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HEALTH COVERAGE
Filing Guidance Notice 2026-B

TO: Health Insurance Carriers Submitting Rate Filings Subject to M.G.L. c. 176J

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

DATE: February 27, 2026

RE: Rate and Form Filings for Calendar Year 2027

The Massachusetts Division of Insurance ("Division") distributes Filing Guidance Notice 2026-B to provide guidance to insurance carriers ("Carriers") regarding the period from January 1, 2027 to December 31, 2027, i.e., Calendar Year 2027 ("CY2027"), for rate filings to be submitted for the Massachusetts merged market governed by M.G.L. c. 176J. This Filing Guidance Notice identifies rules that the Division finds necessary and appropriate to enable timely submission and review of merged market rate filings for the CY2027 rating period.

Rate Filing Requirements for CY2027

Timing of Filings

By no later than May 15, 2026, Carriers are to submit rate filings via the Systems for Electronic Rates and Forms Filing ("SERFF") for merged market coverage proposed to be issued or renewed during CY2027.

Rate Filing Summary

Carriers are required to submit a rate filing summary within their CY2027 filing, as outlined in 211 CMR 66.08(3)(c). Carriers should ensure that the section of the Data Collection Tool ("DCT") associated with the rate filing summary and the Binder Plan and Benefit Template are complete and submitted by May 15, 2026. The Division will forward the DCT for CY2027 in a separate transmission.

Induced Demand Factors

As noted in Filing Guidance Notice 2025-B, when developing plan-specific benefit level rate adjustment factors ("AV and Cost Sharing Design of Plan Factors" or "Pricing Actuarial Values"), according to federal Affordable Care Act rules, Carriers are to base such benefit level rate adjustment factors on cost-

sharing factors, benefit factors, and induced demand factors (IDFs) that represent the relative induced demand associated with the benefit plans.

For CY2027 rate filings, it is expected that Carriers' rate filings will adhere to the following (unchanged from Calendar Year 2026 filings):

- The ratio of the highest IDF to the lowest IDF is to be capped at 1.45.

For cost-sharing and benefit factors, the Division does not expect that any Carrier's cost-sharing or benefit factors will change significantly from those used for the prior calendar year (outside of changes related to specific cost sharing and benefit changes). If a Carrier intends to make significant changes to the cost-sharing and benefit factors and the slope of those factors for CY2027, the Division expects that the Carrier will contact the Division by no later than April 15, 2026, to discuss any such changes in advance of the Carrier submitting its CY2027 rate filing.

The Division will be monitoring both the IDFs, and the cost-sharing and benefit factors used in CY2027 filings, to ensure compliance with this Filing Guidance Notice. The Division will continue to collect IDF and cost-sharing and benefit factor information from Carriers and other parties in the course of evaluating its expectations for filings after CY2027.

Addressing Affordability

M.G.L. c. 176J, section 6(c) states as follows: "For 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." The Division therefore expects Carriers to present the following information within their rate filings:

- An explanation of how their filings address "affordability for consumers and purchasers of health insurance products"

- A demonstration that average member cost sharing, including deductibles, across the Carrier's products proposed to be offered in CY2027, except as necessary to meet federal Actuarial Value (AV) calculator requirements, has not increased by more than the 5-year average of annual changes in the federal Bureau of Labor Statistics Consumer Price Index (CPI) for all items less food and energy in Boston-Cambridge-Newton, MA-NH, all urban consumers, not seasonally adjusted[1]. The CPI change is calculated by averaging the most recent five annual changes in the index for November of each year. For the CY2027 filings, the average change is 3.6%.

All Other

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

[1] Bureau of Labor Statistics Series Id CUURS11ASA0L1E.

and certified by a qualified Member of the American Academy of Actuaries."

Form Filing Requirements for CY 2027

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 identify 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 required CPI level.

In addition to what is expected to be in a rate filing, Carriers are expected to submit the CY2027 Plan and Benefit Template and Plan ID Crosswalk Template to the SERFF Plan Binder by no later than May 15, 2026.

If you have any questions about this Filing Guidance Notice 2026-B, please contact Mary Hosford (Rates) at Mary.Hosford@mass.gov or Niels Puetthoff (Forms) at Niels.Puetthoff@mass.gov.