

ANNUAL REPORT • 2025

Health Access Cooperative

Your Co-op. Your Health. Your Money.

8,874

MEMBERS

98.7%

MEMBER
RENEWAL

\$0

RATE
INCREASE

40+

STATES

You Own This. Here's How It Performed.

Dear Co-op Member,

The Health Access Cooperative isn't an insurance company. There are no shareholders. No profit motive. No boardroom deciding to raise your rates to boost a stock price. You own it. Every dollar we collect is used to pay your health care expenses, build reserves for the future, and keep this model working for you.

2025 was a breakout year. We more than doubled our membership — from 4,289 members in January to 8,874 by year's end — while holding rates flat for the third consecutive year. That combination is nearly unheard of in health care. While marketplace silver plan premiums rose 4% in 2025 and then 26% in 2026 according to KFF — a cumulative 31% increase — Co-op members saw zero increase.

It happened because the cooperative model works. When members share risk together instead of funding insurance company overhead, costs stay low and value stays high. As of the end of 2025, the Co-op held \$4.3 million in member-owned financial resources to support member healthcare costs. Our administrative costs per member run 50–70% lower than traditional insurance, and these resources position the Co-op to meet member needs today and into the future.

This report is your look under the hood. Where your money went. How the Co-op performed against the insurance industry. What's coming next. We believe in full transparency because this isn't our company — it's yours.

We are proud to serve you. And we are just getting started.

Jonathan Bechtle

Chair of the Board, Health Access Cooperative

The Year in Four Numbers

8,874

Co-op Members

Up 489% since December 2024. Every member is an owner with a voice in how the Co-op operates.

\$5.8M

Health Expenses Paid

From new babies to cancer treatment, we paid medical bills for thousands of families — directly to providers whenever possible.

0%

Rate Increase — Three Years Running

No rate increase in 2024, 2025, or 2026. Meanwhile, marketplace silver plan premiums rose 31% over the same period (KFF).

\$4.3M

Member Financial Resources

Cash, investments, and receivables available to support member healthcare costs as of December 31, 2025. Backed by \$3.0M in Member Reserve Capital.

40+ states served

Avg. claim paid in <10 days

Real Members. Real Protection. Real Peace of Mind.

The Co-op has supported more than 120 new babies through 2025 — and been there for families facing life’s toughest moments.

SERIOUS ILLNESS

“We Didn’t Have to Worry About the Cost”

Maria was diagnosed with a rare neurological disease. Within days, she lost the ability to move, eat, and drink water. Approximately \$300,000 in medical bills were billed to them as patients. They paid the initial \$1,000 deductible. The Co-op paid the rest. Within months, Maria was fully recovered — faster than anticipated, in part because she could focus on getting better instead of fighting with an insurance company.

“We highly recommend Health Access.”

— Maria, Co-op Member

\$300K

Total Billed

\$1,000

Her Out-of-Pocket

100%

Recovered

NEW BABY — TIMES TWO

“Double the Joy, a Fraction of the Cost”

When the Garza family found out they were expecting twins, the excitement was immediate — but so was the worry. Twin pregnancies mean more doctor visits, more monitoring, and a likely NICU stay. Under traditional insurance, families can face \$20,000 or more in out-of-pocket costs for a twin delivery. With the Co-op, the Garzas paid a single \$1,000 per-incident deductible for the entire pregnancy, delivery, and postnatal care — including a brief NICU stay. The Co-op paid the rest directly to the hospital.

