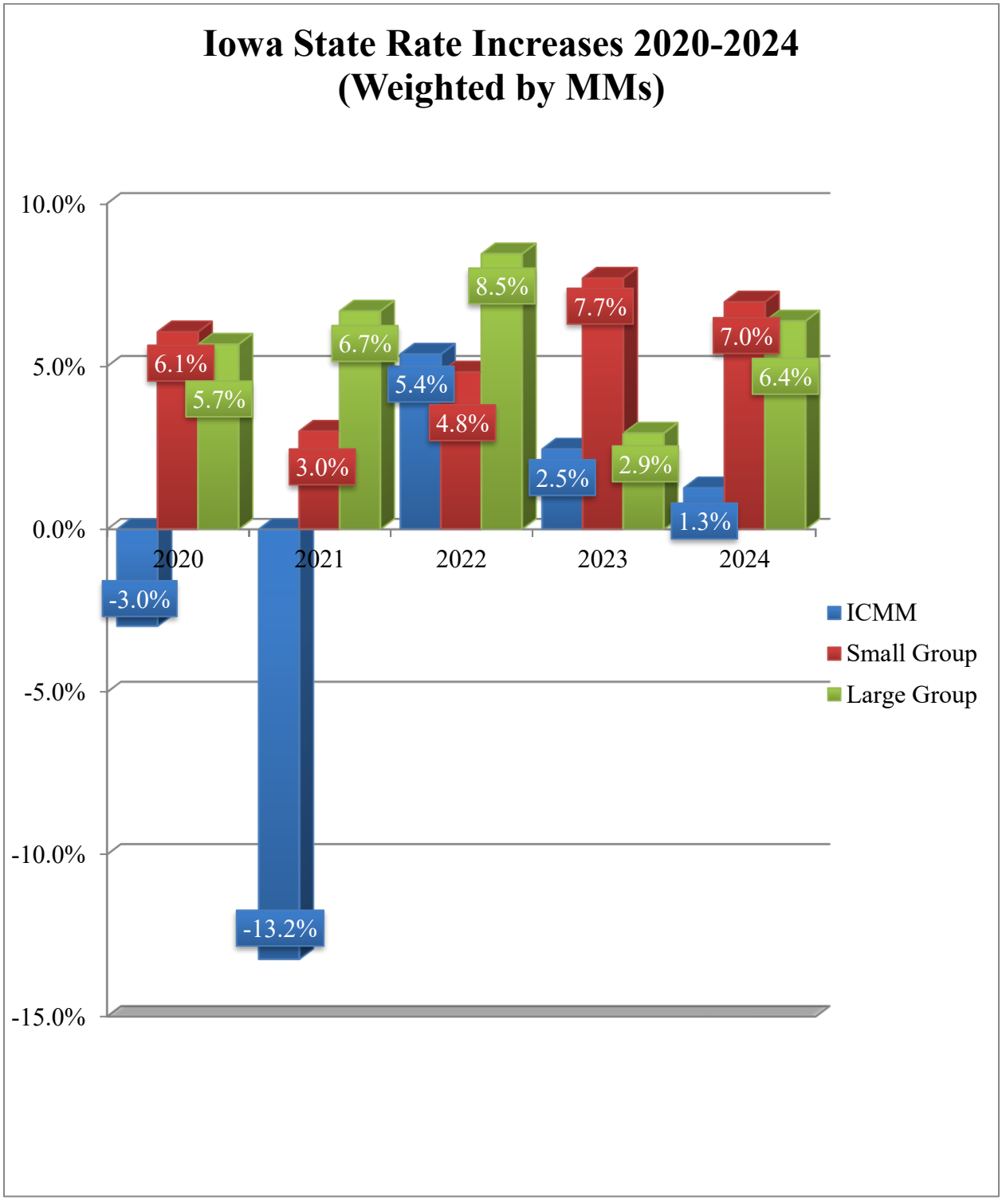
b. Rate increase data.

A complete set of rate increase data can be found in ***Appendix C.***

The charts below detail the average rate increases among carriers included in the data call for the past 5 years, on a non-weighted and weighted basis. [12,13] As explained above, the weighted increases are weighted using member months and, due to Wellmark Inc.'s significant membership in the group markets, the weighted rate increases will more closely resemble Wellmark, Inc.'s rate increases, while the individual market will resemble Wellmark Health Plan of Iowa.

[12] This is an example of historic values that may not match previous reports due to the companies that have left the market and were removed from historic data.
[13] Rate increase data is not available for carriers that were not included in the data call in prior years.


Iowa State Rate Increases 2020-2024
(Non-weighted Average)
10.0%
8.0%
6.0%
4.0%
2.0%
0.0%
-2.0%
-4.0%
-6.0%
-8.0%
-10.0%
2020
2021
2022
2023
2024
2.6%
6.0%
5.7%
-8.4%
4.8%
5.7%
1.7%
8.6%
6.9%
5.0%
6.5%
2.6%
2.4%
6.0%
5.6%
ICMM
Small Group
Large Group


Iowa State Rate Increases 2020-2024
(Weighted by MMs)
10.0%
5.0%
0.0%
-5.0%
-10.0%
-15.0%
2020
2021
2022
2023
2024
-3.0%
6.1%
5.7%
-13.2%
3.0%
6.7%
5.4%
4.8%
8.5%
2.5%
7.7%
2.9%
1.3%
7.0%
6.4%
ICMM
Small Group
Large Group

The information provided in the charts above is also summarized in the tables below.

Average Rate Increase by Market by Year (Non-Weighted)					
	2020	**2021**	**2022**	**2023**	**2024**
ICMM	2.6%	-8.4%	1.7%	5.0%	2.4%
Small Group	6.0%	4.8%	8.6%	6.5%	6.0%
Large Group	5.7%	5.7%	6.9%	2.6%	5.5%

Average Rate Increase by Market by Year (Weighted by Membership)					
	2020	**2021**	**2022**	**2023**	**2024**
ICMM	-3.0%	-13.2%	5.4%	2.5%	1.3%
Small Group	6.1%	3.0%	4.8%	7.7%	7.0%
Large Group	5.7%	6.7%	8.5%	2.9%	6.4%

The 2024 individual market rate increases varied from -1.5% to 7.0%. For comparative purposes, the ACA requires a determination of reasonableness from the State and an explanation from the carrier for any rate increases of 15% or more.[14] The 2024 small group rate increases varied from 4.8% to 7.2% and the 2024 large group rate increases varied from 3.4% to 6.6%. Below are the 2024 average rate increases by company for each market.

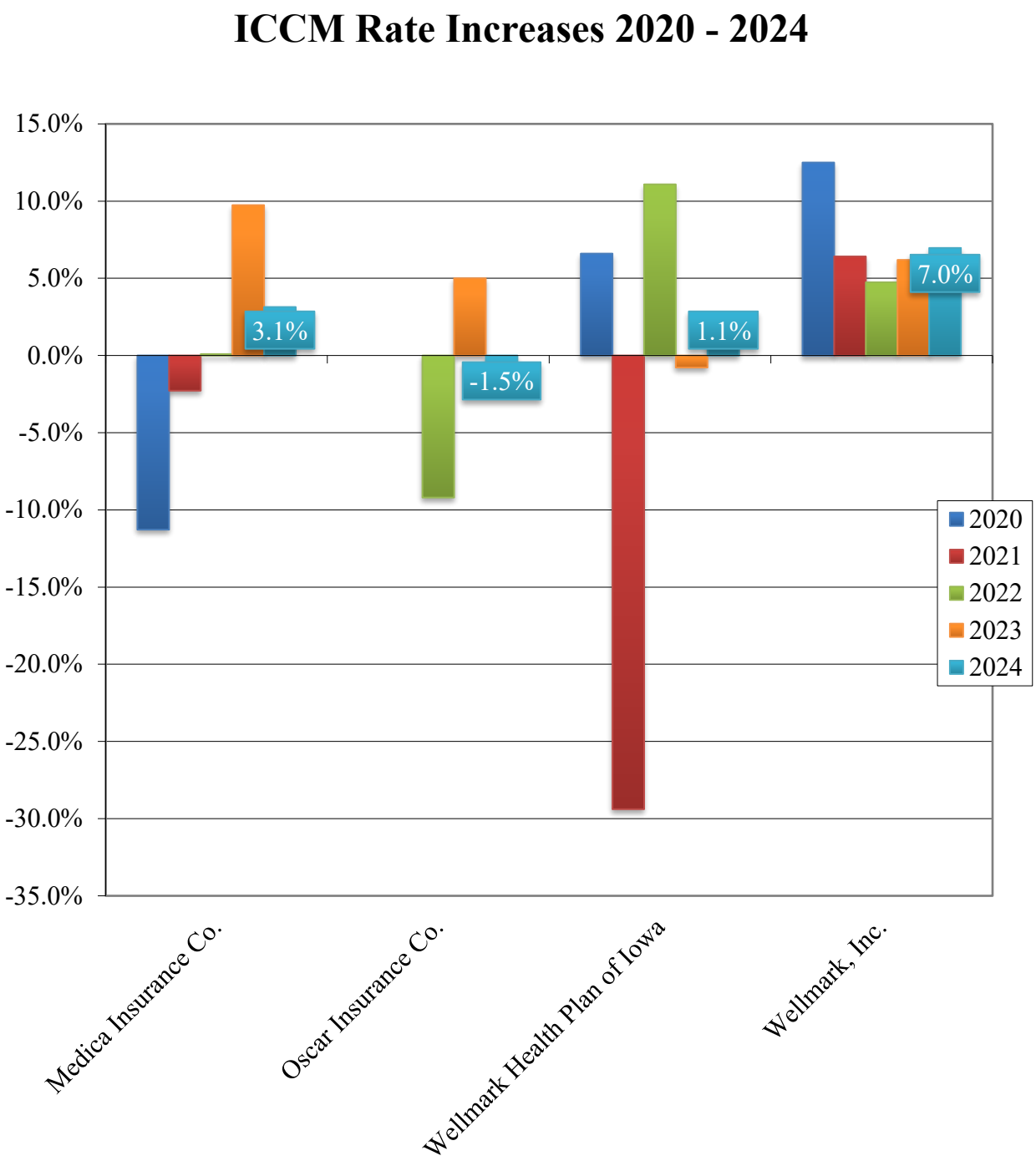
2024 ICMM Rate Increases	
Medica Insurance Company	3.1%
Oscar Insurance Company	-1.5%
Wellmark Health Plan of Iowa	1.1%
Wellmark, Inc.	7.0%

2024 Small Group Rate Increases	
UnitedHealthcare Insurance Co.	4.8%
UnitedHealthcare Plan of the River Valley	4.9%
Wellmark Health Plan of Iowa	7.2%
Wellmark, Inc.	7.1%

2024 Large Group Rate Increases	
HealthPartners Unity Point Health Inc.	6.0%
Medical Associates Health Plan Inc.	3.4%
UnitedHealthcare Insurance Co.	5.5%
Wellmark Health Plan of Iowa	6.6%
Wellmark, Inc.	6.6%

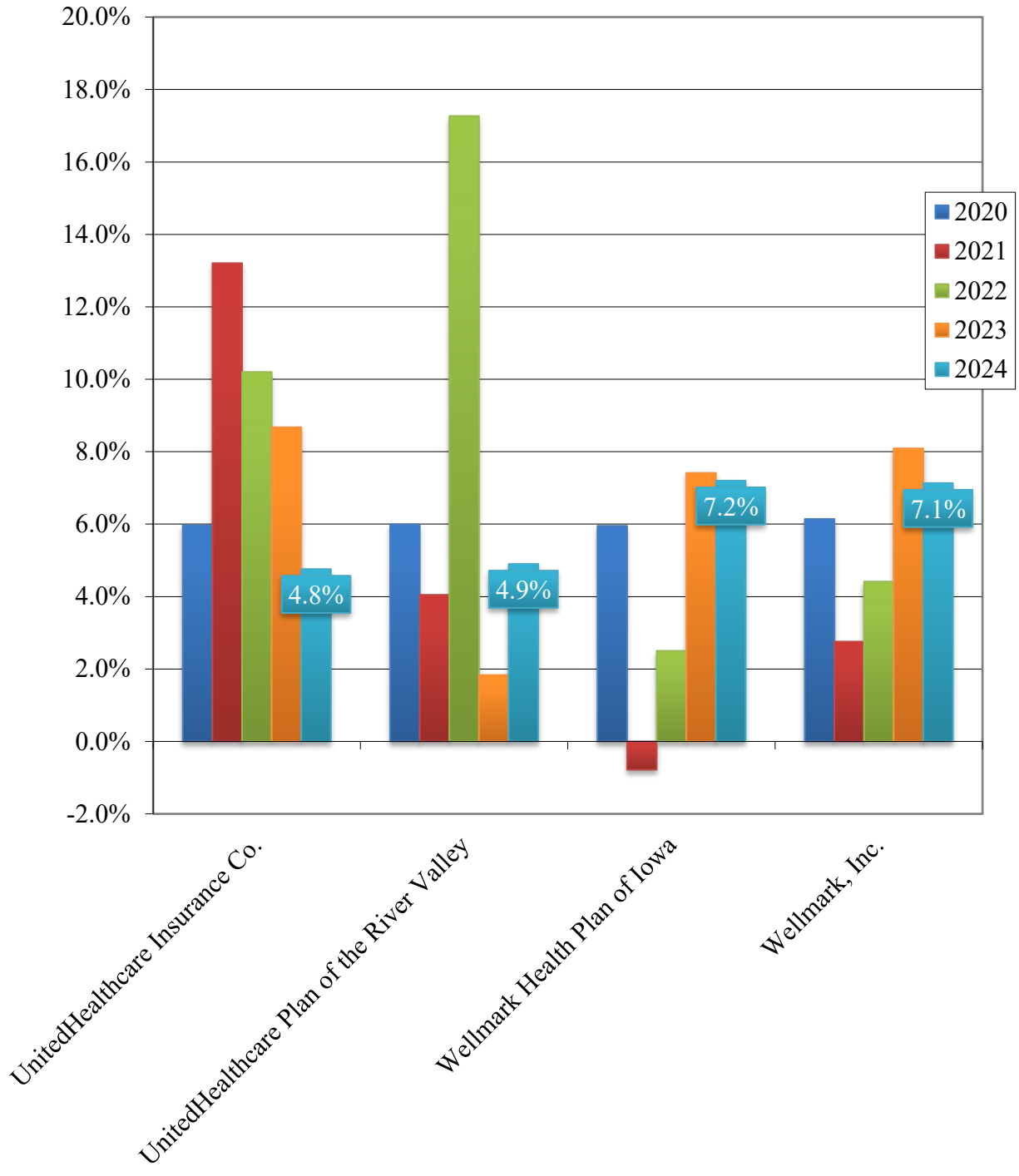
[14] Note the 15% requirement is at the plan level so a carrier would still require a determination of reasonableness if any of their plans has an increase over 15%, even if the overall average is less than 15%.

The following three charts show rate increases by company within each market by year.[15,16]

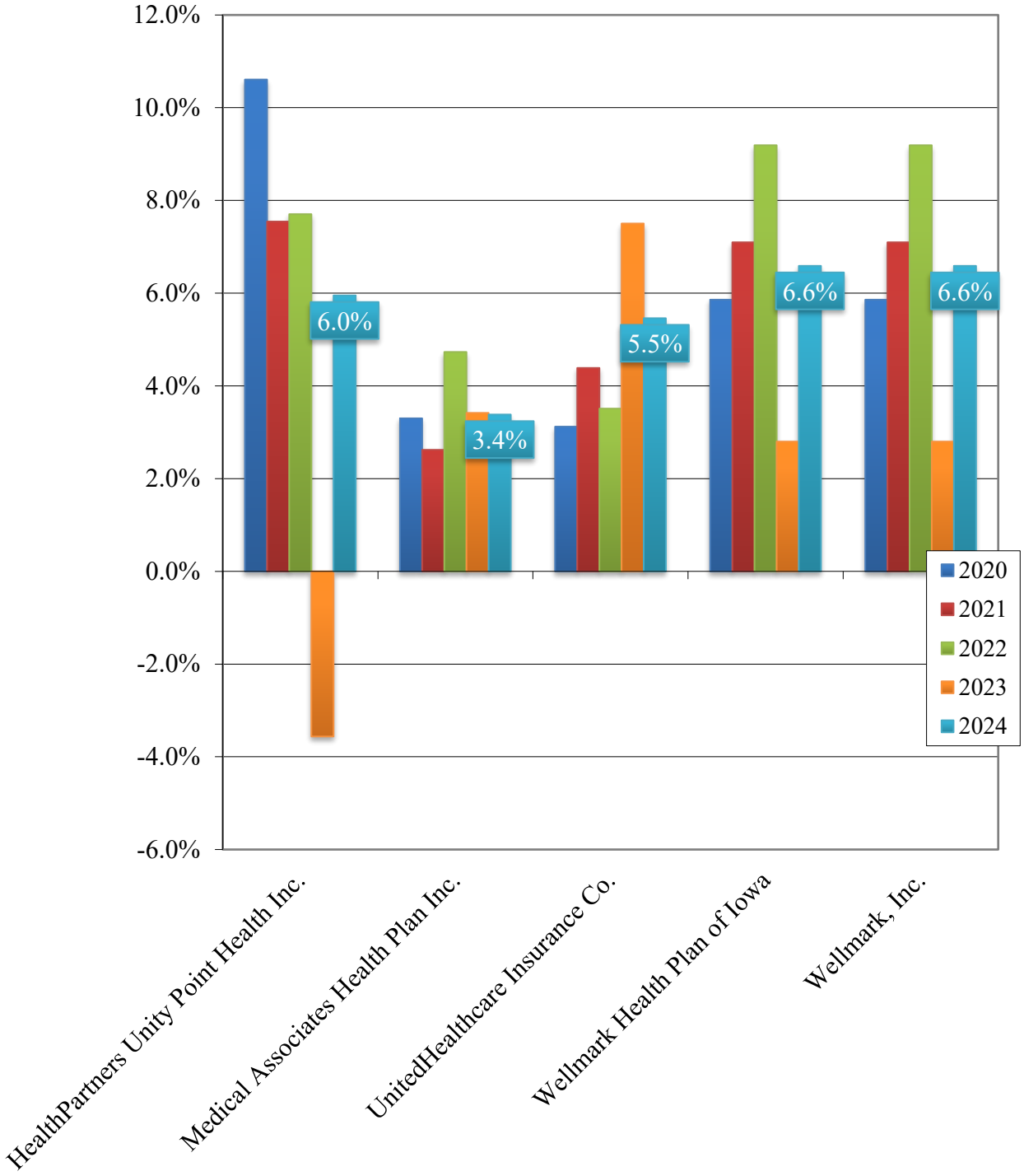


[15] Only 2024 labels are included for readability.
[16] Oscar Insurance Co. was new to the Iowa individual market in 2021 which is why they show a 0% increase in 2021 and all years prior.

Small Group Rate Increases 2020 - 2024



Large Group Rate Increases 2020 - 2024



Healthcare Expenditures

c. Healthcare expenditures in the state and the effect of such expenditure on health insurance premium rates.

