

## PART II -- Written description justifying the rate increase

Anthem HealthKeepers, Inc. (NAIC 95169)  
Consumer Disclosure for Proposed Health Insurance Rate Increase  
Individual Market  
Rate Change Effective January 1, 2026

### Scope and Range of the Rate Increase

Anthem HealthKeepers, Inc. has made an application to the Virginia Bureau of Insurance for premium rate changes for its fully ACA-compliant individual health plan products. This filing includes an average rate increase of 20.4%, excluding the impact of aging, effective January 1, 2026. The range by plan is between 13.1% and 23.5%. This increase will impact approximately 140,000 Virginia members renewing in 2026 with Anthem. We expect the majority of members will receive an increase greater than 15%.

A subscriber's actual rate could be higher or lower depending on geographic location, age characteristics, dependent coverage, and other factors.

### Financial Experience

Anthem expects the proposed rate increase will cover projected medical trends and yield a medical loss ratio of 83.7% on an ACA basis, meaning more than eighty-five cents of each premium dollar are expected to go to covering our members' medical expenses and improving health care quality. This projected MLR of 83.7% exceeds the minimum MLR requirement of 80% as defined in the Affordable Care Act (ACA). In the event Anthem's MLR is less than the Federal required minimum for a three-year period, Anthem will refund the difference to policyholders.

### Drivers of Rate Increase

The primary driver of this increase is the sunset of enhanced advanced premium tax credits at the end of 2025. Elimination of the enhanced subsidies is anticipated to result in a decrease of healthy membership and higher morbidity in the remaining ACA population. Additional causes are associated with increases in the price of services primarily from hospitals, physicians and pharmacies, coupled with our members increasing their use of health care services, also called "utilization". Increases in the price of services are driven by technology advances, new medications, and a variety of other factors.

Anthem is committed to working to hold down the cost of insurance. We continue to offer innovative collaboration with providers such as our EPHC program with primary care doctors. We negotiate deeper discounts at our hospitals. And we provide members with tools to make informed decisions about where and how to receive treatment.