

BLUE CROSS BLUE SHIELD OF VERMONT
2027 VERMONT QHP MARKET – INDIVIDUAL MARKET RATE FILING
PLAIN LANGUAGE SUMMARY

Our commitment. For more than 40 years, our nonprofit health plan has had a simple, powerful mission: make healthcare work better for all Vermonters.

Rate request summary. This filing includes our proposed rates for 2027 and supporting calculations for individual plans. Overall, we are requesting a rate increase of 5.2 percent.

- There are 17,428 members currently enrolled in the individual plans affected by this rate request.
- The increases for specific plans range from 1.6 percent to 10.8 percent. The range of changes are due to plan design and benefit model updates to meet federal requirements.

Reasons for rate changes in the individual market. Our premiums must be adequately funded to ensure members maintain access to high-quality healthcare and Blue Cross VT remains financially solvent. The factors that drive this rate increase are primarily the cost and utilization of care in hospitals and life-saving drugs.

- **Blue Cross VT and leaders across the health care system, including regulators and legislators, are making progress on lowering health care costs.** Blue Cross VT specifically is lowering drug costs, improving payment management through ongoing hospital contracting and payment integrity work, prioritizing care and utilization management, introducing new lower cost plans and keeping administrative expenses low. This reduced the increase by 3.2 percent.
- **Medical care and pharmacy costs continue to rise.** Even with the progress made to lower costs, the cost of medical and pharmacy services, along with the number of services used and their intensity continue to put pressure on the health care in Vermont. This alone resulted in a 7.9 percent increase in our members' premiums.
- **Impact of required benefit changes.** We changed the cost sharing aspect of our plans as required by the Affordable Care Act to meet metal levels and increased some cost shares to provide premium relief. Because of the relationship between cost sharing, the model used to assess the changes, and premiums, those changes decreased rates by 0.5 percent.

Regulatory requirements. The proposed rates reflect the federal and state requirements that Blue Cross VT must implement:

- **Solvency.** As a regulated insurer, Blue Cross VT must have premiums that cover the cost of members' healthcare and contribute to financial reserves to protect our members through an unexpected claims surge or similar crisis. Our 2027 rate request includes a 5.0 percent contribution to policyholder reserves, which is higher than the prior approved contribution to reserve and increases the rates by 1.5 percent.
- **Ongoing costs.** The rate request includes other ongoing regulatory costs, such as regulatory billbacks, certain state health care programs, and federal and state taxes and fees.

Our experience in this market. Blue Cross VT began selling Qualified Health Plans on the Vermont Exchange in January 2014. Blue Cross VT has cumulative losses of \$43.6 million since inception for these plans for the combined Individual and Small Group QHP markets.

Public comment. Members of the public can submit comments to the Green Mountain Care Board about this rate request from May 11, 2026 through July 27, 2026. For more information, please visit the Board's Public Comment page: https://ratereview.vermont.gov/public_comment