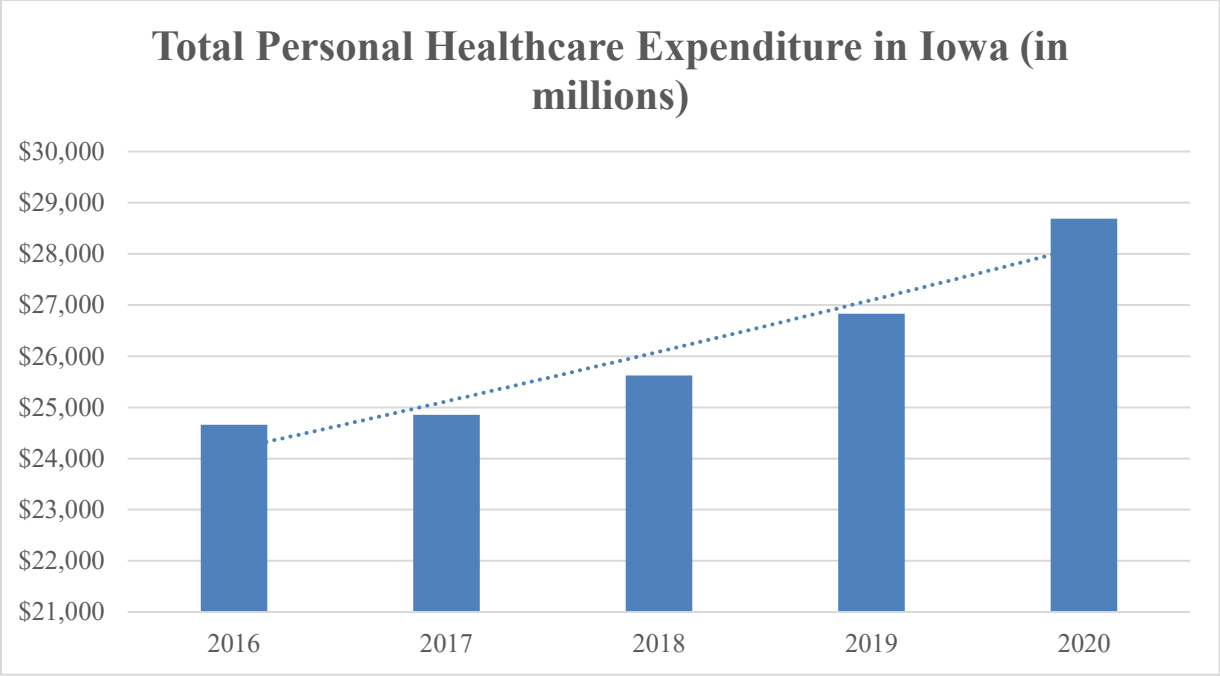
National Health Expenditures

Healthcare expenditures are the primary driver of health insurance premiums. The cost of healthcare services increases due to a combination of the increased cost of individual services and the increased use of the services. That cost increase is passed on to policyholders in the form of premium increases. Periodically, CMS releases a provider expenditure report which provides information on the annual healthcare expenditures for certain categories by state and by region. The latest report includes data from 1980 through 2020 (which is the most recent available). The table below shows the total expenditures in Iowa by category (in millions) for the most recent available 5 years included in the report.[17]

Iowa Expenditure Category (in millions)	2016	2017	2018	2019	2020	Avg Annual % Growth (1980-2020)
Hospital Services	9,713	9,987	10,186	10,881	11,688	**5.9%**
Physician & Clinical Services	4,914	5,108	5,246	5,416	5,696	**6.3%**
Other Professional Services	889	941	1,008	1,069	1,198	**8.2%**
Dental Services	1,137	1,153	1,180	1,208	1,237	**5.4%**
Home Healthcare	574	561	552	567	612	**10.0%**
Retail Prescription Drugs	2,621	2,508	2,576	2,688	2,771	**7.5%**
Other Non-durable Medical Products	464	437	457	477	508	**5.0%**
Durable Medical Equipment	423	426	449	470	456	**5.4%**
Nursing Care Facilities and Continuing Care Retirement Communities	2,246	2,312	2,410	2,498	2,952	**5.5%**
Other Health, Residential, and Personal Care	1,678	1,420	1,560	1,554	1,571	**5.5%**
Total Personal Healthcare	**24,659**	**24,852**	**25,624**	**26,828**	**28,688**	**6.1%**

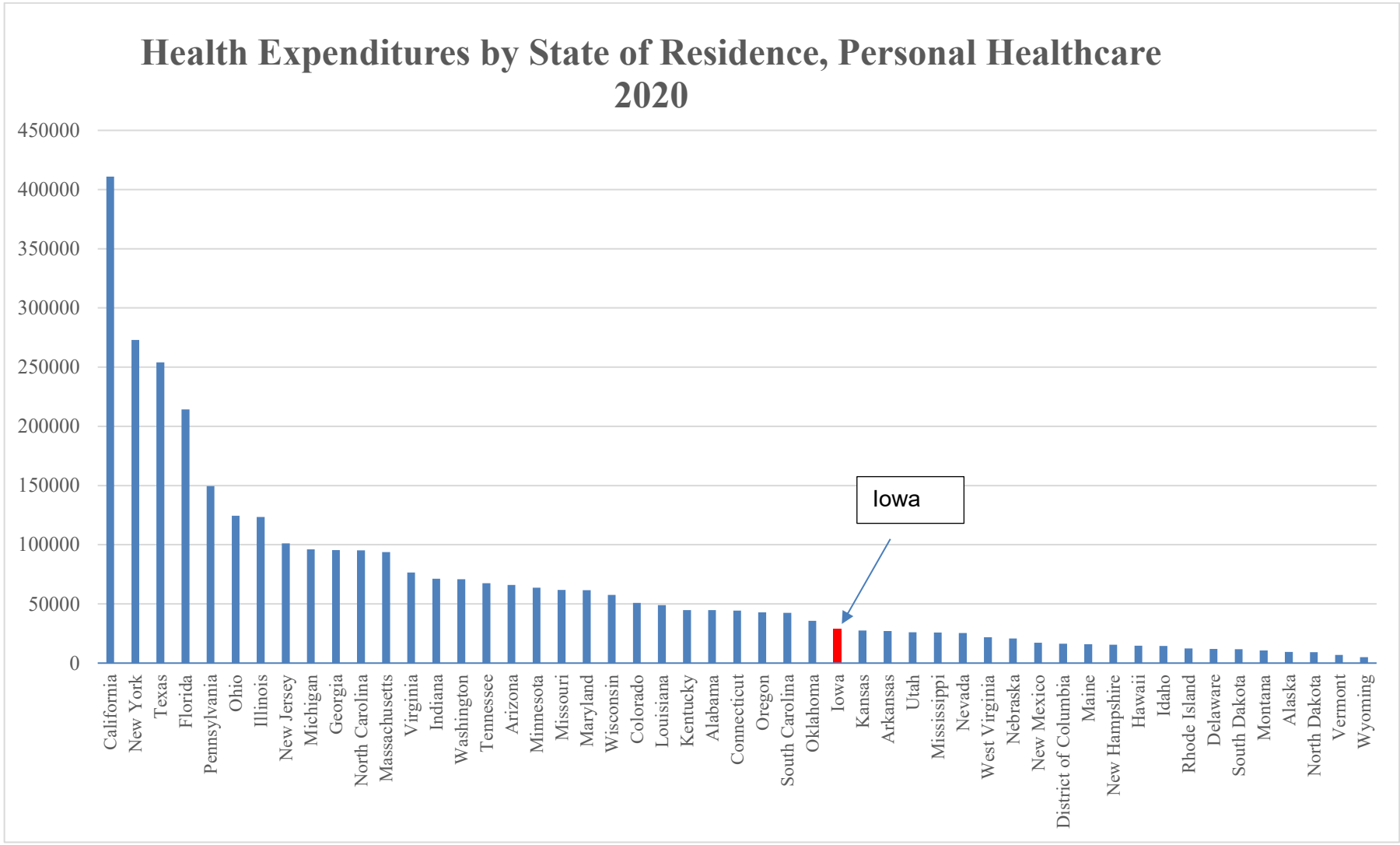
[17] CMS.gov. "State (Provider) Health Expenditures by State of Provider, 1980-2020." Health expenditures by state of provider: summary tables. https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsStateHealthAccountsProvider. Accessed November 4, 2025.

The CMS report showed a consistent increase in the total personal healthcare expenditure over the latest available five years. The graph below shows the trend in total personal healthcare expenditure in Iowa from 2016 to 2020.



CMS also provided a report detailing the health expenditures for personal healthcare by state as of 2020. The chart below compares the aggregate and per capita estimates of Iowa (in red) to the other states.[18] According to the table, Iowa's per capita health expenditures rank 30 of 51 states (including the District of Columbia). Although Iowa's expenditures have been consistently increasing, they continue to be significantly less than states such as California, New York, and Texas.

[18] CMS.gov. "State (Provider) Health Expenditures by State of Provider, 1980-2020." Health expenditures by state of provider: summary tables. https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsStateHealthAccountsProvider. Accessed November 4, 2025.


Health Expenditures by State of Residence, Personal Healthcare
2020
450000
400000
350000
300000
250000
200000
150000
100000
50000
0
Iowa
California
New York
Texas
Florida
Pennsylvania
Ohio
Illinois
New Jersey
Michigan
Georgia
North Carolina
Massachusetts
Virginia
Indiana
Washington
Tennessee
Arizona
Minnesota
Missouri
Maryland
Wisconsin
Colorado
Louisiana
Kentucky
Alabama
Connecticut
Oregon
South Carolina
Oklahoma
Iowa
Kansas
Arkansas
Utah
Mississippi
Nevada
West Virginia
Nebraska
New Mexico
District of Columbia
Maine
New Hampshire
Hawaii
Idaho
Rhode Island
Delaware
South Dakota
Montana
Alaska
North Dakota
Vermont
Wyoming

Allowed Claims PMPM Experience

The allowed amounts provided in the data call are provided in ***Appendix G***.

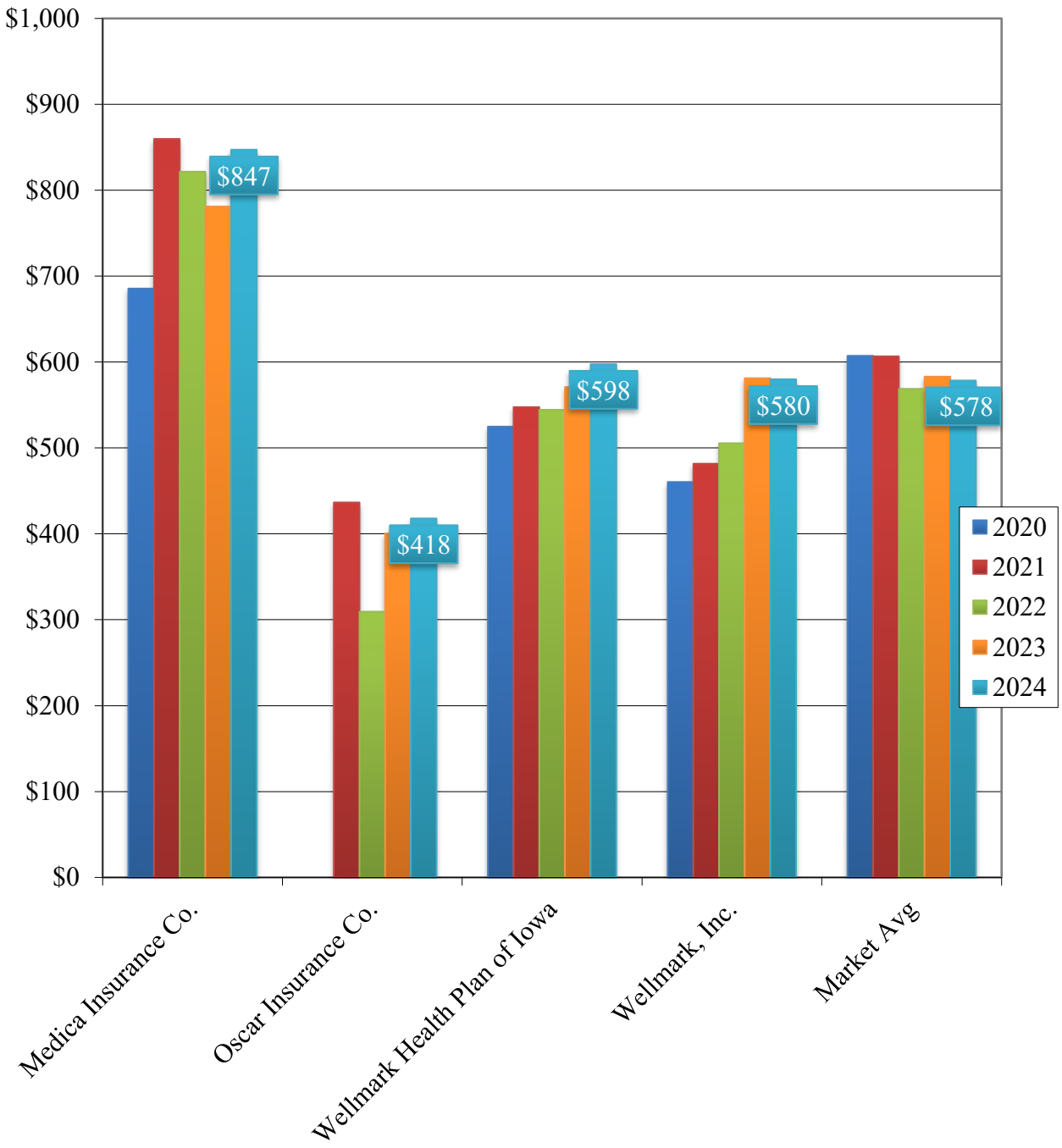
The allowed amount is the maximum amount that an insurer will pay for a covered service prior to cost sharing. Reviewing the change in allowed claims by year provides context about how health expenditures are changing. The results by market are presented in the charts below. It is important to note that PMPM amounts by carrier are likely not directly comparable. This is because different carriers have different enrolled populations in terms of demographics and morbidity levels. For the individual and small group markets (especially the individual market) carriers also have a different mix of ACA and non-ACA plans.

The individual market-weighted average allowed PMPM claim cost went from $607 in 2020 to $578 in 2024 (an overall increase of -5% or -1% annualized increase) for the companies included in the survey that continue to offer coverage. The 1-year increase in average allowed PMPM claim costs from 2023 to 2024 was -1%.

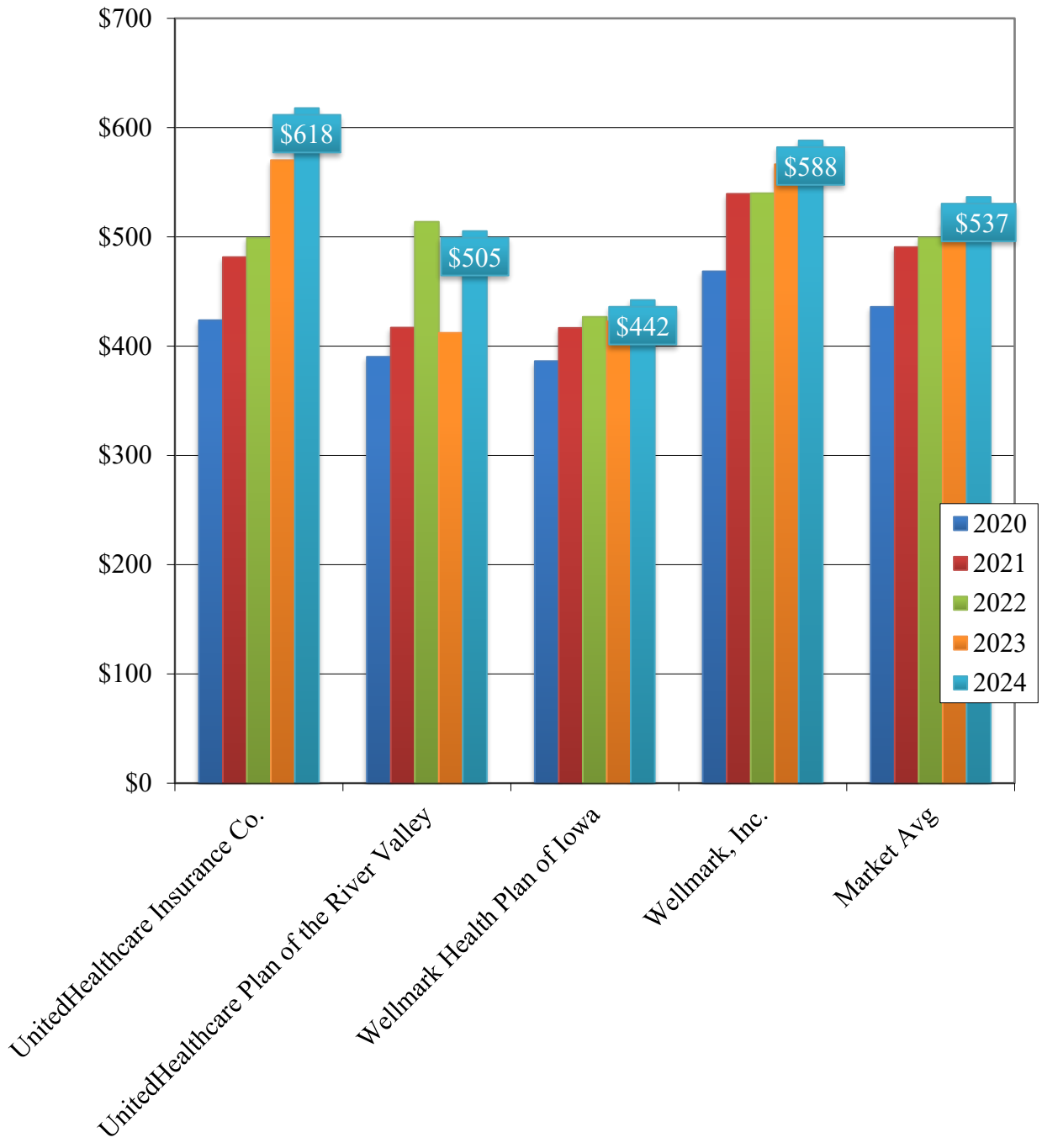
The small group market-weighted average allowed PMPM claim cost to go from $436 in 2020 to $537 in 2024 (An overall increase of 23% or a 5% annualized increase) for the companies included in the survey that continue to offer coverage. The 1-year increase in average allowed PMPM claim costs from 2023 to 2024 was 5%.

The large group market-weighted average allowed PMPM claim cost to go from $489 in 2020 to $578 in 2024 (An overall increase of 18% or 4% annualized increase) for the companies included in the survey that continue to offer coverage. The 1-year increase in average allowed PMPM claim costs from 2023 to 2024 was 6%.

