

Massachusetts Division of Insurance
2026 Merged Market Rate Filing Summary

Carrier Name: Blue Cross and Blue Shield of Massachusetts HMO Blue, Inc.

Table 1: Proposed Weighted Average Base Rate Change CY 2026

	Annual Weighted Average Base Rate Change	Min Rate Change	Max Rate Change	Renewing Enrollees
1Q	12.9%	9.5%	15.6%	67,143
2Q	13.0%	9.4%	15.5%	40,273
3Q	12.9%	9.3%	15.4%	27,198
4Q	12.8%	9.1%	15.2%	32,163
Total	12.9%	9.1%	15.6%	166,777

Note: The Min and Max rate change is among existing and modified plans only.

Table 2: Drivers of Proposed CY 2026 Weighed Average Base Rate Change

	Rate Change Impact	% of Rate Change Impact
FFS Utilization & Mix Trend	5.1%	39.8%
FFS Cost Trend	4.3%	33.5%
Contribution to Surplus/Profit/Reserve	0.2%	1.9%
Benefit/Cost Sharing Changes	-0.2%	-1.6%
Risk Adjustment	0.5%	4.0%
Administrative Charge	0.4%	3.1%
Over/Understatement of prior year proj	4.7%	36.7%
Remove GLP-1 for Anti-obesity Medic	-3.0%	-23.0%
State Mandates	0.3%	2.3%
All Other	0.4%	3.2%
Total	12.9%	

Table 3: Annualized Trend Assumption CY 2026

Allowed Trends	Prescription		
	Medical	Drug	Total
Utilization & Mix	4.5%	2.6%	4.1%
Cost (Price)	4.2%	9.1%	5.2%
Total	8.9%	11.9%	9.5%

Table 4: CY 2026 Non Medical Expenses and Payor Surplus Charge

	Percentage Charge	PMPM Charge
Administrative Charge	9.6%	\$83.82
Taxes and Fees	0.9%	\$7.56
Contribution to Surplus/Profit/Reserve	1.9%	\$16.53
Total	12.4%	\$107.92

Table 5: Actual Historical Administrative Expenses

	CY 2023		CY 2024	
	Total Dollars	CY 2023 PMPM	Total Dollars	CY 2024 PMPM
Taxes and Fees	\$10,426,506	\$4.89	\$9,933,064	\$4.84
Other Administrative Expenses	\$201,304,321	\$94.42	\$180,264,620	\$87.90
Total	\$211,730,827	\$99.31	\$190,197,684	\$92.75

Table 6: Medical Loss Ratio

	CY 2022	CY 2023	CY 2024	Proposed 2026 Rates
Medical Loss Ratio	85.6%	81.8%	87.4%	89.8%

Note: The medical loss ratio has been adjusted for taxes and fees, health care quality improvement expenses, and deductible fraud and abuse detection/recovery expenses