Consumer Justification Narrative

InStil Health Insurance Company
Rate Change (effective 1/1/2027) for Individual Health Plans

Scope and range of the rate increase:

Depending on the plan selected, approximately 2,500 members currently enrolled in an InStil Individual health plan will see an adjustment to premiums effective January 1st, 2027. The average premium increase across all plans is projected at 32.0%.

Financial experience of the product:

During 2025, premiums received have likely been insufficient to cover claims paid, administrative costs, commissions, taxes, risk adjustment transfers, and fees. The rate adjustment effective January 1, 2027, is needed to cover future changes in medical costs as well as impacts of regulatory policy change in the Individual market. If, in 2027, paid claims are significantly less than anticipated, rebates will be paid to Individual ACA members.

Changes in medical service costs:

InStil will likely pay more claims in 2027 for the following reasons:

- Hospitals and doctors charging more for services.
- More individuals seeking treatment.
- Higher drug costs.

Changes in benefits:

Changes to deductibles, copayments, and out-of-pocket maximums for some products were implemented to limit the amount of the necessary rate change without sacrificing coverage.

Administrative costs and anticipated margins:

Administrative costs were set based on internal corporate estimates of normal operating costs. Federally required fees also apply. InStil Health Insurance Company is working hard to find ways to lower these costs through intensive review of current practices.