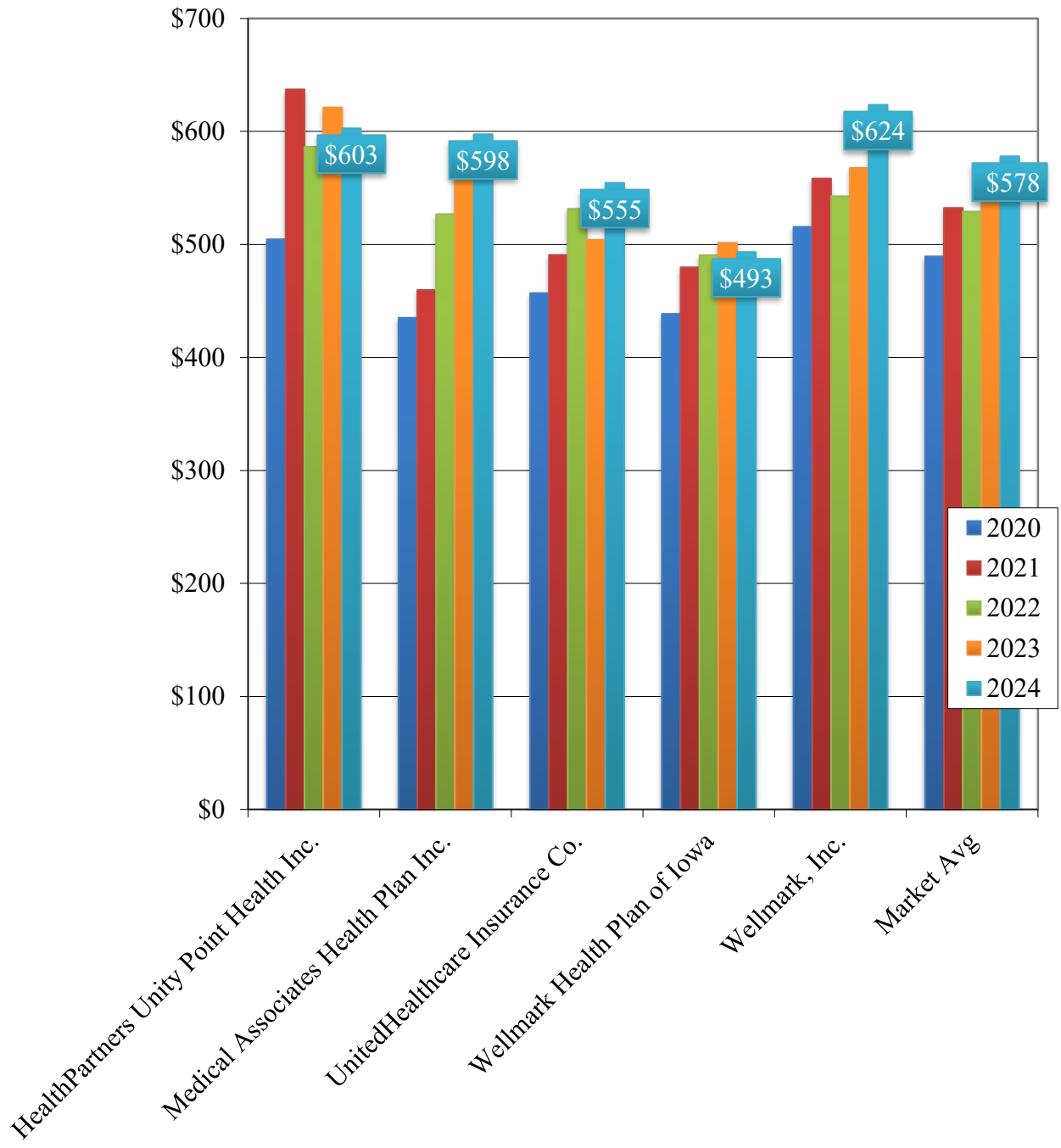
ICCM Allowed Claims PMPMs
2020-2024



Small Group Allowed Claims PMPMs
2020-2024



Large Group Allowed Claims PMPMs
2020-2024



Incurred Claims PMPM Experience

Information was requested from carriers of per-member-per-month (PMPM) healthcare costs by market segment. This is similar to the allowed claims PMPM presented earlier but removes the member cost sharing. Many factors affect the incurred PMPM costs such as wide variation on benefit design, which reduces comparability. That said, incurred PMPM costs do provide some insight into the affordability of health insurance in Iowa because higher incurred PMPM healthcare costs result in higher health insurance premiums.

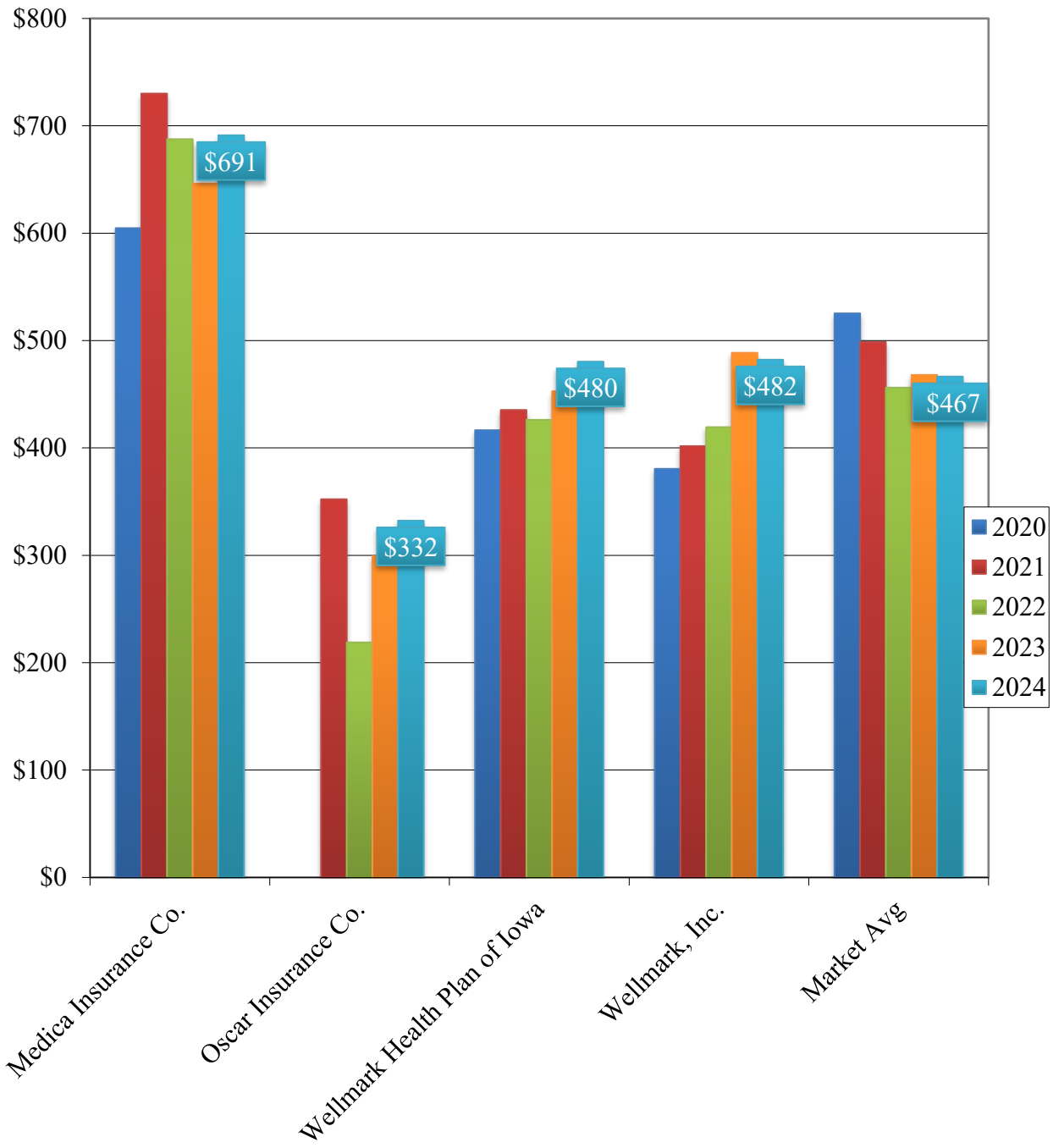
The individual market-weighted average incurred PMPM claim cost went from $525 in 2020 to $467 in 2024 (An overall increase of -11% or -3% annualized increase) for the companies included in the survey that continue to offer coverage. The 1-year increase in average incurred PMPM claim costs from 2023 to 2024 was -0.3%.

The small group market-weighted average incurred PMPM claim cost went from $341 in 2020 to $418 in 2024 (An overall increase of 23% or a 5% annualized increase) for the companies included in the survey that continue to offer coverage. The 1-year change in average incurred PMPM claim costs from 2023 to 2024 was a 5% increase.

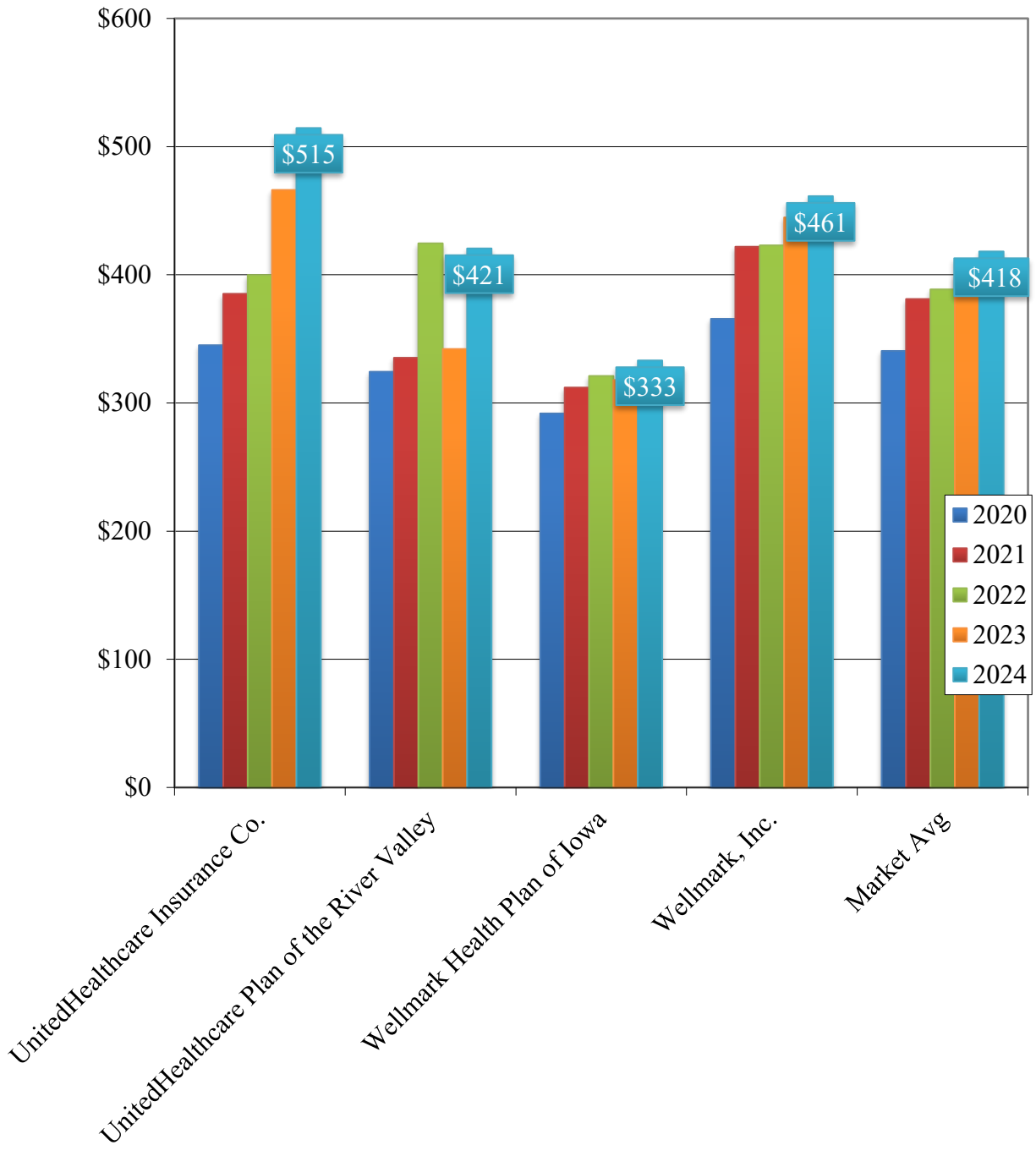
The large group market-weighted average incurred PMPM claim cost went from $396 in 2020 to $462 in 2024 (An overall increase of 17% or 4% annualized increase) for the companies included in the survey that continue to offer coverage. The 1-year increase in average incurred PMPM claim costs from 2022 to 2023 was 3%.

The charts below show the changes in the cost of incurred claims PMPM for the past five years. Note that only 2024 dollar values are shown for readability.

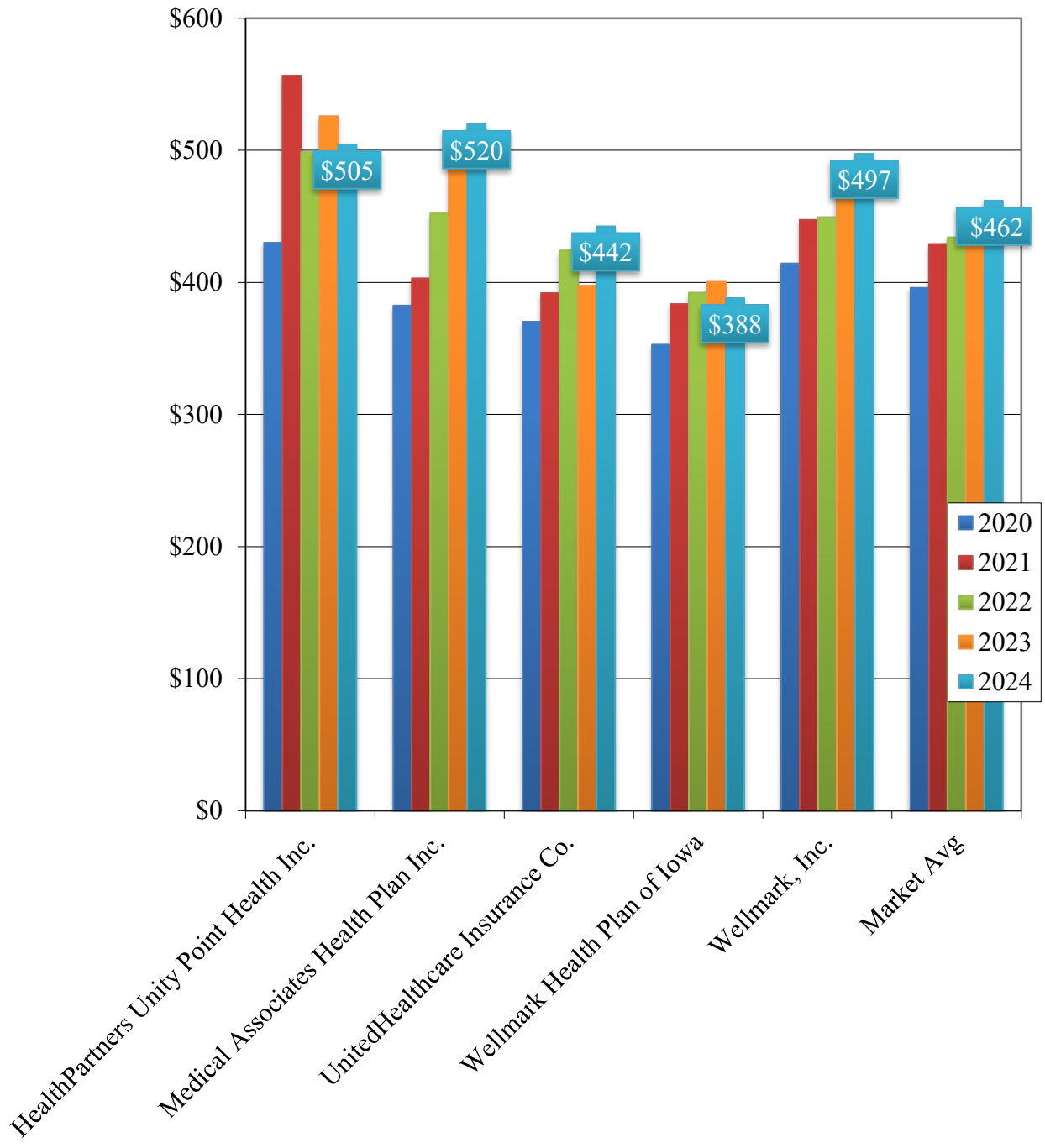
ICCM Incurred Claims PMPMs
2020-2024



Small Group Incurred Claims PMPMs
2020-2024



Large Group Incurred Claims PMPMs
2020-2024



Unified Rate Review Template (URRT) Allowed Claims Experience

We can also capture allowed claims experience at a more detailed level for non-grandfathered individual and small group markets using the Unified Rate Review Template (URRT). The URRT is required to be submitted by carriers in the individual and small group markets[19] when they propose ACA-compliant plan rates in a plan year and provides allowed claims information at the benefit category level.

The data presented in this section differs from the prior allowed claims experience section as the URRT data primarily displays ACA experience, although transitional business in Iowa has been extended indefinitely.[20] The prior allowed claims experience section also included experience from grandfathered plans, which are not included in this section.

We have included comparison charts for the major benefit categories contained in the URRT. Because not all issuers' URRTs show capitation amounts, and because the URRT "Other" categories are small and inconsistent, we have not provided charts for these categories. We capture what we believe are the most comparable benefit categories in the charts below, while there are benefits categories (capitation and "other") which are not included. Thus, the totals provided below will not add up to the total allowed claims in the experience period of the URRTs. The allowed claims PMPM for the ACA, grandfathered, and transitional business combined is provided in the prior section 'Allowed Claims PMPM Experience.'

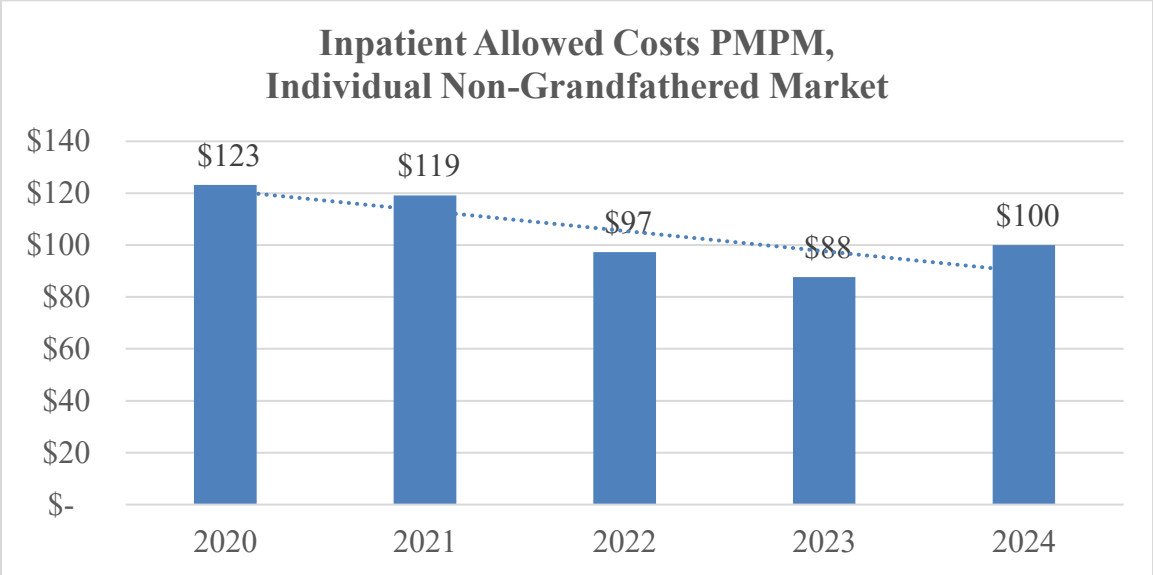
The URRT includes actual allowed claims in the experience period, which is defined as the year two years prior to the plan year (the year for which rates are being developed and filed for approval), for ACA-compliant and transitional business. For example, if a carrier proposes to offer ACA-compliant plans in 2026, a URRT will include actual allowed costs from the 2024 plan year for a company's ACA-compliant and may include transitional business.[21] Therefore, reviewing the URRTs submitted by carriers for plan year 2022-2026[22] allows us to capture actual allowed costs from 2020-2024 by benefit category for the individual and small group markets. Large group market rate filings are not required to provide the URRT. Very few companies offer benefits in addition to EHBs, and where applicable we multiplied the allowed by each company's estimated impact of non-EHBs to make the experience comparable.[23]

[19] The URRTs are not submitted in the large group market.
[20] "ACA Transitional Policies Extended Indefinitely" Iowa Insurance Division Press Release. April 13, 2022. https://iid.iowa.gov/press-release/2022-04-13/aca-transitional-policies-extended-indefinitely. Accessed November 1, 2023.
[21] Beginning with the 2020 plan year, transitional plans are not required to be included in the URRT unless they actually affect the projected Index Rate. If the issuer does not anticipate that members with those plans will be enrolled in single risk pool plans during the plan year, they do not need to be included in the URRT.
[22] URRT information can be found at https://iid.iowa.gov/sfa
[23] No adjustments were made to 2024 data for non-EHBs.