— The Garza Family, Co-op Members

\$1,000

Total Out-of-Pocket

\$20K+

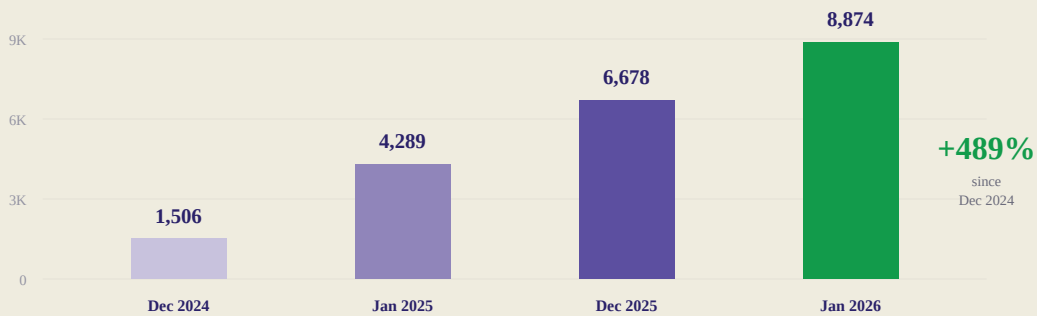
Traditional Insurance

120+

Babies Supported

Growing Together

Co-op Membership Growth



480+

Employer Groups

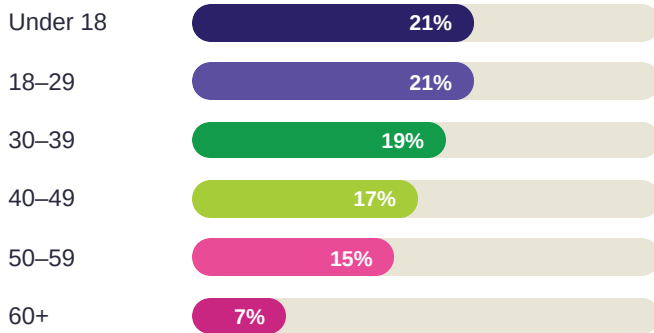
107%

Growth Since Jan 2025

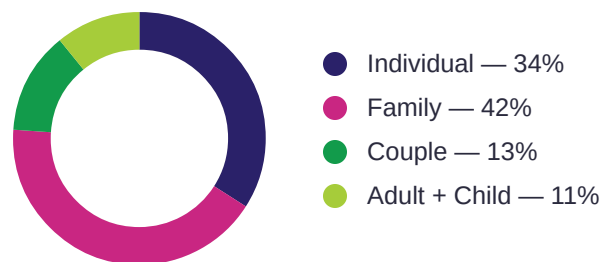
98.7%

Member Renewal Rate

Age Distribution



Membership Tiers



Co-op vs. Traditional Insurance

Metric	Health Access Co-op	Traditional Insurance
2024 → 2025 Rate Change	0%	+4% (KFF, Silver plan)
2025 → 2026 Rate Change	0%	+26% (KFF, Silver plan)
Cumulative 2024–2026	0%	+31%
Avg. Monthly Cost (Family)	\$388–\$688/mo	~\$2,429/mo (\$29,150/yr est.)
Max Out-of-Pocket (Family)	\$2,000/yr (2 incidents)	\$9,400–\$18,900/yr
Provider Network	Any provider, anywhere	Restricted network
Prior Authorization	None	Required (up to 35% denial rate)
Admin Cost per Member	~\$21 PMPM	~\$70–\$117 PMPM (KFF/NAIC, 2024)
Avg. Claim to Payment	<10 days	30–60 days
Who Profits	Members (you own it)	Insurance shareholders

Annual savings with the Co-op vs. traditional insurance: The average employer family premium is projected to reach ~\$29,150 in 2026 (KFF 2025 data + 8% projected increase). Co-op families pay \$4,656–\$8,256 per year. That’s \$20,900 to \$24,500 in annual savings — money that stays with employers and their employees instead of funding insurance company overhead.

Typical Family Out-of-Pocket: Co-op vs. Insurance

Broken leg requiring surgery (\$21,800 total billed)



Admin cost per member: Co-op per-member-per-month (PMPM) administrative cost calculated as total operating expenses divided by 8,874 members over 12 months. Traditional insurance PMPM derived from KFF/NAIC insurer-reported data (2024): average fully-insured employer premium of \$587 PMPM with gross margins of 12–20% of premium (KFF, Health Insurer Financial Performance in 2024; HealthCare.gov, 80/20 Rule).

What's Coming in 2026 & Beyond

Continued Rate Stability

The cooperative model is designed for predictable, sustainable costs. Three years of zero rate increases isn't an accident — it's the model working as intended. We're committed to keeping it that way.

Scaling the Membership

More members means a stronger risk pool for everyone. We're expanding into new states and industries while maintaining service quality and financial strength.

