



COMMONWEALTH OF MASSACHUSETTS

Office of Consumer Affairs and Business Regulation

DIVISION OF INSURANCE

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FILING GUIDANCE NOTICE 2025-J

TO: Commercial Health Insurers; Blue Cross Blue Shield of Massachusetts, Inc.; and Health Maintenance Organizations Offering or Renewing Insured Health Products in Massachusetts (“Carriers”) subject to M.G.L. c. 176J

FROM: Kevin P. Beagan, Deputy Commissioner, Health Care Access Bureau

DATE: March 12, 2025

RE: Addressing Affordability Within CY26 Merged Market Filings

The Division of Insurance (“Division”) distributes this Filing Guidance Notice 2025-J to provide guidance to insured health carriers (“Carriers”) regarding CY2026 rate filings for the Massachusetts merged market governed by M.G.L. c. 176J.

In Chapter 343 of the Acts of 2024, there are requirements amending insurance laws in sections 73 to 79 that impact the Division’s review of rates for insured health plan products. In section 78, M.G.L. c. 176J, section 6(c) is modified to add the following: “[f]or the purposes of the review of rates of payment under this section, whether the proposed changes to base rates are excessive shall include considerations of affordability for consumers and purchasers of health insurance products; provided, however, that such review shall adhere to principles of solvency and actuarial soundness.”

During the summer of 2025, the Division intends to follow the M.G.L. 30A process to draft regulations that define and address affordability standards that will apply to the products that are covered under sections 73 to 79 of Chapter 343 of the Acts of 2024. For the purpose of CY2026 rate filing reviews to be conducted under M.G.L. c. 176J and 211 CMR 66.00, which requires that rate filings be submitted by May 15, 2025, the Division will expect Carriers to present the following information in their filings:

- an explanation of how their filings address “affordability for consumers and purchasers of health insurance products”; and
- an identification of how average member cost sharing, including deductibles, across the Carrier’s products that are proposed to be offered to eligible individuals and eligible small employers in CY2026, has not increased on a year-over-year basis by more than the New England Consumer Price Index for health care for November 2024, except as necessary to meet federal Actuarial Value (AV) calculator requirements.

Filing Requirements

As required under 211 CMR 52.05(7), Carriers are to submit material change documentation - including the Carrier's Evidence of Coverage as described in 211 CMR 52.05(4)(i) - in connection with insured health coverage to be offered or renewed in Massachusetts. Carriers will be expected to forward information as part of form submissions that identifies member cost sharing, including deductibles, for those plans offered across the Carrier's product line, where the average does not increase by more than the New England Consumer Price Index (CPI). The CPI change shall be calculated by dividing the New England CPI value for the November 2024 period by the same index value from the November 2023 period. Carriers must forward all form filings to update the Evidence of Coverage on file, using SERFF (the System for Electronic Rate and Form Filing).

As required under 211 CMR 66.08(2)(l), Carriers are to submit as part of a rate filing "[a]ny other information requested by the Commissioner," and as required under 211 CMR 66.08(2)(m), each "rate filing shall be accompanied by a supporting actuarial memorandum and an Actuarial Opinion prepared and certified by a qualified Member of the American Academy of Actuaries."

The Division will expect Carriers to present the following information within the actuarial memorandum of their rate filings:

- an explanation of how their filings address "affordability for consumers and purchasers of health insurance products"; and
- an identification of how average member cost sharing, including deductibles, across the Carrier's products that are proposed to be offered to eligible individuals and eligible small employers in CY2026, has not increased on a year-over-year basis by more than the New England Consumer Price Index for health care for November 2024, except as necessary to meet federal Actuarial Value (AV) calculator requirements.

If you have any questions about this Filing Guidance Notice 2025-J, please contact Niels Puetthoff at Niels.Puetthoff@mass.gov, or Mary Hosford at Mary.Hosford@mass.gov.