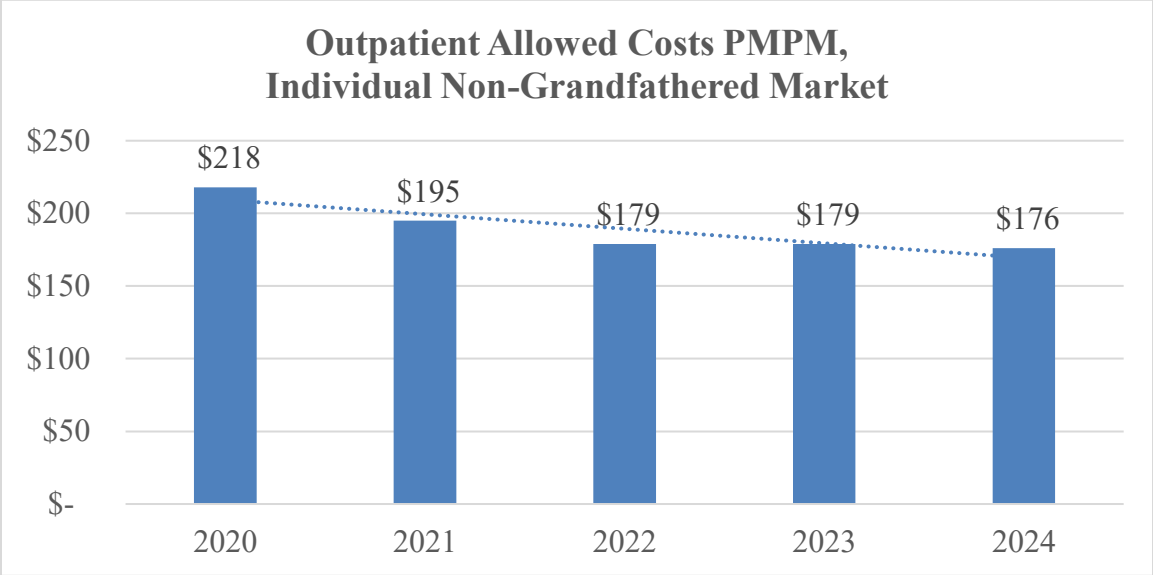
Data from non-credible carriers was removed from the analysis below. [24]

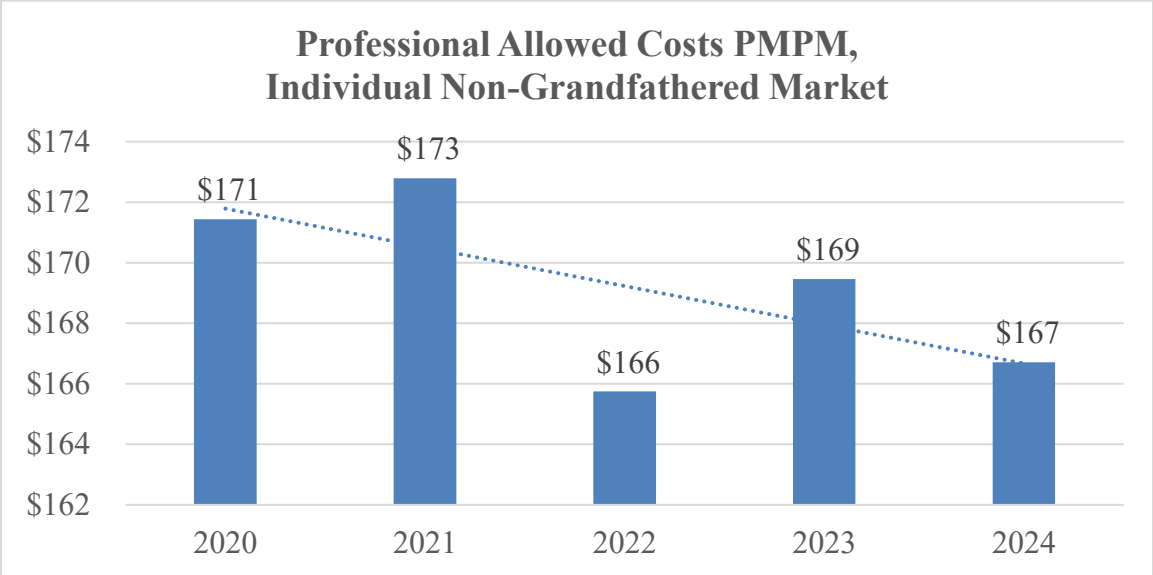
The URRT requires carriers to categorize allowed costs into Inpatient, Outpatient, Professional, Pharmacy, Other, and Capitation. The following graphs show the PMPM costs by benefit category by market for the past four years.[25,26]

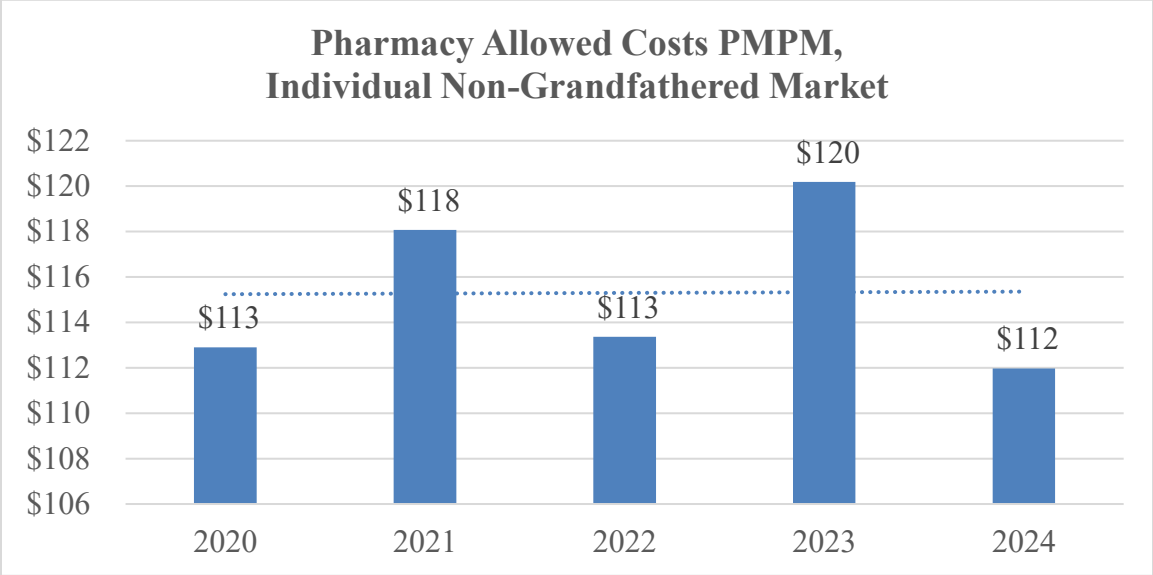
Individual Market Allowed Claims Per Member Per Month (PMPM)



[24] Please note that we consider 24,000 member months in a calendar year fully credible consistent with the guidelines for Medicare Advantage. This is different than the MLR rebate full credibility which uses 900,000 member months over 3 years.
[25] The benefit categories "Other" and "Capitation" are not included due to differences in reporting between carriers.
[26] The allowed amounts provided in these tables are from the carrier submitted URRTs, which represent ACA-compliant and transitional products. The carriers provided allowed amounts in the data call which differ from the allowed amounts in the URRT because of accounting differences and because they include additional business such as grandfathered plans.

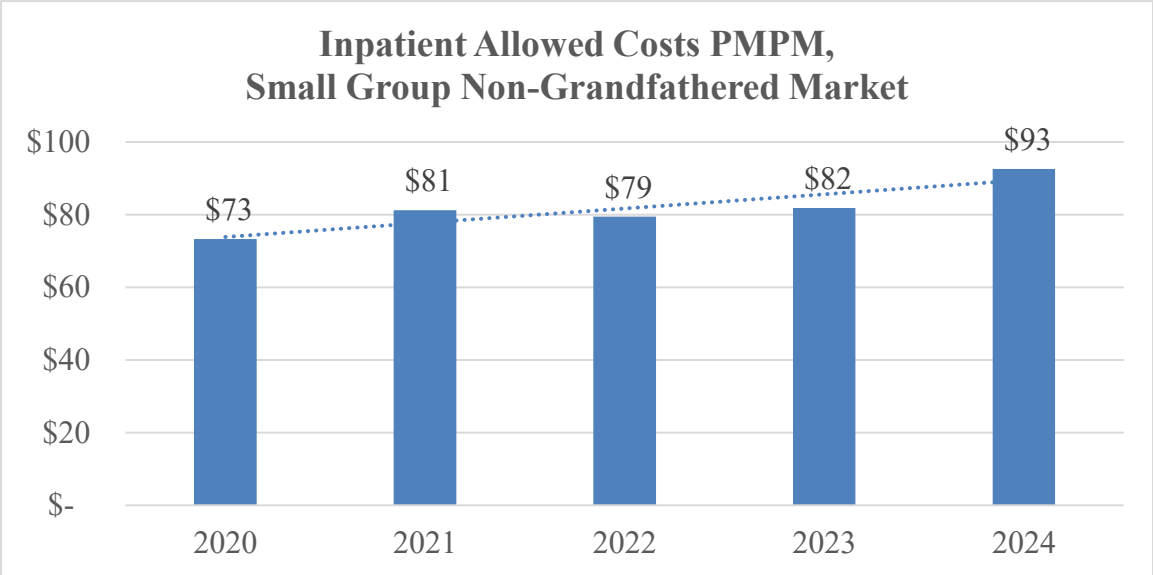

Outpatient Allowed Costs PMPM,
Individual Non-Grandfathered Market
$250
$200
$150
$100
$50
$-
$218
$195
$179
$179
$176
2020
2021
2022
2023
2024

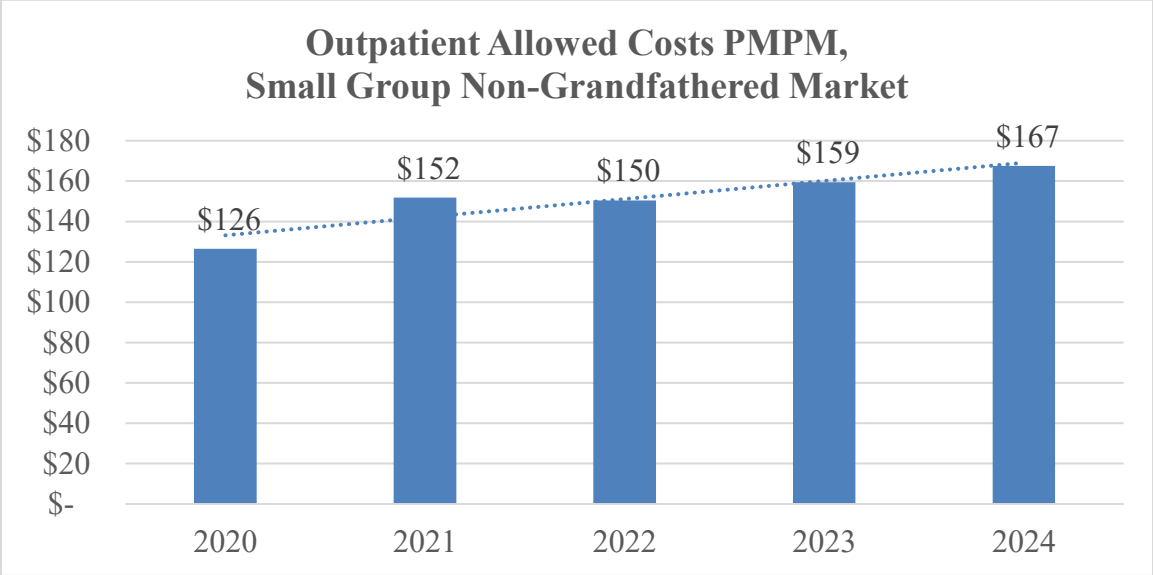

Professional Allowed Costs PMPM,
Individual Non-Grandfathered Market
$174
$172
$170
$168
$166
$164
$162
$171
$173
$166
$169
$167
2020
2021
2022
2023
2024

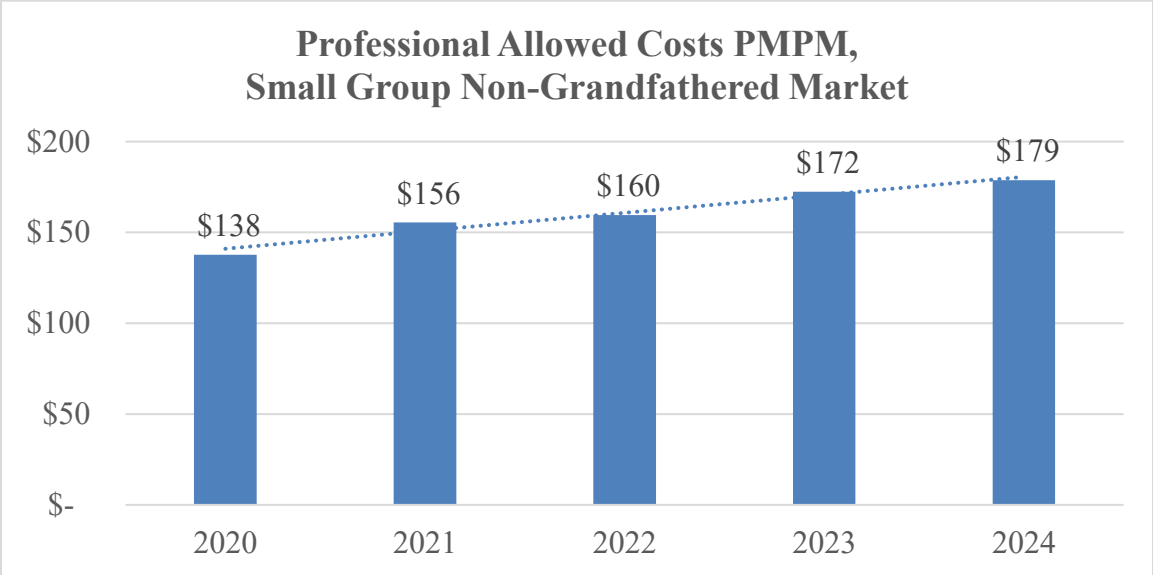


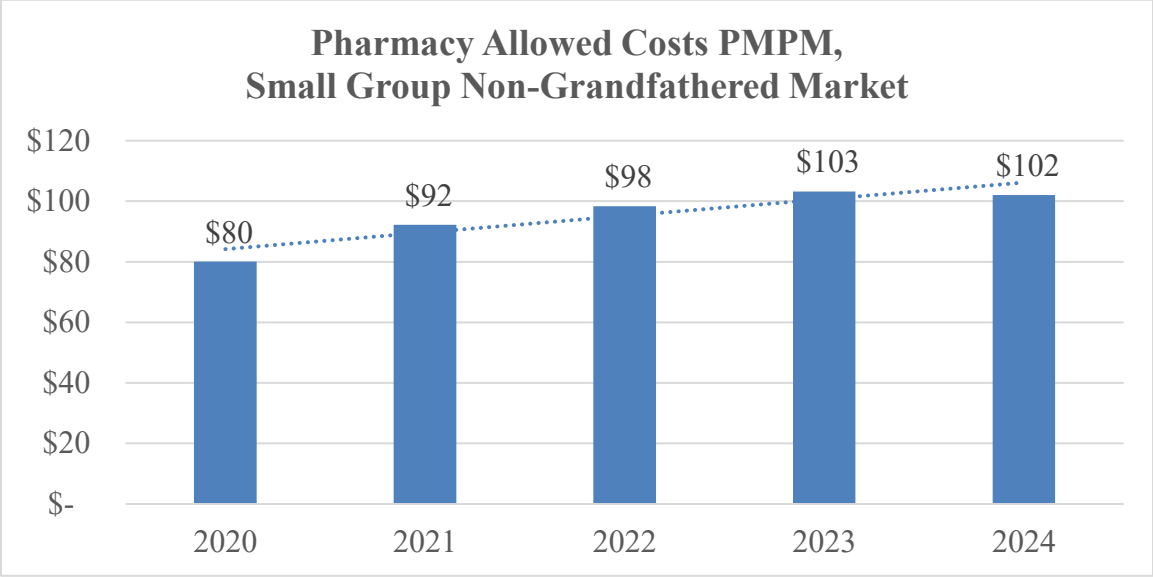
As shown in the graphs above, the outpatient and professional allowed claims experience has decreased consistently from 1% to 5% on an annualized basis from 2020-2024. Inpatient allowed claims have also been steadily decreasing since 2020, however, plan year 2024 saw an increase of 14% from 2023. Unlike the other categories pharmacy experience has been consistent from 2020-2024.

Small Group Market Allowed Claims Per Member Per Month (PMPM)




Outpatient Allowed Costs PMPM,
Small Group Non-Grandfathered Market
$180
$160
$140
$120
$100
$80
$60
$40
$20
$-
$126
$152
$150
$159
$167
2020
2021
2022
2023
2024


Professional Allowed Costs PMPM,
Small Group Non-Grandfathered Market
$200
$150
$100
$50
$-
$138
$156
$160
$172
$179
2020
2021
2022
2023
2024



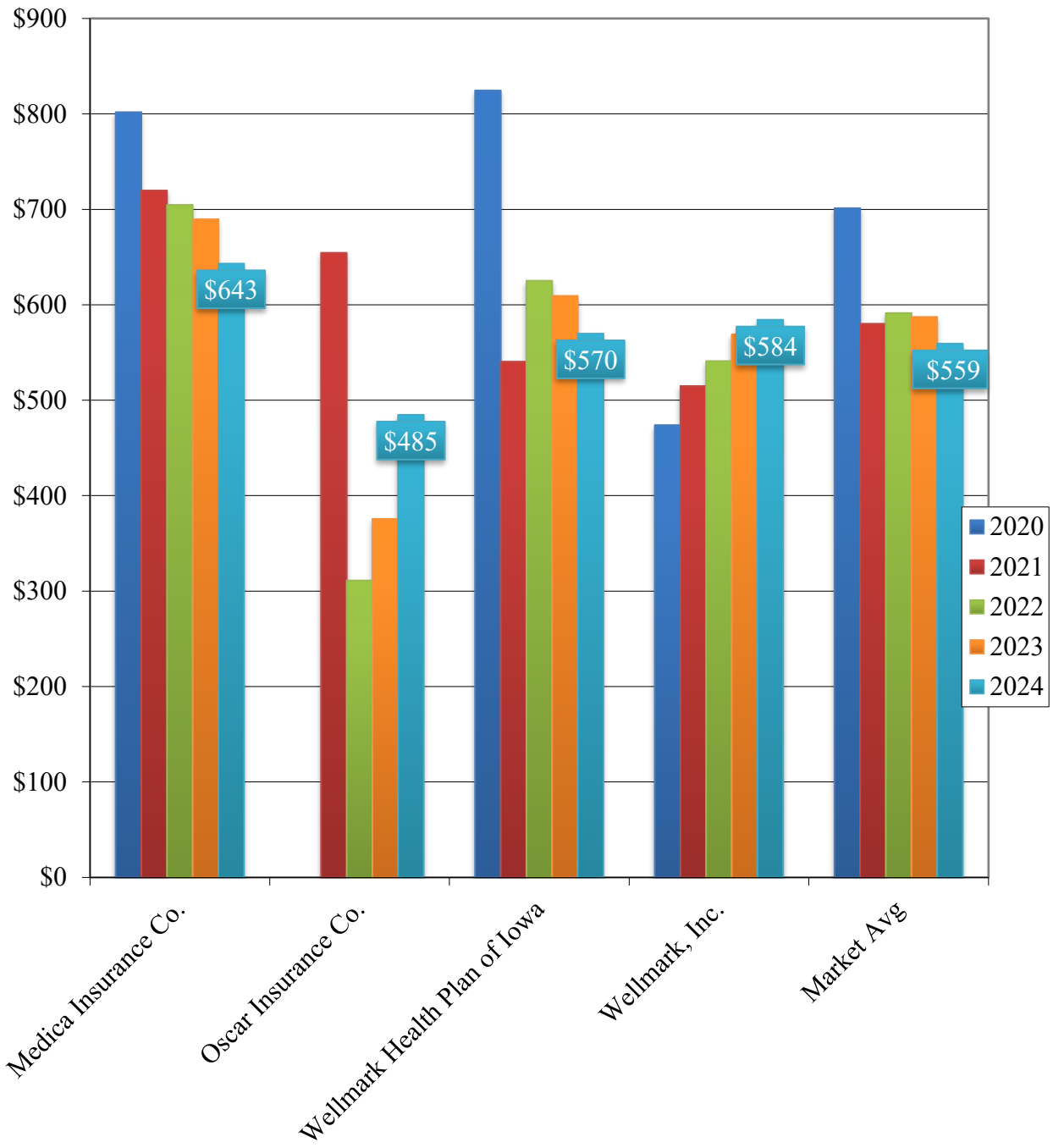
The small group non-grandfathered market increases have annualized increases of 6% for inpatient, 7% for outpatient, 7% for professional, and 6% for pharmacy from 2020 to 2024. We note that while the small group market allowed costs have been increasing and individual allowed costs have been decreasing, the level of allowed claims for small group is still lower than the individual market in all categories except professional. In other words, the allowed claims experience for the individual and small group markets appears to be approaching similar average allowed claims PMPM levels by category.