Faster Claims & Better Service

We're investing in technology and team to push claim turnaround even lower. Our goal: exceed member expectations at every turn. Better care, peace of mind.

Strengthening the Trust

Member Reserve Capital of \$3.0M to be held in the Health Access Trust, plus \$4.3M in Member Financial Resources. As we grow, these resources grow with us — ensuring the Co-op can meet obligations for years to come.

Our Trajectory

489%

Membership growth in 13 months. The cooperative model is proving itself — and every new member makes it stronger for everyone.

Traditional health insurance is costly and broken. But together, we're changing that. **Thank you for being a Co-op member. Thank you for trusting a better model. This is your cooperative — and it's working.**

Health Access Cooperative • 315 E 5th Street, Suite 202 • Waterloo, Iowa 50703

HealthAccessCooperative.com • Member-Owned • Iowa-Regulated Cooperative

"All members are owners, building accessible and affordable health care."

Income Statement

Health Access Co-op | January 1, 2025 – December 31, 2025 | Accrual Basis

Income

Co-Op Contributions Received	\$12,168,135
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Total Member Contributions	\$12,168,135
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Cost of Member Services Provided

Member Payments for Medical Services	\$5,804,464
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Member Contribution Margin	\$6,363,671
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Operating Expenses

Administrative Expenses	\$29,489
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Co-op Member Services & Management	\$1,297,728
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Sales Distribution Fees	\$820,294
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Interest & Amortization	\$39,410
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Total for Expenses	\$2,186,921
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Operating Contribution	\$4,176,750
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Other Income

Dividend Income	\$12,581
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Bank Interest Earned	\$20,612
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Total for Other Income	\$33,193
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Net Cooperative Surplus Before Year-End Adjustments	\$4,209,943
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Reconciliation note: Year-end member benefit adjustments — including a \$3,042,034 allocation to Member Reserve Capital and \$1,690,448 in revenue deferred to fund 2025 member claims paid in 2026 — bring the cooperative's tax-basis Net Contribution Margin to (\$522,539). See Built to Last page.

Built to Last

Year-end adjustments ensuring consistency and sustainability for the membership.

\$3,042,034

Allocated to Member Reserve Capital

To be held in Health Access Trust

\$1,690,448

Revenue Deferred to 2026

Funds 2025 member claims paid in 2026

\$4,732,482

Total Member Benefit Adjustments

Stewardship for the years ahead

How It Works

1

Surplus Generated

Member contributions exceed claims paid and operating costs, producing a cooperative surplus.

2

Allocated to Trust

Board directs surplus into the Health Access Trust as Member Reserve Capital — preserved to protect members in future years.

3

Members Protected

Reserves shield members from rate volatility and ensure claims are paid in difficult years. Allocation also produces tax efficiency by maintaining the cooperative's non-distributing structure.

From \$0 to over \$3 million in member-protected reserves in the cooperative's first full year. Combined with deferred revenue, \$4.73M is now positioned to support members in 2026 and beyond.

Balance Sheet

Health Access Co-op | As of December 31, 2025 | Accrual Basis

Assets

Current Assets

Cash and Cash Equivalents	\$4,152,837
Investments	\$112,582

Total Current Assets — *Member Financial Resources Available* **\$4,265,420**

Other Assets

Net Start-up Costs	\$249,654
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Total Assets **\$4,515,073**

Liabilities & Members' Equity

Liabilities

Accounts Payable	\$123,388
HAS Line of Credit Payable	\$195,559
Revenue deferred to fund	\$1,690,448
2025 claims in 2026 — Section 451(c) deferral	

Total Liabilities **\$2,009,396**

Members' Equity

Total Members' Equity * **\$2,505,677**

Total Liabilities and Equity **\$4,515,073**

* *Members' Equity of \$2,505,677 comprises Member Reserve Capital of \$3,028,217 (net of accumulated startup deficit) and the current-year Net Contribution Margin of (\$522,539). The negative current-year figure reflects the \$3,042,034 allocation to Member Reserve Capital and \$1,690,448 in deferred revenue — year-end member benefit adjustments that position the cooperative for long-term sustainability. See Income Statement reconciliation note.*