

BLUE CROSS BLUE SHIELD OF VERMONT
2026 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 2026 proposed rates and supporting calculations for individual plans. Overall, we are requesting rates that are higher than last year by 23.3 percent.

- There are 23,952 members currently enrolled in the individual plans affected by this rate request.
- The increases for specific plans range from 21.7 percent to 24.8 percent. The range of changes are due to plan design and model updates to meet federal requirements.

Reasons for rate changes in the individual market. Our premiums must be adequately funded to ensure Blue Cross VT's financial solvency in order to protect members and to maintain access to high-quality healthcare. The factors that drive this rate increase are primarily the cost and utilization of care in hospitals and life-saving drugs, and the expirations of the enhanced advanced premium tax credits.

- **Medical care and pharmacy costs continue to rise.** 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 12.0 percent increase in our members' premiums.
- **Expiration of enhanced advanced premium tax credits add to the rising cost of health care.** The enhanced premium subsidies are set to expire at the end of 2025. We expect that some healthy individuals with lower claims than average will forego health insurance due to the decrease in subsidies, this will cause the premiums to increase by 6.6 percent.
- **Blue Cross VT is caring for higher cost members.** Each year, individuals can choose to renew their coverage with Blue Cross VT or select another option. Members who renewed their coverage have higher health care needs, increasing the premiums by 2.1 percent
- **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. Because of the relationship between cost sharing, the model used to assess the changes, and premiums, those changes increased rates by 0.9 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 maintain financial reserves to be able to ensure our solvency, invest in cost-saving programs, and protect our members through an unexpected claims surge or similar crisis. Our 2026 rate request includes a 7.0 percent contribution to policyholder reserves.
- **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 \$83.2 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 12, 2025 through July 28, 2025. For more information, please visit the Board's Public Comment page: https://ratereview.vermont.gov/public_comment