Earned Premiums PMPM

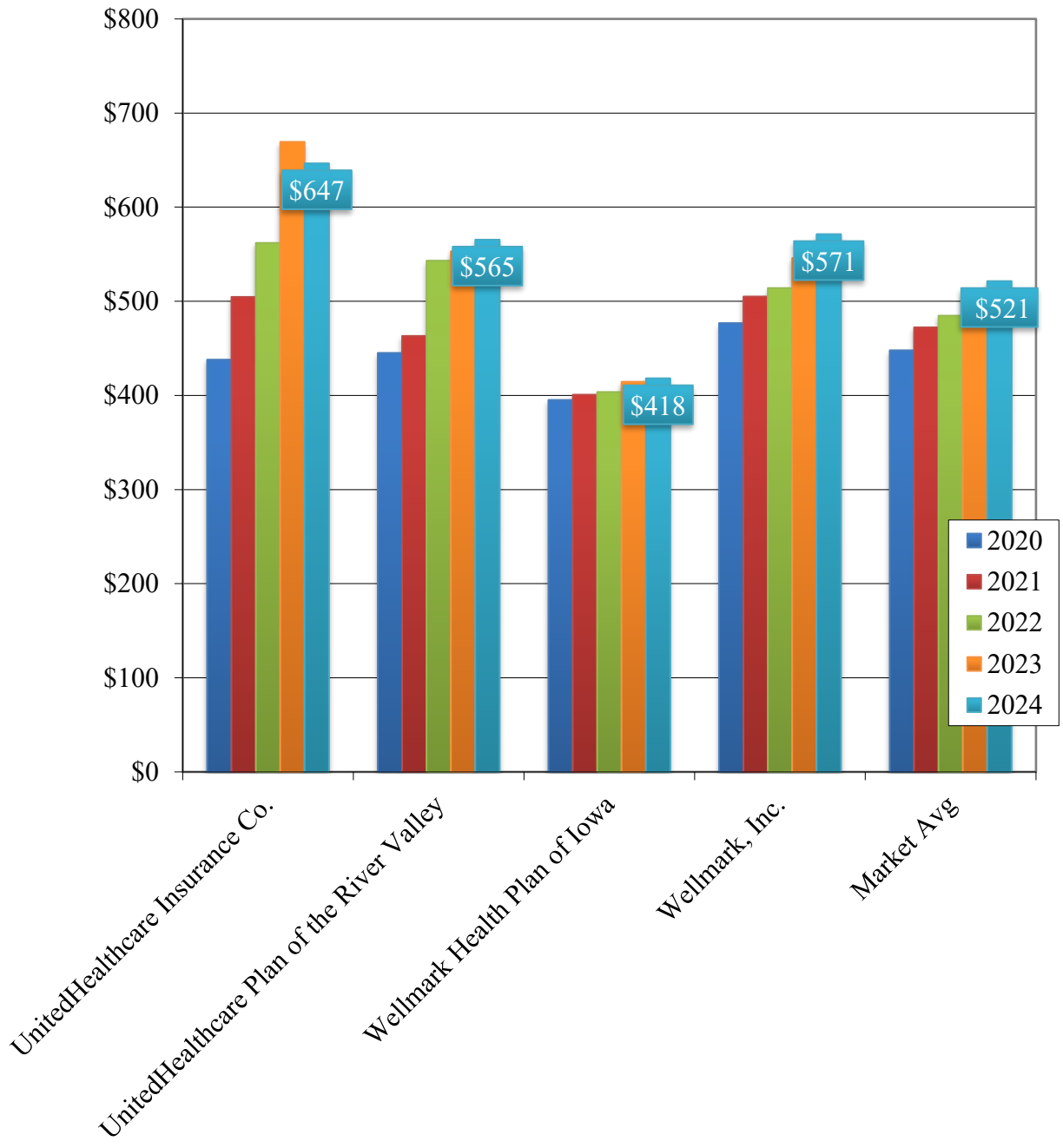
The total earned premiums provided in the data call are provided in ***Appendix G***.

Since premiums are typically calculated based on estimated healthcare claims, as healthcare expenditures increase, premium rates increase. Premiums typically increase faster than healthcare expenses for many reasons. One reason for higher premium increases is that if deductible amounts do not increase, all the increases in healthcare dollars are used to increase premiums, which results in a higher percentage increase. For example, if a policy has a $2,000 deductible and a $5,000 estimated claims cost ($7,000 total healthcare costs), and healthcare costs are expected to increase $700 or 10%, that is added to the estimated claims cost of $5,000 for a 14% increase in claims cost. The charts below show the earned premiums PMPM by carrier for the past 5 years.

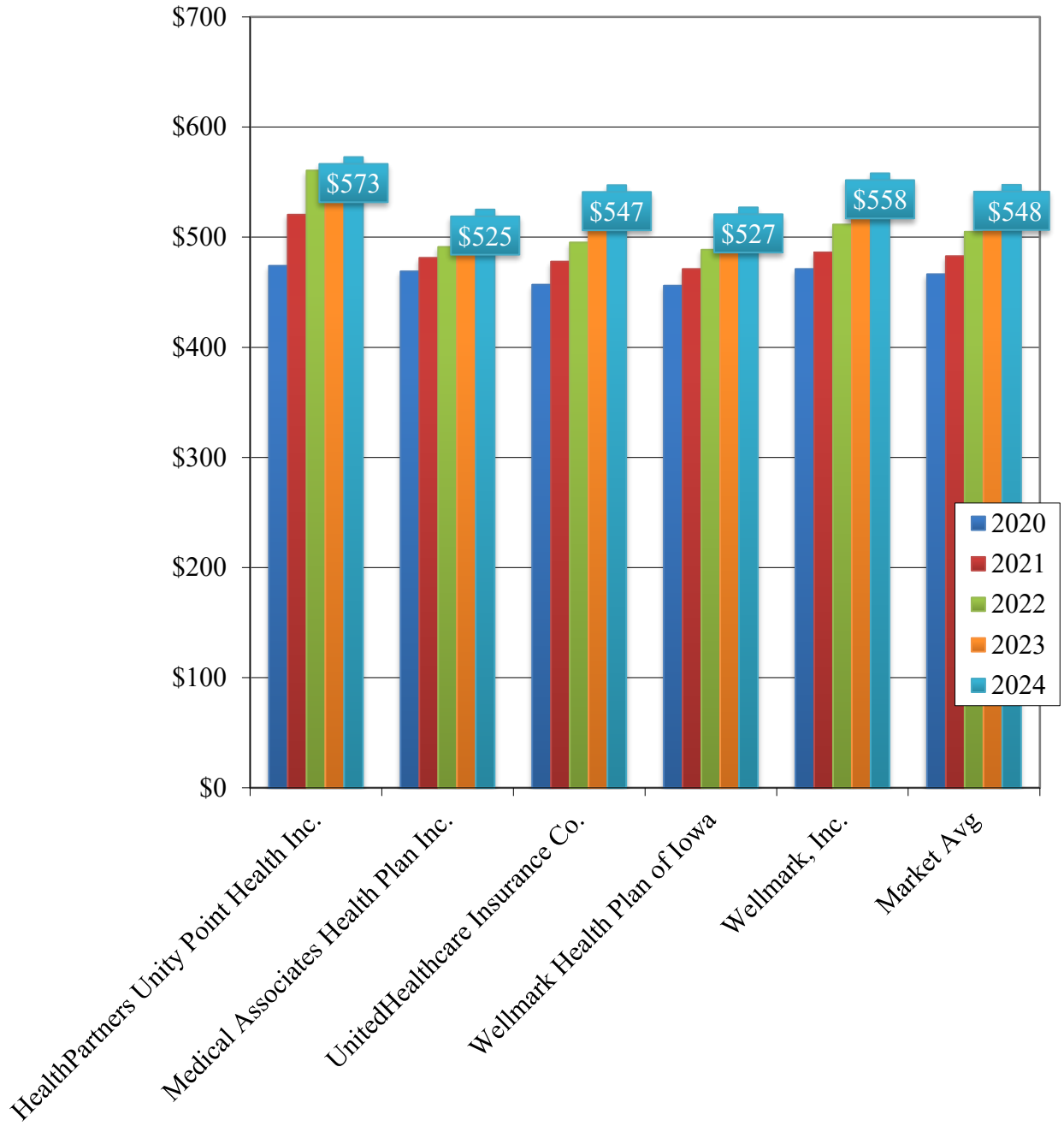
ICCM Earned Premium PMPMs 2020-2024



Small Group Earned Premium PMPMs
2020-2024



Large Group Earned Premium PMPMs
2020-2024



Premium Rates[27]

While interesting to review, the earned premiums can be affected by a number of factors, including the distribution of enrolled members and plan designs which makes them less useful for comparisons between years and between carriers. It is more useful to review the actual premium rates charged, which normalizes for factors such as the distribution of members. For plan years 2022 through 2025 we used the "Plan Year 20XX Qualified Health Plan Choice and Premiums in HealthCare.gov Marketplaces" provided by CMS to compare the Iowa premiums to the country. [28] For PY2026 this information is not available at this time, so we used the "Average Monthly Marketplace Premiums by Metal Tier" provided by KFF. [29] We look at 2026 premium rates because they are largely based on 2024 experience, particularly for carriers with credible blocks of business. The benchmark plan is also known as the average second lowest cost silver plan premium attributable to the EHBs.

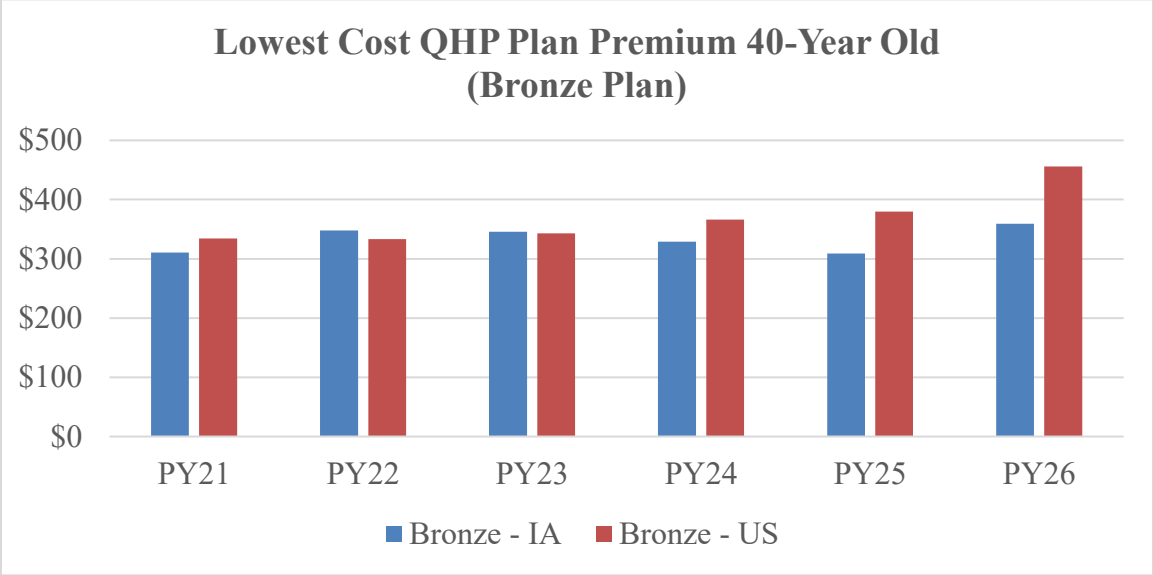
In the table and graphs below, we are using age 40 as an example, consistent with prior reports. Other ages can be determined using the federal age curve. We note that the premium for the benchmark plan has decreased every year since PY2021 and is now lower than the US average.

Average Benchmark Plan Premiums (40-Year-Old)	PY22	PY23	PY24	PY25	PY26
Iowa	$505	$484	$450	$429	$501
US[30]	$447	$464	$482	$497	$625
% Iowa higher than US	**13%**	**4%**	**-7%**	**-14%**	**-20%**

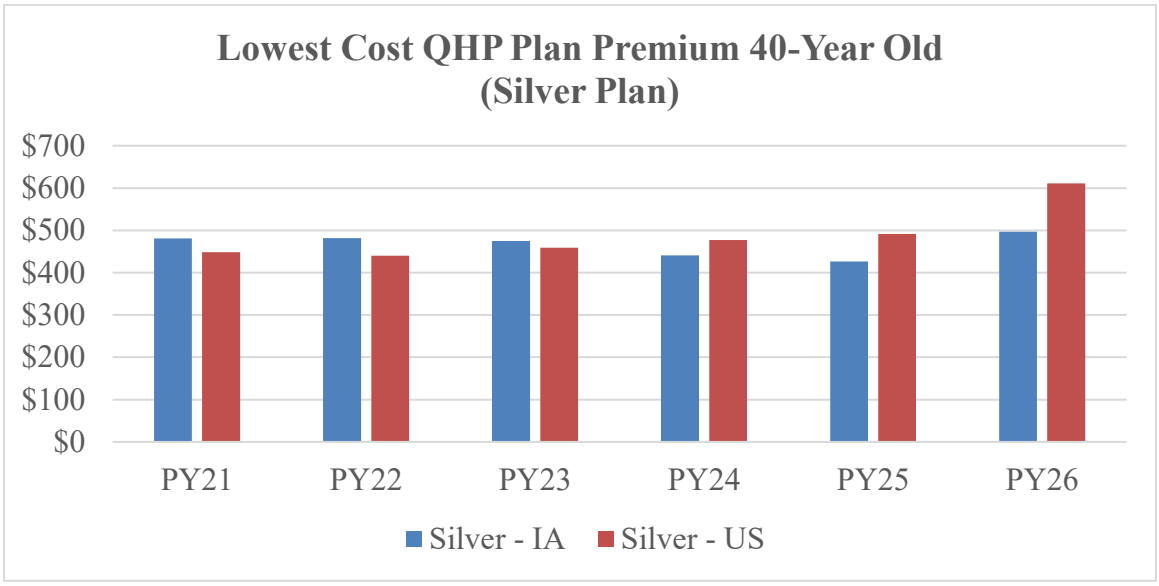
[27] Because Iowa does not have any Small Business Health Options Program (SHOP) plans and large group plans do not report premium rates to HealthCare.gov, this section solely focuses on the individual on-exchange market.
[28] Plan Year 2025 Qualified Health Plan Choice and Premiums in HealthCare.gov Marketplaces-Appendix. Centers for Medicare and Medicaid Services. https://www.cms.gov/marketplace/resources/data/qualified-health-plan-choice-premiums-healthcaregov-states . Accessed October 28, 2024.
[29] "Average Monthly Marketplace Premiums by Metal Tier: KFF State Health Facts." *KFF*, 3 Nov. 2025, www.kff.org/affordable-care-act/state-indicator/average-marketplace-premiums-by-metal-tier/?currentTimeframe=0&sortModel=%7B%22colId%22%3A%22Location%22%2C%22sort%22%3A%22asc%22%7D. Accessed 4 Nov. 2025.
[30] US represents the average of HealthCare.gov states.

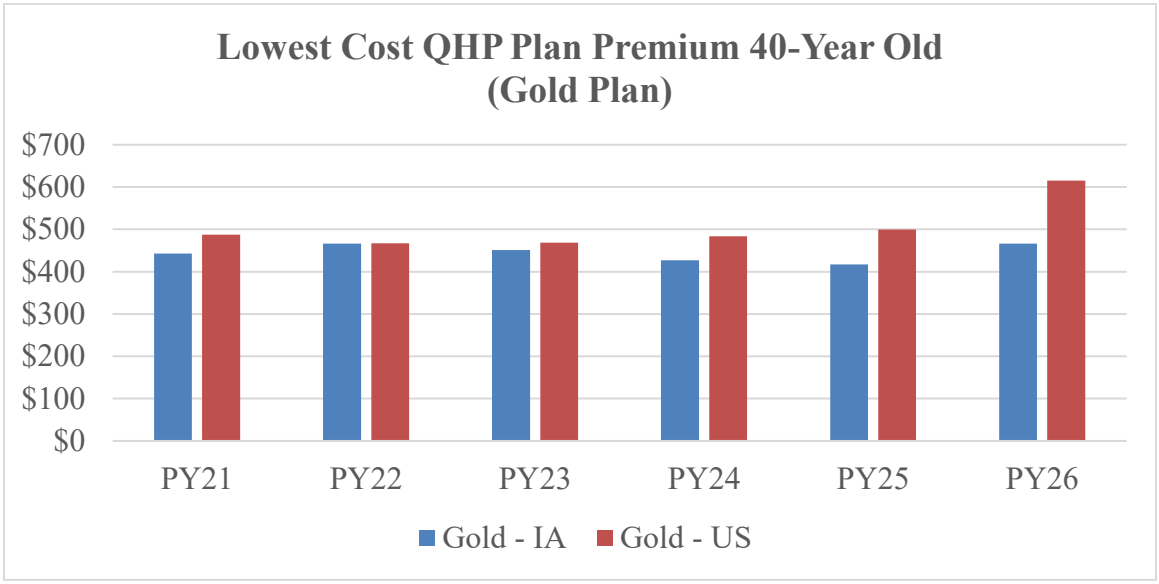
Below is a chart which compares the lowest cost plan premium for a 40-year-old between Iowa and the average of the lowest cost plan premiums for all states in the US. [31, 32,33]

Average Lowest Cost Plan Premium (40-Year-Old)	PY22	PY23	PY24	PY25	PY26
Bronze - IA	$348	$346	$329	$309	$359
Bronze - US	$333	$343	$366	$379	$456
Silver - IA	$481	$475	$441	$427	$497
Silver - US	$440	$459	$477	$491	$611
Gold - IA	$466	$451	$427	$417	$466
Gold - US	$467	$469	$484	$499	$615



[31] The US represents all HealthCare.gov states.
[32] "Average Monthly Marketplace Premiums by Metal Tier: KFF State Health Facts." *KFF*, 3 Nov. 2025, www.kff.org/affordable-care-act/state-indicator/average-marketplace-premiums-by-metal-tier/?currentTimeframe=0&sortModel=%7B%22colId%22%3A%22Location%22%2C%22sort%22%3A%22asc%22%7D. Accessed 4 Nov. 2025.
[33] Please note these premiums are only for the individual market. Iowa has not had any small group exchange participants since 2018.


