

**USAbLe Mutual Insurance Company
d/b/a
Arkansas Blue Cross Blue Shield**

**2026 Complete and Complete Plus Rate Filing
Single and Renewable Terms**

**Exhibit 2
Preliminary Justification**

USAbLe Mutual Insurance Company d/b/a Arkansas Blue Cross Blue Shield (ABCBS) is requesting to implement an average annual premium rate increase of 16.8% for Complete and Complete Plus Single and Renewable Term plans with effective and renewal dates of January 1, 2026.

This increase is driven primarily from the historical and projected health care cost trend experienced by ABCBS, as well as increases to administrative costs (which consists of many items, including, but not limited to, broker commissions, claims administration, customer service, care management, marketing, etc.). Note that the projected annual medical and Rx cost trend for this block of business is 4.94%.

The requested increase will allow ABCBS to offer a financially viable health insurance product in the future that is priced adequately and competitively. This rate increase will affect 6,959 individuals.

Per MLR regulations as defined in 45 CFR §144.103, the Complete and Complete Plus products are not subject to MLR standards as outlined in Section 2718 of the PHSA.

Additional information related to premium, claims, and non-MLR loss ratios (historical and projected) can be found in Exhibit 3 of the Preliminary Justification. The information contained in Exhibit 3 demonstrates that the Complete and Complete Plus policies are in compliance with Bulletin 12-81.