Lowest Cost QHP Plan Premium 40-Year Old
(Silver Plan)
$700
$600
$500
$400
$300
$200
$100
$0
PY21
PY22
PY23
PY24
PY25
PY26
Silver - IA
Silver - US


Lowest Cost QHP Plan Premium 40-Year Old
(Gold Plan)
$700
$600
$500
$400
$300
$200
$100
$0
PY21
PY22
PY23
PY24
PY25
PY26
Gold - IA
Gold - US

Drivers of Higher Costs and Cost Reductions

d. A ranking and quantification of those factors that result in higher costs and those factors that result in lower costs for each health insurance plan offered in the state.[34]

Many carriers were not able to break out individual, small group, and large group cost drivers. In previous reports, carriers also used varying terminology and aggregation levels to describe the healthcare categories for the cost drivers, and we consolidated the cost drivers for all carriers at the total market level to avoid providing an inaccurate picture of a market segment based on limited data. This conversion was somewhat problematic due to overlapping terms. For example, one carrier may have used inpatient hospital as a category, which may have included surgery costs while another carrier broke out all surgery costs separately. Also, some issuers may be including changes in enrollment and deductible leveraging in with the various service components and not reporting them separately. We have worked on standardizing the reporting language in recent years, but some of these issues still exist. All of the data provided can be found in ***Appendix D***. ***Appendix H*** shows a mapping of the original categories provided to the categories used below.

Overall, carriers reported a $163 million rise in healthcare costs from the top five increase drivers (down from the $204 million reported in the 2023 data) and $18 million reduction in the top five decrease drivers (significantly down from the $276 million reported in the 2023 data). The top five increase drivers accounted for 75% of the increases, down from 88% in the previous data call. The top five decrease drivers accounted for 88% of the decreases which is also down from 97% of the decreases in the prior data call. The carriers reported more decreased drivers than increased drivers, although for representing significantly less dollars. Our data call requests the top ten factors that increased healthcare costs in 2024 as well as the top ten factors that decreased healthcare costs in 2024. Five of the eight carriers reported all ten factors that increased healthcare costs in 2024 while two of the eight carriers reported all ten factors that decreased healthcare costs in 2024. This is the same as the prior data call where five of the eight carriers that reported all ten factors that increased healthcare costs in 2023, while two of the eight carriers reported all ten factors that decreased healthcare costs in 2023.

The top five increase and decrease drivers accounted for a lower percentage of the healthcare cost drivers than in the prior report. We interpret this to imply that the “lessor” drivers are playing more of a role in the increase and decrease drivers than in prior reports, and the drivers are not as concentrated.

[34] For more information on cost drivers, please see the American Academy of Actuaries annual reports. The 2024 cost drivers are described at https://actuary.org/resources/drivers-of-2024-health-insurance-premium-changes/ .

The top five drivers of healthcare cost increases reported for 2024 are outpatient hospital, emergency room, prescription drug, physician, and other. The top five services reported to have decreased costs are inpatient hospital, population change, outpatient hospital, benefit changes, and deductible leveraging. Services can be on both lists because of the level of reporting and because some aspects of a cost of service are increasing, and some are decreasing. For instance, the outpatient hospital category includes services that are increasing the costs of healthcare and some that are decreasing the cost of healthcare, which causes carriers to report outpatient hospital as an increasing and decreasing cost driver, although the increase outweighs the decrease in 2024 reporting.

The following is a ranking of the healthcare services that are driving increases and decreases in health insurance premiums, as reported by carriers in Iowa after consolidation and redefinition.

Increases:

Company Reported Service (Standardized Category)	Increases	% of Total Listed Increases
Outpatient Hospital	$52,393,866	24%
Emergency Room	$35,235,918	16%
Prescription Drug	$32,648,994	15%
Physician	$21,745,098	10%
Other	$21,073,933	10%
Mental Health/Chemical Dependency	$20,575,104	9%
Inpatient Hospital	$17,398,785	8%
Laboratory and X-ray	$6,900,266	3%
Ambulance	$4,253,494	2%
Diagnostic Imaging & Tests	$3,073,321	1%
Preventive	$1,145,689	1%
Anesthesia	$396,008	0%
Medical Technology	$120,595	0%
Skilled Nursing Facilities	$115,033	0%
Deductible Leveraging	$90,535	0%
Net Listed Changes	**$217,166,640**	**100%**

Decreases:

Company Reported Service (Standardized Category)	Decreases	% of Total Listed Decreases
Inpatient Hospital	($7,926,192)	39%
Population change	($5,812,312)	29%
Outpatient Hospital	($1,535,274)	8%
Benefit Changes	($1,408,766)	7%
Deductible Leveraging	($1,021,722)	5%
Physician	($910,465)	5%
Surgery	($332,228)	2%
Therapy	($320,928)	2%
Other	($301,488)	1%
Mental Health/Chemical Dependency	($217,656)	1%
Preventive	($145,664)	1%
Anesthesia	($111,812)	1%
Laboratory and X-ray	($54,957)	0%
Skilled Nursing Facilities	($50,478)	0%
Emergency Room	($46,679)	0%
Ambulance	($21,532)	0%
Net Listed Changes	**($20,218,154)**	**100%**

Increase and Decrease Netted by Service:

Company Reported Service (Standardized Category)	Decreases	Increases	Net Change	% of Total Net Change
Outpatient Hospital	($1,535,274)	$52,393,866	$50,858,592	26%
Emergency Room	($46,679)	$35,235,918	$35,189,240	18%
Prescription Drug		$32,648,994	$32,648,994	17%
Physician	($910,465)	$21,745,098	$20,834,633	11%
Other	($301,488)	$21,073,933	$20,772,445	11%
Mental Health/Chemical Dependency	($217,656)	$20,575,104	$20,357,448	10%
Inpatient Hospital	($7,926,192)	$17,398,785	$9,472,592	5%
Laboratory and X-ray	($54,957)	$6,900,266	$6,845,310	3%
Ambulance	($21,532)	$4,253,494	$4,231,962	2%
Diagnostic Imaging & Tests		$3,073,321	$3,073,321	2%
Preventive	($145,664)	$1,145,689	$1,000,025	1%
Anesthesia	($111,812)	$396,008	$284,196	0%
Medical Technology		$120,595	$120,595	0%
Skilled Nursing Facilities	($50,478)	$115,033	$64,555	0%
Therapy	($320,928)		($320,928)	0%
Surgery	($332,228)		($332,228)	0%
Deductible Leveraging	($1,021,722)	$90,535	($931,187)	0%
Benefit Changes	($1,408,766)		($1,408,766)	-1%
Population change	($5,812,312)		($5,812,312)	-3%
Net Listed Changes	**($20,218,154)**	**$217,166,640**	**$196,948,486**	**100%**

Reserves, Capital and Surplus, Risk-based Capital

e. The current capital and surplus and reserve amounts held in reserve by each health insurance carrier licensed to do business in the state.

Reserves

Reserves represent liabilities that are set aside to pay claims that have been incurred but have not been paid as of the financial statement date. Reserves vary significantly by the size of the carrier. Carriers are required to hold sufficient reserves to pay for claims (and related administrative expenses) that have not been paid and for the possibility that, in the future, claims will be higher than premiums. It is important for policyholder safety that these reserves are set aside to ensure that claims can be paid. If sufficient reserves are not set aside in the form of liabilities, there is a danger that the carrier will not be able to pay claims. Carriers are required to provide an actuarial opinion with their statutory annual financial statement from an actuary with experience in the type of insurance sold by the carrier verifying that reserves will be adequate to pay claims. Therefore, the level of reserves held represents the level of claims that the carrier is liable for and has not paid as of the financial statement date.

The following table shows the 2024 reserves held by each carrier for all lines of business:

Company	2024 Reserves
HealthPartners Unity Point Health Inc.	$16,120,780
Medica Ins Co.	$386,618,285
Medical Assoc. Health Plan, Inc.	$11,993,998
Oscar Insurance Co.	$495,538,916
United HealthCare Ins Co.	$8,541,041,963
United HealthCare Plan of the River Valley	$457,976,394
Wellmark Health Plan of Iowa, Inc.	$132,252,012
Wellmark, Inc.	$308,854,508

Capital and Surplus

Capital and surplus represent the financial resources available to a company to protect it from insolvency in years in which it experiences adverse financial situations such as underwriting losses or loss in the value of its assets. The total value of the risks increases with the size of the company, since losses are experienced as a percentage of premiums or a percentage of assets; so, if a company has higher premium volume or more assets, the total amount of risk is larger.

When capital and surplus rise above the level needed for solvency protection, a company can use it for other purposes such as capital investments to continue to operate efficiently, expanding operations, stockholder dividends (for-profit organizations), policyholder dividends (mutual insurance companies), or as additional protection against adverse situations.

Capital and surplus by company for 2024 is displayed below:

Company	2024 Capital and Surplus
HealthPartners Unity Point Health Inc.	$31,569,555
Medica Ins Co.	$929,330,056
Medical Assoc. Health Plan, Inc.	$21,233,798
Oscar Insurance Co.	$351,028,075
United HealthCare Ins Co.	$7,175,658,027
United HealthCare Plan of the River Valley	$538,543,490
Wellmark Health Plan of Iowa, Inc.	$293,474,103
Wellmark, Inc.	$2,920,110,992

Risk-based Capital

A complete set of risk-based capital (RBC) data can be found in ***Appendix E.***

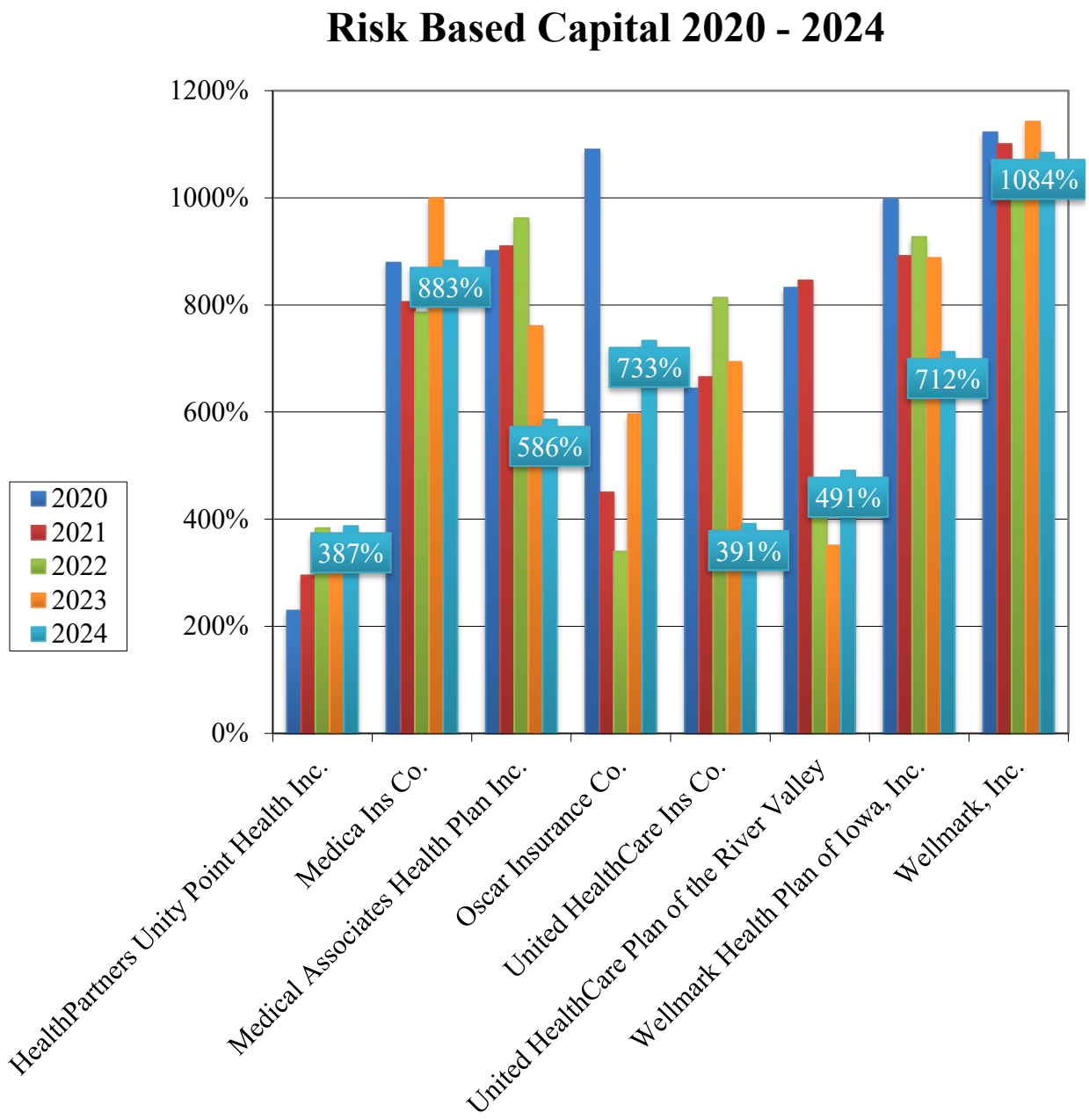
We have included not only the capital and surplus, but also the RBC. RBC is a measure developed by the National Association of Insurance Commissioners (NAIC) and measures a company's capital compared to its risk as measured by the NAIC Health RBC formula.

The 2024 RBC ratios for the companies in this report varied from 387% to 1084%. In 2023 the companies that reported varied from 340% to 1142%.

The following table shows the RBC percentages for 2024:

Company	2024 RBC
HealthPartners Unity Point Health Inc.	387%
Medica Ins Co.	883%
Medical Associates Health Plan Inc.	586%
Oscar Insurance Co.	733%
United HealthCare Ins Co.	391%
United HealthCare Plan of the River Valley	491%
Wellmark Health Plan of Iowa, Inc.	712%
Wellmark, Inc.	1084%

RBC by company for the last five years is displayed below:[35]



Generally, falling RBC is an indication of losses in a company and rising RBC is an indication of profits in a company if the premium volume is relatively stable.

[35] While we do not have data call information for all years for Oscar Insurance Co., we do have access to company financials for the past five years and it is included in this analysis.

Medical Trends

f. A listing of any apparent medical trends affecting health insurance costs in the state.

A complete list of carrier trends is included in ***Appendix F***.

The answer to item d. above, drivers of higher costs and cost reductions provide a more thorough response to this question, but carriers listed outpatient hospital ($47,415,887 – an increase) as the top driver of healthcare cost overall. The next four largest magnitude drivers are emergency room ($34,910,184 - an increase), prescription drug ($29,996,664 – an increase), other ($20,747,710 – an increase), and Mental Health/Chemical Dependency ($20,167,014 – an increase).

We standardized the answers provided by carriers. We tallied how many carriers identified each category as affecting the decrease or the increase of health insurance costs, as well as the number of occurrences. The most commonly listed trends affecting health insurance costs include:

	# of Occurrences		# of Companies	
Company Reported Service (Standardized Category)	**Decrease**	**Increase**	**Decrease**	**Increase**
Ambulance	1	3	1	3
Benefit Changes	2	0	2	0
Deductible Leveraging	1	1	1	1
Diagnostic Imaging & Tests	0	3	0	3
Emergency Room	1	7	1	7
Inpatient Hospital	4	7	4	6
Laboratory and X-ray	2	5	2	5
Medical Technology	0	1	0	1
Other	4	5	2	5
Outpatient Hospital	7	11	3	7
Physician	6	8	3	6
Population change	2	0	2	0
Prescription Drug	0	9	0	8
Preventive	3	1	3	1
Skilled Nursing Facilities	2	1	2	1
Surgery	1	0	1	0
Mental Health/Chemical Dependency	2	9	1	7
Anesthesia	1	1	1	1
Therapy	1	0	1	0

Additional Data – Risk Adjustment

g. Any additional data or analysis deemed appropriate by the Commissioner to provide the general assembly with pertinent health insurance cost information.

A complete set of PMPM incurred cost, allowed cost, and non-benefit cost data can be found in ***Appendix G.***

Risk Adjustment

The reinsurance and risk adjustment programs were started by the ACA to stabilize the individual and small group markets during its implementation. The reinsurance program was a temporary program funded by all health insurers and reimbursed health insurers in the individual market for large claims. However, it ended in 2016 and is therefore not included in this report.

The risk adjustment program is a permanent program intended to prohibit insurers from selecting risk by transferring funds from plans with low-cost enrollees to plans with high-cost enrollees for the individual and small group market. Every year, CMS produces a report detailing the payments made. Beginning in 2018, the Risk Adjustment High-Cost Risk Pool program was implemented, which reimburses insurers for 60% of an enrollee's incurred claims costs greater than $1 million. These parameters did not change for plan year 2024.[36]

[36] "Summary Report On Individual and Small Group Market Risk Adjustment Transfers for the 2024 Benefit Year." Department of Health and Human Services. July 23, 2025. https://www.cms.gov/files/document/by24-transfers-report.pdf. Accessed October 22, 2025.

We have summarized the information below on a PMPM and a total basis, for the companies which were included in the 2024 data call. A negative amount indicates a payment, while a positive reflects a receivable.

ICMM Risk Adjustment	2020	2021	2022	2023	2024
Total Dollar ($) Amounts					
Medica Ins Co.	-$3,299,645	$21,241,797	$25,880,525	$20,794,475	$14,508,087
Oscar Insurance Co.	N/A	-$631,036	-$8,038,908	-$7,448,553	-$6,265,517
Wellmark Hlth Pln of IA	$2,929,710	-$20,610,761	-$17,841,617	-$13,345,922	-$8,242,570
Wellmark, Inc.	$0	$0	$0	$0	$0
Per Member Per Month (PMPM) Amounts					
Medica Ins Co.	-$6	$93	$115	$116	$121
Oscar Insurance Co.	N/A	-$46	-$66	-$51	-$20
Wellmark Hlth Pln of IA	$63	-$46	-$33	-$19	-$9
Wellmark, Inc.	$0	$0	$0	$0	$0

ICMM High-Cost Risk Pool	2020	2021	2022	2023	2024
Total Dollar ($) Amounts					
Medica Ins Co.	$695,351	$1,132,074	$499,311	$403,201	$188,092
Oscar Insurance Co.	N/A	$0	$0	$0	$469,261
Wellmark Hlth Pln of IA	$0	$372,807	$16,542	$284,364	$341,580
Wellmark, Inc.	$0	$0	$0	$0	$0
Per Member Per Month (PMPM) Amounts					
Medica Ins Co.	$1	$5	$2	$2	$2
Oscar Insurance Co.	N/A	$0	$0	$0	$1
Wellmark Hlth Pln of IA	$0	$1	$0	$0	$0
Wellmark, Inc.	$0	$0	$0	$0	$0

Wellmark Health Plan of Iowa, Inc. gained a significant market share in the individual market from 2020 to 2022, which changed their risk adjustment from a significant receivable to a significant payable. Similarly, Oscar Insurance Co. had a significant payable in their first year in the market which increased even more in 2022. Medica Ins Co. was the only individual market carrier with a receivable every year since 2021. All individual market carriers risk adjustment has been receivables and payables have been decreasing since 2022, which may indicate each carriers population is trending toward market average and risk adjustments amounts have been less variable.

Small Group Risk Adj	2020	2021	2022	2023	2024
Total Dollar ($) Amounts					
United HealthCare Ins Co.	-$3,116,954	$271,248	-$447,325	$1,500,898	$2,308,694
United HealthCare Plan of the RV	-$797,498	-$2,411,967	-$836,837	$385,775	$799,319
Wellmark Hlth Pln of IA	-$15,355,805	-$14,477,829	-$18,420,363	-$24,336,673	-$23,326,542
Wellmark, Inc.	$19,023,296	$17,165,764	$19,795,379	$23,325,867	$20,864,543
Per Member Per Month (PMPM) Amounts					
United HealthCare Ins Co.	-$14	$1	-$3	$17	$30
United HealthCare Plan of the RV	-$8	-$30	-$14	$8	$21
Wellmark Hlth Pln of IA	-$32	-$29	-$35	-$46	-$44
Wellmark, Inc.	$20	$19	$22	$26	$24

Small Group High-Cost Risk Pool	2020	2021	2022	2023	2024
Total Dollar ($) Amounts					
United HealthCare Ins Co.	$0	$96,131	$21,608	$0	$0
United HealthCare Plan of the RV	$0	$0	$1,150,871	$0	$0
Wellmark Hlth Pln of IA	$0	$0	$20,656	$0	$0
Wellmark, Inc.	$82,584	$742,507	$1,014,501	$3,164,049	$6,771,917
Per Member Per Month (PMPM) Amounts					
United HealthCare Ins Co.	$0	$0	$0	$0	$0
United HealthCare Plan of the RV	$0	$0	$19	$0	$0
Wellmark Hlth Pln of IA	$0	$0	$0	$0	$0
Wellmark, Inc.	$0	$1	$1	$4	$8

In the small group market, United HealthCare Plan of the River Valley reduced their risk adjustment payable dramatically from 2021 to 2022, becoming a received in 2023 and a larger receiver in 2024. United HealthCare Insurance Company had a small payable after a small receivable in 2021, which was followed by a significant receivable for 2023, and a larger receivable in 2024. The Wellmark entities had the most significant risk adjustment transfer amounts, with Wellmark Health Plan of Iowa, Inc. having a larger payable and Wellmark, Inc. although the amounts have been stable from 2023 to 2024.

Reliance and Qualifications

I, Richard Cadwell ASA, MAAA, am an actuary with NovaRest Inc. I am a member of the American Academy of Actuaries and meet that body's Qualification Standards to render this report. We are providing this letter to the Iowa Insurance Division. Distribution of this letter to parties other than the Division by us or any other party does not constitute advice from or by us to those parties. This report should only be used in its entirety and not out of context. The reliance of parties other than the Division on any aspect of our work is not authorized by us and is done at their own risk. The actuarial methodologies utilized in order to arrive at our opinion were those which were considered generally accepted within the industry.

I have no conflict of interest in performing this review and providing this report. NovaRest's relationship with the Division is restricted to reviewing ACA rate filings, providing the Medical Malpractice Annual Report and providing this report. NovaRest is completely independent of the Division and any of its officers and key personnel. Neither NovaRest nor anyone else closely associated with NovaRest has any relationship with them that would impair our independence, other than this assignment.

To arrive at our opinion, as presented above, we made use of information provided by each company as a data survey, NAIC financial statements, and public sources without independent investigation or verification. If this information was in any way inaccurate, incomplete, or out of date, the findings and conclusions in this report may require revision. While we have relied on the data without independent investigation or verification, we have reviewed the information for consistency and reasonableness. Where we found the data to be inconsistent or unreasonable, we have requested clarification.

Sincerely,

Richard Cadwell, ASA, MAAA

Appendix A: Member Months[37,38]

ICMM Member Months					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
Medica Insurance Co.	565,860	227,463	225,460	179,537	120,326
Oscar Insurance Co.		13,825	121,448	146,368	317,457
Wellmark Health Plan of Iowa, Inc.	46,191	446,207	540,595	707,887	962,118
Wellmark, Inc.	275,661	230,961	194,431	164,738	140,933

Small Group Member Months					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
UnitedHealthcare Insurance Co.	223,596	202,986	154,905	89,651	76,109
UnitedHealthcare Plan of the River Valley	106,034	79,549	60,739	46,243	38,961
Wellmark Health Plan of Iowa, Inc.	485,116	505,804	520,808	526,206	525,712
Wellmark, Inc.	971,353	925,657	909,346	888,597	863,625

Large Group Member Months					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
HealthPartners Unity Point Health Inc.	120,822	107,628	92,614	125,148	120,236
Medical Associates Health Plan, Inc.	114,985	107,071	108,414	103,105	93,568
UnitedHealthcare Insurance Co.	305,226	283,598	270,697	247,186	205,448
Wellmark Health Plan of Iowa, Inc.	687,774	724,438	752,434	760,088	850,177
Wellmark, Inc.	1,886,035	1,781,907	1,712,683	1,619,827	1,581,479

[37] Member months were not directly requested. Instead, they were calculated from the total incurred claims and incurred claims PMPM which were directly requested.
[38] Oscar Insurance Company entered the Iowa individual market in 2021 and therefore was not surveyed for data prior to 2021.

Appendix B: Loss Ratios[39]

ICMM Loss Ratios					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
Medica Insurance Co.	75.4%	101.4%	97.6%	93.7%	107.5%
Oscar Insurance Co.		53.8%	70.4%	79.7%	68.6%
Wellmark Health Plan of Iowa, Inc.	50.5%	80.6%	68.2%	74.3%	84.3%
Wellmark, Inc.	80.3%	78.0%	77.5%	85.9%	82.5%

Small Group Loss Ratios					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
UnitedHealthcare Insurance Co.	78.8%	76.3%	71.1%	69.6%	79.6%
UnitedHealthcare Plan of the River Valley	72.9%	72.4%	78.2%	61.8%	74.4%
Wellmark Health Plan of Iowa, Inc.	73.8%	77.9%	79.5%	76.7%	79.7%
Wellmark, Inc.	76.7%	83.5%	82.3%	81.5%	80.7%

Large Group Loss Ratios					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
HealthPartners Unity Point Health Inc.	90.7%	106.9%	88.9%	97.3%	88.1%
Medical Associates Health Plan, Inc.	81.6%	83.8%	92.1%	96.7%	99.0%
UnitedHealthcare Insurance Co.	81.0%	82.0%	85.7%	75.5%	80.8%
Wellmark Health Plan of Iowa, Inc.	77.4%	81.4%	80.3%	78.9%	73.6%
Wellmark, Inc.	88.0%	92.0%	87.9%	88.6%	89.1%

[39] Oscar Insurance Company entered the Iowa individual market in 2021 and therefore was not surveyed for data prior to 2021.

Appendix C: Rate Increases[40]

ICMM Rate Increases					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
Medica Insurance Co.	-11.3%	-2.3%	0.1%	9.7%	3.1%
Oscar Insurance Co.			-9.2%	5.0%	-1.5%
Wellmark Health Plan of Iowa, Inc.	6.6%	-29.4%	11.1%	-0.8%	1.1%
Wellmark, Inc.	12.5%	6.4%	4.7%	6.2%	7.0%

Small Group Rate Increases					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
UnitedHealthcare Insurance Co.	6.0%	13.2%	10.2%	8.7%	4.8%
UnitedHealthcare Plan of the River Valley	6.0%	4.0%	17.3%	1.8%	4.9%
Wellmark Health Plan of Iowa, Inc.	6.0%	-0.8%	2.5%	7.4%	7.2%
Wellmark, Inc.	6.1%	2.8%	4.4%	8.1%	7.1%

Large Group Rate Increases					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
HealthPartners Unity Point Health Inc.	10.6%	7.5%	7.7%	-3.6%	6.0%
Medical Associates Health Plan, Inc.	3.3%	2.6%	4.7%	3.4%	3.4%
UnitedHealthcare Insurance Co.	3.1%	4.4%	3.5%	7.5%	5.5%
Wellmark Health Plan of Iowa, Inc.	5.9%	7.1%	9.2%	2.8%	6.6%
Wellmark, Inc.	5.9%	7.1%	9.2%	2.8%	6.6%

[40] Oscar Insurance Company entered the Iowa individual market in 2021 and therefore was not surveyed for data prior to 2021.

Appendix D: Ranking of Changes[41]

Increases

HealthPartners Unity Point Health Inc.		
1	Outpatient Hospital	$4,977,979
2	Prescription Drugs	$2,652,330
3	Physician	$1,879,957
4	MHCD	$408,090
5	Other	$326,223
6	Emergency Room	$325,734
7	Diagnostic Imaging	$267,853
8	Medical Technology	$120,595
9	SNF	$115,033
10	Deductible Leveraging	$90,535

Medica Insurance Co.		
1	Inpatient Hospital	$5,917,678
2	Prescription Drug	$1,690,723
3	Emergency Room	$809,138
4	Ambulance	$576,978
5	MH/CD	$538,350
6	X-Ray	$73,386

Medical Associates Health Plan Inc.		
1	Therapeutic Immunizations & Injections (excludes allergy Immunotherapy)	$1,519,059
2	Prescription Oral & Inhalants, Non Rx Drugs	$536,834
3	Anesthesia	$396,008
4	EMERGENCY ROOM-HOSPITAL	$367,937
5	In or Outpatient Hospital Visits	$175,560
6	END-STAGE RENAL DISEASE TREATMENT FACILITY	$157,477
7	Mental Health Testing and Miscellaneous	$103,000
8	Mental Health Therapy	$90,415
9	Ambulance	$81,730
10	Repricing	$54,552

[41] Please note, the carriers convert their primary drivers to a standardized category in some cases so we can compare between carriers. Therefore, a carrier may report a standard category multiple times as it refers to separate drivers within the same standard category.

Oscar Insurance Company		
1	Emergency Room	$28,898,532
2	Prescription Drug	$15,067,782
3	Outpatient Hospital	$6,009,835
4	Ambulance	$3,594,786
5	Physician	$2,291,119
6	Inpatient Hospital	$2,165,540
7	Preventive	$1,145,689
8	Laboratory	$1,003,766
9	Other	$903,653
10	Diagnostic Imaging	$775,405

United Healthcare Insurance Co.		
1	Prescription Drug	$5,173,324
2	Inpatient Hospital - Medical/Surgical ICU	$1,511,939
3	Outpatient Hospital - Dialysis Treatment	$1,449,194
4	Outpatient Hospital - Outpatient Surgery	$1,345,366
5	Outpatient Hospital - Administered Drugs	$1,208,143
6	Physician - Non-Chemotherapy Drugs	$1,102,819
7	Physician - Professional Visit Office	$786,628
8	Outpatient Hospital - Administered Drugs Facility	$667,364
9	Inpatient Hospital - NICU/Extended Stay Newborn	$427,454
10	MH/CD - Psychiatric	$403,770

United Healthcare Plan of the River Valley, Inc.		
1	Pharmacy	$891,208
2	Administered Drugs - Facility	$808,482
3	Home Infusion	$774,638
4	Emergency	$305,961
5	Mental Health/Substance Abuse	$281,621
6	Professional Visits - Office/Other	$256,400
7	Psychiatric	$98,420
8	Chemotherapy Drugs	$94,157
9	Lab/Pathology Services	$89,452
10	Medical/Surgical/ICU	$52,746

Wellmark Health Plan of Iowa		
1	Outpatient Hospital	$16,443,758
2	MH/CD	$8,977,366
3	Physician	$6,414,910
4	Other	$4,378,585
5	Emergency Room	$2,355,901
6	Prescription Drug	$2,280,830
7	Laboratory	$2,198,061

Wellmark, Inc.		
1	Outpatient Hospital	$18,533,547
2	Other	$15,410,920
3	MH/CD	$9,674,072
4	Physician	$8,919,109
5	Inpatient Hospital	$7,165,951
6	Laboratory	$3,535,601
7	Prescription Drug	$2,836,903
8	Emergency Room	$2,172,716
9	Diagnostic Imaging	$2,030,063

Decreases

HealthPartners Unity Point Health Inc.		
1	Inpatient Hospital	-$7,117,587
2	Population Change	-$2,240,672
3	Benefit Changes	-$639,403
4	X-ray	-$21,407

Medica Insurance Co.		
1	Population Change	-$3,571,640
2	Deductible Leveraging	-$1,021,722
3	Physician	-$318,127
4	Outpatient Hospital	-$209,964
5	Other	-$109,796
6	Laboratory	-$33,550
7	Preventive	-$32,462

Medical Associates Health Plan Inc.		
1	AMBULATORY SURGICAL CENTER	-$332,228
2	Osteopathic, PT, Chiro Therapy & Treatment	-$132,421
3	SKILLED NURSING FACILITY	-$41,420
4	HOSPICE	-$31,284
5	Pain Management	-$27,987
6	AMBULANCE - AIR OR WATER	-$21,532

Oscar Insurance Company		
1	Benefit Changes	-$769,363
2	Skilled Nursing Facilities	-$9,058

United Healthcare Insurance Co.		
1	Therapy	-$320,928
2	Other Professional Services	-$173,877
3	Mental Health/Substance Abuse	-$144,149
4	Radiation Therapy Services	-$134,629
5	Chemotherapy Drugs	-$119,974
6	Radiation Therapy	-$109,458
7	Mental Health/Substance Abuse Services	-$73,508
8	Immunization/Vaccine Administration	-$48,286
9	Professional Visits - Emergency Room	-$46,679
10	Well Newborn	-$40,497

United Healthcare Plan of the River Valley, Inc.		
1	Outpatient Surgical	-$522,528
2	Radiation Therapy Services	-$318,601
3	Maternity	-$246,656
4	Professional Surgery - Outpatient	-$152,268
5	Observation	-$150,021
6	Anesthesia	-$111,812
7	DME/Prosthetics/Supplies	-$90,074
8	Deliveries	-$82,633
9	Immunizations/Vaccines	-$64,917
10	Professional Visits - Inpatient	-$63,587

Wellmark Health Plan of Iowa		
1	Inpatient Hospital	-$521,453

Wellmark, Inc.

*Wellmark Inc. did not report any cost decrease factors

Appendix E: Risk-Based Capital

Company	2020	2021	2022	2023	2024
HealthPartners Unity Point Health Inc.	229%	295%	383%	340%	387%
Medica Insurance Co.	879%	806%	786%	999%	883%
Medical Associates Health Plan, Inc.	901%	910%	962%	761%	586%
Oscar Insurance Co.	1090%	450%	340%	596%	733%
UnitedHealthcare Insurance Co.	644%	666%	814%	694%	391%
UnitedHealthcare Plan of the River Valley	832%	846%	408%	351%	491%
Wellmark Health Plan of Iowa, Inc.	998%	892%	927%	888%	712%
Wellmark, Inc.	1122%	1101%	1067%	1142%	1084%

Appendix F: Medical Trends

Below are the medical trends from 2020 to 2024.

We have included the categories from previous reports for comparison purposes. Only the carriers providing data are included.

HealthPartners Unity Health Point Inc.					
Service Category	**2020**	**2021**	**2022**	**2023**	**2024**
Dermatology Therapeutic class	39.2%				
Inpatient					-15.0%
Inpatient - Pregnancy, childbirth and the puerperium		19.0%			
Medical Office Visits		16.2%		6.9%	
Microbiology	68.1%				
Oncology therapeutic class	43.8%				
Other					10.5%
Outpatient					6.4%
Outpatient - Emergency Room Visit		12.6%			
Outpatient Mental Health	378.5%				
Outpatient Surgery		24.8%	7.8%	7.1%	
Pharmacy					3.9%
Professional					2.5%
Professionally Administered Chemotherapy			58.7%	49.7%	
Professionally Administered IV/Injectables	16.5%	17.5%			
Rx Chronic Inflammatory Disease			35.6%		
Rx Diabetes			22.3%	34.6%	
Rx Oncology			36.1%		
Rx Stimulants				101.6%	

Medica Insurance Co.					
Service Category	**2020**	**2021**	**2022**	**2023**	**2024**
IP Maternity	4.2%			24.0%	19.5%
IP Medical	0.0%	28.8%			21.2%
IP Mental Health	29.4%		26.2%	33.4%	18.5%
IP Newborn				13.3%	790.4%
IP Surgical					41.6%
Non-Specialty Brand Rx					33.9%
OP Emergency Room					11.2%
OP Mental Health				90.6%	66.2%
OP Other				13.3%	
OP Pathology/Lab	10.3%				
OP Pharmacy		58.8%			
OP Surgery	2.9%	18.7%			
OP Therapy			16.6%		10.4%
Other Pharmacy	7.9%				
PROF ADDL Benefits	2170.0%		49.4%	50.5%	301.2%
PROF Ambulance					70.6%
PROF Emergency Room	1.0%				16.3%
PROF Home Health		119.2%		11.3%	
PROF IP Surgery					29.1%
PROF IP Visits					56.5%
PROF Maternity	9.2%			21.0%	14.8%
PROF Mental Health	17.5%		48.1%		30.6%
PROF Urgent Care	1.0%		32.8%		57.6%
Specialty Rx		46.2%			

Medical Associates Health Plan					
Service Category	**2020**	**2021**	**2022**	**2023**	**2024**
Inpatient Facility				11.1%	7.7%
Outpatient Facility	10.2%			2.5%	1.1%
Pharmacy	94.2%	9.1%	13.6%	29.8%	-13.6%
Physician	48.3%			2.6%	8.9%

Oscar Insurance Company					
Service Category	**2020***	**2021***	**2022**	**2023**	**2024**
Ambulance					92.3%
COVID			1.1%		
GLP-1 Drugs				45.8%	

* Oscar Insurance Company entered the Iowa individual market in 2021 and therefore was not surveyed for data prior to 2021, and trend was not available for 2021.

UnitedHealthcare Insurance Co.					
Service Category	**2020**	**2021**	**2022**	**2023**	**2024**
Diagnostic Imaging Radiology Diagnostic				15.4%	
Home Health	58.6%		17.2%		
Inpatient - Maternity/Newborn			8.6%	19.8%	
Inpatient - MH/SA			45.1%		
Inpatient - NICU/Extended Stay	10.0%		87.4%		23.6%
Inpatient - Rehabilitation		121.7%			
Inpatient - Transplants	98.5%				
Inpatient Hospital Med/Surg/ICU		13.5%			9.2%
Inpatient Visits	11.2%				
Lab & Path	4.0%				
Other				20.8%	
Outpatient - Dialysis				48.9%	171.0%
Outpatient - Emergency Room		22.7%		5.5%	
Outpatient - Freestanding Clinical Lab	23.2%	37.0%			
Outpatient - Misc Facility		18.9%		24.6%	
Outpatient - Rx Facility Dispensed		14.8%	27.6%		
Outpatient - Surgery		20.2%		8.7%	5.9%
Pharmacy	20.1%	14.8%	10.4%		12.8%
Physician - Administered Drugs - Ancillary					193.1%
Physician - Administered Drugs - Facility					16.3%
Physician - Administered Drugs - Non Chemo					63.2%
Physician - Radiation Therapy Services	71.5%				
Physician - Therapeutic Radiology	33.0%				
Physician - Visits		13.8%		5.6%	
Physician - Physician Op Surgery		20.5%			
Prescription Drug				9.8%	
Professional Drugs - Special Pharmacy Chemo	34.2%			44.4%	
Professional Visits - Office/Other					7.9%
Psychiatric					16.4%

UnitedHealthcare Plan of the River Valley					
Service Category	**2020**	**2021**	**2022**	**2023**	**2024**
Emergency Room		22.8%			16.6%
Home Health	26.4%	74.3%			
Home Infusion					182.2%
Inpatient - Deliveries			18.2%	16.6%	
Inpatient - Med/Surg/ICU		25.5%			
Inpatient - Mental Health/Chemical Dependency	46.5%				96.4%
Inpatient - NICU/Extended Stay		113.5%	134.5%		
Inpatient - Transplants	46.0%				
Laboratory	16.7%	41.6%			15.2%
Other - Miscellaneous				27.7%	
Outpatient - Ambulance				51.1%	
Outpatient - Dialysis		172.3%	19.5%		
Outpatient - Misc		51.5%	14.7%		
Outpatient - Outpatient Surgery				11.6%	
Outpatient - Rx - Facility Dispensed	57.7%				
Pharmacy					7.1%
Pharmacy - Chemotherapy Drugs					28.3%
Physician - Administered Drugs (Specialty Pharmacy)	87.9%				
Physician - Administered Drugs - Facility					92.7%
Physician - Diagnostic				12.0%	
Physician - HCPC		91.7%			
Physician - Inpatient Visits	13.9%		11.1%	15.7%	
Physician - Other	9.5%				
Physician - Visits			8.8%	10.9%	
Prescription Drug	12.6%	22.1%	17.7%	8.9%	
Professional Visits - Office/Other					7.3%
Psychiatric					11.2%
Radiation Therapy		39.2%	83.1%	40.7%	

Wellmark Health Plan of Iowa					
Service Category	**2020**	**2021**	**2022**	**2023**	**2024**
Ambulance					15.6%
ER Services			8.4%		
Facility - Anesthesia		21.2%			
Facility - Home Health	5.6%				
Facility - Mental Health/Chemical Dependency	12.6%		11.3%		
Facility - Physical & Occupational Therapy		29.0%			
Facility - Speech Therapy			20.4%		
Home Health	29.4%			25.3%	
Laboratory	8.0%				9.7%
Mental Health/Chemical Dependency				17.6%	
Physical & Occupational Therapy				11.2%	
Practitioner - Speech Therapy	10.0%	28.3%	12.7%		
Practitioner - Ambulance		32.4%	7.9%		
Practitioner - Physical & Occupational Therapy		24.5%	11.3%		11.7%
Speech Therapy				17.7%	15.0%

Wellmark, Inc.					
Service Category	**2020**	**2021**	**2022**	**2023**	**2024**
Anesthesia				16.6%	
ER Services			8.4%		
Facility - Anesthesia		21.6%			
Facility - Physical & Occupational Therapy		22.3%	5.7%		
Home Health	26.3%				19.7%
Home Medical Equipment	1.9%				
Laboratory	6.3%				7.4%
Medical				14.3%	
Mental Health/Chemical Dependency				13.2%	
Obstetrical					10.6%
Physical & Occupational Therapy				11.1%	11.6%
Practitioner - Speech Therapy		19.4%	11.7%		
Practitioner - Ambulance	14.0%				
Practitioner - Mental Health/Chemical Dependency	12.1%	17.5%	12.2%		
Practitioner - Physical & Occupational Therapy		21.4%	5.1%		
Speech Therapy				16.1%	13.6%
Surgical				10.2%	7.4%

Appendix G: Additional Data[42]

I. ICMM, small group, and large group incurred PMPMs, 2020-2024.

ICMM Incurred PMPM Costs					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
Medica Insurance Co.	$604.75	$730.05	$687.61	$646.23	$691.20
Oscar Insurance Co.		$352.24	$218.89	$299.50	$332.29
Wellmark Health Plan of Iowa	$416.53	$435.38	$426.20	$452.86	$480.38
Wellmark, Inc.	$380.56	$401.73	$419.37	$488.64	$482.21

Small Group Incurred PMPM Costs					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
UnitedHealthcare Insurance Co.	$345.06	$385.17	$399.84	$466.18	$514.50
UnitedHealthcare Plan of the River Valley	$324.34	$335.24	$424.54	$342.08	$420.55
Wellmark Health Plan of Iowa	$291.81	$312.03	$321.04	$317.91	$333.15
Wellmark, Inc.	$365.64	$421.90	$422.95	$444.73	$461.35

Large Group Incurred PMPM Costs					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
HealthPartners Unity Point Health Inc.	$430.07	$556.62	$498.64	$525.98	$504.53
Medical Associates Health Plan Inc.	$382.47	$403.15	$452.28	$491.43	$519.84
UnitedHealthcare Insurance Co.	$370.31	$391.96	$424.23	$397.57	$442.48
Wellmark Health Plan of Iowa	$352.88	$383.63	$392.25	$400.52	$388.11
Wellmark, Inc.	$414.38	$447.41	$449.46	$472.28	$497.46

[42] Oscar Insurance Company entered the Iowa individual market in 2021 and therefore was not surveyed for data prior to 2021.

II. ICMM, small group, and large group allowed PMPMs, 2020-2024[43]

ICMM Allowed PMPM Costs					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
Medica Insurance Co.	$685.54	$859.76	$821.59	$781.06	$847.19
Oscar Insurance Co.		$436.53	$309.39	$400.38	$417.92
Wellmark Health Plan of Iowa	$524.82	$547.49	$544.40	$570.91	$597.66
Wellmark, Inc.	$460.40	$481.66	$505.48	$581.17	$579.91

Small Group Allowed PMPM Costs					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
UnitedHealthcare Insurance Co.	$423.73	$481.46	$499.00	$570.25	$617.86
UnitedHealthcare Plan of the River Valley	$390.26	$416.95	$513.82	$412.17	$505.29
Wellmark Health Plan of Iowa	$386.31	$416.68	$426.80	$422.61	$442.16
Wellmark, Inc.	$468.46	$539.39	$539.93	$566.45	$588.25

Large Group Allowed PMPM Costs					
Company	**2020**	**2021**	**2022**	**2023**	**2024**
HealthPartners Unity Point Health Inc.[44]	$504.57	$637.27	$586.55	$621.28	$602.78
Medical Associates Health Plan Inc.	$435.12	$459.75	$526.87	$568.73	$597.59
UnitedHealthcare Insurance Co.	$456.96	$490.73	$531.56	$504.22	$554.53
Wellmark Health Plan of Iowa	$438.61	$479.80	$490.48	$501.50	$493.35
Wellmark, Inc.	$515.62	$558.35	$542.71	$567.82	$623.64

[43] Oscar Insurance Company entered the Iowa individual market in 2021 and therefore was not surveyed for data prior to 2021.
[44] HealthPartners Unity Point Health Inc. provided member liability (consistent with prior reports), which we added to the incurred claims PMPM to get the allowed PMPM presented above.

III. ICMM, small group, and large group total earned premiums, 2020-2024.[45]

ICMM Total Premiums					
Company	2020	2021	2022	2023	2024
Medica Insurance Co.	$453,729,221	$163,713,268	$158,868,071	$123,816,855	$77,389,025
Oscar Insurance Co.		$9,048,118	$37,783,146	$54,979,049	$153,872,501
Wellmark Health Plan of Iowa	$38,087,697	$241,154,728	$337,949,139	$431,354,257	$548,196,311
Wellmark, Inc.	$130,650,670	$118,914,394	$105,186,396	$93,736,751	$82,348,030

Small Group Total Earned Premiums					
Company	2020	2021	2022	2023	2024
UnitedHealthcare Insurance Co.	$97,935,202	$102,436,227	$87,055,372	$60,011,232	$49,209,547
UnitedHealthcare Plan of the RV	$47,203,153	$36,846,720	$32,992,070	$25,578,914	$22,031,418
Wellmark Health Plan of Iowa	$191,719,752	$202,712,301	$210,230,892	$218,097,157	$219,832,276
Wellmark, Inc.	$463,190,093	$467,520,833	$467,483,138	$485,132,402	$493,413,839

Large Group Total Premiums					
Company	2020	2021	2022	2023	2024
HealthPartners Unity Point Health	$57,274,868	$56,019,833	$51,918,066	$67,657,736	$68,870,266
Medical Associates Health Plan	$53,926,532	$51,531,135	$53,250,708	$52,373,924	$49,136,919
UnitedHealthcare Insurance Co.	$139,471,193	$135,530,832	$134,066,718	$130,211,640	$112,447,043
Wellmark Health Plan of Iowa	$313,671,542	$341,315,539	$367,699,077	$386,061,200	$448,132,270
Wellmark, Inc.	$888,593,893	$866,399,365	$876,136,369	$863,200,101	$882,577,414

[45] Oscar Insurance Company entered the Iowa individual market in 2021 and therefore was not surveyed for data prior to 2021.

IV. Commissions as a percentage of premium, 2020-2024[46]

Commission as % of Premium					
Company	2020	2021	2022	2023	2024
HealthPartners Unity Point Health Inc.	1.9%	1.6%	1.6%	2.1%	1.8%
Medica Insurance Co.	1.3%	1.1%	1.1%	1.5%	1.7%
Medical Associates Health Plan Inc.	1.5%	1.5%	2.0%	1.3%	1.3%
Oscar Insurance Co.		1.1%	1.8%	2.3%	3.2%
UnitedHealthcare Insurance Co.	2.1%	1.8%	1.1%	1.0%	1.1%
UnitedHealthcare Plan of the River Valley	2.3%	2.2%	1.2%	1.3%	3.1%
Wellmark Health Plan of Iowa	2.7%	2.5%	2.2%	2.2%	2.1%
Wellmark, Inc.	2.0%	1.9%	1.8%	1.8%	1.7%

V. Other Non-Benefit Expenses as a percentage of premium, 2020-2024[47]

Other Non-Benefit Expenses as % of Premium					
Company	2020	2021	2022	2023	2024
HealthPartners Unity Point Health Inc.	6.5%	6.4%	6.3%	7.3%	7.1%
Medica Insurance Co.	12.6%	10.9%	12.4%	13.7%	13.5%
Medical Associates Health Plan Inc.	10.6%	8.5%	8.8%	8.8%	8.7%
Oscar Insurance Co.		36.9%	9.7%	11.4%	7.5%
UnitedHealthcare Insurance Co.	14.1%	11.7%	12.4%	14.2%	12.0%
UnitedHealthcare Plan of the River Valley	12.8%	9.7%	11.2%	11.9%	8.8%
Wellmark Health Plan of Iowa	9.9%	9.2%	8.0%	8.4%	8.5%
Wellmark, Inc.	9.8%	7.7%	7.8%	7.7%	7.7%

[46] Oscar Insurance Company entered the Iowa individual market in 2021 and therefore was not surveyed for data prior to 2021.
[47] Ibid.

VI. Additional Cost Factors Beyond Claims (as a percentage of premium)

HealthPartners Unity Point Health Inc.					
Factor	**2020**	**2021**	**2022**	**2023**	**2024**
Broker Commissions	1.9%	1.6%	1.6%	2.1%	1.8%
Administrative	6.5%	6.4%	6.3%	7.3%	7.1%

Medica Insurance Company					
Factor	**2020**	**2021**	**2022**	**2023**	**2024**
Administrative	5.2%	5.7%	7.2%	7.8%	8.2%
Commissions	1.3%	1.1%	1.1%	1.5%	1.7%
HCQI	0.0%				
Non-Claims Medical		0.0%	0.0%	0.7%	0.6%
Taxes	7.4%	5.1%	5.2%	5.2%	4.7%

Medical Associates Health Plan, Inc.					
Factor	**2020**	**2021**	**2022**	**2023**	**2024**
Administrative	10.6%	8.5%	8.8%	8.8%	8.7%
Commissions	1.5%	1.5%	2.0%	1.3%	1.3%

Oscar Insurance Co.					
Factor	**2020***	**2021**	**2022**	**2023**	**2024**
Commissions		1.1%	1.8%	2.3%	3.2%
Fixed Administrative Expenses		26.2%	5.6%	7.6%	3.4%
Variable Administrative Expenses		10.7%	4.1%	3.7%	4.1%

* Oscar Insurance Company entered the Iowa individual market in 2021 and therefore was not surveyed for data prior to 2021.

United Healthcare Insurance Co.					
Factor	**2020**	**2021**	**2022**	**2023**	**2024**
Administrative	14.1%	11.7%	12.4%	14.2%	12.0%
Commissions	2.1%	1.8%	1.1%	1.0%	1.1%

United Healthcare Plan of the River Valley, Inc.					
Factor	**2020**	**2021**	**2022**	**2023**	**2024**
Administrative	12.8%	9.7%	11.2%	11.9%	8.8%
Commissions	2.3%	2.2%	1.2%	1.3%	3.1%

Wellmark Health Plan of Iowa, Inc.					
Factor	**2020**	**2021**	**2022**	**2023**	**2024**
Administrative	9.9%	9.2%	8.0%	8.4%	8.5%
Commissions	2.7%	2.5%	2.2%	2.2%	2.1%

Wellmark Inc.					
Factor	**2020**	**2021**	**2022**	**2023**	**2024**
Administrative	9.8%	7.7%	7.8%	7.7%	7.7%
Commissions	2.0%	1.9%	1.8%	1.8%	1.7%

Appendix H: Healthcare Cost Category Standardization

Original Service	Standard Name
Administered Drugs - Facility	Outpatient Hospital
Ambulance	Ambulance
AMBULANCE - AIR OR WATER	Ambulance
AMBULATORY SURGICAL CENTER	Surgery
Anesthesia	Anesthesia
Benefit Changes	Benefit Changes
Chemotherapy Drugs	Physician
Deductible Leveraging	Deductible Leveraging
Deliveries	Physician
Diagnostic Imaging	Diagnostic Imaging & Tests
DME/Prosthetics/Supplies	Outpatient Hospital
Emergency	Emergency Room
Emergency Room	Emergency Room
EMERGENCY ROOM-HOSPITAL	Emergency Room
END-STAGE RENAL DISEASE TREATMENT FACILITY	Inpatient Hospital
Home Infusion	Outpatient Hospital
HOSPICE	Other
Immunization/Vaccine Administration	Preventive
Immunizations/Vaccines	Preventive
In or Outpatient Hospital Visits	Outpatient Hospital
Inpatient Hospital	Inpatient Hospital
Inpatient Hospital - Medical/Surgical ICU	Inpatient Hospital
Inpatient Hospital - NICU/Extended Stay Newborn	Inpatient Hospital
Lab/Pathology Services	Laboratory and X-ray
Laboratory	Laboratory and X-ray
Maternity	Inpatient Hospital
Medical Technology	Medical Technology
Medical/Surgical/ICU	Inpatient Hospital
Mental Health Testing and Miscellaneous	Mental Health/Chemical Dependency
Mental Health Therapy	Mental Health/Chemical Dependency
Mental Health/Substance Abuse	Mental Health/Chemical Dependency
Mental Health/Substance Abuse Services	Mental Health/Chemical Dependency
MH/CD	Mental Health/Chemical Dependency
MH/CD - Psychiatric	Mental Health/Chemical Dependency
MHCD	Mental Health/Chemical Dependency
Observation	Outpatient Hospital

Original Service	Standard Name
Osteopathic, PT, Chiro Therapy & Treatment	Other
Other	Other
Other Professional Services	Physician
Outpatient Hospital	Outpatient Hospital
Outpatient Hospital	Outpatient Hospital
Outpatient Hospital - Administered Drugs	Outpatient Hospital
Outpatient Hospital - Administered Drugs Facility	Outpatient Hospital
Outpatient Hospital - Dialysis Treatment	Outpatient Hospital
Outpatient Hospital - Outpatient Surgery	Outpatient Hospital
Outpatient Surgical	Outpatient Hospital
Pain Management	Other
Pharmacy	Prescription Drug
Physician	Physician
Physician - Non-Chemotherapy Drugs	Physician
Physician - Professional Visit Office	Physician
Population Change	Population change
Prescription Drug	Prescription Drug
Prescription Drugs	Prescription Drug
Prescription Oral & Inhalants, Non Rx Drugs	Prescription Drug
Preventive	Preventive
Professional Surgery - Outpatient	Physician
Professional Visits - Emergency Room	Emergency Room
Professional Visits - Inpatient	Physician
Professional Visits - Office/Other	Physician
Psychiatric	Mental Health/Chemical Dependency
Radiation Therapy	Outpatient Hospital
Radiation Therapy Services	Outpatient Hospital
Repricing	Other
Skilled Nursing Facilities	Skilled Nursing Facilities
SKILLED NURSING FACILITY	Skilled Nursing Facilities
SNF	Skilled Nursing Facilities
Therapeutic Immunizations & Injections (excludes allergy Immunoth	Prescription Drug
Therapy	Therapy
Well Newborn	Inpatient Hospital
X-Ray	Laboratory and X-ray
X-ray	Laboratory and X-ray

Appendix I: Data Request

IOWA | Insurance Division

GOVERNOR KIM REYNOLDS
LT. GOVERNOR CHRIS COURNOYER

DOUG OMMEN, INSURANCE COMMISSIONER

September 8, 2025

RE: MANDATORY DATA CALL ON HEALTH CARE COSTS

Dear Carrier,

Iowa Code §505.18 requires a report to the Governor and the Iowa General Assembly on the "...findings regarding health spending costs for health insurance carriers in the state for the previous calendar year." (Health Care Costs Report). Some of the necessary information required under Iowa Code section 505.18 is not available on file with the Iowa Insurance Division and additional information from the carriers is needed. To comply with the statutory requirements of the Health Care Costs Report, please provide answers to the following requests regarding your company's major medical health insurance business only.

1) Please provide incurred claims, earned premiums, and loss ratio history for 2024 separated by individual comprehensive major medical (ICMM), small group (1-50 employees), and large group insurance.

2) Please provide rate increase history for 2024 separated by individual comprehensive major medical (ICMM), small group 1-50 employees, and large group insurance.

3) Iowa Code §505.18(2)(d) requires a "ranking and quantification of those factors that result in higher costs and those factors that result in lower costs for each health insurance carrier in the state".

   a) **Using the uniform terminology provided on the answer sheet** please group and rank, by descending dollar amount, the top ten factors that have *increased* your company's healthcare costs in 2024. Results should include all health insurance plans offered in Iowa for the combined effect on your company in Iowa's market.

   b) Using the uniform terminology provided please group and rank, by descending dollar amount, the top ten factors that have *decreased* (reduced) healthcare costs in 2024. Results should include all health insurance plans offered in Iowa for the combined effect on your company in Iowa's market.

4) Please provide the incurred and allowed PMPM (per member per month) claim costs for 2024 for ICMM, small group, and large group blocks of business.

5) Iowa Code §505.18(2)(f) requires a 'listing of any apparent medical trends affecting health insurance costs in the state'. Please provide the trends known by your company, that have caused healthcare costs to increase, for your company, at a rate higher than the general

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inflation rate for 2024. This could include any identified factors (i.e. certain drugs costs increasing, certain medical procedures which are occurring more frequently). Please provide supporting documentation (as necessary to verify the trend) demonstrating the trend in a separate attachment.

6) Please provide costs over and above claims for 2024. Items such as agent commissions, administrative expenses (include a list of elements included in this category), and any other non-claims related factor that is included in the premium costs should be provided. Please provide the percent of premium each item represents.

Please review and follow the accompanying Excel answer sheet as the answer format guide. **All answers should be provided in Microsoft Excel format electronically (by flash drive or email). Please note that PDF files or any other format other than Microsoft Excel will not be accepted.** The mandatory data call is being issued to insurers that represent an extensive amount of premiums earned and lives covered in the large group, small group or individual health insurance market in Iowa for 2024. This data call is issued under the Commissioner's powers in Iowa Code section 505.8(11)(a). **All data call responses must be delivered on or before October 14, 2025 to sonya.sellmeyer@iid.iowa.gov or at our address 1963 Bell Avenue, Suite 100, Des Moines, Iowa 50315.** Please contact me should you have any questions or concerns at 515-654-6538.

Thank you in advance for your response.

Sincerely,

Sonya M. Sellmeyer
Consumer Advocate
Iowa Insurance Division
Office: (515) 654-6538
sonya.sellmeyer@iid.iowa.gov